

GOVERNMENT OF ASSAM
OFFICE OF THE COMMISSIONER OF TAXES :::: ASSAM ::::KAR BHAWAN
DISPUR, GUWAHATI.

ORDER

Dated Dispur, the 16th June, 2012.

No.CTS-14/2012/139 : "Consortium of M/s Sai Rama Engineering Enterprise, Megha Engineering & Infrastructure Ltd and Volgogradneftgazstro." Sivasagar, has filed an application in Form-76 of the Assam Value Added Tax Rules, 2005 seeking clarification under Section 105 of the Assam Value Added Tax Act, 2003 read with Rule 56 of the Assam Value Added Tax Act, 2005 along with the required application fee. The application is examined and found in order. Hence admitted.

Mr. R.K. Agarwala, F.C.A. appeared on behalf of Consortium of M/s Sai Rama Engineering Enterprise, Megha Engineering & Infrastructure Ltd. and Volgogradneftgazstro, Sivasagar. The querist has declared deriving turnover from execution of works contract and is registered under composition scheme for the same. The materials utilized in such works includes imported materials from outside the country. Now he claimed that aggregate value of works contract i.e. taxable turnover under composition Scheme should be arrived after deducting the value of imported materials consumed in works.

The submission has been examined with reference to composition scheme for works contract No. FTX.55/05/Pt/14 dated 29.04.2005.

As per composition scheme for works contract permission is granted to a registered dealer to the State who executes works contract, to pay at his option, in lieu of the amount of the tax payable by him under the provision of the Act, by way of composition, an amount @5 paise (4 paise before 1.4.2012) in every rupee of the total aggregate value of the works contract received or receivable by him. Therefore, the provision of the Act has given an option to the petitioner to pay the composition amount on the total aggregate value of the works contract.

In view of the above, it is clarified that the petitioner is liable to pay tax @5% (4% before 1.4.2012) on his total aggregate value of works contract received or receivable by him and there is no question of deduction of any amount thereafter.

Sd/- Dr. J.B. Ekka,
Commissioner of Taxes, Assam,
Guwahati-6

Dated Dispur, the 20 June, 2012.

Memo No. CTS-14/2012/139-A

- Copy to :
1. The Principal Secretary to the Government of Assam, Finance Department, Dispur, Guwahati-6 for favour of kind information of the Government.
 2. The Addl. Commissioners of Taxes/Joint Commissioners of Taxes(All) for information.
 3. The Deputy Commissioner of Taxes (All) for information.
 4. The Assistant Commissioner of Taxes, Superintendent of Taxes(all) for information.
 5. Consortium of M/s Sai Rama Engineering Enterprise, Megha Engineering & Infrastructure Ltd and Volgogradneftgazstro, Sivasagar, for information.

(R.D. Borah),

Joint Commissioner of Taxes, Assam,
Guwahati-6.

M.Deb.
20/6/2012