

**AUTHORITY FOR ADVANCE RULING
GOODS AND SERVICE TAX
UTTAR PRADESH
4, Vibhuti Khand, Gomti Nagar, Lucknow-**

ADVANCE RULING NO. UP ADRG 08 /2025 Dated. 02 . 01 .2025

PRESENT:

1. **Shri Amit Kumar, I.R.S.**
Joint Commissioner, Central Goods and Service Tax
Commissionerate, LucknowMember (Central Tax)
2. **Shri Harilal Prajapati**
Joint Commissioner, State Goods and Service TaxMember (State Tax)

1.	Name of the Applicant	M/S National Capital Region Transport Corporation Ltd., Khasra No. 112, Main Meerut Road, Garhi Guldhar, Ghaziabad, Uttar Pradesh, 201003
2.	GSTIN or User ID	09AAECN4492L1ZW
3.	Date of filing of Form GST ARA-01	28.08.2024(received on 10.10.2024)
4.	Represented by	Shri Ravi Borana, CA
5.	Jurisdictional Authority-Centre	Range- Range 7, Division- II Ghaziabad
6.	Jurisdictional Authority-State	Sector- Ghaziabad Sector-5,Range- Ghaziabad (A), Ghaziabad
7.	Whether the payment of fees discharged and if yes, the CIN	Yes Paid through Electronic Cash Ledger

1. M/S National Capital Region Transport Corporation Ltd Khasra No. 112, Main Meerut Road, Garhi Guldhar, Ghaziabad, Uttar Pradesh, 201003 (here in after referred to as the applicant) is a registered assessee under GST having GSTN: 09AAECN4492L1ZW.

2. The applicant has submitted an application for Advance Ruling dated 28.08.2024 enclosing dully filled Form ARA-01 (the application form for Advance Ruling) along with annexure and attachments. The applicant in his application has sought advance ruling on following question-

- A. Whether the work undertaken by the Applicant under Self-Execution Scheme through third-party contractors to shift/ re-route the transmission lines of Pashchimanchal Vidyut Vitran Nigam Limited (hereinafter referred to as "PVVNL") can be treated as "supply" of service in terms of Section 7 of the CGST Act, 2017 between the Applicant & PVVNL?
- B. Whether there is any Assets Transfer from the Applicant to PVVNL and vice versa?
- C. Whether, at first paying GST amount on the entire value of the work done to the third-party contractors (including the cost shifting/ modification of the transmission line) and then again paying GST amount (in the name of assets transfer Charges) on the entire value of work plus supervision charges to PVVNL would result in double taxation? This is because GST is a tax on the supply of goods and services, and the

same transaction should not be taxed twice. If both the contractor and PVVNL are charging GST on the same work or service, it implies that the Applicant is paying GST twice for the same transaction, which is not the intended purpose of the tax system.

3. As per declaration given by the applicant in Form ARA-01, the issue raised by the applicant is neither pending nor decided in any proceedings under any of the provisions of the Act, against the applicant.

The applicant had submitted that-

- (i) The Applicant registered under the GST Act bearing registration number: "09AAECN4492L1ZW", having registered office at Khasra No. 112, Main Meerut Road, Garhi Guldhar, Ghaziabad, Uttar Pradesh, 201003. The Company was incorporated on 21 August 2013 as a company under the Companies Act, 1956. Currently, the Applicant is engaged primarily in the following projects as given below:
 - a) Delhi – Ghaziabad – Meerut Regional Rapid Transit System ('RRTS') corridor
 - b) Sarai Kale Khan (Delhi)–Gurugram – Shahjahanpur – Neemrana – Behror – Alwar Corridor
 - c) Delhi - Panipat RRTS corridor
- (ii) The Applicant is a joint venture of Government of India and States of Delhi, Haryana, Rajasthan, and Uttar Pradesh, with the Ministry of Housing and Urban Affairs as the nodal Ministry. It is mandated for implementing the RRTS project across the NCR of India, thereby ensuring a balanced and sustainable urban development through better connectivity and access.
- (iii) On the, Delhi – Ghaziabad – Meerut Regional Rapid Transit System ('RRTS') corridor multiple transmission lines belonging to PVVNL are present along the alignment. These lines will be infringing with the proposed route of RRTS rail line for Delhi – Ghaziabad – Meerut.
- (iv) As per Section 40 of "The Electricity Act 2003, the duty of a transmission licensee is to build, maintain and operate efficient, coordinated, and economical inter-state transmission lines or intra-state transmission lines. As PVVNL is a transmission licensee and being an owner of its transmission lines, the exclusive right of modification/shifting/additions to its transmission lines remains with PVVNL.

