

**MAHARASHTRA AUTHORITY FOR ADVANCE RULING**  
**GST Bhavan, Old Building, 1st floor, B-Wing, Room No.107, Mazgaon, Mumbai - 400010.**

(Constituted under Section 96 of the Maharashtra Goods and Services Tax Act, 2017)  
**BEFORE THE BENCH OF**

(1) Shri. D. P. Gojamgunde, Joint Commissioner of State Tax, (Member)

(2) Ms. Priya Jadhav, Joint Commissioner of Central Tax, (Member)

ARA No.	AD270924015986J
GSTIN Number, if any/ User-id	27AAALT0161D1ZC
Legal Name of Applicant	M/s. THANE MUNICIPAL TRANSPORT UNDERTAKING
Registered Address/ Address provided while obtaining user id	Administrative Building, Thane Municipal, Corporation, Wagle Depot, 27 & 34, Wagle Estate, Thane Maharashtra 400604.
Details of application	GST-ARA, Application No. 36 Dated 27.09.2024
Concerned officer	Raigarh, Division-VI, Range-III.
Nature of activity(s) (proposed/present) in respect of which advance ruling sought	
A Category	-
B Description (in brief)	Receipt of Manpower Supply Services for provided public transportation services.
Issue/s on which advance ruling required	<ul style="list-style-type: none"><li>➤ Applicability of a notification issued under the provision of the Act</li><li>➤ Determination of the liability to pay tax on any goods or services or both</li></ul>
Question(s) on which advance ruling is required	As reproduced in para 01 of the Proceedings below

**PROCEEDINGS**

(Under Section 98 of the Central Goods and Services Tax Act, 2017 and the Maharashtra Goods and Services Tax Act, 2017)

The present application has been filed under Section 97 of the Central Goods and Services Tax Act, 2017 and the Maharashtra Goods and Services Tax Act, 2017 [hereinafter referred to as "the CGST Act and MGST Act" respectively] by M/s. THANE MUNICIPAL TRANSPORT UNDERTAKING, the applicant, seeking an advance ruling in respect of the following questions.

1. Whether the Applicant qualifies as 'Local Authority' as defined under the Central Goods and Services Tax Act, 2017?
2. Whether Entry No. 3 of Notification No. 12/2017 - Central Tax (Rate) dated June 28, 2017, as amended from time to time, is applicable on manpower supply services received by the Applicant?
3. Whether Entry No. 3 of Notification No. 12/2017 - Central Tax (Rate) dated June 28, 2017, as amended from time to time, is applicable on bus



(electrically operated or not) rental/ hire services received by the Applicant?

That the provisions of both the CGST Act and the MGST Act are the same except for certain provisions. Therefore, unless a mention is specifically made to any dissimilar provisions, a reference to the CGST Act would also mean a reference to the same provision under the MGST Act. Further to the earlier, henceforth for the purposes of this Advance Ruling, the expression 'GST Act' would mean CGST Act and MGST Act.

## 1. HEARING

Preliminary e-hearing in the matter held on 14.11.2024. Mr. Anshul Jain, Advocate appeared and requested for admission of the application. The Jurisdictional Officer was absent.

## 2. OBSERVATIONS AND FINDINGS:

2.1 Thane Municipal Transport Undertaking (hereinafter referred to as the 'Applicant') is a transport undertaking of Thane Municipal Corporation (hereinafter referred to as 'TMC') and is engaged in rendering passenger transportation services and runs public buses mostly in the city of Thane within the limits of Municipal Corporation.

2.2 The Applicant has submitted that they receive various input services including, manpower supply services (i.e. hiring of drivers and conductors) for provision passenger transportation services from following companies:

1. M/s. Eagle Security & Personal Services.
2. Apurva Mahila Samajik Sanstha.
3. G A Digital Web Word Pvt Ltd.

2.3 Further, the Applicant has submitted that they received buses on rent from Contractors for its transport services to general public at large, thus requiring input services in terms of supply of buses on rent/hire to the Applicant to be used for its transportation services from following companies:

1. M/s. City Life Line Travels Pvt. Ltd.





2. M/s. Evey Trans (MPS) Pvt. Ltd.

2.4 First question on which advance ruling sought is "Whether the Applicant qualifies as 'Local Authority' as defined under the Central Goods and Services Tax Act, 2017? "

In this regard, provisions of section 97 (2) are produced below:

*Section 97*

*(2) The question on which the advance ruling is sought under this Act, shall be in respect of,-*

- (a) classification of any goods or services or both;*
- (b) applicability of a notification issued under the provisions of this Act;*
- (c) determination of time and value of supply of goods or services or both;*
- (d) admissibility of input tax credit of tax paid or deemed to have been paid;*
- (e) determination of the liability to pay tax on any goods or services or both;*
- (f) whether applicant is required to be registered;*
- (g) whether any particular thing done by the applicant with respect to any goods or services or both amounts to or results in a supply of goods or services or both, within the meaning of that term.*

While going through the provisions, it is observed that question on which advance ruling is sought is not squarely covered under section 97(2) of MGST Act, 2017.

