

**GUJARAT AUTHORITY FOR ADVANCE RULING
GOODS AND SERVICES TAX
A/5, RAJYA KAR BHAVAN, ASHRAM ROAD,
AHMEDABAD - 380009.**



ADVANCE RULING NO. GUJ/GAAR/R/2022/18
(IN APPLICATION NO. Advance Ruling/SGST&CGST/2022/AR/4)

Date: 12.04.22

Name and address of the applicant	:	M/s. Royal Techno Projects (India) Pvt. Ltd., 2 nd Floor, Royal House, Radhanpur Road, Mahesana-384002
GSTIN/ User Id of the applicant	:	24AAECR4411R2Z4
Date of application	:	20-01-22
Clause(s) of Section 97(2) of CGST / GGST Act, 2017, under which the question(s) raised.	:	(e)
Date of Personal Hearing	:	22-03-22
Present for the applicant	:	Shri Dineshbhai, (M.D.) and Shri Jitendra kumar, (CA)

Brief Facts

M/s. Royal Techno Projects (India) Pvt. Ltd. (M/s Royal) submitted that it is carrying out road contract or carrying out sub contract and that the tender charges is inclusive of tax.

2. The applicant submitted as follows:

- (i) As per example tender price is Rs. 100 including GST and GST rate is 12% then tax is to be calculated on 89.29/- or Rs. 100/-
- (ii) In first example tax will be Rs.10.71 whereas in second case tax is Rs. 12.
M/s Royal submitted that since the tender price is inclusive of tax, it becomes 100 being basic price of rs 89.29% & 12% tax thereon Rs 10.71

Question on which Advance Ruling sought:

3. Whether tax is to be calculated on tender price or inclusive of tender price.

Personal Hearing:

4. Virtual hearing granted on 22-3-22 was attended by Shri Dineshbhai and Shri Jitendra kumar. We required them to clarify the application and submit copy of tender document.

Revenue's Submission:

5. Revenue has neither submitted its comments nor appeared for hearing.

Findings:

6. We find that M/s Royal's application is cryptic. Nothing has been submitted before us whether this question is in relation to supply being undertaken or proposed to be undertaken. During hearing, clarity was sought in this matter.

7. Vide email dated 1-4-22, M/s Royal submitted Work Order dated 1-12-20 for Widening & Strengthening Costg. Slab Drain of Asoj Pilol Road (VR) of Vadodara District under MMGSY 2019-20, from Gujarat State Road and Building Department. We find that vide the Tender to this work order, said work was to be completed within 9 months from the date of written order to commence. We note M/s Royal received the work order to commence on 1-12-20, thereby time limit of 9 month is completed on 1-9-21. M/s Royal has not brought on record that said Work order/ tender for which Ruling is sought, the Supply is being undertaken. We note that subject Advance Ruling application was filed on 20-1-22, thereby the said activity, as submitted by M/s Royal is neither an ongoing nor a proposed activity as on date of filing subject application. We note that as per Section 95(a) CGST Act, Advance Ruling is a decision provided to an applicant in relation to the supply of goods or services or both **being undertaken or proposed to be undertaken** by the applicant.

8. Thereby, We hold that the Question raised by M/s Royal does not fall under the gamut of said Section 95(a) CGST Act. The subject Application is thereby non-maintainable as per Section 95(a) CGST Act and hereby rejected.

(ATUL MEHTA)
MEMBER (S)

(ARUN RICHARD)
MEMBER (C)

Place: Ahmedabad

Date: 12.04.22