

WEST BENGAL AUTHORITY FOR ADVANCE RULING
GOODS AND SERVICES TAX
14 Beliaghata Road, Kolkata – 700015
(Constituted under section 96 of the West Bengal Goods and Services Tax Act, 2017)

BENCH

Mr Brajesh Kumar Singh, Joint Commissioner, CGST & CX
Mr Joyjit Banik, Senior Joint Commissioner, SGST

Preamble

A person within the ambit of Section 100 (1) of the Central Goods and Services Tax Act, 2017 or West Bengal Goods and Services Tax Act, 2017 (hereinafter collectively called 'the GST Act'), if aggrieved by this Ruling, may appeal against it before the West Bengal Appellate Authority for Advance Ruling, constituted under Section 99 of the West Bengal Goods and Services Tax Act, 2017, within a period of thirty days from the date of communication of this Ruling, or within such further time as mentioned in the proviso to Section 100 (2) of the GST Act.

Every such appeal shall be filed in accordance with Section 100 (3) of the GST Act and the Rules prescribed thereunder, and the Regulations prescribed by the West Bengal Authority for Advance Ruling Regulations, 2018.

Name of the applicant	Masterly Kolkata Facility Maintenance Pvt Ltd
Address	BLOCK D1, 2, Jessore Road, Kolkata, North 24 Parganas, Pin Code- 700028, West Bengal
GSTIN	19AAMCM9101F1ZD
Case Number	13 of 2021
ARN	AD190621002146H
Date of application	July 07, 2021
Order number and date	12/WBAAR/2021-22 dated 30/09/2021
Applicant's representative heard	Mr. Arun Kumar Agarwal, CA, Authorized Representative Ms. Parul Damani, CMA, Authorized Representative

1.1 At the outset, we would like to make it clear that the provisions of the Central Goods and Services Tax Act, 2017 (the CGST Act, for short) and the West Bengal Goods and Services Tax Act, 2017 (the WBGST Act, for short) have the same provisions in like matter except for certain provisions. Therefore, unless a mention is specifically made to such dissimilar provisions, a reference to the CGST Act would also mean reference to the corresponding similar provisions in the WBGST Act. Further to the earlier, henceforth for the purposes of these proceedings, the expression 'GST Act' would mean the CGST Act and the WBGST Act both.

1.2 The applicant is stated to be a service provider engaged in rendering maintenance services to the owner of the apartments of "Emami City", a residential cum commercial area, situated at Jessore Road, Kolkata -700028. The said project has been developed with a

facility of supply of cooking gas through pipeline from gas banks installed at different places in the project premises.

1.3 The applicant has made this application under sub-section (1) of section 97 of the GST Act and the rules made there under raising following questions vide serial number 14 of the application in FORM GST ARA-01:

(i) Whether supply of cooking gas as provided by the applicant should be classified as supply of goods or supply of services in the given circumstances?

1.4 The aforesaid question on which the advance ruling is sought for is found to be covered under clause (a) of sub-section (2) of section 97 of the GST Act.

1.5 The applicant states that the question raised in the Application has neither been decided by nor is pending before any authority under any provision of the GST Act.

1.6 The officer concerned from the Revenue has raised no objection to the admission of the Application.

1.7 The Application is, therefore, admitted.

2. Submission of the applicant

Fact of the case as submitted by the applicant along with interpretation of law made by him is reproduced verbatim herein under:

2.1 Section 9 of the Central Goods and Services Tax Act, 2017 (hereinafter as “ the CGST Act”) inter alia provides that there shall be levied a tax called the Central Goods and Services Tax on all intra state supplies of goods or services or both on the value determined under section 15 and at prescribed rates.

2.2 Under GST regime the taxable event is “supply of goods or services or both”. The scope of supply has been provided in Section 7 of the CGST Act. Section 7(1) inter alia states that “supply includes all forms of supply of goods or services or both such as sale, transfer, barter, exchange, licence, rental, lease or disposal made or agreed to be made for a consideration by a person in the course or furtherance of business”.

