

AUTHORITY FOR ADVANCE RULING – CHHATTISGARH
3rd & 4th Floor, Vanijyikar GST Bhawan, North Block Sector-19,
Atal Nagar, District-Raipur (C.G.) 492002

Email ID – gst.aar-cg@gov.in

PROCEEDING OF THE AUTHORITY FOR ADVANCE RULING
U/s. 98 OF THE CHHATTISGARH GOODS AND SERVICES TAX ACT, 2017

Members Present are

Smt. Yachana Tambrey
Joint Commissioner
O/o Commissioner, State Tax
(CGGST), Raipur, Chhattisgarh.

Shri Dr. Bura Naga Sandeep
Joint Commissioner,
O/o Principal Commissioner,
CGST & Central Excise, Raipur (C.G)

Subject :- Chhattisgarh GST Act, 2017 – Advance Ruling U/s 98 Chhattisgarh GST Act, 2017 – Advance Ruling U/s 98 sought M/s **Chhattisgarh Rajya Van Vikas Nigam Limited (CGRVVNL)** having its registered office at Lokash Plaza, Saheed Veer Narayan Singh Ward, Shankar Nagar, Raipur (hereinafter referred to as “The Applicant”) is registered under GST and having GSTIN as 22AACCC2857LAZF, seeking advance ruling inter-alia regarding exemption / taxability of afforestation/plantation services provided by CGRVVNL to the mining companies of the Government of India (such as Coal India Ltd, NMDC Ltd.).

Read :- Application 15.06.2025 from M/s **Chhattisgarh Rajya Van Vikas Nigam Limited (CGRVVNL)** having its registered office at Lokash Plaza, Saheed Veer Narayan Singh Ward, Shankar Nagar, Raipur Chhattisgarh.

PROCEEDINGS

[U/s 98 of the Chhattisgarh Goods & Services Tax Act, 2017 (herein- after referred to as CGGST Act, 2017)]

NO/STC/AAR/03/2025

Raipur Dated **12-09-2025**

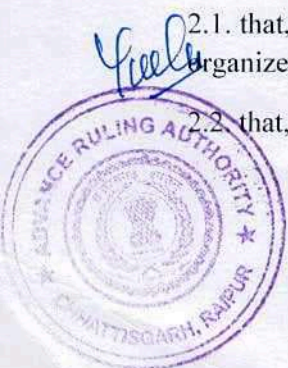
M/s. **Chhattisgarh Rajya Van Vikas Nigam Limited** having its registered office at Lokash Plaza, Saheed Veer Narayan Singh Ward, Shankar Nagar, Raipur Chhattisgarh is registered under GST having GSTIN 22AACCC2857LAZF is seeking advance ruling as to i. Whether the afforestation/plantation services provided by CGRVVNL to the mining companies of the Government of India (such as Coal India Ltd, NMDC Ltd.) is Exempt from GST under Entry No.4 or 5 of Notification No.12/2017 – Central Tax (Rate) dated 28.06.2017 or NIL rate under Entry No. 24(i) of Notification No. 11/2017- Central Tax (Rate)? Or Exempted under any other provision of law and regarding the Specific SAC of the said Service?

2. Facts of the case: -

The facts as brought about by the applicant in the instant ARA-01 as informed by them can be summarized as under:

2.1. that, in the year 1864, the British established the Forest Department in India, marking the beginning of organized forest management.

2.2 that, in the year 1865, the first state forest act was enacted asserting states control over forests.



2.3. that, after Independence, Forestry in India is a subject deeply tied to **constitutional provisions**, reflecting its **environmental, economic, and social importance**. Forestry being the internal part of agriculture was governed by Ministry of Food and Agriculture later renamed as **Ministry of Agriculture**.

2.4. that, during this time the world was waking up to **climate change, biodiversity loss, and environmental crises**. India had to align with global frameworks like **UNEP (United Nations Environment Programme)** and **Stockholm Conference 1972**. So, India needed a dedicated body to manage environment and forests beyond just economic gains.

2.5. that, the first **National Commission on Agriculture** was formed in August 1970 under the **Ministry of Agriculture**.

2.6. that, in the year 1972, an interim report by **National Commission on Agriculture** was published.

2.7. that, in the Year 1976, the Indian constitution had 42nd Amendment been made for the following for the reason to ensure a more unified approach to forest conservation and management, recognizing that forests are a vital resource that transcends state boundaries and requires national-level coordination. Forests often span across state boundaries, and their conservation requires collaboration between different states. Moving the subject to the Concurrent List facilitated greater interstate cooperation and coordination

Constitutional Framework – Seventh Schedule

Entry	List	Provision
Entry 17A	Concurrent List	<i>Forests</i> (Inserted via 42nd Amendment, 1976)
Entry 17B	Concurrent List	<i>Protection of wild animals and birds</i>
Entry 19	State List (Pre-1976)	<i>Forests</i> – before the 42nd Amendment

- **Pre-1976:** States had exclusive legislative power over forests.
- **Post-1976:** Centre and States share legislative powers. However, **Article 254** provides that Central law prevails in case of repugnancy.

This shift allowed the Union to enact environmental laws like the **Forest (Conservation) Act, 1980**, which restricts de-reservation/diversion of forest land without Central approval.

