



सत्यमेव जयते

# भारतीय राष्ट्रीय राजमार्ग प्राधिकरण

(सड़क परिवहन और राजमार्ग मंत्रालय, भारत सरकार)

## National Highways Authority of India

(Ministry of Road Transport and Highways, Government of India)

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### NHAI/Policy Guidelines/ Accounts and Taxes/2022 Policy Circular No.3.3.27/ 2022 dated 23<sup>rd</sup> December, 2022 {Decision taken on E-Office File No. NHAI/F&A/GST-2021-22/SM-Vol.-IV (Comp. No. 92140)}

**Sub.: Clarification regarding applicability of GST on the activity of construction of road under HAM projects -reg.**

- Ref: - 1) Circular No. 3.3.14 dated 29.09.2017  
2) Circular No. 3.3.17 dated 23.10.2017  
3) Circular No. NHAI/F&A/GST -2017-18/SM dated 05.03.2018  
4) Circular No. 3.3.20/2019 dated 29.07.2019 (SOP)  
5) Policy Circular No. 3.3.21/2021 dated 01.09.2021  
6) Circular No. NHAI/F&A/GST-2021-22/SM-Vol. IV dated 20.09.2022

In continuation of the above circulars to the extent of applicability of GST on HAM projects, following is hereby further clarified.

#### 1. GST under Change in Law on EPC portion of HAM project

With reference to payment method provided under 2 (I) of policy circular no. 3.3.21/2021 dated 01.09.2021, NHAI has received representations from stakeholders regarding payment of GST on change in law amount attributable to EPC Cost on completion of construction work instead of payment of such amount along with annuities.

On careful examination of the matter, NHAI has observed that recovery of amount already paid to concessionaire and payment of GST on change in law impact on EPC cost along with annuity payments in a span of 15 years shall result in delay of payment of change in law compensation as the significant cash outflows are incurred at the time of EPC cost to the concessionaire.

Hence, it has been decided to pay the change in law impact/amount attributable to EPC Cost at the time of completion of construction work and balance amount of change in law shall be paid starting from such annuity as calculated from Annexure-III. An illustration regarding this is given below:

#### Illustration 1.

#### Let us assume:

- i. BPC Cost plus escalation - Rs. 100 Crores
- ii. EPC Cost plus escalation out of i - Rs. 80 Crores
- iii. GST impact finalized - 5%
- iv. Total GST amount under change in law - Rs. 100 Crores X 5% = Rs. 5 Crores
- v. GST amount under CIL attributable to EPC Cost - Rs. 80 Crores X 5% = Rs. 4 Crores

Contd...2/-

Hence, an amount of up to Rs. 4 Crores may be paid to concessionaire on completion of construction work and balance change in law amount of Rs. 1 Crore shall be paid in instalments starting with annuity payment calculated from Annexure-III.

**2. In continuation of circular No. NHAI/F&A/GST-2021-22/SM-Vol.IV dated 20.09.2022 regarding change in rate of GST from 12% to 18%, following is hereby clarified:**

The applicability of change of rate from 12% to 18% shall be governed in accordance with time of supply under section 14 of the CGST Act.

**i. HAM Projects where bid due date was on or before 30.06.2017:-**

For the projects where the bid due date was on or before 30.06.2017, there may arise following two situations:

- a. Work completed on or before 17.07.2022 (before change in rate of tax), or
- b. Work completed on or after 18.07.2022 (after change in rate of tax)

The updated template Annexure-II as issued vide circular no. NHAI/F&A/GST-2021-22/SM-Vol.IV dated 20.09.2022 mentioned above shall be applicable for both the situations.

In case, where the template has already been submitted for GST Audit by the concessionaire and change in law impact has been calculated, in such a case, GST impact shall be calculated again considering the updated template Annexure-II.

**ii. HAM Projects where bid due date was between 01.07.2017 to 13.10.2017 (both days inclusive):-**

During the period between 01.07.2017 to 13.10.2017, the bids were invited inclusive of GST and both construction support and annuities were taxable, hence, the concessionaire is expected to consider GST @ 12% in project cost while preparing the bids.

