
Updates/GST/Advance Ruling/Legal-50-10/2024

Dt. 31/07/2024

(Advance Rulings in Gujarat from 1st July to 31st July 2024)

**Advance Ruling Branch
Gujarat State Tax Department**



Rulings given by Authority of Advance Rulings (AAR)

M/s. Vijai Electricals Ltd.

Sr. no.	Advance Ruling sought for	Ruling
1.	<p>Questions on which Advance Ruling sought:</p> <p>Notification No. 66/2017 will applicable for turnkey contract?</p>	1. As the turnkey contract entered into by the applicant has been held to be a works contract, Notification No. 66/2017-CT dated 15.11.2017 is not applicable in respect of the said turnkey contract.
2.	Is GST payable on advance received against supply portion in Turnkey contract?	2. As the turnkey contract entered into by the applicant has been held to be a works contract, GST is payable on advance received against supply portion in respect of the turnkey contract.
3.	Identification of rates for supply and service separately under single contract can be read as divisible contract ?	3. As the turnkey contract entered into by the applicant has been held to be a works contract the said turnkey contract cannot be held to be a divisible contract.

M/s Alleima India Pvt Ltd.

Sr. no.	Advance Ruling sought for	Ruling
1.	<p>Questions on which Advance Ruling sought:</p> <p>1. Whether the deduction of a nominal amount by the Applicant from the salary of the employees who are availing the facility of food provided in the factory premises would be considered as a "Supply of 'Service'" by the Applicant under the provisions of Section 7 of Central Goods and Service Tax Act, 2017 and Gujarat Goods and Service Tax Act. 2017?</p> <p>2. In case answer to above is yes, whether GST is applicable on the nominal amount to be deducted from the salaries of employees?</p> <p>3. Whether ITC to the extent of cost borne by the applicant is available, to the Applicant on GST charged by the Canteen Service Provider for providing the catering services?</p>	<ol style="list-style-type: none">1. The deduction of nominal amount made by the applicant from the salary of the employees who are availing the facility of food provided in the factory premises would not be considered as a 'supply' under the provisions of section 7 of the CGST Act, 2017 and the GGST Act, 2017.2. Since the answer to the above is not in the affirmative, the ruling sought in respect of the second question is rendered infructuous.3. Input Tax Credit (ITC) will be available to the applicant on GST charged by the service provider in respect of canteen facility provided to its employees working in their factory, in view of the provisions of section 17(5) (b) as amended effective from 1.2.2019 and clarification issued by CBIC vide circular No. 172/04/2022-GST dated 6.7.2022 read with provisions of section 46 of the Factories Act, 1948 and read with provisions of Gujarat Factory Rules, 1963. ITC on the above is restricted to the extent of the cost borne by the applicant for providing canteen services to its permanent employees, but disallowing proportionate credit to the extent embedded in the cost of goods recovered from such employees

M/s Elixrr Industries Pvt Ltd

Sr. no.	Advance Ruling sought for	Ruling
1.	<p>Questions on which Advance Ruling sought:</p> <p>Whether or not a manufacturer is eligible to take ITC on the capital goods in the form of wires/cables electrical equipment etc used for transmission of electricity from power station of the DISCOM to the factory premises of the registered person which are installed outside factory premises as per rules and policy of GETCO, Government of Gujarat Electricity distribution company.</p>	<p>1. The applicant is eligible to take ITC on the capital goods in the form Of wires/cables electrical equipment etc [viz 750 meters new 66 KVS/Cable (3+ 1), 630 mm square aluminum corrugated sheath/G cable line for installation of 66 KV feeder bay at sub-station of GETCO] used for transmission of electricity from power station of the DISCOM to the factory premises of the applicant.</p>

Thanks

Note:

- a) The above rulings are available on the department's website for reference.**
- b) Please contact the Advance Ruling Branch in case of any ambiguity in the above rulings.**