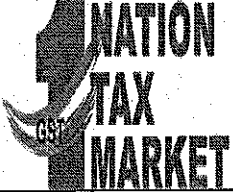


H8

	<b>KERALA AUTHORITY FOR ADVANCE RULING GOODS AND SERVICES TAX DEPARTMENT TAX TOWER, THIRUVANANTHAPURAM</b>
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**BEFORE THE AUTHORITY OF:** *Shri. S. Anil Kumar IRS &  
: Shri. B.S. Thyagarajababu B.Sc, LL.M*

Legal Name of the applicant	Sri. Puthoor Unnikrishnan
GSTIN	32AAWPU0900H1ZN
Address	IV/321, Puthoor House, Thenkara, Mannarkkad, Palakkad 678582
Advance Ruling sought for	<p>i. Whether the supply of providing labour services for setting up fire lines in forests to protect forest from catching fire which cause damages to forest, labour services for plantation of trees in forests, labour services for rill / river maintenance (rill bank protection by using rill stones), labour services of clearing the truck path in forests is included in exempted services in Notification No.12/2017 Central Tax (Rate) dated 28-06-2017 or any other related exemption notification.</p> <p>ii. If the above supply of service is not included in any exemption notifications as per Question No.1, the rate of goods and services tax applicable to such supply of services.</p>
Date of Personal Hearing	12.04.2019
Authorized Representative	Sri. Tony .M.P., CA

**ADVANCE RULING No. KER/ 27 /2019 Dt.24.05.2019**

The applicant is providing various labour services directly to Kerala Forest Department, under his supervision and control. He is providing labour services for setting up fire lines in forests to protect forest from catching fire which cause damages to forest, labour services for plantation of trees in forests, labour services for rill / river maintenance (rill bank protection by using rill stones) and labour services of clearing the truck path in forests.

Applicant requested advance ruling on the following:

- (i) Whether the supply of providing labour services for setting up fire lines in forests to protect forest from catching fire which cause damages to forest, labour services for plantation of trees in forests, labour services for rill / river maintenance (rill bank protection by using rill stones), labour services of clearing the truck path in forests is included in exempted services in Notification No.12/2017 Central Tax (Rate) dated 28-06-2017 or any other related notification.
- (ii) If the above supply of service not included in any exemption notifications as per Question No.1, the rate of goods and services tax applicable to such supply of services.

The authorized representative of the applicant was heard. It is stated that the petitioner is engaged in various labour services to Government of Kerala connected with fire protection, plantation work, clearing of truck paths, maintenance work for soil and water resources in forest areas. The entire works undertaken by the applicant are directly to the Kerala Forest Department. All these services are pure labour works and do not include any kinds of goods or materials.

The matter was examined in detail. "Pure services" means supply of services without involving any supply of goods. As per Notification No.12/2017 Central Tax (Rate) dated 28-06-2017 (SRO.No.371/2017), vide serial number 3, 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 or a Government entity 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, is exempted.

As per the Serial Number 3A in the exemption Notification, 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 or a Governmental authority or a Government entity by way of any activity in relation to any function entrusted to a Panchayath under Article 243G of the Constitution or in relation to any function entrusted to a Municipality under Article 243W of the Constitution, is exempted from Goods and Services Tax vide Notification No.12/2017

Central Tax (Rate) dated 28-06-2017 as amended by Notification No.02/2018 Central Tax (Rate) dated 25-01-2018.

The functions entrusted to a municipality under the Twelfth Schedule to Article 243W of the Constitution are as under:

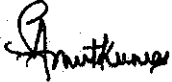
- (a) Urban planning including town planning.
- (b) Regulation of land-use and construction of buildings.
- (c) Planning for economic and social development.
- (d) Roads and bridges.
- (e) Water supply for domestic, industrial and commercial purposes.
- (f) Public health, sanitation conservancy and solid waste management.
- (g) Fire services.
- (h) Urban forestry, protection of the environment and promotion of ecological aspects.
- (i) Safeguarding the interests of weaker sections of society, including the handicapped and mentally retarded.
- (j) Slum improvement and upgradation.
- (k) Urban poverty alleviation.
- (l) Provision of urban amenities and facilities such as parks, gardens, playgrounds.
- (m) Promotion of cultural, educational and aesthetic aspects.
- (n) Burials and burial grounds; cremations, cremation grounds; and electric crematoriums.
- (o) Cattle pounds; prevention of cruelty to animals.
- (p) Vital statistics including registration of births and deaths.
- (q) Public amenities including street lighting, parking lots, bus stops and public conveniences.
- (r) Regulation of slaughter houses and tanneries.

Therefore the functions like construction of roads, fire services, urban forestry, protection of environment etc. come within the scope and ambit of Article 243W of the Constitution.

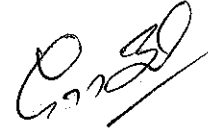
In view of the observations stated above, the following rulings are issued:

Whether the supply of providing labour services for setting up fire lines in forests to protect forest from catching fire which cause damages to forest, labour services for plantation of trees in forests, labour services for rill / river maintenance (rill bank protection by using rill stones), labour services of clearing the truck path in forests is included in exempted services in Notification No.12/2017 Central Tax (Rate) dated 28-06-2017 or any other related notification.

The services for setting up fire lines, plantation of trees in forest, river maintenance in forest, clearing of truck path in forest are pure services that are clearly falling within the purview of the term "Protection of Environment 'Road' / 'Fire Services'" as covered in 12<sup>th</sup> Schedule under Article 243W of the Constitution. Therefore, these services are exempted as per Sl.No.3 of the Notification No.12/2017-Central Tax (Rate) dated 28-06-2017 (SRO.No.371/2017).



**S.Anil Kumar, IRS**  
**Additional Commissioner of Central Tax**  
**Member**



**B.S.Thyagarajababu, B.Sc, LL.M**  
**Joint Commissioner of State Tax**  
**Member**

To

Shri. Puthoor Unnikrishnan  
IV/321, Puthoor House, Thenkara, Mannarkkad,  
Palakkad 678582.