

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	Hari Narayan Singh
Address	85, Rupanjali Park, 18/1 Kalikapur Road, Kolkata, Kolkata, West Bengal, 700099
GSTIN	19BANPS4245K1Z0
Case Number	WBAAR 33 of 2025-26
ARN	AD1912250029444
Date of application	January 13, 2026
Jurisdictional authority (State)	Ballygunge Charge
Jurisdictional authority (Centre)	Tollygunj Division, Kolkata South Commissionerate
Order number and date	34/WBAAR/2025-26 dated 27.02.2026
Applicant's representative heard	Mr. Arun Kumar Dubey, CA

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 services under the Conservancy Department of Howrah Municipal Corporation (H.M.C.) for carrying of segregated waste from the secondary transfer point to the dumpsite in a segregated manner with own fuel-operated vehicle.

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 question:

Whether the services provided by the Applicant to Howrah Municipal Corporation (H.M.C.) for carrying of segregated waste from secondary transfer point to dumpsite in segregate manner with own Fuel Operated vehicle are exempt under Notification No. 12/2017 – State Tax (Rate), Sl. No. 3, 3A, or 4, being activities relating to functions entrusted to a Municipality under Article 243W of the Constitution?

1.4 The aforesaid question 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 submits that it is a registered proprietorship firm engaged in conservancy-related services and has been awarded a work order by the Howrah Municipal Corporation for carrying segregated waste from the secondary transfer point to the designated dumpsite in a segregated manner using its own fuel-operated vehicles. The nature of activity undertaken by the Applicant is

exclusively related to public health, sanitation and solid waste management functions entrusted to a Municipality under Article 243W of the Constitution of India read with Entry 6 of the Twelfth Schedule.

2.2 The Applicant submits that solid waste collection, segregation, transportation and disposal are statutory and mandatory functions of a Municipality under Article 243W. Entry 6 of the Twelfth Schedule specifically covers “Public health, sanitation, conservancy and solid waste management.” The services rendered by the Applicant are directly and integrally connected with the discharge of such constitutional and statutory obligations by the Howrah Municipal Corporation.

2.3 The Applicant further submits that Notification No. 12/2017 – State Tax (Rate) provides exemption in respect of certain services supplied to a local authority. Sl. No. 4 of the said notification exempts services provided to a local authority by way of any activity in relation to any function entrusted to a Municipality under Article 243W of the Constitution. Since the Applicant’s services are in direct relation to municipal solid waste management, the same squarely fall within the scope of the said exemption.

2.4 Without prejudice to the above, the Applicant submits that Sl. No. 3 of Notification No. 12/2017 exempts pure services (excluding works contract service or other composite supplies involving supply of goods) provided to a local authority by way of any activity in relation to functions entrusted to a Municipality under Article 243W. The Applicant’s work consists solely of transportation and handling of waste and does not involve transfer of property in goods to the Corporation.

2.5 The vehicles deployed by the Applicant, the fuel consumed, and the machinery or manpower engaged are utilized for execution of the service and do not result in any transfer of ownership or property in goods to the Municipal Corporation. The consideration received is measured solely on the basis of quantity of waste transported and handled. Therefore, the supply made by the Applicant qualifies as a “pure service” within the meaning of Sl. No. 3 of the Notification.

2.6 Further, Sl. No. 3A of the said notification exempts composite supplies where the value of goods does not exceed 25 percent of the total value of supply, provided the supply is made to a local authority in relation to functions entrusted under Article 243W. Even assuming without admitting that certain consumables such as fuel are involved, the same do not constitute transfer of goods and in any event do not exceed the prescribed threshold. Hence, the Applicant’s services would also qualify for exemption under Sl. No. 3A.

2.7 The Applicant submits that the exemption under Notification No. 12/2017 has been enacted with

the object of reducing the financial burden on local authorities in performing essential public health and sanitation functions. Imposing GST on such core municipal services would defeat the very intent of the exemption notification.

