

AUTHORITY FOR ADVANCE RULING – CHHATTISGARH
3rd & 4th Floor, Vanijyikar GST Bhawan, North Block Sector-19,
Atal Nagar, District-Raipur (C.G.) 492002
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PROCEEDING OF THE AUTHORITY FOR ADVANCE RULING
U/s. 98 OF THE CHHATTISGARH GOODS AND SERVICES TAX ACT, 2017

Members Present are

Smt. Sonal K. Mishra
Joint Commissioner
O/o Commissioner, State Tax
(CGGST), Raipur, Chhattisgarh.

Shri Rajesh Kumar Singh,
Additional Commissioner,
O/o Principal Commissioner,
CGST & Central Excise, Raipur (C.G)

Subject: -Chhattisgarh GST Act, 2017 – Advance Ruling U/s 98 Chhattisgarh, GST Act, 2017 –

Advance Ruling U/s 98 sought vide Application dated 24/02/2022 filed by M/s DEE VEE PROJECTS LIMITED (here in after referred to as the applicant), First Floor, Vikas Complex, P. H. Road, Korba (C. G.), GSTIN- 22AAECD4619B2Z9, seeking advance ruling as to whether corporations and departments working under various Ministries of Central Government, State Governments and UTs will form part of Central Government/ State Government/ Union territory or Local Authority? Further that, if an organization has awarded their company a contract but the said organization is entrusted by a Ministry/ Department of Government to float the tender and award the work to the eligible Contractor, then who will be deemed to be the service recipient, Government or the organization? Besides this, they desired to have a ruling, seeking to specify the Classification of the following Agencies viz. NBCC (India) Limited, Engineering Projects India Limited, Central Public Works Department, Maharashtra State Power Generation Company Limited, Employee State Insurance Corporation (ESIC), Ministry of AYUSH, Indian Institute of Management and Rajasthan Cricket Association, as to whether these are Corporation or Government Organizations into Central Government, State Government, Union Territory, local authority, Government Authority or a Government Entity.

Read: - Application dated 02/02/2022 from 2022M/s DEE VEE PROJECTS LIMITED (here in after referred to as the applicant), First Floor, Vikas Complex, P. H. Road, Korba (C. G.), GSTIN-22AAECD4619B2Z9

PROCEEDINGS

[U/s 98 of the Chhattisgarh Goods & Services Tax Act, 2017 (herein- after referred to as CGGST Act, 2017)]

No.STC/AAR/03/2022

Raipur Dated 27/05/22

M/s DEE VEE PROJECTS LIMITED (here in after referred to as the applicant), [hereinafter also referred to as the applicant has filed an application under section 97 of the Chhattisgarh Goods & Services Tax Act, 2017 dated 02/02/2022 enclosing duly filled in



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Form ARA-01(the application form for Advance Ruling) along with certain annexure and attachments seeking advance, in respect of the following questions: -

For the purpose of ascertaining the rates of GST applicable on their projects as per the applicable notifications (Notification No. 20/2017, 24/2017, 31/2017, 1/2018 and 15/2021) issued by the CBEC from time to time, to seek clarification regarding the following issues:

- i. That, the Act has not defined the terms "Central Government", "State Government", "Union Territory" and "Local Authority" and accordingly request to define the said terms. Further in this regard, we seek clarification as to whether corporations and departments working under various Ministries of Central Government, State Governments and UTs will form part of Central Government/ State Government/ Union territory or Local Authority?
- ii. The above notifications prescribe different rates based on service recipient for e.g., Notification No. 24/2017 states that specified Services provided to the Central Government, State Government, Union Territory or a local authority will be taxable at the rate of 12% (6% CGST & 6% SGST) and that another issue arises here is that if an organization has awarded their company a contract but the said organization is entrusted by a Ministry/ Department of Government to float the tender and award the work to the eligible Contractor, then who will be deemed to be the services recipient, Government or the organization?

For Example: Ministry of AYUSH has instructed NBCC (India) Limited to construct an Ayurvedic College in Goa, the applicant was awarded the Tender by NBCC (India) Limited. In this Case who will be the Service recipient i.e., Ministry of AYUSH or NBCC (India) Limited and what rate of GST be applicable to us (Service Provider to NBCC).

