

**AUTHORITY FOR ADVANCE RULING, TAMILNADU
INTEGRATED COMMERCIAL TAXES OFFICE COMPLEX, DOOR NO.32,
5TH FLOOR, ROOM NO. 503, ELEPHANT GATE BRIDGE ROAD,
CHENNAI - 600 003.**

**PROCEEDINGS OF THE AUTHORITY FOR ADVANCE RULING U/s.98 OF THE
GOODS AND SERVICES TAX ACT, 2017.**

Members present are:

1. Shri T.G. Venkatesh, I.R.S Member/ Additional Commissioner,
Office of the Principal Chief Commissioner of GST & Central Excise, Chennai -34
2. Tmt. K. Latha, M.Sc., (Agri.), Member/ Joint Commissioner (ST)/
Authority for Advance Ruling, Tamil Nadu, Chennai-600 003.

ORDER No. 47/AAR/2021 DATED: 30.12.2021

GSTIN Number, if any / User id		33AAAAH2788P1Z8
Legal Name of Applicant		M/s. Handloom Weavers Cooperative Society Ltd.
Registered Address/Address provided while obtaining user id	350, Balasundaram Building, Pantheon Road, Egmore, Chennai-600 008.	
Details of Application		GST ARA- 01 Application Sl.No.31/2021 ARA dated: 08.09.2021
Concerned Officer		State: Assistant Commissioner(ST) Egmore Assessment Circle, Centre: North Commissionerate.
Nature of activity(s) (proposed / present) in respect of which advance ruling sought		
A	Category	Supply of Service.
B	Description (in Brief)	
Issue/s on which advance ruling required		Classification of goods and/or services or Both.
Question(s) on which advance ruling is required		1. Whether the claim of expenses incurred to handle the Cost Free Distribution Sarees & Dhothies and Cost Free School Uniform Scheme and supply to Revenue Department/Social Welfare Department will attract 18% GST or not. 2. If yes whether the Handling Charges related to Pre-GST period 2015-16 and 2016-17 will also attract GST or not.

Note: Any appeal against the Advance Ruling order shall be filed before the Tamil Nadu State Appellate Authority for Advance Ruling, Chennai under Sub-section (1) of Section 100 of CGST ACT/TNGST Act 2017 within 30 days from the date on which the ruling sought to be appealed against is communicated.

At the outset, we would like to make it clear that the provisions of both the Central Goods and Service Tax Act and the Tamil Nadu Goods and Service Tax Act are the same except for certain provisions. Therefore, unless a mention is specifically made to such dissimilar provisions, a reference to the Central Goods and Service Tax Act would also mean a reference to the same provisions under the Tamil Nadu Goods and Service Tax Act.

M/s. Handloom Weavers Cooperative Society, 350, Balasundaram Building, Pantheon Road, Egmore. Chennai-600 008.(hereinafter called the Applicant) is registered under the GST Vide GSTIN 33AAAAH2788P1Z8. They have sought Advance Ruling on the following question:

1. Whether the claim of expenses incurred to handle the Cost Free Distribution Sarees & Dhothies and Cost Free School Uniform Scheme and supply to Revenue Department/Social Welfare Department will attract 18% GST or not.
2. If yes whether the Handling Charges related to Pre-GST period 2015-16 and 2016-17 will also attract GST or not.

The Applicant has submitted the copy of application in Form GST ARA - 01 and also submitted a copy of Challan evidencing payment of application fees of Rs.5,000/- each under sub-rule (1) of Rule 104 of CGST rules 2017 and SGST Rules 2017.