2.5 The applicant has further raised the two questions i.e. "Whether Entry No. 3 of Notification No. 12/2017 - Central Tax (Rate) dated June 28, 2017, as amended from time to time, is applicable on manpower supply services received by the Applicant? and Whether Entry No. 3 of Notification No. 12/2017 - Central Tax (Rate) dated June 28, 2017, as amended from time to time, is applicable on bus (electrically operated or not) rental/ hire services received by the Applicant? "

In this regard, provisions of section 97 are produced below:

*Section 97*

*(1) An applicant desirous of obtaining an advance ruling under this Chapter may make an application in such form and manner and accompanied by such fee as may be prescribed, stating the question on which the advance ruling is sought.*

*(2) The question on which the advance ruling is sought under this Act, shall be in respect of,-*



- (a) classification of any goods or services or both;
- (b) applicability of a notification issued under the provisions of this Act;
- (c) determination of time and value of supply of goods or services or both;
- (d) admissibility of input tax credit of tax paid or deemed to have been paid;
- (e) determination of the liability to pay tax on any goods or services or both;
- (f) whether applicant is required to be registered;
- (g) whether any particular thing done by the applicant with respect to any goods or services or both amounts to or results in a supply of goods or services or both, within the meaning of that term.

This section provides that an applicant desirous of obtaining an advance ruling can make an application in respect of issues mentioned in subsection (2) above. All these issues are qua-applicant i.e. they should be affecting tax liability of the applicant. Clause (b) of subsection 2 mentions 'applicability of a notification issued under the provisions of this Act'. This reference is with respect to applicability of a notification to the applicant. The applicant in his application has raised question regarding applicability of a notification issued under the provisions of the GST Act for his suppliers, which is not covered by the scope of Section 97.



2.6 Further, Section 103 (1) provides that the advance ruling pronounced by the Authority or the Appellate Authority shall be binding only on the applicant and the concerned officer or jurisdictional officer in respect of the applicant. Thus, the ruling in this case would not be binding upon the suppliers of the applicant. Hence, such a ruling that affects the suppliers but would not be binding on them is not expected under the provisions of section 97, 98 and 103 of the GST Act.

2.7 Further, Section 100 provides that an appeal against any advance ruling can be filed by the concerned officer, the jurisdictional officer or the applicant. If an advance ruling order is made on the issues raised by the applicant, it would affect the suppliers of the applicant. However, supplier would not be able to file an appeal against the said order as per the provisions of section 100. Such an order, wherein aggrieved person is unable to make an appeal, is not expected under the provisions of GST Act. Hence, the provisions of law do not allow a ruling in respect of any



other person but the Applicant. In view of this, the Application consisting of questions regarding determination of taxability of transactions made by suppliers of the Applicant is not admitted.

3. Thus, in view of the above discussions and findings, we pass the following order:

**ORDER**

(Under Section 98 of the Central Goods and Services Tax Act, 2017 and the Maharashtra Goods and Services Tax Act, 2017)

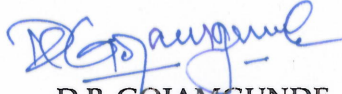
NO.GST-ARA-36/2024-25/B- 159 Mumbai, dt. 27/03/2025

For reasons as discussed in the body of the order, the application of the applicant is not admitted and not answered.



PLACE - Mumbai

DATE - 27/03/2025

  
D.P. GOJAMGUNDE  
(MEMBER)

  
PRIYA JADHAV  
(MEMBER)

**Copy to: -**

1. The applicant
2. The concerned Central / State officer
3. The Commissioner of State Tax, Maharashtra State, Mumbai
4. The Pr. Chief Commissioner of Central Tax, Churchgate, Mumbai
5. The Joint commissioner of State Tax, Mahavikas for Website.

**Note:** -An Appeal against this advance ruling order shall be made before The Maharashtra Appellate Authority for Advance Ruling for Goods and Services Tax, 15<sup>th</sup> floor, Air India Building, Nariman Point, Mumbai - 400021. Online facility is available on [gst.gov.in](http://gst.gov.in) for online appeal application against order passed by Advance Ruling Authority.

