

M/s. Mekorot Development & Enterprise Ltd

Authority for Advance Ruling — Maharashtra

GST-ARA-71/2019-20/B-60 dated 22.09.2021

Q Questions Before the Authority

- Whether MJP can be considered as 'government entity' under GST law?
- Whether the work intended to be carried out by MDE qualifies for exemption as per notification 12/2017-Central Tax (Rate) dated 28.06.2017?
- If it is concluded from the above that the supplies made or proposed to be made by MDE to MJP qualifies for exemption then the consequent question is whether MDE requires to obtain registration under GST law?

F Facts

The applicant, a subsidiary of the national water company of Israel, was appointed by Maharashtra Jeevan Pradhikaran (MJP) as a consultant to prepare a Water Supply Master Plan for the drought-prone Marathwada region. The scope of work involves study, survey, drafting, and formation of the master plan, which is considered a pure service agreement without the supply of goods.

H Ruling

Status of MJP as government entity	Not answered	Withdrawn by the applicant
Exemption for work under Notification 12/2017-Central Tax (Rate)	Yes	The work qualifies for exemption as pure services provided to a government entity
Requirement for GST registration	Not required	Only if the applicant is engaged exclusively in exempt supplies under the contract

The authority noted that the applicant withdrew the first question regarding the status of MJP. Regarding the second question, it held that the services provided by the applicant to MJP qualify for exemption under Notification 12/2017-Central Tax (Rate). Consequently, the applicant is not required to obtain GST registration for these specific exempt supplies, provided they do not undertake other taxable supplies exceeding the threshold.

R Reasoning

The authority determined that the services provided by the applicant constitute pure services supplied to a government entity, which falls under the ambit of entry 3 of Notification 12/2017-Central Tax (Rate). It verified that MJP is established by the State Government with 100% control, thus qualifying as a government entity. Since the services are exempt under the notification, the applicant is not liable for registration under Section 23(1)(a) of the CGST Act, 2017, provided they do not engage in other taxable supplies exceeding the statutory threshold.

P Provisions Relied On

Section 22 of the CGST Act, 2017

Section 23(1)(a) of the CGST Act, 2017

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

Notification 31/2017-Central Tax (Rate) dated 13.10.2017

Article 243W of the Constitution

! For the Practitioner

This ruling confirms that **pure consulting services** provided to a state-controlled water authority for water supply management qualify for **NIL rate of GST** under the exemption notification for government entities. It clarifies that an entity exclusively providing such exempt services is not required to register under the GST Act. Practitioners should note that this exemption is strictly limited to pure services and does not extend to contracts involving the supply of goods.

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 -> mah_aar_71_2019-20_b-60_22.09.2021_mdel.pdf

Prepared 20-10-2026.

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