



TELANGANA STATE AUTHORITY FOR ADVANCE RULING
CT Complex, M.J Road, Nampally, Hyderabad-500001.
(Constituted under Section 96(1) of TGST Act, 2017)

Present:

Sri S.V. Kasi Visweswara Rao, Additional Commissioner (State Taxes)
Sri Sahil Inamdar, I.R.S., Additional Commissioner (Central Taxes)

A.R.Com/21/2023

Date:08.02.2024

TSAAR Order No.04/2024

[ORDER UNDER SECTION 98(4) OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 AND UNDER SECTION 98(4) OF THE TEALANGANA GOODS AND SERVICES TAX ACT, 2017.]

1. M/s. All India Institute Of Medical Sciences, NH 163, Rangapur, AIIMS Bibinagar, NH, 163, Bibinagar, Yadadri Bhuvanagiri, Telangana, 508 126. (36AAAGA2453A1Z6) has filed an application in FORM GST ARA-01 under Section 97(1) of TGST Act, 2017 read with Rule 104 of CGST/TGST Rules.
2. At the outset, it is made clear that the provisions of both the CGST Act and the TGST 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 TGST Act. Further, for the purposes of this Advance Ruling, the expression 'GST Act' would be a common reference to both CGST Act and TGST Act.
3. It is observed that the queries raised by the applicant fall within the ambit of Section 97 of the GST ACT. The Applicant enclosed copies of challans as proof of payment of Rs. 5,000/- under SGST and Rs. 5,000/- under CGST towards the fee for Advance Ruling. The Applicant has declared that the questions raised in the application have neither been decided nor are pending before any authority under any provisions of the CGST/TGST Act'2017. The application is, therefore, admitted after examining it and the records called for and after hearing the applicant as per section 98(2) of TGST Act'2017.

4. BRIEF FACTS OF THE CASE:

- 4.1 M/s All India Institute of Medical Sciences (hereinafter referred to either as "Applicant" or "AIIMS") is the one of the newest additions to the prestigious All India Institute of Medical Sciences (AIIMS) network in India. Located in Bibinagar, a town in the Yadadri Bhuvanagiri district of the Indian State of Telangana, AIIMS Bibinagar was established to address the growing demand for high-quality healthcare, medical education and research in region.
- 4.2 AIIMS Bibinagar, Like its counterparts, is committed to offering top-tier medical education and training programs. It aims to produce skilled healthcare professionals who can meet the evolving healthcare needs of the nation. The institution is equipped with modern infrastructure and state – of - the – art facilities to medical education.
- 4.3 AIIMS, being an institution dedicated to healthcare and education, has entered into contracts with several entities for services, including:

1. M/s. MJ Solanki, GSTIN: 24AAQFM2633M1ZY. For the provision of house keeping services and manpower supply services at AIIMS Bibinagar.
2. M/s Kore Security Services, GSTIN: 07ADKPJ3897P1ZM, for the provision of security services at our college, hospital and hostel facilities.
3. M/s. P. Suresh & Associates Chartered Accountant Services GSTIN: 36AAVFP9999G1ZZ.

Regarding these contracts, AIIMS is currently paying GST at a rate of 18%. However, in compliance with the provisions of the GST Act, they are reversing the entire Input Tax Credit (ITC) availed by us since they are providing exempt services. The GST paid to our vendors is consequently remitted to the Government, and it, in turn, supports our organization financially.

5. QUESTIONS RAISED:

All India Institute of Medical Sciences is committed to supply quality health and medical education services. In this regard, they have been receiving pure services such as Manpower services, House keeping services and consultancy services from vendors on which GST is charged @18%.

1. Whether All India Institute of Medical Sciences can claim GST Exemption on pure services received from Vendors?

6. PERSONAL HEARING:

The authorized representatives of the unit, namely Sri. G.V. Satish, Account Officer & Sri. Suresh Kumar, CA & AR, attended the personal hearing held on 29.11.2023. The authorized representatives reiterated their averments in the application. Further, the Authorized Representative/Applicant M/s. All India Institute of Medical Sciences, reiterated that their case/Similar Case is not pending in any proceedings in the applicant's case under any of the provisions of the Act and has not already been decided in any proceedings in the applicant's case under any of the provisions of the Act.

7. DISCUSSION & FINDINGS:

The applicant All India Institute of Medical Sciences (AIIMS), Bibinagar, is purchasing pure services such as Manpower supply, Security Services & Accountancy Services. In the statement of facts, they have claimed that the vendors of these services are charging GST at the rate of 18% on the services supplied. They also submitted that, being an education institution, their output service is exempt and therefore they are reversing the Input Tax Credit amount into Rs.2 to 3 Crores annually. They submitted that their institution is Central Government. And hence supplies made to their institution are exempt under entry 3 & 3A of Notification 12/2017. To support their claim that they are Central Government, they submitted document evidence:

1. AIIMS, Bibinagar falls directly under the purview of the Ministry of Health & Family Welfare (MOHFW) and is created by an Act of Parliament.
2. That Section 5 of the AIIMS Act 1956 designates them as an "Institute of National Importance".
3. That they are financed by Central Government by way of appropriation made by Parliament by Law in this behalf under Section 15 of the said Act.
4. That their accounts are audited by the Comptroller and Auditor General of India.

As seen from the above evidence, the applicant is not Central Government but a "Governmental Authority" as it is established by the Government by the Act of Parliament. The Sl.No. 3 & 3A of Notification 12/2017 as amended with effect from 01.01.2022 have omitted the phrase Governmental Authority from the description of the services. Hence the applicant is not eligible for exemption under these two serial numbers.

8. In view of the foregoing, we rule as follows:

In view of the above discussion, the questions raised by the applicant are clarified as below:

Questions	Ruling
1. Whether All India Institute of Medical Sciences can claim GST Exemption on pure services received from Vendors?	No


(S.V. KASI VISWESWARA RAO)
(ADDL. COMMISSIONER (STATE TAXES))


(SAHIL INAMDAR)
(ADDL. COMMISSIONER (CENTRAL TAXES))

[under Section 100 (1) of the CGST/TGST Act, 2017, any person aggrieved by this order can prefer an appeal before the Telangana State Appellate Authority for Advance Ruling, Hyderabad, within 30 days from the date of receipt of this order]

To

M/s. All India Institute Of Medical Sciences,
NH 163, Rangapur, AIIMS Bibinagar, NH, 163,
Bibinagar, Yadadri Bhuvanagiri, Telangana, 508 126.

Copy submitted to :

1. The Commissioner (State Taxes) for information.
2. The Commissioner (Central Taxes), Secunderabad Commissionerate, 4th Floor, GST Bhavan, Hyderabad, Telangana -500 004.

Copy to:

3. The Superintendent (Central Tax) Bhongir Range.