- iii. Further in this regard it was their request to specify the Classification of the following listed out agencies as to whether these are Corporation or Government Organizations into Central Government, State Government, Union Territory, local authority, Government Authority or a Government Entity.
 - a. NBCC (India) Limited
 - b. Engineering Projects India Limited
 - c. Central Public Works Department
 - d. Maharashtra State Power Generation Company Limited
 - e. Employee State Insurance Corporation (ESIC)
 - f. Ministry of AYUSH
 - g. Indian Institute of Management
 - h. Rajasthan Cricket Association

2. Facts of the case: -

2.1 The applicant under their instant application has informed that they are engaged in providing services to various Government Companies, corporations, municipalities and other entities working under Central Government and State Government, Union Territory, local authorities or governmental authorities by way of construction, erection, commissioning, installation, completion, fitting



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out, repair, maintenance, renovation, or alteration of various civil structures, roads and railways.

2.2 That some of the applicant's undergoing projects are as under:

- 2.2.1 Construction and commissioning of balance Nagpur Canal Project (Package I and II) for NBCC (India) Ltd. (subcontracted by Punj Lloyd Ltd. to applicant) vide Letter No. LOA/PLL/B&I/NBCC/NAGPUR CANAL/CCB/PACKAGE - I & II/REV-000 Dated 29/09/2017 (Herein after referred to as **Project A**)
- 2.2.2 Renovation work for Hostel and Mess Building awarded by Engineering Project India Limited at BIT, Sindri, Dhanbad vide Letter No. DLI/CON/728/532 Dated 04/11/2016, DLI/CON/728/531 Dated 04/11/2016 & DLI/CON/728/628 Dated 26/10/2018 (Herein after referred to as **Project B**)
- 2.2.3 Development of Permanent Campus (Phase 1) of IIM Sambalpur, Odisha awarded by NBCC (India) Ltd. vide Letter No. NBCC/ED (CPG)/2020/422 dated 21/08/2020 (Herein after referred to as **Project C**)
- 2.2.4 Construction of All India Institute of Ayurveda (AIIA) at Village Dhargal in Pernem Taluka, Goa awarded by NBCC (India) Ltd. vide Letter No. NBCC/ED (CPG)/2019/01 dated 02/11/2019 (Herein after referred to as **Project D**)
- 2.2.5 Renovation, repair, rehabilitation, addition, alteration and aesthetic improvement and other miscellaneous civil and electrical works at Hotel Janpath, New Delhi awarded by Central Public Works Department. Vide F. No. 23(2)/EECVPD-II/Janpath/2019-20/38 dated 28.02.2020 (Herein after referred to as **Project E**)
- 2.2.6 Face lifting and renovation of E Type and F Type buildings in colony of CSTPCS Chandrapur awarded by Maharashtra State Power Generation Company Limited Vide F. No. CSTPS/CHN/CMU/Qtr. Renovation/01665 dated 01.02.2019 and F. No. CSTPS/CHN/CMU/Qtr. Renovation/01667 dated 01.02.2019 (Herein after referred to as **Project F**)
- 2.2.7 Design and construction of 300 bedded hospital (expandable to 500 bedded) at ESIC, Nandanagar, Indore awarded by Central Public Works Department, Indore vide Letter No. 23(8)/का.अ./इ.प.मं-1/सी.पी.डब्ल्यू.डी./2021-22/793 dated 14.06.2021 (Herein after referred to as **Project G**).

That, Copies of Work Order/ LOAs have been attached for reference.

2.3 The government issued Notification No. 11/2017 Central Tax (Rate), on 28th June 2017 wherein **Heading 9954 (Construction services)** was taxed @ 9% CGST and 9% SGST.