In the above situation (ii), if the invoice is raised (both in case of construction support or annuity) on or after 18.07.2022, the GST under change in law due to change in rate of tax from 12% to 18% shall be calculated as under:

**Illustration 2.**

Let us consider the balance payment plus escalation on or after 18.07.2022	Rs. 100
GST applicable before 18.07.2022	12%
Derived balance works value excluding GST	$Rs. 100/1.12 = Rs. 89.29$
GST applicable from 18.07.2022 @ 18% on balance payment value excluding GST	$Rs. 89.29 \times 18\% = Rs. 16.07$
Revised Amount including GST	$Rs. 89.29 + Rs. 16.07 = Rs. 105.36$
Net Impact	Rs. 5.36 or 5.36%

The above impact will also be applicable on O&M payments where invoices are raised on or after 18.07.2022.

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Under this situation (ii), attention of field units is invited that where the work completed and date of tax invoice including milestone, annuity invoice, O&M invoice etc. is before 18.07.2022 and payment is made on or after 18.07.2022, no GST under change in law regarding change in rate of taxes shall be paid.

However, in case of invoice for advance is issued before 18.07.2022 and work is performed and payment is also made on or after 18.07.2022, in such a case also the impact as calculated above shall be paid.

This change in rate of GST is applicable on the tax invoices including milestone, annuity payment, O&M invoice etc.

iii. **HAM Projects where bid due date was between 14.10.2017 to 16.06.2021 (both days inclusive):-**

During the period between 14.10.2017 to 16.06.2021, the bids were invited inclusive of GST. Here, Construction support was taxable, and annuities were deemed to be exempt due to notification issued by CBIC on 13.10.2017, hence, the concessionaire is expected to consider GST @ 12% on construction support while preparing the bids and annuities were deemed to be exempt from GST.

However, vide its circular no. 150/06/2021 dated 17.06.2021, CBIC had clarified that annuity payments under HAM projects were taxable at applicable rate from time to time (applicable rate of GST was 12%) and NHAI had issued policy circular no. 3.3.21/2021 dated 01.09.2021, (Annexure IV attached herewith) to compensate the concessionaire for such increase in cost under change in law on annuity portion.

Furthermore, CBIC has further issued Notification no. 03/2022 dated 13.07.2022 wherein it is decided by Government of India to increase the rate of tax on construction of roads, bridges etc. from 12% to 18%, which has further increased cost of construction to concessionaire from 12% to 18%.

Therefore, in the above given circumstances and after receiving various representations from concessionaires, to mitigate the hardship the following is clarified:

- A. That since the construction cost was considered inclusive of GST (applicable rate of GST 12%) while preparing bids (during the period from 14.10.2017 to 16.06.2021, both days inclusive), therefore no additional cost shall be given where the invoice is raised on or before 17.07.2022.
- B. That where the invoice is raised on or after 18.07.2022 for construction cost and concessionaire suffered increase in cost ( increase in the rate of GST from 12% to 18%) due to Notification No. 03/2022 dated 13.07.2022, it is clarified that NHAI will pay to concessionaire GST difference @ 5.36% as per formula prescribed under clause (ii) above.
- C. That since the annuity was considered exempt of GST while preparing bids (during the period from 14.10.2017 to 16.06.2021, both days inclusive), and due to CBIC circular no. 150/6/2021 dated 17.06.2021, annuity was made taxable retrospectively w.e.f. 01.07.2017 and hence, NHAI has issued policy circular no. 3.3.21/2021 dated 01.09.2021, (Annexure IV attached herewith) to compensate the concessionaire for such increase in cost under change in law on annuity portion. The GST impact under change in law due to CBIC circular no. 150/6/2021 dated 17.06.2021 shall be worked out in accordance with NHAI policy circular no. 3.3.21/2021 dated 01.09.2021 under **Annexure IV** where the invoice for annuity is raised on or before 17.07.2022.