"Section 40 – Duties of transmission licensee-

It shall be duty of a transmission licensee-

- a) to build, maintain and operate an efficient, coordinated and economical inter-state transmission lines or intra-state transmission, as the case may be;
- b) to comply with the directions of the Regional Load Dispatch Centre and the State Load Dispatch Centre as the case may be;
- c) to provide non-discriminatory open access to its transmission lines for use by-
 - i. any licensee or generating company on payment of the transmission charges;
 - ii. any consumer as and when such open access is provided by the State Commissioner under Sub-Section (2) of Section 42, on payment of the transmission charges and a surcharge thereon, as may be specified by the State Commission."
- (v) Further, Section 34 of Electricity Act 2003, deals with 'Grid Standards' and it stipulates that every transmission licensee shall comply with such technical standards, of operation

and maintenance of transmission lines, the Central Electricity Authority. Relevant extract of aforesaid provisions of the Electricity Act 2003 are as under;

- (vi) Accordingly, the Applicant has taken the permission from PVVNL to shift/ re-routing the transmission line and thereby has appointed third-party contractor (through tendering process) who would remove the line from current location and shift/ re-route the same under the instructions and supervision of PVVNL. The Applicant shall be responsible for payment of all expenses to the third-party contractor with applicable GST and to PVVNL for supervision.
 - (vii) That the whole shifting/modification work of transmission lines for the RRTS route is done in following two ways by PVVNL:
 - a) That the whole shifting/ modification is done by the PVVNL itself for which PVVNL charges for the work done or,
 - b) That the whole work is done by the contractor on behalf the Applicant under the supervision of PVVNL, for which PVVNL gets supervision charges, which are predetermined fix percentage of the estimated value of the work for shifting/modification of the transmission lines. It is also termed as self-execution scheme.
 - (viii) The Applicant has opted option (b) and agreed to pay supervision charges with GST thereon to the PVVNL based on the estimated value of the work of shifting of the transmission lines including the GST component.
 - (ix) The Applicant and PVVNL has come under an arrangement for re-routing/ shifting of transmission lines under self-execution scheme and agreed the key points which are as follows:
 - The entire shifting work is done by third party contractors (engaged through tendering process by the Applicant) who also purchase the materials required for shifting/modification of the transmission lines as per technical direction or supervision of PVVNL.
 - The shifting / modification of transmission lines, includes cost of dismantling the existing sections, civil work for erection and cost of new work according to specification of PVVNL. The Applicant also deducts and deposits Income Tax TDS and GST TDS on payment made to contractors as per respective law provision of Income tax Act 1961 and CGST Act 2017.
 - The Applicant makes payment of supervision charges proposed by the PVVNL with applicable GST @ 18%.
 - PVVNL is asking the Applicant to pay the GST amount, calculated at 18% on an estimated expense. This estimate is based on the assumption that PVVNL would carry out the shifting or rerouting work themselves. However, in practice, the Applicant pays the actual expenses, including material and labour costs, directly to a third-party contractor, along with the applicable GST. This implies that the Applicant is expected to pay GST @18% on the work executed by the third-party contractor and again GST @18% on the total estimated expense for the work plus supervision charges payable to PVVNL.
4. The application for advance ruling was forwarded to Assistant Commissioner, Central Tax & Central Excise, Division-II, Ghaziabad to offer their comments/views/verification report on the matter. No views/comments has been offered from the concerned officer

5. The applicant was granted a personal hearing on 28.11.2024 which was attended by Shri Ravi Borana, the authorized representative of the applicant during which they reiterated the submissions made in the application of advance ruling.