Further Article 48A was inserted with the same amendment of 1976 to include the new Directive Principles of State Policy for **Protection and Improvement of environment and safeguarding of forests and wild life**

Article 48A – Inserted by the 42nd Amendment, 1976 mentions:-

"The State shall endeavor to **protect and improve the environment and to safeguard the forests and wildlife of the country.**



2.8. that, in the year 1980, The Forest (Conservation) Act, 1980 was enacted to provide for the conservation of forests and related matters, primarily by restricting the diversion of forest land for non-forest purposes without prior approval. This is a crucial aspect of maintaining existing forest cover, which allows for natural growth. When diversion is permitted, guidelines and rules often require compensatory afforestation to make up for the forest area lost, thus contributing to overall forest/tree cover growth elsewhere. Planned reafforestation within existing forest land is also permitted for areas where natural trees are cleared for that purpose within a working plan.

2.9. that, before 1985, the forestry which was under **the Ministry of Agriculture**, but in the year 1985 the Government of India established a new, dedicated ministry called Ministry of Environment and Forests (MoEF), which now is called as Ministry of Environment, Forest and Climate Change (MoEF&CC).

2.10. that, in the year 1988, National Forest policy, (1988) came in existence because India needed a clear, long-term vision to manage its forests *not just as timber stock*, but as ecological, social, and economic assets.

The National Forest policy recognizes forest depletion due to overuse, inadequate protection, and diversion to non-forest uses; emphasizes ecological preservation over economic benefit.

In the year 1988, National Forest policy,(1988) came in existence with the following summary: -

Section	Key Points
Preamble:	Recognizes forest depletion due to overuse, inadequate protection, and diversion to non-forest uses; emphasizes ecological preservation over economic benefit.
Objectives:	- Environmental stability- Biodiversity conservation- Soil & water conservation- Combat desertification- Massive afforestation- Meet rural needs (fuelwood, fodder)- Forest productivity & efficient use- Public involvement, especially women
Forest Management:	- Protection & productivity of forests- Avoid agriculture land diversion- Strengthen protected areas- Provide fuel, fodder, minor produce- Encourage afforestation near habitation
Strategy:	- Minimum 33% forest cover (66% in hills)- Tree planting on unused/degraded land- Tree rights for poor/marginal groups- Encourage private tree farming- Regulate forest use via approved plans
Rights & Concessions:	- Linked to forest capacity- Encourage stall-feeding- Protect tribal & local rights- Supply basic needs locally- Avoid overexploitation
Diversion for Non-Forest Use:	- Strict scrutiny required- Provide funds for compensatory afforestation- Enforce mine rehabilitation



Section	Key Points
Wildlife Conservation:	- Include wildlife in forest plans- Establish habitat corridors
Tribal People:	- Involve tribals in forest protection- Replace contractors with cooperatives- Promote forest village development- Provide employment & energy alternatives
Shifting Cultivation:	- Discourage it with alternate livelihoods- Rehabilitate degraded lands
Forest Threats:	- Stop encroachment- Control fires with better practices- Regulate grazing with community help
Forest-Based Industries:	- Raise own raw materials- Prioritize local needs- Avoid use of natural forests- End concessional wood supply- Encourage raw material imports
Forest Extension:	- Promote awareness through schools/media- Involve farmers & communities- Use training centres
Forestry Education:	- Recognize as profession- Update curriculum- Link to Indian Forest Service recruitment
Research Priorities:	- Productivity enhancement- Reclamation of degraded land- Natural forest management- Social forestry- Wildlife conservation- Wood substitutes
Personnel Management:	- Attract & retain skilled staff with better policies & support
Forest Survey & Data:	- Improve data accuracy- Use modern tech for regular surveys
Legal & Infrastructure:	- Enact supportive laws- Ensure proper implementation framework
Financial Support:	- Substantial investment needed- Forests to be treated as national assets, not revenue sources

2.11. that, further, The National Forest Policy, 1988 outlines specific guidelines and restrictions regarding mining activities in forest areas. Here's a focused summary of the forest policy provisions related to mining:

<u>Policy Clause</u>	<u>Provision Regarding Mining</u>
Section 4.4.1 – Diversion of	- Forest land must not be viewed as a resource readily available for mining or other non-forest uses



<u>Policy Clause</u>	<u>Provision Regarding Mining</u>
Forest Land	<ul style="list-style-type: none"> - Any diversion must be carefully examined by specialists from social and environmental perspectives. - Projects involving mining must allocate funds for compensatory afforestation in their investment budgets.
Section 4.4.2 – Responsibility of Mining Beneficiaries	<ul style="list-style-type: none"> - Mining and quarrying beneficiaries (private or public) must reclaim and revegetate the affected areas following standard forestry practices. - No mining lease should be granted without a proper mine management plan. - These plans must be environmentally appraised and enforced by appropriate regulatory authorities.

Therefore, any diversion of forest land must include legal and financial responsibility on the part of the project proponent to plant trees over an equivalent area elsewhere for the Government owned PSU's etc. (Compensatory Afforestation).

2.12. that, the Legal Interpretation of 1988 Policy on Mining is as follows:-

Clause

Legal Meaning

Mining requires strict scrutiny

The policy treats forest land as an ecological asset. Any mining project must undergo environmental and social impact assessments, ensuring that the benefits outweigh the ecological costs.

Mandatory Mine Management Plan

Mining operations must have a scientifically sound and government-approved mine plan, including environmental safeguards and forest regeneration commitments.

No lease without environmental clearance

Mining leases in forest areas require a comprehensive EIA and clearance from the Ministry of Environment, Forest and Climate Change (MoEFCC) under the Forest (Conservation) Act, 1980.

Compensatory afforestation

Any diversion of forest land must include legal and financial responsibility on the part of the project proponent to plant trees over an equivalent area



Clause

Legal Meaning

elsewhere (Compensatory Afforestation).

Restoration is non-negotiable

Post-mining ecological restoration and revegetation are not just policy suggestions—they form a basis for legal obligations and penalties under environmental law today.

