

GIB/RJ/ASHOK KR/03.09.2019/AAR-282

Advance Ruling Category : Rate

State : Rajasthan

Order No.: GIB/RJ/ASHOK KR/03.09.2019/AAR-282

Name of Entry :

Ashok Kr Choudhary (AB Enterprises)

Date : 03-09-2019

Breif Issue :

Issues And Fact Of The Case:

1. Classification of goods and / or Services or both;
2. Determination of the liability to pay tax on any goods or services or both.

What shall be rate of GST on activity of sub contract of earthwork in relation to construction of excess controlled Nagpur- Mumbai super communication Express Way (Maharashtra Samruddhi Mahamarg)?

The applicant is proprietorship concern engaged in providing work contracts. That the applicant was registered under the erstwhile tax regime and was discharging service tax on works contract service only and has taken work for government and private entities.

Currently applicant has got sub contract for earthwork in relation to construction of excess controlled Nagpur- Mumbai super communication Express Way.

Earthwork involves the removal of topsoil, along with any vegetation, before scraping and grading the area to the finished 'formation level'. This is usually done using a tractor shovel, grader or bulldozer. Below the formation level, the soil is known as the 'subgrade'. Most earthworks are formed by cut-and fill, and the type of 'fill' material must be considered, not only in terms of its physical properties, but on the conditions in which it is to be used, and the methods of compaction – Thus the activity to be carried out by the applicant is restricted to Earth Work only.

The activity carried out by the applicant does not involve supply of goods whatsoever in any manner and its supply of services for Earth Work and other related works.

Decision of Advance Ruling Authority :

Decision:

The Rate of GST on the work of Earthwork will be 18% (CGST 9% + SGST 9%).

