RAJASTHAN AUTHORITY FOR ADVANCE RULING
GOODS AND SERVICES TAX

ROOM NO. 208, KAR BHAWAN, AMBEDKAR CIRCLE,
BHAWANI SINGH ROAD, C-SCHEME
JAIPUR – 302005 (RAJASTHAN)

## ADVANCE RULING NO. RAJ/AAR/2026-27/13

| | | |
|---|---|---|
| Mahipal Singh<br>Additional Commissioner | : | Member (Central Tax) |
| Dr. Akhedan Charan<br>Additional Commissioner | : | Member (State Tax) |
| Name and address of the applicant | : | M/s MTS-EIEL (JV),5/2, Shahid Amit Bhardwaj Marg, JAIPUR, Rajasthan-302017 |
| GSTIN of the applicant | | 08AAQAM9113R1ZN |
| Clause(s) of Section 97(2) of CGST/SGST Act, 2017, under which the question(s) raised | : | (a) classification of goods and/or services or both<br>(b) applicability of a notification issued under the provisions of the Act |
| Date of Personal Hearing | : | 30.07.2026 |
| Present for the applicant | : | Mr. Jaideep Dullar, Mr. Rajat Jain, Mr. Pankaj Goenka |
| Date of Ruling | : | 04.08.2026 |

### Preamble प्रस्तावना

1. केंद्रीय वस्तु एवं सेवा कर अधिनियम, 2017 तथा राजस्थान वस्तु एवं सेवा कर अधिनियम, 2017 (जिन्हें आगे क्रमशः 'सीजीएसटी अधिनियम' एवं 'आरजीएसटी अधिनियम' कहा गया है) की धारा 102 के अनुसार, इस अग्रिम निर्णय में अभिलेख पर प्रत्यक्ष रूप से विद्यमान किसी त्रुटि के सुधार हेतु प्राधिकरण द्वारा संशोधन किया जा सकता है, यदि ऐसी त्रुटि आदेश की तिथि से छह माह की अवधि के भीतर स्वयं प्राधिकरण के संज्ञान में आए अथवा आवेदक, संबंधित अधिकारी अथवा क्षेत्राधिकार अधिकारी द्वारा उसके संज्ञान में लाई जाए। तथापि ऐसा कोई संशोधन, जिससे कर देयता में वृद्धि हो अथवा अनुमन्य इनपुट टैक्स क्रेडिट में कमी हो, आवेदक/अपीलकर्ता को सुनवाई का अवसर प्रदान किए बिना नहीं किया जाएगा।

1. In terms of Section 102 of the Central Goods and Services Tax Act, 2017 and the Rajasthan Goods and Services Tax Act, 2017 (hereinafter referred to as the CGST Act and the RGST Act respectively), this Advance Ruling may be amended by the Authority

for Advance Ruling so as to rectify any error apparent on the face of the record, if such error is noticed by the Authority on its own motion or is brought to its notice by the applicant or the concerned officer or the jurisdictional officer within a period of six months from the date of the order. Provided that no rectification which has the effect of enhancing the tax liability or reducing the amount of admissible input tax credit shall be made unless the applicant or the appellant has been given an opportunity of being heard.

2. सीजीएसटी अधिनियम, 2017 एवं आरजीएसटी अधिनियम, 2017 की धारा 103(1) के अनुसार, अध्याय XVII के अंतर्गत दिया गया यह अग्रिम निर्णय केवल निम्नलिखित पर बाध्यकारी होगा: (क) उस आवेदक पर जिसने अधिनियम की धारा 97(2) में उल्लिखित विषय के संबंध में अग्रिम निर्णय प्राप्त किया है; तथा (ख) उक्त आवेदक के संबंध में संबंधित अधिकारी अथवा क्षेत्राधिकार अधिकारी पर।

2. Under Section 103(1) of the CGST Act, 2017 and the RGST Act, 2017, this Advance Ruling pronounced under Chapter XVII of the Acts shall be binding only: (a) on the applicant who had sought it in respect of any matter referred to in Section 97(2) of the Acts; and (b) on the concerned officer or the jurisdictional officer in respect of the applicant.