2.4 Subsequently, the aforementioned Notification was amended through the following Notifications:

- 2.4.1 Notification No. 20/2017 Central Tax(Rate), dated 22nd Aug 2017
 - 2.4.2 Notification No. 24/2017 Central Tax(Rate), dated 21st September, 2017.
 - 2.4.3 Notification No. 31/2017 Central Tax(Rate), dated 13th October, 2017.
 - 2.4.4 Notification No. 01/2018 Central Tax(Rate), dated 25th January, 2018.
- Wherein works contract services as mentioned in Point No. 2 provided to



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Central Government, State Government, Union Territory, and Local Authority Government Authority & Government Entity were taxed @ 6% CGST & 6% SGST.

- 2.4.5 Notification No. 15/2021 Central Tax (Rate), dated 18th November, 2021 through which the words "Union Territory, Local Authority Government Authority & Government Entity" were substituted by "Union Territory & Local Authority"
- 2.5 Since all the above-mentioned projects were awarded to us before the effectiveness of Notification No. 15/2021 i.e., before 01.01.2022, therefore bidding was done by us after considering GST rate as per applicable notification in point 4 (a) to 4 (d) and the same was awarded to us at the same rate.
- 2.6 However, after the applicability of Notification No. 15/2021 their cost of each project has increased significantly due to increased GST rate and that this has resulted in reduction in profit margins and working capital which is causing difficulty in conducting business operations smoothly and that, neither the Act nor the aforementioned notifications have defined the terms "Central Government", "State Government", "Union Territory" and "Local Authority".

3. Contentions of the applicant: -

- 3.1 The serial number 3 of Notification Number 11/2017 dated 28th June, 2017 relating to Construction Services was amended by Central government on recommendation of Council in public interest through notification Number 20/2017 dated 22nd August, 2017, 24/2017 dated 21st September, 2017, 31/2017 dated 13th October, 2017, 01/2018 dated 25th January 2018 and 15/2021 dated 18th November 2021
- 3.2 Through this amendment notifications the intention of Central Government is to include certain work contract supplied to Central Government, State Government, Union Territory local authority in 12% GST rate (i.e., 6% CGST & 6% SGST).
- 3.3 However these notifications have created a certain level of ambiguity as to what is the meaning of Central Government, State Government, Union Territory or local authority. No clarity has been provided in this regard in the said Notifications.
- 3.4 that their view point in this regard is that since the client departments as mentioned in question No. 3 above are either owned by one of the Ministries of Central Government or are under the ownership of the Government of India or the respective state government.

For Instance:

- NBCC (India) Limited – A Government of India Enterprise (as per the official website of the corporation nbccindia.com/)
- Engineering Projects India Limited – A Government of India Enterprise (as per the official website of the corporation <https://epi.gov.in/content/>)
- Central Public Works Department – works under Ministry of Urban Development now MoHUA (Ministry of Housing and Urban Affairs) and It is headed by the Director General (DG) who is also the Principal Technical Advisor to the Government of India.(as per the official website of CPWD <https://cpwd.gov.in/>)



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- d. Maharashtra State Power Generation Company Limited – working under the Industry, Energy and Labour Dept of Govt of Maharashtra
- e. Employee State Insurance Corporation (ESIC) – works under Ministry of Labour and Employment, Government of India (as per the official website of ESIC <https://www.esic.nic.in/>)
- f. Indian Institute of Management – Parent Institution – Ministry of Education, Government of India
- g. Rajasthan Cricket Association – governed under the provisions of Rajasthan Sports Act, 2005.

3.5 And therefore, as per their interpretation all the above corporations/institutions/associations fall under the meaning of either Central Government or State Government. Further, that they have summarized the details of ongoing projects and applicable notification as under:

