

M/s Jaipur Zila Dugdh Utpadak Sahakari Sangh Ltd.

Authority for Advance Ruling — Rajasthan

RAJ/AAR/2019-20/12 dated 19.06.2019

Q Questions Before the Authority

- Whether the applicant being a cooperative society registered under the Rajasthan Co-operative Societies Act, 1965, now consolidated to Rajasthan State Co-operative Society Act, 2001 is liable to deduct tax at source (TDS) under GST from payment made to it by vendors for providing/procuring taxable goods and services for making its supplies?

F Facts

The applicant is a cooperative society engaged in the manufacturing of milk and various milk products. They sought a ruling on whether they are required to deduct Tax Deducted at Source (TDS) under the GST regime on payments made to their vendors for the procurement of goods and services.

H Ruling

Liability to deduct TDS under GST

Not liable to deduct tax at source

The applicant does not fall under the categories specified in Section 51 of the CGST Act, 2017

The Authority for Advance Ruling held that the applicant is not covered under the categories of persons specified under Section 51 of the CGST Act, 2017. Consequently, the applicant is not liable to deduct tax at source on payments made to its vendors.

R Reasoning

The Authority examined Section 51 of the CGST Act, 2017, which mandates TDS for specific entities such as government departments, local authorities, and governmental agencies. It also considered Notification No. 50/2018 (Central Tax) which further defines the scope of persons liable to deduct TDS. The analysis concluded that the applicant is neither established under the Societies Registration Act, 1860, nor is it constituted by any government body. Therefore, the applicant does not meet the criteria to be classified as a **deductor** under the relevant provisions.

P Provisions Relied On

Section 51 of the CGST/SGST Act, 2017

Section 97(2)(b) of the CGST/SGST Act, 2017

Notification No. 50/2018 (Central Tax) dated 13.09.2018



For the Practitioner

This ruling clarifies that a cooperative society not established by the government or under the Societies Registration Act, 1860, is **not liable to deduct TDS** under Section 51 of the GST Act. It provides a clear precedent for similar cooperative entities to avoid unnecessary compliance burdens. It does not address the taxability of the underlying supplies themselves, only the procedural obligation of TDS.

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 -> [raj.aar-2019-20_12-jaipur_zdusl.pdf](#)

Prepared 20-10-2026.

About Patron Accounting LLP

Patron Accounting LLP is a CA and CS-led accounting and compliance firm working with businesses across India since 2019 — bookkeeping, GST, income tax, payroll, company and LLP compliance, audit and the certificates banks and regulators ask for.

Pune (HQ)

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

Delhi

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

Ahmedabad

Phoenix Tower, 1107, near Commerce Six Road, Drive In Road, Navrangp...

Mumbai

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

Gurugram

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

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