2.8 The Applicant further relies upon the ruling of the West Bengal Authority for Advance Ruling in the case of Indrajit Singh (Case No. 18 of 2019, order dated 29th April 2019), wherein it was held that lifting and removal of garbage for the Howrah Municipal Corporation using vehicles, drivers, labour, machinery and fuel did not involve any transfer of property in goods and constituted a pure service eligible for exemption under Sl. No. 3 of Notification No. 12/2017. The Authority specifically observed that the vehicles, fuel and machinery used in execution of the work did not result in any supply of goods to HMC and that consideration was based only on the quantity of garbage lifted and removed.

2.9 The Applicant submits that the facts of the present case are identical in nature and squarely covered by the ratio laid down in Indrajit Singh (supra). The scope of work in the present matter also involves transportation and handling of municipal solid waste without any transfer of goods to the Corporation.

2.10 The Applicant further submits that similar views have been taken by the West Bengal Authority for Advance Ruling in the cases of Vinayak Singh (order dated 08.10.2021) and Banchu Das (order dated 31.08.2022), wherein services relating to lifting and transportation of municipal waste were held to be pure services provided to a local authority in relation to functions under Article 243W and were consequently held exempt under Sl. No. 3 of Notification No. 12/2017.

2.11 In view of the above constitutional provisions, statutory notification, and consistent advance rulings of the West Bengal Authority for Advance Ruling, the Applicant humbly submits that the services rendered by it to the Howrah Municipal Corporation qualify for exemption under Sl. No. 3, alternatively Sl. No. 3A or Sl. No. 4 of Notification No. 12/2017 – State Tax (Rate).

3.Submission of the Revenue

3.1 The Revenue has submitted that, as per the application filed by M/s Hari Narayan Singh (GSTIN – 19BANPS4245K1Z0), the applicant is engaged in providing services to the Howrah Municipal Corporation for carrying segregated waste from the secondary transfer point to the designated dumpsite in a segregated manner using its own fuel-operated vehicles. The activity relates to solid waste collection, segregation, transportation and disposal, which are mandatory municipal functions

under Article 243W of the Constitution of India.

3.2 The Revenue has referred to Sl. No. 3 of the Table appended to Notification No. 12/2017-Central Tax (Rate) dated 28.06.2017, which exempts pure services (excluding works contract service or other composite supplies involving supply of any goods) provided to the Central Government, State Government, Union territory, local authority or Governmental authority by way of any activity in relation to any function entrusted to a Panchayat under Article 243G or to a Municipality under Article 243W of the Constitution.

3.3 It has been stated that the services rendered by the applicant are directly connected with the municipal function of solid waste management, which falls within the Twelfth Schedule read with Article 243W of the Constitution. The recipient of the service, namely the Howrah Municipal Corporation, is a local authority under the GST law.

3.4 The Revenue has further observed that the nature of the service appears to be a pure service, inasmuch as the activity involves transportation and handling of segregated waste using the applicant's own vehicles and fuel, and does not involve any transfer of property in goods to the Municipal Corporation.

3.5 In view of the above, the Revenue is of the opinion that the services provided by M/s Hari Narayan Singh to the Howrah Municipal Corporation are covered under Sl. No. 3 of Notification No. 12/2017-Central Tax (Rate) dated 28.06.2017 and are therefore exempt from GST.

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. We have also considered the submission made by the officer concerned from the revenue.

4.2 The applicant is a registered proprietorship firm engaged in conservancy related services. The applicant is stated to have been awarded contract related to carrying segregated waste from secondary transfer point to dumpsite in segregated manner with the help of own fuel operated vehicle for certain zone of a particular ward of Howrah Municipal Corporation. The related work orders have been placed on records.

4.3 The applicant, according to the work orders, shall collect segregated waste from a specified

area of the Howrah Municipal Corporation at specified time and carry it in segregated manner to the selected dumpsite. For this activity the applicant has to use its own vehicle and will be responsible for maintaining the vehicle and operation of vehicle. The contract is valid for a year with effect from 01.04.2025. The daily activity of the applicant in relation to the work is to be uploaded in the 'Purobikkha' app by the dedicated staff of the applicant.