The same has also been referred in the guidelines for diversion of forest lands for non-forest purpose under the Forest (Conservation) Act, 1980 issued by Government of India, Ministry of Environment and Forests dated 25.11.1994 vide number 5-5/86-FC.

- 2.13. that, in the year 1972, **National Commission on Agriculture**, in its report on “Production Forestry-Man Made Forests” expressed concern over fast depletion of forests and recommended- To enhance productivity of the forests by adopting Intensive Forest Management Technique and plantation of species of higher economic value.

Keeping in view the limited financial resources of the states, Forest Development Corporations should be formed to draw Institutional Finances.

- 2.14. that, the *1972 Interim Report of the National Commission on Agriculture* recognized the need for **Social Forestry** describing both Production forestry and Social Forestry. The objective was to integrate forestry with rural development by ensuring access to firewood, fodder, and small timber for communities, especially those residing in or near forest areas.

2.15. that, the Objectives of 1972 Report of National Commission on Agriculture was as follows:

(a) To Address Rural Resource Needs:

Provide firewood, small timber, and non-timber forest produce through local plantations.

(b) For Environmental Restoration:

Improve soil, water retention, and microclimates through local green cover initiatives.

(c) To Reduce Pressure on Reserved Forests:

Divert community dependency away from ecologically sensitive and protected areas.

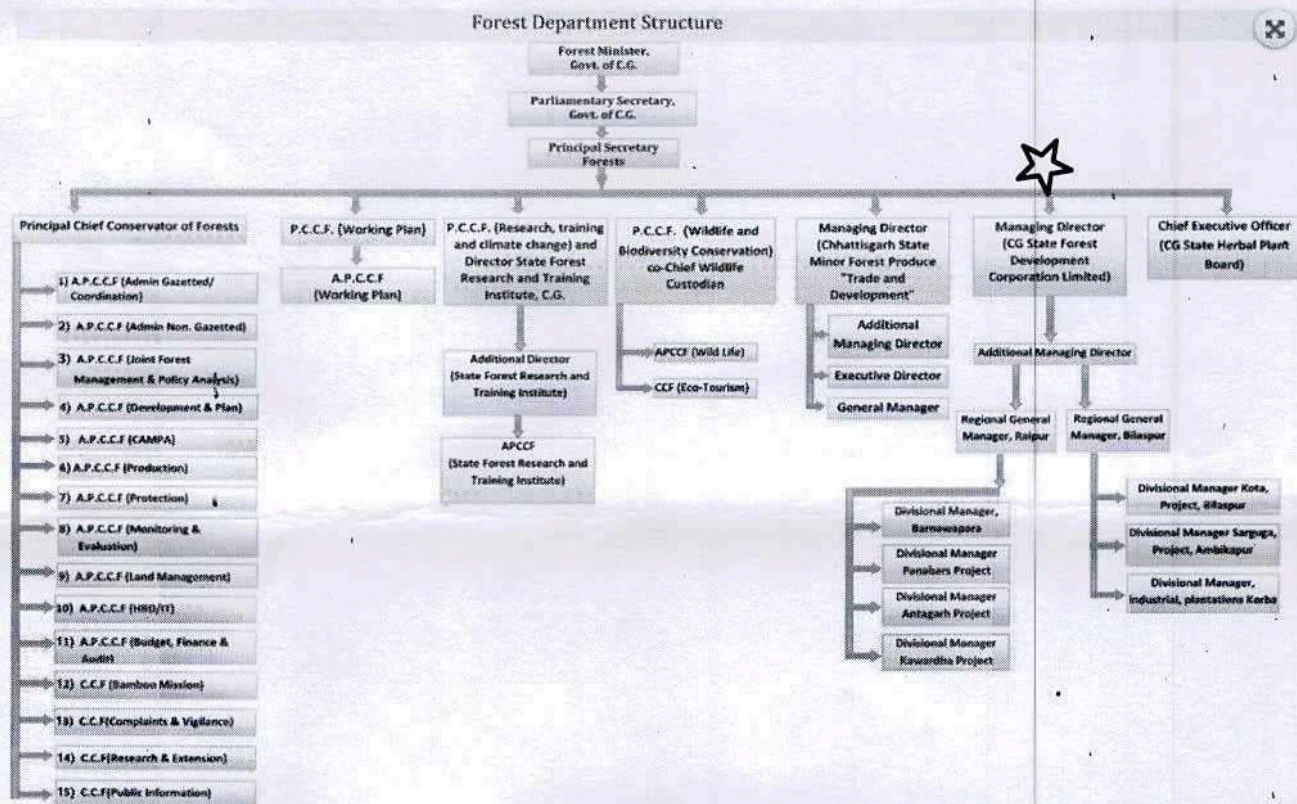
(d) To Create Rural Employment:

Utilize plantation, nursery development, and agro-forestry to generate local jobs.

- 2.16. that, the Chhattisgarh Rajya Van Vikas Nigam Ltd. has been formed in pursuance of Notification No. F-5-2/Forest/ 2001/ dated 30th April 2001. As per this notification, the Nigam has been incorporated under the Companies Act, 1956 on 22nd May 2001.

- 2.17. that, **Chhattisgarh Rajya Van Vikas Nigam Limited (CGRVVNL)** is a state government-owned company established on May 22, 2001, under the Companies Act, 1956. It is governed by Chhattisgarh Forest Department.





2.18. that, the organization focuses on sustainable forestry practices, aiming to balance ecological conservation with economic development.

