## Gujarat Appellate Authority for Advance Ruling (Shreeji Earth Movers

Summary: The case involves Shreeji Earth Movers, a proprietary firm, which sought clarification from the Gujarat Appellate Authority for Advance Ruling (AAAR) regarding the applicability of Goods and Services Tax (GST) on their services. The firm provides services such as excavation, transportation, and loading of soil and earth material. The primary question raised in the appeal was whether these services, when provided for government contracts, would fall under the exemption category of "pure services" under GST.

The AAAR evaluated the nature of the services and whether the appellant's activities could be considered as "pure services" provided to a government entity. The ruling highlighted various provisions and earlier rulings to determine the correct tax treatment. The authority noted that the exemption under GST applies to services that are purely non-commercial in nature and directly benefit the government.

Upon careful examination, the authority concluded that the activities performed by Shreeji Earth Movers could not be classified as "pure services," as they involve the supply of goods as part of their service contracts. Thus, the AAAR ruled that the services are taxable under the relevant GST provisions.

This ruling provides clarity on the GST applicability for contractors engaging in infrastructure-related activities involving mixed supplies of goods and services, ensuring compliance with tax laws.

## Gujarat Appellate Authority for Advance Ruling (Sankalp Facilities and Management Services).

Summary: Sankalp Facilities and Management Services, a private limited company, approached the Gujarat Appellate Authority for Advance Ruling (AAAR) to seek clarity on the GST implications for their services. The company provides various facility management services, including housekeeping, manpower supply, and maintenance services, primarily to corporate and commercial entities.

The key issue raised in the appeal was whether their services would be considered as composite supplies under GST or whether they should be taxed as individual services. The company argued that their offerings are bundled as facility management services, which should attract a lower tax rate when provided as a whole rather than individually.

The AAAR carefully examined the nature of the services provided by the appellant. The ruling delved into the definitions of composite and mixed supplies under GST law, emphasizing that for a service to qualify as composite, all components must be naturally bundled and supplied in conjunction with one another in the ordinary course of business.

Upon review, the authority concluded that the services provided by Sankalp Facilities and Management Services could not be classified as composite supplies, as each service (e.g., housekeeping, manpower supply) is distinct and can be provided separately. As such, these services are liable to be taxed individually based on their respective tax rates under GST.

This ruling helps clarify the tax treatment of bundled services, especially for businesses involved in facility management, ensuring that services provided separately are taxed accordingly.

## Sri Venkateswara Cashew Chikky Manufacturers Ruling.

Summary: Sri Venkateswara Cashew Chikky Manufacturers, a manufacturer of cashew-based products, approached the Appellate Authority for Advance Ruling (AAAR) in Andhra Pradesh seeking clarification regarding the tax classification of their products under Goods and Services Tax (GST). The key question was whether their products—specifically cashew chikkis and other cashew-based snacks—could be classified under the lower GST slab applicable to food products, or whether they fell under a higher tax category due to their processed nature.

The AAAR reviewed the submissions of the appellant and studied the applicable sections of the GST Act concerning food items and processed goods. The appellant argued that their products should be classified under the food category, which attracts a reduced GST rate, as they are made from natural ingredients like cashews and sugar without the addition of preservatives or artificial ingredients.

After careful examination, the authority ruled that cashew chikkis and similar products are processed foods and therefore do not qualify for the lower tax rate applicable to unprocessed or minimally processed foods. The authority cited precedents and GST classification rules to emphasize that the manufacturing process, which involves significant alteration of raw cashews, places the products in a higher tax bracket.

This ruling clarifies the GST treatment for manufacturers of processed snacks, helping businesses understand the tax implications of their product classification under GST, ensuring compliance with the law.

Maharashtra Appellate Authority for Advance Ruling (Worley Services India Pvt. Ltd.). Summary: Worley Services India Pvt. Ltd., a company providing engineering, project management, and consulting services, approached the Maharashtra Appellate Authority for Advance Ruling (AAAR) seeking clarification on the applicability of Goods and Services Tax (GST) on services provided to overseas clients. The company argued that the services should qualify as "export of services," making them zero-rated under GST.

