

GIB/RAJ/T.P.Ajmer/18.10.2018/AAAR-44

Appellate Advance Ruling Category : Taxability

State : Rajasthan

Order No.: GIB/RAJ/T.P.Ajmer/18.10.2018/AAAR-44

Name of Entry :

T.P. Ajmer Distribution Ltd.

Date : 02-03-2021

Breif Issue :

Facts & Issue Of The Case :

In respect of taxability of delayed payment charges collected from the consumers for delay in payment of consideration for supply of electricity , the appellate authority held that electrical energy has been classified under tariff no. 27160000 under customs tariff act, and value of its supply has been exempted entry No. 104 of the [N. No. 02/2017-CT \(Rate\)](#) dated 28 june 2017. When value of supply of electricity itself stands exempted by virtue of the above-stated exemption notification, incremental value.

The appellants filed an application for Advance Ruling in Form ARA-1 before the Authority for Advance Ruling, Rajasthan (AAR) for obtaining an Advance Ruling on the issue as to whether the various Non-tariff charges recovered by the appellants from its customers would be eligible for exemption under Sr. No. 25 of [Notification No. 12/2017 – Central Tax \(Rate\)](#).

Decision of Advance Ruling Authority :

Decision :

Thus, No GST is chargeable on the delayed payment charges collected from the consumers for delay in payment of consideration for supply of electricity . While GST is chargeable on the cheque dishonor charges collected (by whatever name) from the consumers.

The Ruling passed by the Advance Ruling Authority can be found on [GIB/RJ/ TP AJMER/11.05.18/AAR-149](#)