2.1 The applicants have contended that they have been appointed and acting as a Nodal Agency to inspect and procure Cost Free Distribution Sarees & Dhothies and Cost Free School Uniform under Government Flagship Schemes. The Cost Free Distribution of Sarees and Dhothies Scheme has been introduced during the year 1983 as one of the flagship schemes by the Government of Tamil Nadu. This scheme has been continued by the Government of Tamil Nadu with the twin objectives of providing continuous employment to 14,000 handloom weavers and 54,000 Powerloom weavers in the State and for distribution of Sarees and Dhothies to the poor people living in rural and urban areas in Tamil Nadu. For Pongal 2021, 167.39 lakh Sarees and 167.29 lakh Dhothies were procured from Weavers Co-operative

Societies at a cost of Rs. 484.25 crore and dispatched to all the Taluks of Tamil Nadu for onward distribution to the beneficiaries on the eve of Pongal every year.

Sl. No.	Variety	Quantity (in lakh units)		Value (in lakh)	
		Sarees	Dhothies	Sarees	Dhothies
1.	Handloom	305256	372020	80163278	73533473
2.	Pedalloom	4078653	1554227	816709477	224803393
3.	Powerloom	12355396	14802990	2128216961	1461055113
TOTAL		16739305	16729237	3025089716	1759391979

As per the announcement made by the Hon'ble Chief Minister of Tamil Nadu on 14.06.2018 on the floor of Tamil Nadu legislative assembly under Rule 110, in order to ensure continuous employment for the handloom weavers engaged in the production of Sarees and Dhothies under "Cost Free Distribution of Sarees and Dhothies" Scheme, permission was accorded to issue additional production plan for the period from January to June every year. Accordingly, additional production plan for the period from January - 2020 to June - 2020 was issued to the handloom and Pedalloom weavers who were engaged in the production of Sarees and Dhothies. It was permitted to incur and utilize a sum of Rs.15 Crore for the above additional production plan from the current year budget allotment for the scheme. The Government has also been implementing the Free Supply of Uniform Scheme every year to school children since 1985-1986. Through this scheme, students studying from 1st standard to 8th standard who are the beneficiaries of Dr. Puratchi Thalaivar MGR Nutritious Meal Programme are benefited. As per the announcement made by the Hon'ble Chief Minister, 4 sets of uniforms are being provided from the academic year 2012 - 2013. In the academic year 2019-2020, a quantity of 501.12 lakh metres of Uniform Cloth varieties at a cost of Rs. 315.77 crore have been produced by Weavers Co-operative Societies and supplied to Social Welfare Department for stitching and distribution to school children by School Education Department as furnished below:

Sl. No.	Name of the loom	Quantity of Uniform Cloth (in lakh metres)	Production Value (Rs. in lakh)
1.	Handloom	2.71	244.18
2.	Pedalloom	86.83	5145.07
3.	Powerloom	411.58	26188.17
TOTAL		501.12	31577.42

2.2 The Uniform cloth required by Adi Dravidar and Tribal Welfare Department, Backward Classes and Minorities Welfare Department and Most Backward Classes and De-notified Communities Welfare Department are also being supplied by the Department of Handlooms and Textiles. The uniform cloth requirements of various Departments for the academic year 2020 – 2021 are furnished below:

Name of the Department	Total cloth requirement (in lakh metres)	Number of Students
Social Welfare Department (I to VIII Std.)	501.12	3924848
Most Backward Classes and De-notified Communities Department (IV to X Std.)	3.51	17517
Backward Class and Minorities Welfare Department (Backward Classes Hostel Students from IV to X Std.)	3.56	19750
AdiDravidar Department (IX to XII Std. students)	13.20	65540
TOTAL	521.39	4027655

For which Handling Charges is being paid at the rate recommended by the Permanent Standing Committee for Fixation of Handling Charges as per the G.O. No.123 dated 05.06.2013. At present they receive the stock from the Societies, inspecting the stocks and supplying the Cost Free Distribution Sarees & Dhothies and Cost Free School Uniform Scheme to Taluks in Revenue Department and Social Welfare Department respectively. On the basis of the expenses incurred by Co-optex 1.5% to 2% Handling Charges are sanctioned on the supplying value. The claim of Handling Charges from the year 2015-16 to till date is due from Government. The Senior Audit Officer (I) of o/o the A.G. Audit II AMG I Tamilnadu and Puduchery in their letter date: 07.07.2021 addressed to the Commissioner of Handlooms and Textiles, Department of Handlooms and Textiles, Government of Tamilnadu by mentioning, "As per serial number 3 of the table given in GST Notification No. 12/2017 – Central Tax (Rate) dated: 28.06.2017, "Pure Services" (excluding working contract service or other composite supplies involving supply of any goods) provided to the State Government were exempted from payment of GST. As per the services rendered by M/s. Co-optex towards Handling of Dhothies and Sarees from Co-operative Societies to Public Distribution System / Revenue Department is a "Pure Service" rendered to the State Government, it is exempted from payment of GST. Therefore, handling charges, a pure service to the government, would not attract GST and the GST claim is inadmissible.

