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| <p>नवोदय विद्यालय समिति (मानव संसाधन विकास मंत्रालय का स्वायत्त संस्थान, स्कूल शिक्षा एवं साक्षरता विभाग) भारत सरकार बी - 15, सेक्टर - 62, संस्थागत क्षेत्र, नोएडा, उत्तर प्रदेश - 201 309</p> |  | <p style="text-align: right;">Fax - 0120 - 2405922 Ph: - 0120 - 240 5963</p> <p style="text-align: center;">NAVODAYA VIDYALAYA SAMITI (An Autonomous Organization under Ministry of HRD) Department of School Education & Literacy) Govt. of India B- 15, Sector - 62, Institutional Area Noida (UP) - 201 309</p> |
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F.No.1-1/2017-18-NVS(GM)/1029

Dated. 28-06-2017

TECHNICAL CIRCULAR NO-2/17

Sub:- Reimbursement of Service Tax on Construction work/ M&R works being undertaken on behalf of Navodaya Vidyalaya Samiti.

1. The Service Tax on services provided to the Government, a local authority or a governmental authority by way of construction, erection, commissioning, installation, completion, fitting out, repair, maintenance, renovation, or alteration of a structure meant predominantly for use as an educational establishment was exempted as per Entry No. 12 (C) (i) of Mega exemption notification no. 25/2012-Service tax dated 02.06.2012 of Deptt. of Revenue, M/o finance. But the same exemption has been **withdrawn w.e.f. 01.04.2015** by Deptt. of Revenue, M/o finance vide their notification no. 6/2015- service tax dated. 01.03.2015.
2. Further vide notification No. 09/2016- service tax dated 01.03.2016 w.e.f. 01.03.2016, the exemption has been restored and continued upto 31.03.2020 for the works under a contract which had been entered into prior to the 1st March 2015 and on which appropriate stamp duty, where applicable, had been paid prior to such date.
3. The determination of **value of service portion** in the execution of works contract is based on Rule 2 A(ii) of service tax(Determination of value) Rule, 2006 vide principal notification No. 12/2006-service tax dated 19 April, 2006 and last amendment Notification No. 11/2014-service tax dated 11.07.2014.

As per Rule 2A(ii) of Notification No. 11/2014-ST dated 11.07.2014, with effect from 01.10.2014 the person liable to pay tax on the service portion involved in the execution of the works contract shall determine the service tax payable in the following manner, namely

- (A) **For execution of original work contracts** - 40% of the total amount charged for the works contract.
- (B) **In case of works contract , not covered under Sub-clause(A), including works contract entered into for –**
 - (i) Maintenance or repair or reconditioning or restoration or service of any goods; or



- (ii) Maintenance or repair or completion and finishing service such as glazing or plastering or floor and wall tiling or installation of electrical fittings of immovable property - 70% of the total amount charged for the works contract.

4. The rates of Service Tax notified from time to time by Govt. of India are as under:-

| Period | Basic rate | EC | SHEC | SBC | KKC | Effective Rate |
|--------------------------|------------|-----|------|-------|-------|----------------|
| 01.04.2012 to 31.05.2015 | 12% | 2% | 1% | Nil | Nil | 12.36% |
| 01.06.2015 to 14.11.2015 | 14% | Nil | Nil | Nil | Nil | 14% |
| 15.11.2015 to 31.05.2016 | 14% | Nil | Nil | 0.50% | Nil | 14.50% |
| 01.06.2016 to onwards | 14% | Nil | Nil | 0.50% | 0.50% | 15% |

EC: Education Cess

SHEC: Secondary & Higher Education Cess

SBC: Swachh Bharat Cess

KKC: Krishi Kalyan Cess

Service tax as defined & detailed above shall be reimbursed to the Construction Agency by Samiti on satisfying himself that the service tax has been actually and genuinely paid in the work.

This is issued with the approval of the Competent Authority.

S K Agrawal
28/06/17

S K Agrawal
General Manager(Construction)

Copy to:-

1. PA to Commissioner.
2. Joint Commissioner (Admin)/DC (Finance)/ AC (Finance)/ AC (Audit).
3. All Deputy Commissioner, NVS, All Region Offices.
4. All Executive Engineer/ Assistant Engineer/ JE(C), NVS (HQ)/Region offices.
5. JSA for uploading on web-site.
6. SO(Construction)
7. Record file.

V.K. Gupta
28/06/2017
V.K. Gupta
Ex. Engineer (C)
NVS-HQ