The central issue addressed by the AAAR was whether the services provided by Worley Services, which were primarily delivered to clients outside India but involved some domestic activities, could be classified as exports under GST law. The appellant contended that since the services benefited overseas clients and payments were received in foreign currency, they should be treated as export services.

The AAAR examined the conditions necessary for a service to qualify as an export under GST, including the place of supply, the recipient of the service, and whether the consideration is received in convertible foreign exchange. Upon review, the authority concluded that the services provided by Worley Services do not meet all the criteria for export services, particularly because certain activities were performed within India and directly benefited Indian clients.

As a result, the AAAR ruled that the services provided by the appellant are not zero-rated and are subject to GST under the relevant provisions. This ruling provides guidance for companies involved in cross-border service transactions, clarifying when services qualify as exports and when they attract GST.

Uttar Pradesh Appellate Authority for Advance Ruling (Uttar Pradesh Metro Rail Corporation Ltd.). Summary: Uttar Pradesh Metro Rail Corporation Ltd. (UPMRC), a public-sector undertaking involved in the development and operation of metro rail services in the state, sought clarity from the Uttar Pradesh Appellate Authority for Advance Ruling (AAAR) on the applicability of Goods and Services Tax (GST) on several services related to metro projects.

The core issue raised by UPMRC was whether services such as civil construction, electrical installation, and engineering contracts, which were being provided by contractors for metro rail projects, could be exempt from GST under the provisions related to government contracts. The appellant argued that metro services are an essential part of public transport infrastructure and, therefore, should qualify for tax exemptions applicable to government services.

The AAAR carefully analyzed the provisions of the GST Act, particularly in the context of services provided for government-approved projects and infrastructure development. After considering the arguments, the AAAR concluded that while metro services themselves may be exempt from GST, the ancillary services provided by contractors, including construction and electrical work, do not qualify for such an exemption. These services are commercial in nature and provided by private contractors, making them taxable under the GST regime.

This ruling provides clarity on the tax treatment of services related to infrastructure projects, emphasizing that while core public services may receive exemptions, the ancillary services provided by private entities remain taxable under GST.

Gujarat Appellate Authority for Advance Ruling (Adama India Pvt. Ltd.).

Summary: Adama India Pvt. Ltd., a chemical manufacturing company, sought clarification from the Gujarat Appellate Authority for Advance Ruling (AAAR) on the Goods and Services Tax (GST) implications related to their operations. The key issue raised was whether GST is applicable on certain chemical intermediaries and whether the input tax credit could be claimed on goods used for the manufacture of these intermediaries.

The appellant argued that the chemical intermediaries they produce are essential components in the production of agricultural pesticides and other products that benefit from tax exemptions under GST. They contended that their products should either be exempt from GST or taxed at a lower rate, given their role in agriculture-related activities. Additionally, the company sought clarity on whether the input tax credit on materials and equipment used in the manufacturing process could be claimed.

The AAAR analyzed the nature of the products and their role in the manufacturing chain. After examining the applicable tax provisions, the authority concluded that the chemical intermediaries produced by Adama India Pvt. Ltd. do not qualify for a GST exemption as they are not directly used in agricultural activities but rather in further industrial processes. As such, the products are taxable under GST.

Regarding the input tax credit, the authority confirmed that Adama India Pvt. Ltd. is entitled to claim input tax credit on goods and services used in their manufacturing process, provided the products are used in taxable supplies.

This ruling clarifies the tax treatment of chemical intermediaries and the conditions for claiming input tax credits under GST, ensuring compliance for manufacturers in similar sectors.

Maharashtra Appellate Authority for Advance Ruling (Monalisa Co-Operative Housing Society Limited). Summary: Monalisa Co-Operative Housing Society Limited, located in Maharashtra, sought clarification from the Maharashtra Appellate Authority for Advance Ruling (AAAR) regarding the applicability of Goods and Services Tax (GST) on various services provided by the housing society to its members. The primary question raised was whether the maintenance services, collection of membership fees, and other charges levied by the society fall under the purview of GST.

The housing society argued that the services provided to its members, such as maintenance of common areas, security, and other amenities, should be exempt from GST as they are not provided for commercial purposes but rather to ensure the upkeep of the residential premises. They further argued that any contributions collected from members for maintenance purposes should not be treated as taxable services.

