KERALA AUTHORITY FOR ADVANCE RULING GOODS AND SERVICES TAX DEPARTMENT TAX TOWER, THIRUVANANTHAPURAM	KERALA GST State Goods & Services Tax

BEFORE THE AUTHORITY OF: Shri. Jomy Jacob, IRS &

: Shri. Mansur M.I.

Legal Name of the applicant	M/s.M.S.SWAMINATHAN RESEARCH FOUNDATION
GSTIN	32AAATS1585L1ZB
ARN	AD320325003119N
Address	Community Agrobiodiversity Centre, Kalpetta, Wayanad, Kerala-673577.
Advance Ruling sought for	1. Whether the Foundation is eligible to get refunds of input tax paid on its purchases of building materials under section 54(3) of the GST Act? 2. Whether the Foundation is eligible to get refund of tax paid to the works contractor under section 54(3) of the GST Act? 3. Whether the Foundation will be eligible for exemption on sale of tickets when the nursery becomes functional in a full-fledged manner?
Date of Personal Hearing	16-04-2025
Authorized Representative	Dr.Soumya Swaminathan, Chairperson.

ADVANCE RULING No.KER/08/2025 Dated 16.04.2025

1. M/s. M.S. Swaminathan Research Foundation (MSSRF) is initiating a project focused on the conservation of endangered plant species and the development of new models of plant families. The project aims to create nurseries and labs to preserve biodiversity, with a particular focus on the Western Ghats and afforestation efforts in collaboration with government agencies. The

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foundation will construct buildings, acquire machinery, and hire contractors for this purpose. However, the project faces a significant GST burden on its purchases of building materials, machinery, and works contracts. To alleviate this financial impact, the foundation is seeking GST exemption or a zero-rated tax status for its supplies related to the project. The overarching goal is to support sustainable biodiversity conservation and contribute to climate resilience.

2. In this Ruling, a reference hereinafter to the provisions of the CGST Act, Rules or the Notifications issued there under shall include a reference to the corresponding provisions of the KSGST Act, Rules or the notifications issued there under.

3. The details of the questions on which advance ruling is sought are given above and are not being reproduced.

4. The contentions of the applicant:

Based on the facts and the nature of their operations detailed above, they claim that, the Foundation is on an equal footing with the Government. So, as a prerogative, it seeks to clarify whether it could be considered for GST exemption by way of exempting the service providers to the Foundation in addition to the services provided by the Foundation as well.

5. Comments of the Jurisdictional Officer

The application was forwarded to the jurisdictional officer as per provisions of Section 98 (1) of the CGST Act. The Jurisdictional officer reported that no proceedings related to issue raised in the advance ruling application pending in that office. Hence it is construed that no proceedings are pending on the issue against the applicant.

6. Personal Hearing:

The applicant was granted an opportunity for a personal hearing on 16-04-2025. Dr.Soumya Swaminathan, Chairperson appeared for hearing. In the personal hearing, they submitted that their intent in filing the application was to seek exemption from GST with regard to the services rendered by them.

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7. Discussion and Findings:

7.1 During the personal hearing, the applicant clarified that the advance ruling application was filed with the intention of seeking exemption from GST, based on the premise that the nature of the services they provide is comparable to those rendered by the Government. However, it is important to note that advance rulings are confined to specific issues outlined under Section 97(2) of the CGST Act, 2017, and the authority does not possess the jurisdiction to grant exemptions under the GST Act. It is pertinent to note that as per Section 54(3) of the CGST Act, 2017, refund of unutilized input tax credit is permissible only in two specific scenarios: (i) where zero-rated supplies are made without payment of tax; or (ii) where credit has accumulated on account of an inverted duty structure, that is, where the rate of tax on inputs is higher than the rate of tax on output supplies. The applicant, however, has not submitted any grounds or documentation to demonstrate that their supplies are zero-rated or that they fall under an inverted duty structure. Further, no evidence has been provided to establish that the input tax credit on building materials or tax paid to the works contractor qualifies for refund under the said provision. In the absence of such grounds, no ruling can be issued in favour of granting refund under Section 54(3) of the CGST Act.

7.2 As far as the GST exemption on the sale of tickets is concerned, it is pertinent to note that exemptions under GST are governed by Notification No. 12/2017–Central Tax (Rate), dated 28.06.2017, as amended. The applicant has neither cited any specific notification nor referred to any serial number under which the exemption is being claimed. Further, the application does not raise a question regarding the applicability of any particular exemption notification as contemplated under Section 97(2)(b) of the CGST Act, 2017. Instead, a general plea for exemption has been made, which falls outside the scope of matters on which an advance ruling can be given.

7.3 The applicant has not furnished any substantial grounds, other than the assertion that their services are on par with those provided by the Government, to substantiate their claim for eligibility for refunds under Section 54(3) or exemption on the sale of tickets. In light of this, there appear to be no valid grounds to justify the acceptance of their application.

In light of the facts and legal position as stated above, the following rulings are issued:

RULING

Question 1: Whether the Foundation is eligible to get refunds of input tax paid on its purchases of building materials under section 54(3) of the GST Act?

Ruling: No. There are no grounds to grant a refund of input tax paid on its purchases of building materials under section 54(3) of the CGST Act to the applicant.

Question 2: Whether the Foundation is eligible to get a refund of tax paid to the works contractor under section 54(3) of the GST Act?

Ruling: No. There are no grounds to grant a refund of tax paid to the works contractor under section 54(3) of the CGST Act to the applicant.

Question 3: Whether the Foundation will be eligible for exemption on sale of tickets when the nursery becomes functional in a full-fledged manner?

Ruling: No. There are no grounds to exempt the sale of tickets when the nursery becomes operational in a full-fledged manner.

OFFICE OF THE COMMISSIONER STATE G.S.T.D KERALA
THIRUVANANTHAPURAM

Jomy Jacob, IRS
Additional Commissioner of Central Tax
Member

Mansur M.I.
Joint Commissioner of State Tax
Member

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To

M/s. M.S.Swaminathan Research Foundation,
Community Agrobiodiversity Centre,
Kalpetta,
Wayanad,
Kerala-673577.

Copy submitted to:

1. The Chief Commissioner of Central Tax and Central Excise, Thiruvananthapuram Zone, C.R.Building, I.S.Press Road, Cochin- 682018. [E-mail ID: cccochin@nic.in; ccu-cexcok@nic.in]
2. The Commissioner of State Goods and Services Tax Department, Tax Towers, Karamana, Thiruvananthapuram – 695002.
3. The Commissioner of Central GST and Central Excise, Calicut Commissionerate.

Copy to :

1. The Additional Commissioner, TPS, HQ, Thiruvananthapuram.
2. The Deputy Commissioner, ITMD, Thiruvananthapuram.
3. Assistant Commissioner/State Tax Officer, Tax payer services Circle, Kalpetta.
4. The Superintendent, Central Tax, Kalpetta Range, Kozhikode Rural Division.

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