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D. That where the invoice is raised on or after 18.07.2022 for annuity payment and concessionaire suffered increase in cost (increase in the rate of GST from 12% to 18%) due to Notification No. 03/2022 dated 13.07.2022, GST impact under change in law shall be worked out using revised Annexure-IV excel template issued vide circular No. NHAI/F&A/GST-2021-22/SM-Vol.IV dated 20.09.2022. This is further clarified that under the revised Annexure-IV, the rates of GST for calculation of input GST on costs of SPV which attracts GST shall be the rates prevailing at the time of preparation of bids. For e.g., Input GST on EPC Contractor Cost shall be calculated @ 12% and not 18%. That this provision is also inserted in the Annexure-IV for sake of convenience.

iv. **HAM Projects where bid due date was on or after 17.06.2021:-**

Since 17.06.2021, the bids were invited exclusive of GST and hence, GST is payable at the applicable rates.

Under this situation (iv), attention of field units is invited that where the date of tax invoice including milestone payments, annuity payments, interest on annuity, O&M payments etc. is before 18.07.2022 and payment is made after 18.07.2022, GST at the applicable rate of 12% is payable.

This change in rate of GST from 12% to 18% is applicable on the tax invoices including milestone payments, annuity payments, interest on annuity, O&M payments etc. raised on or after 18.07.2022.

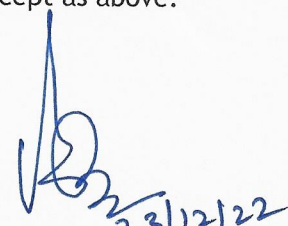
3. All the above illustrations given are for the purposes of example only. The PIUs shall be advised to send the GST liability calculation file to GST cell, NHAI HQ only for para-2 (i) & 2(iii) (C) & (D) for further scrutiny and vetting by GST Consultant/Auditor. However, payment shall be released by respective PIUs with approval of RO concerned.

4. The GST claims under change in law shall be submitted by the concessionaire to the PIU under intimation to GST Cell, NHAI HQ.

5. All the deliberation made under referred circulars are remain unchanged except as above.

6. This issues with the approval of Competent Authority.

Encl.: As stated above



(Sanjay Kumar Patel)  
General Manager (Coord.)

To:

All Officers of NHAI HQ/ ROs/ PIUs/ CMUs/ Site Offices

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Project/ Contract details				
No. of the Contractor/ Concessionaire	Contract Agreement Number	Name of the Project		
GS: no.	Date	Bill No.		
	State	Date:		

Payment Details				
a	b	c	d	e
Total construction cost (Bid Project Cost) plus Price Variation	Pre-GST Regime Value of services rendered - as per Bid Project Cost plus price variation - upto 30.06.2017	GST Regime Value of services rendered - as per Bid Project Cost plus price variation - from 01.07.2017 till 17.07.2022	Balance Value of services rendered - as per Bid Project Cost plus price variation on or after 18.07.2022	Remarks
999.00	100.00	749.00	150.00	