The AAAR reviewed the relevant sections of the GST Act, focusing on the provisions related to services provided by cooperative societies and residential communities. The authority noted that although the services are provided for the benefit of society members, they fall under the definition of taxable services when the total value of services provided exceeds a specified threshold.

The AAAR ruled that Monalisa Co-Operative Housing Society is liable to pay GST on the services provided to its members, as they constitute taxable services under GST law. However, small-scale services below the threshold may be exempted.

This ruling provides clarity for housing societies regarding the applicability of GST on the maintenance and other services provided to members, helping them comply with the necessary tax provisions.

## Maharashtra Appellate Authority for Advance Ruling (CHEP India Pvt. Ltd.).

Summary: CHEP India Pvt. Ltd., a logistics and supply chain company, approached the Maharashtra Appellate Authority for Advance Ruling (AAAR) seeking clarification on the applicability of Goods and Services Tax (GST) on their asset pooling services. The company's business model involves leasing reusable pallets and containers to clients for use in transporting goods. The question raised was whether GST applies to the leasing of these assets and whether it qualifies for any exemptions under the GST regime.

The company argued that the reusable pallets and containers are part of an eco-friendly initiative and are provided to clients for logistics and transportation purposes. They claimed that these assets should be classified under a lower GST rate or considered exempt from GST, as they are not standard goods or services but instead part of a service that reduces environmental impact by promoting sustainability.

The AAAR evaluated the nature of the company's services and their classification under GST law. After reviewing the relevant legal provisions, the authority concluded that the leasing of pallets and containers qualifies as a taxable supply of services under the GST Act. As such, the company must charge GST at the applicable rate on these services. The ruling clarified that no specific exemption or reduction in GST rate applies to such services, despite their environmental benefits.

This decision provides clarity for logistics and supply chain companies on the taxability of asset pooling and leasing services, ensuring compliance with GST law for similar service providers.

Gujarat Appellate Authority for Advance Ruling (Rajkot Nagarik Sahakari Bank Ltd.). Summary: Rajkot Nagarik Sahakari Bank Ltd., a cooperative bank, approached the Gujarat Appellate Authority for Advance Ruling (AAAR) seeking clarification on the applicability of Goods and Services Tax (GST) on certain services provided by the bank. The key issue raised was whether the services rendered by the bank, including loan processing, management fees, and other banking-related services, fall under the purview of GST.

The bank contended that being a cooperative institution, the services provided to its members, especially in terms of loan management, should be exempt from GST as they are offered in a non-commercial capacity. They argued that the bank operates with the primary objective of serving its members, making its services non-taxable under GST provisions.

The AAAR reviewed the arguments put forth by the appellant and examined the relevant provisions of the GST Act. The authority highlighted that even though the bank operates as a cooperative society, the services provided—such as loan processing and management—are still classified as taxable services under GST, irrespective of the cooperative structure. The ruling emphasized that cooperative banks offering financial services to their members are subject to GST on par with commercial banks.

Consequently, the AAAR ruled that Rajkot Nagarik Sahakari Bank Ltd. is liable to charge GST on the services provided to its members, including loan processing and other financial services.

This ruling clarifies the taxability of cooperative banking services under GST, ensuring that cooperative banks adhere to the same tax regulations as commercial banking entities.

Uttar Pradesh Appellate Authority for Advance Ruling (Indian Hume Pipe Company Ltd.).

Summary: Indian Hume Pipe Company Ltd., a manufacturer of pipes and infrastructure solutions, approached the Uttar Pradesh Appellate Authority for Advance Ruling (AAAR) seeking clarification on the applicability of Goods and Services Tax (GST) on certain supply contracts. The key issue raised was whether the supply of pre-stressed concrete pipes for water supply projects undertaken by the government would be eligible for GST exemptions.

The company argued that the pipes supplied were specifically for government-approved projects aimed at providing water infrastructure, and as such, they should be exempt from GST under provisions related to government projects and public welfare schemes. The appellant highlighted that the supply of goods for government projects related to essential services, such as water supply, should attract a lower GST rate or qualify for exemptions.

