

M/s. MAHARASHTRA STATE MINING CORPORATION LIMITED

Authority for Advance Ruling — Maharashtra

NO.GST-ARA-22/2025-26/B-85

Dated 20.05.2026

Q Questions Before the Authority

- Which rates of GST should be applied in the invoice raised for delivery of Beneficiated (Washed Coal) to MAHAGENCO?
- Whether the Invoice should be for 18% for the entire transaction or 5% (RCM) / 12% forward charge for transportation and 18% for the beneficiation and loading services under the agreement?
- In spite of the notification dated 2/2018- Compensation Cess dated 26th July 2018 regarding charging NIL Compensation cess on Coal rejects supplied by a coal washery, arising out of coal on which compensation Cess has been paid and no input tax credit thereof has been availed by anyone, Can MAHAGENCO charge Compensation cess on sale of rejects to the Applicant company i.e. MAHARASHTRA State MINING CORPORATION LTD (MSMC) applicant company?
- In the chain of back-to-back transactions, should the applicant company charge Compensation cess on sale of rejects to the contractors?

F Facts

The applicant is a State Public Sector undertaking involved in the systematic development of mines and mineral conservation. They sought an advance ruling regarding the appropriate GST rates and Compensation Cess applicability for the supply of beneficiated coal and coal rejects to MAHAGENCO and contractors. The application was filed on 13.02.2021.

H Ruling

The Authority did not provide a ruling on the merits of the questions presented. The applicant voluntarily requested to withdraw the application, stating that the purpose for which the ruling was sought had been resolved. Consequently, the Authority allowed the withdrawal and disposed of the application without addressing the substantive tax issues.

R Reasoning

The applicant submitted an email dated 12.05.2026 expressing their desire to withdraw the application as the underlying issues were resolved. Under the provisions of the CGST Act and MGST Act, the Authority permitted the **unconditional withdrawal** of the application. As a result, the Authority did not proceed to examine the merits or the specific tax questions raised by the applicant.

P Provisions Relied On

Section 97 of the Central Goods and Services Tax Act, 2017

Section 98 of the Central Goods and Services Tax Act, 2017

Section 97 of the Maharashtra Goods and Services Tax Act, 2017

Section 98 of the Maharashtra Goods and Services Tax Act, 2017

! For the Practitioner

This order is of **no precedential value** regarding the taxability of coal beneficiation or compensation cess on coal rejects. It serves only as a procedural record of the applicant's decision to withdraw their request. Practitioners should note that the substantive questions regarding GST rates and cess applicability remain **undecided** by this forum.

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 -> 7-maharashtra_state_mining_corporation_ltd_withdrawn_order.pdf

Prepared 11-10-2026.

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