

M/s. Imperial Graphics Private Limited

Authority for Advance Ruling — Tamil Nadu

Advance Ruling No. 63/ARA/2025

Dated **17.12.2025**

Q Questions Before the Authority

- Whether the hostel and residential accommodation extended to the students run by the Applicant's tenant can be considered as "Residential Dwelling" and is eligible for exemption under Entry 12 of Exemption Notification No. 12/2017-Central Tax (Rate) dated 28.06.2017 and under the identical Notification under the TNGST Act, 2017 and also under Entry 13 of Exemption Notification No. 9/2017-Integrated Tax-Rate dated 28.06.2017 for the period of 01.07.2017 to 11.07.2024?
- Whether the hostel facility extended to students by the Applicant's tenant falls under Entry 12A inserted vide Notification No. 4/2024-Central Tax (Rate) dated 12.07.2024 with effect from 12.07.2024 as the conditions laid down in the Entry has been fulfilled?
- Whether, in the event of the hostel accommodation being an exempt activity, whether the incidental activity of supply of in-house food to the inmates of the hostel would also be exempt being in the nature of a composite exempt supply?
- Whether the judgement of the Division Bench of the Hon'ble Karnataka High Court in the case of Taghar Vasudeva Ambrish -vs- Appellate Authority for Advanced Ruling, Karnataka reported in Manu/KA/0327/2022, is applicable to the facts of the applicant?
- Whether the judgement of the Hon'ble Madras High Court in the case of Thai Mookambika Hostel v. The Union of India reported in [2024] 160 taxmann.com 667 (Madras), is applicable to the facts of the applicant?

F Facts

The applicant is a private limited company that owns two residential properties in Coimbatore. It has leased these properties to a third-party trust, which operates them as a hostel for students. The applicant sought an advance ruling on the GST taxability of these services and the applicability of various judicial precedents to their specific business arrangement.

H Ruling

Admissibility of application

Rejected

The application was rejected because the activities in question are performed by the applicant's tenant, not the applicant.

The Authority rejected the application for an advance ruling in its entirety. It determined that the questions raised do not pertain to an activity being undertaken or proposed to be undertaken by the applicant itself, but rather by its tenant. Consequently, the application was found to be inadmissible under the provisions of the CGST Act.

R Reasoning

The Authority relied on the definition of 'advance ruling' under Section 95(a) of the CGST Act, 2017, which limits rulings to matters concerning the supply of goods or services undertaken or proposed by the applicant. Since the applicant is merely the lessor and the hostel operations are conducted by the tenant, the queries do not meet the statutory criteria for an advance ruling. Furthermore, the Authority noted that under Section 103(1), a ruling is only binding on the applicant who sought it, rendering the request for applicability of external case law irrelevant to the applicant's own tax liability. The application was therefore rejected under Section 98(2) of the CGST Act.

P Provisions Relied On

Section 95(a) of the CGST Act, 2017

Section 97(2) of the CGST Act, 2017

Section 98(2) of the CGST Act, 2017

Section 103(1) of the CGST Act, 2017

! For the Practitioner

This ruling serves as a **procedural warning** that an applicant cannot seek an advance ruling on the taxability of activities performed by their tenants or third parties. It confirms that the AAR will **reject applications** where the applicant is not the direct supplier of the services in question. It does not provide any substantive guidance on the taxability of hostel services.

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 -> 5-imperial_graphics_aar_order-1.pdf

Prepared 13-10-2026.

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