

THE WEST BENGAL AUTHORITY FOR ADVANCE RULING
GOODS AND SERVICES TAX

14 Beliaghata Road, Kolkata – 700015

(Constituted under section 96 of the West Bengal Goods and Services Tax Act, 2017)

Members present:

Shafeeq S, Joint Commissioner, CGST & CX

Jaydip Kumar Chakrabarti, Senior Joint
Commissioner, SGST

Preamble

A person within the ambit of Section 100 (1) of the Central Goods and Services Tax Act, 2017 or West Bengal Goods and Services Tax Act, 2017 (hereinafter collectively called 'the GST Act'), if aggrieved by this Ruling, may appeal against it before the West Bengal Appellate Authority for Advance Ruling, constituted under Section 99 of the West Bengal Goods and Services Tax Act, 2017, within a period of thirty days from the date of communication of this Ruling, or within such further time as mentioned in the proviso to Section 100 (2) of the GST Act.

Every such appeal shall be filed in accordance with Section 100 (3) of the GST Act and the Rules prescribed there under, and the Regulations prescribed by the West Bengal Authority for Advance Ruling Regulations, 2018.

Name of the applicant	The Mining Geological And Metallurgical Institute of India
Address	GN 38/4, Sector V, Saltlake, Kolkata, Pincode-700091
GSTIN	19AAATT7390J1ZV
Case Number	WBAAR 18 of 2025-26
ARN	AD190825009495P
Date of application	August 25, 2025
Jurisdictional authority (State)	Saltlake Charge
Jurisdictional authority (Centre)	Bidhan Nagar Division, Kolkata north Commissionerate
Order number and date	22/WBAAR/2025-26 dated 10.12.2025
Applicant's representative heard	Mr. Surendra Joshi, C.A Mr. Abhisek Maroti, A/R

1.1 At the outset, we would like to make it clear that the provisions of the Central Goods and

Services Tax Act, 2017 (the CGST Act, for short) and the West Bengal Goods and Services Tax Act, 2017 (the WBGST Act, for short) have the same provisions in like matter except for certain provisions. Therefore, unless a mention is specifically made to such dissimilar provisions, a reference to the CGST Act would also mean reference to the corresponding similar provisions in the WBGST Act. Further to the earlier, henceforth for the purposes of these proceedings, the expression “GST Act” would mean the CGST Act and the WBGST Act both.

1.2 The applicant is Professional non-profit association of mining, geology, and metallurgy professionals, incorporated as a public company limited by guarantee under the Companies Act, 1882 on the 16th of October 1909, and registered under section 12A of the Income-tax Act as a not-for-profit institution. Its primary objectives are to promote and advance the disciplines of mining, geology, and metallurgy in India by organizing national and international conferences, exhibitions, seminars, technical lectures, and by publishing journals and annual reports. The applicant also undertakes student outreach programs and facilitates industry networking initiatives. It derives receipts/income from membership fees, sales of journals and publications, sponsorship and delegate fees from organizing conferences, seminars, workshops and similar events. All such receipts are applied solely towards activities aligned with its objectives, upkeep of its office, and meeting necessary administrative expenses.

The applicant has always operated and continues to operate, on a no-profit basis. It has never declared any dividend and does not have any individual or person holding beneficial shares. It was registered under the Companies Act as a Trust and solely for regulatory purposes.

The applicant is registered under Sections 12A/12AB vide certificate no. S-69/W.B. VII of 1984-85 dated 27.03.1985 issued by the Commissioner of Income Tax, West Bengal-VII, Calcutta. It is holding PAN as a trust bearing no. AAATT7390J allotted under the Income Tax Act, 1961.

It has also registered under the GST Act, 2017 since 01/07/2017 as “Society/Club/Trust/AOP,” bearing GSTIN: 19AAATT7390J1ZV.

1.3 The applicant has made this application under sub section (1) of section 97 of the GST Act and the rules made there under seeking an advance ruling in respect of following questions:

(i) Whether The Mining Geological & Metallurgical Institute of India (MGMI), a not-forprofit organization incorporated under the Indian Companies Act, 1882 and presently governed by the provisions of Section 8 of the Companies Act, 2013 - Formation of companies with charitable objects, is a “body corporate” for the purposes of the IGST Act, CGST Act and SGST Act, 2017, read with the applicable rules, notifications and circulars?

