GUJARAT APPELLATE AUTHORITY FOR ADVANCE RULING  
NATION  
GOODS AND SERVICES TAX Ge  
Se MARKET  
D/5, RAJYA KAR BHAVAN, ASHRAM ROAD, AHMEDABAD:380009  
  
ADVANCE RULING (APPEAL) NO. GUJ/GAAAR/APPEAL/2023/03  
(IN APPLICATION NO. Advance Ruling/SGST&CGST/2021/AR/24)  
  
Date: Xf .03.2023  
  
Name and address of the}: | M/s. Sankalp Facilities and Management Services  
appellant Pvt. Ltd.,  
  
C-53, Amrapali Society, Near Vrajdham,  
Manjalpur, Vadodara,  
  
Gujarat-390011  
  
GSTIN of the appellant : | 24ABCCS8100M1ZC  
  
Advance Ruling No. and Date | : | GUJ/GAAR/R/51/2021 DATED 06.09.21  
Date of appeal > | 08.10.2021  
  
Date of Personal Hearing : | 06.01.2023  
  
Present for the appellant : | Shri Mahavir Gadhavi (Advocate)  
  
At the outset we would like to make it clear that the provisions of the Central  
Goods and Services Tax Act, 2017 and Gujarat Goods and Services Tax Act, 2017  
(hereinafter referred to as the ‘CGST Act, 2017’ and the ‘“GGST Act, 2017’) are in pari  
materia and have the same provisions in like matter and differ from each other only on a  
few specific provisions. Therefore, unless a mention is particularly made to such  
dissimilar provisions, a reference to the CGST Act, 2017 would also mean reference to  
  
the corresponding similar provisions in the GGST Act, 2017.  
  
2. The present appeal has been filed under Section 100 of the CGST Act, 2017 and  
the GGST Act, 2017 by M/s Sankalp Facilities and Management Services Private  
Limited (hereinafter referred to as Appellant) against the Advance Ruling No.  
GUJ/GAARIR/5 1/2021 dated 06.09.2021.  
  
3. Brief facts of the case:  
  
3.1 M/s Sankalp Facilities and Management Services Pvt. Ltd., C-53, Amrapali  
Society, Near Vrajdham, Manjalpur, Vadodara Gujarat (hereinafter referred to as ‘the  
appellant’), holding GSTIN: 24ABCCS8100MIZC is engaged in the business of  
providing manpower supply for housekeeping, cleaning, security, data entry operator etc.  
  
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for pure services (supply of manpower, security service) provided to Central  
Government, State Government, Local authorities, Government entities as detailed, in  
their application, subject to the condition that the services provided to these entities  
mentioned are provided by way of any activity in relation to any function entrusted to a  
Panchayat under Article 243G of the Constitution of India or in relation to any function  
  
entrusted to a Municipality under Article 243 W of the Constitution of India.  
  
3.3. The appellant sought advance ruling on the following question:  
“Whether the appellant is liable to pay GST on manpower services  
provided to the Central Government, State Government, Local authorities,  
  
Governmental authorities and Government entities?”  
  
4. The Gujarat Authority for Advance Ruling (hereinafter referred to as “GAAR”)  
vide its order No. GUJ/GAAR/R/S51/2021 dated 06.09.2021, gave the following ruling to  
  
the above question.  
  
“I. The subject supply for the purpose of security, cleaning and  
housekeeping services provided to the cited schools are exempt from GST.  
  
2. GST is liable to paid on subject supply provided to all cited Government  
Colleges providing education services of above higher secondary level.  
  
3. GST is liable to be paid on subject supply provided to all cited  
Government offices.  
  
4. GST is liable to be paid on subject supply provided to all cited  
  
Government hospitals.”  
  
5. Being aggrieved with the above Ruling, the appellant has preferred the present  
  
appeal on the following grounds:  
  
(a) The gist of the exemption entry no. 3 of Notification No. 12 of 2017 can be  
summarized for taking the benefit of the said exemption as under:  
(i) Pure services are provided  
(ii) Service recipient is either Central Government or State Government  
or Local authority or Government entity; and  
(iii) Such services provided should be by way of any activity in relation  
  
to any function entrusted to a Panchayat under Article 243G of the  
  
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Constitution of India or in relation to any function entrusted to a  
  