Project Name	Service recipient as per work order	Service Recipient as per applicants interpretation	Nature of Work	Applicable Notification No. and serial No	Rate of GST applicable as per our interpretation
Project A	Punj Lloyd Limited	Punj Lloyd Limited	Canal work	01/2018 Dated 25 th Jan 2018 Point No. C	6% CGST & 6% SGST
Project B	Engineering Projects (India) Ltd.	Central Government	Renovation of Educational Establishment	24/2017 dated 21 st Sep, 2017 Point No VI (b)	6% CGST & 6% SGST
Project C	NBCC (India) Ltd.	Central Government	Construction of Educational Establishment	24/2017 dated 21 st Sep, 2017 Point No VI (b)	6% CGST & 6% SGST
Project D	NBCC (India) Ltd.	Central Government	Construction of Educational Establishment	24/2017 dated 21 st Sep, 2017 Point No VI (b)	6% CGST & 6% SGST
Project E	Central Public Works Department	Central Government	Renovation of Art & Culture establishment	24/2017 dated 21 st Sep, 2017 Point No VI (b)	6% CGST & 6% SGST
Project F	MAHAGENCO	State Government	Renovation of Residential complex predominantly meant for use of their employees	24/2017 dated 21 st Sep, 2017 Point No VI (C)	6% CGST & 6% SGST
Project G	Central Public Works Department	Central Government	Construction of Clinical Establishment	24/2017 dated 21 st Sep, 2017 Point No VI (b)	6% CGST & 6% SGST

3.6 Before issuance of Notification No. 15/2021, rate of GST applicable to the above projects were 12%. But with the applicability of the said notification, the classification of the above-mentioned tender issuing authorities into Central Government, State Government, Union Territory, and local authority, Government Authority or a Government Entity has created ambiguity regarding ascertaining GST rate.

3.7 that, their point of view on the aforementioned issues is that Corporation and Departments working under various ministries of Central Government, State



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Governments and UTs will form part of Central Government/ State Government/ Union territory or Local Authority as Central Government has not been defined under the Act.

4. Personal Hearing: -

Keeping with the established principles of natural justice, personal hearing in the matter was extended to the applicant in person, as requested by them and accordingly, Shri Vikas Agrawal, advocate; Shri Prakash Chand Agrawal C.A. and Shri Satish Kumar Sarawgi, C.F.O. legal representatives of the Applicant appeared before us for hearing on 09.03.2022 and reiterated their contention. He also furnished a written submission dated 09.03.2022 along with sample copies of work order/LOAs in support of their contentions which has been taken on record.

5. The legal position, analysis and discussion: -

At the very outset, we would like to make it clear that the provisions for implementing the CGST Act and the Chhattisgarh GST Act, 2017 [hereinafter referred to as "the CGST Act and the CGGST Act"] are similar and thus, unless a mention is specifically made to such dissimilar provisions, a reference to the CGST Act would also mean a reference to the same provisions under the CGGST Act, 2017. Now we sequentially proceed to discuss the issues involved in the ruling so sought by the applicant and the law as applicable in the present case.

6. Section 96 of CGST Act, 2017, Authority for advance ruling, stipulates as under: -

Subject to the provisions of this Chapter, for the purposes of this Act, the Authority for advance ruling constituted under the provisions of a State Goods and Services Tax Act or Union Territory Goods and Services Tax Act shall be deemed to be the Authority for advance ruling in respect of that State or Union territory.

Section 97(2) of CGST Act, 2017 stipulates that: -

The question, on which the advance ruling is sought under this Act, shall be in respect of—

- (a) classification of any goods or services or both;
- (b) applicability of a notification issued under the provisions of this Act;
- (c) determination of time and value of supply of goods or services or both;
- (d) admissibility of input tax credit of tax paid or deemed to have been paid;
- (e) determination of the liability to pay tax on any goods or services or both;
- (f) whether applicant is required to be registered;
- (g) whether any particular thing done by the applicant with respect to any goods or services or both amounts to or results in a supply of goods or services or both, within the meaning of that term.

Further 103 of CGST Act, 2017 stipulates about the ruling pronounced as under: -The advance ruling pronounced by the Authority or the Appellate Authority under this Chapter shall be binding only -

- a. On the applicant who had sought it in respect of any matter referred to in sub-section (2) of section 97 for advance ruling;



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- b. On the concerned officer or the jurisdictional officer in respect of the applicant.

Thus, in view of the above section 103 of CGST Act, 2017, the ruling so sought by the Applicant would be binding only on the Applicant and on the concerned officer or the jurisdictional officer as stipulated above.