(ii) Whether for the purposes of serial number 5, column (3) of Notification No. 10/2017–Integrated Tax (Rate) dated 28/06/2017 as amended by Notification No. 07/2025–

Integrated Tax (Rate) dated 16.01.2025, and the corresponding serial number 4, column (3) of Notification No. 13/2017–Central Tax (Rate) dated 28/06/2017, as amended by Notification No. 07/2025–Central Tax (Rate) dated 16.01.2025, and having regard to Explanation (b) therein, whether MGMI ,while rendering sponsorship services is to be regarded as a “body corporate”?

(iii) Whether in view of Notification No. 07/2025–Integrated Tax (Rate) dated 16.01.2025 (amending serial number 5, column (3) of Notification No. 10/2017–Integrated Tax (Rate)) and the corresponding Notification No. 07/2025–Central Tax (Rate) dated 16.01.2025 (amending serial number 4, column (3) of Notification No. 13/2017–Central Tax (Rate)), whereby in the description of ‘supplier of service’ the words “other than a body corporate” have been inserted after the words “any person,” the sponsorship services supplied by MGMI (being a body corporate) to recipients located in the taxable territory is liable to GST under the reverse charge mechanism, or GST liability is to be discharged by MGMI under the forward charge mechanism?

1.4 The aforesaid questions on which the advance ruling is sought for are found to be covered under clause (b) of sub-section (2) of section 97 of the GST Act.

1.5 The applicant states that the questions raised in the application have neither been decided by nor are pending before any authority under any provision of the GST Act.

1.6 The officer concerned from the Revenue has raised no objection to the admission of the application.

1.7 The application is, therefore, admitted.

2. Submission of the Applicant

2.1 The applicant conducts seminars, workshops, and events for professionals, academicians, researchers, students, policymakers, and industry stakeholders connected with mining, geology, and metallurgy. It also organizes flagship biennial events such as the Asian Mining Congress (AMC) and the International Mining Exhibition (IME), which bring together stakeholders from these sectors at national and international levels for continuing education, awareness, knowledge sharing, and collaboration. These events attract participation from industry leaders, policymakers, academicians, and professionals across the globe.

For its activities of organizing Asian Mining Congress (AMC) and the International Mining

Exhibition (IME), the applicant receives sponsorship fees, delegate registration fees, and other related charges. The receipts from such events are utilized for the expenses for organizing the events.

Such sponsorship receipts are acknowledged through various promotional opportunities, including advertisements in event souvenirs, display of banners, and recognition during the events.

Such sponsorship services fall within the scope of “supply” as defined under the GST law and are covered under Notification No. 10/2017–Integrated Tax (Rate) dated 28.06.2017 (as amended) and corresponding Notification No. 13/2017–Central Tax (Rate) dated 28.06.2017 (as amended) .

2.2 (i) Until 15.01.2025, under Notification No. 10/2017–Integrated Tax (Rate) and the corresponding Notification No. 13/2017–Central Tax (Rate), sponsorship services supplied to a body corporate or a partnership firm by ANY PERSON were liable to GST under the Reverse Charge Mechanism (RCM). Hence, regardless of the supplier’s legal constitution, the sponsorship services were subject to GST under Reverse Charge under section 9(3) of the CGST Act, 2017 / section 5(3) of the IGST Act, 2017. Accordingly, where applicant’s sponsors were body corporates, the GST liability was discharged by the recipient of services under RCM.

(ii) Vide Notification No. 07/2025–Integrated Tax (Rate) dated 16.01.2025 and the corresponding Notification No. 07/2025–Central Tax (Rate) dated 16.01.2025, serial numbers 5 and 4 of the above notifications were amended by inserting the words “other than a body corporate” after the words “any person” under the heading Supplier of Service.

(iii) Thus, with effect from 16.01.2025, this amendment shifts the onus of payment of GST on supply of sponsorship services on the supplier if such supplier is a “body corporate”.

(iv) The applicant is incorporated under the Companies Act as a company limited by guarantee (now aligned to Section 8). It does not declare dividends or distribute profits, and has no beneficial owners. Its activities are confined to professional and educational advancement in mining, geology and metallurgy.

Explanation (b) to Notification No. 10/2017–Integrated Tax (Rate) and the corresponding Notification No. 13/2017–Central Tax (Rate) defines “body corporate” with reference to clause (11) of section 2 of the Companies Act, 2013.