2.3 The term “goods” has been defined in clause (52) of section 2 to mean every kind of movable property other than money and securities but includes actionable claim, growing crops, grass and things attached to or forming part of the land which are agreed to be severed before supply or under a contract of supply.

2.4 The term ‘ service’ has been defined in clause (102) of section 2 to mean anything other than goods, money and securities but includes activities relating to the use of money or its conversion by cash or by any other mode, from one form, currency or denomination, to another form, currency or denomination for which a separate consideration is charged.

2.5 Thus going by the definition of services if anything is classified as goods it cannot be classified as services.

2.6 The applicant has been providing maintenance services to the apartment owners for the common parts and portions and raising invoices for maintenance services to the apartment owners.

2.7 The details of common parts and portions are mentioned in the Third Schedule in the Deed of Sub Lease which does not include supply of cooking gas.

2.8 Said project has been developed with a facility of supply of cooking gas through pipeline from gas bank installed at different places in the project premises and the apartment owners are required to pay a one-time charge per flat. However, the apartment owners are at liberty either to get the supply of cooking gas through the applicant or they may procure on their own.

2.9 Further, for the purpose of supply of cooking gas, the applicant purchases GAS cylinders of 14.2 Kg each from The India Trading Gas Company (hereinafter as 'the vendor'), an authorised distributor of Indian Oil Corporation (Indane) / Hindusthan Petroleum Corporation Ltd (HP) and said GAS is refilled in the gas bank from where gas is supplied to the apartment owners. The applicant procures the gas on payment of GST @ 5% [CGST 2.5%+ SGST 2.5%] under HSN271119.

2.10 As explained in the above facts, the applicant is procuring gas cylinders and their vendor has classified it as supply of goods under Serial No 165 of Schedule I of Notification No 01-2017-CT(R), and the applicable rate of tax for supply of Liquefied Propane and Butane mixture, Liquefied Propane, Liquefied Butane and Liquefied Petroleum Gases (LPG) for supply to household domestic consumers or nondomestic exempted category (NDEC) customers by the Indian Oil Corporation Limited, Hindusthan Petroleum Corporation Limited, or Bharat Petroleum Corporation Limited is 2.5% [HSN 27119].

2.11 Further Serial No 165A of Schedule I of Notification No 01-2017 provides applicable rate of tax for CGST @ 2.5% for the following supply of goods-

“Liquefied Propane and Butane mixture, Liquefied Propane, Liquefied Butane and Liquefied Petroleum Gases (LPG) for supply to household domestic consumers.”

Similar rate of tax for supply of goods are also provided in WBGST Act as well.

2.12 After procuring the GAS cylinders the applicant refills the said gas in the gas bank from where the gas is supplied to the apartment owners. The applicant is also supplying the cooking gas to the apartment owners, thus it shall also be classified as supply of goods only.

2.13 At present the applicant has classified the above as supply of services treating the same as supply of Support services to gas distribution as provided by them to the apartment owners and charging GST @ 18% under SAC code 998632.

2.14 As per “Explanatory Notes to the Scheme of Classification of services”, as published by CBEC, SAC code 998632 includes support services to gas distribution. “Support services to gas distribution” which should be read as “Support services in relation to gas distribution.” Use of such words i.e. service to gas distribution, makes the clear intent of divorcing the actual supply by way of gas distribution from the services to be rendered in relation to such gas distribution. In the instant case, the applicant is not providing any support services to gas distribution, rather it is supplying the gas itself to the apartment owners.

2.15 Sec 2(30) of CGST Act, 2017 states ‘composite supply’ means a supply made by a taxable person to a recipient consisting of two or more taxable supplies of goods or services or both, or any combination thereof, which are naturally bundled and supplied in conjunction with each other in the ordinary course of business, one of which is a principal supply’.