3. सीजीएसटी अधिनियम, 2017 एवं आरजीएसटी अधिनियम, 2017 की धारा 103(2) के अनुसार, यह अग्रिम निर्णय तब तक बाध्यकारी रहेगा जब तक कि उस निर्णय के आधारभूत विधिक प्रावधान, तथ्य अथवा परिस्थितियों में कोई परिवर्तन न हो जाए।

3. In terms of Section 103(2) of the CGST Act, 2017 and the RGST Act, 2017, this Advance Ruling shall be binding unless the law, facts or circumstances supporting the original ruling have changed.

4. सीजीएसटी अधिनियम, 2017 एवं आरजीएसटी अधिनियम, 2017 की धारा 104(1) के अनुसार, यदि प्राधिकरण यह पाता है कि आवेदक ने धोखाधड़ी, महत्वपूर्ण तथ्यों के दमन अथवा तथ्यों के मिथ्या प्रतिपादन द्वारा यह अग्रिम निर्णय प्राप्त किया है, तो वह आदेश द्वारा ऐसे निर्णय को प्रारंभ से ही शून्य (Void ab initio) घोषित कर सकता है और ऐसी स्थिति में अधिनियमों तथा उनके अधीन बनाए गए नियमों के सभी प्रावधान आवेदक पर ऐसे लागू होंगे मानो यह अग्रिम निर्णय कभी दिया ही नहीं गया हो।

4. Under Section 104(1) of the CGST Act, 2017 and the RGST Act, 2017, where the Authority finds that the Advance Ruling has been obtained by the applicant by fraud or suppression of material facts or misrepresentation of facts, it may, by order, declare such ruling to be void ab initio and thereupon all the provisions of the Acts or the Rules made thereunder shall apply to the applicant as if such Advance Ruling had never been made.

5. इस अग्रिम निर्णय के विरुद्ध अपील, सीजीएसटी अधिनियम, 2017 एवं आरजीएसटी अधिनियम, 2017 की धारा 100 के अंतर्गत राजस्थान अपीलीय अग्रिम निर्णय प्राधिकरण (Appellate Authority for Advance Ruling, Rajasthan) के समक्ष प्रस्तुत की जाएगी। ऐसी

अपील निर्णय की सूचना आवेदक, संबंधित अधिकारी अथवा क्षेत्राधिकार अधिकारी को प्राप्त होने की तिथि से तीस दिनों के भीतर प्रस्तुत की जानी होगी। यदि अपीलीय प्राधिकरण यह संतुष्ट हो कि अपीलकर्ता पर्याप्त कारणों से उक्त अवधि के भीतर अपील प्रस्तुत नहीं कर सका, तो वह अधिकतम अतिरिक्त तीस दिनों की अवधि तक विलंब को क्षम्य करते हुए अपील स्वीकार कर सकता है।

5. Any appeal against this Advance Ruling shall lie before the Appellate Authority for Advance Ruling, Rajasthan, in terms of Section 100 of the CGST Act, 2017 and the RGST Act, 2017. Such appeal shall be filed within thirty days from the date on which the ruling is communicated to the applicant, the concerned officer or the jurisdictional officer, as the case may be. The Appellate Authority may, if satisfied that the appellant was prevented by sufficient cause from presenting the appeal within the said period of thirty days, allow it to be presented within a further period not exceeding thirty days.

The issue raised by M/s MTS-EIEL (JV), 5/2, Shahid Amit Bhardwaj Marg, Malviya Nagar, Jaipur, Rajasthan – 302017 (hereinafter "the applicant") is fit to pronounce advance ruling as they have deposited prescribed Fee under CGST Act and it falls under the ambit of the Section 97(2) given as under:

(a) Classification of goods and/or services or both

(b) Applicability of a notification issued under the provisions of the Act

## A. <u>SUBMISSION OF THE APPLICANT (in brief):-</u>

Brief facts of the case:

The applicant is a joint venture registered under the GST Act bearing GSTIN 08AAQAM9113R1ZN. It has been awarded works relating to Design, Supply, Construction, Testing, Trial Run, Commissioning and 5 years' Operation & Maintenance of FSTP (Faecal Sludge Treatment Plant) infrastructure projects by the Rajasthan Urban Infrastructure Development Project (RUIDP) and the respective Nagar Parishads / Nagar Palikas for various towns, under Contract Package No. RSTDSP/FSTP-9 Towns/03.

