

# ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

<u>Name of Applicant</u>	<u>Industry</u>	<u>Order No. &amp; Date</u>	<u>Case History</u>
Jaipur Zila Dugdh Utpadak Sahakari Sangh Ltd.	Manufacturing of Mil Proucts( <b>Rajastahn AAR</b> )	RAJ/AAR/2019-20/12 Dtd. 19.06.19	<ul style="list-style-type: none"> <li>The applicant is engaged in manufacturing of Mil Products</li> <li>The applicant procures raw milk from rural areas through its primary milk producer's dairy co-operative societies.</li> <li>Most of the sale of milk is exempted and few sales are taxable.</li> </ul> <p>The question raised</p> <p><i>1.Applicability of TDS under GST from payment made to vendors for providing taxable goods &amp; services for making its supplies.</i></p> <p><b>Answer</b> -TDS provision is not applicable u/s 51 since the applicant is not registered under societies registration Act 1860 nor it is established by any Government</p>
M/S Vedant Synergy Pvt. Ltd.	Supply of Goods & Services for E-Governance( <b>Rajastahn AAR</b> )	RAJ/AAR/2019-20/11 Dtd. 03.06.19	<ul style="list-style-type: none"> <li>The applicant will supply various Goods &amp; Services for E-Governance , Govt. of Karnataka</li> <li>The applicant has applied for bidding in RPF" RPF for selection of an SI to implement and maintain software VC up to Gram Panachayat Govt. Offices" issued by center for E-Governance , Govt. of Karnataka. The questions raised</li> </ul> <p><i>1. Classification of any goods or services or both;</i></p> <p><b>Answer</b> -HSN Code 998361(Information Technology infrastructure and Network Management Services)</p> <p><i>2.Determination of the liability to pay tax on any goods or services or both;</i></p> <p><b>Answer</b> - GST rate 18%</p>
Greentech Mega Food Park Pvt. Ltd.	Set up of Mega Food Park ( <b>Rajastahn AAR</b> )	RAJ/AAR/2019-20/10 Dtd. 28.05.19	<ul style="list-style-type: none"> <li>Ministry of food processing Industries of India has granted approval to the applicant company to set up a Mega Food Park at Rajasthan</li> <li>Beside the set up of Food Park, the applicant company identified certain individual plots on the food park project site and wishes to enter into lease agreement with several lessees for 99 years.</li> </ul> <p>The questions raised</p> <p><i>1. Whether the Lease Agreement between the Applicant Company i.e. the lessor and the lessee for a period of 99 years is a sale of immovable property and outside GST and is exempt from levy of GST?</i></p> <p><i>2. If the present transaction of giving land on lease of 99 years is taxable under GST, then at what rate and what SN code is applicable?</i></p> <p><b>Answer</b> -Lease agreement between lessor and lessee for 99 years is lease agreement of immovable property classified under HSN Code 9972 &amp; attracts GST @18%</p>
National Highway Authority of India (Regional Office)	Development , maintenance & management of National Highways( <b>Rajastahn AAR</b> )	RAJ/AAR/2019-20/09 Dtd. 28.05.19	<ul style="list-style-type: none"> <li>National Highway Authority of India is engaged in Development , maintenance &amp; management of National Highways</li> <li>NHAI undertook a project for development of Highways in Rajasthan where the power transmission line of RVPNL are crossing the Highways</li> <li>So these electrical lines have to be shifted. As per policy of RVPNL, NHAI will have to bear all costs relating to shifting of Electrical lines</li> <li>RVPNL shall be charging 5% of total estimated cost as supervision charge , fixed amount of shut down charge &amp; GST on both components</li> <li>RVPNL has issued demand imposing 18% GST on total estimated cost stating as asset transfer. The questions raised</li> </ul> <p><i>1. Whether there is any 'Asset Transfer' involved which is a supply leviable to GST in the work of shifting &amp; raising of transmission lines owned by RVPNL by NHAI in the course of widening, modification &amp; diversification of</i></p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p><i>its highways after completion of this work?</i></p> <p>2. <i>Without prejudice to the submissions, if there is an 'Asset Transfer' which is a supply under GST, then who is liable to pay GST?</i></p> <p>3. <i>If above GST is to be paid by the Applicant, then the same will be exempt vide Entry 4 of Notification no. 12/2017 CT(R) dated 28.06.2017?</i></p> <p><b>Answer</b> – Asset constructed by the applicant does not fall under the category “Goods” . therefore no supply is involved and no GST is applicable.</p>
Vinayak Stone Crusher	Crushing of Boulder (Rajastahn AAR)	RAJ/AAR/ 2019-20/08 Dated 17.05.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in the business of Crushing of Boulder Resulting in to broken or crushed stone , ballast</li> <li>The applicant has been granted mining lease for extracting rough boulder of stone from mining by Rajasthan State Govt.</li> <li>For extracting rough boulder, M/S Kishore &amp; Party collects royalty on behalf of Rajasthan State Govt. The questions raised</li> </ul> <p>1. <i>Classification of Service provided by Rajasthan Govt. to Vinayak Stone Crusher &amp; GST Rate</i></p> <p><b>Answer</b> – will be classified under 997337. GST Rate 18%</p> <p>2. <i>Whether service provided by Rajasthan State Govt. covered under Notification No. 13/2017-CT(Rate) dated 28.06.2017 and whether Vinayak Stone Crusher is taxable person to discharge GST under RCM Provision or whether this covered by exclusion clause (1) of entry no. 5 and Rajasthan State Govt. is liable to discharge GST</i></p> <p><b>Answer</b> – The applicant is receipt of service. So he is liable to discharge GST under RCM Provision</p> <p>3. <i>As per Notification No. 14/2018C.T(Rate) dated 28.07.2018, the service supplied by Rajasthan State Govt. to excess Royalty Collection Contractor for collection of Royalty became exempt . In this case whether Vinayak Stone Crusher is taxable person to discharge GST under RCM Provision</i></p> <p><b>Answer</b> – The applicant is liable to discharge GST under RCM Provision</p>
All Rajasthan Corrugated Board and Box Manufacturers Association	Upliftment & technological advancement of corrugation industry(Rajastahn AAR)	RAJ/AAR/ 2019-20/07 Dated 17.05.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in the business of Upliftment &amp; technological advancement of corrugation industry &amp; to develop strong relationship with stakeholders</li> <li>The applicant will organize and manage the conference and exhibition and it will be attended by delegates, vendors, exhibitors from all states of India . The questions were raised-</li> </ul> <p>1. <i>What shall be the nature of service and classification in accordance with Notification No. 11/2017- CT(R) dated 28.06.17 read with annexure attached to it in relation the following services:</i></p> <p>a) <i>Service provided by the applicant to the delegates.</i></p> <p>b) <i>Service provided by the applicant to the exhibitors.</i></p> <p><b>Answer</b> – The Service provided by the applicant to the delegates and exhibitors is a composite supply and classifiable under Service Code 998596 having Service description "Events, exhibitions, conventions and trade shows organizations and assistance services" as per Annexure: Scheme of Classification of Services to Notification No. 11/2017-Central Tax (Rate) dated 28.06.2017(as amended from time to time).</p> <p>2. <i>In relation to the brand promotion packages offered by the applicant in the course of the event,</i></p> <p>a) <i>What shall be the nature of service and classification in accordance with Notification N0.n/2017-CT(R) dated 28.06.17 read with annexure attached to it?</i></p> <p>b) <i>Whether the applicant is liable to pay tax on services provided to the brand promoters or the liability to pay tax on such services falls on recipient under reverse charge according to Notification No. 13/2017 -</i></p>

# ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p><i>Central Tax (Rate)?</i></p> <p><b>Answer</b> –The service of brand promotion packages offered by the applicant in the course of the event is a composite supply and classifiable under Service Code 998397 having Service description "Sponsorship services and brand promotion services" as per Annexure: Scheme of Classification of Services to Notification No. 11/2017-Central Tax (Rate) dated 28.06.2017 (as amended from time to time) .</p> <p>The applicant is liable to pay GST on service of brand promotion and not covered under reverse charge mechanism.</p> <p><b>3. Whether Input Tax Credit is admissible for the applicant in respect of tax paid on the following:</b></p> <p><b>a)</b> <i>Services provided by the hotel including accommodation, food &amp; beverages.</i></p> <p><b>b)</b> <i>Supply of food and beverages by outside caterers</i></p> <p><b>c)</b> <i>Services provided by event manager like pickup &amp; drop, exhibition stall setup, tenting, etc.</i></p> <p><b>Answer</b> – Input Tax Credit is admissible to the applicant in respect of tax paid on the following:-</p> <p>a) Services provided by the hotel including accommodation, food &amp; beverages.</p> <p>b) Supply of food and beverages by outside caterers</p> <p>c) Services provided by event manager like pickup &amp; drop, exhibition stall setup, tenting, etc.</p>
Pacific Quartz Surfaces LLP	Manufacture of Quartz Slabs (Artificial Stone) (Rajastahn AAR)	RAJ/AAR/ 2019-20/06 Dated 30.04.2019	<ul style="list-style-type: none"> <li>The applicant is a registered manufacturer cum supplier under GST engaged in the manufacture of Quartz Slabs (Artificial Stone). The questions were raised-</li> </ul> <p><b>1. What is the classification of Slabs of Quartz (Artificial Stone)?</b></p> <p><b>Answer</b> – HSN Code 68101990</p> <p><b>2. What will be the applicable rate of GST on Quartz Slabs (Artificial Stone)?</b></p> <p><b>Answer</b> – The applicable rate of GST on Quartz Slabs (Artificial Stone) is 18% (CGST 9% +SGST 9%) (Central Tax)</p>
Rambagh Palace Hotels Pvt Ltd	Hotel Industry(Rajastahn AAR)	RAJ/AAR/ 2019-20/05 Dated 30.04.2019	<ul style="list-style-type: none"> <li>M/s Rambagh Palace Hotels (P.) Ltd. is a five-star deluxe heritage hotel engaged in hospitality business operated under the brand name 'Taj Group'. Up-keep and maintenance of hotel building, equipments, electrical installation, Furniture and Fixtures and other infrastructures is crucial for continuity of its business.</li> <li>Expenses being routine in nature, the amount spent on the above-mentioned scenarios are charged to revenue as per Accounting Standards. The questions were raised-</li> </ul> <p><b>1. Whether ITC is available on expense made on:</b></p> <ul style="list-style-type: none"> <li>✓ <i>Building materials such as cement, concrete, brick etc. meant for repair of building</i></li> <li>✓ <i>Electrical fittings and sanitary fittings meant for repair of existing electrical and sanitary fittings</i></li> </ul> <p>✓ <i>Repair of existing furniture and fixtures</i></p>

# ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p>✓ <i>New ready-to-use furniture such as Chairs etc.</i></p> <p><b>Answer-</b></p> <p>✓ ITC shall not be available to the extent of capitalization of building materials /Electrical / Sanitary fittings</p> <p>✓ ITC will be available on the supply of goods for repairing of Furniture / Purchase of New Furniture u/s 16 of CGST Act.</p> <p><i>Whether ITC is available on labour supplies received for carrying out above services?</i></p> <p><b>Answer-</b></p> <p>✓ ITC shall not be available to the extent of capitalization of service of labour supply in relation to building materials /Electrical / Sanitary fittings</p> <p>✓ ITC will be available for service of labour supply in relation to repairing of Furniture u/s 16 of CGST Act.</p> <p><i>Whether it makes any difference if aforementioned works are carried out in a composite manner?</i></p> <p><b>Answer-</b></p> <p>✓ ITC will not be available for works contract service to the extent of capitalization of supply of Goods &amp; Services</p> <p>✓ ITC will be available for GST paid on composite supply of Furniture &amp; Fixtures and Manpower Supply Service u/s 16 of CGST Act.</p>
Gitwako Farms India Pvt Ltd	Food Processing Industry( <b>Rajastahn AAR</b> )	RAJ/AAR/ 2019-20/04 Dated 18.04.2019	<ul style="list-style-type: none"> <li>• The company is supplying frozen chicken to the Indian Armed and paramilitary forces. The work order awarded to the company clearly provides for supply of a specified amount of weight of chicken dressed chilled / frozen over as specified period of time.</li> <li>• As process of its supply, the bird is slaughtered and its carcass is processed, sealed and delivered in its natural shape.</li> <li>• Each dressed chicken (broiler) carcass subsequent to chilling and before freezing shall be individually packed in to primary package Viz. suitable size oxygen-water impermeable, heat shrink, food grade colourless LDPE bags of minimum 200 gauge/50 micron.</li> <li>• The LDPE bags are then put in to a dust and moisture proof and heat resistant food grade secondary package (HDPE Bag)printing on the packet the product name, firm's name and brand, net weight ,batch number/lot number and instructions for consumptions and preservation of such chicken.</li> <li>• The package is specifically mentioned for Defence Personnel Only. Frozen chicken is then delivered in temperature controlled refrigerated vans with data logger installed for continuous monitoring of frozen chicken.</li> </ul> <p>The questions were raised-</p> <p><i>What is the classification when the Frozen Chicken is sold in pacakaged form and it's HSN code?</i></p> <p><b>Answer-</b>The Branded Frozen Chicken supplied in a unit container is</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p>classifiable under HSN Code 02071200.</p> <p><i>Whether frozen chicken as sold by the company is exempt under Entry No. 9 of Not. No. 02/2017-CT(R)?</i></p> <p><b>Answer-</b>The Frozen Chicken supplied by the applicant is not exempted under Entry No. 9 of Notification No. 02/2017-CT(Rate) dated 28.06.2017(as amended from time to time). It attracts GST @5% (CGST 2.5% + SGST 2.5%).</p>
Laxmi Agrotech Steel	Metal Industry <b>(Rajastahn AAR)</b>	RAJ/AAR/ 2019-20/03 Dated 16.04.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in the business of manufacturing/trading of metal parts of sprinkler system used in agriculture irrigation. The parts comprise of Latch Clamp, C-Clamp, Foot Batten, Riser Pipe, Aluminium Rivet and Mini Sprinkler Rod which are exclusively meant for use in various types of Sprinkler/drip irrigation system.</li> <li>The Latch Clamp, C-Clamp and Foot Batten are made of Iron Sheets, Riser pipe is made of GI Pipe, Aluminium Rivets are made of aluminium wire and Mini Sprinkler Rod is made of Iron Rod and are designed and shaped that these can be used only in sprinkler/ drip irrigation equipment.</li> <li>The manufactured/Traded goods are sold to entities manufacturing sprinkler systems, Sprinkler Parts, Traders and consumers using sprinkler system as a part to be used in their sprinkler system.</li> </ul> <p>The question was raised- <i>Whether parts of sprinkler system sold by us like Latch Clamp, C-Clamp, Foot Batten, Riser Pipe, Aluminium Rivet and Mini Sprinkler Rod etc. exclusively meant for use in Sprinklers and drip irrigation system but sold in isolation as parts and not as a complete system under the heading 8424 and the tax rate applicable on such components/parts when sold separately and not as a part of the sprinkler/drip irrigation?</i></p> <p><b>Answer-</b>The metal parts manufactured and supplied by the applicant will not be covered under Entry No. 195B of Schedule II of Notification No.01/2017 dated 28.06.2017.</p> <p>The jurisdiction officer (Assistant Commissioner, Circle-I, SGST and Commercial Taxes, Jaipur) has submitted that items mentioned by the applicant fall under the heading 84249000 as components of Sprinkler/Drip irrigation, and should be taxable at the rate of 12%.</p>
Laxmi Rubber Industries	Manufacturing & Trading of Rubber Parts <b>(Rajastahn AAR)</b>	RAJ/AAR/ 2019-20/02 Dated 16.04.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in the business of manufacturing/Trading of rubber parts of sprinkler system &amp; drip irrigation system used in agriculture irrigation.</li> <li>The parts comprise of Rubber Ring/Gasket/Seal, Rubber Foot Batten Washer and Rubber Grommets which are exclusively made for use and to fit only in various types of Sprinkler/drip irrigation system and have no other use.</li> <li>These parts are designed and shaped that these can be used only in sprinkler/drip irrigation equipment.</li> <li>The manufactured/Traded goods are sold to entities manufacturing sprinkler systems, Sprinkler Parts, Traders and consumers using sprinkler system as a part to be used in their sprinkler/drip irrigation system.</li> </ul> <p>The question was raised- <i>Considering Note No. 1, 2, 3 of Section XVI and Note No. 2 of Chapter 84,</i></p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p><i>whether based on rules of interpretation of HS codes, the items made of vulcanized rubber like Rubber Ring/GASKET/Seal, Rubber Foot Batten Washer and Rubber Grommets falling under the heading 4016 are taxable as specific rubber items having a GST rate of 18% or as components of sprinkler/Drip irrigation system having a tax rate of 12% under heading 84249000. It is pertinent to note that these items are designed and shaped that these can be used only in sprinkler/drip irrigation equipment and have no other use.</i></p> <p><b>Answer-</b>The rubber parts supplied by the applicant viz. Rubber Ring/Gasket/Seal, Rubber Foot Batten Washer and Rubber Grommets are classifiable under Chapter Heading 4016 and attract GST @18% (CGST 9% + SGST9%).</p>
Udyog Mandir	Manufacture of Khadi Garments (Rajasthan AAR)	RAJ/AAR/ 2019-20/01 Dated 16.04.2019	<ul style="list-style-type: none"> <li>The applicant is a manufacturer of Khadi garments who buys Khadi fabrics from the market and get those fabrics stitched and makes own garments. The question was raised- <i>Will Khadi readymade garments to be included under the entry of Khadi fabric under chapter 50 to 55 of GST classification?</i></li> </ul> <p><b>Answer-</b>Khadi readymade garments are not covered under the entry of 130A, chapter heading 50 to 55 of Notification No. 02/2017-Central Tax (Rate) dated 28.06.2017.</p> <p><i>If not, then what is the correct classification and rate of tax on Khadi readymade garments?</i></p> <p><b>Answer-</b>Khadi readymade garments will be classifiable under Chapter heading/tariff item 62, as per Notification No. 01/2017-Central Tax (Rate) dated 28.06.2017 will attract GST as follows:- If the sale value of a readymade khadi garments manufactured by the applicant is less than Rs. 1000/- will attract GST @ 5% (SGST 2.5% + CGST 2.5%); If the sale value of a readymade khadi garments manufactured by the applicant is more than Rs. 1000/- will attract GST @ 12% (SGST 6% + CGST 6%).</p>
Ramnath Bhimsen Charitable Trust	Charitable Trust (Chhattisgarh AAR)	STC/AAR/11/2018 Dated 02-03-2019	<ul style="list-style-type: none"> <li>The applicant is running girl's hostel as Charitable Trust and charging a lump-sum fee of Rs.6000/-per month per boarder</li> <li>Further, in case, any boarder want to reside in hostel for few days, then the boarder is supposed to pay Rs. 240/- per day</li> <li>The Word "Hostel" has not been defined either under the Central/State/Integrated/UT Goods and Services Tax Act. The question was raised-</li> </ul> <p>1. Whether the activity of providing the hostel on rent to various boarder is exempted? If it is exempted in such case, under which exemption notification the same is exempted?</p> <p>2. Whether the activity of providing the hostel on rent to various boarder is taxable? If it is taxable, in such case, under which service access code the same is taxable?</p> <p><b>Answer-</b> The activity of providing accommodation services by the applicant in their hostel for which the applicant is collecting an amount below the threshold limit of Rs. 1000/- per day and no other charges are being collected for providing other allied facilities / services therein viz, canteen food, parking space for vehicles, coaching, library, entertainment etc. merits exemption as stipulated under Notification No. L2/2017-State Tax (Rate) No. F-10-43120t7/CT/V(80), Naya Raipur, Dated 28.06.2017 under Serial No. t4, Chapter 9963. This amount received for such supply by the applicant falling under tariff heading 9963 qualifies being treated as nil rate tax exempted supply.</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

Shri Nawodit Agarwal	Transport of Cement/Clinkers (Chhattisgarh AAR)	STC/AAR/10/2018 Dated 26-03-2019	<ul style="list-style-type: none"> <li>The Applicant, is engaged in transporting of Cement/Clinkers to Shree Raipur Cement</li> <li>Shree Raipur Cement proposed that while transporting their cement/clinker they will provide the required diesel for transportation of the same and that the applicant need to charge them freight excluding diesel cost and hence GST will also be levied on taxable amount i.e. the amount excluding the diesel cost. The question was raised- <i>Whether such supply of diesel by the recipient is to be added to the freight amount charged by the applicant or not.</i> <b>Answer-</b>The applicant are required to charge GST upon M/s Shree Raipur Cement, on the total amount including the cost of diesel i.e. on the total freight amount inclusive of the cost of diesel provided M/s Shree Raipur Cement.</li> </ul>
NMDC Limited	Mineral Producer((Chhattisgarh AAR)	STC/AAR/09/2018 Dated 22.02.2019	<ul style="list-style-type: none"> <li>The Applicant NMDC Limited is a state-controlled mineral producer of the Government of India. It is owned by the Government of India and is under administrative control of the Ministry of steel. It is India's largest iron ore producer and exporter producing million tons of iron ore from fully mechanized mines in Chhattisgarh.</li> <li>NMDC Bachel is required to pay royalty @15%. Further Section 9B and 9C of Mines and Minerals (Development &amp; Regulation) Act, 1957 mandates that NMDC shall contribute 30% of royalty to District Mineral Foundation and 2% of Royalty to National Mineral Exploration Trust. The questions were raised- <i>1. The Applicant seeks clarification as to whether royalty paid in respect of Mining Lease can be classified under "Licensing services for the right to use minerals including its exploration and evaluation" falling under the heading 9973 attracting GST at the same rate of tax as applicable on supply of like goods.</i> <b>Answer-</b>The royalty paid by M/s NMDC in respect of mining lease is classifiable under sub heading 997337 ; 'Licensing services for the right to use minerals including its exploration and evaluation' (covered under entry no. 17 of Notification No. 1112017(Rate), dated 28.06.2017, attracting GST at the same rate as applicable for the supply of like goods involving transfer of title in goods, under reverse charge basis. <i>2. In this regard, the Applicant seeks clarification whether such statutory contributions made amounts to "supply" and whether the same is liable for GST under reverse charge.</i> <b>Answer-</b> The contributions made to District Mineral Foundation (DMF) and National Mineral Exploration Trust (NMET), by M/s NMDC as per MMDR Act, 1957 are liable to GST, under reverse charge basis</li> </ul>
Alcon Resort Holdings Pvt. Ltd.	Health Care Service (Goa AAR)	GOA/GAAR/6/2018-19 Dated 22.01.19	<ul style="list-style-type: none"> <li>The applicant provides health care treatment service to Indian as well as International Patients through Ayurveda, Naturopathy &amp; Yoga. The questions were raised- <i>Whether the service provided by the applicant including all incidental services amounts to a composite service under the classification of health care service exempt under Entry No. 74 of Notification 12/2017-Central Tax</i> <b>Answer-</b> The applicant qualifies to be a clinical establishment and the services offered provided by the applicant qualify to be Health Care Services. The Intra state supplies of the said services attract NIL rate of Tax as per 74 of Notification 12/2017-Central Tax dated 28th June 2017.</li> </ul>
Inox India	Manufacture of	GUJ/GAAR/R/201	<ul style="list-style-type: none"> <li>The applicant M/s. Inox India Pvt. Ltd. is engaged in</li> </ul>

# ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

Product Ltd	transport tank (Gujarat AAR)	9/4 Dated 28.02.19	<p>manufacture of 'transport tank', which are used to transport gas, liquefied gas as well as liquids . The question was raised- <i>Whether supply of transport tank by mounting the same on chassis amount to supply of „tank“ classifiable under Heading 7311 or supply of „motor vehicle“ classifiable under Heading 8704 in the GST regime ?</i></p> <p><b>Answer-</b> The product 'Transport Tank mounted on chassis of customer' being supplied by M/s. Inox India Pvt. Ltd. (GSTIN 24AAACI4416P1ZH) is classifiable under Heading 7311.</p>
Sonal Product	Manufacture of Papad and papad pipes( <b>Gujarat AAR</b> )	GUJ/GAAR/R/2019/3 Dated 22.02.19	<ul style="list-style-type: none"> <li>The applicant M/s. Sonal Product is engaged in manufacture of papad and papad pipes (commonly known as un-fried Fryums) of different shapes, sizes and varieties. The question was raised- <b>1. What is the correct classification of "Papad and papad pipes" of different shapes, sizes and varieties (commonly known as un-fried Fryums) manufactured by the applicant and sold vide Supply Invoice No. 1718/38SP dated 24.09.2017?</b></li> </ul> <p><b>Answer-</b> The product „Un-fried Fryums" manufactured and supplied by M/s. Sonal Product is classifiable under Tariff Item 2106 90 99 of the First Schedule to the Customs Tariff Act, 1975.</p> <p><b>2. What is the applicable rate of CGST payable on such "Papad and papad pipes of different shapes, sizes and varieties (commonly known as un-fried Fryums)?"</b></p> <p><b>Answer-</b> Goods and Service Tax rate of 18% (CGST 9% + GGST 9% or IGST 18%) is applicable to the product „Un-fried Fryums" as per Sl. No. 23 of Schedule III of Notification No. 1/2017-Central Tax (Rate) dated 28.06.2017, as amended, issued under the CGST Act, 2017 and Notification No. 1/2017-State Tax (Rate) dated 30.06.2017, as amended, issued under the GGST Act, 2017 or IGST Act, 2017</p>
National Dairy Development board	Promoting dairy and other agriculture based industries & Financial Service Provider( <b>Gujarat AAR</b> )	GUJ/GAAR/R/2019/1 Dated 20.02.19	<ul style="list-style-type: none"> <li>The objectives of applicant(NDDDB) set up under National Dairy Development Board Act, 1987 is to promote dairy and other agriculture based industries; and the activities undertaken by NDDDB, to fulfill its objectives, not only include technical or administration assistance but also financial assistance.</li> <li>The applicant submitted that the NDDDB Act has specifically authorized NDDDB to undertake the activity of financing, including lending and borrowing money, for diverse purposes. The applicant pointed out following relevant sections of the NDDDB Act. The question was raised <b>1. Whether NDDDB can be considered as financial institution for the purpose of availing credit to the extent of 50% of input tax credit, as prescribed in Section 17 of CGST Act, 2017?</b></li> </ul> <p><b>Answer-</b> M/s National Dairy Development Board (GSTIN 24AADCN2029C1Z5) is to be considered as „Financial Institution" for the purpose of section 17(4)of the Central Goods and Services Tax Act, 2017 and the Gujarat Goods and Services Tax Act, 2017.</p>
National Dairy Development board	Promoting dairy and other agriculture based industries & Financial Service Provider( <b>Gujarat AAR</b> )	GUJ/GAAR/R/2019/2 Dated 22.02.19	<ul style="list-style-type: none"> <li>The applicant, National Dairy Development Board created a trust as educational institution named by "<b>Anandalaya Educational Society</b>"</li> <li>NDDDB allowed that educational institution to occupy and use the building and premise owned by NDDDB within its campus through a lease deed at very nominal amount for enabling the institute to grow and prosper which eventually would encourage the activity of education. The questions were raised- <b>1. Whether NDDDB would be qualified as „Governmental Authority" from</b></li> </ul>

# ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p><i>GST perspective ?</i>  <b>Answer-</b>National Dairy Development Board would be qualified as „government authority“ from Goods and Services Tax perspective, if it fulfils the condition namely „with 90% or more participation by way of equity or control to carry out any function entrusted to a municipality under article 243W of the Constitution”  <i>2. Whether renting of immovable property service provided by NDDB to an educational institute would be exempted under Sl. No. 4 of Notification No. 12/2017-Central Tax (Rate)?</i>  <b>Answer-</b> Renting of immovable property service provided by National Dairy Development Board to an educational institute would be exempted under Sr. No. 4 of Notification No. 12/2017-Central Tax (Rate) and corresponding State Tax Notification, if it qualifies as „governmental authority”.</p>
Bhutoria Refrigeration Private Limited	Manufacture & Trading of Buses (Karnataka AAR)	KAR ADRG 12 / 2019 Dated 25.06.19	<ul style="list-style-type: none"> <li>The Applicant is engaged in the business of building and mounting of body on the chassis of different models of buses.</li> <li>The Applicant, for building and mounting of the body, procures various inputs on payment of appropriate GST and claims ITC on the same.</li> <li>They undertake the body building activity and fabrication works using aforesaid inputs and their own machines, manpower and other facilities.</li> <li>Sometimes , the applicant receives the chassis of the buses from Retail customers (Sender) on free of cost basis, under the delivery challan and ownership of the chassis always remains with sender .After that the applicant performs various activities and returned the fully built vehicle to the sender under Tax Invoice. The question was raised-</li> </ul> <p><i>1.Whether the activity of building and mounting of the body on the chassis by the Applicant will result in supply of goods under HSN 8707 or supply of services under HSN 9988?</i>  <b>Answer-</b>The supply of ready built body and the activity of mere mounting the body on chassis supplied by the owner amounts to supply of goods and it will be classified under HSN Code 8707, GST Rate will be 28%  The activity of step by step building of the body on the chassis supplied by the owner using their own inputs &amp; capital goods amounting to supply of service, in terms of Circular dated 09.08.2018 and will be classified under SAC 9988 , GST Rate will be 18%</p>
Sri.Kanyakaparameshwari Oil Mills	Manufacturing and trading of edible oils and non-edible oils((Karnataka AAR)	KAR ADRG 11 / 2019 Dated 25.06.19	<ul style="list-style-type: none"> <li>The applicant is engaged into the business of manufacturing and trading of edible oils and non-edible oils.</li> <li>The applicant wants to sell “Perfume Deepam Oil” (Not for Cooking) , “Deepam Oil” (Not for Cooking) , A Mixture of Gingely Oil, Palmoline Oil, Rice Bran Oil. The question were raised-</li> </ul> <p><i>1.What is rate of tax for “Perfumed Deepam Oil” which is prepared by mixing Gingely Oil, Palmoline Oil, Rice Bran Oil or any one oil with perfume or chemical and used for lighting lamp for God (not for cooking) with HSN Code.</i>  <b>Answer-</b> will be covered under 1518 &amp; is taxable @6% under CGST Act, 6% KGST Act and 12% under IGST Act  <i>2. What is rate of tax for “Non-perfumed Deepam Oil” which is prepared by mixing Gingely Oil, Palmoline Oil, Rice Bran Oil or any one oil without perfume or chemical and used for lighting lamp for God (not for cooking) with HSN Code.</i></p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p><b>Answer-</b> will be covered under 1518 &amp; is taxable @6% under CGST Act, 6% KGST Act and 12% under IGST Act</p> <p><b>3. What is rate of tax for a mixture of Gingely Oil, Palmoline Oil, Rice Bran Oil or any one oil.</b></p> <p><b>Answer-</b> Each of the oils , namely Palmoline oil will be covered under chapter heading 1511 , Gingely Oil &amp; Rice Bran Oil will fall under chapter heading 1515 , &amp; the mixture of the said edible oils will fall under chapter heading 1517 &amp; is taxable @2.5% under CGST Act, 2.5% KGST Act and 5% under IGST Act</p>
Xiaomi Technology India Private Limited	Trading of Electrical & Electrical Goods (Karnataka AAR)	KAR ADRG 01 / 2019 Dated -22.01.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in trading of Electrical &amp; Electrical Goods. The question was raised-</li> </ul> <p><b>1. Whether the "Power Bank", traded by the Applicant, is classifiable under Heading 8504 40 90 as 'Static Converter - Others' ?</b></p> <p><b>Answer-</b> It will be classified under Heading 8507 as Accumulator &amp; not as Static Converter</p>
Sanghi Brothers (Indore) Pvt. Ltd.	Trading of Motor Vehicles (M.P AAR)	NO. 06/19-20 Dated 03.05.19	<ul style="list-style-type: none"> <li>The applicant is engaged in the business of trading of Motor Vehicles and charges 28% GST at the time of trading</li> <li>The applicant has entered into a contract with M/S Arpijay Fabricators Pvt. Ltd. who will works as Job worker on behalf of applicant. The question was raised-</li> </ul> <p><b>1. Whether the building of body after utilizing and consuming owned materials and providing labour &amp; further amounting the same on chassis of the principal would amount to supply of Services?</b></p> <p><b>2. Whether it would amount to a composite supply consisting a small part of supply of goods and major part of supply of services. Supply of services being principal supply therefore on the basis of provision of section 8(a) of the CGST Act the same should be classified as supply of service under HSN 9988</b></p> <p><b>Answer-</b> It will be classified under SAC Code 998881 &amp; will be taxable @18%</p>
E-DP Marketing Pvt. Ltd.	Trading of Edible Oils (M.P AAR)	NO. 05/19-20 Dated 02.05.19	<ul style="list-style-type: none"> <li>The applicant is engaged in the business of trading of Edible Oils</li> <li>The applicant intends to import crude soya oil on CIF basis including ocean freight in the price of imported goods</li> <li>The applicants are required authorized seller located in Non taxable territory to transport goods from supplier to Indian Customs Territory</li> <li>The ocean freight will be paid by seller located outside India. The question was raised-</li> </ul> <p><b>1. Whether the applicant is again required to pay IGST on the component of ocean freight under RCM provision on deemed amount which will amount to double taxation of IGST on the deemed component of ocean freight of the imported goods because as per Corrigendum to Notification No. 8/2017 IGST(Rate) dt. 30.06.2017 , the importer of goods is required to pay IGST under RCM provision on the deemed ocean freight equal to 10% of the value of imported goods.</b></p> <p><b>Answer-</b> The applicant is liable to pay IGST on ocean freight paid on imported goods under RCM provision irrespective of ocean freight component having been a part of the CIF value of imported goods</p>
Network For Information & Computer Technology	Commercial Training & Coaching and Business Auxiliary Services (M.P AAR)	NO. 04/19-20 Dated 10.04.19	<ul style="list-style-type: none"> <li>The applicant is engaged in the business of Commercial Training &amp; Coaching and Business Auxiliary Services . The question was raised -</li> </ul> <p><b>Sr. No. 72 of Not. No. 12/2017 Central Tax(Rate), dated 28-06-17 issued by the Central Government under CGST Act, 2017 and exemption provided under Sr. No. 72 of Not. No. FA-3-42/2017-1-V(53) dated 30-06-2017 issued by the Madhya Pradesh Government under M.P. Goods &amp; Services</b></p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p><i>Act, 2017 is applicable for the applicant?</i>  <b>Answer-</b> The applicant shall not be entitled to avail benefit of exemption under Sl No. 72 of Notification No. 12/2017 -Central Tax (Rate) dt. 28.06.2017 and Sl. No. 72 of Notification No. FA 3-42/2017/1/V(53) dt. 30.06.2017 in respect of services of training provided to U,P Skill Development Corporation.</p>
Narsingh Transport	GTA Services (M.P AAR)	NO. 02/19-20 Dated 18.02.19	<ul style="list-style-type: none"> <li>The applicant is engaged in GTA services and opted to pay GST @12% and availing ITC on vehicles and their spare parts used for providing GTA service , inward service i.e insurance of Vehicles, repair &amp; maintenance of Vehicles.</li> <li>The applicant has purchased cars with GST and has provided them to various companies on monthly lease agreement. The question was raised –</li> </ul> <p><b>1. Whether the GST paid on these cars provided to their different customers on lease rent will be available to it as INPUT TAX CREDIT(ITC) in terms of Section 17(5) of Central Goods and Service Tax Act, 2017</b>  <b>Answer-</b> The applicant is entitled to avail ITC on cars which are supplied to customers on lease agreement subject to condition applicable in Notification No. 11/2017-Central Tax (rate) dt. 28.06.2017  The provision of Rule 42 shall also be applicable if required so  At the time of termination of lease agreement , if the vehicle is not being further leased to customer , the applicant shall be liable to reverse ITC already availed  Such vehicles should be registered for commercial use.</p>
J C Genetic India Private Limited	Healthcare Company (M.P AAR)	NO. 01/19-20 Dated 21.01.2019	<ul style="list-style-type: none"> <li>The applicant is a healthcare company</li> <li>The applicant has collaboration with diagnostic companies, accredited by NABL , and DSIR certified to provide advance genetic tests that help in prevention and management of Cancer &amp; various health &amp; metabolic disorders. . The question was raised –</li> </ul> <p><b>1. Whether exemption provided under Sr No. 74 of Notification No. 12/2017-Central Tax (Rate) dated 28.06.2017 is applicable to the applicant?</b>  <b>2. Whether applicant qualifies to be a “Clinical Establishment” under clause 2(s) of the said notification?</b>  <b>Answer-</b> The applicant has failed to prove their legal status as Clinical Establishment and they are merely working as sub contractors to other accredited companies , and accordingly the applicant are not entitled to avail exemption 12/2017-Central Tax (Rate) &amp; corresponding notification issued under MPGST Act.</p>
Indian Institute of Science Education and Research	Providing Science Education & Research Training (Orissa AAR)	07/Odisha/AAR/18-19 Dated 13.02.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in imparting Science Education Research training to students and has commenced BS-MS (for 5 years) leading to Post-Graduate Degree. It is also conducting PHD program in stream of Sciences from August, 2016 and such education and research provided by it are exempted from levy of GST.</li> <li>It has also developed advanced teaching and research laboratories &amp; for this purpose the Institute has installed/procured with imported equipment's from abroad or from OEM's suppliers of such imported equipment's in India. The question was raised-</li> </ul> <p><b>1. Applicability of notification issued under the provisions of GST Act, and Determination of the liability to pay tax on any goods or services or both.</b>  <b>Answer-</b> Notification No-S1/1996-customs, dated 23.07.1996 read with</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p>Notification No. 4312017-customs dated 30.06.2017 and Minutes of the 14th GST council is applicable to the Applicant for import of specified Equipments as listed under column (3) of the aforesaid notifications and notifications are not applicable to the OEM suppliers of imported equipment.</p> <p>The scope of issuing a ruling u/s of the OGST/CGST Act is limited to the extent prescribed in sub-section (2) of section 97 of the OGST/CGST Act. A ruling on whether the decision of the GST council granting the exemption is binding on the Department in the absence of non-issuance of corresponding Notification by the central/state Government is not within the competence and mandate of the Authority of Advance Ruling constituted u/s 96 of the OGST Act.</p> <p>Concessional rate of GST/IGST at 5% vide Notification No-45_CGST(Rate) dt. 14.11.2017 and Notification No-47-IGST (Rate), Dt. 14.11.2017 is applicable goods mentioned at para 6.3.0 as above whether imported or indigenous.</p>
Prabhat Gudakhu Factory	Manufacture & Sale of Tobacco Product (Orissa AAR)	06/Odisha/AAR/18-19 Dated 05.02.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in the business of manufacture &amp; sale of "Gudakhu", a tobacco product in a paste form which is generally used as a Tooth Paste. The question was raised-</li> </ul> <ol style="list-style-type: none"> <li>Appropriate classification of Gudakhu under GST Tariff Heading</li> </ol> <p><b>Answer-</b> 24039990</p> <ol style="list-style-type: none"> <li>Determination of liability to pay NCCD (National Calamity Contingency Duty)</li> </ol> <p><b>Answer-</b> NCCD is levied under Central Excise Act &amp; not under CGST/OGST/IGST Act. So it is not within scope of OGST/CGST Act.</p>
Innovative Textile Ltd	Textile Company (Uttarakhand AAR)	No.20 dated 26.03.2019	<ul style="list-style-type: none"> <li>The applicant is carrying on business of textile yarns, fabrics, garments</li> <li>The applicant sold his running business on slump sale basis with all asset &amp; liabilities. The question was raised-</li> </ul> <ol style="list-style-type: none"> <li>Whether business transfer agreement as a going concern on slump sale basis is exempted from the levy of GST in terms of sl. no. 2 of the notification no.12/2017 central tax(Rate) dated 28-06-2017?</li> </ol> <p><b>Answer-</b> Transfer of Business would be treated as Going Concern which is exempted from GST as per on date notification no.12/2017 central tax(Rate) dated 28-06-2017</p>
Opto Electronic Factory	Unit of Ordinance Factory (Uttarakhand AAR)	No.19 dated 07.02.2019	<ul style="list-style-type: none"> <li>The applicant is exclusively engaged in manufacturing and repair of Sight Vision Equipment for Armed Forces for being used in Tanks</li> <li>The applicant classified their goods under HSN Code 8710 &amp; discharged GST @28%</li> <li>Later, GST Rate was reduced to 12% under HSN Code 8710..</li> </ul> <p>The question was raised-</p> <ol style="list-style-type: none"> <li>Classification and Rate of Applicable GST on various equipment manufactured for being used exclusively in various Tanks.</li> </ol> <p><b>Answer-</b> The classification of subjected goods should be under HSN Code 9013 &amp; GST rate will be 18%.</p>
Elefo Biotech Pvt. Ltd.	Sanitary Products (Uttarakhand AAR)	Ruling No.18 dated 07.02.2019	<ul style="list-style-type: none"> <li>The applicant supplies <u>Anaerobic Microbial Inoculums</u> for using in Bio Toilet Technology. The question was raised-</li> </ul> <ol style="list-style-type: none"> <li>Recommendation on the HSN code and applicable tax rate to be used under GST for the AMI (said product)</li> </ol> <ul style="list-style-type: none"> <li>3002-HS Code of Antisera and other blood fractions and modified immunological products, whether or not obtained by means of biotechnological process.</li> </ul>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<ul style="list-style-type: none"> <li>0511-Animal products not elsewhere specified or included; dead animals of chapter 1 or 3, unfit for human consumption, other than semen including frozen semen.</li> <li>3101-All goods i.e. animal or vegetable fertilisers put up in unit containers and bearing a brand name.</li> </ul> <p><b>Answer-</b> The said product will be classified under sub heading 31010099 and accordingly the GST will be levied 5% on supply of these products</p>
Goodwear fashion Pvt Ltd. SIDCUL Pantnagar.	Garments Business (Uttarakhand AAR)	Ruling No.16 dated 30.01.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in Garments Business. The question was raised-</li> </ul> <p>1. Whether interlinig fabrics is Classified under HSN code 5903 or should be Classified as further bland of yarn (In chapter 52-55)?</p> <p><b>Answer-</b> Interlinig fabrics i.e polyester viscose fusing interlining Woven fabric , partially covered with plastic which leads to plastic coated pattern that is visible on it's one side does not fall under HSN Code 5903. However it being partially coated or partially covered with plastics &amp; bearings will fall under chapters 50 to 55, 58 or 60 as per the chapter note 2(a)(4) of the chapter 59 of the GST Tariff.</p>
Premier Solar Systems Pvt Ltd. Dehradun.	Power-plant (Uttarakhand AAR)	Ruling No.15 dated 24.01.2019	<ul style="list-style-type: none"> <li>The applicant has supplied solar rooftop power plant with design , erection , commissioning , installation</li> <li>The applicant has also supplied solar irrigation water pumping system with design , erection , commissioning , installation. The question was raised-</li> </ul> <p>1. "Whether the supply of Solar rooftop power plant along with design Erection, Commissioning and Installation is a 'Composite supply' and the applicability of GST rate"?</p> <p>2. "Whether the supply of solar irrigation water pumping system along with design erection, commissioning and installation is a 'composite supply' and the applicability of GST rate"?</p> <p><b>Answer-</b>Supply in question would covered under "Solar Power Generating System" as a whole in terms of serial no. 234 of schedule-I of the Notification No.01/2017-Central Tax(Rate) dated 28.06.2017 Supply in question would be treated as "Composite Supply" 70% of the gross value of supply in question shall be the value of supply of said goods falling under chapter 84,85 or 94 of the tariff only would attract 5% GST rate and the remaining portion (30%) of the aggregate value shall be the value of supply of taxable service attracting 18% GST rate in terms of Notification No. 27/2018-Central Tax (Rate) dated 31.12.2018. Other goods used in these plants attract applicable GST rate.</p>
Mahalaxmi Poly Pack Pvt Ltd. Pantnagar Uttarakhand	Manufacturing of Bags (Uttarakhand AAR)	Ruling No.14 dated 07.01.2019	<ul style="list-style-type: none"> <li>The applicant manufactures and supplies Bags. The question was raised-</li> </ul> <p>1. Identification of correct classification of poly Propylene Leno Bags amongs heading no. 63053300 and 39232990?</p> <p>2. Identification of rate of Duty applicable as per respective HSN of Poly Propylene Leno Bags?</p> <p><b>Answer-</b> Poly Propylene Leno Bags will be classified under HSN Code 3923 of the GST Tariff Act &amp; therefore supply of said product will be chargeable to GST @ 18%.</p>
Time Tech Waste Solutions Pvt Ltd	Waste Management Service (W.B AAR)	14/WBAAR/2019-20 Dated 27.06.2019	<ul style="list-style-type: none"> <li>The applicant is providing conservancy/solid waste management service to the Bally Municipal Corporation.</li> <li>Any "pure service" (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</li> </ul>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p>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 under GST. The question was raised-</p> <p>1. <i>Whether notifications relating to TDS apply to supply of waste management service to a municipality and whether the applicant needs to be registered even if he makes exempted supplies only.</i></p> <p><b>Answer-</b> The Applicant's supply to the Bally Municipal Corporation, is exempt from the payment of GST as per Notification No. 12/2017 - Central Tax (Rate) dated 28.06.2017 . As the Applicant is making an exempt supply, the provisions of section 51 and, for that matter, Notification No.50/2018 - Central Tax dated 13.09.2018 and State Government Order No. 6284 - F(Y) dated 2B/09/2018, to the extent they mandate and deal with the mechanism of TDS, do not apply to his supply.</p> <p>If the Applicant's turnover consists entirely of exempt supplies, he is not liable to registration in terms of section 23(1)(a) of the GST Act.</p>
Borbheta Estate Pvt Ltd	Renting dwelling units( <b>W.B AAR</b> )	13/WBAAR/2019-20 Dated 27.06.2019	<ul style="list-style-type: none"> <li>The applicant is inter alia renting dwelling units</li> <li>The Applicant has executed agreements for leasing/renting of four dwelling units it owns at different locations in Kolkata.</li> <li>According to the agreements, all of these units are to be used for residential purpose. The question was raised-</li> </ul> <p>1. <i>Whether applicant is liable to pay GST on leasing of a dwelling unit to a company for residential purpose.</i></p> <p><b>Answer-</b> The Applicant's service of renting/leasing out the dwelling units for residential purpose, is exempt under Sl No. 12 of Notification No. 12/2017-CT (Rate) dated 28/06/2017(corresponding State Notification No. 1136 - FT dated 28/06/2017), The Applicant is, therefore, not liable to pay tax on supply of such service</p>
Dredging & Desiltation Company Pvt Ltd	Drainage Service ( <b>W.B AAR</b> )	12/WBAAR/2019-20 Dated 27.06.2019	<ul style="list-style-type: none"> <li>The applicant enters into a contract with Orissa Construction Corporation Limited for sectioning of Makara River &amp; and Garanimunha branch of Makara River in Orissa.</li> <li>The Applicant is executing a works contract, more than 75% of which is earthwork.</li> <li>The recipient is a government entity and the work being executed is part of an irrigation project under the Department of Water Resources, Government of Odisha. The question was raised-</li> </ul> <p>1. What will be the taxability of the service of upgrading navigability of a river-bed when supplied to Orissa Construction Ltd.</p> <p><b>Answer-</b> The recipient, namely Orissa Construction Corporation Ltd, is a government entity in terms of clause 2 (zfa) of Notification No 912017 - Integrated Tax (Rate) dated 2810612017.</p> <p>The Applicant's supply to Orissa Construction Corporation Ltd, was taxable @18% under Sl No. 3(vii) of Notification No. 8/2017 - Integrated Tax(Rate) dated 28/06/2017 till 12/10/2017.</p> <p>The supply was taxable @ 5% under Sl 3(vii) of Notification No. 8/2017 - Integrated Tax (Rate) dated 28/06/2017, as amended by Notification No. 39/2017 - Integrated Tax (Rate) dated 13/10/2017 with effect from 13/10/2017 till 24/01/2018.</p> <p>It has since been exempted under Sl No. 3A of Notification No 9/2017 - Integrated Tax (Rate) dated 28/06/2017, as amended by Notification No.2/2018-Integrated Tax (Rate) dated 25/01/2018</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