The AAAR reviewed the submissions and analyzed the provisions of the GST Act concerning supplies made for government-approved projects. Upon review, the authority concluded that while the projects are for public welfare, the goods supplied by Indian Hume Pipe Company Ltd. are classified as taxable supplies under the GST framework. The ruling emphasized that the mere involvement of government projects does not exempt suppliers from GST, and the specific nature of the goods supplied (pipes, in this case) does not qualify for exemption.

As a result, the AAAR ruled that the supply of pipes for water supply projects is subject to GST at the applicable rate.

This ruling provides clarity for suppliers involved in government infrastructure projects, ensuring that goods provided for such projects comply with GST regulations.

## Gujarat Appellate Authority for Advance Ruling (The Varachha Co-op. Bank Ltd.).

Summary: The Varachha Co-operative Bank Ltd. sought clarification from the Gujarat Appellate Authority for Advance Ruling (AAAR) on the applicability of Goods and Services Tax (GST) to banking services provided to its members. The central issue was whether the services provided by the bank to its members, including loan processing, deposits, and other financial services, attract GST.

The bank argued that being a cooperative institution, the services rendered to its members are not intended for commercial profit, and thus, these services should be exempt from GST. They further contended that cooperative societies, which are member-owned, should receive a different tax treatment compared to commercial banks.

The AAAR reviewed the submissions and analyzed the relevant provisions under the GST law. The authority highlighted that cooperative societies, while member-driven, still provide taxable services if those services fall under the purview of financial transactions. The authority concluded that financial services such as loan processing, management fees, and interest charges are taxable under GST even if they are offered by a cooperative bank.

The AAAR ruled that The Varachha Co-operative Bank Ltd. is liable to charge GST on all the financial services provided to its members, ensuring that they comply with GST laws applicable to financial institutions.

This ruling reinforces the tax treatment of cooperative banking services, ensuring that cooperative banks follow the same GST regulations as other financial institutions.

## *Uttar Pradesh Appellate Authority for Advance Ruling (Purvanchal Vidyut Vitran Nigam Limited)*.

Summary: Purvanchal Vidyut Vitran Nigam Limited (PVVNL), a government-owned power distribution company, approached the Uttar Pradesh Appellate Authority for Advance Ruling (AAAR) to seek clarification on the applicability of Goods and Services Tax (GST) on certain services related to electricity distribution and infrastructure development. The key issue was whether the company is liable to pay GST on charges related to the development of electrical infrastructure for providing power supply to consumers.

The appellant argued that as a government entity engaged in essential public utility services, they should be exempt from GST on such charges. They contended that these services are not commercial in nature and are crucial for the provision of basic utilities like electricity.

The AAAR reviewed the relevant provisions of the GST Act concerning electricity distribution and government services. The authority acknowledged that electricity supply itself is exempt from GST; however, they clarified that services related to infrastructure development—such as the creation of substations, laying power lines, and other associated work—do not qualify for GST exemption. These activities are considered commercial services under the GST framework and are thus taxable.

The ruling concluded that Purvanchal Vidyut Vitran Nigam Limited is liable to charge GST on all infrastructure development services provided to customers, even though the electricity supply itself remains exempt.

This ruling helps clarify the taxability of services related to public utilities, ensuring that companies providing essential infrastructure adhere to GST regulations.

## Punjab Appellate Authority for Advance Ruling (Bansal Industries).

Summary: Bansal Industries, a manufacturer based in Punjab, approached the Punjab Appellate Authority for Advance Ruling (AAAR) to seek clarification on the applicability of Goods and Services Tax (GST) on certain agricultural equipment manufactured and sold by the company. The primary issue raised in the appeal was whether their products, which include agricultural implements like plows and tillers, qualify for a lower GST rate applicable to agricultural equipment or are subject to the standard GST rate.

The appellant argued that their products are directly used in agricultural activities and therefore should be classified under the agricultural equipment category, which enjoys a lower GST rate. Bansal Industries emphasized that the products are essential for small farmers and contribute significantly to agriculture, justifying the lower tax rate.

The AAAR examined the classification of the products under the GST Act and considered the appellant's arguments. The authority noted that while agricultural implements are generally taxed at a lower rate, the specific classification of the products in question must align with the Harmonized System of Nomenclature (HSN) code to qualify for the reduced rate. Upon review, the AAAR determined that certain products manufactured by Bansal Industries did not meet the criteria for the lower GST rate and are subject to the standard rate of tax.