Municipality under Article 243 W of the Constitution of India.  
The learned authority has misconstrued the term ‘in relation to’ stated in the  
notification entry. The term ‘in relation to” used in above exemption is  
very much wide enough to cover every kind of services that results in  
performance of the functions as mentioned in 243W and 243G of the  
Constitution of India either directly or indirectly. Even the services  
provided for enabling the organisation to perform defined functions would  
also be covered as a reason of usage of words ‘in relation to’. In the case of  
Doypack Systems P. Ltd., Vs. UOI as reported in (1988) 36 ELT 201 (S.C.)  
it was held that “ the expression ‘in relation to’ (so also ‘pertaining to’) is a  
very broad expression which pre-supposes another subject matter. These  
are words of comprehensiveness which might both have a direct  
significance as well as an indirect significance depending on the context. It  
also held that the expression ‘in relation to’ has been interpreted to the  
words of widest amplitude”.  
They rely on the order of Advance Ruling Authority in the case of A.B.  
Enterprise vide order GUJ/GAAR/R/2020/18 wherein appellant is engaged  
in supplying manpower for security and housekeeping to the Central  
Government, State Government and Local authority. Though the order is  
conditional but the analysis of certain work order clearly suggests that if the  
service recipient i.e. Central Government , State Government, Local  
authority is involved in any functions as per Article 243G or 243W, then  
the pure services provided to them would be eligible for exemption from  
payment of tax. That the case of the appellant is squarely covered in the  
aforesaid ruling.  
The authority has erred in examining services provided by the appellant to  
various Government schools, by examining the same within the limited  
scope of Entry No.66 of the said notification. The appellant had sought  
exemption under the provisions of Entry No.3 of the said notification. Entry  
No. 66 is not limited to services provided to Government educational  
institutions, rather it is applicable to services provided to all educational  
institutions, whether Government or Private, and hence there is restriction  
in making such exemption applicable only to institutions providing services  
  
up to higher secondary school or equivalent. However, there is no such  
  
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of Entry No.3 of the Notification, as the same is applicable to Only  
Government institutions. Article 243G of the Constitution of India and the  
Eleventh Schedule , to which the Entry No.3 relates, at serial number 17 of  
the Eleventh Schedule the words used are ‘education, including primary  
and secondary’, therefore the same will cover education even beyond  
secondary education and shall include i.e. even College and Universities.  
The appellant has not sought exemption under Entry No. 66, as the  
appellant is entitled and falls within the exemption granted under Entry  
No.3 of the Notification as the Institutions are Government Institutions.  
Therefore the authority has erred in considering the case of the appellant as  
regards to services provided to Government education institutions under  
Entry No. 66 of the Notification.  
  
The GAAR has erred in holding that the services provided by the appellant  
to the Government Colleges are not exempted, by wrongly applying Entry  
No. 66 of the Notification. The appellant had specifically sought exemption  
under Entry No.3 of the Notification, as all the three pre-requisite  
conditions for applicability of Entry No.3 exemption are met with by the  
appellant by providing pure services to the Government Colleges in relation  
to any function entrusted to a Municipality /Panchayat under Article 243 G  
and 243W of the Consitituion of India. Therefore such services are covered  
under the Exemption granted vide Entry No. 3 of the Notification.  
  
The GAAR has erred in holding that the services provided by the appellant  
to Government Hospitals including Veterinary Hospitals are not exempted.  
The appellant had specifically sought exemption under Enty No. 3 of the  
Notification, as all the three pre-requisite conditions for applicability of  
Entry No. 3 of exemption are met with by the appellant by providing pure  
services to the Government Hospitals in relation to any function entrusted  
to a Municipality / Panchayat under Article 243G and 243 W of the  
Constitution of India. Hospitals are community assets and therefore even  
the cleaning, security etc services are even otherwise directly in relation to  
Serial No. 29 of the Eleventh Schedule i.e. maintenance of community  
assets.  
  
The GAAR erred in holding that there is no notification exempting  
services provided to/in Government offices. While it is admitted that there  
is no Entry exempting such services provided to all Government offices,  
  
but Entry No.3 does specifically cover the case of Government offices  
  
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carrying out the functions enumerated in the Eleventh and the Twelfth  
Schedule of the Constitution of India. Entry no. 3 of the notification is  
specifically exempting such services and services ‘in relation to...’ provided  
to various Government offices. They place reliance on the judgement of  
Hon’ble Supreme Court of India in the case of T.N.Kalyana Mandapam  
Assn. Vs. UOI & Ors. reported in 2004 5 SC 632.  
  
(h) In light of the above the appellant submitted that the exemption is not  
limited to functions mentioned in the Eleventh and Twelfth of the  
Constitution of India, but it extends to every kind of service that results in  
performance of such functions either directly or indirectly and includes  
even the services provided for enabling the organisation to perform defined  
functions.  
  
(i) The services provided by the appellant to the various State Government  
departments and Government authorities/ entities are therefore covered and  
eligible for exemption in light of the fact that they are in relation to  
functions entrusted to a Panchayat under Article 243G of the Constitution  
of India or in relation to any function entrusted to a Municipality under  
Article 243 W of the Constitution of India.  
  