Champa Nandi	Leasing Business (W.B AAR)	10/WBAAR/2019-20 Dated 25.06.2019	<ul style="list-style-type: none"> <li>The applicant stated to be leasing out cranes and equipment and locomotives, provides diesel-hydraulic locomotives to several companies for placement/shunting of rakes/wagons/oil tankers from the siding or terminal of the Indian Railways to the factory premises of the company and vice versa. The question was raised-</li> </ul> <p>1. <i>Classification of supply of leasing out cranes, equipments, and locomotives to different companies and applicable rate of tax under Notification No 11/2017 CT(Rate) dated 28/06/2017.</i></p> <p><b>Answer-</b> The Applicant's service to the DVC, is classifiable as railway pushing and towing service'(SAC 996731) and taxable @ 18% under Sl No 11(ii) of Notification No. 11-t2017 - Central Tax (Rate) dated 28/06/2017 (corresponding State Notification No. 1135 - FT dated 28/06/2017), as amended from time to time.</p>
Ashis Ghosh	Installation & earthwork of tank, low etc. (W.B AAR)	9/WBAAR/2019-20 Dated 25.06.2019	<ul style="list-style-type: none"> <li>The applicant has procured two contracts from M/s Mackintosh Burn Ltd for filling in the compound, tank, low land etc. with silver sand and earthwork in layers, including spreading and compacting the same at the district Correction Home, Baruiapur.</li> <li>The supplier is providing works contract service to a government entity. More than 75% of the value of the supply constitutes earthwork. The question was raised-</li> </ul> <p>1. <i>Whether filling of land with silver sand and earthwork for preparing the ground for construction is classifiable as supply of sand.</i></p> <p><b>Answer-</b> The Applicant's supply to M/s Mackintosh Burn Ltd, is works contract service, classifiable as site preparation service (SAC Group 99543) and taxable @ 18% under Sl No. 3(xii) of Notification No. 11/2017 - Central Tax (Rate) dated 28/06/2017 (corresponding State Notification No. 1135-FT dated 28/06/2017), as amended from time to time. Being a service, the Applicant's supply is not classifiable under HSN 2505.</p>
Mohana Ghosh	Rental CAB Service (W.B AAR)	8/WBAAR/2019-20 Dated 25.06.2019	<ul style="list-style-type: none"> <li>The Applicant, stated to be supplying cabs on a rental basis.</li> <li>The applicant submits that she supplies rent-a-cab service. She refers to section 17(5)(a)(B) of the GST Act that allows credit of input tax paid on the purchase of motor vehicles when used for supplying passenger transportation service.</li> <li>The Applicant submits that people take the car on rent for the transportation of passengers.</li> <li>Rent-a -Cab is, therefore, essentially associated with the transportation of passengers.</li> <li>GST paid on the purchase of motor vehicles for supplying rent-a-cab service should, therefore, be admissible in terms of section 17(5)(a)(B) of the GST Act.</li> <li>She submits photocopies of a few invoices, showing that the invoices are made on the distance travelled. The question was raised-</li> </ul> <p>1. <i>Whether input tax credit is admissible on purchase of motor vehicles for supply of rent-a-cab service</i></p> <p><b>Answer-</b> GST paid on the [inward supply] of motor vehicles for supplying rent-a-cab service is not admissible for credit in terms of section 17(5)(a) of the GST Act.</p>
Neo-Built Corporation	Re-excavation of river (W.B AAR)	5/WBAAR/2019-20 Dated 10.06.2019	<ul style="list-style-type: none"> <li>The applicant enters into a contract with The Irrigation and waterways Directorate, Govt. of W.B. for the resuscitation by re-excavation of river palaspai from Banskhal to Mahisghata along with raising-and strengthening of embankment on both sides of</li> </ul>

# ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p>the river in Block Daspur. The question was raised-</p> <p>1. <i>Whether exemption under SI No. 3A of Notification No. 9/2017-CT(Rate) dated 28/06/2017 applies to the activity of upgrading the navigability of a river, the contractee being the Irrigation and Waterways Directorate.</i></p> <p><b>Answer-</b> The Applicant's supply to the Irrigation and Waterways Directorate, Govt. of West Bengal, as mentioned in para 1.1, is exempt from the payment of GST under SI No.34 of Notification No 9/2017 - Integrated Tax (Rate) dated 28/06/2017 , as amended from time to time.</p>
Senco Gold Ltd	Jewellery Business (W.B AAR)	2/WBAAR/2019-20 Dated 08.05.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in the manufacturing and retailing of jewellery and articles made of gold, silver, platinum, diamonds and other precious stones under the brand name "Senco Gold &amp; Diamonds"</li> <li>Apart from his own retail stores, the Applicant also maintains a network of franchisee-operated stores. He grants such a franchisee the right and license to operate a showroom and to use, in connection therewith, certain Proprietary Marks and System in accordance with a Franchise Agreement</li> <li>The Applicant raises tax invoices on the Franchisee for the supply of jewellery and other articles and also for Franchise Support Services in terms of the Agreement periodically. On its part, the Franchisee also raises tax invoices on the Applicant for the supply of old gold, silver etc., received from the customers.</li> </ul> <p>The question was raised-</p> <p>1. <i>Whether input tax credit is admissible when the applicant settles through book adjustment the debt created on inward supplies</i></p> <p><b>Answer-</b> The Applicant can pay the consideration for inward supplies by way of setting off book debt. The GST Act and rules made there under does not restrict the recipient from claiming the input tax credit when consideration is paid through book adjustment, subject to the conditions and restrictions as may be prescribed and in the manner specified in Sections 16 and 49 of the GST Act.</p>
Bengal Peerless Housing Development Co Ltd	Real Estate Developer (W.B AAR)	1/WBAAR/2019-20 Dated 02.05.2019	<ul style="list-style-type: none"> <li>The Applicant is a joint venture of The West Bengal Housing Board and The Peerless General Finance and Investment Company Limited for developing real estate projects in West Bengal.</li> <li>It is developing a residential housing project named 'Avidipta II' and supplying construction service to the recipients for possession of dwelling units in the year 2023.</li> <li>In addition to the construction service, the Applicant provides services like preferential location service, which includes services of floor rise and directional advantage. The question was raised-</li> </ul> <p>1. <i>Whether supply of construction service bundled with preferential location service is a composite supply with construction service as the principal supply</i></p> <p><b>Answer-</b> The Applicant is providing service of construction of a dwelling unit in a residential complex, bundled with services relating to the preferential location of the unit and right to use car parking space and common areas and facilities.</p> <p>It is a composite supply, construction service being the principal supply. Entire value of the composite supply is, therefore, to be treated, for the purpose of taxation, as supply of construction service, taxable under SI No. 3(i) read with Paragraph 2 of Notification No 11/2017 - CT (Rate) dated 28/06/2017 (corresponding State Notification No. 1135-FT dated</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			28/06/2017), as amended from time to time.
Ratan Projects & Engg Co Pvt Ltd	Manufacturer of Electrical Ancillary Parts <b>(W.B AAR)</b>	49/WBAAR/2018-19 Dated 28.03.2019	<ul style="list-style-type: none"> <li>The applicant is manufacturer of cable tray, angel ladder tray etc, which are mainly used for electrical works.</li> <li>The Applicant sends steel structures for galvanising to a job worker along with furnace oil, zinc, nickel that are to be consumed in the galvanising process. The question was raised- 1. <i>Whether the inputs sent to the job-worker and consumed in the process of galvanisation should be treated as supply in terms of section 143(3).</i> <b>Answer-</b> Return of the galvanised goods to the Applicant satisfies the condition of receiving back the inputs in accordance with section 143(1)(a) of the GST Act. As the goods like furnace oil, zinc etc - consumed in the process of galvanising – are inseparable from the galvanised goods, they should not be treated as supply in terms of section 143(3) of the GST Act, provided they have been entirely used up in the process of galvanising.</li> </ul>
The Bengal Rowing Club	Non Profit Making Company <b>(W.B AAR)</b>	48/WBAAR/2018-19 Dated 28.03.2019	<ul style="list-style-type: none"> <li>The Applicant is stated to be a company limited by guarantee and registered with ROC as a nonprofit making company. It is engaged in providing its members privileges and amenities of a club such as swimming facility, gymnasium, indoor games, restaurant service etc. The question was raised- 1. <i>Classification and rates of tax on the services supplied by the club.</i> <b>Answer-</b> Supply of food, by way of or as part of any service or in any other manner whatsoever, from the Applicant's restaurant is classifiable under SAC 9963 and taxable under Sl No. 7(i) or 7(iii) of the Notification No. 11/2017-CT (Rate) dated 28/06/2017 (corresponding State Notification No. 1135-FT dated 28/06/2017), depending upon the criteria mentioned therein. If food is supplied by way of or as part of the services associated with organizing social events at the club premises, together with renting of such premises, it will be classifiable under SAC 9963 and taxable under Sl No. 7(vii) of the above-mentioned rate notification. All other services offered by the Applicant are classifiable under SAC 9995 and taxable under Sl No. 33 of the above rate notification. The Applicant should apply the provisions under section 17(2) &amp; (6) of the GST Act, for reversal of input tax credit, treating supplies, if any, taxable under Sl No. 7(i) of the above rate notification, as exempt supplies. Reference to food in this ruling includes the supply of other articles of human consumption and drink (whether or not alcoholic liquor).</li> </ul>
Alok Bhanuka	Repairing and servicing of transformers <b>(W.B AAR)</b>	47/WBAAR/2018-19 Dated 26.03.2019	<ul style="list-style-type: none"> <li>The Applicant is stated to be engaged in repairing and servicing of transformers owned by WBSEDCL. The question was raised- 1. <i>Whether repairing of transformers is composite supply and what will be the applicable rate of tax.</i> <b>Answer-</b> Repairing and servicing of transformers owned by another person is not job work as defined under section 2(68) of the GST Act. It is composite supply unless the contract specifies that the goods and services are to be separately charged. The principal supply is the service of repair of transformers classifiable under SAC 998719 and taxable under Sl No. 25(ii) of Notification No. 11/2017 – CT (Rate) dated 28/06/2017 (corresponding State Notification No. 1135 FT dated 28/06/2017), as amended from time to time.</li> </ul>
Eskag Pharma Pvt Ltd	Manufacturer of pharmaceuticals <b>(W.B AAR)</b>	46/WBAAR/2018-19 Dated 26.03.2019	<ul style="list-style-type: none"> <li>The Applicant is stated to be a manufacturer of pharmaceuticals, APIs and other medicaments.</li> <li>The Applicant sold some products having therapeutic or</li> </ul>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p>prophylactic uses. They are being sold at pharmacies and are not available at any general stores or groceries. They are prescribed by physicians or medical practitioners for treatment of various diseases. The question was raised-</p> <p>1. <i>Classification of food supplements.</i></p> <p><b>Answer-</b> The Application has been admitted for classification of the products mentioned in Table I of the Application that are labelled as dietary/health supplements.</p> <p>Products mentioned under Sl Nos. 2 to 13 are classifiable under HSN 2106, and taxable under Sl No. 23 of Schedule III of Notification No. 1/2017-CT (Rate) dated 28/06/2017 of the Centre (corresponding State Notification No. 1125-FT dated 28/06/2017), as amended vide Notification No. 41/2017-CT(Rate) dated 14/11/2017 (corresponding State Notification No. 2019-FT dated 14/11/2017).</p>
Udayan Cinema Pvt Ltd	Film Producing Company (W.B AAR)	45/WBAAR/2018-19 Dated 13.03.2019	<ul style="list-style-type: none"> <li>The Applicant intends to produce a feature film, a portion of which is planned to be shot at locations outside India. For this purpose, he is in the process of appointing CDI Virtual Films Inc. (hereinafter the CDIVF) as a Line Producer in Brazil. The question was raised-</li> </ul> <p>1. <i>Whether the producer of a feature film is liable to pay IGST on reverse charge basis on payment made to a line producer engaged in Brazil. If so, what should be the classification of the service of a line producer and the rate of IGST.</i></p> <p><b>Answer-</b> The Line Producer to be engaged for the shooting of a feature film in Brazil is supplying motion picture production service, classifiable under SAC 999612</p> <p>The Applicant is liable to pay IGST on the payments made to the above Line Producer in terms of Sl No. 1 of Notification No. 10/2017 – IGST (Rate) dated 28/06/2017 at 18% rate specified under Sl No. 34(vi) of Notification No. 08/2017 – IT (Rate) dated 28/06/2017, as amended from time to time.</p> <p>No deduction is available in terms of the contract with the Line Producer appended to the Application from the value of the supply of motion picture production service even if payment is made on an actual cost basis. However, if the Applicant modifies the contract so that the Line Producer acts as pure agent for certain services in addition to the main supply of motion picture production service, the related transactions will be import of services from the actual suppliers, and the amount paid on actual cost basis for procuring those services will be subjected to IGST at the applicable IGST rate on such services.</p>
Shiva Writing Co Pvt Ltd	Manufacturing and supplying of ball point pens(W.B AAR)	44/WBAAR/2018-19 Dated 13.03.2019	<ul style="list-style-type: none"> <li>The Applicant is stated to be in the business of manufacturing and supplying of ball point pens, for which pen tips and balls to be used inside the tips are required in order to make the same tips working, and also trades and supplies ball point pen tips and refills to various dealers. The question was raised-</li> </ul> <p>1. <i>Classification of and rate of tax on tips and balls of ball point pens.</i></p> <p><b>Answer-</b> “Tips and Balls” of Ball Point Pens are to be classified under GST Tariff Heading 9608 99 90 and included under Sl No. 453 of Schedule III of Notification No. 01/2017–Central Tax (Rate) dated 28.06.2017 (corresponding State Notification No. 1125-FT dated 28/06/2017).</p>
Nipha Exports Pvt Ltd	Manufacturer of agricultural machinery(W.B	43/WBAAR/2018-19 Dated 26.02.2019	<ul style="list-style-type: none"> <li>The Applicant, stated to be a manufacturer of agricultural machinery &amp; and has purchased an ambulance for the benefit of the employees, as required under Section 45(4) of the Factories</li> </ul>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

	AAR)		<p>Act, 1948.</p> <ul style="list-style-type: none"> <li>The Applicant argues that the input tax paid on inward supply of the ambulance is eligible for credit under the Second Proviso to Section 17(5)(b) of the GST Act, as amended w.e.f. 01/02/2019. The question was raised-</li> </ul> <p>1. <i>Whether ITC is admissible on purchase of an ambulance in November 2018 for the benefit of the employees under the legal requirements of the Factories Act, 1948</i></p> <p><b>Answer-</b> Input tax credit is not admissible on the ambulance purchased in November 2018, as Section 17(5) of the GST Act, as it stood in the relevant period, blocks any such enjoyment, even if provisioning of ambulance service to the employees is obligatory under the Factories Act, 1948.</p>
Sarj Educational Centre	Lodging & Fooding Service Provider to an Educational Society( <b>W.B AAR</b> )	42/WBAAR/2018-19 Dated 26.02.2019	<ul style="list-style-type: none"> <li>The Applicant is stated to be the owner of a private boarding house and is providing services of lodging and food exclusively to the students of a secondary school, run by a Charitable Society, namely Sunshine Educational Society</li> <li>The boarding facility shall include lodging, housekeeping, laundry, medical assistance and food. The consideration is a consolidated charge on the individual boarder for the combination of the services. The question was raised-</li> </ul> <p>1. <i>Whether lodging along with food to the students by a private boarding house is a composite supply and eligible for exemption under Sl No. 14 of Notification No. 12/2017-CT(Rate) dated 28/06/2017.</i></p> <p><b>Answer-</b> The Applicant is offering several individual services in two different combinations to the recipients, depending upon their need for lodging facility. None of the combinations of services being offered is a composite supply, as defined under section 2(30) of the GST Act. They are mixed supplies within the meaning of section 2(74) and taxable in accordance with section 8(b) of the GST Act. Being mixed supply, value of the entire combination of services offered is taxable at the applicable rate.</p>
Piyush Polytex Industries Pvt Ltd	Manufacturer of P.P. Nonwoven Fabric( <b>W.B AAR</b> )	41/WBAAR/2018-19 Dated 26.02.2019	<ul style="list-style-type: none"> <li>The Applicant, stated to be a manufacturer of P.P. Nonwoven Fabric, Laminated Nonwoven Fabric, B.O.P.P. Pasted P.P. Nonwoven Fabric, P.P. Woven Fabric Pasted with Nonwoven Fabric and Nonwoven Bags/Sacks.</li> <li>The Applicant states that nonwoven bags/sacks are made of P.P. Nonwoven Fabric and it falls under Chapter Heading 63 of the GST Tariff. The question was raised-</li> </ul> <p>1. <i>Classification and rate of tax for polypropylene non-woven bags</i></p> <p><b>Answer-</b> Bags/Sacks (both with &amp; without Handle) made of Laminated P.P. Nonwoven Fabric is classifiable under Sub-Heading 39232990 Bags/Sacks (both with &amp; without Handle) made of B.O.P.P. Pasted P.P. Nonwoven Fabric is classifiable under Sub-Heading 39232990. Bags/Sacks (both with &amp; without Handle) made of Woven Fabric Pasted with Nonwoven Fabric have to be classified as per the General Rules for the Interpretation of the First Schedule of the Customs Tariff .</p>
Tewari Warehousing Co Pvt Ltd	Warehousing Services ( <b>W.B AAR</b> )	40/WBAAR/2018-19 Dated 18.02.2019	<ul style="list-style-type: none"> <li>The Applicant, stated to be supplying warehousing services, is constructing a warehouse on leasehold land, using pre-fabricated technology.</li> <li>According to the Applicant, it can be dismantled and reconstructed at a different location. The question was raised-</li> </ul> <p>1. <i>Whether ITC is admissible on construction of a warehouse using pre-fabricated technology</i></p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p><b>Answer-</b> The warehouse being constructed is immovable property. The input tax credit is, therefore, not admissible on the inward supplies for construction of the said warehouse, as the credit of such tax is blocked under section 17(5)(d) of the GST Act.</p>
Storm Communications Pvt Ltd	Event Management Service Provider <b>(W.B AAR)</b>	39/WBAAR/2018-19 Dated 28.01.2019	<ul style="list-style-type: none"> <li>The Applicant, stated to be a supplier of Event Management Services in West Bengal</li> <li>The Applicant organises events on behalf of clients and, for this purpose, books conference halls, banquet halls, outdoor caterers etc.</li> <li>The Applicant is registered as a GST assessee in West Bengal, Jharkhand, Odisha, Maharashtra and Delhi.</li> <li>In relation to this Event Management Service, the Applicant has to move to other states, where the Applicant is not registered, to serve clients in those states, and incur miscellaneous expenses for booking hotels, banquet halls and on food</li> <li>On such inward supplies, the Applicant is charged CGST &amp; SGST of that particular state and the invoices are issued as B2B with the Applicant's GSTIN. These invoices are also reflected in the Applicant's GSTR-2A.</li> <li>Such inward supplies are taken to serve the clients and the Applicant desires to know if ITC can be claimed in the GST Returns in West Bengal on the CGST &amp; SGST paid on such invoices in other states. The question was raised-</li> </ul> <p><i>1. Whether tax paid on intra-state inward supply in one state can be used to pay output tax liability in another state, especially if the applicant is not registered in the state where he receives the inward supply</i></p> <p><b>Answer-</b> The Applicant is not registered under Section 25(1) of the CGST Act in Tamil Nadu. The SGST and CGST paid on intra-state inward supply in Tamil Nadu are not, therefore, "input tax" to the Applicant. The GST Act does not contain any concept of "input tax" in relation to an unregistered person. No credit of it is, therefore, admissible under the GST Act.</p> <p>So, to answer in the Applicant's language:</p> <p><b>a.</b> A person, registered in WB, cannot claim ITC for CGST &amp; SGST of other states.</p> <p><b>b.</b> He cannot adjust the ITC of one state's CGST for payment of another state's CGST.</p> <p><b>c.</b> He cannot adjust the ITC of Tamil Nadu GST for payment of IGST, whereas he is not registered in Tamil Nadu</p>
Ex-servicemen Resettlement Society	Security Service Provider <b>(W.B AAR)</b>	38/WBAAR/2018-19 Dated 28.01.2019	<ul style="list-style-type: none"> <li>The Applicant, stated to be a registered society providing Security Services and Scavenging Services to various hospitals under the State Government as well as the Central Government</li> <li>The Applicant has stated that under the Exemption Notification, the services provided by them are exempt by way of 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. The question was raised-</li> </ul> <p><i>1. Whether security and scavenging services to the Govt is exempt under SL No. 3 or 3A of Notification No. 12/2017-CT(Rate) dated 28/06/2017, as amended from time to time</i></p> <p><b>Answer-</b> Benefit of exemption from the payment of GST is not available to the Applicant under Notification No 12/2017-CT(Rate) dated 28.06.2017 and WB Govt. Gazette Notification-1136- FT dated</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			28.06.2017, as amended, for the supply of Security Services and the bundle of service that he describes as "Scavenging Services".
NIS Management Ltd	Service Provider <b>(W.B AAR)</b>	37/WBAAR/2018-19 Dated 28.01.2019	<ul style="list-style-type: none"> <li>The Applicant, is a service provider by the deployment of personnel like a plumber, sweeper, security guard, electrician, carpenter etc. to the West Bengal Housing Board.</li> <li>The Applicant was required to charge GST on the entire bill, including sweeping service.</li> <li>The Directorate, however, has since raised an objection on GST being charged on sweeping service, which, in their opinion, is part of sanitation service listed under the Eleventh Schedule of the Constitution and, therefore, eligible for exemption under Sl. No. 3 of the Exemption Notification. The question was raised- 1. <i>Whether sweeping service to the Govt is exempt under SL No. 3 or 3A of Notification No. 12/2017-CT(Rate) dated 28/06/2017, as amended from time to time</i> <b>Answer-</b> Sweeping Service that the Applicant supplies to the Housing Directorate of the Government of West Bengal, cannot be classified as an 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. The exemption under Sl No. 3 or 3A, as the case may be, of Notification No 12/2017-CT (Rate) dated 28.06.2017 and WB Govt. Gazette Notification-1136-FT dated 28.06.2017 is not, therefore, applicable to such supplies.</li> </ul>
Vedika Exports Tea Pvt Ltd	Packer of tea bags <b>(W.B AAR)</b>	36/WBAAR/2018-19 Dated 28.01.2019	<ul style="list-style-type: none"> <li>The Applicant, stated to be a contract packer of tea bags</li> <li>The process of service undertaken by the Applicant involves assembly of materials on machine, including blended tea leaves and other inputs received from the recipient of the service. The question was raised- 1. <i>Classification of the service to Hindustan Unilever Ltd for packing tea into tea bag pouches and its packaging</i> <b>Answer-</b> The Applicant makes a composite supply to Hindustan Unilever Ltd, where the service of manufacturing tea bags from the physical inputs owned by the latter is the principal supply. It is classifiable under SAC 9988 and taxable at 5% rate under Sl No. 26(f) of Notification No. 11/2017 - CT (Rate) dated 28/06/2017, as amended from time to time. Applicability of this Ruling with respect to other recipients is subject to the specific nature of the contracts with them.</li> </ul>
Abhishek Tibrewal (HUF) carrying on business under trade name Avantika Industries	Iron & Steel Manufacturer <b>(W.B AAR)</b>	35/WBAAR/2018-19 Dated 28.01.2019	<ul style="list-style-type: none"> <li>The Applicant is a Manufacturer of, inter alia, Springs of Iron and Steel for supply to the Railways. The question was raised- 1. <i>Classification and rate of tax for springs of iron and steel for railways</i> <b>Answer-</b> Springs of Iron and Steel for Railways are classifiable under HSN Code no. 7320 (taxable @ 18%) under Serial No. 234 of Schedule III of Notification No. 1/2017- CT (Rate) dated 28.06.2017</li> </ul>
Dinman Polypacks Pvt Ltd	Manufacturer of Polypropylene Leno Bags <b>(W.B AAR)</b>	34/WBAAR/2018-19 Dated 28.01.2019	<ul style="list-style-type: none"> <li>The Applicant is a manufacturer of Polypropylene Leno Bags which are mainly used for packing of dry vegetables and fruits in bulk and their sale price is far less than Rupees One Thousand per piece. The question was raised- 1. <i>Classification and rate of tax for Polypropylene Leno Bags</i> <b>Answer-</b> "Poly Propylene Leno Bags" are to be classified as plastic bags under HSN 3923 and would attract 18% GST.</li> </ul>
ITD Cementation	Works Contract Service	33/WBAAR/2018-19	<ul style="list-style-type: none"> <li>The Applicant is supplier of works contract service.</li> <li>He has entered into an agreement with Inland Waterways</li> </ul>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

