IL&FS Education and Technology Services Limited

Appellate Authority for Advance Ruling — Odisha

ORDER NO.01/ODISHA-AAAR/Appeal/2018 DATE: 14 th November, 2018 Dated **21.08.2018**

Q Questions Before the Authority

- Whether the services provided by the Appellant under the Information and Communication Technology (ICT) @ School Project are eligible for GST exemption under Entry No. 72 of Notification No. 12/2017-Central Tax (Rate) dated 28.06.2017.

F Facts

The Appellant was awarded a contract by Odisha Knowledge Corporation Limited (OKCL) on a BOOT model basis to supply, install, maintain ICT infrastructure, and impart computer training in government and government-aided schools across Odisha. Although the project was funded by the Central and State Governments through the Odisha Madhyamik Shiksha Mission (OMSM), the contract was executed directly with OKCL. The Appellant sought an advance ruling to determine whether its services were exempt from GST as a government training programme.

H Ruling

Exemption under Entry No. 72 of Notification No. 12/2017-Central Tax (Rate) for ICT project services provided to OKCL	**Not exempt (Appeal rejected)**	Recipient OKCL is a corporate entity registered under the Companies Act and not 'Government' under Section 2(53) of the CGST Act.

The Appellate Authority for Advance Ruling **upheld the order of the AAR** and rejected the appeal. It held that OKCL is an independent body corporate and **cannot be treated as the Government** , thereby failing the primary statutory condition required for exemption under Entry No. 72.

R Reasoning

The authority observed that Entry No. 72 of Notification No. 12/2017-Central Tax (Rate) strictly applies to services provided to the Central Government, State Government, or Union Territory Administration. Section 2(53) of the CGST Act defines 'Government' strictly as the Central or State Government. OKCL was incorporated as a public limited company under the Companies Act, 1956, with a separate juristic personality capable of suing and being sued in its own name. Unlike the Government, which exercises executive powers under Articles 299 and 300 of the Constitution, OKCL operates as an independent company. Consequently, supplying services to an implementing corporate entity like OKCL **does not qualify as supplying directly to the Government** , rendering the exemption inapplicable.

Prepared as a reading aid. Where this summary and the original order differ, the order governs.

P Provisions Relied On

- Section 2(53) of CGST Act, 2017
- Section 101 of CGST Act, 2017
- Entry No. 72 of Notification No. 12/2017-Central Tax (Rate)
- Article 299 of the Constitution of India
- Article 300 of the Constitution of India

! For the Practitioner

This order establishes that **supplies to state-promoted corporations or special purpose vehicles do not constitute supplies to the Government** for claiming tax exemptions. Tax practitioners must ensure the immediate contractual recipient strictly satisfies the statutory definition of 'Government' rather than relying on underlying state funding or public welfare objectives.

Source

Summary prepared from the published order, which is a scanned document. It is a reading aid and not the authority: where the two differ, the order governs. Verify every provision against the original before relying on it.

Original order: www.gstcouncil.gov.in -> aaar-odisha-01-2018.pdf

Prepared 23-10-2026.

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Pune (HQ)
RTC Silver, B4-708, Sai Satyam Park, Wagholi, Pune, Maharashtra 412207

Mumbai
104, Rajshila Building, 597 J.S.S. Road, Marine Lines, Mumbai 400002

Delhi
3rd Floor, B-6/154-155, Sector 5, Rohini, Delhi 110085

Gurugram
Pioneer Urban Square, B109, Golf Course Ext Road, Sector 62, Gurugram…

Ahmedabad
Phoenix Tower, 1107, near Commerce Six Road, Drive In Road, Navrangp…

Talk to us: +91 94594 56700 | sales@patronaccounting.com | patronaccounting.com