Gj) The appellant is therefore providing manpower supply services to several  
Government authorities/ entities which are eligible for exemption in view  
of the above. The authority be pleased to rule that the appellant is eligible  
to claim exemption benefit under Sr.No.3 of Notification No. 12/2017-CT  
(Rate) dated 28.06.2017 for pure services (supply of manpower, security  
service) provided to Central Government , State Government, Local  
authorities, Governmental authorities, Government entities as detailed  
above subject to the condition that the services provided to these entities  
mentioned above are provided by way of any activity in relation to any  
function entrusted to a Panchayat under Article 243G of the Constitution of  
India or in relation to any function entrusted to a Municipality under Article  
243 W of the Constitution of India.  
  
5.1 During the course of virtual personal hearing held on 06.01.2023, the authorized  
representative for the appellant, Shri Mahavir Gadhavi (Advocate) reiterated the  
submissions made in their appeal. Further also furnished additional written submissions  
  
vide which it was submitted as under:  
  
offices:  
  
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Office of the Collector & District Magistrate, Valsad and Chhota Udepur:  
(Category: State Government).  
  
These offices perform various functions under Article 243G and 243W and  
the appellant provides various manpower services for the work of peon,  
driver, data entry operator etc. to help in the fundamental works entrusted  
upon the concerned offices in discharge of various responsibilities under  
Article 243G and 243W of the Constitution of India. GAAR had given  
exemption in similar case to A.B. Enterprise vide their order dated  
  
19.05.2020.  
  
Office of the District Social Welfare Officr, Valsad and Chhota Udepur:  
(Category: State Government).  
  
These offices perform various functions under Article 243 G and 243 W  
specifically Entries no. 16, 24, 25, 26, 27, 28 of Article 243G and Entries  
No. 6 and 11 of Article no. 243W, and the appellant provides various  
manpower services for the work of peon, driver, data entry operator etc. to  
help in the fundamental works entrusted upon the concerned offices in  
discharge of various responsibilities under Article 243G and 243W of the  
  
Constitution of India.  
  
Identical work order is determined to be exempted under Entry at Sr. no. 3  
of the notification no. 12/2017 in case of A.B. Enterprise by the Advance  
Ruling Authority vide order dated 19.05.2020  
  
District Panchayat, Valsad (including its subordinate offices):  
  
(Category: Local Authority)  
  
These offices perform all the functions under Article 243 G and the  
appellant provides various manpower services for the work of peon, driver,  
data entry operator, security etc. to help in the fundamental works entrusted  
upon the concerned offices in discharge of various responsibilities under  
  
Article 243G and 243W of the Constitution of India.  
  
Identical work order is determined to be exempted under Entry at Sr. no. 3  
  
of the notification no. 12/2017 in case of A.B. Enterprise by the Advance  
  
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Ruling Authority in Advance Ruling No. GUJ/GAAR/R/2020/18 vide order  
dated 19.05.2020.  
  
Water resource development department Damanganga & its offices:  
(Category: State Government)  
  
These offices perform various functions under Article 243 G and 243 W  
specifically Entries no. 3 and 11 of Article 243G and Entries No. 5 of  
Article no. 243W, and the appellant provides various manpower services  
for the work of peon, driver, data entry operator etc. to help in the  
fundamental works entrusted upon the concerned offices in discharge of  
various responsibilities under Article 243G and 243W of the Constitution  
  
of India.  
  
Identical work order is determined to be exempted under Entry at Sr. no. 3  
of the notification no. 12/2017 in case of A.B. Enterprise by the Advance  
Ruling Authority in Advance Ruling No. GUJ/GAAR/R/2020/18 vide order  
dated 19.05.2020.  
  
Office of the Vidhyut Nirikshak, Valsad:  
  
(Category: State Government)  
  
These offices perform various functions under Article 243 G specifically  
Entry no. 14 of Article 243G, and the appellant provides various manpower  
services for the work of peon, driver, data entry operator, security etc. to  
help in the fundamental works entrusted upon the concerned offices in  
discharge of various responsibilities under Article 243G and 243W of the  
  
Constitution of India.  
  
Identical work order is determined to be exempted under Entry at Sr. no. 3  
of the notification no. 12/2017 in case of A.B. Enterprise by the Advance  
Ruling Authority in Advance Ruling No. GUJ/GAAR/R/2020/18 vide order  
dated 19.05.2020.  
  