7. Before getting in to the issues involved, for a better understanding of the subject issue, we would first like to go through the relevant text of the issue in hand, as appearing at S.no. 3(iii)(b) of Notification no. 11/2017 Central Tax (Rate) dated 28.6.2017 [as amended vide Notification 20/2017 Central Tax (Rate) dated 22.8.2017, Notification no. 31/2017-Central Tax (Rate) dated 13.10.2017 w.e.f 13.10.2017 and Notification no. 22/2021-Central Tax (Rate) dated 31.12.2021 w.e.f 1.1.2022] and S.no. 3(vi)(b) of Notification No. 11/2017 Central Tax (Rate) dated 28.06.2017[as amended by Notification no. 46/2017-Central Tax (Rate), dated 14.11.2017, Notification No. 3/2019-Central Tax (Rate) dated 29.3.2019, Notification no. 22/2021-Central Tax (Rate) dated 31.12.2021 w.e.f 1.1.2022 and Notification no. 17/2018-Central Tax (Rate), dated 26.7.2018]. In the instant case the eligibility or otherwise of the benefit of said Notification no. 11/2017 Central Tax (Rate) provided under S.no. 3(iii)(b), S.no. 3(vi)(b) and S.no. 3(vi)(c) *ibid*, to the applicant is the subject matter of this proceeding. For the sake of brevity, the relevant text of the same is reproduced hereunder.

7.1 Rate of GST on intra-State supply of specific services with Service Code Tariff (SAC)

Government of India
Ministry of Finance
(Department of Revenue)
Notification No. 11/2017-Central Tax (Rate)

New Delhi, the 28th June, 2017

G.S.R.....(E).- In exercise of the powers conferred by sub-section (1), [sub-section (3) and sub-section (4)] 1 of section 9, sub-section (1) of section 11, sub-section (5) of section 15[,]2 sub-section (1) of section 16 [and section 148] 3 of the Central Goods and Services Tax Act, 2017 (12 of 2017), the Central Government, on the recommendations of the Council, and on being satisfied that it is necessary in the public interest so to do, hereby notifies that the central tax, on the intra-State supply of services of description as specified in column (3) of the Table below, falling under Chapter, Section or Heading of scheme of classification of services as specified in column (2), shall be levied at the rate as specified in the corresponding entry in column (4), subject to the conditions as specified in the corresponding entry in column (5) of the said Table:-



TABLE

Sl. No.	Chapter, Section or Heading	Description of Service	Rate (per cent.)	Condition
(1)	(2)	(3)	(4)	(5)
1	Chapter 99	All Services		
2	Section 5	Construction Services		
3	Heading 9954	(i)	...	-
	(Construction services)	(ii)	...	-
		(iii) Composite supply of works contract as defined in clause (119) of section 2 of the Central Goods and Services Tax Act, 2017, supplied to the Central Government, State Government, Union territory or a local authority by way of construction, erection, commissioning, installation, completion, fitting out, repair, maintenance, renovation, or alteration of, -	6	-
		(a).....		
		(b) canal, dam or other irrigation works;		
		(c).....		
		(iv).....		
		(v).....		
		(va).....		
		(vi) Composite supply of works contract as defined in clause (119) of section 2 of the Central Goods and Services Tax Act, 2017, other than that covered by items (i), (ia), (ib), (ic), (id), (ie) and (if) above, provided to the Central Government, State Government, Union territory or a local authority by ways of construction, erection, commissioning, installation, completion, fitting out, repair, maintenance, renovation, or alteration of -	6	-
		(a).....		
		(b) a structure meant predominantly of use as (i) an educational, (ii) a clinical, or (iii) an art or cultural establishment; or		



		(c) a residential complex predominantly meant for self-use or the use of their employees or other persons specified in paragraph 3 of the Schedule III of the Central Goods and Services Tax Act, 2017. [Explanation. - For the purposes of this item, the term 'business' shall not include any activity or transaction undertaken by the Central Government, a State Government or any local authority in which they are engaged as public authorities.] (vii).....		
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7.2 Thus from the above it gets abundantly clear that for availing the benefit as stipulated supra at S.no. 3(iii)(b), S.no. 3(vi)(b) and S.no. 3(vi)(c) ibid of Notification No. 11/2017 Central Tax (Rate) dated 28.06.2017 as amended, all the conditions mentioned therein has to be necessarily fulfilled.

