

GOA AUTHORITY FOR ADVANCE RULING

[Constituted under Section 96 of the Goa Goods and Services Tax Act, 2017 (Goa Act 4 of 2017) read with Rule 103 of the Goa Goods and Services Tax Rules, 2017]

BEFORE THE BENCH OF

Shri. Vishant S. N. Gaunekar, Additional Commissioner of SGST, Goa.

Smt. Lakshmi Radhakrishnan, Joint Commissioner of CGST, Goa.

Advance Ruling No. GOA/GAAR/ 05 of 2024-25/ 1080

13/06/25

Name of the Applicant	Modern Constructions
Address	H. No. B2 G2 M229 23 B, Milroc Woods, Old Goa, North Goa, 403110.
GSTIN	30ABIFM8236D1ZJ
Date of Application	17.03.2025
Under Section 97(2) of the CGST/GGST Act, 2017 under which question raised	<ol style="list-style-type: none"> 1. Whether the GST payable 12% under HSN Code 9954 is correctly determined. 2. If No, reasons for the same. 3. If the above services is not to be taxed at 12%, then at what rate the same should be taxed, reasons and HSN Code for the same.
Date of Hearing	04/06/2025 & 10/06/2025
Persons Present for Hearing	Shri Rajan Ramani, Ld. C. A. for applicant Taxpayer.

PROCEEDINGS

(Under Section 98 of the Goa Goods and Services Tax, Act 2017)

The present online advance ruling application has been filed under Section 97 of the Goa Goods and Services Tax Act, 2017 and the Central Goods and Services Tax, Act 2017 (hereinafter referred to as the 'SGST Act' and 'CGST Act') by the applicant registered taxable person **M/s. Modern Constructions, H. No. B2 G2 M229 23 B, Milroc Woods, Old Goa, North Goa, 403110** seeking an Advance Ruling in respect of the following issues:

- Determination of the liability to pay tax on any goods or services or both.

BRIEF FACTS

Applicants Background:

M/s. MODERN CONSTRUCTIONS (GSTIN: 30ABIFM8236D1ZJ), a partnership firm, having office at Milroc Woods, Corlim, Old Goa 403 110, has entered into an agreement on 03-12-2024 with the Owners of land for rendering civil construction services (Copy of the Agreement submitted as attachment). As per the terms of the contract the Contractor has to construct villas on the plot of land admeasuring 1750 square metres in Salvador Do Mundo, Bardez. The rate fixed of Rs. 13,500/- per square metres of construction to be done is inclusive of material, expenses and 12% GST under HSN Code 9954. Additional work undertaken and not explicitly covered under the scope of the contract shall be compensated at itemized rates to be mutually agreed between the Owner and the Contractor. The Contractor shall submit monthly running bill for the work done. The Applicant seeks from the Authority the following Ruling

The applicant taxpayer is seeking through the advance ruling for the purpose of determination of the following questions:

CLARIFICATION REQUIRED ON THE BELOW POINTS:

- Whether the GST payable 12% under HSN Code 9954 is correctly

determined;

- If No, reasons for the same;
- If the above services is not to be taxed at 12%, then at what rate the same should be taxed, reasons and HSN Code for the same.

PERSONAL HEARING BY ARA

Shri Rajan Ramani, Ld. Chartered Accountant duly authorized by the applicant appeared on behalf of the applicant for personal hearings held on 04/06/2025 and on 10/06/2025 before this Authority and reiterated the points deliberated in written submissions made along with advance ruling application.

DISCUSSION AND FINDINGS ON MERIT

We have carefully perused the Advance Ruling Application, all enclosures and all other submissions on record. The applicant taxpayer has stated in the application that the rate of tax applicable for providing construction services is 12% under HSN Code 9954 and has posed a question whether it is correctly determined.

However, the applicant has not stated anywhere what is the basis for coming to the conclusion that 12 % GST is applicable and the understanding of the applicant on the same.

After reading the copy of a Contract dated 03/12/2024 placed on record along with application, it appears that it is a contract between two private parties for providing civil construction services by the applicant taxpayer to the other party

to the contract by doing some civil construction as per approved plans. Under Clause no. 5 of said Contract it is stated that the owner will pay to the contractor a sum of Rs. 13, 500/- per sq. meter (inclusive of 12% GST and any other applicable tax).

The legal basis for coming to the conclusion that GST rate applicable is 12 % is not stated anywhere, neither in said Contract nor in any other document on record in present proceedings.

In our considered opinion the GST rate applicable is 18 % (9 % CGST + 9 % SGST) as per entry at serial no. 3 (xii) of Notification No. 11/2017-Central Tax (Rate) dated 28/06/2017 as under.