The tender for the subject work was invited on 24.04.2022 and the bid was submitted on 28.06.2022. The Letter of Acceptance was issued on 30.09.2022 and the Notice to Proceed was issued on 28.11.2022. The contract is presently under execution and is stated to be an ongoing composite works contract service.

At the time of tendering and submission of the bid, the applicant had considered GST @ 12% (6% CGST + 6% SGST) in the bid price, based on the GST provisions and notifications understood by it to be prevailing on the dates of tender invitation and bid submission.

Subsequently, pursuant to Notification No. 03/2022-Central Tax (Rate) dated 13.07.2022, GST @ 18% (9% CGST + 9% SGST) became applicable, and the applicant has paid GST @ 18% on all works executed and billed thereafter. As a result, the applicant states that it has incurred an additional GST burden of 6% over and above the GST considered in the bid.

## B. INTERPRETATION AND UNDERSTANDING OF APPLICANT ON QUESTION RAISED (IN BRIEF)

1.1 The applicant submits that GST @ 12% (6% CGST + 6% SGST) was prevailing and applicable for the subject STP/FSTP/Waste Water infrastructure works contract on the date of tender invitation, i.e. 24.04.2022, and on the date of bid submission, i.e. 28.06.2022, under the relevant provisions of Notification No. 11/2017-Central Tax (Rate) dated 28.06.2017 as amended up to that date. Accordingly, while preparing and submitting the financial bid, the applicant considered GST @ 12% in the quoted contract price.

1.2 Subsequently, pursuant to Notification No. 03/2022-Central Tax (Rate) dated 13.07.2022, the concessional GST entry applicable to the said works contract stood omitted / modified and GST @ 18% (9% CGST + 9% SGST) became applicable on works executed and billed thereafter. Accordingly, the applicant has discharged GST liability @ 18% on all such works executed under the ongoing contract.

1.3 Due to the change in the GST rate from 12% considered at the time of bidding to 18% paid during execution of the contract, the applicant has incurred an additional GST burden of 6% over and above the tax component considered in the original bid price. Clarification is therefore sought regarding the correctness of applicability of GST @ 12% on the tender/bid dates and whether the subsequent increase to 18% constitutes an additional statutory tax liability / change in tax in respect of the ongoing contract.

## C. QUESTIONS ON WHICH THE ADVANCE RULING IS SOUGHT:

Q1) What is the applicable GST rate on Works Contract Services as on 01.06.2022? (HSN Code 9954: S. No. 3 / (iii) / (c) pipeline, conduit or plant for (i) water supply (ii) water treatment, or (iii) sewerage treatment or disposal.)

## D. COMMENTS OF THE JURISDICTIONAL OFFICER: -

The application was forwarded to the jurisdictional officer vide this office letter C.No. F.05/Comm/AAR/State/2026-27/373 dated 20.07.2026. The Assistant Commissioner, CGST Division-Jaipur East, Jaipur Commissionerate, has furnished comments vide letter C.No. Misc./381/2026-CGST-Div-E-JPR-Commrate-Jaipur dated 27.07.2026, which are, in substance, as under:

(i) The applicant has, in effect, sought a ruling on two issues, namely (a) whether GST @ 12% was correctly applicable on the date of invitation of tender / bid submission on the works contract services of "Design, Supply, Construction, Testing,. Trial run and commissioning of FSTP (Faecal Sludge Treatment Plant)", and (b) whether GST @ 18% became applicable after 18.07.2022 and who is liable to bear the additional tax burden of 6%.

(ii) The first question, relating to the applicable rate of GST, falls within the ambit of Section 97(2) of the CGST Act, 2017 as it pertains to determination of the liability to pay tax. Prior to 18.07.2022, the rate notification governing the said composite works contract services was Notification No. 11/2017-Central Tax (Rate) dated 28.06.2017, as amended from time to time, and as per the entry at Sl. No. 3(iii)(c) thereof, GST @ 12% appears to have been the applicable rate during the period prior to 18.07.2022.