Corporate Structure and Governance

- **Company Type:** Government Company
- **Authorized Capital:** ₹30 crore
- **Paid-up Capital:** ₹26.65 crore

निगम की अंशपूंजी

- अधिकृत अंशपूंजी :-निगम की अधिकृत अंशपूंजी रु. 30 करोड़ है।
- प्रदत्त अंशपूंजी :-निगम की प्रदत्त अंशपूंजी रु. 26.655 करोड़ है।

अंशधारक	अंशपूंजी	प्रतिशत
छत्तीसगढ़ शासन	रु. 25.731 करोड़	96.53%
भारत सरकार	रु. 0.924 करोड़	3.47%
योग:	रु. 26.655 करोड़	100.00%

2.19. that, the Applicant that is CGRVNL, performs afforestation activity by facilitating environmental sustainability and compliance with afforestation mandates for various government entities, including **Public Sector Undertakings (PSUs) in the mining sector** such as Coal India Ltd and its subsidiaries, NMDC Ltd., and other similar entities, **as also mandated by environmental laws**

and conditions of forest clearance under the Forest (Conservation) Act, 1980 and guidelines of the Ministry of Environment, Forest and Climate Change (MoEF&CC), Government of India.

2.20. that the applicant CGRVVNL, a government authority under the Government of Chhattisgarh, undertakes plantation and economic and ecological development activities. Its main objectives of its incorporation is as follows:

- a. To accelerate and increase forestry production by creating plantation of
 - i. Fast Growing species
 - ii. Species of higher economic value
 - iii. Species capable of diversified use for industrial and commercial purpose.
- b. To bring suitable forest areas under intensive management practices in order to improve, enrich and enhance production, both in quantity and quality.
- c. To develop land, to maintain, conserve, protect, preserve, tend, exploit and to manage in all respects crops and trees raised or come up naturally and forests and land of all description
- d. To undertake maintenance, preservation, protection and development of existing fauna.
- e. To plant, grow, cultivate, produce and raise plantation of all kinds of varieties of forest plants, trees and crops and natural products of any kind and other agricultural crops.

The CGRVVNL under the said objectives it also executes compensatory afforestation, site preparation, soil and moisture conservation, eco-restoration and forest rehabilitation projects mandated to government mining PSU.

The afforestation/plantation service is provided by the CGRVVNL including maintenance of the plants with further 4 years maintenance for a result of more than 80% existence of plants over the **mine dump known as OB Dump** and barren lands located by such PSUs.

These services are not commercial in nature but are executed under statutory obligation mandated by forest clearance conditions issued by the MoEF&CC.

The Applicant is charging the agreed project cost, which includes administrative expenses but no profit.

It is in this context, the applicant is seeking ruling on the following points:-

Whether the afforestation/plantation services provided by CGRVVNL to the mining companies of the Government of India (such as Coal India Ltd, NMDC Ltd.) is

- a. Exempt from GST under Entry No.4 or 5 of Notification No.12/2017- Central Tax (Rate) dated 28.06.2017 or
- b. NIL rate under Entry No. 24(i) of Notification No. 11/2017- Central Tax (Rate)? or
- c. Exempted under any other provision of law?
- d. Specific SAC of the said Service.

APPLICANT'S INTERPRETATION OF LAW AND/OR FACTS:-

- A. that, as per Notification no. 12/2017-central tax (rate), dated 28-6-2017, as amended by, Notification no. 21/2017-central tax (rate), dated 22-8-2017, Notification no. 25/2017-central tax(rate), dated 21-9-2017, Notification no. 30/2017-central tax (rate), dated 29-9-



2017, Notification no. 32/2017-central tax (rate), dated 13-10-2017, Notification no. 47/2017-central tax (rate), dated 14-11-2017, Notification no. 2/2018-central tax (rate), dated 25-1-2018, Notification no. 14/2018-central tax (rate), dated 26-7-2018, Notification no. 23/2018-central tax (rate), dated 20-9-2018, Notification no. 28/2018-central tax (rate), dated 31-12-2018, Notification no. 4/2019-central tax (rate), dated 29-3-2019, Notification no. 13/2019-central tax (rate), dated 31-7-2019, Notification no. 21/2019-central tax (rate), dated 30-9-2019, Notification no. 28/2019-central tax (rate), dated 31-12-2019, Notification no. 4/2020-central tax (rate), dated 30-9-2020, Notification no. 5/2020-central tax (rate), dated 16-10-2020, Notification no. 7/2021-central tax (rate), dated 30-9-2021, Notification no. 16/2021-central tax (rate), dated 18-11-2021, Notification no. 4/2022-central tax (rate), dated 13-7-2022, Notification no. 15/2022-central tax (rate), dated 30-12-2022, Notification no. 1/2023-central tax (rate), dated 28-2-2023, Notification no. 7/2023-central tax (rate), dated 26-7-2023, Notification no. 13/2023-central tax (rate), dated 19-10-2023, Notification no. 4/2024-central tax (rate), dated 12-7-2024, Notification no. 8/2024-central tax (rate), dated 8-10-2024 and Notification no. 6/2025-central tax (rate), as follows:

Sr. No.	Chapter, section, heading	Description of Service	Rate (%)
4	Chapter 99	Services by 3[***] governmental authority by way of any activity in relation to any function entrusted to a municipality under article 243W of the Constitution.	Nil
5	Chapter 99	Services by 3[***] governmental authority by way of any activity in relation to any function entrusted to a panchayat under article 243G of the Constitution.	Nil

Definitions.— For the purposes of this Notification, unless the context otherwise requires,

(zf) "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;

B. Further that, ELEVENTH SCHEDULE (Article 243G) reads as follows:

ELEVENTH SCHEDULE (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. 1Added by the Constitution (Seventy-third Amendment) Act, 1992, s. 4 (w.e.f. 24-4-1993).
22. Markets and fairs.
23. Health and sanitation, including hospitals, primary health centres and dispensaries. BH
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 asset