8. Regarding the first point by the applicant, that the Act has not defined the terms "Central Government", "State Government", "Union Territory" and "Local Authority", it is seen that Section 2 of the CGST Act, 2017 deals with the definition of the terms relevant to the Act, and

(i) As per Section-2(53) of the CGST, Act, 2017, "Government" means the Central Government.

(ii) As per Section-2(53) of the CGGST, Act, 2017, "Government" means the Government of Chhattisgarh;

(iii) As per Section-2(114) "Union territory" means the territory of-

(a) the Andaman and Nicobar Islands;

(b) Lakshadweep;

(c) [Dadra and Nagar Haveli and Daman and Diu;

(d) Ladakh;]

(e) Chandigarh; and

(f) Other territory.

Explanation. - For the purposes of this Act, each of the territories specified in sub-clauses (a) to (f) shall be considered to be a separate Union territory;

(iv) As per Section-2(69) "local authority" means—

(a) a "Panchayat" as defined in clause (d) of article 243 of the Constitution;

(b) a "Municipality" as defined in clause (e) of article 243P of the Constitution;

(c) a Municipal Committee, a Zilla Parishad, a District Board, and any other authority legally entitled to, or entrusted by the Central Government or any State Government with the control or management of a municipal or local fund;

(d) a Cantonment Board as defined in section 3 of the Cantonments Act, 2006;

(e) a Regional Council or a District Council constituted under the Sixth Schedule to the Constitution;

(f) a Development Board constituted under article 371 of the Constitution; or



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(g) a Regional Council constituted under article 371A of the Constitution;

(v) As per clause(zf) of paragraph-2 of **Notification No.12/2017-Central Tax (Rate) dated 28.06.2017**, "governmental authority" has the same meaning as assigned to it in the explanation to clause (16) of section 2 of the Integrated Goods and Services Act, 2017 (13 of 2017). Clause (16) of section 2 of the Integrated Goods and Services Act, 2017 (13 of 2017) reads as under:
Explanation.—For the purposes of this clause, the expression "governmental authority" means an authority or a board or any other body,—

- (i) set up by an Act of Parliament or a State Legislature; or
- (ii) established by any Government, with ninety per cent. or more participation by way of equity or control, to carry out any function entrusted to a municipality under article 243W of the Constitution;

Notification No.12/2017-Central Tax (Rate) dated 28.06.2017 was further amended by **Notification No.32/2017-Central Tax (Rate) dated 13.10.2017** wherein it is mentioned as under:

in paragraph 2, for clause (zf), the following shall be substituted, namely: –
(zf) "Governmental Authority" means an authority or a board or any other body, –

- (i) set up by an Act of Parliament or a State Legislature; or
- (ii) established by any Government, with ninety per cent. or more participation by way of equity or control, to carry out any function entrusted to a Municipality under article 243 W of the Constitution or to a Panchayat under article 243 G of the Constitution.

(vi) (zfa) "Government Entity" means an authority or a board or any other body including a society, trust, corporation,

- (i) set up by an Act of Parliament or State Legislature; or
- (ii) established by any Government, with 90per cent. or more participation by way of equity or control, to carry out a function entrusted by the Central Government, State Government, Union Territory or a local authority."

8.1 As regard their request for a ruling, seeking clarification as to whether corporations and departments working under various Ministries of Central Government, State Governments and Union Territory would form part of Central Government/ State Government/ Union territory or Local Authority, it is quite evident that various departments functioning directly under the Central / State Government /Union territory in their own capacity would form part of the respective Governments whereas corporations per se cannot be generalized as being Central / State Government, and they can be treated as other entities viz. Governmental authority, Government Entity etc. as defined in the statute, subject to fulfillment of conditions as mentioned in the definitions / statute supra.

