

GIB/WB/Srijan Reality/08.03.2019/AAR-421

Advance Ruling Category : Pure Agent

State : West Bengal

Order No.: GIB/WB/Srijan Reality/08.03.2019/AAR-421

Name of Entry :

Srijan Realty (P) Ltd. Vs. Commissioner of Service Tax

Date : 08-03-2019

Breif Issue :

Facts & Issues Involved:

The petitioner has sought a declaration that, supply of electricity by the petitioner to the occupiers of “Galaxy Mall”, a commercial complex is not a service exigible to tax under the Finance Act, 1994.

Whether the supply of electricity by the petitioner to the occupiers of “Galaxy Mall”, a commercial complex, is a service exigible to Service Tax under the [Finance Act, 1994](#) (“the Finance Act”).

The petitioner obtains high-tension electric supply from India Power Corporation Ltd. It, in turn supplies electricity to the occupants of the commercial complex, on low-tension. It collects the money equivalent of the amount of electricity consumed by the occupants on the basis of the sub-meter readings of such occupants. Whether this transaction is exigible to Service Tax or not is the issue that has fallen for consideration in the present writ petition.

Decision of Advance Ruling Authority :

Decision:

Thus, it has to be held that, the transaction of the petitioner obtaining high-tension electric supply converting it to low-tension supply, and supplying it to the occupants, raising bills on such occupants and realizing the electricity consumption charges from such occupants, is a service which the petitioner renders and such an activity is exigible to Service Tax under the Finance Act, 1994.