This gives rise to the question whether the applicant, as a Section 8 company incorporated under the Companies Act, is to be treated as a “body corporate” under the GST Act, for determination of GST liability for sponsorship services on a forward charge or a reverse charge mechanism from 16.01.2025.

2.3 (i) The definition of “person” under Section 2(84) of the CGST Act, 2017 is inclusive and covers individuals, Hindu undivided families, companies, firms, limited liability partnerships, associations of persons or bodies of individuals, corporations established by statute, foreign body corporates, cooperative societies, local authorities, governments, societies, trusts and every artificial juridical person. This clearly indicates that companies, societies, trusts and body corporates are all recognised as distinct categories, and they cannot be interchangeably treated as the same.

(ii) Section 2(17) defines “business” in expansive terms to include any trade, commerce, manufacture, profession, vocation or similar activity, irrespective of pecuniary benefit. Consequently, even not-for-profit organisations may fall within the ambit of “business” when they provide services, though their legal form remains relevant to determine whether reverse charge liability applies.

(iii) In regards to sponsorship services, the original position under Notification No. 13/2017–CT (Rate), Sl. 4, and Notification No. 10/2017–IGST (Rate), Sl. 5, was that services provided by any person to a body corporate or a partnership firm by way of sponsorship attracted tax liability under the reverse charge mechanism. Therefore, wherever the recipient was a body corporate, liability was shifted to such recipient.

This position was altered through Notification No. 07/2025 dated 16.01.2025, wherein it was clarified that reverse charge applies only when the supplier of sponsorship services is not a body corporate. In other words, if the supplier itself is a body corporate, GST is required to be discharged under the forward charge mechanism. The entire controversy in the present matter, therefore, centres on whether the applicant qualifies as a “body corporate.”

2.4 Meaning of “Body Corporate”

Section 2(11) of the Companies Act, 2013 defines “body corporate” to include a company incorporated under the Act or any previous company law, but to exclude cooperative societies and such other entities as may be notified by the Central Government. However, it is a well-settled principle that definitions adopted from another statute cannot be lifted mechanically, but must be interpreted contextually, having regard to the object of the law in which they are applied. The Supreme Court in *Bharat Cooperative Bank v. Cooperative Bank Employees Union* [(2007) 4 SCC 685 - underscored this rule of interpretation. Thus, in the GST context, the expression “body corporate” must be construed in line with the objectives of GST, i.e., ensuring tax collection from entities engaged in commercial activity, while recognizing that Section 8 companies operate under statutory restrictions distinct from profit-oriented corporates.

2.5 Judicial Guidance on Non-Profit Entities

Judicial precedents consistently affirm that societies and trusts lack corporate personality and

are not “body corporates.” The Supreme Court in *Board of Trustees, Ayurvedic & Unani Tibia College v. State of Delhi* [AIR 1962 SC 458] held that societies registered under the Societies Registration Act, 1860 do not constitute corporate bodies. Similarly, in *Duli Chand v. Mahabir Pershad Trilok Chand* [AIR 1984 Delhi 144], it was observed that trusts have no separate juristic personality. The Kerala High Court in *K.P. Shibu v. State of Kerala* also held that societies and trusts cannot be treated as body corporates.

Moreover, jurisprudence relating to non-profit purpose indicates that the dominant charitable character of an institution prevails over incidental commercial activities. In *CIT v. Surat Art Silk Cloth Manufacturers’ Association* [(1980) 2 SCC 31], the Supreme Court held that if the predominant object is charitable, surplus does not convert it into a profit-making concern. Similarly, in *Queen’s Educational Society v. CIT* [(2015) 8 SCC 47], the Court clarified that the application of surplus to charitable objects is consistent with non-profit status. The principle of “substance over form,” as reiterated in *Renusagar Power Co. v. General Electric Co.* [AIR 1988 SC 1737], further supports the view that applicant’s legal incorporation cannot alter its essential character as a non-profit professional association.

2.6 Section 8 Companies – Distinct from Commercial Corporates

Section 8 companies are governed by statutory restrictions which distinguish them fundamentally from commercial corporates. Section 8(1) of the Companies Act, 2013 mandates that such companies must apply their income and profits exclusively towards their stated objects and are expressly prohibited from declaring dividends. Members of a Section 8 company do not possess transferable ownership rights or any entitlement to profit.

This position is akin to cooperative societies which, though incorporated, are excluded from the meaning of “body corporate.” By parity of reasoning, Section 8 companies, whose character is inherently non-profit, must similarly be excluded from the scope of “body corporate” in the GST context.

