	KERALA AUTHORITY FOR ADVANCE RULING GOODS AND SERVICES TAX DEPARTMENT TAX TOWER, THIRUVANANTHAPURAM
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BEFORE THE AUTHORITY OF: *Shri. S. Anil Kumar IRS &
: Shri. B.S. Thyagarajababu B.Sc, LL.M*

Legal Name of the applicant	M/s. Vikram Sarabhai Space Centre
GSTIN	32AAAGV0026J1ZL
Address	Thumba , Veli, Thiruvananthapuram 695022.
Advance Ruling sought for	Request for advance ruling for the determination of fixation of GST for contract with Tata Project Ltd., Mumbai for design, realization, integration and commissioning of 1.2m Trisonic Wind Tunnel.
Date of Personal Hearing	12.04.2019
Authorized Representative	Sri. Hari, CA

ADVANCE RULING No. KER/ 43 /2019 Dt.12.04.2019

Vikram Sarabhai Space Centre, Department of Space, Government of India entered into a contract with Tata Projects Ltd, Mumbai for design, fabrication, procurement, instrumentation and control and commissioning of Trisonic Wind Tunnel with Ejector System. The work involves fabrication of machineries, transportation of equipments to be attached to the system, construction of civil structure where the machinery is to be installed. Electrical works, integration of all bought out and fabricated items inside the civil buildings as an immovable system. The final product is an immovable system for test set up which will be used purely for Research and Development purpose to design Launch Vehicle and Reentry Space Craft. The civil work as well as the machinery and equipments inside become an integral and inseparable system. The testing equipment consisting of various components and civil structure can be worked only inside a specially constructed building. The whole set up becomes a composite system and the components cannot be used in isolation. They sought for advance ruling that:

(i) whether this supply can be considered as supply of equipment eligible for the concessional rate of GST of 5% under Sl No. 243A of First Schedule of Notification No.01/2017 Integrated Tax (Rate) dated 28.06.2017 as inserted by Notification No. 07/2018 Integrated Tax (Rate) dated 25.01.2018.

(ii) If the above supply is considered as works-contract, whether it would be covered under Entry at Sl No. 3 (vi) of Notification No.08/2017 Integrated Tax (Rate) dated 28.06.2017 as amended by Notification No.24/2017 Integrated Tax (Rate) dated 21.09.2017 attracting GST at the rate of 12%.

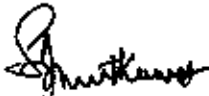
The authorized representative was heard. It is informed that the supply and installation of equipment being a works contract, they are not pressing ruling on the issue no.1 and requested advance ruling only on issue no.2.

The matter was examined in detail. Being a works contract awarded by the Central Government department by way of construction, erection, commissioning, installation, completion, fitting out, of a civil structure or any other original works meant predominantly for use other than for commerce, industry, or any other business or profession will attract 12% GST as per Sl.No.3(vi) of Notification No.08/2017 Integrated Tax (Rate) dated 28.06.2017.

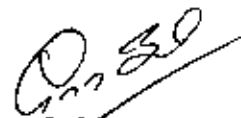
In view of the observations stated above, the following rulings are issued:

Whether design, fabrication, procurement, integration and control and commissioning of Trisonic Wind Tunnel with Ejector System is considered as works contract?

The work of design, realisation, integration and commissioning of Trosonic Wind Tunnel as a turnkey project will fall under the definition of works contract under Section 2 (119) of the CGST Act, 2017. The Service provided to the Central Government by way of construction, erection, commissioning, installation, completion, fitting out, of a civil structure or any other original works meant predominantly for use other than for commerce, industry, or any other business or profession will attract 12% GST as per Sl.No.3(vi) of Notification No.08/2017 Integrated Tax (Rate) dated 28.06.2017.



S.Anil Kumar, IRS
Additional Commissioner of Central Tax
Member



B.S.Thyagarajababu, B.Sc, LL.M
Joint Commissioner of State Tax
Member

To

M/s. Vikram Sarabhai Space Centre
Thumba , Veli, Thiruvananthapuram 695022.