Further that TWELTH SCHEDULE (Article 243W) reads as under :



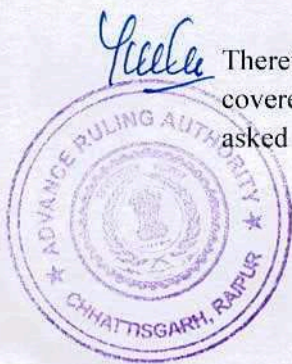
Twelfth Schedule [Article 243W of the Constitution]

1. Urban planning including town planning.
2. Planning 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

D. That, from the facts mentioned above applicants interpretation is as under :-

- Chhattisgarh Rajya Van Vikas Nigam Limited (CGRVVNL) is covered under the definition of Government Authority as it is 100% owed and controlled by the Government and has been formed for various purpose as covered in point 01, 02 and 06 of the Eleventh Schedule and Point 08 of the Twelfth Schedule.
- Here the service provided by Chhattisgarh Rajya Van Vikas Nigam Limited (CGRVVNL) to the mining companies is covered under in point 01, 02 and 06 of the Eleventh Schedule and Point 08 of the Twelfth Schedule.

Therefore in interpretation to the question (a) the applicant is of the opinion that primarily it is covered under this Notification in point 4 and 5 and the services provided in respect of the same as asked in the question is exempt under her said entries.



As stated above as far as the service specific interpretation is concerned applicant is of the interpretation as follows for question (b):-

A. As per Notification No.11/2017 Central Tax(Rate) as amended up to 16/01/2025 is as follows:

Sr. No.	Chapter, section, heading	Description of Service	Rate (%)
24	Heading 9986 (Support services to agriculture, hunting, forestry, fishing ,mining and utilities)	<p>(i) Support services to agriculture, forestry, fishing, animal husbandry. Explanation. – “Support services to agriculture, forestry, fishing, animal husbandry” mean – (i) Services relating to cultivation of plants and rearing of all life forms of animals, except the rearing of horses, for food, fiber, fuel, raw material or other similar products or agricultural produce by way of- (a) agricultural operations directly related to production of any agricultural produce including cultivation, harvesting, threshing, plant protection or testing; (b) supply of farm labour; (c) processes carried out at an agricultural farm including tending, pruning, cutting, harvesting, drying, cleaning, trimming, sun drying, fumigating, curing, sorting, grading, cooling or bulk packaging and such like operations which do not alter the essential characteristics of agricultural produce but make it only marketable for the primary market; (d) renting or leasing of agro machinery or vacant land with or without a structure incidental to its use; (e) loading, unloading, packing, storage or warehousing of agricultural produce; (f) agricultural extension services; (g) services by any Agricultural Produce Marketing Committee or Board or services provided by a commission agent for sale or purchase of agricultural produce.</p> <p>(ii) Services by way of pre-conditioning, pre-cooling, ripening, waxing, retail packing, labelling of fruits and vegetables which do not change or alter the essential characteristics of the said fruits or vegetables.</p> <p>(iii) Carrying out an intermediate production process as job work in relation to cultivation of plants and rearing of all life forms of</p>	Nil



		animals, except the rearing of horses, for food, fibre, fuel, raw material or other similar products or agricultural produce	
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Explanation.- For the purposes of this Notification,-

(ii) Reference to "Chapter", "Section" or "Heading", wherever they occur, unless the context otherwise requires, shall mean respectively as "Chapter", "Section" and "Heading" in the annexed scheme of classification of services (Annexure).

B. As per the Classification of service:-

Heading no.9986		Support services to agriculture, hunting, forestry, fishing, mining and utilities.
Group 99861		Support services to agriculture, hunting, forestry and fishing
	998611	Support services to crop production
	998612	Animal husbandry services
	998613	Support services to hunting
	998614	Support services to forestry and logging
	998615	Support services to fishing
	998619	Other support services to agriculture, hunting, forestry and fishing

C. **Explanatory notes of Classification of Service:-**

9986 Support services to agriculture, hunting, forestry, fishing, mining and utilities

99861 Support services to agriculture, hunting, forestry, and fishing

998611 Support services to crop production

This service code includes

- i. *services to improve the propagation quality of the seed, including treatment of genetically modified seeds; removal of non-seed materials, undersized, mechanically or insect-damaged and immature seeds; removal of seed moisture to a safe level for seed storage; drying, cleaning, grading and treating of seeds to be marketed;*
- ii. *post-harvest crop services such as preparation of crops for primary markets, cotton ginning services;*
- iii. *Other support services to crop production like tilling of fields preparatory to planting; planting, cultivation and fertilization of crops; spraying, including from the air;*
- iv. *pest control for agriculture; trimming of fruit trees and vines; transplanting and thinning of crops; harvesting;*
- v. *provision of agricultural machinery with crew and operators; operation of irrigation systems for agricultural purposes;*



- vi. *other services necessary for agricultural production; Crop production services on inputs owned by others like operation of a crop production unit on a fee or contract basis*

This service code does not include: -

- *formation and clearance of agricultural land, cf. 995432 –*
- *services provided by agronomists and agricultural economists, cf. 998311*
- *other pest control services, cf. 998531*
- *water distribution services through mains (on a fee or contract basis), cf. 998633*

998612 Animal husbandry services

This service code includes sheep shearing and care and management of herds of farm animals; artificial insemination of farm animals; grading of eggs; cleaning of agricultural premises (hen houses, piggeries, etc.); accommodation services for pets (kennels); grooming and tattooing services for pets; training of pet animals; Farm animal husbandry services on inputs owned by others like operation of a farm animal production unit on a fee or contract basis