2.3 Applicability of the Notification issued under provision of the CGST Act

2017:- Rendering "Pure Service" (inspection and testing for quality parameters of Uniform Cloth / Sarees / Dhothies) by Co-optex which is the Government authority relating to checking up of the quality of Uniform cloth to the School Students under Noon Meal Programme and Sarees & Dhothies issued to the beneficiaries in Panchayat, Municipality and Corporation through public distribution system/ Revenue Department which are covered under Twelfth Schedule of Article 243W, Sl. No.3- planning for social and economic development and Sl. No.9- safe guarding the interest of weaker sections. The Eleventh Schedule of article **243 G** of the Constitution lists the functions at Sl. No.16 "poverty alleviation programme" of Handlooms and Power looms weavers living in the village/Town and at Sl. No. 28 "Public distribution systems" – through which Sarees/ Dhothies are distributed to the Ration Card holders and Sl. No.17- Education including primary and Secondary education, the students studying from 1st to 8th standard are given 4 sets Uniform under the Scheme Noon Meal programme every year. By the above schemes, both producer and beneficiaries are poor and their survival is ensured by these schemes. They have contended that "As per serial number 3 of the table given in GST Notification No.12/2017 – Central Tax (Rate) Dated:28.06.2017, "Pure Services" (excluding working contract services or other composite supplies involving supply of any goods) provided to the state Government were exempted from payment of GST. As per the services rendered by M/s. Co-optex towards Handling of Dhothies and Sarees from Co-operative Societies to Public Distribution System / Revenue Department is a "Pure Service" rendered to the State Government, it is exempted from payment of GST. Therefore, handling charges, a pure service to the government, would not attract GST and the GST claim is inadmissible.

3.1 Due to the prevailing PANDEMIC situation and in order not to delay the proceedings, the applicant was addressed through the Email Address mentioned in the application to seek their willingness to participate in a virtual Personal Hearing in Digital media. The applicant consented and the hearing was held on 30.11.2021. Smt. T.Vadiva, Financial Advisor/Joint Secretary to Govt. from Finance Department, appeared for the hearing virtually and stated that they are nodal agencies for supply of Sarees and Dhothies/uniform for students of class I to VIII as per the Social Welfare Schemes of the Tamil Nadu Government. They reiterated their submissions. They stated that they undertake only inspection of the quality of the goods and activities regarding the distribution of the goods of the scheme to the Social welfare Department. They were asked to furnish copies of handling agreement, bills raised

by them for their activity, bills raised on them and the copy of the balance sheet within a weeks' time.

3.2 The applicant vide letter Rc.No. H1/002825/HC Meeting/ 2021-22/21 dated 13.12.2021 submitted the following documents:

- 1) Copies of Handling Agreement: on the basis of G.O. 123 they are claiming the actual expenses only, as per the Proceedings issued by the Director of Handlooms and Textiles to appoint Co-optex as one of the Nodal agencies for the inspection of free uniform cloths (Copies Enclosed).
- 2) Minutes of the meeting, in which Handling Charges are sanctioned by the committee to Co-optex.
- 3) Letter by the Director of Handlooms and Textiles requesting to sanction the Handling Charges Expenses value to Social Welfare Department Government of Tamil Nadu.
- 4) G.O. issued by the Social Welfare Department Sanctioning the Fund.
- 5) On the basis of the fund allotted, the bills were prepared by Co-optex.
- 6) Amount received by our Bank.
- 7) Copy of the Balance sheet year 2018-2019.

