M/s Sanghamitra Constructions (GSTIN: 37ADDPV9714C1ZD), Kadapa

Authority for Advance Ruling — Andhra Pradesh

Order No. AAR/AP/ 7 (GST)/2018, dated 9th October 2018 (In Application… Dated **09.10.2018**

Q Questions Before the Authority

- Whether the composite supply of works contract provided to M/s APSPDCL is entitled to CGST @6% and SGST @6%, considering that the entity falls within the definition of 'Government Entity' under Notification No. 31/2017-Central Tax (Rate), dated 13.10.2017?
- Whether works contract agreements awarded by APSPDCL in respect of DDUGY, for which grants/subsidies from GOI/GoAP are embedded in the expenditure plan/budget, are entitled to fit in the nature of 'non-commercial' under the said Notification with retrospective effect from 13.10.2017?
- In which case, what is the procedure laid down under the GST law to claim the tax paid in excess of 12% (18%-12%) for the period from the date of Notification till the date of circular, in order to pass on the same to APSPDCL as per their circular dated 04.06.2018?
- If the applicable rate of GST is 12%, in view of the above, what is the rate applicable for the work done by a sub-contractor?

F Facts

The applicant, a works contractor registered in Andhra Pradesh, undertakes works contract services for APSPDCL, a state power distribution company. The questions concern whether its works contracts for APSPDCL, including DDUGY works funded by central or state grants, qualify for the reduced GST rate on government entities or non-commercial works, and how excess tax could be recovered for the period before the rate change was clarified. The applicant filed the application in Form ARA-01 after paying the prescribed fee, and the jurisdictional officer reported that no proceedings were pending on the issues.

H Ruling

The Authority did not examine the merits of any question. Because the applicant requested withdrawal of the application before the personal hearing fixed for 14 September 2018, the Authority dismissed the application and disposed of it. No rate, classification or procedure was ruled upon.

R Reasoning

The order records that the Authority had called the applicant for a personal hearing on 14 September 2018 after receiving the jurisdictional officer's remarks. Before that hearing, the applicant sought withdrawal in writing, and the Authority accepted the request and dismissed the application on that basis. The order therefore rests on the applicant's withdrawal and contains no analysis of the substantive GST provisions raised in the questions. The order mentions Section 98(1) only in describing the allotment of the applicant to the State jurisdiction, and a note at the end refers to appeal under Sections 99 and 100 of the APGST Act, 2017.

Prepared as a reading aid. Where this summary and the original order differ, the order governs.

P Provisions Relied On

Section 98(1) of the APGST Act, 2017 (noted in the order only as the basis for allotting the applicant to the State)

Section 99 and Section 100 of the APGST Act, 2017 (appeal note at the foot of the order)

! For the Practitioner

This order is a withdrawal disposal and settles none of the four questions, so it cannot be cited for the GST rate on works contracts with APSPDCL, the 'non-commercial' treatment of DDUGY works, the refund procedure for excess tax, or the sub-contractor rate. A practitioner facing these issues should look for other rulings or the underlying notification and circular, and should not rely on this order as an authority on the merits. The order is useful mainly to show that the same questions were raised and then withdrawn before any ruling.

Source

Summary prepared from the published order, which is a scanned document. It is a reading aid and not the authority: where the two differ, the order governs. Verify every provision against the original before relying on it.

Original order: www.gstcouncil.gov.in_->_ap_07-2018_09.10.18_sanghmitra_conts.pdf

Prepared 25-10-2026.

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