(iii) Notification No. 03/2022-Central Tax (Rate) dated 13.07.2022 amended the rate notification with effect from 18.07.2022 and, consequently, GST @ 18% became applicable to such works contract services. Payment of GST @ 18% on supplies made after the effective date appears to be in accordance with the amended notification.

(iv) The second question, as to whether the additional 6% GST constitutes an additional statutory tax liability admissible under the terms of the contract, does not fall within the ambit of Section 97(2) of the CGST Act, 2017. The issue pertains to the interpretation of contractual terms relating to reimbursement of tax between the contracting parties and is not a question on which an advance ruling can be sought. The said question is therefore not maintainable before the Authority for Advance Ruling.

(v) As per office record, no proceedings related to this issue are pending in that office as on date.

## E. PERSONAL HEARING:

Personal hearing in the matter was granted to the applicant on 30.07.2026. Mr. Jaideep Dullar, Mr. Rajat Jain, Mr. Pankajj Goenka, Authorised Signatory of the applicant, appeared for personal hearing. They reiterated the submissions already made in the application.

## F. DISCUSSIONS AND FINDINGS

**1.** At the outset, we would like to make it clear that the provisions of both the CGST Act and the RGST Act are the same except for certain provisions. Therefore, unless a mention is specifically made to such dissimilar provisions, a reference to the CGST Act would also mean a reference to the same provision under the RGST Act. Further to the earlier, henceforth for the purposes of this Advance Ruling, a reference to such a similar provision under the CGST Act / RGST Act would be mentioned as being under the "GST Act".

**2.** We have carefully gone through the application filed in FORM GST ARA-01 together with the annexures thereto, which include the Letter of Acceptance dated 30.09.2022 issued by the Superintending Engineer, RUIDP, PIU-Ajmer, the Contract Agreement dated 28.11.2022, the relevant extract of Section 1 (Instructions to Bidders) of the Bidding Document, and copies of Notification No. 11/2017-Central Tax (Rate) dated 28.06.2017 and Notification No. 15/2021-Central Tax (Rate) dated 18.11.2021; the statement of relevant facts and the applicant's interpretation of law; the comments of the jurisdictional officer dated 27.07.2026; and the submissions made by the applicant at the time of personal hearing. We now proceed to decide the question on the basis of the material available on record.

**3.** The Applicant has been awarded works relating to Design, Supply, Construction, Testing, Trial Run, Commissioning and 5 years' Operation & Maintenance of FSTP (Faecal Sludge Treatment Plant) infrastructure projects by the Rajasthan Urban Infrastructure Development Project (RUIDP) under Contract Package No. RSTDSP/FSTP-9 Towns/03, at an accepted contract amount of Rs. 46,34,57,750/- (inclusive of a provisional sum of Rs. 2,11,00,000/-). The chronology, as pleaded and as per the documents on record, is that the tender was invited on 24.04.2022, the bid was submitted on 28.06.2022, the Letter of Acceptance was issued on 30.09.2022, and the Notice to Proceed was issued on 28.11.2022. The contract is stated to be presently under execution.

**4.** The applicant submitted that they had quoted GST at 12% (6% CGST + 6% SGST) into its bid price on the footing that the works were covered by item (iii)(c) of Sl. No. 3 (Heading 9954) of Notification No. 11/2017-Central Tax (Rate) dated 28.06.2017, and that, consequent upon Notification No. 03/2022-Central Tax (Rate) dated 13.07.2022, it has discharged tax at 18% (9% CGST + 9% SGST) on works executed and billed on or after 19.07.2022.

**5.** We first dispose of the ancillary issue raised at S.No. 12B(d) and S. No. 16 of the application, namely whether the additional 6% borne by the applicant constitutes an additional statutory tax liability admissible under the conditions of the contract. Section 97(2) of the GST Act enumerates exhaustively the matters on which an advance ruling may be sought, and the question whether one contracting party is entitled to recover from the other an increase in tax occasioned by a change in the Tax rate is not among them. This issue is accordingly held to be outside the jurisdiction of this Authority and is not answered.