4.1 The State Jurisdictional Authority, Assistant Commissioner(ST), Egmore Assessment Circle who has the administrative Jurisdiction over the applicant vide letter RC.No. 821/2021/A4 dated 15.11.2021 has stated that:

- In the G.o. (Ms) No. 123 Handlooms, Handicrafts, Textiles and Khadi (D2) Department dated 05.06.2013, the Handling charges of Tamil Nadu Handlooms Weavers Co-operative Society includes following items.
1. To receive proposals for Handling Charges from Tamil Nadu Handloom Weavers Co-operative Society.
 2. Examination of the proposals of Handling Charges as to whether the expenditure were actually incurred and claimed.
 3. To find out whether the expenditure claimed as Handling Charges were incurred in connection with implementation of Free Distribution of Sarees and Dhoties Scheme and Free Uniform Scheme.
 4. To find out correctness of the claim for Handling Charges with reference to manpower deployed and the salary and wages actually incurred etc.,
 5. To find out the correctness of usage of manpower as to whether more number of persons were deployed over and above the requirement.

6. To verify the rate of freight, cartage of cooly with reference to the quantum of Sarees and Dhoties and Uniform Materials handled and with reference to the connected vouchers and to find the correctness of the rates with reference to the rates prevailed during the last year and the market rate for the reference period.
7. To verify the claim made towards rent with reference to the number of Godowns operated, the actual requirement of Godowns, the rent agreement entered with the godown owners, the correctness of rent claimed with reference to the market rent prevailing in the particular area.
8. To verify the claim of travelling allowances and conveyance as to their correctness in terms of rates, whether the claims are made in connection with the travel made by the manpower deployed, whether the travel was made in connection with Free Distribution of Sarees and Dhoties Scheme etc.,
9. To verify the claim of insurance as to its correctness and whether the insurance premium remitted is relating to the Godowns engaged for Free Distribution of Sarees and Dhoties Scheme / Free Uniform Scheme.
10. To verify the claim of postage, printing, stationery and Telephone as to correctness of the expenditure.
11. To verify the claim of lighting and the repairs as to correctness of the expenditure.
12. To verify the actual requirement of packing materials and the actual usage towards Free Distribution of Sarees and Dhoties Scheme and Free Uniform Scheme.
13. To verify the need for incurring packet expenses.
14. To verify the reimbursement claim received from District Collectors towards printing of token and making rubber stamp charge and to see that the expenditure was correctly included Q in the claim of Handling Charges.
15. To verify the sundry expenses and advertisement expenses with reference to the connected vouchers and the need for such expenses and advertisement.
16. To verify any other claim included in the Handling Charges.
17. To recommend to the Director of Handlooms and Textiles the actual amount towards Handling Charges that can be claimed from the Government.
18. To verify any pending claim of Handling Charges for which advance amount was sanctioned by Government in earlier years.

19. To certify whether the earlier advances released by Government towards Handling Charges were adjusted subsequently (i.e.) prior to the present claim of Handling Charges.

From the above narration it is clear that value of supply would be composite supply and pure service exemption is not applicable to Handling Charges, if it is considered as Composite supply as per Notification No. 12 /2017 – Central Tax (Rate) dated 28.06.2017, exemption is not applicable to the Applicant.

5.1 The Center Jurisdictional Authority, vide their letter C.No. GEXCOM/TECH/MISC/2791/2021-Tech dated 27.12.2021 stated that there is no proceedings in respect of the applicant on the questions raised. They have further opined that the activities of the applicant of procurement, inspection of quality of the goods and distribution to the departmental units in every Taluk of the State is 'Pure Service' and they do not supply goods; these services are provided in relation to functions entrusted to a Panchayat under Article 243 G of the Constitution and functions entrusted to a Municipality under Article 243 W of the Constitution as enumerated in their application; thus, these services are eligible for the benefit of Notification No. 12/2017-C.T.(Rate) dated 28.06.2017 and thus no GST is Payable.