Sr. No.	Chapter, Section, Heading, Group or Service Code (Tariff)	Description of Services	Rate (%)	Condition
(1)	(2)	(3)	(4)	(5)
3	Heading 9954 (Construction services)	(xii) Construction services other than (i), (ii), (iii), (iv), (v), (vi), (vii), (viii), (ix), (x) and (xi) above.	9	--

Since there is no doubt that above mentioned rate of tax is applicable to the civil works mentioned in the Contract dated 03/12/2024, the terms agreed by the parties in their private contract are immaterial and cannot have any effect on the taxability of goods and services under GST Law. Therefore, irrespective of what is agreed between two private parties the GST would be applicable in accordance with legal provisions contained in GST Law and at the rates applicable as per Rate Notification.

In view of the foregoing discussion, we rule as follows:

RULING

**ADVANCE RULING UNDER SECTION 98 OF THE CGST/ GGST
ACT, 2017.**

The ruling so sought by the applicant is accordingly answered as under: -

The GST payable under HSN Code 9954 towards civil construction services referred in Contract dated 03/12/2024 is 18 % as clarified herein above.

Lakshmi
13/06/25

(Lakshmi Radhakrishnan)
Member (CGST)

Vishant S. N. Gaunekar
13/06/2025

(Vishant S. N. Gaunekar)
Member (SGST)

Dated: - 13 /06/2025

Place: - Panaji – Goa

To,

M/s. Modern Constructions

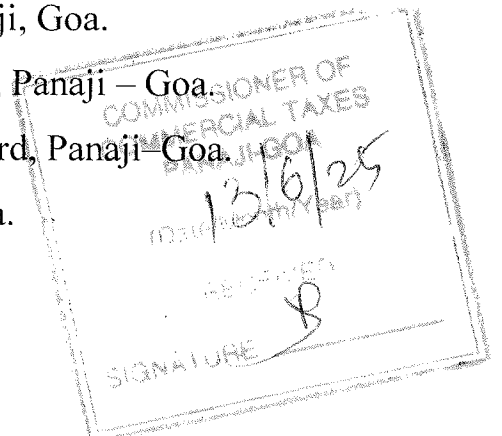
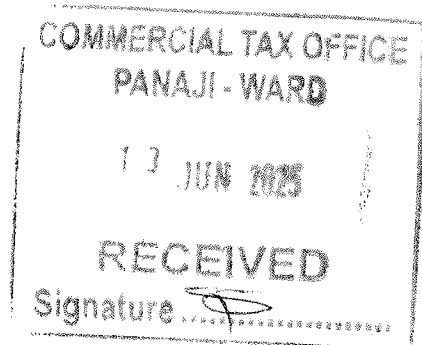
H. No. B2 G2 M229 23 B, Milroc Woods,

Old Goa, North Goa, 403110

GSTIN: 30ABIFM8236D1ZJ

Copy to:

1. The Commissioner of State GST, Altinho, Panaji, Goa.
2. The Commissioner of Central GST, Patto Plaza, Panaji – Goa.
3. The Dy. Commissioner of State Tax, Panaji Ward, Panaji – Goa.
4. The State Tax Officer, Panaji Ward, Panaji, Goa.
5. Office File.
6. Guard File.



Andaman and Nicobar Islands Authority for Advance Ruling

Members: Mrs. Lakshmi Radhakrishnan , Joint Commissioner [Member Centre]
Mr. Vishant S. N. Gaunekar, Additional Commissioner [Member State]

Order Number: ZD3006250013326 / 1081

Date of order: 13/06/2025

Advance Ruling ARN: AD300325000825N

Date of ARN: 17/03/2025

Name of Applicant: MODERN CONSTRUCTIONS

Address of Applicant: -NA-

GSTIN / UIN / Temporary Id of Taxpayer: 30ABIFM8236D1ZJ

Name and Designation of Jurisdictional Officer: Mr DEEPAK GANPAT GAWAS, State Tax Officer

Name and Designation of Concerned Officer: Mr SABA KRISHNA PARAB, State Tax Officer

The matter(s) on which advance ruling is sought for, is/are:

1. Determination of the liability to pay tax on any goods or services or both

ORDER

The Applicant has filed an Application for seeking Advance Ruling before the Authority for Advance Ruling under section 97 of the **Central Tax, State Tax /UTGST Act, 2017** and the rules made thereunder.

For Rejection of AR application - In view of the observations, as mentioned in the attached Annexure, we find/do not find substance in this application and accordingly the application filed for seeking Advance Ruling is admitted/rejected under section 98 of CGST, SGST/ UTGST Act, 2017.

For Passing AR Order - In view of the discussion and findings, the order is passed for the matter(s) listed above.

Please refer the Annexure, attached with this Order, to view the details of Order passed.

This is a system generated Order and does not require any signature.

Mr. Vishant S. N. Gaunekar, Additional
Commissioner
Member State

Mrs. Lakshmi Radhakrishnan , Joint
Commissioner
Member Centre

Note(In case of Passing Order):

1. An appeal against this advance ruling lies before the Andaman and Nicobar Islands Appellate Authority for Advance Ruling.
2. The Applicant or the department, as the case may be, being aggrieved of this decision may file appeal within 30 days of communication of this order.

Copy to

- 1 Concerned Officer
 - 2 Jurisdictional Officer
 - 3 Applicant
- (As applicable)