2.7 Legislative Intent of RCM Notifications

The rationale behind reverse charge on sponsorship services was to ensure easy and effective collection of tax from large commercial corporates and partnership firms that regularly sponsor business, cultural or sporting events. The legislative intent was never to impose such obligations on non-profit professional institutions. If Section 8 companies were to be treated as body corporates for this purpose, the result would be discriminatory and absurd. Charitable NGOs incorporated under the Companies Act would be subject to forward charge, whereas similarly placed trusts or societies would remain under reverse charge. Such unequal treatment would defeat the purpose of the law and create inconsistency within the framework of GST.

2.8 Anticipated Counter-Arguments & Rebuttal

A possible argument from the department may be that since Section 8 companies are incorporated under the Companies Act, they automatically fall within the definition of body corporate. While technically correct, such a literal interpretation would disregard the object and scheme of GST. Courts have consistently endorsed contextual interpretation of definitions, even when imported from another statute. Another anticipated argument could be that the notification itself refers to the Companies Act definition. However, as clarified by the Supreme Court in Bharat Cooperative Bank (supra), statutory definitions cannot be applied divorced from context. Hence, for GST purposes, “body corporate” must be restricted to profit-making entities and not extended to not-for-profit institutions such as Section 8 companies.

2.9 Constitutional Considerations

If the department proposes an interpretation considering Section 8 companies as ‘body corporates’, it would also result in constitutional infirmities. Article 14 prohibits arbitrary and discriminatory classification. Treating trusts and societies as outside the scope of “body corporate” while including Section 8 companies, despite their identical charitable character, would amount to hostile discrimination. Further, Article 265 mandates that no tax shall be levied or collected except by authority of law. Extending the RCM scheme to Section 8 companies with clear legislative mandate would be compatible with this constitutional protection.

2.10 Applicant's Facts Supporting Exclusion

The applicant was founded in 1906 and formally incorporated on 16.10.1909 as a company limited by guarantee under the Indian Companies Act, 1882. Its Memorandum and Articles of Association, which are enclosed with this application, explicitly record that applicant was “associated under Section 26 of the Companies Act, 1882.” Section 26 of the 1882 Act was the statutory predecessor of the present Section 8 framework. In substance, it empowered the Government to license associations formed for the promotion of commerce, art, science, religion, charity or any other useful object, on condition that any income or profits were mandatorily applied only towards the objects of the association and no dividend was paid to members. Such licensed associations were permitted to register as companies with limited liability without adding the word “Limited” to their name, thereby enjoying the privileges of incorporation while being subject to statutory restrictions. This provision was later reenacted as Section 25 of the Companies Act, 1956 and is now contained in Section 8 of the Companies Act, 2013.

Upon repeal of the earlier Companies Acts, Section 465(2)(a) of the Companies Act, 2013 provides that anything done or any action taken under the repealed enactments shall be deemed to have been done or taken under the corresponding provisions of the 2013 Act.

Accordingly, applicant’s incorporation under Section 26 of the 1882 Act stands statutorily preserved, and its legal character corresponds to that of a Section 8 company under the present

framework.

The Institute is further registered under Section 12A of the Income-tax Act, 1961 as an institution recognized under the Income-tax Act and, under GST law, is categorised as a “Society/Club/Trust/AOP.” Its Memorandum and Articles of Association strictly prohibit distribution of dividends or conferring of any pecuniary benefit to members, and require that all income and receipts be mandatorily applied for promotion of its professional objectives, namely advancement of mining, geological and metallurgical sciences. These features confirm applicant’s substantive identity as a non-profit professional body, distinct from commercial corporate entities.

2.11 In view of the above analysis, it is submitted that although applicant is incorporated under the Companies Act, its substantive non-profit character, statutory restrictions and judicial interpretation preclude it from being treated as a “body corporate” for purposes of sponsorship services under GST. The liability to pay GST on sponsorship services provided by the applicant should therefore continue to rest with the recipient under reverse charge, even after the amendment of 16.01.2025. To hold otherwise would be contrary to legislative intent, constitutional principles, and settled judicial guidance.

3.Submission of the Revenue

3.1 The concerned officer from the revenue has not expressed any view on the merit of the issue raised by the applicant.

4. Observations & Findings of the Authority

4.1 We have gone through the records of the issue as well as submissions made by the authorized representative of the applicant during personal hearing.