This service code does not include: -

- *services provided by agronomists and agricultural economists, cf. 998311*
- *veterinary services for pets and other animals, cf. 99835 –*
- *training of guard dogs cf. 998529 –*
- *recreational riding services, cf. 999652 –*
- *training of sport and entertainment animals cf. 999662*

998613 Support services to hunting

This service code includes services involving operation of a hunting unit on a fee or contract basis; culling of wildlife

998614 Support services to forestry and logging

This service code includes services involving operation of a forestry or logging unit on a fee or contract basis; forest tree nursery services; services related to forestry production, such as transplanting, replanting, thinning, forestry inventories, timber evaluation, fire protection; services related to logging, such as felling, cutting, debarking, transport of logs within the forest

This service code does not include: -

- *planting, pruning or thinning of trees and bushes as part of landscaping, cf. 998597*

998615 Support services to fishing

This service code includes services involving operation of a fishing unit on a fee or contract basis; operation of an aquaculture unit on a fee or contract basis; other support services related to fishery, fish hatcheries and fish farms

998619 Other support services related to agriculture, hunting, forestry and fishing



This service code includes other support services related to agriculture, hunting, forestry and fishing, n.e.c.

Therefore in interpretation to the question (b) &(d) applicant was of the opinion that for service specific interpretation it is clear from the Notification in sl. no.24, classification of service and explanatory notes that the said service in the question falls in the SAC 998614 under the said Notification and is Nil rated and exempted.

4. Personal Hearing: -

Shri Mohit Agrawal C.A. and authorized representative of the applicant M/s **Chhattisgarh Rajya Van Vikas Nigam Limited (CGRVVNL)**, Shankar Nagar, Raipur having GSTIN as 22AACCC2857LAZF, Chhattisgarh attended the personal hearing in the matter before us on 08-07-2025. It was his submission that M/s Chhattisgarh Rajya Van Vikas Nigam Limited, (here-in-after referred as to "M/s CGRVVNL"), CGRVVNL, a Government authority under the Government of Chhattisgarh, undertakes plantation and economic and ecological development activities and that the main objectives of its incorporation is as follows:

- a. To accelerate and increase forestry production by creating plantation of
 - i. Fast Growing species
 - ii. Species of higher economic value
 - iii. Species capable of diversified use for industrial and commercial purpose.
- b. To bring suitable forest areas under intensive management practices in order to improve, enrich and enhance production, both in quantity and quality.
- c. To develop land, to maintain, conserve, protect, preserve, tend, exploit and to manage in all respects crops and trees raised or come up naturally and forests and land of all description
- d. To undertake maintenance, preservation, protection and development of existing fauna.
- e. To plant, grow, cultivate, produce and raise plantation of all kinds of varieties of forest plants, trees and crops and natural products of any kind and other agricultural crops.

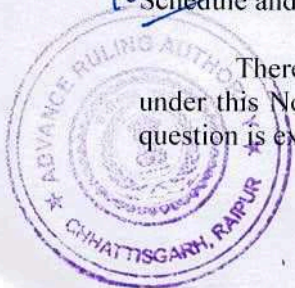
He stated that the CGRVVNL under the said objectives also executes compensatory afforestation, site preparation, soil and moisture conservation, eco-restoration and forest rehabilitation projects mandated to government mining PSU.

The afforestation/plantation service is provided by the CGRVVNL including maintenance of the plants with further 4 years maintenance for a result of more than 80% existence of plants over the mine dump known as OB Dump and barren lands located by such PSUs. These services are not commercial in nature but are executed under statutory obligation mandated by forest clearance conditions issued by the MoEF&CC.

He further deposed that the Applicant is charging the agreed project cost, which includes administrative expenses but no profit.

He referred to the Notification No. 12/2017-Central Tax (Rate) dated 28-06-2017 as amended upto Notification No. 06/2025 Central Tax (Rate) dated 16.01.2025 and stated that CGRVVNL is covered under the definition of Government Authority as it is 100% owned and controlled by the Government and has been formed for various purpose as covered in point 01, 02 and 06 of the Eleventh Schedule and Point 08 of the Twelfth Schedule.

Therefore in interpretation to the question 4(a) they are of the opinion that primarily it is covered under this Notification in point 4 and 5 and the services provided in respect of the same as asked in the question is exempt under said entries.



He further referred to the Notification No.11/2017 Central Tax (Rate) as amended up to 16.01.2025 and stated that the service specific interpretation is concerned they are of the interpretation with regard to question 4(b) and the services covered under Sr.No.24 Chapter heading 998614: *Support services to forestry and logging*: Description of Service (i) *Support services to agriculture, forestry, fishing, animal husbandry*; Rate (%): "Nil".

He deposed that in interpretation to the question (b) &(d) they are of the opinion that for service specific interpretation it is clear from the Notification in sl. no. 24, classification of service and explanatory notes that the said service in the question falls in the SAC 998614 under the said Notification and is Nil rated and exempted.

On the basis of their views above, he requested advance ruling on the following questions:

Whether the afforestation/plantation services provided by CGRVNL to the mining companies of the Government of India (such as Coal India Ltd, NMDC Ltd.) is

- a. Exempt from GST under Entry No.4 or 5 of Notification No.12/2017- Central Tax (Rate) dated 28.06.2017 or
- b. NIL rate under Entry No. 24(i) of Notification No. 11/2017- Central Tax (Rate)? or
- c. Exempted under any other provision of law?
- d. Specific SAC of the said Service.