The ruling clarified the GST classification of agricultural implements and the importance of proper product categorization to determine applicable tax rates, ensuring manufacturers comply with GST regulations.

Maharashtra Appellate Authority for Advance Ruling (IVL India Environmental R&D Pvt. Ltd.).

Summary: IVL India Environmental R&D Pvt. Ltd., a company involved in environmental research and development services, sought clarification from the Maharashtra Appellate Authority for Advance Ruling (AAAR) on the applicability of Goods and Services Tax (GST) for services provided in connection with environmental testing and compliance. The key issue was whether the services provided by the company qualify for exemption from GST under the provisions related to scientific and technical research.

The company argued that their services, which involve testing and analyzing environmental factors such as air and water quality, are scientific in nature and should be exempt from GST as per the provisions for research services. They further contended that their services contribute to the public good by aiding environmental compliance and safeguarding natural resources.

The AAAR reviewed the submissions and analyzed the applicable GST provisions concerning scientific and technical research. The authority noted that while the company provides research services, the specific nature of the services—such as environmental testing and reporting—falls under taxable services as per the GST Act. The AAAR clarified that the services provided by IVL India Environmental R&D Pvt. Ltd. do not qualify for exemption and are subject to GST at the applicable rate.

The ruling concluded that the company's services are taxable, ensuring that research and testing companies operating in the environmental sector adhere to the GST provisions.

This decision provides clarity for companies providing research and testing services, particularly in the environmental domain, ensuring compliance with GST regulations.

## Maharashtra Appellate Authority for Advance Ruling (Puranik Builders Ltd.).

Summary: Puranik Builders Ltd., a real estate development company, approached the Maharashtra Appellate Authority for Advance Ruling (AAAR) seeking clarification on the applicability of Goods and Services Tax (GST) on development rights transferred to other entities for real estate projects. The primary issue raised in the appeal was whether GST is applicable on the transfer of such development rights, and if so, what the applicable tax rate would be.

The company contended that development rights represent intangible assets, and their transfer should either be exempt from GST or be subject to a lower tax rate. Puranik Builders argued that since the transfer of development rights does not involve the supply of tangible goods or services, it should be treated as a special case under GST law.

The AAAR reviewed the submissions and analyzed the provisions of the GST Act related to the transfer of development rights. The authority clarified that the transfer of development rights constitutes a taxable supply under GST, as it is treated as a service. The AAAR ruled that GST is applicable on the transfer of such rights, with the applicable rate depending on the nature of the project for which the rights are being transferred (e.g., residential or commercial).

This ruling provides real estate developers with clarity on the taxability of development rights under GST, ensuring that such transactions comply with tax regulations in the construction and development sectors.

Gujarat Appellate Authority for Advance Ruling (IDMC Ltd.).

Summary: IDMC Ltd., a company involved in the manufacturing of dairy equipment and related machinery, sought clarification from the Gujarat Appellate Authority for Advance Ruling (AAAR) regarding the applicability of Goods and Services Tax (GST) on certain supplies made to the dairy sector. The key question raised was whether the sale of dairy equipment to cooperative societies engaged in milk production and distribution is exempt from GST or subject to the standard GST rate.

The company argued that their equipment is essential for dairy production and should be classified under agricultural machinery, which would qualify for a lower GST rate or exemption. They contended that since their customers are cooperative societies engaged in agricultural activities, the equipment should receive favorable tax treatment.

The AAAR reviewed the submissions and considered the relevant provisions of the GST Act regarding agricultural equipment and its classification. The authority concluded that while the equipment supplied by IDMC Ltd. is used in dairy production, it does not fall under the category of agricultural machinery as defined under GST law. Therefore, the equipment is subject to the standard GST rate applicable to industrial machinery.

The ruling clarified that the sale of dairy equipment is not exempt from GST, even when sold to cooperative societies involved in agriculture. This decision helps manufacturers and suppliers in the dairy industry understand the tax implications of their products under GST regulations.