India Ltd	(W.B AAR)	Dated 08.01.2019	<p>Authority of India for construction of a multi-modal IWT terminal at Haldia on EPC basis.</p> <ul style="list-style-type: none"> <li>The contractee is a Government Entity, being a statutory body established under the Inland Waterways Authority of India Act, 1985 (hereinafter the Iwai Act, 1985), and functions under the administrative control of the Ministry of Shipping, Government of India. The question was raised-</li> </ul> <p>1. <i>Whether works contract service supplied to Inland Waterways Authority of India is taxable under Sl No. 3(vi) of Notification No. 11/2017 -CT(Rate) dated 28/6/2017, as amended from time to time</i></p> <p><b>Answer-</b> Amendments to Serial No. 3(vi) of Notification No. 11/2017-CT (Rate) dated 28/06/2017, brought about by Notification No. 24/2017-CT (Rate) dated 21/09/2017 and 31/2017 - CT (Rate) dated 13/10/2017, are not applicable to the Applicant's supply of works contract service for construction of the Multi-modal IWT Terminal at Haldia. It will attract GST at 18% rate under Serial No. 3(xii) of 11/2017-CT (Rate) dated 28/06/2017.</p>
WEBFIL Ltd	Joint Venture (W.B AAR)	32/WBAAR/2018-19 Dated 08.01.2019	<ul style="list-style-type: none"> <li>The Applicant is a joint venture company formed by West Bengal Industrial Development Corporation, a Govt. of West Bengal undertaking, and the group of companies of Andrew Yule &amp; Co Ltd (a Central Govt. undertaking)</li> <li>According to the Application, WBIDC and Andrew Yule &amp; Co and its associates are "Government Companies" and they together hold 62.29% of the subscribed and paid up share capital of the Applicant. The rest is held by the public.</li> <li>The Applicant is a 'deemed Government Company' for the limited purpose of audit by the C&amp;AG.</li> <li>However, he is not a "Government Company", as defined under section 2(45) of the Companies Act, 2013, as neither the Central Government nor the State Government subscribes to the paid up share capital of the Applicant.</li> <li>He is not a subsidiary of any "Government Company" either, as no "Government Company" separately holds more than 51% of the share capital, or exercises control by having majority in the composition of the Board of Directors.</li> <li>Moreover, the Registrar of Companies, Kolkata, has incorporated the Applicant as a non-Government company. The question was raised-</li> </ul> <p>1. <i>Whether Notification No. 50/2018-CT dated 13/09/2018 under the CGST Act, 2017 is applicable on a JV of two Govt. companies</i></p> <p><b>Answer-</b> The Applicant, if established by government notification, is liable to deduct tax at source under section 51(1) read with Notification No. 1344-FT dated 13/09/2018, being a company controlled by the Central and the State Governments.</p>
U S Polytech	Manufacturer of Polypropylene Non-Woven Bags (W.B AAR)	31/WBAAR/2018-19 Dated 08.01.2019	<ul style="list-style-type: none"> <li>The Applicant is a manufacturer of Polypropylene Non-Woven Bags which are mainly used by big industrial units, retail outlets and textile shops for packing of different goods and have been granted registration by the Office of the Textile Commissioner of Textile based products. The question was raised-</li> </ul> <p>1. <i>Classification and rate of tax for polypropylene non-woven bags</i></p> <p><b>Answer-</b> 'PP Non-woven Bags', specifically made from non woven Polypropylene fabric are plastic goods to be classified under Sub Heading 3923 29 and taxed at 18 % rate under Serial No. 108 of Schedule III of Notification no. 01/2017-C.T (Rate) dated 28-06-2017</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			under the CGST Act, 2017 & Notification No. 1125-FT dated 28/06/2017 under the WBGST Act, 2017.
GGL Hotel & Resort Co Ltd	Real Estate & Hospitality Service Provider <b>(W.B AAR)</b>	30/WBAAR/2018-19 Dated 08.01.2019	<ul style="list-style-type: none"> <li>The Applicant, stated to be a subsidiary of Ambuja Neotia Holdings Private Limited, is in the hospitality and real estate business since 1997</li> <li>The Applicant is engaged in the hospitality and real estate business and is contemplating a new project on a leasehold land.</li> <li>The Lessor ,Bengal Housing Infrastructure Development has leased a piece of land in New Town Area for a period of 32 years to the Applicant who is Lessee for a lease premium of Rs. 17 Crores 20 Lakhs only.</li> <li>As per the Indenture of Lease dated 21.08.2013, the Applicant is liable to pay annual lease rent at the rate of 10% of the aforesaid premium for the first and second year, and the same would be escalated at the rate of 5% per annum, in the subsequent years from the start of the third year over the last annual lease rent p.a.</li> <li>The project is proposed to be completed within a period of 2 years from the foundation of the project and the lease rent paid during the pre-operative period shall be capitalized in the books of account by the Applicant. The question was raised- 1. <i>Whether ITC is admissible on lease rent paid during pre-operative period for the leasehold land on which a resort is being constructed to be used for furtherance of business</i> <b>Answer-</b> Input Tax Credit is not available to the Applicant for lease rent paid during pre-operative period for the leasehold land on which the resort is being constructed on his own account to be used for furtherance of business, when the same is being capitalised and treated as capital expenditure.</li> </ul>
Chowgule & Co Pvt. Ltd	Iron Industry <b>(Goa AAR)</b>	GOA/GAAR/11 of 2018-19/514 Dated 21.05.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in the business of mining, ship building, ship repair &amp; pelletisation.</li> <li>The applicant entered into a contract with NRI to provide job work services by doing conversion of iron ore into pellets. The applicant imported Iron Ore using his own GSTIN from NRI and exported iron ore to NRI. The following questions were raised - 1. <i>Whether IGST at 5% of assessable value is applicable on import of iron for conversion into pellets and export the resultant product (Iron ore pellets) back to same supplier in view of the fact that import duty is not applicable in view of the exemption under General Exemption No. 66 (Exemption Notification No. 32/97-Cus dated 01st April, 1997) for job work.</i> 2. <i>If answer to question 1 is yes, whether the applicant as recipient of imported iron ore will be liable to pay the IGST under applicant GSTIN as the applicant in any case is the consignee of the imported iron ore.</i> <b>Answer</b> – The applicant is liable to pay IGST on import of Iron Ore 3. <i>If answer to question 2 is yes, whether the applicant can avail the input Tax Credit for the IGST so paid as per section 16 of CGST Act.</i> <b>Answer</b> – The applicant is eligible for ITC towards payment of IGST u/s 16 of IGST Act 4. <i>Whether the applicant can claim refund of unutilised input tax credit on export of services as per section 16(3)(a) of IGST Act and 54(3) of CGST Act.</i> <b>Answer</b> – The applicant is not eligible for refund of unutilized ITC on export of Goods or services u/s 54(3) of the CGST Act.</li> </ul>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

Chowgule Industries Private Limited	Dealer of Car & Spare parts of Car <b>(Goa AAR)</b>	GOA/GAAR/07 of 2018-19/4796 dated 29.03.2019	<ul style="list-style-type: none"> <li>The applicant purchased vehicles from Authorized Representative for Demonstration Purpose which is one of the part of marketing and sales promotion. In the books of accounts of the applicant, the purchase of vehicle has been capitalized. The following question was raised – <i>Whether ITC on Motor Car purchased for Demo purpose can be availed as credit on capital goods &amp; set off against output tax payable.</i></li> </ul> <p><b>Answer</b> –The ITC on Motor Vehicle purchased for demonstration can be utilized to set off Output GST</p>
R K Industries	Manufacturer & Exporter <b>(Maharashtra AAR)</b>	GST-ARA-140 /2018-19/B- 54 Mumbai dated 15.05.2019	<ul style="list-style-type: none"> <li>The applicant is manufacturers and exporters of various products consisting of Water Bottles, Lunch Boxes, Pencil box, Milk Mugs, Tea/Coffee Mugs, Milk/Tea/Coffee Mugs with Steel Bidding, Airtight &amp; Leak proof Plastic Food Storage container, Airtight &amp; Leak-proof Steel Food Storage Container, Lunch Boxes with Elegant Pouches, super Lock &amp; Seal Containers, Super Steel Lock container.</li> <li>They also manufacture specially designed Steel mug with plastic outer body, thus utilising the beneficial properties of both substances steel &amp; plastic. The following question was raised – 1. <i>Whether Steel Mugs with a plastic outer body supplied by the applicant would be classified under Sl. No 184 of Schedule II of Notification No 1/2017 of Central Tax (Rate) dated 28th June, 2017 (as amended)?</i></li> </ul> <p><b>Answer</b> – Yes</p>
Terna Public Charitable Trust	Hospital and Research Centre <b>(Maharashtra AAR)</b>	GST-ARA-135/2018-19/B-55 Mumbai dated 21.05.2019	<ul style="list-style-type: none"> <li>The Applicant runs a hospital and Research Centre under the name and style 'Terna Specialty Hospital &amp; Research Centre'</li> <li>The hospital owns and runs a pharmacy. During the course of treating the in-house patients admitted in the hospital, medicines, surgical items, implants, consumables and allied items are used. For proper care and watch by doctors/ nurses a room on rent and food from Hospital Canteen under the supervision of dietician is provided to the in-house patients as a part of overall health care.</li> <li>GST is not charged on the medicines, surgical items, consumables and allied items used for treating such in-house patients. Further, a room provided on rent and food provided from Hospital Canteen to the in-house patients is also not charged to GST.</li> <li>However at present the GST is charged to out-patients, (OPD patients) treated by Hospital who buy medicines, surgical items, consumable, implants and other allied items for their use. Further very few walk-in customers with prescriptions of outside doctors/Hospitals also buy medicines &amp; allied items from hospital owned Pharmacy which are also charged GST. The following questions were raised – 1. <i>Whether the supply of medicines, surgical items, implants, consumables and other allied items provided by the hospital through the hospital owned pharmacy, as well as food, room on rent to the in-patients is part of composite supply of health care treatment; and hence not taxable under CGST/SGST?</i></li> </ul> <p><b>Answer</b> – Patients live in the hospital,, during the course of provision of healthcare services by the hospital to the patients admitted for diagnosis or treatment in hospital. Supply of medicines, consumable, implants and allied items provided by the hospital through the pharmacy, as well as food, room on rent to the</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p>in-patients is part of composite supply of health care treatment. There in this case , supply of medicines, surgical items, implants, consumables and other allied items provided by the hospital through the hospital owned pharmacy, as well as food, room on rent to the in-patients is part of composite supply of health care treatment and hence not taxable under GST Laws.</p> <p><i>2. Whether the supply of medicines, surgical items, implants, consumables and other allied items provided by the hospital through the hospital owned pharmacy to the out-patients, is part of composite supply of health care treatment; and hence not taxable under CGST/SGST?</i></p> <p><b>Answer</b> – Out-patients are those who visit the hospital for routine check-up or clinical visits. So far as out-patients (OPD patients) are concerned, hospital gives only prescription. There is freedom to procure the medicines or allied items prescribed, either from the pharmacy owned by the hospital or from outside medical stores. Hospital has no control over their continuous treatment of such patients. So the transaction is not covered under composite supply, and is therefore out of purview of the Sr.No.74 mentioned above and GST is liable to be paid on such sale effected by the pharmacy.</p>
Security And Intelligence Services (India) Ltd	Security Service Provider (Maharashtra AAR)	GST-ARA-125/2018-19/B-58 Mumbai dated 24.05.2019	<ul style="list-style-type: none"> <li>The applicant is Security and Intelligence Services (India) provider to various entities all over India and have different type of customers included educational bodies and higher educational Institutions like IITs etc.</li> <li>The applicant is providing services to Visvesvaraya National Institute of Technology, Nagpur (VNIT).</li> <li>VNIT as an institute was established in the year 1960 under the scheme sponsored by Govt. of India and Govt. of Maharashtra. The following questions were raised –</li> </ul> <p><i>1. Whether the services provided to Visvesvaraya National Institute of Technology, Nagpur will qualify for exemption under Serial 66 of Notification 12/2017 – Central Tax (Rate) dated 28th June 2017, considering it to be an educational Institution.</i></p> <p><b>Answer</b> – Exemption will not be available</p> <p><i>2. Whether rate of tax on services provided to Visvesvaraya National Institute of Technology, Nagpur (VNIT) is nil as per Serial no 3 of Notification No 12/2017-Central Tax (Rate) dated 28th June 2017</i></p> <p><b>Answer</b> – VNIT has neither been set up by an Act of Parliament or a State Legislature; nor has been established by any Government, with ninety percent 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. Hence they cannot be considered as a “Governmental Authority”. Therefore Sr. No. 3 of Notification No. 12/2017 is also not applicable in the subject case.</p>
Nikhil Comforts	Air-conditioning work (Maharashtra AAR)	GST-ARA-127/2018-19/B-59 Mumbai dated 24.05.2019	<ul style="list-style-type: none"> <li>The applicant entered into an agreement with Goa State Infrastructure Development Corporation Ltd for execution of Additional Air-conditioning work for the New building of Director of Education at Porvorim, Goa.”</li> <li>The slope of work comprises of supply of various Components(Supply, Installation, Testing &amp; Commissioning of VRF 4 Way Cassette Units., Supply, Installation, Testing &amp; Commissioning of VRF Hi- Wall Units.) The following questions were raised –</li> </ul> <p><i>1. The transaction would be classifiable to cover under the definition of</i></p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p>"works contact" liable to CGST/SGST/IGST covered under Sr. No 3 Item 3 of Notification No 20/2017 (Central Tax Rate) dated 22/08/2017.</p> <p><b>Answer – No</b></p> <p>2.The transaction is Composite supply liable to tax at the rate applicable to Air-Conditioners which are the principal goods involved in the transaction under Schedule IV, Sr. No 119 of Notification No 1/2017 (Central Tax Rate) dated 28/06/2017.</p> <p><b>Answer –Yes</b></p>
Colo Color (Prop. Hiral Pinkal Rambhia)	Retail chain of Digital Labs & Studios (Maharashtra AAR)	GST-ARA- 132/2018-19/B- 60 Mumbai dated 24.05.2019	<ul style="list-style-type: none"> <li>The applicant is a Retailer, whole seller , Institutional seller of various equipments of Digital Printing</li> <li>The applicant operates a retails chain of 19 labs under the brand name "Colo Photo Shop"</li> <li>The applicant is associated to more than 25000 photographs.</li> </ul> <p>The following question was raised –</p> <p>1. Whether the activity of merely printing or reproducing the content given by the photographers / retail customers on pen drive, CD, memory card or any other storage media will be classifiable under Service Code 998912 or 998386?</p> <p><b>Answer –</b> The activity of merely printing &amp; reproducing the content given by the photographers/retail customs on pen drive , CD, Memory Card or any other storage media will be classified under SAC Code 998386 &amp; liable to tax @18%.</p>
Mayank Jain	Marketing and advisory services (Maharashtra AAR)	GST-ARA- 103/2018-19/B- 63	<ul style="list-style-type: none"> <li>Applicant is a retail chain of digital labs and studios.</li> <li>The applicant is providing marketing and advisory services in relation to the Employee Based Immigration</li> <li>The Applicant wants to provide certain services in the nature of marketing and intelligence to the "Consultant Manager" acting for the Regional Centre or Company enabling them to receive investments from prospective investors. The following question was raised –</li> </ul> <p>1. Whether the Marketing services to be supplied by the Applicant under the Foreign Immigration Advisor to the Consultant Manager constitutes a supply of "Support services" classified under SAC 9985 or "Intermediary service" classifiable under SAC 9961 / 9962 or any other heading?</p> <p><b>Answer –</b> The services to be supplied by the Applicant under the Foreign Immigration Advisor to the Consultant Manager constitutes a supply of "Intermediary services" classified under SAC 99S5.</p> <p>2.Whether the Handholding services to be supplied by the Applicant under the Foreign Immigration Advisor Agreement constitute a supply of "Support services" falling under SAC 9985 or "Intermediary service" classifiable under SAC 9961 / 9962 or any other heading?</p> <p><b>Answer –</b> In view of the discussions made above, the Handholding services to be supplied by the Applicant under the Foreign Immigration Advisor to the Consultant Manager constitutes a supply of "intermediary services".</p> <p>3.Whether the Marketing services to be provided by the Applicant will be an export of services as defined under Section 2(6) of the Integrated Goods and Services Tax Act 2017?</p> <p><b>Answer – No</b></p> <p>4.Whether the Handholding services to be provided by the Applicant will be an export of services as defined under Section 2(6) of the Integrated Goods and Services Tax Act 2017?</p> <p><b>Answer – No</b></p>
Nexture	Manufacturer of	GST-ARA-	<ul style="list-style-type: none"> <li>The applicant is engaged in manufacture and supply of following</li> </ul>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