Water resource development department (Chhota Udepur) & its offices:  
(Category: State Government)  
  
These offices perform various functions under Article 243 G and 243 W  
  
Article no. 243W, and the appellant provides various manpower, TCES  
  
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for the work of peon, driver, data entry operator etc. to help in the  
fundamental works entrusted upon the concerned offices in discharge of  
various responsibilities under Article 243G and 243W of the Constitution  
  
of India.  
  
Identical work order is determined to be exempted under Entry at Sr. no. 3  
of the notification no. 12/2017 in case of A.B. Enterprise by the Advance  
Ruling Authority in Advance Ruling No. GUJ/GAAR/R/2020/18 vide order  
dated 19.05.2020.  
  
Office of the Deputy Conservator of Forest, Chhota Udepur:  
  
(Category: State Government)  
  
These offices perform various functions under Article 243 G and 243 W  
specifically Entries no. 6,7, 27 of Article 243G and Entries No. 8 of Article  
no. 243 W, and the appellant provides various manpower services for the  
work of peon, driver, data entry operator etc. to help in the fundamental  
works entrusted upon the concerned offices in discharge of various  
  
responsibilities under Article 243G and 243 W of the Constitution of India.  
  
Identical work order is determined to be exempted under Entry at Sr. no. 3  
of the notification no. 12/2017 in case of A.B. Enterprise by the Advance  
Ruling Authority in Advance Ruling No. GUJ/GAAR/R/2020/18 vide order  
dated 19.05.2020.  
  
Office of the District Rural Development Agency, Valsad:  
  
(Category: State Government)  
  
These offices perform various functions under Article 243 G specifically  
Entries no. 6, 9, 10, 11, 16, 25 of Article 243G, and the appellant provides  
various manpower services for the work of peon, driver, data entry operator  
etc. to help in the fundamental works entrusted upon the concerned offices  
in discharge of various responsibilities under Article 243G of the  
  
Constitution of India.  
  
Identical work order is determined to be exempted under Entry at Sr. no. 3  
  
of the notification no. 12/2017 in case of A.B. Enterprise by the Advance  
  
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Ruling Authority in Advance Ruling No. GUJ/GAAR/R/2020/18 vide order  
dated 19.05.2020.  
  
Centre of Excellence for Floriculture and Mango:  
  
(Category: Government Authority)  
  
These offices perform various functions under Article 243 G and 243 W  
specifically Entries no. lof Article 243G and Entries No. 5 of Article no.  
243W, and the appellant provides various manpower services for the work  
of peon, driver, data entry operator etc. to help in the fundamental works  
entrusted upon the concerned offices in discharge of various responsibilities  
  
under Article 243G and 243W of the Constitution of India.  
  
Identical work order is determined to be exempted under Entry at Sr. no. 3  
of the notification no. 12/2017 in case of A.B. Enterprise by the Advance  
Ruling Authority in Advance Ruling No. GUJ/GAAR/R/2020/18 vide order  
dated 19.05.2020.  
  
Office of the Deputy Director — Agriculture, (Valsad & Chhota Udepur) &  
its offices:  
  
(Category: State Government)  
  
These offices perform various functions under Article 243 G and 243 W  
specifically Entries no. 1 and 29 of Article 243G and Entries No. 8 and 17  
of Article no. 243W, and the appellant provides various manpower services  
for the work of peon, driver, data entry operator etc. to help in the  
fundamental works entrusted upon the concerned offices in discharge of  
various responsibilities under Article 243G and 243W of the Constitution  
of India.  
  
Identical work order is determined to be exempted under Entry at Sr. no. 3  
of the notification no. 12/2017 in case of A.B. Enterprise by the Advance  
Ruling Authority in Advance Ruling No. GUJ/GAAR/R/2020/18 vide order  
dated 19.05.2020.  
  
Government General Hospital, Chhota Udepur:  
(Category: State Government)  
  
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These offices perform various functions under Article 243 G and 243 W  
specifically Entries no. 23 of Article 243G and Entries No. 6 of Article no.  
243W, and the appellant provides various manpower services for the work  
of peon, driver, housekeeping, security etc. to help in the fundamental  
works entrusted upon the concerned offices in discharge of various  
  
responsibilities under Article 243G and 243 W of the Constitution of India.  
  
Identical work order is determined to be exempted under Entry at Sr. no. 3  
of the notification no. 12/2017 in case of A.B. Enterprise by the Advance  
Ruling Authority in Advance Ruling No. GUJ/GAAR/R/2020/18 vide order  
dated 19.05.2020.  
  