Project Constituents	Percentage	Gross Original Value of the Contract	Percentage	Pre-GST	Percentage	Post GST upto 17.07.2022	Percentage	Post-GST post 17.07.2022
a Gross Value of Contract	-	999.00	-	100.00	-	749.00	-	150.00
b Less : Labour and allied charges (refer Point no 6 in Notes)	25.00%	249.75		25.00		187.25		37.50
c Taxable Value for VAT (a-b)		749.25		75.00		561.75		112.50
d Less: Output VAT (refer Point no 7 in Notes)	5.50%	39.06		3.91		29.29		5.86
e Cost plus Margin		959.94		96.09		719.71		144.14
f Less : Margin of SPV	10.00%	87.27		8.74		65.43		13.10
g Cost of the Project(a-b)		872.67		87.35		654.29		131.03
<b>Components of the Projects</b>								
<b>Cost incurred by EPC Contractor (incl margin)</b>								
i Bitumen	9.17%	80.00	9%	8.00	9%	60.00	9%	12.00
ii Steel	6.96%	60.72	6%	5.00	7%	45.00	8%	10.72
iii Cement	4.35%	37.95	5%	4.00	5%	30.00	3%	3.95
iv Aggregates, Sand etc	10.07%	87.84	10%	9.00	10%	65.00	11%	13.84
v Pipes	0.87%	7.59	1%	1.00	1%	6.00	0%	0.59
vi Oth. Materials	0.87%	7.59	1%	1.00	1%	6.00	0%	0.59
vii HSD	10.31%	90.00	11%	10.00	11%	70.00	8%	10.00
viii Labour	23.03%	200.98	22%	19.35	22%	144.29	28%	37.34
ix Plant & Machinery	18.33%	160.00	18%	16.00	18%	120.00	18%	24.00
<b>Cost incurred by SPV</b>								
x Cost on which VAT or ED/ST is leviable	9.17%	80.00	9%	8.00	9%	60.00	9%	12.00
xi Cost on which no VAT or ED/ST is leviable	6.88%	60.00	7%	6.00	7%	48.00	5%	6.00
	100%	872.67	100%	87.35	100%	654.29	100%	131.03

GST Implications (For balance work)	% Component	Factoring 1						Factoring 2						
		Value of Item in Cost	Excise Duty (In Rs)	Excise duty (In %)	Input VAT/ CST (In Rs)	Input VAT/CST (In %)	Cost incl. Taxes	% Component	Value of Item in Cost	Excise Duty (In Rs)	Excise duty (In %)	Input VAT/ CST (In Rs)	Input VAT/CST (In %)	Cost incl. Taxes
Cost of the Project(a-b)														
<b>Cost incurred by EPC Contractor (incl margin)</b>														
i Bitumen	8.28%	51.60	7.22	14.00%	1.18	2.00%	60.00	8.25%	10.32	1.44	14.00%	0.24	2.00%	12.00
ii Steel	6.11%	38.10	4.76	12.50%	2.14	5.00%	45.00	7.26%	9.08	1.13	12.50%	0.51	5.00%	10.72
iii Cement	4.07%	25.40	3.17	12.50%	1.43	5.00%	30.00	2.67%	3.34	0.42	12.50%	0.19	5.00%	3.95
iv Aggregates, Sand etc	10.43%	65.00	-	0.00%	-	0.00%	65.00	11.07%	13.84	-	0.00%	-	0.00%	13.84
v Pipes	0.81%	5.08	0.63	12.50%	0.29	5.00%	6.00	0.40%	0.50	0.06	12.50%	0.03	5.00%	0.59
vi Oth. Materials	0.81%	5.08	0.63	12.50%	0.29	5.00%	6.00	0.40%	0.50	0.06	12.50%	0.03	5.00%	0.59
vii HSD	11.23%	70.00	-	0.00%	-	0.00%	70.00	7.99%	10.00	-	0.00%	-	0.00%	10.00
viii Labour	23.15%	144.29	-	0.00%	-	0.00%	144.29	29.85%	37.34	-	0.00%	-	0.00%	37.34
ix Plant & Machinery	19.25%	120.00	-	0.00%	-	0.00%	120.00	19.19%	24.00	-	0.00%	-	0.00%	24.00
<b>Cost incurred by SPV</b>														
x Cost on which VAT or ED/ST is leviable	8.15%	50.79	6.35	12.50%	2.86	5.00%	60.00	8.12%	10.16	1.27	12.50%	0.57	5.00%	12.00
xi Cost on which no VAT or ED/ST is leviable	7.70%	48.00	-	0.00%	-	0.00%	48.00	4.80%	6.00	-	0.00%	-	0.00%	6.00
ix Cost of the Project	100.00%	623.33	22.78		8.18		654.29	100.00%	125.08	4.39		1.56		131.03