Delhi Appellate Authority for Advance Ruling (NBCC India Ltd.). Summary: NBCC India Ltd., a government-owned enterprise engaged in project management and real estate development, sought clarification from the Delhi Appellate Authority for Advance Ruling (AAAR) regarding the applicability of Goods and Services Tax (GST) on construction services provided to government entities. The key issue raised was whether construction services for government-approved projects, including housing and infrastructure, are exempt from GST or liable for tax.

NBCC India Ltd. contended that the services they provide, particularly for housing projects, are public-oriented and should either be exempt from GST or subject to a reduced tax rate. They argued that the services were rendered to government entities, and as such, the projects should qualify for special tax treatment under the GST regime.

The AAAR analyzed the submissions and reviewed the relevant provisions of the GST Act, which outline the treatment of services related to construction and infrastructure. The authority concluded that while certain government services are exempt from GST, construction services provided by NBCC India Ltd. do not qualify for the exemption. The AAAR clarified that construction projects undertaken by government entities for public use are taxable at the applicable GST rate.

This ruling provides clear guidance to government contractors and real estate developers working on public projects, confirming that construction services for government infrastructure are not exempt from GST and must comply with standard tax regulations.

Maharashtra Appellate Authority for Advance Ruling (MEK Peripherals India Pvt. Ltd*.)*.

Summary: MEK Peripherals India Pvt. Ltd., a company involved in the distribution of electronic components and peripherals, approached the Maharashtra Appellate Authority for Advance Ruling (AAAR) seeking clarification on the applicability of Goods and Services Tax (GST) on the sale of certain electronic goods. The main question raised was whether their products—specifically computer peripherals and electronic accessories—are subject to a lower GST rate or fall under the standard tax bracket.

The company contended that their products, which include essential electronic components, should be classified under the GST category for information technology (IT) equipment, which benefits from a lower GST rate. MEK Peripherals argued that since their products are integral to the functioning of computers and other IT systems, they should qualify for reduced tax treatment under GST law.

The AAAR examined the classification of the products in question and considered the relevant provisions of the GST Act. The authority concluded that while the products are indeed used in IT systems, they do not specifically fall under the category of IT equipment as defined by GST rules. As a result, the AAAR ruled that the products sold by MEK Peripherals India Pvt. Ltd. are subject to the standard GST rate applicable to electronic goods.

This ruling provides clarity for companies involved in the sale of electronic components, ensuring that products are properly categorized for GST purposes and taxed accordingly.

## Uttar Pradesh Appellate Authority for Advance Ruling (Pandey Traders).

Summary: M/s Pandey Traders, a business involved in the sale of various goods, approached the Uttar Pradesh Appellate Authority for Advance Ruling (AAAR) to seek clarification on the applicability of Goods and Services Tax (GST) on the sale of certain commodities. The main issue was whether specific goods sold by the appellant, including certain agricultural produce and processed items, qualified for exemption from GST or were subject to the standard tax rate.

Pandey Traders argued that some of their products, particularly those related to agriculture, should be classified under exempt categories. They contended that since their products were minimally processed and retained their agricultural characteristics, they should be exempt from GST.

The AAAR reviewed the submissions and the relevant GST provisions, focusing on the classification of agricultural products and processed goods. The authority clarified that while unprocessed agricultural produce is exempt from GST, processed items do not qualify for the exemption. The ruling emphasized that even minimal processing could change the taxability of goods under the GST regime.

The AAAR concluded that Pandey Traders is liable to charge GST on the sale of processed agricultural goods, as they no longer qualify as exempt products. This decision provides clarity on the classification and taxation of agricultural products, helping traders and businesses comply with GST regulations.

Tamil Nadu Appellate Authority for Advance Ruling (Coral Manufacturing Order).

Summary: Coral Manufacturing, a company involved in producing and selling industrial machinery, approached the Tamil Nadu Appellate Authority for Advance Ruling (AAAR) to seek clarification on the Goods and Services Tax (GST) applicability for certain goods sold under industrial use. The key issue was whether the machinery and equipment manufactured by the company qualify for a reduced GST rate as capital goods or are subject to the standard tax rate applicable to industrial machinery.

The appellant argued that their products, being integral to industrial operations, should be classified as capital goods, which could potentially qualify for a lower GST rate. They emphasized that the equipment was designed for specific industrial applications and was used in manufacturing processes, justifying a more favorable tax treatment.