Office of the District Education officer, (Valsad & Chhota Udepur).  
(Category: State Government)  
  
These offices perform various functions under Article 243 G and 243 W  
specifically Entries no. 17 and 25 of Article 243G and Entries No. 13 of  
Article no. 243W, and the appellant provides various manpower services  
for the work of peon, driver, data entry operator etc. to help in the  
fundamental works entrusted upon the concerned offices in discharge of  
various responsibilities under Article 243G and 243W of the Constitution  
  
of India.  
  
Identical work order is determined to be exempted under Entry at Sr. no. 3  
of the notification no. 12/2017 in case of A.B. Enterprise by the Advance  
Ruling Authority in Advance Ruling No. GUJ/GAAR/R/2020/18 vide order  
dated 19.05.2020.  
  
Office of the Prayojana vahivatdar, Valsad & Chhota Udepur:  
  
(Category: State Government)  
  
These offices perform various functions under Article 243 G specifically  
Entries no. 16, 17 and 27 of Article 243G, and the appellant provides  
various manpower services for the work of peon, driver, data entry operator  
etc. to help in the fundamental works entrusted upon the concerned offices  
in discharge of various responsibilities under Article 243G of the  
  
Constitution of India.  
  
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Identical work order is determined to be exempted under Entry at Sr. no. 3  
of the notification no. 12/2017 in case of A.B. Enterprise by the Advance  
Ruling Authority in Advance Ruling No. GUJ/GAAR/R/2020/18 vide order  
dated 19.05.2020.  
  
Office of the Matsya Udhyog Adhikshak:  
  
(Category: State Government)  
  
These offices perform various functions under Article 243 G specifically  
Entries no. 5, 7, and 8 of Article 243G, and the appellant provides various  
manpower services for the work of peon, driver, data entry operator etc. to  
help in the fundamental works entrusted upon the concerned offices in  
discharge of various responsibilities under Article 243G of the Constitution  
  
of India.  
  
Identical work order is determined to be exempted under Entry at Sr. no. 3  
of the notification no. 12/2017 in case of A.B. Enterprise by the Advance  
Ruling Authority in Advance Ruling No. GUJ/GAAR/R/2020/18 vide order  
dated 19.05.2020.  
  
Agricultural Technology Management Agency:  
  
(Category: Government Authority)  
  
These offices perform various functions under Article 243 G specifically  
Entries no. 1,7, 27 of Article 243G, and the appellant provides various  
manpower services for the work of peon, driver, data entry operator etc. to  
help in the fundamental works entrusted upon the concerned offices in  
discharge of various responsibilities under Article 243G of the Constitution  
  
of India.  
  
Office of the Deputy Director of Animal Husbandry Valsad:  
  
(Category: State Government)  
  
These offices perform various functions under Article 243 G specifically  
Entries no. 4 of Article 243G, and the appellant provides various manpower  
services for the work of peon, driver, data entry operator, sweeper, security  
etc. to help in the fundamental works entrusted upon the concerned offices  
  
in discharge of various responsibilities under Article 243G of the  
  
Constitution of India.  
  
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Identical work order is determined to be exempted under Entry at Sr. no. 3  
of the notification no. 12/2017 in case of A.B. Enterprise by the Advance  
Ruling Authority in Advance Ruling No. GUJ/GAAR/R/2020/18 vide order  
dated 19.05.2020.  
  
District Udhyog Centre, Valsad:  
  
(Category: State Government)  
  
These offices perform various functions under Article 243 G specifically  
Entries no. 8 & 9 of Article 243G, and the appellant provides various  
manpower services for the work of peon, driver, data entry operator,  
security, housekeeping etc. to help in the fundamental works entrusted upon  
the concerned offices in discharge of various responsibilities under Article  
  
243G of the Constitution of India.  
  
Identical work order is determined to be exempted under Entry at Sr. no. 3  
of the notification no. 12/2017 in case of A.B. Enterprise by the Advance  
Ruling Authority in Advance Ruling No. GUJ/GAAR/R/2020/18 vide order  
dated 19.05.2020.  
  
Gujarat Landless Labour & Agriculturalist Housing Board:  
  
(Category: Government Authority)  
  
These offices perform various functions under Article 243 G specifically  
Entries no. 10, 16, 26, 27 of Article 243G, and the appellant provides  
various manpower services for the work of peon, driver, data entry operator  
etc. to help in the fundamental works entrusted upon the concerned offices  
in discharge of various responsibilities under Article 243G of the  
  
Constitution of India.  
  
Identical work order is determined to be exempted under Entry at Sr. no. 3  
of the notification no. 12/2017 in case of A.B. Enterprise by the Advance  
Ruling Authority in Advance Ruling No. GUJ/GAAR/R/2020/18 vide order  
dated 19.05.2020.  
  
