

VISVESVARAYA NATIONAL INSTITUTE OF TECHNOLOGY, NAGPUR

Authority for Advance Ruling — Maharashtra

NO.GST-ARA- 45/2017-18/B- 52, Mumbai, dt. 20/6/2018

Dated 20.06.2018

Q Questions Before the Authority

- Whether Rate of Tax on Pure services (excluding works contract service or other composite supplies involving supply of any goods) received by VISVESVARAYA NATIONAL INSTITUTE OF TECHNOLOGY Nagpur from Service Providers is NIL as per Entry No 3 of Notification No. 12/2017- Central Tax (Rate) dated 28th June, 2017 ?

F Facts

The applicant, Visvesvaraya National Institute of Technology (VNIT), Nagpur, is an autonomous institute of national importance created under an Act of Parliament. It receives various pure services including security, manpower, gardening, and hygiene maintenance from third-party service providers. The applicant sought an advance ruling to confirm whether pure services received by it qualify for NIL tax rate under Entry No. 3 of Notification No. 12/2017-Central Tax (Rate).

H Ruling

The Authority for Advance Ruling rejected the application at the preliminary stage without examining the merits of the exemption. It held that an advance ruling application filed by a **service recipient** is not maintainable unless the liability to pay tax rests on the recipient under the **reverse charge mechanism**.

R Reasoning

The authority observed that the applicant is a recipient of services and not a supplier of services. The pure services received by the applicant are not covered under the reverse charge mechanism, meaning the statutory tax liability rests on the service providers. Because the applicant is neither the supplier nor a recipient liable under reverse charge, it is not an eligible applicant to seek an advance ruling on the taxability or exemption of inward supplies. Consequently, the application was rejected under the proviso to section 98(2) of the CGST Act, 2017.

P Provisions Relied On

Section 95 of the CGST Act, 2017

Section 98(2) of the CGST Act, 2017

Entry No 3 of Notification No. 12/2017-Central Tax (Rate) dated 28th June, 2017



For the Practitioner

This ruling reinforces that a **service recipient** cannot file an advance ruling application regarding the rate or exemption of tax on its inward supplies unless the tax is payable under **reverse charge**. Tax practitioners must ensure that applications are filed by the actual service provider or a recipient subject to RCM to avoid threshold rejection on maintainability.

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 45 2017-18 b-52 20.06.2018 vnitrn.pdf

Prepared 19-10-2026.

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