6.1 We have considered the application filed by the applicant and various submissions made by them as well as the comments of the State and Central Tax officers. The applicants have stated that they have been appointed and acting as a Nodal Agency to inspect and procure Cost Free Distribution Sarees & Dhothies and Cost Free School Uniform under Government Flagship Schemes. They have sought ruling on the following questions:

1. Whether the claim of expenses incurred to handle the Cost Free Distribution Sarees & Dhothies and Cost Free School Uniform Scheme and supply to Revenue Department/Social Welfare Department will attract 18% GST or not.
2. If yes whether the Handling Charges related to Pre-GST period 2015-16 and 2016-17 will also attract GST or not.

It is observed that the applicant seeks to clarify whether they are eligible to claim the benefit of exemption at Sl.No. 3 of Notification No. 12/2017 – Central Tax (Rate) dated 28.06.2017 and State Notification No. II (2)/CTR/532(d-15)/2017, dated 29.06.2017 for pure services (Inspection and testing for quality parameters of Uniform Cloth/Sarees/ Dhothies) provides to Government of Tamil Nadu or liable to pay GST at the applicable rate of tax. This question seeks the eligibility to avail of the Notification and therefore is covered under S.97 (2) of the Act. Further, being a

Nodal Agency, they undertake these activities and the Q.No.1 relates to the supply being made by them. Hence, Q.No. 1 is admissible before this Authority. With respect to Q.No. 2, it is seen that the supply had already been made and also pertains to pre-GST period, wherein the taxation was governed by the provisions of the then prevailing statutes and hence, Q.No. 2 is not admitted by this Authority.

7.1 From the submissions of the applicant, it is seen that they are contending as providing pure services of inspection and testing for quality parameters of uniform cloth/ Sarees/ Dhothies given to the school students under Noon Meal Programme and Sarees and Dhothies issued to the beneficiaries in Panchayat Municipality and Corporation through public distribution system/ Revenue department which are covered under Twelfth Schedule of Article 243W, Sl. No. 3 – Planning for social and economic development and sl. No. 9 – safe guarding the interest of weaker sections and eleventh schedule of Article 243G of the constitution No.16 Poverty Alleviation Programme of Handlooms and Powerloom weavers living in the village/Town as at Sl. No. 28 Public Distribution systems – through which Sarees / Dhothies are distributed to the Ration Card Holders and Sl. No. 17 Education including Primary and Secondary Education, the students studying from 1st to 8th standard are given 4 sets of uniform under the scheme Noon Meal Programme every year. The applicant claim exemption under Sl.No. 3 of Notfn No. 12/2017-C.T.(Rate) dated 28.06.2017 in respect of 'pure services' provided to the Tamil Nadu State Government.

7.2 The aforementioned entry is examined as under:

Sl. No	Chapter, Section, Heading, Group or Service Code (Tariff)	Description of Services	Rate (per cent.)	Con diti on

3	Chapter 99	Pure services (excluding works contract service or other composite supplies involving supply of any goods) provided to the Central Government, State Government or union territory or local authority by way of any activity in relation to any function entrusted to a Panchayat under article 243G of the Constitution or in relation to any function entrusted to a Municipality under article 243W of the Constitution	NIL	NIL
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From the above, it is seen that the entry is applicable to

- All Pure Services;
- Provided to the Central/State Government or Union territory or Local authority;
- By way of any activity;
- In relation to any function entrusted to ;
 - A Panchayat under Article 243G of the Constitution or ;
 - A Municipality under Article 243 W of the Constitution.

Thus, the entry applies to Pure services provided to the defined clause of service recipients and the services are to be of any activity in relation to any function entrusted to a Panchayat/Municipality under Article 243 G/243W of the Constitution.