Technologies Private Limited	Plastic Material (Maharashtra AAR)	130/2018-19/B-64 Mumbai dated 01.06.2019	<p>goods Plastic handle for motor vehicle doors (Including lever handle) Plastic fittings for such for motor vehicle's doors such as (Bracket, Housing, Bracket housing, asket, tator), Glove box locking. The following question was raised –</p> <p>1. Determining classification and applicable rate of goods and services tax for the following products: (i) Door-handle of motor vehicle; (ii) Fittings made of plastic for motor vehicle's doors such as bracket, housing, bracket housing, stator, gasket; and (iii) Glove box locking</p> <p><b>Answer</b> – All the goods mentioned above are classifiable under Chapter 3926 and will be taxable to GST at the rate applicable to that heading.</p>
Navi Mumbai Municipal Corporation	Service Provider (Maharashtra AAR)	GST-ARA-122/2018-19/B-68 Mumbai dated 10.06.2019	<ul style="list-style-type: none"> <li>The Applicant, M/s. Navi Mumbai Municipal Corporation, a Municipal Corporation is formed &amp; governed by Bombay Provincial Municipal Corporation Act, 1949.</li> <li>It caters to the civic services to the residents of city which are specified by Clause 243 W of Constitution of India, such as activity in relation to any function ordinarily entrusted to a municipality in relation to water supply, public health, sanitation conservancy, solid waste management or slum improvement &amp; upgradation Health services etc.</li> <li>These activities are included activity in Capital &amp; Revenue nature. These activities are carried out by the Corporation without any commercial motive. It works under Urban Development Department of Government of Maharashtra being Local Authority: The following questions were raised –</li> </ul> <p>1. Whether online tendering to be considered as Supply of Goods or Supply of Services.</p> <p><b>Answer</b> – Online tendering will be considered as Supply of Services.</p> <p>2. Whether offline tendering to be considered as Supply of Goods or Supply of Services.</p> <p><b>Answer</b> – Offline tendering in its entirety involving sale of form, payment of tender fees and submission of bids etc. will be considered as Supply of Services.</p> <p>3. Under which tariff head the Online Tendering should get taxed.</p> <p><b>Answer</b> – Online Tendering should get taxed under services heading 9997.</p> <p>4. Under which tariff head the Offline Tendering should get taxed.</p> <p><b>Answer</b> – In view of the above discussions Offline Tendering will be treated as supply of service under services heading 9997.</p> <p>5. If tendering is service then whether it will be considered as administrative service or specific service.</p> <p><b>Answer</b> – In view of the discussions made above we find that tendering will be covered under the residual Services Heading 9997.</p>
Imperial Motor Stores	Automotive Dashboard Instruments (Maharashtra AAR)	GST-ARA-124/2018-19/B-69 Mumbai dated 10.06.2019	<ul style="list-style-type: none"> <li>The applicant is the Distributors of Veethree Range of Automotive Dashboard Instruments, Clusters &amp; sensors.</li> <li>Instruments are mounted on front end of Cars, Trucks, Tractors, TWO Wheelers, Three Wheelers Compressors etc, as also Stationary Engines. The following question was raised –</li> </ul> <p>1. Classification of Instruments Cluster Whether Fall Under 8708 or 9026/9029.</p> <p><b>Answer</b> – Classification of Instrument Cluster is covered under HSN 8708, as parts of motor vehicles.</p>
Vidarbha Infotech Private	Dealership in computer hardware (Maharashtra AAR)	GST-ARA-131/2018-19/B-70 Mumbai dated	<ul style="list-style-type: none"> <li>That M/s Vidarbha Infotech Pvt Ltd a company was carrying on the business comprising of dealership in computer hardware, software and peripherals and in the service sector segment</li> </ul>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

Limited	AAR)	13.06.2019	<p>covering the construction of IT Park, towing van activity.</p> <ul style="list-style-type: none"> <li>The services rendered by the contractor fall under one of the services i.e. clause the: (e) Water supply for domestic, industrial and commercial purposes, of article 243 W of the constitution which was actually rendered to Nagpur Municipal Corporation through NESL That the NESL is 100% subsidy of Nagpur Municipal Corporation. The following question was raised –</li> </ul> <p>1. <i>Whether the contract from Nagpur Environmental Services Ltd (NESL) Nagpur (a 100% subsidiary of the Nagpur Municipal Corporation, Nagpur) for providing services for the management of Non-Network Tanker with the help of GPRS system at Nagpur would be exempt from GST since it falls under the various exempt services in the article 243 W of the constitution of India as well as services rendered to a local authority,</i></p> <p><b>Answer – Yes</b></p>
Wilhelmsen Maritime Services Private Limited	Warehousing Service (Maharashtra AAR)	GST-ARA-136/2018-19/B-71 Mumbai dated 15.06.2019	<ul style="list-style-type: none"> <li>Wilhelmsen Maritime Services Pvt Ltd (herein after referred to as "WMSPL"), has the largest maritime services network in the world supplying a wide portfolio of maritime goods and services worldwide to every conceivable vessel type, in every market and region. WMSPL has three major business activities: <ul style="list-style-type: none"> <li>A. Maritime Products</li> <li>B. Ships Agency</li> <li>C. Maritime Logistics</li> </ul> </li> </ul> <p>The following question was raised –</p> <p>1. The advance ruling is sought to confirm whether this supply will fall under Schedule III of CGST Act.</p> <p><b>Answer –</b> In view of the discussions made above, supply from Bonded warehouse will fall under Schedule III of CGST Act "and exempted from GST and supply from Non-Bonded warehouse will not fall under Schedule III of CGST Act "and therefore not exempted from GST</p> <p>2. The advance ruling is sought to confirm whether the supply will be termed as Exports of Goods. If No, then what will be the supply, whether Intra State or Inter State and which Tax will be levied CGST and SGST or IGST.</p> <p><b>Answer –</b> Not answered in view of discussions made above.</p>
National Institute Of Bank Management	Academic cum Training Institute for Banks (Maharashtra AAR)	GST-ARA-139/2018-19/B-75 Mumbai dated 25.06.2019	<ul style="list-style-type: none"> <li>NIBM is registered as a society under the Indian Society Registration Act (XXI) of 1860. RBI, State Bank of India (SBI) &amp; Other Public Sector Banks were the first members of Governing Board of this society to which, by rules of the society, the management of its affairs was entrusted. Copy of Memorandum is attached for reference. The following question was raised –</li> </ul> <p>1. <i>Whether consideration paid as subscription or contribution towards recurring or capital expenses or reimbursement or by whatever name called to National Institute of Bank Management (NIBM); a society registered under Societies Registration Act, 1860 by its members (being Banks) for its recurring and non-recurring expenses is leviable to GST?</i></p> <p><b>Answer – Yes</b></p>
Hyva India Pvt. Ltd	Hydraulic Kit Manufacturer (Maharashtra AAR)	GST-ARA-96/2018-19/B- 20 Mumbai dated 18.02.2019	<ul style="list-style-type: none"> <li>The applicant is a Hydraulic Kit Manufacturer which is used with other tipping parts to lift the body of a truck .The following question was raised –</li> </ul> <p>1. <i>What is the appropriate classification and rate of GST on the supply of such "Hydraulic Kit" cleared to dealers / distributors or OEMs cleared as such, which comprises of the Hydraulic cylinder and wet kit (with or without pump).</i></p> <p><b>Answer –</b> Will be classified under heading 8412 as other engines &amp;</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			motors						
Western Concessions Private Limited (formerly known as H-Energy Gateway Private Limited)	Regasification of Liquefied Natural Gas (Maharashtra AAR)	GST-ARA-94/2018-19/B- 22 Mumbai dated 22.02.2019	<ul style="list-style-type: none"><li>The applicant is engaged in regasification of Liquefied Natural Gas and delivering the same to customers.</li><li>The applicant is setting up a Liquefied Natural Gas (LNG) re-gasification project at Jaigarh port in the state of Maharashtra (hereinafter referred to as "LNG Terminal").</li><li>The LNG Terminal consists of a Floating Storage Regasification Unit ("FSRU") with 4 MMTPA regasification capacity moored to jetty and has associated facilities like gas unloading arm, gas pipeline for delivering natural gas from the FSRU to the National Grid.</li><li>The re-gasified LNG is required to be inducted into the cross-country pipeline/national Grid in order to be supplied to the ultimate customer.</li><li>Therefore, the applicant is constructing a gas pipeline for delivering the high pressure natural gas from the FSRU to the National Grid.</li><li>The Development of the project consists of two legs as mentioned below:-<ul style="list-style-type: none"><li>(a) Setting up of infrastructure facility, i.e., jetty, onshore receiving facility close to the jetty, etc. for enabling FSRU to regasify the LNG; and</li><li>(b) Connecting the Terminal with the cross-country gas pipeline to enable supply of re gasified natural gas to customer (referred to as the "Tie in Pipeline").</li></ul></li></ul> <p>The following question was raised –</p> <p>1. Whether the applicants are eligible to avail ITC of GST paid on goods and services used for construction of Tie-in pipeline, for delivery of re-gasified LNG from FSRU to the National Grid?</p> <p><b>Answer</b> – The applicants are not eligible to avail ITC of GST paid on goods and services used for construction of Tie-in pipeline, for delivery of re-gasified LNG from FSRU to the National Grid.</p>						
Sun Pharmaceutical Industries Ltd.	Pharmaceutical Product (Maharashtra AAR)	GST-ARA-88/2018-19/B- 10 Mumbai dated 23.01.2019	<ul style="list-style-type: none"><li>The applicant is engaged in manufacturing of Pharmaceutical &amp; allied Product</li><li>The applicant is also engaged in manufacturing of nutritional product Prohance - D (Chocolate). The following question was raised –</li></ul> <p>1. What is the appropriate classification of the Applicant's product, Prohance - D (Chocolate)?</p> <p><b>Answer</b> – 21069050</p>						
The Kreations Builders & Developers	Auctioneer (Maharashtra AAR)	GST-ARA-86/2018-19/B- 07 Mumbai dated 15.01.2019	<ul style="list-style-type: none"><li>The applicant is the auctioneer dealing in various goods such as painting , vintage Collectibles etc. The following question was raised –</li></ul> <p>1. Whether Applicant is dealing in second hand goods and tax is to be paid on the difference between selling price and purchase price as stipulated in Rule 32 (5) of CGST Rules, 2017?</p> <p><b>Answer</b> –The liability will be discharged by the applicant on the difference between selling price and purchase price as stipulated in Rule 32 (5) of CGST Rules, 2017 only in respect of old cars , old jewellery, old watches</p> <p>2- The classification and HSN code of goods listed in table given in "Issues for Determination" and GST rates applicable to such goods.</p> <p><b>Answer</b> –</p> <table><tr><th>Item</th><th>HSN Code/SAC Code</th><th>GST Rate</th></tr><tr><td>Paintings</td><td>9701</td><td>12%</td></tr></table>	Item	HSN Code/SAC Code	GST Rate	Paintings	9701	12%
Item	HSN Code/SAC Code	GST Rate							
Paintings	9701	12%							

# ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<table><tr><td>Old Cars</td><td>8703</td><td>28%</td></tr><tr><td>Old Jewellery</td><td>7113</td><td></td></tr><tr><td>Antique Jewellery (more than 100 years)</td><td>97060000</td><td>12%</td></tr><tr><td>Old watches</td><td>9101</td><td>18%</td></tr><tr><td>Antique watches (more than 100 years)</td><td>97060000</td><td>12%</td></tr><tr><td>Antique Books (more than 100 years)</td><td>97060000</td><td>12%</td></tr></table>	Old Cars	8703	28%	Old Jewellery	7113		Antique Jewellery (more than 100 years)	97060000	12%	Old watches	9101	18%	Antique watches (more than 100 years)	97060000	12%	Antique Books (more than 100 years)	97060000	12%
Old Cars	8703	28%																			
Old Jewellery	7113																				
Antique Jewellery (more than 100 years)	97060000	12%																			
Old watches	9101	18%																			
Antique watches (more than 100 years)	97060000	12%																			
Antique Books (more than 100 years)	97060000	12%																			
NR Energy Solutions India Pvt Ltd	Manufacture, export and supply of Electrical Control Panels(Maharashtra AAR)	GST-ARA-83/2018-19/B- 3 Mumbai dated 08.01.2019	<ul style="list-style-type: none"><li>M/s. NR Energy Solutions Private Limited ("Taxpayer") is engaged in the business of manufacture, export and supply of Electrical Control Panels, Power System, protection, automation, flexible AC transmission system, HDVC transmission etc.</li><li>The Taxpayer was awarded turnkey projects for certain Electrical components at various sites/ locations. The following question was raised –</li></ul> <p>1. Whether the transaction / contract referred in the present application to M/S APTRANSCO is in the nature of Works Contract Services and therefore liable to GST @ 18% under the HSN Code 995461?</p> <p><b>Answer – No</b></p> <p>2. If the answer to above is in negative, whether the said transaction is Supply of Goods?</p> <p>a) If yes, liable to GST at what rate of tax and under which HSN Code ?</p> <p><b>Answer –</b>The said transaction is a composite supply where the principal supply majorly is a supply of goods.</p> <p>On the basis of submission made by the applicant it is found that entire transaction is taxable @18%GST under heading 8537 of the GST Tariff Act.</p>																		
Orient Press Limited	Printing Service (Maharashtra AAR)	GST-ARA-89/2018-19/B- 23 Mumbai dated 27.02.2019	<ul style="list-style-type: none"><li>The applicant is engaged in the business of printing of security documents to its clients (Govt. Authorities , Bank, Educational Board, Pvt. Companies etc.) The following question was raised –</li></ul> <p>1. <i>Whether supply of service of:</i></p> <p><b>(i)</b> <i>Printing of Pre-examination items like question papers, OMR sheets (Optical Mark Reading), answer booklets;</i></p> <p><b>(ii)</b> <i>Printing of Post-examination items like marks card, grade card, certificates to the educational boards of up to higher secondary; Would be treated as exempted supply?</i></p> <p><b>Answer – Yes</b></p> <p><b>(iii)</b> <i>What would be the classification and the applicable GST rate, for the supply of Printing of cheque book / railway tickets be treated as exempted supply of service by virtue of Entry No. 66 of the Notification No. 12/2017 - Central Tax (Rate), dated 28th June, 2017 and as amended by Notification No.2/2018 - Central Tax (Rate), dated 25th January, 2018; Entry No. 66 of Notification No. 12/2017 - State Tax (Rate), dated 29th June, 2017; and Entry No. 69 of the Notification No. 9/ 2017 - Integrated Tax (Rate), dated 28th June, 2017 as amended by Notification No. 2/2018- Integrated Tax (Rate), dated 25th January, 2018?</i></p> <p><b>Answer –</b> In case of railway tickets where the applicant uses their own physical input i.e paper, then the case is covered under Heading 9989 (i) of Notification No. 11/2017Central Tax (Rate) dated 28th June 2017 as amended and is taxable at 6% CGST and where the applicant uses physical input i.e supplied by the Railways then the same will be considered as a supply of printing service and will attract the service</p>																		

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p>under Heading 9988(iia) and is taxable at 6% CGST.</p> <p>In case of cheques where the applicant uses their own physical input i.e paper , then the case is covered under heading 9989(i) of notification no. 11/2017-Central Tax(Rate) dated 28th June 2017 as amended and is taxable @6%CGST &amp; where the applicant uses physical input i.e paper supplied by their client, then the same will fall under heading 9988(ii) and is taxable @2.5%CGST</p>
Shah Nanji Nagsi Exports Private Limited	Processing of Popcorn (Maharashtra AAR)	GST-ARA-93/2018-19/B- 19 Mumbai dated 16.02.2019	<ul style="list-style-type: none"> <li>The Applicant is in the business of import of maize popcorn variety in bulk &amp; then these are fumigated and cleaned prior to packing.</li> <li>Then this processed popcorn are being packed to sell to restaurant &amp; small popcorn vendors who will directly sell to customers. The following question was raised –</li> </ul> <p>1. <i>What will be the correct HSN code and consequently rate of GST applicable on "Ready to cook popcorn premix i.e. Popcorn Maize with edible oil and salt", sold in retail pack size ranging from 30 grams to 350 grams.</i></p> <p><b>Answer</b> – HSN Code 20081990</p>
Arihant Enterprises	Reselling Ice-creams (Maharashtra AAR)	GST-ARA-126/2018-19/B-29 Mumbai dated 19.03.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in the business of reselling Ice-creams in wholesale as well as retail sale packages.</li> <li>The applicant purchases the said goods from its sole manufacturer, M/s Kamaths Ourtimes Ice-creams Private Limited</li> <li>The applicant sells the Ice -creams to their customers "as it is" without any further processing/ alteration/structural or chemical change. "As it is" means in its exact form as it is acquired from the franchisor. The following questions were raised –</li> </ul> <p>1. <i>Whether supply of ice-cream by the applicant from its retail outlets would be treated as supply of "goods" or supply of "service" or a "composite supply" and subject to GST accordingly?</i></p> <p><b>Answer</b> – The supply of ice-cream by the applicant from its retail outlets would be treated as supply of "goods"</p> <p>2. <i>Whether the supply, not being a composite supply, would be treated as supply of service in terms of entry 6(b) of Schedule 11 attached to the CGST Act, 2017 and leviable to CGST @ 2.5% in terms of Notification No. 11/2017 as amended by Notification No.46/2017-Central Tax (Rate) (serial no. (i) entry no. 7) of the notification?</i></p> <p><b>Answer</b> – No</p> <p>3. <i>In case the supply is held to be "composite supply", whether the taxability of the same should be treated as supply of service in terms of entry 6(b) of the Schedule II of the CGST act, 2017 or should be taxable on the basis of nature of principal supply in accordance with Section 8 of the Act?</i></p> <p><b>Answer</b> – Not answered in view of answer to Question No. 1 above.</p> <p>4. <i>In case the supply is held to be a supply of service in terms of entry 6(b) of Schedule II to the CGST Act, 2017, would it be mandatory for the applicant to collect and pay CGST @ 2.5% inspite of the fact that entry 7(i) of Notification No. 11/2017 as amended by Notification No.46/2017-Central Tax is a conditional entry?</i></p> <p><b>Answer</b> – Not answered in view of answer to Question No. 1 above.</p>
C S Diesel Engineering Private Limited	Manufacturers of Ancillary parts of Marine Engineering (Maharashtra AAR)	GST-ARA-102/2018-19/B-28 Mumbai dated 14.03.2019	<ul style="list-style-type: none"> <li>The applicant is the authorized dealer of Ashok Leyland Marine Engines and Imported Marine Gear Boxes and manufacturer for Marine Generators. The following question was raised –</li> </ul> <p>1. <i>Please confirm that Main Propulsion engine for ships falling under HSN</i></p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

	AAR)		<p>code 8408 1093, Marine Gear box falling under heading 8483 and marine generator falling under 8502 1100 and Marine engine for other applications like pumps falling under sub-heading 8408 10 would be considered as parts of Goods for Chapter 89.</p> <p><b>Answer</b> – The goods as above supplied by the applicant would be considered as parts of goods for chapter 89.</p> <p>2. Further if the all above used in manufacturing of the boat/ ships under headings 8901, 8902, 8904, 8905, 8906 and 8907 shall be charged with 5% even if in their respective chapters, the rates of GST are higher: For example, GST for HSN code 8408 10 93 is 28%, but when supplied to shipyards would be 5% and also implied for chapters 8483 and 8502 1100 above.</p> <p><b>Answer</b> – The goods as above supplied by the applicant used in the manufacturing of the boat/ ships under headings 8901, 8902, 8904, 8905, 8906 and 8907 shall be charged with 5% even if their GST rates are higher, by application of Notification 1/2017 of the Central Tax (Rate).</p> <p>3. The invoice made by the dealer to the shipyard would be made under the respective product chapter, but with 5% GST. For example marine main propulsion engine would be made with 5% GST under HSN code 8408 1093 and not 28%. And also implied for chapters 8483 and 8502 1100 above with 5% GST.</p> <p><b>Answer</b> – Yes</p> <p>4. As a generator manufacturer, we buy a marine Engine from our principles (Ashok Leyland). Please conform if we could buy under 5% GST from Ashok Leyland with our letter of undertaking stating that we shall be supplying these Generators to Marine Shipyard also stating in the letter , the with Hull number (which is always unique )for a project and shipyard order copy. We would also submit a covering letter from the shipyard to Ashok Leyland for the same subject matter and yard number (which is always unique). With all this above procedure can Ashok Leyland supply us Marine Generator Diesel Engines with 5% GST under HSN code 8408 1093?</p> <p><b>Answer</b> – Not answered in view of above discussions.</p> <p>5. When we have to sell an engine to shipyard for main Propulsion, we buy it from Ashok Leyland. under that context could we buy the engines with our letter of undertaking stating that we shall be supplying these engines to marine Shipyard name and Hull number (which is always unique) for that project and with shipyard order copy and also a covering letter from the shipyard for the same subject matter and yard number (which is always unique). With all this can we get the supplies from Ashok Leyland at 5% GST?</p> <p><b>Answer</b> – Not answered in view of above discussions.</p>
Kansai Nerolac Paints Limited	Manufacture and sale of decorative and industrial paints (Maharashtra AAR)	GST-ARA-84/2018-19/B- 30 Mumbai dated 19.03.2019	<ul style="list-style-type: none"> <li>Company is engaged in manufacture and sale of decorative and industrial paints to its customers, across the states from its factories and depots located all over India.</li> <li>To reach out customers on time and to maintain optimum inventory at depot level, there is always flow of goods from factory to depot and from depot to depot.</li> <li>In some instances company supplies paints at free of cost but after duly discharging GST on taxable value of such goods as per open market value.</li> <li>Apart from paints, there is also flow of raw materials, capital goods and other goods from one factory to another factory across the country. The following question was raised –</li> </ul>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p>1. <i>Whether value of supply of goods by one distinct entity (Factory/depot) as defined under sec 25(4) of the CGST Act 2017 as amended to another distinct entity (Factory/depot) can be determined on the basis of our cost of production. Our cost of production depends mainly on cost of inputs and input services hence the same fluctuates with the price of inputs and input services</i></p> <p><b>Answer</b> –Applicant can apply under Rule 28 of the GST Rules, 2017 to determine the value of supply of goods for supply of goods by one distinct entity (factory/depot) as defined u/s25(4) of the CGST Act to another distinct entity having same PAN (factory/depot).</p>
Multiples Alternate Asset Management Private Limited	Investment advisory firm (Maharashtra AAR)	GST-ARA-81/2018-19/B- 25 Mumbai dated 06.03.2019	<ul style="list-style-type: none"> <li>The Applicant", an India-focused investment advisory firm that currently advises and manages approx. USD 1 billion of Private Equity Funds of a company situated Mumbai in its capacity as Investment Manager. The following question was raised –</li> </ul> <p>1. Whether GST is applicable on the Advisory &amp; Management Fees received in Indian Currency from Domestic Contributors located in India for the Services rendered by the applicant?</p> <p><b>Answer</b> – Yes.</p> <p>2. Whether GST is applicable on the Advisory &amp; Management Fees received in Foreign Currency from Overseas Contributors located outside India for the Services rendered by the applicant?</p> <p><b>Answer</b> – Yes.</p>
Puranik Construction Pvt. Ltd.	Civil Construction Company (Maharashtra AAR)	GST-ARA-99/2018-19/B- 31 Mumbai dated 20.03.2019	<ul style="list-style-type: none"> <li>M/s Puranik Construction Pvt. Ltd., engaged in the business of civil construction of residential</li> <li>The applicant entered into a contract with a Developer, for construction of a residential project at Navi Mumbai.</li> <li>The said Project is a residential project will be comprising of 135 buildings (having FSI utilization of Sq. Mts. 322505) all having residential flats/units having carpet area of up to or less than 60 Sq. Mts. (i.e. Low Cost House (LCH)) except for 26 buildings (having FSI utilization of Sq. Mts. 63348) wherein commercial shops may be constructed on the ground floor (FSI utilization of 4928.11 Sq. Mts.). They have submitted that out of the total FSI utilization, only 1.5% of the total FSI is being used towards commercial construction ( 4298 Sq. Mts. / 322505 Sq. Mts.) and balance 98.5% is used towards construction of flats/units having carpet area of 60 Sq. Mts. or less. According to them since more than 50% of FSI is utilized towards construction of LCH the Project would qualify as an 'Affordable Housing Project' (AHP) which has been given Infrastructure status under the Notification F. No. 13/6/2009-INF dated 30.03.2017 issued by Department of Economic Affairs (DEA Notification). The following question was raised –</li> </ul> <p>1. <i>The question / issue before Your Honor is eligibility of Notification 01/2018-Central Tax (Rate) dated 25.01.2018 which provides for concessional rate of GST @ 12% on supply of works contract service in respect of Original Works pertaining to construction of a Low Cost House in an AHP</i></p> <p><b>Answer</b> – The applicant will be eligible for concessional rate @ 12% in the project as per the facts as seen above. The concessional rate will be applicable only for residential units of upto 60 sq mts., in their project and not for commercial units.</p>
Sterlite Technologies	Manufacturing of telecom products	GST-ARA-106/2018-19/B-	<ul style="list-style-type: none"> <li>Applicant involves in manufacture of telecom products such as optic fiber optic fiber cable, etc</li> </ul>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