**6.** The question, as framed, asks what was "the applicable GST rate on Works Contract Services as on 01.06.2022". Before proceeding, we found it imperative to go through the entry No. 3(iii) of the Notification no. 11/2017-Central Tax (Rate) dated 28.06.2017 (as amended by Notification no. 20/2017-Central Tax (Rate) dated 22.08.2017, 31/2017-Central Tax (Rate) dated 13.10.2017 and 22/2021-Central Tax (Rate) dated 31.12.2021) as existed prior to its omission vide Notification no. 3/2022-Central Tax (Rate) dated 13.07.2022, w.e.f. 18.07.2022, which is as follows:-

| **Sl No.** | **Chapter, Section or Heading** | **Description of Service** | **Rate (per cent.)** | **Condition** |
|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) |
| 3 | Heading 9954 (Construction services) | "(iii) Composite supply of works contract as defined in clause (119) of section 2 of the Central Goods and Services Tax Act, 2017, supplied to the Central Government, State Government, Union territory or a local authority by way of construction, erection, commissioning, installation, completion, fitting out, repair, maintenance, renovation, or alteration of, -<br>(a) a historical monument, archaeological site or remains of | 6 | - |

| | | | | |
|---|---|---|---|---|
| | | national importance, archaeological excavation, or antiquity specified under the Ancient Monuments and Archaeological Sites and Remains Act, 1958 (24 of 1958);<br>(b) canal, dam or other irrigation works;<br>(c) pipeline, conduit or plant for (i) water supply (ii) water treatment, or (iii) sewerage treatment or disposal. | | |

The afore-mentioned entry No. 3(iii) of the Notification no. 11/2017-Central Tax (Rate) dated 28.06.2017 has been omitted by Notification no. 03/2022-Central Tax (Rate) dated 13.07.2022, w.e.f. 18.07.2022.

**8.** In view of the above facts, it is clear that the applicable GST rate on Works Contract Services as on 01.06.2022 (HSN Code 9954: S.No. 3(iii) (c) pipeline, conduit or plant for (i) water supply (ii) water treatment, or (iii) sewerage treatment or disposal.) was 12% (6% CGST + 6% SGST).

**G.** In view of the foregoing facts, circumstances and provisions of the GST law, we pass the following ruling:

**RULING**

Q1) What is the applicable GST rate on Works Contract Services as on 01.06.2022? (HSN Code 9954: S. No. 3 / (iii) / (c) pipeline, conduit or plant for (i) water supply (ii) water treatment, or (iii) sewerage treatment or disposal.)

Ans.- The applicable GST rate on Works Contract Services as on 01.06.2022 (HSN Code 9954: S.No. 3(iii) (c) pipeline, conduit or plant for (i) water supply (ii) water treatment, or (iii) sewerage treatment or disposal.) was 12% (6% CGST + 6% SGST).

04/08/2026

(Mahipal Singh)
MEMBER
CENTRAL TAX

(Dr. Akhedan Charan)
MEMBER
STATE TAX

F. No. AAR/SF/2026-27/436 - 441

Date: 04.08.2026

**SPEED POST**

M/s MTS-EIEL (JV),
5/2, Shahid Amit Bhardwaj Marg,
JAIPUR, Rajasthan-302017

Copy to: -

1. The Chief Commissioner, CGST and Central Excise (Jaipur Zone), NCRB, Statue Circle, Jaipur, Rajasthan-302005.
2. The Chief Commissioner, State Tax, Kar Bhawan, Bhawani Singh Road, Ambedkar Circle, C-Scheme, Jaipur-302005.
3. The Pr. Commissioner, CGST and Central Excise , NCRB, Statue Circle, Jaipur, Rajasthan-302005.
4. Assistant Commissioner, C.G.S.T. DIVISION JAIPUR EAST, CENTRAL EXCISE BUILDING, SECTOR-10, VIDHYADHAR NAGAR, JAIPUR-302039 Rajasthan
5. The Assistant Commissioner, State Tax, Circle-F, Jaipur-II, Ward-1, Jaipur.