9. Now coming to the second issue raised by the applicant regarding the service recipient i.e., if an organization has awarded their company a contract but the said organization is entrusted by a Ministry/ Department of Government to float the tender



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and award the work to the eligible Contractor, then who will be deemed to be the services recipient, Government or the organization? In this context, this authority would cite reference to Section-2(93) of the CGST Act, 2017 which stipulates regarding the recipient of supply of goods or services or both as under: -

- (93) "recipient" of supply of goods or services or both, means-
- (a) where a consideration is payable for the supply of goods or services or both, the person who is liable to pay that consideration;
 - (b) where no consideration is payable for the supply of goods, the person to whom the goods are delivered or made available, or to whom possession or use of the goods is given or made available; and
 - (c) where no consideration is payable for the supply of a service, the person to whom the service is rendered,
- and any reference to a person to whom a supply is made shall be construed as a reference to the recipient of the supply and shall include an agent acting as such on behalf of the recipient in relation to the goods or services or both supplied;

Thus, the above definition stipulates regarding the service recipient viz. recipient of the supply of goods or services is someone who is liable for payment of consideration for the supply of goods or services. If no consideration is payable, the person to whom the goods are delivered or made available, or uses the goods or services shall qualify as the recipient.

10. Coming to the third aspect raised by the applicant seeking a ruling to specify the Classification of the Agencies listed out being Corporation or Government Organizations into Central Government, State Government, Union Territory, local authority, Government Authority or a Government Entity, this authority would like to emphasize that Section 97(2) of CGST Act, 2017 stipulates that the questions, on which the advance ruling is sought under this Act, shall be in respect of—

- (a) classification of any goods or services or both;
- (b) applicability of a notification issued under the provisions of this Act;
- (c) determination of time and value of supply of goods or services or both;
- (d) admissibility of input tax credit of tax paid or deemed to have been paid;
- (e) determination of the liability to pay tax on any goods or services or both;
- (f) whether applicant is required to be registered;
- (g) whether any particular thing done by the applicant with respect to any goods or services or both amounts to or results in a supply of goods or services or both, within the meaning of that term.

As classification of entities, that too functional at a place outside the jurisdiction of the State of Chhattisgarh is not within the scope and purview of advance rulings under Section 98 ibid read with Section 97(2) supra, this authority is not in a position to pass any ruling regarding the status of the said entities as being a Corporation or Government Organizations into Central Government, State Government, Union Territory, local authority, Government Authority or a Government Entity. Even otherwise, this authority is of the view that without having the incorporation details / certificate of incorporation and their financial / commercial and business details, it would not be possible to arrive at a conclusive decision regarding their status.

Having regard to the facts and circumstances of the case and discussions as above, we pass the following order: -



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ORDER

78 of the Chhattisgarh Goods and Services Tax Act, 2017)

C/AAR/03/2022

Raipur Dated 27.05.22

The ruling so sought by the Applicant is accordingly answered as under:

RULING

- i. "Central Government", "State Government", "Union Territory" and "Local Authority" stands defined under Section 2 of the CGST Act, 2017 as discussed above. Departments working directly under various Ministries of Central Government, State Governments and Union Territory will form part of Central Government/ State Government/ Union territory subject to fulfillment of conditions stipulated in the Act. Corporations per se cannot be Central / State Government, and they can be treated as other entities as defined above, subject to fulfillment of conditions as mentioned in the definitions / statute.
- ii. Section-2(93) of the CGST Act, 2017 defines the service recipient viz. recipient of the supply of goods or services as someone who is liable for payment of consideration for the supply of goods or services. If no consideration is payable, the person to whom the goods are delivered or made available, or uses the goods or services shall qualify as the recipient.
- iii. Since classification of entities functional at a place outside the jurisdiction of the State of Chhattisgarh is not within the scope and purview of advance rulings under Section 98 ibid read with Section 97(2) supra, this authority is not in a position to deliver any ruling regarding the status of the said entities as being a Corporation or Government Organizations into Central Government, State Government, Union Territory, local authority, Governmental Authority or a Government Entity, more so when their incorporation details / certificate of incorporation, financial / commercial/ business details are not forthcoming in the records before this authority.



Sonal K. Mishra
(Member)

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27/5/2022
MEMBER
ADVANCE RULING AUTHORITY
CHHATTISGARH, RAIPUR

Rajesh Kumar Singh
(Member)

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MEMBER
ADVANCE RULING AUTHORITY
CHHATTISGARH, RAIPUR