<b>5 Billing Pattern</b>				Notes : 1 The cells in Green are for input 2 The correct rate of taxes for Excise,CST,VAT are to be entered. 3 The rates for VAT/Output VAT are as may be applicable for respective states 4 The issue of closing stocks are not considered due to complexities involved 5 The Components & Taxes are indicative/national. It has to be project specific and may change 6 Labour and allied charges Cell as per the details given below:- a) If it is in percentage (%), enter the percentage (%) in Cell no. C15 b) If it is based on absolute value, Justify the Absolute value in a separate sheet and put the value in Cell No. D15 (Calculation sheet to be enclosed) 7 Output VAT as per the details given below:- a) If it is in percentage (%), enter the percentage (%) in Cell no. C17 b) If it is based on input used, calculate in a separate sheet, put the value in Cell No. D17 (Calculation sheet to be enclosed)
a	Value of the work done by the Contractor	12%	18%	
		749.00	150.00	
b	Less : factored in Taxes (3 b + net of ix)	52.07	10.26	
c	Adjusted Value of Work done (5a - 5b)	696.93	139.74	
d	Add GST (on Adjusted value of work done)	83.63	25.15	
e	Value of Work due to Change in Law (5c + 5d)	780.57	164.90	
f	Additional liability of GST due to Change in Law Percentage Impact (5a - 5e)	31.57	14.90	
		4.21%	9.93%	
	Overall Impact	46.46		
	Overall Percentage	5.17%		

Authority Engineer

Contractor

Project Director  
NHAI

1 Project/ Contract details				
Name of the Contractor/ Concessionaire		Contract Agreement Number		Name of the Project
GST No.		Date		Bill No.
		State		Date:

2 Payment Details					
a	b	c		d	e
Total construction cost (Bid Project Cost)	Pre-GST Regime Value of services rendered - as per Bid Project Cost plus price variation - upto 30.06.2017	GST Regime Value of services rendered - as per Bid Project Cost plus price variation - from 01.07.2017 till 17.07.2022		Balance Value of services rendered - as per Bid Project Cost plus price variation - on or after 18.07.2022	Remarks
999.00	100.00	749.00		150.00	

3 Project Constituents	Percentage	Gross Original Value of the Contract	Percentage	Pre-GST	Percentage	Post GST upto 17.07.2022	Percentage	Post-GST post 17.07.2022
a Gross Value of Contract	-	999.00	-	100.00	-	749.00	-	150.00
b Less-Output Vat	5.25%	52.45	5.25%	5.25	-	39.32	-	7.88
c Cost plus Margin	-	946.55	-	94.75	-	709.68	-	142.13
d Less : Margin of SPV	10%	86.05	-	8.61	-	64.52	-	12.92
e Cost of the Project(a-b)	-	860.50	-	86.14	-	645.16	-	129.20
f Components of the Projects								
Cost incurred by EPC Contractor (incl margin)								
i Bitumen	9.30%	80.00	9%	8.00	9%	60.00	9%	12.00
ii Steel	7.06%	60.72	6%	5.00	7%	45.00	8%	10.72
iii Cement	4.41%	37.95	5%	4.00	5%	30.00	3%	3.95
iv Aggregates, Sand etc	10.21%	87.84	10%	9.00	10%	65.00	11%	13.84
v Pipes	0.88%	7.59	1%	1.00	1%	6.00	0%	0.59
vi Oth. Materials	0.88%	7.59	1%	1.00	1%	6.00	0%	0.59
vii HSD	10.46%	90.00	12%	10.00	11%	70.00	8%	10.00
viii Labour	21.94%	188.81	21%	18.14	21%	135.16	27%	35.51
ix Plant & Machinery	18.59%	160.00	19%	16.00	19%	120.00	19%	24.00
Cost incurred by SPV								
x Cost on which VAT or ED/ST is leviable	9.30%	80.00	9%	8.00	9%	60.00	9%	12.00
xi Cost on which no VAT or ED/ST is leviable	7%	60.00	7%	6.00	7%	48.00	5%	6.00
	100%	860.50	100%	86.14	100%	645.16	100%	129.20