8.1 In the case at hand, it is seen that the applicant is entrusted with the work of undertaking quality check of the clothes, procurement, storage of the goods in warehouses and transport the uniforms/ sarees and dhothies for distribution to the designates places. For undertaking all these activities, they are paid 'Handling charges' as fixed by the Committee set up by the State Government. It is opined by the State Jurisdictional Officer, that the activities undertaken are 'Composite supply' and is not 'Pure service', therefore the applicant is not eligible for the benefit of the exemption at Sl.No. 3 above. 'Pure Service' is not per-se defined under GST, the same can be constituted in general term as any supply which is either deemed as service under schedule II of CGST Act or which are not covered under the definition of Goods shall be categorized as pure services. However, as per the notification, works contract services, or other composite supplies involving supply of any goods are not covered in Sl. No. 3. In other words, if the supply consists of only

services without involvement of supply of goods along with such supply of services then the same could be construed as supply of pure service. In the case at hand, from the submissions of the applicant it is seen that the question relates to the handling charges which are paid for providing services of Inspection, collection, storage, transportation, etc. All these activities are together considered as 'Handling' and charges are fixed. These activities are all services and are not supply of goods. The entry no.3 of the Notification provides for exemption to 'Pure services' falling under SAC 99. SAC 99 encompasses all service categories. The description restricts to 'Pure services' and it does not mean that it is not available to composite supplies of such services as opined by the State Jurisdictional Authority. Therefore, we find that the activity of supply of various services under the gamut of 'Handling' by the applicant without any involvement of goods either as supply or consumed while undertaking such services are 'Pure Services' even if the supply is a composite supply of such services. It is also seen that the supply is made to the Departments of Tamilnadu, therefore, supply is made to the State Government.

8.2 The only limb which is to be examined is whether the said activity is undertaken by the applicant 'in relation to' any function entrusted to a Panchayat under article 243G of the Constitution or Municipality under article 243W of the Constitution. The function entrusted to the Panchayat by Article 243G of the Constitution of India are listed here under:

Eleventh Schedule (Article 243-G)

- 1. Agriculture, including agricultural extension.**
- 2. Land improvement, implementation of land reforms, land consolidation and soil conservation.**
- 3. Minor irrigation, water management and watershed development.**
- 4. Animal husbandry, dairying and poultry.**
- 5. Fisheries.**
- 6. Social forestry and farm forestry.**
- 7. Minor forest produce.**
- 8. Small-scale industries, including food processing industries.**
- 9. Khadi, village and cottage industries.**
- 10. Rural housing.**
- 11. Drinking water.**
- 12. Fuel and fodder.**
- 13. Roads, culverts, bridges, ferries, waterways and other means of communication.**
- 14. Rural electrification, including distribution of electricity.**
- 15. Non-conventional energy sources.**
- 16. Poverty alleviation programme.**
- 17. Education, including primary and secondary schools.**
- 18. Technical training and vocational education.**
- 19. Adult and non-formal education.**
- 20. Libraries.**

21. Cultural activities.
22. Markets and fairs.
23. Health and sanitation, including hospitals, primary health centres and dispensaries.
24. Family welfare.
25. Women and child development.
26. Social welfare, including welfare of the handicapped and mentally retarded.
27. Welfare of the weaker sections, and in particular, of the Scheduled Castes and the Scheduled Tribes.
28. Public distribution system.
29. Maintenance of community system.

The function entrusted to the Municipalities under 243W of the constitution of India are listed here under :

Twelfth Schedule (Article 243- W)

*** TWELFTH SCHEDULE (Article 243- W)**

1. Urban planning including town planning.
2. Regulation of land use and construction of buildings.
3. Planning for economic and social development.
4. Roads and bridges.
5. Water supply for domestic, industrial and commercial purposes.
6. Public health, sanitation conservancy and solid waste management,
7. Fire services.
8. Urban forestry, protection of the environment and promotion of ecological aspects.
9. Safeguarding the interests of weaker sections of society, including the handicapped and mentally retarded.
10. Slum improvement and upgradation.
11. Urban poverty alleviation.
12. Provision of urban amenities and facilities such as parks, gardens, playgrounds.
13. Promotion of cultural, educational and aesthetic aspects.
14. Burials and burial grounds, cremations, cremation grounds and electric crematoriums,
15. Cattle ponds; prevention of cruelty to animals.
16. Vital statistics including registration of births and deaths.
17. Public amenities including street lighting, parking lots, bus stops and public conveniences.
18. Regulation of slaughterhouses and tanneries.