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

Whether the services provided by the Applicant to Howrah Municipal Corporation (H.M.C.) for carrying of segregated waste from secondary transfer point to dumpsite in segregate manner with own Fuel Operated vehicle are exempt under Notification No. 12/2017 – State Tax (Rate), Sl. No. 3, 3A, or 4, being activities relating to functions entrusted to a Municipality under Article 243W of the Constitution?

4.5 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 GST 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.

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.

The Twelfth 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 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.

4.6 The applicant has referred to different serial numbers of Notification No. 12/2017 - Central Tax (Rate) dated 28.06.2017 as amended. According to the applicant, these serial numbers have

bearing on the merit of the present case. The relevant portions of the notification are reproduced as under:

TABLE

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 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
3A	Chapter 99	Composite supply of goods and services in which the value of supply of goods constitutes not more than 25 per cent of the value of the said composite supply 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]
4	Chapter 99	Services by governmental authority by way of any activity in relation to any function entrusted to a municipality under article 243W of the Constitution.	Nil	Nil

4.7 It is evident from the above table that the applicant's activity cannot qualify for serial number 4 since here the referred service is provided by governmental authority. The applicant is not a governmental authority. Governmental authority has been defined in Clause 2(zf) of the Notification *supra* as under:

"Governmental Authority" means an authority or a board or any other body,–

- (i) *set up by an Act of Parliament or a State Legislature; or*
- (ii) *established by any Government,*

with 90 per cent or more participation by way of equity or control, to carry out any function entrusted to a Municipality under article 243W of the Constitution or to a Panchayat under article 243G of the Constitution

The applicant does not qualify for the above criteria for being considered as 'Governmental Authority'. So applicability of serial no. 4 is out of question here.

4.8 Serial no. 3A refers to Composite supply of goods and services in which the value of supply of goods constitutes not more than 25 per cent of the value of the said composite supply. So far as the nature of the activity of the applicant as stated in the application and submitted before us in the course of hearing is concerned, there is no supply of goods involved in it. The operation of own vehicle used for removal of the waste and its repair does not hint at any kind of supply of goods from the applicant to Howrah Municipal Corporation. So applicability of serial no. 3A is also ruled out.

4.9 The Revenue has given his opinion in this respect. According to his opinion, the applicant supplies services related to solid waste collection, segregation, transportation and disposal which is mandatory municipal functions under Article 243W of the Constitution of India. The applicant declares that they are engaged in supply of service directly to Howrah Municipal Corporation for carrying of segregated waste from secondary transfer point to dumpsite in segregate manner with own fuel operated vehicle. Referring to the relevant portion of Notification No. 12/2017 - Central Tax (Rate) Dated 28.06.2017, as amended the Revenue is of the opinion that that the service provided by M/s Hari Narayan Singh is exempt as per Sl No. 3 of the Notification *ibid*.

4.10 Now we will discuss whether the referred activity of the applicant will qualify for exemption *vide* serial no. 3 of the table in Notification 12/2017 *ibid*. In order to qualify for Serial no. 3 of the Notification No. 12/2017 Central Tax (Rate) dated 28.06.2017 as amended, the following three conditions 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.
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

4.11 So far as the activities mentioned in the application for advance ruling is concerned, the

second and third conditions are fulfilled.

