

Ref: AUG/GST/10

Date 08/08/2017

To,
GST Cell
HQ, FA & CAO Office
G.M. Building
West Central Railway
Jabalpur (MP)

Sub:- Reduction in rate of GST on Work Contract Services

Sir,

This is to bring to your kind notice that, as per the decision taken in the 20th Meeting of GST Council, GST tariff on "**Works contract services provided to Government, local authority or governmental authority**" has been lowered to 12% from 18%.

Hence the impact of GST on the ongoing contracts shall be calculated at new rates.

Meaning of works contract services as defined in Section 2 (119) has been reproduced hereunder for ready reference :-

"works contract" means a contract for building, construction, fabrication, completion, erection, installation, fitting out, improvement, modification, repair, maintenance, renovation, alteration or commissioning of any immovable property wherein transfer of property in goods (whether as goods or in some other form) is involved in the execution of such contract;

Thanks and regards
Rahul & Co.
Chartered Accountants