8.3 We have gone through the Government orders, minutes of meeting of permanent standing committee and invoices raised as submitted by the applicant and the list of functions entrusted to

- (i) the panchayats under Article 243G of the Constitution of India and
- (ii) the Municipalities under Article 243 W of the Constitution of India.

The applicant has claimed that their activity is 'in relation to' the activities at Sl. No. 3 – Planning for social and economic development and sl. No. 9 – safe guarding the interest of weaker sections of Twelfth Schedule of Article 243W and sl.No.16 Poverty Alleviation Programme of eleventh schedule of Article 243G of the constitution in as much as the scheme promotes and provides work to the Handloomers and pedal loomers living in the village/Town and as at Sl. No. 28 Public Distribution systems – through which Sarees / Dhothies are distributed to the Ration Card Holders and Sl. No. 17 Education including Primary and Secondary Education in relation to distribution of School Uniforms to the Children availing 'Noon Meal Scheme'. The implications of the term 'in relation to' is more tilted towards nexus, inseparability and identity of the activities involved with the functions. In the case at hand, the activities of the applicant, i.e., handling of Dhoties and Sarees/ School Uniforms from Co-Operative societies to public distribution system/ Revenue Department are definitely 'in relation to' the functions entrusted to a Panchayat under Article 243G/ municipality under Article 243W of the constitution of India.

8.4 To sum up, we find that the activities of 'Handling' carried out by the applicant in respect of Free distribution of Sarees and Dhothies and the School Uniform to the students of class 1 to 8 under 'Noon Meal Scheme' are activities in relation to the functions entrusted to Panchayats/Municipality in the Article 243 G/243W and the applicant supplies these services to the State Government and therefore, the exemption at Sl.No.3 of Notification No.12/2017-C.T.(Rate) dated 28.06.2017 as amended is available to the applicant.

9. In view of the foregoing, we rule as under:

RULING

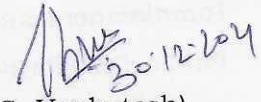
- 1. The services rendered by the applicant towards handling of Dhothies & Sarees/ School Uniforms from Co-operative Societies to Public Distribution System / Revenue Department is exempted from payment of GST as per serial*

number 3 of the table given in GST Notification No.12/2017 – Central Tax (Rate)
Dated: 28.06.2017 as amended readwith Sl.No.3 of Annexure to notification
Ms. No. 72/2017 dated 29.06.2017

2. Being the fact of the case relates to Pre-GST period, this question does not fall under the ambit of section 95(a) and therefore this question is not admitted.


(K.Latha)
Member, SGST




(T.G. Venkatesh)
Member, CGST

To
M/s. Handloom Weavers Cooperative Society Ltd., / **BY SPAD//**
350, Balasundaram Building,
Pantheon Road, Egmore. Chennai-600 008.

Copy Submitted to:

1. The Principal Chief Commissioner of GST & Central Excise,
26/1, Mahatma Gandhi Road, Nungambakkam, Chennai-600034.
2. The Additional Chief Secretary/Commissioner of Commercial Taxes/Member,
IInd Floor, Ezhilagam, Chepauk, Chennai – 600 005.

Copy to:

3. The Commissioner of GST & Central Excise, Chennai (North) Commissionerate,
26/1, Mahatma Gandhi Road,
Nungambakkam, Chennai-600 034.
4. Assistant Commissioner(ST) Egmore Assessment Circle,
88, Spurtank Road, Mayor Ramanathan Salai,
Egmore Taluk Office Building,
Chetpet, Chennai-600 031.
5. Master File/ Spare – 2.