

GIB/KN/CARTUS/27.09.2019/AAR-204

Advance Ruling Category : Category

State : Karnataka

Order No.: GIB/KN/CARTUS/27.09.2019/AAR-204

Name of Entry :
Cartus India Pvt Ltd

Date : 27-09-2019

Breif Issue :

Issue & Fact of the Case:

Whether the gamut of services collectively referred to as 'Relocation management service' provided by the applicant, would constitute as a composite supply or a mixed supply for the purpose of taxability under GST?

The applicant is engaged in supply of 'Relocation Management service' to its clients located in India, which primarily involves facilitation/administration/management of relocation of client's employees from one location to another.

The applicant enters into relocation service agreements with its clients. Service provider, will manage, administer and facilitate the relocation of client's employees from one location to another.

The agreement shows that the applicant is only acting as an agent of the company to which it is providing service and the service is based on the requirement of each of the employee.

The applicant is facilitating the supply of services and hence would be covered under the definition of "**intermediary**" as he is an agent of the company and also facilitating the supply of service and covered under **notification no 11/2017**.

Sec 8 of CGST Act , the tax liability on composite or a mixed supply shall be determined in the following manner:

- i. A composite supply comprising two or more supplies, one of which is a principle supply, shall be treated as a supply of such principal supply and
- ii. A mixed supply comprising two or more supplies shall be treated supply of that particular supply which attracts the highest rate of tax.

Decision of Advance Ruling Authority :

Decision

The service supplied by the applicant do not constitute a composite supply and would be a mixed supply.

when the services are billed for a single price in case where the relocation related services are actually provided by them, the services provided to the company as an agent are “management support services” of relocation related services which is a single service under **SAC 9985** and is covered under **notification no 11/2017**