Limited	(Maharashtra AAR)	34 Mumbai dated 28.03.2019	<ul style="list-style-type: none"> <li>Indian Navy, intends to establish countrywide IP/MPLS based multiprotocol converged network, Naval Communication Network as core infrastructure for supporting strategic and operational needs of Navy.</li> <li>For setting up of these networks ,Navy selected Bharat Sanchar Nigam Limited ("BSNL") via Tender Procedure, The following question was raised –</li> </ul> <p>1. <i>Whether the supply of goods or services for 'setting up of network' would qualify as 'works contract' as defined in Section 2(119) of the CGST Act?</i>  <b>Answer</b> – The supply of goods or services for 'setting up of network' would qualify as a Composite supply of works contract as defined in clause (119) of section 2 of the Central Goods and Services Tax Act, 2017.</p> <p>2. <i>If supplies contemplated as per the contract with BSNL are not treated as works contract, can these continue to qualify as composite supply? if yes what is the principle supply?</i>  <b>Answer</b> – Not answered in view of answer to Question No. 1 above.</p> <p>3. <i>What is the rate of tax applicable to the supplies made under the contract?</i>  <b>Answer</b> – GST Rate- 18%</p>
Tata Motors Limited	Manufacturing & Sale of Motor Vehicles (Maharashtra AAR)	GST-ARA-104/2018-19/B-32 Mumbai dated 22.03.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in the business of manufacture &amp; sale of Motor Vehicle , Chassis &amp; part thereof.</li> <li>The passenger is launching new passenger vehicle. The following questions were raised –</li> </ul> <p>1. <i>Whether Tata Harrier vehicle, which has following specifications, is classifiable under Tariff Item 8703 32 91 or 8703 32 99 of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975)?</i>  <b>Answer</b> – will be classified under Tariff Item 87033291 of the 1st Schedule to the Customs Tariff Act 1975</p> <p>2. <i>For a motor vehicle to get covered under above entry as SUV/ UV, whether it has to satisfy only the conditions mentioned in main clause i.e. engine capacity above 1500 cc and popularly known as SUV/ UV or in addition, it has to also satisfy the conditions mentioned in Explanation" i.e. length exceeding 4000 mm and ground clearance of 170 mm and above? In short, if the vehicle satisfies only the conditions mentioned in main clause but is not satisfying any one or all of the conditions mentioned in Explanation', whether it would still be covered under Entry at Sr. No. 52B of Notification No. 1/2017-Compensation Cess (Rate) dated 28.06.2017 as amended?</i>  <b>Answer</b> – To be covered under Sr. No. 52B of Notification No. 1/2017-Compensation Cess (rate) dated 28.06.2017 , the vehicle must satisfy the conditions mentioned in main clause as well as the conditions mentioned in the explanation.</p> <p>3. <i>For the purpose of Cess @ 22% under Sr. No: 52B of Notification No. 1/2017 Compensation Cess (Rate) dated 28.06.2017 as amended, whether the ground clearance of the vehicle is to be considered in laden condition or in unladen condition?</i>  <b>Answer</b> – The ground clearance given in the notification must be arrived in unladen condition.</p> <p>4. <i>Whether Tata Harrier vehicle whose ground clearance in unladen condition is 205 mm and in laden condition is 160 mm, would fall under Sr. No. 52B of the Notification No. 1/2017-Compensation Cess. (Rate) dated 28.06.2017 as amended?</i>  <b>Answer</b> – Yes</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p>5. Whether GST Compensation Cess @ 22% under Sr. No. 52B of Notification No. 1/2017-Compensation Cess (Rate) dated 28.06.2017 as amended, will be applicable to Tata Harrier vehicle?</p> <p><b>Answer</b> – Yes</p> <p>6. Vehicle whose ground clearance in unladen condition is more than 170 mm but below 170mm in laden condition, whether will get covered under Sr. No. 52B of Notification No. 1/2017-Compensation Cess (Rate) dated 28.06.2017?</p> <p><b>Answer</b> – To be covered under Sr. No. 52B OF Notification No. 1/2017-Compensation Cess (Rate) dated 28.06.2017 the ground clearance should be 170 mm or above in unladen condition.</p>
Nagpur Integrated Township Private Limited	Construction Company (Maharashtra AAR)	GST-ARA-107/2018-19/B-35 Mumbai dated 02.04.2019	<ul style="list-style-type: none"> <li>The company is engaged into development of land and construction of flats to be given out on lease as per the Agreement of Lease entered by them with the customers. The following questions were raised –</li> </ul> <p>1. Whether the transaction between Applicant and lessee is outside the purview of GST as a transaction in immovable property?</p> <p><b>Answer</b> – The transaction between Applicant and lessee is taxable under GST. It is not a transaction in immovable property.</p> <p>2. If not, what is the appropriate classification and rate of GST?</p> <p><b>Answer</b> – The transaction is a composite supply of works contract as defined in clause 119 of Section 2 of the CGST Act, 2017 and classifiable under C H 9954 (ii) and will attract tax @ 18%.</p>
Jalaram Feeds	Manufacturing of only Compound Animal Feed (Maharashtra AAR)	GST-ARA-110/2018-19/B-38 Mumbai dated 10.04.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in manufacturing of Compound Animal Feed (HSN Code : 2309) which is exempted under the CGST Act, 2017.</li> <li>The applicant says that since it is into supply of only exempted goods, it is covered under section 23 of CGST Act, 2017 and is not liable to take registration under any of the provisions of the Act.</li> <li>As per the provisions of Act, 2017, a firm is liable to take registration as it is liable to pay GST under Reverse Charge. The firm is of the opinion that Sec 24 overrules sec 22 (Person Liable to register beyond a specific aggregate turnover) and not sec 23, Since section 23 is a specified section and independent and is not overruled by section 24, it is covered under sec 23 and not required to take registration under the CGST Act, 2017. The following question was raised –</li> </ul> <p>1. Whether the firm is liable to take registration under sec 24 or is exempted from registration under sec 23?</p> <p><b>Answer</b> – Applicant is liable to take registration in view of provisions of section 24 of the GST Act, 2017.</p>
City And Industrial Development Corporation Of Maharashtra Limited	Supply of Service (Maharashtra AAR)	GST-ARA-114/2018-19/B-42 Mumbai dated 24.04.2019	<ul style="list-style-type: none"> <li>The applicant has proposed to engage in the activities of lease, tenancy, easement, granting license to occupy land to a local authority. The following question was raised –</li> </ul> <p>1. Whether the supply of services by the applicant, of 'transfer by way of lease' of vacant plots of 'Maharashtra State Government owned lands' or 'privately owned lands acquired under the Land Acquisition Act, 1894 by the Maharashtra State Government' vested in CIDCO, to:</p> <p><u>(a) Navi Mumbai Municipal Corporation('NMMC'), for intended development thereof and construction of buildings by the latter on each of those plots, demarcated for separate use as: (i) Indoor Recreation Centre,</u></p> <p><u>(ii) Slaughter House;</u></p> <p><u>(b) Panvel Municipal Corporation('PMC'), for intended development</u></p>

# ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p><u>thereof and construction of buildings by the latter on each of those plots, demarcated for separate use as: (i) PMC Ward Office(s), (ii) PMC Commissioner's residence, and (iii) PMC Mayor's residence;</u>  <u>can be said to covered within the scope of entry at Sr. 3 or any other entry of the Notification 12/2017-Central Tax (Rate) dated 28.06.2017 as amended by Notification 32/2017-Central Tax (Rate) dated 13.10.2017, 47/2017-Central Tax (Rate) dated 14.11.2017 further amended by Notification 02/2018-Central Tax (Rate) dated 25.01.2018 read with parallel notifications issued under the MGST Act, 2017? Please note that each allotment of plot for specific use would be a different transaction of supply of service by CIDCO.</u></p> <p><b>Answer</b> – The services [Indoor Recreation Centre, Slaughter House; PMC Ward Office] would be exempted from GST according to entry at Sr. 3 or any other entry of the Notification 12/2017-Central Tax (Rate) dated 28.06.2017.</p> <p>The services [PMC Commissioner's residence and PMC Mayor's residence] will be taxable @18% GST under chapter heading 9972, Sr. 16, clause (iii)</p>
Aarel Import Export Private Limited	Importer and exporter trader of products such as Black Matpe, Toor Whole, Coke, Agarbatti (Maharashtra AAR)	GST-ARA-114/2018-19/B-42 Mumbai dated 24.04.2019	<ul style="list-style-type: none"> <li>Applicant is importer and exporter trader of products such as Black Matpe, Toor Whole, Coke, Agarbatti, etc.</li> <li>Goods would be stored at a rented Customs warehouse (Ex-bond) at Paradip Port; do not have any separate establishment or place of operation in the State of Odisha; endeavours to clear the goods from that warehouse in the name of our Mumbai office using Maharashtra GSTIN where the importation will be completed on payment of custom duties, if any, and IGST in the name of Mumbai office and wish to sell the goods directly from Paradip Port warehouse (EX-BOND) to the customers in Odisha and accordingly charge IGST to our customers by raising bill from Mumbai office itself and not Odisha. The following questions were raised –</li> </ul> <p>1. <i>Whether the procedure to raise the invoice from Mumbai Office for imports received at Paradip Port, Odisha where we do not have any separate GST Registration and Charge IGST from Mumbai to our Customers is correct? or do we have to take separate Registration in the State of Odisha for the below mentioned transactions?</i></p> <p><b>Answer</b> – Yes</p> <p>For this transaction, no separate registration in the State of Odisha is required.</p> <p>2. <i>If we do not need separate registration in Odisha, can we do the transaction on Mumbai Office GSTIN, then in case of issuance of e-way bill is it correct to Mention the GSTIN of Mumbai and Dispatch place as Paradip Port?</i></p> <p><b>Answer</b> – Yes</p>
Gandhar Oil Refinery (India) Limited	Trading of Non coking Coal and Manufacturing activity of Petroleum Products (Maharashtra AAR)	GST-ARA-112/2018-19/B-40 Mumbai dated 15.04.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in trading activity of Non coking Coal and Manufacturing activity of Petroleum Products.</li> <li>The company is importing said coal at various ports and also purchasing from dealers within India from various states. The said coal is imported at various ports situated in various states registered with GST department. The following questions were raised –</li> </ul> <p>1. <i>Whether the applicant requires registration in each State separately?</i></p> <p><b>Answer</b> – Applicant is not required to have separate registration in each state.</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p>2. Whether the applicant can adopt the procedure to raise the invoice from Mumbai Head Office/Registered Office at Mumbai for imports received at various ports, located in various states in India and charge IGST from Mumbai to our customers in various state is proper or not.</p> <p><b>Answer</b> – Not answered since the question is not covered under Section 97 of the CGST Act, 2017.</p> <p>3.If we cancel separate registration in various state can we do the transaction on Mumbai Head Office GSTN, then in case of issuance of E - way bill is it correct to mention the GSTN of Mumbai and mention dispatch place of port of respective state/port</p> <p><b>Answer</b> – Not answered since the question is not covered under section 97 of the CGST Act, 2017.</p>												
Daewoo-TPL JV	Engineering and construction (Maharashtra AAR)	GST-ARA-113/2018-19/B-41 Mumbai dated 24.04.2019	<ul style="list-style-type: none"><li>Daewoo-TPL JV, is a joint venture between M/s. Daewoo Engineering and Construction Company Limited and M/s. Tata Projects Limited. The said joint venture formed with the sole objective to bid and secure the contract for design, engineering and construction of Long Bridge -Mumbai Trans Harbour Link project ('MTHL Project')</li><li>Such Works Contract services is taxable @ 12% outward GST.</li><li>Execution of construction of large projects such as MTHL Project entails procurement of various inputs, input services &amp; capital goods viz. cement, concrete, steel &amp; steel structures, bridge accessories, formworks, plant &amp; equipments, labour, etc. All such goods &amp; services attract GST at varied rates, depending on the nature of such procurement. The following questions were raised –</li></ul> <p>1. The Applicant though eligible to claim for refund of inverted duty structure under Section 54(3) of the CGST Act, wishes to understand in-principle applicability of Notification No 21 and 26 in as much whether the same allow for refund of ITC availed on input services (and remaining unutilized) in whole or part thereof</p> <p><b>Answer</b> – Both the Notifications [Notification No 21/2018 - Central Tax (Rate) dated April 18, 2018 and Notification No. 26/2018-Central Tax dated 13.06.2018] do apply to the Applicant which prescribe the method for carrying out provisions of Section 54 (3) of the CGST Act, 2017 and therefore do not allow refund of ITC availed on input services (and remaining unutilized) in whole or part thereof, in view of the definition of 'input' contained in the sub-section (59) of Section 2 of the GST Act, 2017 and the definition of 'Net ITC' contained in the Notification No. 26/2018-Central Tax dated 13.06.2018.</p> <p>2.Where the answer to above is negative, the Applicant wishes to understand how does the Notification 21 and 26 apply in a scenario where factually following financials may exist:</p> <p>A. Revenue streams</p> <p>Works contract services liable to 12% GST INR 1,000</p> <p>Output GST @ 12%_ INR 120</p> <p>Total Revenues incl. GST INR 1,120</p> <p>B. Input Tax Credit Data</p> <table><tr><td>Particulars</td><td>Amount (INR)</td></tr><tr><td>ITC on inputs</td><td>65</td></tr><tr><td>ITC on input services</td><td>90</td></tr><tr><td>Sub-total</td><td>155</td></tr><tr><td>Less: Total tax on outward supplies</td><td>120</td></tr><tr><td>Net balance remaining unutilized</td><td>35</td></tr></table> <p><b>Answer</b> – This question pertains to formulae for calculation of refund</p>	Particulars	Amount (INR)	ITC on inputs	65	ITC on input services	90	Sub-total	155	Less: Total tax on outward supplies	120	Net balance remaining unutilized	35
Particulars	Amount (INR)														
ITC on inputs	65														
ITC on input services	90														
Sub-total	155														
Less: Total tax on outward supplies	120														
Net balance remaining unutilized	35														

