

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	EX SERVICEMEN RESETTLEMENT SOCIETY
Address	9-A Beparitola Lane, Kolkata-700072
GSTIN	19AAAAE1552E1Z4
Case Number	WBAAR 22 of 2025-26
ARN	AD1909250054133
Date of application	September 12, 2025
Jurisdictional Authority (State)	Chandni Chawk Charge
Jurisdictional Authority (Central)	BBD Bag II Division, Kolkata North Commissionerate
Order number and date	23/WBAAR/2025-26 dated 10.12.2025
Applicant's representative heard	Mr. Sunirmal Basu, Vice president of the applicant

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 provides security services and scavenging services on contractual basis to various WB State Govt Medical Colleges & Hospitals, District Hospitals, Sub Divisional & other hospitals in West Bengal. The society is submitting bills in every month for claiming security/scavenging bills in the form of (a) wages (b) employer portion of EPF & ESIC and (c) bonus (Bonus claimed once in a year during Durga Puja). The society is submitting bills along with 18% GST (CGST & SGST) of above components and depositing the same through GST portal till date.

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 raising following questions vide serial number 14 of the application in FORM GST ARA-01:

Paying of GST vide Notification 12/2017 dated 28/06/2017 as being PURE SERVICE and are exempted or not?

1.4 The questions on which the advance ruling is sought for is 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 rose in the application neither have been decided by nor is pending before any authority under any provision of the GST Act.

1.6 The application is, therefore admitted.

Submission of the Applicant

2.1 The applicant is providing services to various medical Colleges and Hospitals of Govt of W.B. The Hospitals (service receiver) are claiming that the security/scavenger services provided by the applicant to various hospitals are Pure Service vide Notification No 12/2017 dated 28.06.2017 and being Pure Service, paying of GST are exempted. In this context, the

applicant refers order of Health and Family Welfare Department Order vide 149-HS(MS)/HFW-231/2025 dated 22.08.2025.

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 representatives of the applicant during personal hearing. The revenue has not expressed any view in this regard.

4.2 According to the facts narrated by the applicant, he provides security services and scavenging staff on contractual basis to various West Bengal State Government Medical Colleges and Hospitals and to District Hospitals, Sub Divisional Hospitals in West Bengal as well. The applicant submits bills in every month for claiming charges for Security and Scavenging services containing the components of wages, employer's portion of EPF and ESIC and bonus (claimed once in a year).

4.3 The applicant has placed the following question before this authority:

Question: Whether the security and scavenging services provided by the applicant to various Medical Colleges and hospitals of Government of West Bengal is exempted from GST under Notification No. 12/2017 – Central Tax (Rate) Dated 28.06.2017?

4.4 Before going into the details of the discussion, we should discuss some concepts which will act as reference in the latter part of the discussion.

Pure Service: This term has not been defined in the provisions of the GST Act. This term has reference in serial no. 3 of Notification No. 12/2017-Central Tax (Rate) Dated 28.06.2017, as amended. Pure Services exclude works contract service or other composite supplies involving supply of goods. So supply of services which does not involve any supply of goods can be regarded as pure service.

Composite Supply: Section 2(30) of the CGST Act defines Composite Supply as supply made by a taxable person to a recipient consisting of two or more taxable supplies of goods or services or both, or any combination thereof, which are naturally bundled and supplied in conjunction with each other in the ordinary course of business, one of which is a principal supply.

Article 243G: This Article of the Constitution of India reads as under:

Powers, authority and responsibilities of Panchayats.—Subject to the provisions of this Constitution, the Legislature of a State may, by law, endow the Panchayats with such powers and authority as may be necessary to enable them to function as institutions of self-government and such law may contain provisions for the devolution of powers and responsibilities upon Panchayats at the appropriate level, subject to such conditions as may be specified therein, with respect to—(a) the preparation of plans for economic development and social justice; (b) the implementation of schemes for economic development and social justice as may be entrusted to them including those in relation to the matters listed in the Eleventh Schedule.

Now the Eleventh Schedule as available in the Constitution of India downloaded from the official website of Legislative Department, Ministry of Law and Justice, Government of India (<https://legislative.gov.in>) contains the following entries in respect of Article 243G:

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 assets.

Article 243W: This Article of the Constitution of India reads as under:

Powers, authority and responsibilities of Municipalities, etc.—Subject to the provisions of this Constitution, the Legislature of a State may, by law, endow— (a) the Municipalities with such powers and authority as may be necessary to enable them to function as institutions of self-government and such law may contain provisions for the devolution of powers and responsibilities upon Municipalities, subject to such conditions as may be specified therein, with respect to—(i) the preparation of plans for economic development and social justice;

(ii) the performance of functions and the implementation of schemes as may be entrusted to them including those in relation to the matters listed in the Twelfth Schedule;

(b) the Committees with such powers and authority as may be necessary to enable them to carry out the responsibilities conferred upon them including those in relation to the matters listed in the Twelfth Schedule.

Now the Twelfth Schedule contains the following entries in respect of Article 243W:

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 pounds; 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 slaughter houses and tanneries.