District Institute of Training & Education, Valsad:  
  
(Category: Government Authority)  
  
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These offices perform various functions under Article 243 G and 243 W  
specifically Entries no. 18 & 19 of Article 243G and Entries No. 9 & 13 of  
Article no. 243W, and the appellant provides various manpower services  
for the work of peon, driver, data entry operator etc. to help in the  
fundamental works entrusted upon the concerned offices in discharge of  
various responsibilities under Article 243G and 243W of the Constitution  
  
of India.  
  
Identical work order is determined to be exempted under Entry at Sr. no. 3  
of the notification no. 12/2017 in case of A.B. Enterprise by the Advance  
Ruling Authority in Advance Ruling No. GUJ/GAAR/R/2020/18 vide order  
dated 19.05.2020.  
  
GIRLS LITERACY RESIDENTIAL SCHOOL, KARCHOND (GSTES):  
(Category: Government Authority)  
  
These offices perform various functions under Article 243 G and 243 W  
specifically Entries no. 17 & 27 of Article 243G and Entries No. 9 & 13 of  
Article no. 243W, and the appellant provides various manpower services  
for the work of peon, driver, data entry operator etc. to help in the  
fundamental works entrusted upon the concerned offices in discharge of  
various responsibilities under Article 243G and 243W of the Constitution  
  
of India.  
  
Identical work order is determined to be exempted under Entry at Sr. no. 3  
of the notification no. 12/2017 in case of A.B. Enterprise by the Advance  
Ruling Authority in Advance Ruling No. GUJ/GAAR/R/2020/18 vide order  
dated 19.05.2020.  
  
Government Science College, Pardi (Valsad):  
  
(Category: Government Authority)  
  
These offices perform various functions under Article 243 G and 243 W  
specifically Entries no. 17, 18 & 19 of Article 243G and Entries No.13 of  
Article no. 243W, and the appellant provides various manpower services  
for the work of peon, driver, data entry operator etc. to help in the  
  
fundamental works entrusted upon the concerned offices in discharge of  
  
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various responsibilities under Article 243G and 243W of the Constitution  
  
of India.  
  
Identical work order is determined to be exempted under Entry at Sr. no. 3  
of the notification no. 12/2017 in case of A.B. Enterprise by the Advance  
Ruling Authority in Advance Ruling No. GUJ/GAAR/R/2020/18 vide order  
dated 19.05.2020.  
  
Shri C.H. Bhil Govt. Arts & Commerce College, Naswadi:  
  
(Category: Government Authority)  
  
These offices perform various functions under Article 243 G and 243 W  
specifically Entries no. 17, 18 & 19 of Article 243G and Entries No.13 of  
Article no. 243W, and the appellant provides various manpower services  
for the work of peon, driver, data entry operator etc. to help in the  
fundamental works entrusted upon the concerned offices in discharge of  
various responsibilities under Article 243G and 243W of the Constitution  
  
of India.  
  
Identical work order is determined to be exempted under Entry at Sr. no. 3  
of the notification no. 12/2017 in case of A.B. Enterprise by the Advance  
Ruling Authority in Advance Ruling No. GUJ/GAAR/R/2020/18 vide order  
dated 19.05.2020.  
  
Office of the Assistant Director of Libraries:  
  
(Category: Government Authority)  
  
These offices perform various functions under Article 243 G and 243 W  
specifically Entries no. 20 of Article 243G and Entries No.12, 13, and 17 of  
Article no. 243W, and the appellant provides various manpower services  
for the work of peon, driver, data entry operator etc. to help in the  
fundamental works entrusted upon the concerned offices in discharge of  
various responsibilities under Article 243G and 243W of the Constitution  
  
of India.  
  
Identical work order is determined to be exempted under Entry at Sr. no. 3  
  
of the notification no. 12/2017 in case of A.B. Enterprise by the Advance  
  
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Ruling Authority in Advance Ruling No. GUJ/GAAR/R/2020/18 vide order  
dated 19.05.2020.  
  
x) Model School, Naswadi:  
(Category: State Government)  
No submissions as exemption already granted by the advance ruling  
  
authority.  
  
y) National Highway Authority of India:  
(Category: Government Authority)  
These offices perform various functions under Article 243 G specifically  
Entries no. 13 of Article 243G, and the appellant provides various  
manpower services for the work of peon, driver, data entry operator,  
security etc. to help in the fundamental works entrusted upon the concerned  
offices in discharge of various responsibilities under Article 243G of the  
  
Constitution of India.  
  
Identical work order is determined to be exempted under Entry at Sr. no. 3  
of the notification no. 12/2017 in case of A.B. Enterprise by the Advance  
Ruling Authority in Advance Ruling No. GUJ/GAAR/R/2020/18 vide order  
dated 19.05.2020.  
  
