M/s Padmavathi Hospitality & Facilities Management Service

Authority for Advance Ruling — Tamil Nadu

ORDER No.01/ARA/2020 Dated: 31.01.2020 (the listing gives TN/01/AAR/… Dated **31.01.2020**

Q Questions Before the Authority

- Whether services provided by Padmavathi Hospitality & Facilities Management Services (PHFMS) to DME are classifiable as a function entrusted to a Panchayat or a Municipality under the Constitution, and if not, whether no exemption is available to PHFMS.
- Whether services provided by PHFMS to DME are exempted under Sl. No. 3 of Notification 12/2017-Central Tax (Rate) dated 28.06.2017, read with the amendment dated 25.01.2018.
- Whether services provided by PHFMS to DME, including to Government hospitals and colleges, are liable to GST, and if so, at what rate.
- Whether services rendered by PHFMS to DME can be classified as pure services or as composite supplies.

F Facts

The applicant is a partnership firm that provides housekeeping, pest control, security and biomedical waste management services, bundled, to 95 institutions under the Directorate of Medical Education (DME), Tamil Nadu. It was the incumbent under a three-year contract and bid in a fresh TNMSC tender (No. 432/outsourcing/DME/TNMSC/ENGG/2019) with GST at 18%. A competing bidder, M/s Krystal Integrated Services, quoted without GST, relying on Notification 12/2017-CT (Rate) as amended, and the dispute over whether GST applies turned on that difference.

H Ruling

The authority did not decide any of the four questions on merits. It rejected the application under the proviso to Section 98(2) because the same question of GST leviability is pending before the Madras High Court in W.P. No. 24412 of 2019, to which the GST authorities are respondents. It held that the applicant's claim that the writ did not seek a GST clarification was incorrect.

R Reasoning

The authority reviewed the writ petition, including its prayer for a mandamus directing TNMSC to award the tender to the applicant and the impleading of the Assistant Commissioner (GST) as a party on whether GST applies. It concluded that the subject matter of the writ turns on the leviability of GST, so the question raised is already pending before the High Court. The High Court's order of 14.11.2019 had said that the pendency of the writ would not preclude a ruling, but the authority still applied the bar in the proviso to Section 98(2). It found that the application therefore could not be admitted.

P Provisions Relied On

- Section 98(2) of the CGST Act 2017 and the corresponding TNGST Act provision, including the proviso barring admission wh…
- Section 97 of the CGST Act 2017 (scope of advance ruling)
- Section 9B(2) of the GST Acts as cited in the hearing record (the scan is not fully legible on this reference)
- Rule 107A of the CGST Rules 2017 (manual filing and processing)
- CBIC Circular No. 25/2017 dated 21.12.2017 (manual filing of advance ruling applications), and Section 168(1) under which it…
- Notification 12/2017-Central Tax (Rate) dated 28.06.2017, Sl. No. 3 and 3A, and the amendment dated 25.01.2018 (cited by t…
- Articles 243G and 243W of the Constitution and the Eleventh and Twelfth Schedules (cited by the parties; not decided)

! For the Practitioner

This order settles only the procedural point that the Tamil Nadu authority will not rule on GST leviability for a tender while a writ on the same tender is pending before the High Court and the GST authorities are respondents. It gives no view on the rate, the Sl. No. 3 exemption, the Article 243G/243W argument, or pure services versus composite supply, so it cannot be cited for any of those points. A practitioner advising a client in a comparable tender dispute should check the status of any parallel writ before filing for an advance ruling.

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 -> tn_aar_01_2020_31.01.2020_phfms.pdf

Prepared 17-11-2026.

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