MUNICIPAL CORPORATION OF GREATER MUMBAI

Authority for Advance Ruling — Maharashtra

NO.GST-ARA-60/2019-20/B-12, Mumbai, dt. 22/01/2020 (the listing gives… Dated **03.12.2019**

Q Questions Before the Authority

- Whether services provided by VFS Global to the applicant, which are in the nature of collection services, should be exempt from GST as per Notification No. 12/2017 CGST (Rate) read with Notification No. 02/2018 CGST (Rate), being pure services provided to a local authority by way of any activity in relation to any function entrusted to a Municipality under Article 243W of the Constitution of India.

F Facts

The Municipal Corporation of Greater Mumbai engages VFS Global Limited to run Citizen Facilitation Centres where citizens pay taxes such as property tax and water tax. VFS raises invoices based on the number of receipts issued, and most of its charge is for manpower to collect the money, with consumables and equipment such as printers and computers also provided under the contract. The applicant contends that these collection services are pure services exempt from GST.

H Ruling

The application was rejected as non-maintainable and the merits of the exemption question were not decided. The authority held that the question does not relate to a supply of goods or services undertaken or proposed to be undertaken by the applicant, because the applicant is the recipient and not the supplier of the services. The authority therefore held that the application falls outside Section 95 of the Act.

R Reasoning

The authority held that an advance ruling under Section 95 can only be given on a supply of goods or services undertaken or proposed to be undertaken by the applicant. It found that the applicant is a recipient of services from VFS and does not itself supply anything in the transaction, so the question fell outside the purview of Section 95. It agreed with the jurisdictional officer that the application was not maintainable and did not examine whether the services fall within Notification No. 12/2017 or 02/2018 (CGST Rate) or Article 243W. The jurisdictional officer also relied on an earlier decision of the authority dated 04.10.2019 in a VFS application, which the document cites but whose contents are not set out.

P Provisions Relied On

Section 95 of the CGST Act, 2017 and MGST Act, 2017 (definition of advance ruling; scope of applicability)

Section 97(2) of the CGST and MGST Acts (matters on which a ruling may be sought)

Prepared as a reading aid. Where this summary and the original order differ, the order governs.

Section 98 of the CGST and MGST Acts (procedure; the order is made under this section)

Chapter XVII and Sections 102 to 105 of the CGST Act (referred to as governing the authority)

Notification No. 12/2017 CGST (Rate) and Notification No. 02/2018 CGST (Rate), cited by the applicant but not decided

Article 243W of the Constitution of India, cited by the applicant but not decided

! For the Practitioner

The order helps a practitioner see that the advance ruling route is closed to a service recipient who asks whether a supplier's services are exempt, because the question is not about the applicant's own supply. It does not decide whether collection or manpower services provided to a municipal body are exempt under Notification 12/2017 or 02/2018, so the merits remain open for a supplier or for a Tribunal or Court. The citation printed in the document (B-12, dated 22/01/2020) differs from the listing (B-120, dated 03.12.2019), so the printed order should be checked before it is cited.

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_60_2019-20_b-12_22.01.2020_mcgm.pdf

Prepared 14-11-2026.

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