

M/s. Mukand Limited

Authority for Advance Ruling — Maharashtra

NO.GST-ARA- 16/2022-23/B-49 Mumbai, dt. 24/03/2026

Dated **24.03.2026**

Q Questions Before the Authority

- Whether GST is applicable on recovery of nominal amount for availing the facility of Canteen at the factory premises when it is not a supply as per clause 1 of Schedule III of CGST Act;
- Whether ITC is available on GST charged for the provision of Canteen services for the employees at the factory premises
- Whether GST is applicable on payment of notice pay by an employee to the Applicant-employer in lieu of notice period, under clause 5(e) of Schedule II of CGST Act.
- Whether GST is applicable on the amount of premium of Medical Insurance Policy for the employees and their dependents at actuals covered under the HR Policy;
- Whether GST is applicable on recovery of nominal amount for availing the facility of transportation to and from the factory premises when it is not a supply;
- Whether Input Tax Credit is available on GST charged for transportation facility provided to the employees of the Applicant-Company;
- Whether Input Tax Credit is available on GST charged for gardening expenses of the Applicant-Company.

F Facts

The applicant is engaged in the manufacture of steel products and industrial machinery. They sought an advance ruling regarding the taxability of various employee-related facilities, including canteen services, transportation, notice pay, medical insurance, and gardening expenses, as well as the availability of Input Tax Credit on these services.

H Ruling

The Authority for Advance Ruling did not decide on the merits of the questions raised. The applicant voluntarily requested to withdraw their application, and the Authority allowed the withdrawal without going into the merits of the case.

R Reasoning

The applicant submitted a request via email dated 16.03.2026 stating that after internal discussions, they decided not to pursue the matter. Consequently, the Authority allowed the withdrawal of the application under the provisions of the CGST Act and MGST Act. No substantive ruling was provided on the questions asked.

P Provisions Relied On

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

! For the Practitioner

This order provides no legal precedent or guidance on the taxability of employee perquisites or the availability of Input Tax Credit for the listed services. It serves only as a record of the **voluntary withdrawal** of the application by the taxpayer. Practitioners should note that the questions remain **unanswered** by this authority.

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 -> [3-withdrawn_order_in_case_of_mukand_limited.pdf](#)

Prepared 12-10-2026.

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Pune (HQ)

RTC Silver, B4-708, Sai Satyam Park, Wagholi, Pune, Maharashtra 412207

Delhi

3rd Floor, B-6/154-155, Sector 5, Rohini, Delhi 110085

Ahmedabad

Phoenix Tower, 1107, near Commerce Six Road, Drive In Road, Navrangp...

Mumbai

104, Rajshila Building, 597 J.S.S. Road, Marine Lines, Mumbai 400002

Gurugram

Pioneer Urban Square, B109, Golf Course Ext Road, Sector 62, Gurugram...

Talk to us: **+91 94594 56700** | sales@patronaccounting.com | patronaccounting.com