

Dhaval Talati

1 Whether HVAC & Electrical works to be treated as construction contract? Held: Yes Facts of the case Respondent, assessee entered into a contract for supply, installation, testing and commissioning of HVAC and electrical works, during the construction of hotel project, Respondent, the assessee filed their returns and paid taxes under the Composition Scheme for works contract at 5%. In short, the respondent, assessee, has treated it as 'Construction Contract' under the MVAT Act. The assessing authority assessed the tax liability @8% treating it as 'Non-Construction Contract'. The said order was confirmed by 1st appellate authority by dismissing the appeal. However, tribunals held that the works contract executed by respondents is covered by the notification of 'Construction Contract' dt. 30th November 2006. Being aggrieved by said order, the