5.2. In pursuance to transfer of Member (SGST), the appellant was informed regarding the  
same for fresh personal hearing in the matter. The appellant vide his letter/mail dated  
14.03.2023 requested to decide the appeal on the basis of material submitted physically as  
  
well as on mail and material already on record.  
  
Discussions & Findings:  
  
6. We have gone through the facts of the case as submitted in the Appeal papers, the  
Ruling of the GAAR, documents on record and oral as well as all the written submissions  
  
made by the appellant.  
  
7.1. We find that the appellant is engaged in the business of providing manpower  
supply for housekeeping. cleaning, security, data entry operator etc. The appellant has  
  
sought ruling on the following:  
  
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“Whether the appellant is liable to pay GST on man power services provided to  
the Central Government, State Government, Local authorities, Governmental  
  
authorities and Government entities?”  
  
7.2 The appellant has relied upon Entry No.3 to Notification No.12/2017-Central Tax  
(Rate) dated 28.06.2017 for claiming exemption on supply of manpower services  
provided to the Central Government, State Government, Local authorities, Governmental  
authorities and Government entities. The extracts of the said entry No. 3 to Notification  
No.12/2017-Central Tax (Rate) dated 28.06.2017 as amended, relied upon by the  
  
appellant for claiming exemption is reproduced below:  
  
SI. Chapter, Description of Services Rate Condition  
Section, (per cent.)  
No. |/Heading,  
Group or  
Service  
Code  
(Tariff)  
(1) (2) (3) (4) (5)  
3 || Chapter 99 |/Pure services (excluding works contract service or other//Nil Nil  
  
composite supplies involving supply of any goods)  
provided to the Central Government, State Government or  
Union territory or local authority by way of any activity in  
relation to any function entrusted to a Panchayat under  
article 243G of the Constitution or in relation to any  
function entrusted to a Municipality under article 243W of|  
ithe Constitution.  
  
7.3. The following three conditions need to be fulfilled for availing exemption under  
the above referred entry:  
i) There should be supply of pure services;  
ii) The recipient of services should be Central Government, State Government  
or Union territory or local authority;  
iii) | The services provided should be by way of any activity in relation to any  
function entrusted to a Panchayat under article 243G of the Constitution or  
in relation to any function entrusted to a Municipality under article 243W  
  
of the Constitution.  
7.4. We find that the words "or a Governmental authority or a Government Entity" in  
  
the heading Description of services against above referred Entry No.3 has been omitted  
  
vide Notification No. 16/2021-Central Tax (Rate) dated 18.11.2021.  
  
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7.5 We find that GAAR in their findings stated that they have examined 155 contracts/  
work orders presented by the appellant before the advance ruling authority. They  
  
categorized the service recipients into broadly four categories as under:  
  
i) Government Schools  
ii) Government Colleges  
iii) | Government Offices  
  
iv) | Government Hospitals  
  
The GAAR extended the benefit of exemption to Government Schools not under  
Entry SI.No.3 but under Entry SI. No. 66 to Notification No. 12/2017-CT (Rate) dated  
28.06.2017 as amended. They denied the benefit of exemption to Government Colleges  
under the said Entry Sl. No.66 and denied the benefit of exemption to Government  
Hospitals under Entry Sl. No. 46 and 74 of notification ibid. They further denied the  
benefit of exemption to Government offices under Entry SI. No. 3 of Notification No.  
12/2017-CT (rate) dated 28.06.2017.  
  
7.6 The GAAR, on examination of all the contracts of the appellant, has not given any  
adverse findings with regard to supply of pure services and the recipient of services as  
required under Entry No.3 of Notification No. 12/2017-CT (Rate) dated 28.06.2017 as  
amended. They have examined the requirement of condition mentioned at Sr.(iii) of Para  
7.3 above and denied the benefit of exemption notification to the appellant on non-  
  
fulfillment of the said condition only.  
  
7.7 The main contention of the appellant is that their supply of manpower services  
against 155 work orders are eligible for exemption under Entry No.3 of Notification  
  
No.12/2017-CT (Rate) dated 28.06.2017 as amended.  
  
The GAAR has given the benefit of exemption to manpower supply by the  
appellant to the recipient of service viz. Girls Literacy Residential School, Karchond  
(GSTES) & Model School, Naswadi. The benefit of exemption was given under Entry  
No. 66(b) to Notification No.12/2017-CT (Rate) dated 28.06.2017. The extract of same is  
  
as follows:  
  
Sl. Chapter, Description of Services Rate Condition  
Section, ; (per cent.)  
  