4.2 According to the facts narrated by the applicant, The Mining, Geological & Metallurgical Institute of India (in short MGMI) is a not-for-profit organization incorporated as a company limited by guarantee under the Companies Act, 1882 on 16.10.1909, bearing CIN: U10200WB1909GAP001938.

Its primary objectives are to promote and advance the disciplines of mining, geology, and metallurgy in India by organizing national and international conferences, exhibitions, seminars, technical lectures, and by publishing journals and annual reports. MGMI also undertakes student outreach programs and facilitates industry networking initiatives. It derives receipts/income from membership fees, sales of journals and publications,

sponsorship and delegate fees from organizing conferences, seminars, workshops and similar events. All such receipts are applied solely towards activities aligned with its objectives, upkeep of its office, and meeting necessary administrative expenses.

MGMI has always operated and continues to operate, on a no-profit basis. It has never declared any dividend and does not have any individual or person holding beneficial shares. It was registered under the Companies Act as a Trust and solely for regulatory purposes.

4.3 It is also stated that MGMI conducts seminars, workshops, and events for professionals, academicians, researchers, students, policymakers, and industry stakeholders connected with mining, geology, and metallurgy. It also organizes flagship biennial events such as the Asian Mining Congress (AMC) and the International Mining Exhibition (IME), which bring together stakeholders from these sectors at national and international levels for continuing education, awareness, knowledge sharing, and collaboration. These events attract participation from industry leaders, policymakers, academicians, and professionals across the globe.

For its activities of organizing Asian Mining Congress (AMC) and the International Mining Exhibition (IME), MGMI receives sponsorship fees, delegate registration fees, and other related charges. The receipts from such events are utilized for the expenses for organizing the events.

Such sponsorship receipts are acknowledged through various promotional opportunities, including advertisements in event souvenirs, display of banners, and recognition during the events.

Such sponsorship services fall within the scope of “supply” as defined under the GST law and are covered under Notification No. 10/2017–Integrated Tax (Rate) dated 28.06.2017 (as amended) and corresponding Notification No. 13/2017–Central Tax (Rate) dated 28.06.2017 (as amended).

4.4 In the above context the applicant has placed before this authority the following three questions:

Q1. Whether MGMI, a not-for-profit organization incorporated under the Indian Companies Act, 1882 and presently governed by the provisions of Section 8 of the Companies Act, 2013 is a “body corporate” for the purposes of the IGST Act, CGST Act and SGST Act, 2017, read with the applicable rules, notifications and circulars ?

Q2. Whether MGMI, while rendering sponsorship services is to be regarded as a “body corporate” for the purposes of serial number 5, column (3) of Notification No. 10/2017–Integrated Tax (Rate) dated 28/06/2017 as amended by Notification No. 07/2025– Integrated Tax (Rate) dated 16.01.2025, and the corresponding serial number 4, column (3) of

Notification No. 13/2017–Central Tax (Rate) dated 28/06/2017, as amended by Notification No. 07/2025–Central Tax (Rate) dated 16.01.2025, and having regard to Explanation (b) therein ?

Q3. Whether in view of Notification No. 07/2025–Integrated Tax (Rate) dated 16.01.2025 (amending serial number 5, column (3) of Notification No. 10/2017–Integrated Tax (Rate)) and the corresponding Notification No. 07/2025–Central Tax (Rate) dated 16.01.2025 (amending serial number 4, column (3) of Notification No. 13/2017–Central Tax (Rate)), whereby in the description of ‘supplier of service’ the words “other than a body corporate” have been inserted after the words “any person,” the sponsorship services supplied by MGMI (being a body corporate) to recipients located in the taxable territory is liable to GST under the reverse charge mechanism, or GST liability is to be discharged by MGMI under the forward charge mechanism ?

4.5 The applicant believes that although MGMI is incorporated under the Companies Act, its substantive non-profit character, statutory restrictions and judicial interpretation preclude it from being treated as a “body corporate” for purposes of sponsorship services under GST. The liability to pay GST on sponsorship services provided by MGMI should therefore continue to rest with the recipient under reverse charge, even after the amendment of 16.01.2025.

