

M/s HADOTI CONSTRUCTIONS COMPANY JOINT VENTURE

Authority for Advance Ruling — Rajasthan

RAJ/AAR/2026-27/01

Dated **11.06.2026**

Q Questions Before the Authority

- What is the GST rate applicable to the services supplied under this contract, specifically whether the transportation and collection of cow dung qualify for exemption under existing GST notifications?

F Facts

The applicant was awarded a work order by the Kota Development Authority for the collection and transportation of cow dung from cattle shelters and nearby villages to a 150 TPD Biogas Plant. The applicant sought an advance ruling on whether these services qualify for a NIL rate of GST under existing exemption notifications.

H Ruling

Applicability of GST exemption for collection and transportation of cow dung

Not exempt; taxable as a mixed supply

Taxable at the highest rate applicable to the services involved, specifically 18% under Heading 9994

The authority ruled that the services provided do not qualify for the claimed exemptions. It determined that the activity constitutes a mixed supply of waste collection and transportation, which is taxable at the highest applicable rate.

R Reasoning

The authority found that the applicant does not qualify as a Goods Transport Agency because they do not issue consignment notes. Furthermore, the service is not mere transportation but a composite activity of waste collection and movement, rendering the general road transportation exemption inapplicable. Consequently, the activity is classified as a mixed supply under Section 2(74) of the CGST Act, 2017, and is subject to the highest rate of tax under Heading 9994.

P Provisions Relied On

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

Section 2(74) of the CGST Act, 2017

Section 8(b) of the CGST Act, 2017

Notification 12/2017-Central Tax (Rate) dated 28.06.2017

! For the Practitioner

This ruling clarifies that waste collection and transportation contracts involving multiple dispersed sources are treated as **taxable mixed supplies** rather than exempt transportation services. It highlights that the failure to issue a consignment note precludes classification as a Goods Transport Agency. Practitioners should note that this decision effectively denies the NIL rate for similar municipal waste management contracts.

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 -> [1-order_hadoti_construction_co_1_1.pdf](#)

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