No. |/Heading,  
Group or  
Service  
  
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Code  
(Tariff)  
  
(1) (2) (3) [4 (5)  
66 Heading ||Services provided - Nil Nil  
  
9992 or  
  
Heading |/(a) by an educational institution to its students, faculty and  
9963 staff;  
  
(aa) by an educational institution by way of conduct of  
entrance examination against consideration in the form of|  
entrance fee;  
  
(b) to an educational institution, by way of,-  
(i) transportation of students, faculty and staff;  
(ii) catering, including any mid-day meals scheme  
  
sponsored by the Central Government, State Government  
or Union territory;  
  
(iii) security or cleaning or house-keeping services  
performed in such educational institution;  
  
(iv) services relating to admission to, or conduct ofj  
examination by, such institution;  
  
(v) supply of online educational journals or periodicals:  
  
Provided that nothing contained in sub-items (i), (ii) and (iii)  
of item (b) shall apply to an educational institution other)  
than an institution providing services by way of pre-school  
education and education up to higher secondary school or}  
equivalent.  
  
Provided further that nothing contained in sub-item (v) of|  
item (b) shall apply to an institution providing services by  
way of,-  
  
(i) pre-school education and education up to higher  
secondary school or equivalent; or|  
(ii) education as a part of an approved vocational  
education course.  
  
With regard to other service recipients the contention of the appellant. for claiming  
benefit of exemption, is that the term ‘in relation to’ used in the exemption provided at  
Entry No. 3 of Notification No. 12/2017-CT (Rate) dated 28.06.2017, as amended, is  
very much wide enough to cover every kind of services that results in performance of the  
functions as mentioned in Article 243W and 243G of the Constitution of India either  
directly or indirectly. Therefore their supply of manpower services for housekeeping,  
cleaning, security, data entry operator etc. to the referred service recipients are eligible  
  
for exemption under the above said entry.  
  
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7.7.1. We do not find any basis in the above contention of the appellant. Firstly if the  
intention of the legislature was to exempt all the services provided to Central  
Government, State Government or Union Territory or Local authority then there was no  
need to specify activity in relation to any function entrusted to a Panchayat under article  
243G of the Constitution or in relation to any function entrusted to a Municipality under  
article 243W of the Constitution. Even though the appellant is providing services to the  
Government offices concerned, but they are in no way related to the function entrusted to  
a Panchayat under article 243G of the Constitution or function entrusted to a  
Municipality under article 243W of the Constitution, which is carried out by the  
  
Government concerned.  
  
7.8 The appellant in their appeal has admitted that there is no Entry exempting such  
services provided to Government offices. The appellant is however mistaken to assume  
that the Entry No.3 specifically exempts all the services provided to Government offices  
carrying out the functions enumerated under article 243G of the Constitution or article  
243W of the Constitution. The manpower services provided by the appellant like  
housekeeping, cleaning, security, data entry operators ete are consumed within the  
premises of concerned Government offices enumerated above. These services were not  
related to any activity in relation to any function carried out by these service recipients as  
  
entrusted under article 243G or 243 W of the Constitution of India.  
  
7.9 The judgments relied upon by the appellant are not relevant as the same are  
delivered in different facts of the case. Further in the case of M/s. A. B. Enterprise, relied  
upon by the appellant, the GAAR held that the exemption is subject to the condition that  
  
the services provided are services provided by way of any activity in relation to any  
  
function entrusted to a Panchayat under Article 243G of the Constitution of India or in  
relation to any function entrusted to a Municipality under Article 243W of the  
Constitution of India. The aforesaid order is not relevant as in the present case it is being  
held that the services in question are not related to any activity in relation to any function  
carried out by the service recipients as entrusted under article 243G or 243W of the  
Constitution of India. Further we are of the view that as per Section 103 of the CGST  
Act, any Advance Ruling is binding only on the appellant who has sought it and on the  
  
concerned officer or the jurisdictional officer in respect of the appellant.  
  
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8. In view of the foregoing we find that the manpower supply by the appellant for  
housekeeping, cleaning, security, data entry operators etc. to various Government  
departments, mentioned in their application, is not eligible for exemption against Entry  
  
No. 3 to Notification No. 12/2017-Central Tax (Rate) dated 28.06.2017 as amended.  
  
9. In view of the above findings, we reject the appeal filed by appellant M/s Sankalp  
Facilities and Management Services Pvt. Ltd., against Advance Ruling No.  
  
GUJ/GAAR/R/5 1/2021 dated 06.09.2021 of the Gujarat Authority for Advance Ruling.  
  
CE" \L  
( Samir Vakil ) Wivek Hon)  
  
Member (SGST) Member (CGST)  
  
Place: Ahmedabad  
Date: XY .03.2023  
  
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