4 GST Implications (For balance work)	% Component	Value of Item in Cost	Factoring 1				Factoring 2					
			Excise duty %	VAT/CST	Output VAT	Cost incl. Taxes	% Component	Value of Item in Cost	Excise duty %	VAT/CST	Output VAT	Cost incl. Taxes
Cost of the Project(a-b)												
Cost incurred by EPC Contractor (incl margin)						645.16						129.20
i Bitumen	8%	51.60	14.00%	2.00%	0%	60.00	8%	10.32	14.00%	2.00%	0%	12.00
ii Steel	6%	38.10	12.50%	5.00%	0%	45.00	7%	9.08	12.50%	5.00%	0%	10.72
iii Cement	4%	25.40	12.50%	5.00%	0%	30.00	3%	3.34	12.50%	5.00%	0%	3.95
iv Aggregates, Sand etc	11%	65.00	0.00%	0.00%	0%	65.00	11%	13.84	0.00%	0.00%	0%	13.84
v Pipes	1%	5.08	12.50%	5.00%	0%	6.00	0%	0.50	12.50%	5.00%	0%	0.59
vi Oth. Materials	1%	5.08	12.50%	5.00%	0%	6.00	0%	0.50	12.50%	5.00%	0%	0.59
vii HSD	11%	70.00	0.00%	0.00%	0%	70.00	8%	10.00	0.00%	0.00%	0%	10.00
viii Labour	22%	135.16	0.00%	0.00%	0%	135.16	29%	35.51	0.00%	0.00%	0%	35.51
ix Plant & Machinery	20%	120.00	0.00%	0.00%	0%	120.00	19%	24.00	0.00%	0.00%	0%	24.00
Cost incurred by SPV												
x Cost on which VAT or ED/ST is leviable	8%	50.79	12.50%	5.00%	0%	60.00	8%	10.16	12.50%	5.00%	0%	12.00
xi Cost on which no VAT or ED/ST is leviable	8%	48.00	0.00%	0.00%	0%	48.00	5%	6.00	0.00%	0.00%	0%	6.00
ix Cost of the Project	100%	614.21				645.16	100%	123.25				129.20

5 Billing Pattern			
a Value of the work done by the Contract		12%	18%
Less : factored in Taxes		645.16	129.20
b (3 b + net of ix)		70.28	13.83
c Adjusted Value of Work done	5a - 5b	574.88	115.38
d Add GST (on Adjusted value of work done)		68.99	20.77
e Value of Work due to Change in Law	(5c + 5d)	643.87	136.14
f Additional liability of GST due to Change in Law	(5e-5a)	(1.29)	6.94
Percentage Impact		-0.20%	5.37%
Overall Impact		5.65	
Overall Percentage		0.73%	

- Notes :
- The cells in Green are for input
  - The correct rate of taxes for Excise,CST,VAT are to be entered.
  - The rates for VAT/Output VAT are as may be applicable for respective states
  - The issue of closing stocks are not considered due to complexities involved
  - The Components & Taxes are indicative/notional. It has to be project specific and may change

Authority Engineer

Contractor

Project Director  
NHAI

## National Highways Authority of India

Template for Calculation of Amount Recoverable in case payment is already made under Change in Law on basis of EPC Cost

Annexure-III

Particulars		Amt. Rs. in Crore
Bid Project Cost		1,500.00
Upfront Construction Support	40.00%	600.00
Annuity Mode	60.00%	900.00
Cost of the Concessionaire on which Change in law amount already claimed		1,350.00
Already already paid under Change in law	3.70%	50.00
Final % under Change in Law to be paid	4.50%	67.50
Differential Amount to be paid		17.50