The applicant’s argument is that since body corporate has not been defined in the GST Act, reference should be made to the Companies Act, 2013. However the applicant opines that it is a well-settled principle that definitions adopted from another statute cannot be lifted mechanically, but must be interpreted contextually, having regard to the object of the law in which they are applied. According to the applicant, in the GST context, the expression “body corporate” must be construed in line with the objectives of GST, i.e., ensuring tax collection from entities engaged in commercial activity, while recognizing that Section 8 companies operate under statutory restrictions distinct from profit-oriented corporate.

The applicant has referred to the judgments of the Hon’ble Supreme Court of India in Board of Trustees, Ayurvedic & Unani Tibia College v. State of Delhi and Duli Chand v. Mahabir Pershad Trilok Chand and certain other cases to prove the point that societies and trusts like the applicant lack corporate personality and are not ‘body corporates’.

The applicant has argued that the companies under section 8 of the Companies Act, 2013 are inherently non-profit companies and hence must be excluded from the scope of ‘body corporate’ in the context of the GST Act.

In the opinion of the applicant, the rationale behind reverse charge on sponsorship services is to ensure easy and effective collection of tax from large commercial corporate and partnership firms that regularly sponsor business, cultural or sporting events. The legislative intent is never to impose such obligations on non-profit professional institutions. If Section 8 companies were

to be treated as body corporate for this purpose, the result would be discriminatory and absurd. Charitable NGOs incorporated under the Companies Act would be subject to forward charge, whereas similarly placed trusts or societies would remain under reverse charge. Such unequal treatment would defeat the purpose of the law and create inconsistency within the framework of GST.

According to the statement of the applicant, the very facts of the company being registered under Section 26 of the repealed Indian Companies Act, 1882 (or Section 8 of the Companies Act, 2013) and the company being shown as 'Society/ Club/ Trust/ AOP' in the GST registration certificate clearly establishes the applicant's substantive identity as non-profit professional body distinct from commercial corporate entities.

During the course of personal hearing the applicant's representative furnished an additional submission. In the said submission and in personal hearing the applicant's representative has referred to the concept of 'person' as defined in Section 2(84) of the CGST Act, 2017. According to him, the inclusive definition of person covers multiple categories and 'trusts' and 'body corporate' are two such distinct categories and they are mutually exclusive. According to him, the applicant should be regarded as a trust so far as its mode of functioning and non-profit motive is concerned. The applicant has been registered as a company with charitable objects under Section 26 of the repealed Indian Companies Act, 1882 (or Section 8 of the Companies Act, 2013). It is also argued that the applicant has been registered as a public charitable trust under the Income Tax Act, 1961.

4.6 Before going into the details of the discussion and findings, we are reproducing the relevant notifications that are associated with the questions raised in this application for advance ruling. First of all, we refer to the relevant portions of Notification No. 13/2017 – Central Tax (Rate) Dated 28.06.2017. By virtue of this notification, certain categories of supply of services (in column 2 of the table) when supplied by anyone as specified in column (3) of the said Table, the whole of central tax leviable under section 9 of the Central Goods and Services Tax Act, 2017 shall be paid on reverse charge basis by the recipient of such services as specified in column (4) of the said Table.

Sl. No.	Category of Supply of Services	Supplier of service	Recipient of Service
(1)	(2)	(3)	(4)
4	Services provided by way of sponsorship to any body corporate or partnership firm.	Any person	Any body corporate or partnership firm located in the taxable territory.

Notification No. 07/2025 – Central Tax (Rate) Dated 16.01.2025 has brought about a change in the above entry as under:

(A) *against serial number 4, in column (3), after the words “Any person”, the words “other than a body corporate” shall be inserted.*

So the updated legal position is that the whole of central tax leviable under section 9 of the Central Goods and Services Tax Act, 2017 shall be paid on reverse charge basis by the recipient of services provided by way of sponsorship to any body corporate or partnership firm located in the taxable territory when such services are supplied by any person other than a body corporate.

So the issue ultimately boils down to the point whether MGMI can be regarded as ‘body corporate’.