5. The legal position, analysis, and discussion: -

At the very outset, we would like to make it clear that the provisions for implementing the CGST Act and the Chhattisgarh GST Act, 2017 [hereinafter referred to as "the CGST Act and the CGGST Act"] are similar and thus, unless a mention is specifically made to such dissimilar provisions, a reference to the CGST Act would also mean a reference to the same provisions under the CGGST Act, 2017. Now we sequentially proceed to discuss the issues involved in the ruling so sought by the applicant and the law as applicable in the present case.

6. Section 96 of CGST Act, 2017, Authority for advance ruling, stipulates as under: -

Subject to the provisions of this Chapter, for the purposes of this Act, the Authority for advance ruling constituted under the provisions of a State Goods and Services Tax Act or Union Territory Goods and Services Tax Act shall be deemed to be the Authority for advance ruling in respect of that State or Union territory.

Section 97(2) of CGST Act, 2017 stipulates that: -

The question, on which the advance ruling is sought under this Act, shall be in respect of—

- (a) *classification of any goods or services or both;*
- (b) *applicability of a notification issued under the provisions of this Act;*
- (c) *determination of time and value of supply of goods or services or both;*
- (d) *admissibility of input tax credit of tax paid or deemed to have been paid;*



(e) determination of the liability to pay tax on any goods or services or both;

(f) whether applicant is required to be registered;

(g) whether any particular thing done by the applicant with respect to any goods or services or both amounts to or results in a supply of goods or services or both, within the meaning of that term.

Further, section 103 of CGST Act, 2017 stipulates about the ruling pronounced as under:—*The advance ruling pronounced by the Authority or the Appellate Authority under this Chapter shall be binding only —*

- a. *On the applicant who had sought it in respect of any matter referred to in sub-section (2) of section 97 for advance ruling;*
- b. *On the concerned officer or the jurisdictional officer in respect of the applicant.*

Thus, in view of the above section 103 of CGST Act, 2017, the ruling so sought by the applicant would be binding only on the applicant and on the concerned officer or the jurisdictional officer as stipulated above.

7. We have gone through the submissions made by the applicant and have examined the contentions raised by them.

In the aforesaid matter, comments / views on the issues in hand as mandated under law were also called for from both the central and state jurisdictional formations vide letter STC/AAR/03/2025/71 dated 09.07.2025. In the aforesaid context, the Assistant Commissioner, Circle 7, Raipur, CGGST Raipur under his letter NO. A/HC/2025/2369 dated 6.8.2025 inter-alia opined that the supply is a composite supply with landscaping being major supply and accordingly afforestation activity provided by CGRVNL to the mining companies will attract GST @18% (CGST 9% + CGGST 9%), classifiable under SAC 998597. It was also informed by the AC, Circle 7 CGGST Raipur that Assistant Commissioner, Ambikapur has passed a DRC 07 order in case of Chhattisgarh Rajya van vikasnigam Ltd Ambikapur. No reply has been received from CGST field formations.

7.1 To ascertain the facts regarding the issue involved as regards the DRC-07 issued, the applicant was also extended a fresh personal hearing in the matter vide letter STC/AAR/03/2025/79 dated 21.8.2025. Shri MohitAgrawal C.A. and authorized representative of the applicant M/sChhattisgarh Rajya Van Vikas Nigam Limited (CGRVNL), Shankar Nagar, Raipur having GSTIN as 22AACCC2857LAZF, Chhattisgarh attended the personal hearing in the matter before us on 08-07-2025 and his contentions were as under:-

- i. Section 25(4) of the CGST Act, 2017 explicitly provides that "a person who has obtained or is required to obtain more than one registration, whether in one State or Union territory or more than one State or Union territory shall, in respect of each such registration, be treated as distinct persons for the purposes of this Act".
- ii. The fundamental principle of GST law is clear: different GSTINs, even under the same PAN, are treated as separate legal entities for all GST purposes. This legal fiction is specifically created to ensure that each registration is treated independently for compliance, liability, and procedural matters.
- iii. Section 98(2) Analysis: "In the Case of Applicant" Requires Same Legal Entity. The proviso to Section 98(2) of the CGST Act states that the Authority shall not admit applications where the question is "already pending or decided in any proceedings in the case of an applicant".



- ☐ The phrase "in the case of an applicant" specifically refers to proceedings against the same legal entity seeking the advance ruling.
- ☐ Since different GSTINs constitute distinct persons under Section 25(4), proceedings against our branch office (different GSTIN) cannot be considered as proceedings "in the case of" our head office (different GSTIN)
- ☐ Each GSTIN is treated as a separate taxpayer with independent rights and obligations.

a. Right to Advance Ruling: Every distinct person under GST law has an independent right to seek advance ruling for legal certainty. This right cannot be curtailed based on proceedings against a different entity.

b. Avoiding Discrimination: Treating our head office application as barred due to branch office proceedings would create discriminatory treatment not supported by law.

c. Commercial Necessity: Government departments often have multiple GSTINs for operational efficiency. Each unit requires independent legal clarity for compliance purposes.

Thus the authorized representative was of the opinion that

- i. Different GSTINs = Distinct Persons under Section 25(4) CGST Act
- ii. Section 98(2) bar applies only to same entity seeking advance ruling excluding distinct persons under GST.
- iii. Overwhelming precedential support for treating different GSTINs as separate entities
- iv. Procedural fairness demands independent treatment of each GSTIN's applications

Accordingly, he requested that that:

Their head office (distinct GSTIN) has an independent right to seek advance ruling.

Proceedings against their branch office (different GSTIN) cannot bar their application.

The authority's contention is legally unsustainable and contrary to the established GST jurisprudence and that their advance ruling application should be admitted and decided on merits.