2.16 The analysis of the definition of “composite supply” shows that any supply consisting of two or more taxable supplies should be treated as composite supply, if the supplies are-

- Naturally bundled
- Supplied in conjunction with each other in the ordinary course of business and
- One of which is a principal supply

2.17 The term ‘naturally bundled’ is not defined in the GST law. In order to determine whether the supply of cooking gas and supply of maintenance service to the apartment owners are naturally bundled or not, the question which is to be answered is whether supply of cooking gas is combined with an element or elements of provision of the main service of maintenance service.

2.18 Seventh Schedule of the Deed of Sub Lease precisely describes the scope of maintenance service and how the maintenance charges are to be utilized. Said schedule inter alia provides as follows-

- ✓ Repairing, rebuilding, repainting, improving or other treating as necessary and keeping the property in goods;
- ✓ Keeping the gardens and grounds of the property generally in a neat and tide condition;
- ✓ Keeping the private road in goods;
- ✓ Paying workers as may be necessary in connection with the upkeep of the property;
- ✓ Insuring any risk;
- ✓ Cleaning as necessary the external walls and windows;
- ✓ Cleaning as necessary of the areas forming parts of the property;
- ✓ Operating, maintaining and (if necessary) renewing the lighting apparatus from time to time;
- ✓ Maintaining and operating lifts;
- ✓ Generally managing and administering the development and protecting the amenities in the building;
- ✓ The provision for maintenance and renewal of any other equipment.

2.19 From the said schedule it is also clear that maintenance of piped gas connection, being the amenities in the building (Entry No 16 of the Seventh Schedule of Deed of Sub-Lease read with entry no xix of schedule E of Agreement of Sub lease) is under the scope of maintenance service provided by the applicant which has got no connection with supply of cooking gas through the said piped gas connection.

2.20 Refilling the gas into gas bank and supplying the same through pipeline is optional for every individual flat owner, and not an integral part of the maintenance service. As per the given facts it is also invoiced separately based on consumption by the apartment owners. The flat owners have an option to avail the supply of gas through pipeline, chargeable on the basis of actual units consumed at the rate as decided by the company.

2.21 A composite supply as defined above is where two or more supplies are supplied in conjunction with each other. The LPG/ cooking gas is not being supplied in conjunction with the maintenance service. It is an option to the apartment owners either to purchase the cooking gas from the applicant or from any other supplier. Therefore, this is an independent supply and should not be said to be a part of composite supply of maintenance service.

2.22 Therefore, supply of cooking gas is not an element of supply which is naturally bundled in the ordinary course of business, with the supply of service of maintenance service which can give the bundle its essential character.

2.23 Section 8 of the CGST Act makes provision for tax liability on composite and mixed supplies and postulates that tax liability on a composite or a mixed supply shall be determined in the manner provided in clauses (a) and (b) there under. Clause (a) says that a composite supply comprising two or more supplies, one of which is a principal supply, shall be treated as a supply of such principal supply; and clause (b) says that a mixed supply comprising two or more supplies shall be treated as a supply of that particular supply which attracts the highest rate of tax.

2.24 To fall within the ambit of clause (a) the supply has to be a composite one. Composite supply has been defined under section 2(30) of the CGST Act to mean a supply made by a taxable person to a recipient consisting of two or more taxable supplies of goods or services or both, or any combination thereof, which are naturally bundled and supplied in conjunction with each other in the ordinary course of business, one of which is the principal supply. As to what is a principal supply is defined in section 2(90) of the CGST Act to mean the supply of goods or services which constitutes the predominant element of a composite supply and to which any other supply forming part of that composite supply is ancillary. In other words "principal supply" is the supply which gives the bundle its essential character.