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			and hence does not fall within the purview of Section 97 of the CGST Act and is therefore not answered.
Sanofi India Limited	Sale of pharmaceutical goods and services (Maharashtra AAR)	GST-ARA-115/2018-19/B-43 Mumbai dated 24.04.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in business of sale of pharmaceutical goods and services through group entities</li> <li>Sanofi also gets its products manufactured through Third party manufacturers who manufacture goods on Contract manufacturing basis.</li> <li>Sanofi incurs various marketing and distribution expenses with a view to promote their brand/ products and enhance its sales.</li> <li>Under various schemes, Sanofi distributes different products among its trade channels as promotional items or brand reminders. Further, Sanofi also offers various promotional schemes such as Shubh Labh trade loyalty program, etc. The following question was raised –</li> </ul> <p>1. Whether input tax credit is available of the GST paid on expenses incurred towards promotional schemes of Shubh Labh Loyalty Program?  <b>Answer –No</b></p> <p>2. Whether input tax credit is available of the GST paid on expenses incurred towards promotional schemes goods given as brand reminders?  <b>Answer –No</b></p>
Bandai Namco India Private Limited	Video Game Development Company (Maharashtra AAR)	GST-ARA-109/2018-19/B-37 Mumbai dated 08.04.2019	<ul style="list-style-type: none"> <li>Bandai Namco Entertainment Inc. ('BNEI') is a Japanese video game development company and publisher. BNEI also releases videos, music, and other entertainment products related to its intellectual properties (IP). It has the operation in all major countries around the globe including India.</li> <li>The Indian arm is operated by means of a private company set-up under the Companies Act, 1956 bearing the name of Bandai Namco India Private Limited</li> <li>The applicant stationed various gaming equipment and machines for different age groups, consisting of kids, teenagers and adults. The equipment and machines are either coin operated or card operated in its faculty. The following question was raised –</li> </ul> <p>1. Applicable GST Rate on operating gaming zone in one of leading malls in Mumbai?  <b>Answer –</b> GST rate on operating gaming zone in one of leading malls in Mumbai is @ 28 % w.e.f. 25.1.2018.</p>
Bilcare Limited	Healthcare Services (Maharashtra AAR)	GST-ARA-117/2018-19/B-45 Mumbai dated 26.04.2019	<ul style="list-style-type: none"> <li>M/s. Bilcare Ltd. is engaged in Healthcare Services , Discover of New Drugs for effective solution of various disease , Pharmaceutical Packaging Solutions comprising of a wide range of specialty Polymer Films and Aluminum Foils mainly used for packaging of solid dosage pharmaceutical products, etc. The following questions were raised</li> </ul> <p>1. Determining whether the various services provided to foreign clients i.e. situated outside India and for which the place of supply is in the taxable territory shall be liable to Integrated Tax (herein referred to as "IGST") or Central Goods and Service Tax (herein referred to as "CGST") and State Goods and Service Tax (herein referred to as "SGST") for the purpose of levy of Goods and Services Tax (GST) under the GST Law.  <b>Answer –</b>The above mentioned services are liable to CGST and SGST as the location of 'supplier of service' and the 'place of supply' is in the same State, in terms of Section 13(3)(a) of IGST Act, 2017.</p> <p>2. In case it is ruled that IGST is payable, the procedure to be followed for</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p>payment of IGST as the GST portal does not permit the payment of IGST where the place of supply is indicated as state of Maharashtra.</p> <p><b>Answer</b> – Not answered since IGST is not applicable.</p>
The Leprosy Mission Trust Of India	Health Education Service Provider <b>(Maharashtra AAR)</b>	GST-ARA-116/2018-19/B-44 Mumbai dated 26.04.2019	<ul style="list-style-type: none"> <li>The applicant works closely with Govt. of India, State Govt., W.H.O &amp; other national &amp; international organizations in the area of Health Education, Sustainable Livelihoods, Community Development , Advocacy &amp; Research . The following questions were raised</li> </ul> <p><b>1. Whether services provided under vocational training courses recognized by National Council for Vocational Training (NCVT) or Jan Shikshan Sansthan (JSS) is exempt either under Entry No 64 of exemption list of Goods and Service Tax Act 2017 or under Educational Institution defined under Notification 22/Central Tax (Rate)?</b></p> <p><b>Answer</b> – The mentioned service is not exempted.</p> <p><b>2. Whether services provided under vocational training courses provided by the applicant are exempt under Entry No 66 of the Notification 22/2017 - Central Tax (Rate)?</b></p> <p><b>Answer</b> – Only the vocational training courses pertaining to Diesel Mechanic , Computer Operator &amp; programming assistance , welder , Motor Mechanic are exempted under the S. No. 66(a) of Notification No. 12/2017-CT(Rate) dated 28.06.2017 as amended</p>
Rotary Club Of Mumbai Queens Necklace	<b>(Maharashtra AAR)</b>	GST-ARA-118/2018-19/B-46 Mumbai dated 30.04.2019	<ul style="list-style-type: none"> <li>The applicant is an unincorporated association of individuals which is affiliated to Rotary International. The following questions were raised</li> </ul> <p><b>1. The questions/ issues before Your Honor for determination is whether the amount collected as membership subscription and admission fees from members is liable to GST as supply of services?</b></p> <p><b>Answer</b> – Yes, liable to GST</p> <p><b>2. If the above receipts are liable to GST , can the Club claim Input tax credit of the tax paid on Banquet and catering services for holding members meetings and various events?</b></p> <p><b>Answer</b> – The club cannot claim Input tax credit of the tax paid on Banquet and catering services for holding members meetings and various event</p>
Kasturba Health Society	Medical Education Provider <b>(Maharashtra AAR)</b>	GST-ARA-120/2018-19/B-51 Mumbai dated 04.05.2019	<ul style="list-style-type: none"> <li>The applicant is registered under Societies Act 1860 &amp; also Bombay Public Trust Act , 1950 for providing medical education till post graduation which is a joint venture having funding from Central Govt. @50% , State Govt. @ 25%,and remaining 25%comes mainly by way of student fees and recoupment charges from patient. . The following questions were raised</li> </ul> <p><b>1. Whether the applicant, a Charitable Society having the main object and factually engaged in imparting Medical Education, satisfying all the criteria of “Educational Institution”, can be said to be engaged in the business so as to cast an obligation upon it to comply with the provisions of Central Goods and Service Tax Act, 2017 and Maharashtra Goods and Service Tax Act, 2017 in totality.</b></p> <p><b>Answer</b> – In view of the discussion made above it is MGIMS which appears to be engaged in imparting medical education &amp; not the applicant. The applicant has entered into a joint project with the state &amp; central govt. to form MGIMS which is an entity different from that of the applicant. Hence the applicant cannot be said to be satisfying all the criteria of an “Educational Institution”</p> <p><b>2. Whether the applicant, a Charitable Society having the main object and factually engaged in imparting medical education, satisfying all the</b></p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p><i>criteria of "Educational Institution" is liable for registration under the provisions of section 22 of the Central Goods and Service Tax Act, 2017 and Maharashtra Goods and Service Tax Act, 2017 or it can remain outside the purview of registration in view of the provisions of section 23 of the said act as there is no Taxable supply.</i></p> <p><b>Answer</b> - As applicant has been found to be not an educational institution, the applicant falls within the scope of Sections 22 or 24 of GST Act, 2017, they are liable to obtain registration if they provide taxable services and their turnover exceeds the threshold limit prescribed for registration.</p> <p><b>3.</b><i>In a situation if above questions are answered against the contention of the applicant institution then following further questions are being raised for the kind consideration by the Honourable Bench.</i></p> <p><b>a)</b><i>Whether the fees and other charges received from students and recoupment charges received from patients (who is an essential clinical material for education laboratory) would constitute as "outward supply" as defined in section 2 (83) of The Central Goods and Service Tax Act, 2017 and Maharashtra Goods and Service Tax Act, 2017 and if yes then whether it will fall in classification entry at Sr. No 66 or the portion of nominal amount received from patients (who is an essential clinical material for education laboratory) at Sr. 74 in terms of Notification 12/2017 Central Tax-dt. 28/6/2017.</i></p> <p><b>b)</b><i>Whether the cost of Medicines and Consumables recovered from OPD patients along with nominal charges collected for Diagnosing by the pathological investigations, other investigation such as CT-Scan, MRI, Colour Doppler, Angiography, Gastroscopy, Sonography during the course of diagnosis and treatment of disease would fall within the meaning of "composite supply" qualifying for exemption under the category of "educational and/or health care services."</i></p> <p><b>c)</b><i>Whether the nominal charges received from patients (who is an essential clinical materials for education laboratory) towards an "Unparallel Health Insurance Scheme" to retain their flow at one end for the purpose of imparting medical education as a result to provide them the benefit of concessional rates for investigations and treatment at other end would fall within the meaning of "supply" eligible for exemption under the category of "educational and/or health care services."</i></p> <p><b>d)</b><i>Whether the nominal amount received for making space available for essential facilities needed by the students and staffs such as Banking, Parking, and Refreshment which are support activities for attainment of main activities and further amount received on account of disposal of wastage would fall within the meaning of "supply" qualifying for exemption under the category of "educational and/or health care services."</i></p> <p><b>Answer</b> - Question 3 has been rejected.</p>
Cliantha Research Limited	Clinical Research Organization (Maharashtra AAR)	GST-ARA-119/2018-19/B-50 Mumbai dated 04.05.2019	<ul style="list-style-type: none"> <li>The Applicant is a Clinical Research Organization &amp; provides support services by way of Technical Testing, Analysis on Drug/Investigational Product provided by sponsors located outside India &amp; submit final report to such foreign sponsors. The following questions were raised</li> </ul> <p>1. <i>Whether the "Clinical Research" services proposed to be provided by them to entities located outside India is liable to Central Goods and Services Tax and State Goods and Services Tax or Integrated Goods and Services Tax or is it eligible to be treated as an export of service under Section 2(6) of the Integrated Goods and Services Tax Act, 2017?</i></p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p><b>Answer</b> -The clinical research services proposed by them to entities located outside India is not eligible to be treated as an export of service u/s2(6) of the IGST Act 2017.The services are liable to CGST &amp; SGST as the location of supplier of service and the place of supply is in the same state , in terms of section 13(3)(a) of the IGST Act2017</p>
Golden Tobacco Limited	Cigarettes Business (Maharashtra AAR)	GST-ARA-121/2018-19/B-52 Mumbai dated 04.05.2019	<ul style="list-style-type: none"> <li>The applicant is a seller of Cigarettes &amp; intends to offer extra quantity of Cigarettes in addition to the normal quantity against same consideration as a taxable supply to its distributors from their depots.</li> <li>For branding promotion , the applicant proposes to distribute some of their products through distributors</li> <li>The applicant decides the price range between Rs. 50 to Rs. 200(Quantity of Cigarettes-10)</li> <li>However , the applicant decides to supply 110 packets Cigarettes at a same price of 100 packets .</li> <li>The applicant would be paying GST and Compensation Cess on Rs. 5000 at a applicable rate. The following questions were raised</li> </ul> <p>1. In the above transaction, whether the extra packs of Cigarettes would again be leviable to GST?</p> <p><b>Answer</b> - No</p> <p>2.If yes, the taxable value which can be attributed to such extra packs of Cigarettes for levy of GST?</p> <p><b>Answer</b> - Not answered in view of answer to Question 1 above</p> <p>3.Whether extra packs of Cigarettes would be considered as exempt supplies or free samples and hence attract the provisions of Section 17 (2) of the CGST Act, 2017 read with Rule 42 of the CGST Rules, 2017 or clause (h) of Section 17 (5) of the CGST Act, 2017?</p> <p><b>Answer</b> - The extra packets will not be considered as exempt supplies or free samples and hence the provision of 17(2), Rule 42 of CGST Rules, , clause(h) of section 17(5) of the CGST Act 2017 will not be applicable.</p>
S.B. Reshellers Pvt. Ltd.	Manufacturer of Sugar Mills Roller (Maharashtra AAR)	GST-ARA-97/2018-19/B- 24 Mumbai dated 02.03.2019	<ul style="list-style-type: none"> <li>The Applicant is engaged in manufacturing of Sugar Mills Roller and sold these machines by charging 18% GST. After using for a certain period, the machine are getting worned out. So the customer send that machine to the applicant for making the machine in reusable form.</li> <li>Bare Shaft/Beams is one of the main part of Sugar Mills Roller.</li> <li>Sometimes the customer send only Bare Shaft/Beams after taking out from Sugar Mill Roller to the applicant for making in reusable form</li> <li>Sometimes the customer purchased only Bare Shaft/Beams &amp; supplied these to the applicant for making Sugar Mills Roller in reusable form. The following question was raised -</li> </ul> <p><i>The activity of converting the bare shaft/beams supplied by the customer into ready to use sugar mill roller (by using one's own raw material) will be treatable as supply of goods or will be treatable as supply of service?</i></p> <p><b>Answer</b> -It will be treated as supply of goods</p> <p><i>Whether the cost of shaft/beam supplied by the customer is includible in the value of the said supply for the purpose of payment of GST?</i></p> <p><b>Answer</b> -Answered is in Affirmative</p>
TCPL Packaging Limited	Manufacturer of Packaging Material (Maharashtra AAR)	GST-ARA-105/2018-19/B-33 Mumbai dated 22.03.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in manufacture of packaging materials using Board, Films, etc. As a converter of paper board , the applicant manufactures folding cartons, printed blanks, outers, litho lamination , plastic cartons, blister packs and shelf ready</li> </ul>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p>packaging.</p> <ul style="list-style-type: none"> <li>All products manufactured by the applicant are customized according to the requirement of Customer. The following question was raised –</li> </ul> <p><i>1. Whether the packaging materials viz. cut to size blanks manufactured by TCPL with corrugation and having requisite creases at designated places, supplied to the Customers in flat form with folding, can be categorized under Tariff Item Code no 4819 and subject to GST @ 12%?</i></p> <p><b>Answer</b> – Answered is in Affirmative</p> <p><i>2. What would be the appropriate categorization and GST Rate of printed materials which are in flat form, e.g. hanging cards, without creases having corrugation and supplied to customer in flat form?</i></p> <p><b>Answer</b> – Categorization – CH 4823 . GST Rate – 18%</p>
M/s. Specsmaakers Opticians Private Limited	Retail Business (TAMILNADU AAR)	TN/27/AAR/2019 DATED 24.06.2019	<ul style="list-style-type: none"> <li>The business is engaged in trading of lenses , frames , sun glass , contact lenses as well as reading glasses , complete spectacles. The following question was raised –</li> </ul> <p><i>1. The value to be adopted in respect of transfer to branches located outside the state.</i></p> <p><b>Answer</b> – The value of supply of above mentioned goods to distinct persons being branches outside the state Tamil Nadu shall be the open market value.</p> <p>Where the goods are intended for further supply as such by recipient , the applicant has the option to adopt an amount equivalent to 90% of price charged for the supply of goods of like kind &amp; quality by the recipient to its customer not being a related person as the value of such supplies to the distinct recipient.</p>
M/s. Sanghvi Movers Limited	Service Provider (TAMILNADU AAR)	TN/26/AAR/2019 DATED 21.06.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in the business of providing medium sized heavy duty cranes on rental /lease/hire basis to customers without transferring the right to use the cranes.</li> <li>The applicant has a branch office at Maharashtra also. The following question was raised –</li> </ul> <p><i>1. Whether on facts and circumstances of the case, since Integrated Goods and Services Tax ("IGST") is payable on inter-state movement of cranes by the supplier (M/s. Sanghvi Movers Limited-Maharashtra), whether the recipient office of SML (i.e. SML Tamil Nadu) duly registered under GST receiving such cranes for further supply on hire charges would be eligible to avail input tax credit (ITC) of IGST charged?</i></p> <p><b>Answer</b> – The service received by the applicant (i.e. SML Tamil Nadu) is not eligible for full ITC but only to the extent specified in the restrictions as per second proviso section 16(2) of CGST Act &amp; rule 37 of CGST Rules read with section 20(iv) of IGST Act, subject to fulfillment of all other conditions u/s 16 of CGST Act.</p>
Tvh Lumbini Square Owners Association	Residential Welfare Association (TAMILNADU AAR)	25/AAR/2019 Dated 21.06.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in residential welfare association maintenance service,. The following question was raised</li> </ul> <p><i>1. If the monthly maintenance charges payable by a member of the association exceeds Rs.7500 per month, in the context of exemption as per S.No. 77 of Notification 12/2017 – Central tax (Rate) dated 28.06.2017 as amended by Notification 2/2018 – Central Tax (Rate) dated 25.01.2018, the applicant is liable to pay GST only on the amount in excess of Rs.7500 or on the entire amount?</i></p> <p><b>Answer</b> – If a service by the residential welfare association to its members by way of reimbursement of charges or share of contribution for sourcing of goods &amp; services from a third person for the common use of its members is such that it is above Rs.7500/p.m effective from</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			25.01.2018, it is not eligible SL No. 77© of Notification No. 12/2017-C.T (Rate) dated 28.06.2017 as amended for CGST & Sl. No. 77© of Notification No. II(2)/CTR/532(d-15)/2017 vide G.O (Ms) No. 73 dated 29.06.2017 as amended for SGST. CGST & SGST at appropriate rates are to be paid by the members on the full amount of reimbursement of charge or share of contribution.
K.Suresh	Manufacturer of Wet Wipes (TAMILNADU AAR)	24/AAR/2019 Dated 21.06.2019	<ul style="list-style-type: none"> <li>The applicant intends to manufacture Wet Wipes with 2% chlorhexidine Gluconate and supply that to dealers. The following question was raised</li> </ul> <p>1. Classification of wet wipes and rate of tax on the sales (supply) of the same</p> <p><b>Answer</b> – Classifiable under 33079090 of the first schedule to the Customs Tariff Act</p> <p>GST Rate up to 14.11.2017- 28%</p> <p>GST Rate from 15.11.2017-18%</p>
Rossi Gear motors India Private Limited	Manufacturer of Gearboxes and Gear reducer (TAMILNADU AAR)	23/AAR/2019 Dated 22.05.2019	<ul style="list-style-type: none"> <li>The Applicant is engaged in manufacturing of Gearboxes and Gear reducer . These Gearboxes are assembled by the Applicant with the Electrical Motor Machine. The following questions were raised</li> </ul> <p>1. Whether the Geared Motor is to be classified under 8501 or under 8483 for the purpose of payment of GST?</p> <p><b>Answer</b> – Will be classified under CTH 8501</p> <p>2. Whether the Geared Motor can be considered as Gears and Gearings?</p> <p><b>Answer</b> – This question is not within ambit of section 97(2) of this Act</p> <p>3. Whether the rate of CGST/SGST as per Notification No. 1/2017- CT (Rate) and GO (Ms) No: 62 date 29.06.2017 is.</p> <p>(a) 9% as per Schedule – III (Sl.No:372); (OR)</p> <p>(b) 9% as per Schedule – III (Sl.No:369A); (OR)</p> <p>©14% as per Schedule – IV (Sl.No:135).</p> <p><b>Answer</b> – GST Rate – 18%</p>
RAJENDRABA BU AMBIKA (Proprietrix of M/s. Sri Dhanalakshmi Welding Works)	Manufacturer and Job Work of Milk Dairy Machinery (TAMILNADU AAR)	22/AAR/2019 Dated 22.05.2019	<ul style="list-style-type: none"> <li>The Applicant is engaged in manufacturing, Erection , Commissioning, Reconditioning and Repairing and Maintenance of Milk Dairy Machinery products and its equipment's at various District Co-operative Milk. The following questions were raised</li> </ul> <p>1. The Applicant dairy machinery works (photograph attached) is liable to tax at 12% (HSN code-8434) or 18% (HSN Code-8413) kindly clarify.</p> <p><b>Answer</b> – The applicable classification of the dairy Machinery cannot be pronounced as no details of such supply were produced.</p> <p>2. In dairy machinery works, the Applicant have taken Milk processing, milk chilling Refrigeration system, Milk handling equipment's and Milk Packing equipment's and milk allied product making machinery. For such supply and erection of dairy machinery it involves service charges also. If so what will be the rate of tax on the service charges component</p> <p><b>Answer</b> – The activity of Supply undertaken by the applicant in respect of the awarded work order by the Tiruchirapaili District Coopertive Milk Producers Union Ltd, to carry out the work towards the 7X7 Frick Ammonia Compressor, IBT Tank Liquid Separator in pipeline repairing and replacement work at Karur and work order by the Kanchepuram Thiruva-llur District Co-operative Milk Producers Union Ltd, Thiruvallur for providing new header to Inter connecting ice bank tank with Accel Compressor and gladded insulation with aluminium sheet is classifiable under SAC 998717 and the applicable rate of tax is 9%-CGST under Sl.No. 25(ii) of Notification No. 1112017-C.T.(Rate) dated 28.06.2017 as amended and at 9% -SGST under Sl.No. 25(ii) of Notification</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p>No.II(2)/CTR/532(d-14)12017 vide G.O. (Ms) No. 72 dated 29.06.2077 as amended</p> <p><b>3. Whether our nature of activities falls under works contract or not. If so, what will be the rate of tax and its HSN code? Also inform the details of entries to be made in monthly return GSTR-1.</b></p> <p><b>Answer</b> – The Activity of the applicant are not Works Contract' as defined in Section 2(I).9) of the CGST/TNGST Act 2017</p> <p><b>4. Clarify the applicability of E-Way Bill procedures for our business activities i.e. The goods sent on delivery challan for erection purpose and subsequently bill made similarly we took back the machinery to our place for repair and maintenance kindly specify the transport documents to be used in our business activities mentioned above.</b></p> <p><b>Answer</b> – The applicability of E-way bill procedure and GSTR- 1 are not answered as the same are not the details to be filled in the purview of Advance Ruling as per Section 97 of the CGST/TNGST Act 2017</p>
VENKATASAMY JAGANNATHAN	Service Provider (TAMILNADU AAR)	19/AAR/2019 Dated 21.05.2019	<ul style="list-style-type: none"> <li>The applicant is employed in Star Health and Allied Insurance Company Limited as Chairman and Managing Director and also a Stake holder in the said company.</li> <li>The applicant has entered into a Profit Sharing Agreement on 25th day of May 2017 in which the applicant will get a profit for a strategic sale of equity shares over and above a specified sale price per equity share by a set of shareholders of SHA . The following questions were raised –</li> </ul> <p><b>1. Will the profit sharing agreement between the applicant as an employee and the shareholders, attract GST in his hands?</b></p> <p><b>Answer</b> – The Profit Sharing Agreement between the applicant and various shareholders of SHA is an actionable claim and is as neither a supply of goods nor a supply of services covered under Schedule III to CGST Act and SGST Act and hence is not taxable to CGST or SGST</p>
Alekton Engineering Industries Pvt. Ltd.	Manufacturer & Supplier of Triple Screws Pumps (TAMILNADU AAR)	18/AAR/2019 Dated 16.04.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in manufacturing &amp; Supplier of Triple Screws Pumps. The following questions were raised –</li> </ul> <p><b>1. Whether the Triple Screw Pumps &amp; Parts thereof falling under Chapter Heading 8413 can be treated as Parts of HSN 8901,8902,8904,8905,8906,8907 attracting</b></p> <p><b>(a) IGST 5% as per Schedule I (Sl. No. 252) of Notification No.1/2017-Integrated Tax (Rate) dated 28.06.2017 or not?</b></p> <p><b>Answer</b> – Forced Lubrication Pumps , Emergency Lube Oil Pumps , DG LUB Oil transfer pumps , triple screw pumps manufactured by the applicant supplied to Indian Navy for commissioning in its vessels and warships are parts of all types of vessels and warships</p> <p><b>(b) CGST 2.5% + SGST 2.5% as per Schedule I (Sl.No. 252) of Notification No.1/2017- Central Tax (Rate) dated 28.06.2017 or not?</b></p> <p><b>Answer</b> – They are covered under the Notification no. 1/2017-C.T(Rate) dated 28.06.2017 as amended 2.5% CGST &amp; 2.5% SGST &amp; 5% IGST as per Notification no. 1/2017-IGST(Rate) dated 28.06.2017</p>
Tata Projects Limited	Engineering Company (TAMILNADU AAR)	17/AAR/2019 Dated 16.04.2019	<ul style="list-style-type: none"> <li>The company is engaged in the process , design, detailed engineering , procurement , shop fabrication &amp; inspection , supply, storage, site fabrication, erection , inspection &amp; commissioning of Fluid Servicing System of Semi Cryo Integrated Engine Test Facility</li> <li>The applicant has entered into contract with ISRO for providing establishment of Fluid Servicing System of Semi Cryo Integrated Engine Test Facility. The following questions were raised –</li> </ul> <p><b>1. Whether supply of Engineering, Procurement and Construction(EPC)</b></p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p><i>contract for establishment of Fluids Servicing System where in both goods and services are supplied can be construed to be a composite supply in terms of Section 2(30) of CGST Act, 2017.</i></p> <p><b>Answer</b> – Supply of Engineering, Procurement and Construction(EPC) contract for establishment of Fluids Servicing System between the applicant &amp; IPRC is a composite supply u/s 2(30) of CGST &amp; TNGST Act 2017</p> <p><i>2.If Yes, Whether the Principal Supply in such case can be said to be “Establishment of Fluids Servicing System(FSS)” can be taxable at 5% GST vide notification No.45/2017- Central Tax(Rate) dated 14/11/2017.</i></p> <p><b>Answer</b> –This supply is a works contract in terms of Section 2(119) of CGST &amp; TNGST Act 2017 &amp; notification no. 45/2017- Central Tax (Rate) dated 14/11/2017 &amp; corresponding SGST Notification vide G.O (Ms) No. 161 dated 14.11.2017 is not applicable</p> <p><i>3.If Principal Supply taxable at 5%, whether the entire transaction in the contract is taxed as per the rate applicable to Principal Supply?</i></p> <p><b>Answer</b> –The complete transaction is taxable at the rate applicable to this supply of works contract</p>
Daimler Financial Services India Private	NBFC (TAMILNADU AAR)	16 /AAR/2019 Dated 15 .04.2019	<ul style="list-style-type: none"> <li>• Daimler Financial Services India Private is engaged in activities of Leasing &amp; Financing including operating lease of passenger vehicle , financing of commercial and passenger vehicle to end customers.</li> <li>• Daimler Financial Services India Private also does dealership related financial services like inventory financing for Daimler Franchised Dealer.</li> </ul> <p><i>1. Whether the interest subvention income received by Daimler Financial Services India Private Limited(DFSI) from Mercedes-Benz India Private Limited(MB India) to reduce the effective interest rate to the final customer is chargeable to GST?</i></p> <p><b>Answer</b> – The Interest subvention income received by Daimler Financial Services from Mercedes-Benz India Pvt. Ltd. to reduce the effective interest rate to the final customer is chargeable to GST as a supply under SAC Code 999792 as other miscellaneous services &amp; GST Rate 18%.</p>
V. V.Enterprises Private Limited	Manufacturer of Coffee Maker (TAMILNADU AAR)	15 /AAR/2019 Dated 15 .04.2019	<ul style="list-style-type: none"> <li>• The applicant is Manufacturer of Coffee Maker. The following question was raised –</li> </ul> <p><b>1.</b> Whether in the facts and circumstances of the case and in view of the fact that Automatic Electric Filter Coffee Maker fall under Chapter Heading No. 8419 of the GST tariff and therefore SI. No. 320 of Schedule III to notification No. 41/17 CTR dated 14.11.2017 and corresponding SI.NO. 320 of Schedule III to G.O. M.s.No. 157 dated 14.11.2017 to be taxed at the rate of 18%.</p> <p><b>Answer</b> –Gemini Modern Auto Coffee Filter &amp; Gemini Modern Traditional Coffee Filter – classified under 84198190</p> <p><b>2.</b> Whether in the facts and circumstances of the case and in view of the fact that Automatic Electric Filter Coffee Maker is a machinery not meant for domestic use and will therefore be classified under Chapter Heading No. 8419 of GST tariff to be charged at the rate of 18%.</p> <p><b>3.</b> Whether in the facts and circumstances of the case and in view of the fact that, Manual/Traditional Filter Coffee Maker, being not meant for domestic use and falling under Chapter Heading No. 8419 of GST tariff SI. No. 320 of Schedule III to Notification No. 41/17 CTR dated 14.11.2017 and corresponding SI. NO. 320 of Schedule III to G.O. Ms. No. 157 of 2017 is to be taxed at the rate of 18%.</p> <p><b>Answer</b> – GST Rate on Gemini Modern Auto Coffee Filter &amp; Gemini</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