Amount under change in law to be paid onwards from, if cumulative amount not recovered from the concessionaire	Annuity 20
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S. No.	Payment No.	Payment %	Amount	Amount to be paid under change in law	Cumulative Amount Payable	Cumulative Amount to be paid/recovered on the basis of amount already paid
1	Milestone 1	8	120.00	5.40	5.40	-44.60
2	Milestone 2	8	120.00	5.40	10.80	-39.20
3	Milestone 3	8	120.00	5.40	16.20	-33.80
4	Milestone 4	8	120.00	5.40	21.60	-28.40
5	Milestone 5	8	120.00	5.40	27.00	-23.00
	<b>Total Construction Support</b>		<b>600.00</b>	<b>27.00</b>		
1	Annuity 1	2.10	18.90	0.85	27.85	-22.15
2	Annuity 2	2.17	19.53	0.88	28.73	-21.27
3	Annuity 3	2.24	20.16	0.91	29.64	-20.36
4	Annuity 4	2.31	20.79	0.94	30.57	-19.43
5	Annuity 5	2.38	21.42	0.96	31.54	-18.46
6	Annuity 6	2.45	22.05	0.99	32.53	-17.47
7	Annuity 7	2.52	22.68	1.02	33.55	-16.45
8	Annuity 8	2.60	23.40	1.05	34.60	-15.40
9	Annuity 9	2.68	24.12	1.09	35.69	-14.31
10	Annuity 10	2.76	24.84	1.12	36.81	-13.19
11	Annuity 11	2.84	25.56	1.15	37.96	-12.04
12	Annuity 12	2.93	26.37	1.19	39.14	-10.86
13	Annuity 13	3.02	27.18	1.22	40.37	-9.64
14	Annuity 14	3.11	27.99	1.26	41.62	-8.38
15	Annuity 15	3.20	28.80	1.30	42.92	-7.08
16	Annuity 16	3.30	29.70	1.34	44.26	-5.74
17	Annuity 17	3.40	30.60	1.38	45.63	-4.37
18	Annuity 18	3.50	31.50	1.42	47.05	-2.95
19	Annuity 19	3.61	32.49	1.46	48.51	-1.49
20	Annuity 20	3.72	33.48	1.51	50.02	0.02
21	Annuity 21	3.83	34.47	1.55	51.57	1.57
22	Annuity 22	3.94	35.46	1.60	53.17	3.17
23	Annuity 23	4.06	36.54	1.64	54.81	4.81
24	Annuity 24	4.18	37.62	1.69	56.50	6.50
25	Annuity 25	4.25	38.25	1.72	58.23	8.23
26	Annuity 26	4.25	38.25	1.72	59.95	9.95
27	Annuity 27	4.44	39.96	1.80	61.74	11.74
28	Annuity 28	4.71	42.39	1.91	63.65	13.65
29	Annuity 29	4.75	42.75	1.92	65.58	15.58
30	Annuity 30	4.75	42.75	1.92	67.50	17.50
	<b>Total Annuity Payments</b>		<b>900.00</b>	<b>40.50</b>		
	<b>Total</b>		<b>1,500.00</b>	<b>67.50</b>		

565649/2022/DGM(FINANCE)

## National Highways Authority of India

Annexure-IV

Template for calculation of impact under Change in Law for the period with bid due date between 13.10.2017 to  
16.06.2021

S. No.	Particulars		Amount (Rs. In Crores)
A	Bid Project Cost		1,000.00
B	Construction Support not liable under change in law	40% of A	400.00
C	Annuity Payments liable for payment of GST under change in law	A-B	600.00
D	Output GST on annuity payments	12%	72.00
E	Costs of SPV which attracts GST (as per approved financial model)		
i	EPC Contractor Cost		850.00
ii	Breakup of other costs leviable under GST		50.00
iii	(add more rows if required)		-
iv	(add more rows if required)		-
F	Total (Sum of E i, ii, iii....)		900.00
G	Costs of SPV which do not attracts GST (as per approved financial model)		
i	Interest During Construction		50.00
ii	Notional Profit Element		40.00
iii	Breakup of other cost not leviable under GST		10.00
iv	(add more rows if required)		-
H	Total (Sum of G i, ii, iii....)		100.00
	Total Bid Project Cost		1,000.00
I	Input GST on F above at applicable rates	11.67%	105.00
J	Input GST related to 40% of Construction Support	40% of G	42.00
K	Remaining Input GST credit related to Annuity Payments	H-I	63.00
L	Differential GST Payable	D-K	9.00
M	GST Impact %		1.50%