2.25 Reverting to the facts of the present case, the principal supply of maintenance service is not naturally bundled and supplied in conjunction with supply of cooking gas in the ordinary course of business. Accordingly, in view of the provisions of clause (a) of section 8 of the CGST Act, the tax liability of such multiple supplies is not required to be determined by treating the same as a supply of the principal supply namely, maintenance service.

3. Submission of the Revenue

The concerned officer from the revenue has furnished a written submission which is reproduced herein under:

3.1 As per applicant's submission M/s Emami Realty Limited (formerly known as M/s Emami Infrastructure Limited; GSTIN 19AALCS5120P1ZS) has developed a "residential – cum- commercial project" at 2 Jessore Road, Kolkata - 28 and appointed applicant as the maintenance service provider to the apartment owners of the said project, vide an agreement dated 30th June 2019. The said agreement dated 30th June 2019 is not presented before undersigned for her perusal.

3.2 Furthermore, the applicant made a property management services agreement with M/s Colliers International (India) Property Services Pvt Ltd (dated 30-01-2020) and from then on providing various property management services to the residential complex including clubhouse at its Project Emami City , 2 Jessore Road , Kolkata – 700028 through M/s Colliers International (India) Property Services Pvt Ltd.

3.3 The applicant submitted an unregistered agreement to sub-lease with flat owners (Mrs Reea Gupta & Mr Sumit Gupta) dated 18-05-2018 , a registered deed of sub-lease with flat owners (Mrs Reea Gupta & Mr Sumit Gupta) dated 25-10-2019 and a property management services agreement with M/s Colliers International (India) property services Pvt Ltd (dated 30-01-2020) but did not submit agreement dated 30-06-2019 (as noted in point b).

3.4 Perused the agreement of sub-lease and deed of sub-lease. Important features of such documents are as follows:

- i) Flat owners are required to pay Rs. 25000/- per flat upfront for piped Gas Bank Connection (Vide unregistered "Agreement to Sub-Lease", dated 18th May, 2018, Fifth Schedule, Page-56, "Extra Charges & Deposits" , Point J)
- ii) In terms of para 7.7 of the deed of Registered Sub-Lease, duly registered at the Additional District Sub-Registrar, Cossipore Dumdum, having deed No 150609737 for the year 2019, it is clearly evident M/s Emami Realty Limited appointed applicant as maintenance service provider of the said residential – cum- commercial project. (related agreement not submitted for perusal)
- iii) Seventh schedule of the registered deed of Sub-Lease (supra) describes the scope of maintenance service and the relevant point is "Generally managing and administering the development and protecting the amenities in the building and for that purpose employing and contractor and enforcing or attempting to enforce the observance of the covenants on the part of any occupants of any of the apartment." (Deed of Registered Sub-Lease, Schedule VII, Point 16)

3.5 Though in the Registered Sub-Lease, piped gas bank connection is not mentioned directly, but it is implied that the said "residential – cum- commercial" project has a reticulated gas system and applicant is in charge of its general maintenance including such reticulated gas system.

3.6 Perused the agreement between M/s Colliers International (India) Property Services Pvt Ltd and the applicant (dated 30-01-2020). It transpires from such agreement that the applicant is in charge of the overall maintenance of the above-noted residential complex including maintenance of such reticulated gas system.

3.7 The said residential complex has a reticulated gas system and in the above noted agreement it is clearly stated (Ref Annexure 1 ; scope of service ,point 2 sub point a , c & l) that M/s Colliers International (India) property services Pvt Ltd is responsible for arranging and wherever it is necessary engage contractors subject to the approval of the client (ie the applicant) , for the purpose of maintaining , repairing , redecorating or otherwise keep in good and tenable condition the project including:

a. The structures of the project

.....

c. All finishes , fittings and fixtures therein;

.....

l. Upkeep and maintenance of gas bank, temple, pool , water bodies , swimming pool , main gate , security access control and services , and all miscellaneous common amenities as per specification is the responsibility of the service provider.