The applicant provides the service to Howrah Municipal Corporation. Let us see whether Howrah Municipal Corporation can be considered as local authority. Section 2(69) of the CGST Act, 2017 defines 'local authority' as under;

"local authority" means-

(a) a "Panchayat" as defined in clause (d) of article 243 of the Constitution;

(b) a "Municipality" as defined in clause (e) of article 243P of the Constitution;

(c) a Municipal Committee, a Zilla Parishad, a District Board, and any other authority legally entitled to, or entrusted by the Central Government or any State Government with the control or management of a municipal or local fund;

(d) a Cantonment Board as defined in section 3 of the Cantonments Act, 2006 (41 of 2006);

(e) a Regional Council or a District Council constituted under the Sixth Schedule to the Constitution;

(f) a Development Board constituted under article 371 10[and article 371J] of the Constitution; or

(g) a Regional Council constituted under article 371A of the Constitution

Howrah Municipal Corporation was formed in 1980 by virtue of the West Bengal Act LVIII of 1980 passed by the Legislature of West Bengal for better administration of municipal affairs of Howrah. This Corporation was formed under the provisions of Article 243P read with Article 243Q of the Constitution of India. So Howrah Municipal Corporation is a local authority as defined in the CGST Act.

So far as the applicant's activity is concerned, it is related to disposal of garbage and waste generated in certain areas of Howrah Municipal Corporation. This activity is in relation to waste management and as such it is covered by serial no. 6 of the Twelfth Schedule of Article 243W *supra*.

4.12 Now the only point that remains to be considered by this authority is whether the activity mentioned by the applicant qualifies for 'pure service' as mentioned in serial no. 3 of the Notification No. 12/2017 *supra*.

To answer this question we have to view the activity with reference to the related work orders issued by the municipal corporation and the functional details of such activities. From the details of the work orders placed before us and the submissions made before us, we find that the applicant,

according to the work orders, shall collect garbage from the specified areas of Howrah Municipal Corporation and dump them in a specific dumpsite determined by the corporation. The vehicle for such activity is to be provided by the applicant. The operation and maintenance of the vehicle should be the responsibility of the applicant.

The applicant shall maintain a Log Book at work site and will attach weight slip to note the quantity of garbage removed. Pictures of such removal of garbage shall be uploaded in the 'Purobikkhan' app by the applicant and he will receive contract amount according to the unit of quantity of garbage removed. The rate is fixed at certain amount per metric ton of garbage removed.

4.13 After the detailed study of the work orders placed before us, we are of the considered view that the work orders do not represent any kind of works contract or composite supplies having any supply of goods involved in them. The services can be regarded as pure services and as such it qualifies for exemption under serial no. 3 of Notification No. 12/2017-Central Tax (Rate) Dated 28.06.2017, as amended on the following grounds:

- i) Those are Pure Services.
- ii) No works contract service or other composite supply involving supply of any goods is related to those works.
- iii) Those pure services are provided to the local authority.
- iv) The specific activity of the services is in relation to function entrusted to a municipality under Article 243W (vide serial no. 6 of the Twelfth Schedule).

In view of the foregoing, we rule as under:

RULING

Whether the services provided by the Applicant to Howrah Municipal Corporation (H.M.C.) for carrying of segregated waste from secondary transfer point to dumpsite in segregate

manner with own Fuel Operated vehicle are exempt under Notification No. 12/2017 – State Tax (Rate), Sl. No. 3, 3A, or 4, being activities relating to functions entrusted to a Municipality under Article 243W of the Constitution?

Answer: The referred activity will qualify for serial no. 3 of Notification No. 12/2017 – Central Tax (Rate) Dated 28.06.2017, as amended. As such, it is exempted from tax.

Sd/-

(SHAFEEQ S.)

Member

West Bengal Authority for Advance Ruling

Sd/-

(JAYDIP KUMAR CHAKRABARTI)

Member

West Bengal Authority for Advance Ruling

Place: Kolkata

Date: 27th February, 2026

To,

Hari Narayan Singh

85, Rupanjali Park, 18/1 Kalikapur Road, Kolkata, Kolkata, West Bengal, 700099

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, CGST & CX, Kolkata South Commissionerate, 180, Shantipally, R.B.Connector, Kolkata - 700107
- (4) The Charge Officer, Ballygunge Charge, 14 Beliaghata Road, Kolkata - 700015
- (5) Office Copy