

GIB/KA/HUBLI-DHARWAD/19.04.2021/AAR-457

Advance Ruling Category : EXEMPTION FROM GST

State : Karnataka

Order No.: GIB/KA/HUBLI-DHARWAD/19.04.2021/AAR-457

Name of Entry :

M/S. HUBLI-DHARWAD MUNICIPAL CORPORATION

Date : 19-04-2021

Breif Issue :

FACTS OF THE CASE:

In this case the applicant M/s Hubli Dharwad Municipal Corporation, have filed an application for Advance Ruling under Section 97 of CGST Act, 2017, read with Rule 104 of the CGST Rules and Section 97 of the KGST Act, 2017 read with Rule 104 of KGST Rules 2017, in FORM GST ARA-01 discharging the fee of ? 5,000/- each under the CGST Act and the KGST Act.

The applicant i.e. HDMC was Constituted during 1962, by conducting a unique experiment in urban development on Hubli-Dharwad Municipal Corporations by combining two cities separated by distance of 20 Kms. The applicant is availing the services from KEONICS by way of supply of IT professionals for information Technology System Development and Maintenances for Municipal Corporation activities and also availing security services from M/s Gemini Security and Allied Services by way of Supply of Security Guards.

ISSUE OF THE CASE:

Whether Supply of Man Power services provided by M/s KEONICS and M/s GEMINI SECURITY AND ALLIED SERVICES to applicant (HDMC) which are in the nature of Pure services as per the Notification No.12/ 2017 of CGST (rate) read with Notification No.02/ 2018 CGST (rate) are exempted from GST?

Decision of Advance Ruling Authority :

DECISION:

Section 95 (c) of the CGST Act 2017 defines "Applicant" as any person registered or desirous of obtaining registration under the said Act - It could be easily inferred that any person registered or desirous of obtaining registration under CGST Act 2017 can seek advance ruling only in relation to the supply of goods or services or both being undertaken or

proposed to be undertaken.

M/s HDMC, who have filed the instant application is not a supplier of either goods or services or both but is a recipient of services. Thus the instant application is not admissible and liable for rejection in terms of Section 98(2) of the CGST Act 2017.