So, it is clear that the applicant is responsible for general maintenance of such residential complex including gas bank and related fittings and fixtures (gas pipelines, gas meters etc) and such service is his main supply.

3.8 From the submitted invoices (along with the application) , it appears that the applicant purchases cooking gas from registered taxpayer (M/s The India Trading Gas Company) @ the regular GST rate of 5% , filled the gas bank and supplies the gas to the flat-owners through well maintained pipeline.

He raised a consolidated maintenance bill where such upkeep of gas bank, pipelines and related fittings are invariably included, to each and every flat owner of such complex.

Furthermore, he raised an additional invoice to the flat owners (who opted for service of reticulated gas system) namely "gas charges bill" based on actual consumption of cooking gas.

3.9 On verification of the records it has been observed that applicant is discharging tax @ 18% (CGST 9% & SGST 9%) on maintenance charges and also discharging tax @ 18% (CGST 9% & SGST 9%) on cost of gas consumed by the recipients (flat owners).

3.10 From the perusal of agreements, deed and invoices it is crystal clear that the applicant is a supplier of service. But, so far as the supply of cooking gas through pipeline is concerned such supply has two components, a fixed component and a variable one. Fixed component is the monthly fixed maintenance charge for upkeep and maintenance of gas bank, gas pipelines (within the said residential complex) and related fittings & fixtures [which is included in a consolidated maintenance bill raised monthly by the applicant].

Variable component is the charge for consumption of cooking gas.

Both are the part of the same consideration and are for the contract of general maintenance and upkeep. Though it appears that the applicant is receiving the reimbursement of cost of cooking gas consumed, but flat –owners are not paying for the consumed cooking gas, but for the services of reticulated gas system, which is an integral part of the supply of service related to general upkeep and maintenance as narrated above.

3.11 So, the undersigned is of the view, that the consideration charged for the supply of cooking gas is nothing but an additional consideration for the general upkeep & maintenance of above stated reticulated gas system and attracts CGST @ 9% and SGST @ 9%.

4. Observations & Findings of the Authority

4.1 We have gone through the records of the issue as well as submissions made by the authorised representatives of the applicant during the course of personal hearing. We have also considered the submission made by the officer concerned from the Revenue.

4.2 The issue involved in the instant case, we reiterate, is to decide whether the supply of cooking gas through pipeline from the gas banks installed at the project premises shall be classified as supply of goods or supply of services.

4.3 In course of personal hearing, the authorised representatives of the applicant have furnished *inter alia* a copy of Work Order issued to M/s Futuristic Utility Services towards monitoring and maintenance of gas banks for LPG reticulated system.

4.4 We think it would be relevant to first discuss briefly the supply of cooking gas through reticulated gas system, which is stated as under:

'Reticulated Gas System is one of the latest value-additions being offered by builders. The Reticulated Gas System involves a piped network that supplies cooking gas to individual flats through a centralized gas bank. In centralized gas bank, the cylinders are connected to a manifold which consists of two arms- Active Bank & Standby Bank- the manifold arm connected to cylinders from which LPG is supplied is known as the "Active Bank" and the other arm connected to the cylinders is known as the "Standby Bank."

When the LPG gets exhausted in the active bank, the supply of LPG from the active bank to the standby bank is either done manually or automatically. While the LPG supply from the standby bank continues, the gas company replaces the empty cylinders to ensure that the users receive uninterrupted supply of gas.

A gas meter is installed in a suitable position (inside or at the entry point of the kitchen) that records the usage of the LPG as it passes through it. Gas meters measure a defined volume, regardless of the pressurized quantity or quality of the gas flowing through the meter. The benefit of this system is its 'use and pay' feature just the way it is being done for water and electricity consumption.'