4.5 It is in the context of the above concepts and references that we will note our observations regarding the issue placed before us in this application for advance ruling. In this context we will refer to the relevant portion of Notification No. 12/2017 Central Tax (Rate) dated 28.06.2017. The relevant portion of the notification is reproduced as under:

Sl. No.	Chapter, Section, Heading, Group or Service Code (Tariff)	Description of Services	Rate (per cent.)	Condition
(1)	(2)	(3)	(4)	(5)
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 or a Governmental 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

4.6 It is evident from the above table that in order to qualify for Serial no. 3 of the Notification No. 12/2017 Central Tax (Rate) dated 28.06.2017, three conditions as under are to be fulfilled simultaneously:

1. The service must be a pure service. It should not be works contract service or other composite supplies involving supply of any goods.
2. The service is to be provided to the Central or State Government or Union Territory

or a local authority or a Governmental authority.

3. The service provided must be done by way of any activity in relation to any function entrusted to a Panchayat or Municipality under article 243G or 243W of the Constitution of India respectively.

4.7 The applicant has placed before us following three documents:

A) Invoice No. ERS/0331/25-26 dated 01.09.2025 issued by the applicant to the MSVP, Burdwan Medical College & Hospital, Burdwan

B) Invoice No. BSMCH/B/2023-24 dated 21.09.2024 issued by the applicant to the MSVP, Bankura Sammilani Medical College & Hospital, Bankura

C) Order No. 149 – HS (MS)/ HFW – 231/2025 Dated 22.08.2025 of the Health & Family Welfare Department, Government of West Bengal in respect of post-facto approval of an extension of the service of providing security personnel by the applicant

As per the records placed before us, the applicant is providing security personnel to the hospitals of Government of West Bengal in various districts and in Kolkata. The service is restricted to providing security personnel only. The invoices placed before us refer to the wages and bonus, if any for the concerned security personnel provided by the applicant. No other charges have been found in those invoices. Though no document in respect of scavenging services has been placed before us, it is learnt from the applicant's written submission dated 10.09.2025 that the applicant provides scavenging staff to various Government Medical Colleges and Hospitals, District Hospitals, Sub-Divisional Hospitals under the authority of the Government of West Bengal.

4.8 Now we will discuss whether the three conditions mentioned in Paragraph 4.7 have been fulfilled in our case.

As we have already noted, the applicant provides security personnel only. There is no supply of goods, whatsoever by the applicant. The consideration receivable by the applicant is restricted solely to the wages, bonus etc. of the concerned security personnel. In our considered view, such supply devoid any kind of supply of goods can be regarded as pure service.

The applicant is providing the above service to the Medical Colleges and hospitals of Government of West Bengal. So the supply is provided to the State Government

represented by the hospitals.

Now we come to the third condition of Entry No. 3 of the Notification No. 12/2017 Central Tax (Rate) dated 28.06.2017. From the discussion made in Paragraph 4.4, we find that the Eleventh Schedule to Article 243G contains 'Health and sanitation, including hospitals, primary health centres and dispensaries' under entry no. 23 of the said schedule. On the other hand, the Twelfth Schedule to Article 243W contains 'Public health, sanitation conservancy and solid waste management' under entry no. 6 of the referred schedule.

Entry no. 23 is the responsibility to be carried out by the panchayats of country while entry no. 6 is the responsibility of the municipalities of the country. Any functions in relation to these responsibilities among other responsibilities mentioned in the respective schedules must come under the purview of Entry No. 3 of the Notification No. 12/2017 Central Tax (Rate) dated 28.06.2017.

It is to be noted here that the notification uses the expression "any activity in relation to". The expression "in relation to" has a wide ambit and the test here must be whether the activity in question is related to and whether it is part of any function of the Municipalities or Panchayats as mentioned in the Eleventh Schedule or Twelfth Schedule of the constitution. It is evident that a hospital cannot function effectively in the absence of security services and scavenging services, both of which are essential support services to the activity of providing public health services. Without these essential activities, essential and effective public delivery of health and sanitation is not possible.

Therefore, we find that both security services in the form of providing security personnel and scavenging services in the form of providing scavenging staff to the government hospitals are undoubtedly activities in relation to both 'Health and sanitation, including hospitals, primary health centres and dispensaries' (vide entry no. 23 *supra*) and 'Public health, sanitation conservancy and solid waste management' (vide entry no. 6 *supra*).

So the third condition as referred to in Paragraph 4.7 is also fulfilled in the case in our hand.

In our considered view, all the three conditions mentioned in Entry No. 3 of the Notification No. 12/2017 Central Tax (Rate) dated 28.06.2017 have been fulfilled in the case of the applicant's activities as mentioned in the application and exempted under the said notification.

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

RULING

Question: Whether the security and scavenging services provided by the applicant to

various Medical Colleges and hospitals of Government of West Bengal is exempted from GST under Notification No. 12/2017 – Central Tax (Rate) Dated 28.06.2017?

Answer: The answer is in affirmative.

(SHAFEEQ S.)

Member

West Bengal Authority for Advance Ruling

(JAYDIP KUMAR CHAKRABARTI)

Member

West Bengal Authority for Advance Ruling

Place: Kolkata

Date: 10th December 2025

To,

EX SERVICEMEN RESETTLEMENT SOCIETY

9-A Beparitola Lane, Kolkata-700072

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 Charge Officer, Chandni Chawk Charge, 14, Beliaghata Road, Kolkata-700015
- (4) The Commissioner, CGST & CX, Kolkata North Commissionerate, Shantipally, R.B.Connector, Kolkata-700107
- (5) Office Copy