The AAAR carefully examined the submissions and reviewed the applicable provisions under the GST Act. After consideration, the authority ruled that the machinery and equipment sold by Coral Manufacturing are subject to the standard GST rate for industrial machinery. The AAAR clarified that the classification as capital goods does not automatically result in a lower GST rate unless the goods fall within a specific category of exemptions or concessions provided under the law.

This ruling helps businesses in the industrial machinery sector understand the tax implications of their product classifications, ensuring compliance with GST regulations applicable to capital goods.

## *Punjab Appellate Authority for Advance Ruling (Punjab State Power Corporation Limited - PSPCL)*.

Summary: Punjab State Power Corporation Limited (PSPCL), a government-owned power distribution company, approached the Punjab Appellate Authority for Advance Ruling (AAAR) seeking clarity on the Goods and Services Tax (GST) applicability for services related to electricity transmission and distribution. The key issue raised was whether the services provided by PSPCL to its customers—especially electricity transmission and infrastructure development—should be exempt from GST, as electricity supply itself is GST-exempt.

PSPCL argued that since electricity is a public utility and is exempt from GST, the ancillary services required for its transmission and distribution should also be exempt. They contended that these services are an integral part of providing electricity, and as a government entity, they should not be subject to additional tax burdens.

The AAAR reviewed the submissions and relevant GST provisions concerning electricity supply and the services related to it. While the supply of electricity itself is exempt from GST, the authority clarified that ancillary services, such as infrastructure development for transmission, are not exempt from GST. These services are treated as taxable under GST law, even if provided by a government entity.

The ruling concluded that PSPCL is liable to charge GST on all services related to electricity transmission and infrastructure development. This decision provides clarity to power distribution companies on the scope of GST exemptions and helps ensure compliance with the applicable tax regulations for ancillary services.

## Maharashtra Appellate Authority for Advance Ruling (Beeup Skills Foundation).

Summary: Beeup Skills Foundation, an organization involved in skill development and training, approached the Maharashtra Appellate Authority for Advance Ruling (AAAR) to seek clarification on the applicability of Goods and Services Tax (GST) on their services. The key issue raised was whether the vocational training services provided by the foundation, which aim to enhance employability and skills development, are exempt from GST under the provisions related to educational services.

The appellant argued that since their services are aligned with the national mission for skill development and focus on training and capacity building for underprivileged youth, they should be exempt from GST. They emphasized that their services contribute directly to public welfare by providing essential skills that improve employment prospects.

The AAAR reviewed the submissions and analyzed the relevant provisions of the GST Act concerning educational and vocational training services. The authority concluded that while educational services provided by recognized institutions may qualify for GST exemptions, the specific services provided by Beeup Skills Foundation do not meet the criteria for such exemptions. The AAAR ruled that the services offered by the foundation are taxable under GST law, as they do not fall under the category of educational services defined in the exemption list.

This ruling provides clarity for organizations involved in vocational training and skill development, ensuring that they understand the tax implications of their services under GST regulations.

Gujarat Appellate Authority for Advance Ruling (Ahmedabad Janmarg Limited).

Summary: Ahmedabad Janmarg Limited, a company involved in providing public transport services through the Bus Rapid Transit System (BRTS), sought clarification from the Gujarat Appellate Authority for Advance Ruling (AAAR) regarding the applicability of Goods and Services Tax (GST) on its operations. The key issue raised was whether the public transport services provided by the company are exempt from GST under the provisions for public transportation services.

Ahmedabad Janmarg contended that their services fall under the category of public transportation, which is exempt from GST under the relevant provisions of the GST Act. The appellant argued that since their services directly benefit the public and contribute to reducing traffic congestion and pollution, they should not be subject to GST.

The AAAR reviewed the submissions and examined the provisions of the GST Act concerning public transportation. After considering the arguments, the authority concluded that the services provided by Ahmedabad Janmarg Limited are indeed public transport services and are thus exempt from GST. The AAAR clarified that as long as the services are provided for the general public and are in line with the definition of public transportation, they will not attract GST.

This ruling provides clarity for public transport service providers on their tax liabilities, confirming that services aimed at the general public and provided through government-approved systems, such as BRTS, are exempt from GST.