

M/s Vision Plus Security Control Limited

Authority for Advance Ruling — Chhattisgarh

No.STC/AAR/05/2025

Dated **31.10.2025**

Q Questions Before the Authority

- Whether the invoice for diesel and petrol charges, invoiced separately on a per kilometer basis, would be considered a supply of goods and liable to VAT, or liable to GST?
- Whether the fuel component, when not bundled with the service and invoiced distinctly, is to be treated independently for tax purposes?
- What is the appropriate classification and rate of tax, if GST is applicable?
- If GST is applicable on fuel charges then further whether Vat is also applicable?
- If on above Fuel charges Vat is applicable, then Can we avail Vat input on purchase of petrol/diesel?

F Facts

The applicant intends to engage in fleet operations, providing repair, maintenance, insurance, and driver services to clients. They propose to charge for petrol and diesel separately on a per-kilometer basis, issuing distinct invoices for fuel and other services. The applicant sought a ruling on whether this arrangement constitutes a composite supply under GST or if the fuel component should be treated independently.

H Ruling

Taxability of fuel charges	Not leviable to GST	Fuel is outside the purview of GST under Section 9(2) of the CGST Act
Classification as composite supply	Not a composite supply	The transaction does not meet the criteria for bundled services
Applicability of VAT	Taxed under pre-GST regime	Subject to VAT levied by individual State Governments
Eligibility for Input Tax Credit	Not eligible	Input Tax Credit is not available on VAT paid

The Authority ruled that GST is not leviable on diesel and petrol charges as they are currently outside the purview of GST. It further held that the transaction cannot be treated as a composite supply, and therefore, the concept of bundled services is not relevant. Finally, it clarified that Input Tax Credit is not eligible on VAT paid on such fuel purchases.

R Reasoning

The Authority reasoned that petroleum products, including petrol and diesel, are excluded from GST under Section 9(2) of the CGST Act, 2017, and remain subject to the pre-GST tax regime. Because these products are

not taxable supplies under the CGST Act, the concept of a composite supply under Section 2(30) is inapplicable. Furthermore, the Authority noted that the applicant failed to provide specific contracts for review, limiting the scope of the ruling. It relied on Section 16 and Section 17 of the CGST Act to determine that Input Tax Credit is not available for VAT paid on these items.

P Provisions Relied On

Section 2(30) of the CGST Act, 2017

Section 9(2) of the CGST Act, 2017

Section 16 of the CGST Act, 2017

Section 17 of the CGST Act, 2017

Article 279A(5) of the Constitution

! For the Practitioner

This ruling confirms that fuel charges for fleet operations remain **outside the GST net** and are subject to state-level VAT. It serves as a reminder that the **composite supply** provisions cannot be invoked to bring non-taxable goods into the GST framework. Practitioners should note that the ruling is limited by the lack of specific contract documentation provided by the applicant.

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 -> [vision_plus_aar_order_dated_31.10.2025.pdf](#)

Prepared 15-10-2026.

About Patron Accounting LLP

Patron Accounting LLP is a CA and CS-led accounting and compliance firm working with businesses across India since 2019 — bookkeeping, GST, income tax, payroll, company and LLP compliance, audit and the certificates banks and regulators ask for.

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