4.7 The GST Act nowhere defines the term ‘body corporate’. However, we find reference to this concept in the Explanation of Notification No. 13/2017 – Central Tax (Rate) Dated 28.06.2017. In clause (b) of Explanation it is stipulated that *“Body Corporate” has the same meaning as assigned to it in clause (11) of section 2 of the Companies Act, 2013.*

So we should refer to the Companies Act, 2013 for the definition of the term. As per Section 2(11) of the said act

“body corporate” or “corporation” includes a company incorporated outside India, but does not include—

- (i) a co-operative society registered under any law relating to co-operative societies; and*
- (ii) any other body corporate (not being a company as defined in this Act), which the*

Central Government may, by notification, specify in this behalf;

It is clear from the inclusive definition of ‘body corporate’ as above that only two kinds of entities are excluded from the definition of the term viz. 1) a co-operative society registered under any law relating to co-operative societies and 2) any other body corporate (not a company as defined in the Companies Act, 2013) which the Central Government may specify in this behalf. For example, the Asian Development Bank was notified by the Union Government vide Notification No. S.O.1592 (E) Dated 12.04.2018. All other companies including the ones incorporated outside India are included in this definition.

The applicant is neither a co-operative society registered under any act related to co-operative societies of the country nor the company has been notified by the Union Government under Section 2(11) of the Companies Act, 2013.

Again in the Companies Act, 2013 the term ‘company’ has been defined as a company incorporated under this Act or under any previous company law. The applicant was incorporated on 16.10.1909 as a company under the erstwhile Companies Act, 1882 and was registered under the same act on 25.02.1911.

In our considered view the applicant satisfies the definition of ‘company’ as well as ‘body corporate’ as defined in the Companies Act, 2013.

4.8 Now we will examine the arguments put forward by the applicant as detailed Paragraph 4.5.

The clause (b) in the Explanation of Notification No. 13/2017 – Central Tax (Rate) Dated 28.06.2017 has clearly mentioned that the concept of 'body corporate' will have the same meaning as assigned to it by the Companies Act, 2013. There is no ambiguity in this respect. That is, for the purpose of Notification No. 13/2017 – Central Tax (Rate) Dated 28.06.2017 the term 'body corporate' is to be understood by referring to the corresponding definition of the term in the Companies Act, 2013. There is no scope of equating the concept of 'body corporate' under the GST with ensuring tax collection from entities engaged in commercial activity in the GST. It is an effort on the part of the applicant to import the concept of commercial activity into the concept of 'body corporate' under the GST which is not there.

Instead of importing the concept of commercial activity which is otherwise not found anywhere in the GST Act, we should concentrate on the concept of business which is rather the basic thematic concept of the statute. From this definition we will be able to work it out whether the law is, at all, concerned with commercial activity and profit orientation while defining business.

Section 17(2) of the CGST Act stipulates

“business” includes—

(a) any trade, commerce, manufacture, profession, vocation, adventure, wager or any other similar activity, whether or not it is for a pecuniary benefit;

(b) any activity or transaction in connection with or incidental or ancillary to sub-clause (a);

(c) any activity or transaction in the nature of sub-clause (a), whether or not there is volume, frequency, continuity or regularity of such transaction;

(d) supply or acquisition of goods including capital goods and services in connection with commencement or closure of business;

(e) provision by a club, association, society, or any such body (for a subscription or any other consideration) of the facilities or benefits to its members;

(f) admission, for a consideration, of persons to any premises;

(g) services supplied by a person as the holder of an office which has been accepted by him in the course or furtherance of his trade, profession or vocation;

(h) services provided by a race club by way of totalisator or a licence to book maker in such club; and

(i) any activity or transaction undertaken by the Central Government, a State Government or any local authority in which they are engaged as public authorities;

From clause (a) of the definition it is evident that the act does not differentiate profit or non-profit motive in the concept of business. Rather, business includes any trade, commerce, manufacture, profession, vocation, adventure, wager or any other similar activity, **whether or**

not for a pecuniary benefit. (emphasis added).

The applicant has argued that it has been registered under section 8 of the Companies Act, 2013 with charitable objectives. According to him, this fact establishes the applicant's substantive identity as non-profit professional body distinct from commercial corporate entities and hence it should not be considered as 'body corporate' in the GST Act. The applicant has failed to understand that the term 'body corporate' used in Notification No. 13/2017 – Central Tax (Rate) Dated 28.06.2017 has unambiguous reference to the Companies Act, 2013 so far as the concept of 'body corporate' in the said notification is concerned. According to the provisions of the Companies Act, 2013, inclusion of an entity in Section 8 of the act does not disqualify that entity to be considered as a 'company' and a 'body corporate' under Section 2(20) and section 2(11) of the act correspondingly. Here the concept of non-profit is a kind of effort of importing an element into the concept of 'body corporate' which neither the Companies Act, 2013 nor the CGST Act, 2017 envisages.