[source: <https://www.commonfloor.com/guide/reticulated-gas-system-for-apartment-complex>]

4.5 The applicant has submitted that he has been entrusted and appointed by the developer namely Emami Realty Limited for providing all sorts of facility and property management services in respect of residential complex known as 'Emami City' situated at No. 2, Jessore road, Kolkata-700028 and for the purpose of providing the services, the applicant is at liberty to select the facility management company at its choice, negotiate the charges and also to collect the Facility Charges and Common Area Maintenance Charges directly from the owners/occupants and/or Association of the owners of the said residential complex as per the terms and conditions as may be decided and agreed upon by the applicant and the Facility Service Company or Property Management Company or agency or partner, as the case may be.

4.6 The applicant submits that he has entered into a 'Property Management Services Agreement' with Cooliers International (India) Property Services Private Limited (referred to as, service provider) for the purpose of obtaining property management services from the said company for the residential complex known as 'Emami City'.

Scope of services under entry serial number 2(l) of Annexure-I of the aforesaid agreement reads as follows:

'upkeep and maintenance of gas bank, temple, pond, water bodies, swimming pool, main gate, security access control and services and all miscellaneous common amenities as per specifications is the responsibility of the service provider'. (emphasis given)

Further, in terms of entry serial number 2(m) the service provider has to render services in respect of 'any other items not listed above but are construed to be part of the common areas of the property'.

4.7 We find that common parts & portions utilities, amenities and facilities have been specified in Para 7 of the 'Agreement to sub-Lease' as furnished by the authorised representative of the applicant in course of personal hearing. Items specified under Para 7.1 (vi) and (vii) respectively are reproduced herein under:

7.1 COMMON PARTS & PORTIONS-I of the Tower in which the said APARTMENT/FLAT/UNIT is situated-shall include the following:

* * * * *
* * * * *

(vi) All central and appurtenant installations for service such as electricity, telephone, television, gas, sewer, waste, hot and cold water (including all pipes, ducts, wires, chutes, cables and conduits located in Common Parts & Portions or in APARTMENT/FLAT/UNITs) and all other mechanical equipment spaces (except those which are contained in any APARTMENT/FLAT/UNITs which serve or benefit all owners or other general Common Elements.

(vii) All other facilities of the building including but not limited to shafts, pipes, wires, ducts, vents, cables, conduits and lines) which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of all APARTMENT/FLAT/UNITs or all APARTMENT/FLAT/UNIT OWNERS.

4.8 We also find that the mode of payment of consideration amount as referred to in the aforesaid 'Agreement to sub-Lease' requires payment of a fixed amount against 'Piped Gas Bank connection'. The ahas submitted that the apartment owners are at liberty either to get the supply of cooking gas through the applicant or they may procure on their own. It is therefore evident that each and every apartment owner is liable to pay the aforesaid amount irrespective of the fact whether she/he will avail the pipeline gas supply or not.

4.9 The applicant has also issued a Work Order for LPG Reticulated System monitoring & maintenance for all the residential gas banks and club house and retail block gas banks installed at the said projects. Description of the work, as we find, involves up keeping of equipments like LPG Pipelines & pipe fittings, valves, NRVs etc. of the Reticulated System along with providing services to maintain the VOT system installed at site.

4.10 In Vapour off Take System (VOT), gas cylinders are connected to the Manifold system in series and the Vaporized LPG is directly drawn from the cylinders with Natural Vaporization Process. It is then passed through the properly designed Pressure Reducing Station.

4.11 We thus find that supply of gas through LPG Reticulated System, considering the nature of supply and properties of the goods involved, essentially requires following installation services:

- installation of gas bank;
- installation of pipeline;
- installation of gas leak detector;
- installation of gas meter;

4.12 It is a matter of fact that all the gas banks are installed at the common area of the project. Further, the 'Agreement to sub-Lease' clearly specifies that all central and appurtenant installations for service such as electricity, telephone, television, gas shall be included in common parts & portions of the project. It is also a matter of fact that the applicant has been entrusted by the developer for providing all sorts of facility and property management services in respect of the said residential complex and to provide such services, the applicant obtains services from two service providers namely (i) Cooliers International (India) Property Services Private Limited and (ii) Futuristic Utility Services.

