

M/s AMARAVATHI METRO RAIL CORPORATION LIMITED

Authority for Advance Ruling — Andhra Pradesh

Ruling No. AAR/AP/07(GST)/2018 dt. 02.07.2018

Dated 02.07.2018

Q Questions Before the Authority

- Whether M/s AMARAVATHI METRO RAIL CORPORATION LIMITED, GSTIN: 37AANCA9264G1Z8, is a Government authority as per Notification No. 12/2017 of Central Tax (Rate), dated: 28th June 2017, read with Notification No. 32/2017 of Central Tax (Rate), dated: 13th October 2017.
- Whether the consultancy services for preparation of transport studies such as comprehensive mobility plan, transit oriented development plan, NMT plan and consultancy services of transaction advisors/preparation of DPRs comes within the purview of the functions of Municipality under article 243W read with Twelfth Schedule to the constitution of India, to fall within the purview of the aforesaid exemption notification.

F Facts

The applicant is a Special Purpose Vehicle established with 100% equity ownership by the Government of Andhra Pradesh to carry out metro rail and transport projects. It procures third-party consultancy services for preparation of Detailed Project Reports (DPRs), Comprehensive Mobility Plans, Transit Oriented Development Plans, and transaction advisory. The applicant sought an advance ruling to clarify if it qualifies as a Government Authority and if these consultancy services are exempt under GST.

H Ruling

Status of Applicant as Government Authority	Yes	100% owned by the State Government of Andhra Pradesh
Exemption for consultancy services for transport studies/DPRs	Exempt	Covers municipal functions under Article 243W read with Twelfth Schedule of the Constitution

The Authority held that the applicant qualifies as a **Government Authority** under Notification No. 12/2017-Central Tax (Rate) as amended, owing to 100% state government equity control. It further held that consultancy services for transport planning, mobility studies, and DPR preparation are functions entrusted to a municipality under Article 243W and the Twelfth Schedule of the Constitution. Accordingly, these services **fall within the purview of exemption** under the relevant notification.

R Reasoning

The applicant satisfies the definition of a 'governmental authority' as it was set up by the State Government with 100% equity participation. Urban transport planning is an integral component of urban planning, which is a municipal function listed under Article 243W and the Twelfth Schedule of the Constitution (specifically urban planning, town planning, and public amenities). Consequently, third-party consultancy services procured for transport studies, DPR preparation, and mobility plans are directly tied to these constitutional municipal functions,

qualifying them for exemption under Notification No. 12/2017-Central Tax (Rate).

P Provisions Relied On

Notification No. 12/2017-Central Tax (Rate) dated 28.06.2017

Notification No. 32/2017-Central Tax (Rate) dated 13.10.2017

Article 243W of the Constitution of India

Twelfth Schedule to the Constitution of India

Section 2(16) of the Integrated Goods and Services Tax Act, 2017

Section 98(1) of the CGST/APGST Act, 2017

! For the Practitioner

This ruling establishes that 100% government-owned SPVs qualify as **governmental authorities** for GST purposes. It clarifies that consultancy services procured for urban mobility, DPR preparation, and mass transport planning relate directly to **Article 243W municipal functions**, thereby qualifying for GST exemption.

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 -> ap_07-2018_02.07.18_amaravathi_mrcl.pdf

Prepared 20-10-2026.

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