4.9 The applicant in his additional submission has tried to claim himself as a 'trust'. We will now discuss how far this claim is tenable.

First of all, the applicant is not registered under the Indian Trusts Act, 1882 which is the law that governs *inter alia* the legal frameworks for creation of trusts; the duties, liabilities, rights and powers of the trustees and rights of liabilities of the beneficiary etc.

As per the Interpretation Clause of Section 3 of the Indian Trusts Act, 1882 'Trust' means *an obligation annexed to the ownership of property, and arising out of a confidence reposed in and accepted by the owner, or declared and accepted by him, for the benefit of another, or of another and the owner*. As per the act, for a body to become a trust there must be an 'author of trust' (*the person who reposes or declares the confidence*), a 'trustee' (*the person who accepts the confidence*) and a 'beneficiary' (*the person for whose benefit the confidence is accepted*). In the Articles of Association we do not find any such descriptions.

So we are not inclined to accept the applicant as a trust.

Again, the applicant being treated as public charitable trust under the Income Tax Act cannot be an argument for claiming the status of trust under the GST Act. The two acts are different and there is no referential legislation, whatsoever, in the GST Act in this respect.

4.10 On the basis of preceding discussions we are of the considered view that the applicant is a 'body corporate' as defined in Notification No. 13/2017 – Central Tax (Rate) Dated 28.06.2017. As such, the services provided by the applicant by way of sponsorship to any body corporate or partnership firm located in the taxable territory will not qualify for serial number 4 of the table in Notification No. 13/2017 – Central Tax (Rate) Dated 28.06.2017 as amended (Corresponding State Tax Notification No. 1137-FT Dated 28.06.2017). For such supply of service, GST is payable by the applicant on forward charge basis.

In view of the foregoing discussion, we rule as under:

RULING

Q1. Whether MGMI, a not-for-profit organization incorporated under the Indian Companies Act, 1882 and presently governed by the provisions of Section 8 of the Companies Act, 2013 is a “body corporate” for the purposes of the IGST Act, CGST Act and SGST Act, 2017, read with the applicable rules, notifications and circulars ?

Answer: The answer is in the affirmative.

Q2. Whether MGMI, while rendering sponsorship services is to be regarded as a “body corporate” for the purposes of serial number 5, column (3) of Notification No. 10/2017–Integrated Tax (Rate) dated 28/06/2017 as amended by Notification No. 07/2025–Integrated Tax (Rate) dated 16.01.2025, and the corresponding serial number 4, column (3) of Notification No. 13/2017–Central Tax (Rate) dated 28/06/2017, as amended by Notification No. 07/2025–Central Tax (Rate) dated 16.01.2025, and having regard to Explanation (b) therein ?

Answer: The answer is in the affirmative.

Q3. Whether in view of Notification No. 07/2025–Integrated Tax (Rate) dated 16.01.2025 (amending serial number 5, column (3) of Notification No. 10/2017–Integrated Tax (Rate)) and the corresponding Notification No. 07/2025–Central Tax (Rate) dated 16.01.2025 (amending serial number 4, column (3) of Notification No. 13/2017–Central Tax (Rate)), whereby in the description of ‘supplier of service’ the words “other than a body corporate” have been inserted after the words “any person,” the sponsorship services supplied by MGMI (being a body corporate) to recipients located in the taxable territory is liable to GST under the reverse charge mechanism, or GST liability is to be discharged by MGMI under the forward charge mechanism ?

Answer: GST is payable on forward charge basis by the applicant.

(SHAFEEQ S)

Member

The West Bengal Authority for Advance
Ruling

(JAYDIP KUMAR CHAKRABARTI)

Member

The West Bengal Authority for Advance Ruling

Place: Kolkata

Date: 10th December, 2025

To,

The Mining Geological And Metallurgical Institute of India

GN 38/4, Sector V, Saltlake, Kolkata, Pincode-700091

Copy to,

(1)The Principal Chief Commissioner, CGST & CX, 180, Shantipally, R.B.Connector,
Kolkata-700107

(2)The Commissioner of State Tax, West Bengal, 14, Beliaghata Road, Kolkata-700015

(3)The Commissioner, Kolkata North Commissionerate, 180, Shantipally, R.B.Connector,
Kolkata-700107

(4)The Charge Officer, Saltlake Charge, Jalasampad Bhavan, Block DF, Sector I, Kolkata-
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