4.13 The applicant has furnished copies of invoices issued by the aforesaid two service providers where the services provided are classified under following service code (Tariff):

(i) Cooliers International (India) Property Services Private Limited: SAC 997221 [Property management services on a fee or commission basis or on contract basis]

(ii) Futuristic Utility Services: SAC 9987 [Maintenance, repair and installation (except construction) services].

4.14 The applicant, as we find, provides the said services to the owners of the all apartment/flat/unit owners and issues invoices towards Common Area Maintenance (CAM, for short) Charges charging tax @ 18% leviable under the GST Act (CGST @ 9% + WBGST @ 9%). This CAM charges inter alia includes services in respect of maintenance of gas bank, repair and maintenance of gas pipeline and other services related to supply of gas through LPG Reticulated System.

4.15 In the light of aforesaid facts, we now require to examine whether supply of cooking gas can be treated as a separate supply being supply of goods or it can be considered as a composite supply comprising supply of goods and supply of services both.

4.16 We have already mentioned that according to the 'Agreement to sub-Lease', each and every apartment owner, irrespective of the fact whether she/he will avail the pipeline gas supply or not, is required to pay a fixed amount against 'Piped Gas Bank connection'. Further, if an apartment owner doesn't want to avail the pipeline supply of gas, still he shall have to bear the expenses incurred towards maintenance of gas bank, repair and maintenance of pipeline through which LPG will be supplied since such expenses are included under CAM charges.

4.17 We therefore unable to accept the submission made by the applicant and noted earlier in para 2.19 that maintenance of piped gas connection has got no connection with supply of cooking gas through the said piped gas connection.

4.18 In this regard, we like to mention further that both the service providers namely Cooliers International (India) Property Services Private Limited and Futuristic Utility Services are issuing invoices in a consolidated manner against their supply of services to the applicant.

4.19 Further, it needs to be mentioned that even from the invoices issued by Futuristic Utility Services, who is issuing invoices towards 'operation and maintenance charges' for LPG Reticulated System, the value of supply cannot be segregated so as to ascertain how many of the apartment owners are paying this charges against use of pipeline gas supply.

4.20 It is submitted by the applicant that the apartment owners are at liberty either to get the supply of cooking gas through the applicant or they may procure on their own. However, the applicant has not furnished any document in support of such submission. It is, therefore, not clear to us whether an apartment owner has to enter into a separate agreement/contract with the applicant for procuring pipeline gas supply. The applicant has not furnished any documents before us regarding terms and conditions towards supply of gas through pipeline and whether the applicant has to follow any guidelines issued by the appropriate authority for supply of gas through pipeline.

4.21 We therefore observe that in the instant case, the applicant is providing facility and property management services to each and every apartment owner of the project. This service includes maintenance and repair services related to supply of cooking gas through pipeline and is also applicable to the apartment owner who is not availing the pipeline gas

supply. So, when an apartment owner intends to get supply of cooking gas through pipeline, she/he will be provided the same along with the services for which she/he has already been paying to the applicant. So, supply of cooking gas through pipeline is inextricably linked with facility and property management services as provided by the applicant.

4.22 It therefore follows that in spite of issuance of separate invoices as 'GAS CHARGES BILL' for consumption of gas, supply of gas through pipeline is found to be naturally bundled with facility and property management services and are supplied in conjunction with each other. The instant supply, therefore, shall be treated as 'composite supply' as defined under clause (30) of section 2 of the GST Act where the principal supply is facility and management services.

In view of the above discussions, we rule as under:

RULING

In the given circumstances, supply of cooking gas as provided by the applicant shall be classified as supply of services.

(BRAJESH KUMAR SINGH)

Member

West Bengal Authority for Advance Ruling

(JOYJIT BANIK)

Member

West Bengal Authority for Advance Ruling