DISCUSSION AND FINDING

6. At the outset, we would like to make it clear that the provisions of both the CGST Act and the UPGST 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 UPGST Act. Further for the purposes of this Advance Ruling, a reference to such a similar provision under the CGST Act / UPGST Act would be mentioned as being under the 'CGST Act'.

7. We have gone through the Form GST ARA-01 filed by the applicant and observed that the applicant has ticked following issues on which advance ruling required-

- (1) *determination of time and value of supply of goods or services or both.*
- (2) *determination of the liability to pay tax on any goods or services or both.*
- (3) *whether any particular thing done by the applicant with respect to any goods or services or both amounts to or results in a supply of goods or services or both, within the meaning of that term.*

8. At the outset, we would like to examine this matter in light of definitions of Advance Ruling under section 95 of the CGST Act 2017 and the same is reproduced as under:

Section 95. Definitions of Advance Ruling.— In this Chapter, unless the context otherwise requires,—

- (a) —advance ruling means a decision provided by the Authority or the Appellate Authority to an applicant on matters or on questions specified in sub-section (2) of section 97 or sub-section (1) of section 100, in relation to the supply of goods or services or both being undertaken or proposed to be undertaken by the applicant;*
- (b) —Appellate Authority means the Appellate Authority for Advance Ruling referred to in section 99;*
- (c) —applicant means any person registered or desirous of obtaining registration under this Act;*

The meaning of the applicant defined in sub-section (c) of section 95 should be derived only in consonance with sub-section (a) of section 95 of the CGST Act 2017.

9. We have examined the whole issue in the light of the definitions of Advance Ruling under section 95 of the CGST Act 2017 and submissions made by the Applicant.

After careful examination, We find that Applicant M/s National Capital Region Transport Corporation Ltd has sought Advance Ruling whereas Applicant is receiver of the Service/Goods in case of shift/ re-routing the transmission lines during the work of Delhi – Ghaziabad – Meerut Regional Rapid Transit System ('RRTS') corridor as the transmission lines are the assets of PVVNL and shifting is done under supervision of PVVNL only. Thus, M/s National Capital Region Transport Corporation Ltd is receiver of the Goods/Services provided by the PVVNL. In light of sub-section (a) provided under Section 95 of CGST Act 2017, only supplier of the services/goods can file Application for Advance Ruling.

In conspectus of aforementioned findings, We find that no ruling can be given in the matter as discussed above.

10. Accordingly, we pass the ruling as under:

RULING

No ruling can be given in the matter as discussed above.



(Harilal Prajapati)
Member of Authority for Advance
Ruling



(Amit Kumar)
Member of Authority for Advance
Ruling

To,

M/S National Capital Region Transport Corporation Ltd.,
Khasra No. 112, Main Meerut Road, Garhi Guldhar,
Ghaziabad, Uttar Pradesh, 201003

AUTHORITY FOR ADVANCE RULING –UTTAR PRADESH

Copy to –

1. The Chief Commissioner, CGST & Central Excise, Lucknow, Member, Appellate Authority of Advance Ruling.
2. The Commissioner, Commercial Tax, Uttar Pradesh, Member, Appellate Authority of Advance Ruling.
3. The Principal Commissioner, CGST & C. Ex, Ghaziabad, C.G.O. Complex-II, Kamla Nehru Nagar, Near Hapur Chungi, Ghaziabad-201002.
4. The Deputy/Assistant Commissioner, CGST & C. Ex, Division-II Ghaziabad, C.G.O. Complex-II, Kamla Nehru Nagar, Near Hapur Chungi, Ghaziabad-201002.
5. Through the Additional Commissioner. *Gr. I. Zone - I, CCB* Uttar Pradesh to jurisdictional tax assessing officers.

Note: An Appeal against this advance ruling order lies before the Uttar Pradesh Appellate Authority for Advance Ruling for Goods and Service Tax, 4, Vibhuti Khand, Gomti Nagar, Lucknow – 226010, within 30 days from the date of service of this order.