8. Before proceeding to decide the issues raised by the applicant, we find that the applicant is registered with GST department only as an Input Service Distributor (ISD), having GSTIN 22AACCC2857LAZF, whereas, it is a fact that M/s CGRVNL have obtained GST registrations at various places within Chhattisgarh as regular taxpayer for supply of services. Thus, from the records available it gets pretty clear that the services about which the taxpayer has sought advance ruling are supplied / intended to be supplied not from the applicants' premises but from their other GST registered premises, having separate and distinct GST registration. We also find that the applicant have been filing GSTR6 with the department, which is the specific monthly return to be filed by all Input Service Distributors for distribution of ITC amongst its units. Thus the applicant has got itself registered with the department only as an ISD for the very sole purpose of distribution of ITC amongst its Division offices. These division offices have got themselves registered with GST under the very same PAN number of the applicant, as regular taxpayer and it is from such principal place of businesses as declared the applicants Division offices are engaged in supply of services relating to which the applicant has sought advance ruling. We also find that the applicant has in the instant ARA-01 at Sr. no. 12 relating to the nature of activity which is proposed or which is being done at present have declared themselves as Input Tax Distributor (ISD). It would also be not out of place to mention here that the applicant at Sr. no. 17 of the instant ARA-01 have declared that in respect of the questions raised in the application is not pending in any proceedings in their case and that the same has not been decided in any proceedings in the applicants case under any of the provisions of the Act. This declaration in itself is not true, as "proceedings" already stands initiated and thereafter decided against Applicants Division offices (from where such services of afforestation/plantation services are being supplied / provided by CGRVNL to the mining companies are being supplied / provided), by way of issuance of DRC-07 on the very same issue on which the Applicant is seeking advance ruling.

In the above context, we would also like to refer to the definition of "advance ruling" as stipulated under Section 95(a) of CGST Act, 2017, according to which "advance ruling" means a decision



provided by the Authority or the Appellate Authority¹[or the National Appellate Authority] to an applicant on matters or on questions specified in sub-section (2) of section 97 or sub-section (1) of section 100²[or of section 101C], in relation to the supply of goods or services or both being undertaken or proposed to be undertaken by the applicant. In the instant case the applicant having GSTIN 22AACCC2857LAZF is in no way engaged / undertaking or is proposed to undertake supply of the said services of afforestation/plantation services to the mining companies. It is the applicants Division offices, located at various places in the State of Chhattisgarh, having separate GSTINs (with the same PAN no.) that are engaged in the said supply of services of afforestation/plantation services to the mining companies, for which "proceedings", already stands decided vide various DRC-07s as discussed above.

The concept of same "separate legal entity" and "distinct persons", as brought about by the applicant during the course of Personal hearing on 25.8.2025 is not legally tenable, in view of the provisions of statute as discussed above.

9. We would like to refer to the provisions of Section 98 of CGST Act, 2017, at this juncture which reads as under:

Section 98. Procedure on receipt of application. -

(1) On receipt of an application, the Authority shall cause a copy thereof to be forwarded to the concerned officer and, if necessary, call upon him to furnish the relevant records;

Provided that where any records have been called for by the Authority in any case, such records shall, as soon as possible, be returned to the said concerned officer.

(2) The Authority may, after examining the application and the records called for and after hearing the applicant or his authorised representative and the concerned officer or his authorised representative, by order, either admit or reject the application:

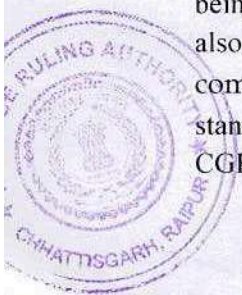
Provided that the Authority shall not admit the application where the question raised in the application is already pending or decided in any proceedings in the case of an applicant under any of the provisions of this Act:

Provided further that no application shall be rejected under this sub-section unless an opportunity of hearing has been given to the applicant:

Provided also that where the application is rejected, the reasons for such rejection shall be specified in the order.

.....

10. Thus as the questions raised by the applicant in the instant ARA-01 filed by the applicant, not being related to the GSTIN of the applicant registered solely as an Input Service Distributor (ISD) and as also since the "proceedings" against such services of afforestation/plantation services to the mining companies supplied by the other GSTINs of the applicant (having the same PAN of the applicant), already stands initiated or have been decided in separate "proceedings", by the department in the case of CGRVNL at various Division offices of the Applicant, where they had obtained separate GST



registrations with in the State of Chhattisgarh, as a regular taxpayer, we come to the considered conclusion, that the instant ARA-01 filed by the applicant CGRVVNL solely registered as an input tax distributor, cannot be admitted for advance ruling, as mandated under Section 98(2) of CGST Act, 2017.

Having regard to the facts and circumstances of the case and discussions as above, we pass the following order: -

ORDER

(Under section 98 of the Chhattisgarh Goods and Services Tax Act, 2017)

STC/AAR/03/2025


Raipur Dated ...12-09-2025

The ruling so sought by M/s Chhattisgarh Rajya Van Vikas Nigam Ltd., Raipur Chhattisgarh having GSTIN 22AACCC2857LAZF, the applicant is accordingly answered as under:

RULING

The questions raised by the Applicant in the instant ARA-01 dated 15.6.2025 cannot be admitted for advance ruling, in view of the provisions of Section 98(2) of CGST/CGGST Act, 2017, as discussed above.


Yachana Tambrey
(Member)


Dr. Bura Naga Sandeep
(Member)



TRUE COPY

12/09/25
MEMBER
ADVANCE RULING AUTHORITY
CHHATTISGARH, RAIPUR

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