Mr. Abubacker Kaleelrahman of M/s. Sameer Mat Industries	Trading business of Polypropylene Mat (TAMILNADU AAR)	14 /AAR/2019 Dated 22 .03.2019	Modern Traditional Coffee Filter – 18%  The Applicant is engaged in the Trading business of Polypropylene Mat which are plaited using Polypropylene Straw. The questions were raised- <i>1. Whether Polypropylene Mat which are plaited using polypropylene Straw falls under Chapter Heading 4601 or 3902?</i> <b>Answer</b> – The Polypropylene Mat which are plaited using polypropylene Straw is classifiable under CTH 46019900 <i>2. What is the tax rate for Polypropylene Mats?</i> <b>Answer</b> – Tax rate for Polypropylene Mats- The rate from or.r.2019 onwards is 2.5% CGST as per SI No 198AA of Schedule I of Notification No. OT 2017-C.T. (Rate) dated 28.06.2017 as amended and 2.5oh SGST as per SI No 198AA of Schedule I of Notification No. II (2) CTRI532(d-4) 2017 vide G.O. (Ms) No. 62 dated 29.06.2017 as amended
MALLI RAMALINGAM MOTHILAL of M/s. M.R.Mothilal	Manufacturing Kalava Raksha Sutra (Sacred Thread) (TAMILNADU AAR)	12/AAR/2019 Dated 22 .03.2019	The Applicant manufactures Kalava Raksha Sutra (Sacred Thread), tied on the wrist with different colours and sold in Kilograms. <i>The Applicant sought clarification, Whether the commodity viz., Kalava Raksha Sutra is exempted under the S1. No. 148 in any Chapter and also classification of HSN code of the product.</i> <b>Answer</b> – Braided textile yarns supplied by the Applicant made Polypropylene Yarn is classifiable under 56074900, made of Other Synthetic Yarn is classifiable under 56075090. made of Cotton is classifiable under 560790 90
Value Max Polyplast	Manufacturing of Plastic (TAMILNADU AAR)	TN/10/AAR/2019 dated 27.02.2019	<ul style="list-style-type: none"> <li>The applicant is the manufacturer of plastic injection modeled components which are used in various industries like Automotives, Consumer Goods Industries , Agricultural &amp; others. The questions were raised- <i>1. Clarification on classification of plastic Seedling Trays and applicable rate of tax</i> <b>Answer</b> – Agricultural Seeding Trays made of base material of Polypropylene Granules manufactured by the applicant as plastic are classified under CTH 39269099 GST Rate – 18% The credit of ITC is available subject to fulfillment of conditions u/s16 &amp; 17 of CGST/TNGST Act 2017.</li> </ul>
Rajiv Gandhi Centre for aquaculture	Aquaculture Research & Development Center(TAMILNADU AAR)	TN/09/AAR/2019 dated 22.01.2019	<ul style="list-style-type: none"> <li>RGCA established under Marine Products Export Development Authority of Ministry of Trade &amp; Commerce for the purpose of improving and modernizing various sustainable aquaculture activities and operates on a <u>no profit no loss</u> basis</li> <li>All services of RGCA related to life forms of animals &amp; agricultural produce are exempted from GST , so RGCA is not liable to be registered under GST though the aggregate turnover exceeds Rs. 20 Lakhs</li> <li>RGCA avails technical services from experts and &amp; corporate outside India for R&amp;D purpose which is exempted under GST</li> <li>Even Farmer training programme falls under Agricultural extension service which is also exempted from GST</li> <li>Legal services provided to RGCA is liable under GST as per RCM provision. The questions were raised- <i>1. Considering the nature of transactions carried out by the Rajiv Gandhi Centre for Aquaculture (RGCA) and various exemption notification(s) under GST Laws whether RGCA is required to register under GST Laws?</i> <i>2.If no registration is required for RGCA, whether compulsory registration u/s 24 is required to be made against any of the provisions of Section 24?</i></li> </ul>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p><b>Answer</b> – The applicant is liable to be registered u/s 22 of CGST &amp; TNGST Act</p> <p><b>3.If so, whether separate registration is to be taken from all the states where the offices of RGCA is situated? Explain the procedure to obtain registration</b></p> <p><b>Answer</b> – RGCA shall obtain registration in every state/UT in which it is liable.</p> <p><b>4.If registration is required to be made, what are the tax rates applicable to the transactions of RGCA?</b></p> <p><b>Answer</b> –</p> <ul style="list-style-type: none"> <li>✓ Fish Seeds, Prawn or Shrimp Seeds – <u>Exempted</u></li> <li>✓ Live Fish supplied by RGCA – <u>Exempted</u></li> <li>✓ Artemia cysts supplied by RGCA- <u>5% GST</u></li> <li>✓ R&amp;D towards breeding , developing new species , genetic testing of seed &amp; adults of diversified aquaculture species , Gene sequencing for confirmation of species – <u>18% GST</u></li> <li>✓ Nursery Technology , cage farming hatching – <u>Exempted</u></li> <li>✓ Testing for pathogens of soil, water, feed , chemical analysis of water &amp; soil, gene sequencing of pathogens-<u>18% GST</u></li> <li>✓ Training Services to Farmers – <u>Exempt</u></li> <li>✓ Training Activities for Students not involved directly in aquaculture - <u>18% GST</u></li> </ul> <p><b>5.Since RGCA-Head office is having GST Registration (Migrated from TNVAT) at Tamil Nadu only other various project sites are located at different states but doesn't having the GST registration so far, If they want to purchase materials through interstate from Mumbai to its one of the branch at Kerala, how the purchases of the materials to be made and what are the documents to be carried for the transport of such purchased goods under GST?</b></p> <p><b>Answer</b> –This question is not within ambit of provisions of Advance Ruling</p>
HYT SAM INDIA(JV)	Construction Business( <b>TAMILNADU AAR</b> )	TN/08/AAR/2019 dated 22.01.2019	<ul style="list-style-type: none"> <li>• The applicant has been selected as lowest vendor as per Tender of Integral Coach Factory of Chennai for modernization of railway coach manufacturing set up</li> <li>• This contract involves various works such as Erection , commissioning, Installation of Plant &amp; Machinery , Equipment &amp; Structures. The questions were raised-</li> </ul> <p><b>1. Whether the works awarded to the Applicant is composite supply of services?</b></p> <p><b>Answer</b> – It is a composite Supply</p> <p><b>2.Whether the benefit of Sl.No.3(v) of Notification No.11/2017- Central Tax(Rate) is applicable to subject works.</b></p> <p><b>Answer</b> – The supply in the agreement for Erection , commissioning, Installation of Plant &amp; Machinery , Equipment &amp; Structures covering schedule I, II, III is taxable @12% as per Notification No. 11/2017- Central Tax(Rate)</p> <p>The supply in the agreement for wet leasing of robotic spot welding machine &amp; Laser cutting &amp; welding machine as per schedule V(a) and schedule V(b) is not eligible for Sl.No.3(v)(a) of Notification No.11/2017- Central Tax(Rate)</p> <p>The Agreement for Comprehensive Annual Maintenance Contract of Mechanical &amp; Electrical under Schedule VI(a) and schedule VI(b) is not eligible for Sl.No.3(v)(a) of Notification No.11/2017- Central Tax(Rate)</p> <p><b>3.Whether the Applicant is required to raise invoice on completion of</b></p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p><i>events/milestones and remit the tax.</i></p> <p>4.What is the value on which invoice has to be raised in case of event/milestone invoicing if required?</p> <p><b>Answer</b> – The value of supply for each invoice raised by the applicant will be the transaction value &amp; should include the amount excluding discounts.</p> <p>The authority cannot give ruling on the supply of up-rooting and disposal of condemned M &amp; Ps under Schedule IV , in which the applicant is a recipient as per section 95(a) of CGST Act/TNGST Act.</p> <p>The authority cannot give ruling on the question when to raise invoice by the applicant as per section 97(2) of CGST Act/TNGST Act.</p>
Subramani Sumathi	Preparation of Maida, Papad, Vadam (TAMILNADU AAR)	07/AAR/2019 Dated 22.01.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in Preparation of Maida, Papad, Vadam.</li> </ul> <p>The question raised-</p> <p>1. <i>The category of product Vadam/Papad made-up of Maida falls under the classification of 1905.</i></p> <p><b>Answer</b> – The Applicants product namely "Maida Vadam/Papad" is classifiable under '19050540' and is exempted from CGST and SGST vide S1 no 96 of Notification No. 0212017 -CT (Rate) dt 28.06.2017 as amended and Notification No.II(2)/CTR/532(d-5)12077 vide G.O. (Ms) No. 63 dated 29.06.20 17 respectively.</p>
Dream Runners Foundation	Public Charitable Activities(TAMILNADU AAR)	06/AAR/2019 Dated 22.01.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in conducting public charitable activities such as Health care, Rural development, Women empowerment, Education facility etc, either directly or through various public charitable institutions for the common good of the general public. The question raised-</li> </ul> <p>1. <i>Whether the conduct of marathon events by the Trust through which donations are raised for charity is an exempted service under GST ?</i></p> <p><b>Answer</b> – The conduct of Marathon event by the Applicant for the participants is a not an exempt supply under CGST/TNGST Act</p> <p>2. <i>When the Trust is approved under Sec 12AA of the Income Tax Act 1961, which means that the service of the Trust is charitable in nature, does it not automatically become a charitable activity that is exempted under GST?</i></p> <p><b>Answer</b> – Only those activities of Applicant, who is a Trust is under Sec 12AA of the Income Tax Act 1961, which fall under the definition of "charitable activities" as per Clause 2(r) of Notification 1212017 Central Tax(Rate) dated 28th June 2017 and Notification No.II(2)/CTR/532(d-15)12017 vide G.O. (Ms) No. 73 dated 29.06.2017 are exempt.</p> <p>3. <i>As the service rendered by the Trust is a charitable activity within the definition of Clause 2(r) of Notification No.12/2017-Central Tax (Rate), is registration under GST required?</i></p> <p><b>Answer</b> – As the Applicant is supplying taxable supply of services such as organizing marathon etc. and has aggregate turnover in a financial year exceeding twenty lakh rupees, the Applicant is required to be registered under CGST/TNGST Act.</p> <p>4. <i>Are donations received from participants of the marathon event exempted from GST as it is money paid for conduct of a marathon event for raising funds for charity?</i></p> <p><b>Answer</b> – The money collected from the participants for conduct of the Marathon in the event organized by the Applicant and therefore is not exempted from CGST/ SGST.</p>
Vaya Private Limited	Life Redesigning products for daily life(TAMILNADU	04/AAR/2019 Dated 22.01.2019	<ul style="list-style-type: none"> <li>The applicant is start up in Chennai and delivers innovative products by redesigning products for daily life</li> <li>They have revamped tiffin box into smart product with</li> </ul>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

	<b>AAR)</b>		<p>sustainable design. . The question raised</p> <p>1. <i>What is the Harmonized system of nomenclature (HSN) code and the applicable GST rate for VAYA TYFFN (lunch boxes) and VAYA Drynk (bottle) in terms of notification 01/2017- Central Tax (Rate) dated 28/06/2017 as amended from time to time</i></p> <p><b>Answer</b> -The goods “Vaya Tyffyn” and “Vaya Drynk” supplied by Applicant are classified under CTH 96170019 GST Rate 18%</p>
Animal Feed Analytical and Quality Assurance Laboratory	Testing of Animal Feeds, ingredients and Feed supplements used to make the feeds. <b>(TAMILNADU AAR)</b>	03/AAR/2019 Dated 21.01.2019	<ul style="list-style-type: none"> <li>The Applicant is engaged in Testing of Animal Feeds, ingredients and Feed supplements used to make the feeds. The question raised</li> </ul> <p>1. <i>Whether services related to rearing of all life forms of animals by way of testing include testing of Animal Feeds, Feed ingredients and Feed supplements used to make feeds are covered under Notification 12/2017 Central Tax (Rate) dated 28/06/2017?</i></p> <p><b>Answer</b> - The services provided by the Applicant related to testing of Animal Feed /Feed ingredients are not be covered under Notification 12/2017 Central Tax (Rate) dated 28/06/2017 as amended for CGST and No.II(2)/CTR/532(d-15)/2017 vide G.O. (Ms) No. 73 dated 29.06.2017 for SGST.</p>
RmkV Fabrics Private Limited	Readymade garments <b>(TAMILNADU AAR)</b>	02/AAR/2019 Dated 21.01.2019	<ul style="list-style-type: none"> <li>The Applicant is engaged in the trading of readymade garments, fabrics and other similar items and have their showrooms at Tamilnadu</li> <li>The Applicant has stated that one of the products being sold by them is Salwar / Churidar Sets, comprising of three piece of cloths viz., Top, Bottom and Dupatta. The question raised</li> </ul> <p>1. <i>Whether the Salwar / Churidar sets being sold by the applicant compressing of three piece of cloth viz Top, Bottom and Dupatta would be classifiable as Fabrics under the relevant chapters and attract only 5% GST; or they would be classifiable as Articles of apparel and attract 5% GST if their sale price is below Rs. 1000 and attract 12% GST if their sale price is more than Rs.1000.</i></p> <p><b>Answer</b> - Salwar/Chudidar sets supplied by the Applicant, Both Top and Bottom not stitched consisting of three pieces of fabrics (Top/Bottom/Dupatta) where no stitching has been done and the pieces are merely cut into fabrics from bales/than, is classifiable as fabric Chapter 50 to 55 depending on the material &amp; GST Rate will be 5% Salwar/Chudidar sets supplied by the Applicant</p> <ul style="list-style-type: none"> <li>✓ Top semi - stitched and bottom not stitched consisting of bottom and dupatta fabrics cut from bales/than and the Top has already been partially cut into shape but requires further cutting and stitching to size</li> <li>✓ Top stitched but bottom not stitched consisting of bottom and dupatta fabrics cut from bales/than and the Top fully stitched</li> <li>✓ Top Neck -worked, Both Top and Bottom not stitched consisting of bottom and dupatta fabrics cut from bales/than and the Top has neck portion cut and design worked</li> </ul> <p>Will be classified under Tariff heading 621142/621143/621149 depending on the material. GST Rate for sale value not exceeding Rs 1000/piece- 5% GST Rate for sale value exceeding Rs 1000/piece-12%</p>
Kara Property Ventures LLP	Construction Company <b>(TAMILNADU AAR)</b>	01/AAR/2019 Dated 22.01.2019	<ul style="list-style-type: none"> <li>The applicant has purchased the land from the land owner &amp; then the construction activity is commenced on the said land to develop the project</li> </ul>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<ul style="list-style-type: none"> <li>The interested customer approached the Applicant for buying unit in the project. once the" commercials are agreed between the customer and the Applicant two agreements viz., Land and construction Agreements are entered with the customer and executed simultaneously. Thereafter, on receipt of g0% of total sale consideration, deed of sale is executed and registered in favour of customer for transferring the ownership of undivided share in land to the customer</li> <li>The payment to be made by the customer is based on milestone linked to the stage of completion of the construction activity.</li> <li>The unit is handed to the customer only after Deed of sale is executed and registered and the applicant obtains the completion certificate from the competent authority. The question raised</li> </ul> <p>1. <i>What is the value of supply of services provided from July 1, 2017 in terms of the provisions of CGST ACT 2017 read with Notification No.11/2017- Central Tax(Rate) dated 28.06.2017(as amended from time to time)</i></p> <p><b>Answer</b> - The value of supply of services provided by the Applicant in the project 'One Crest' in Chennai, wherein the Applicant has entered into two separate agreements, viz., one for 'Sale of undivided share of land' and the other for 'Construction' with the customers, the measure of levy of GST on the supply of service of 'Construction' shall be 2/3rd of the total value charged for construction service and amount charged for transfer of undivided share of land, as per entry No. 3(i) of Notification No. 1112017-C.T.(Rate) dated 28.06.2017 as amended and No.l(2)/CTR/532(d14)12017 vide G.O. (Ms) No. 72 dated 29.06.2017 as amended.</p>
M/s Goa Industrial Development Corporation	Govt. Undertaking Company <b>(GOA AAR)</b>	GOA/GAAR/01 OF 2019-20/1875 Dated 17.10.2019	<ul style="list-style-type: none"> <li>M/s Goa Industrial Development Corporation, a Government of Goa Undertaking had allotted land to 7 parties for setting up Special Economic Zone ("SEZ") via lease deed.</li> <li>However, SEZ development could not be possible due to protest from the people.</li> <li>As a result, deposit taken from the parties had to be refunded. However, the Applicant refused to pay compensation since nothing was mentioned in original lease Deed.</li> <li>The parties approached the Supreme Court, who intervened and directed the Applicant to compensate parties with interest at the rate of 8.25%.</li> <li>Finally, the applicant took back land allotted to 7 parties for setting up SEZ and refund the amount paid by SEZ parties along with interest, earned on such amounts paid by the parties amounting to Rs. 256,56,90,593/-. <b>The question has been raised -</b></li> </ul> <p><i>Is an obligation to refrain from an Act, or to tolerate an Act or a situation treated as supply of Goods/Services (Schedule II U/s 7 Scope of Supply).</i></p> <p><b>Answer</b> - The compensation paid by GIDC would qualify as SUPPLY and that amount would attract Tax Liability.</p>
Sewerage & Infrastructural Development	Project Management Service Provider	GOA/GAAR/10/ 2018-19 dated 30.09.2019	<ul style="list-style-type: none"> <li>The Applicant has been appointed as state level nodal agency to take up sewerage projects and also responsible for implementation of various sewerage projects in GOA State.</li> </ul>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

Corporation of Goa Ltd	(GOA AAR)		<ul style="list-style-type: none"> <li>The Applicant was responsible for overall management of all components of the project on technical, financial and contractual matters during implementation of the sewerage projects. <b>The question has been raised –</b></li> </ul> <p>1. Whether the Project Management services provided by applicant to recipient would qualify as an activity in relation to function entrusted to Panchayat or Municipality under Article 243G or Article 243W respectively, of the Constitution of India</p> <p><b>Answer –</b>The services provided by the applicant falls under the list of services specified under serial no. 6 of 12<sup>th</sup> schedule of Article 243W OF THE Indian Constitution, thus qualifying the admissibility criterion.</p> <p>2. Would supervision fees received towards such services provided by the applicant qualify as “Pure services (excluding works contract service or other composite supplies involving supply of any goods)” as provided in serial number 3 of Notification No. 12/2017- Central Tax (Rate) dated 28 June, 2017[Notification No. FA -3-42/201711/v (53) dated 30 June 2017, as amended by Notification No. 2/2018-Central Tax (Rate) dated 25 January, 2018 issued under CGST Act, 2017 serial number 3 of Notification No. 9/2017 –Integrated Tax (Rate) dated 28.06.2017, as amended by Notification No. 2/2018 – Integrated Tax (Rate) dated 25.01.2018 and corresponding notifications issued under SGST Act?</p> <p><b>Answer –</b>Supervision Fees received will be exempted as per above mentioned notifications.</p> <p>3. Whether the applicant would fall under the definition of governmental authority or Government entity</p> <p><b>Answer –</b>Yes</p>
Chief Electrical Engineer Goa	Electricity Distributor Company (GOA AAR)	GOA/GAAR/8/2018-19 dated 18.07.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in transmission and distribution of electrical energy to the general public. <b>The question has been raised –</b></li> </ul> <p>The GST rate applicable for various works/activity undertaken by the Goa Electricity Department</p> <p><b>Answer –</b>The applicant chief electrical engineer, GOA is liable to pay CGST @ 9% and SGST @9% on various works undertaken by them except on hiring of vehicles.</p> <p>The applicant is liable to pay CGST @ 2.5% &amp; SGST @2.5% or CGST @6% and SGST @6% on hiring of vehicles subject to the conditions specified in Notification No. 20/2017 –Central Tax (Rate) dated 22<sup>nd</sup> August 2017.</p>
M/s Newtramax Healthcare	Pharmaceutical Industry (Himachal Pradesh AAR)	HP-AAR-2/2019 dated 15.11.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in Pharmaceutical Formulations</li> <li>The applicant has obtained license to manufacture for sale or distribution of Drugs. <b>The question has been raised –</b></li> </ul> <p>Whether the product/s being manufacture by the applicant fall under HSN 2106 or 3004?</p> <p><b>Answer –</b> It can be classified under HSN Code 3004.</p>
M/s Alisha Foods	Food business (M.P AAR)	MP/AAR/20/2019 dated 28.11.2019	<ul style="list-style-type: none"> <li>The Applicant is engaged in the manufacturing business of Papad (Fryums), Namkeens and Popcorn under the brand name of Target School Times. <b>The question has been raised –</b></li> </ul> <p>What is the correct classification of Fried Fryums of differnt shapes, sizes and varieties which are ready to eat and What is the HSN Code and GST rate applicable on such goods manufactured.</p> <p><b>Answer –</b> The product ‘Fried Fryums’ is classifiable under Tariff Item 2106 90 99 of the First Schedule to the Customs Tariff Act, 1975. Goods and Service Tax rate of 18% (CGST 9% + GGST 9% or IGST 18%)</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			is applicable to the product 'Fried Fryums' as enumerated under S.No. 23 of Schedule III of Notification No. 1/2017 -Central Tax (Rate) dated 28.06.2017 since amended,
M/s Bhavikabhatia	Transport Service <b>(M.P AAR)</b>	MP/AAR/18/2019 dated 25.09.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in the business of providing service of hiring of vehicles under contract carriage</li> <li>The applicant has entered into an agreement with a Management college for transporting their students and staff under contract carriage by Non AC Bus. <b>The question has been raised -</b> <i>Applicability of serial no. 15(b)(HSN/SAC Code 9964) of exemption Notification No. 12/2017 (Rate) dated 28-06-2017 as amended, for said activity?</i> <b>Answer -</b>The service provided by the applicant is exempted from GST as per above mentioned notification.</li> </ul>
M/s Force Motors Limited	Transport Service Provider <b>(M.P AAR)</b>	MP/AAR/17/2019 dated 25.09.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in making engines, chassis , gear , Boxes and other ancillary parts of Vehicle.</li> <li>The applicant provides also transport service for goods as well as passenger. <b>The question has been raised -</b> <i>Whether to classify Utility Van under chapter Heading 8703 or Chapter Heading 8704.</i> <b>Answer -</b> The product viz utility vehicle predominantly designed for transportation of goods confirming to the norms of category N vehicles as per automotive industry standards AIS 053 shall merit classification under chapter 8704 of the GST Tariff and shall be chargeable to GST at the rate prevailing at the time of supply</li> </ul>
M/s Kalyan Toll Infrastructure Ltd.	<b>(M.P AAR)</b>	MP/AAR/16/2019 dated 25.09.2019	<ul style="list-style-type: none"> <li>The Applicant has taken work under e-tender process by MP Power Generating Company Ltd (MPPGCL) for Balance General Civil and Related Electrical And Mechanical Works Package. <b>The questions have been raised -</b> <i>Whether work constitutes composite contract or is it separate contract for each work under taken?</i> <b>Answer -</b> The tender document in question is a not consolidated contract and each supply under the said contract shall be chargeable to tax individually, depending upon the individual classification of such supplies and rate of tax applicable at the time of supply.</li> </ul>
M/s Madhya Pradesh Power Generating Company Limited	Electricity Company <b>(M.P AAR)</b>	MP/AAR/14/2019 dated 25.09.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in generation of electricity in M.P</li> <li>The applicant is also constructing New Power Plant</li> <li>For generation of electricity , the applicant purchased coal from Coal India and transported to various thermal stations from coal mines.</li> <li>As per ministry guidelines , if coal is being transported for more than 500 kms. Then coal is to be washed to reduce ash content below 34%. <b>The question has been raised -</b> <i>Whether charging GST @5% of transportation services by Goods Transport Agency (GST) by road under RCM and 18% on coal beneficiation and loading charges (as stated in point no. 9 of Statement of Facts) is in compliance with the provisions of the GST Law?</i> <b>Answer -</b>The service of Coal beneficiation and transportation are two different supplies and they will attract different GST Rates <b>Coal Beneficiation -</b> GST @ 18% under SAC 9997 <b>Transportation by a GTA</b> by road @5% under RCM if supplier does not avail ITC . or else GST @12% . In the later case the tax is to be paid by supplier i.e transporter under SAC 9965</li> </ul>
Emrald	Education Service	MP/AAR/13/2019	<ul style="list-style-type: none"> <li>The applicant is a registered society and is engaged in</li> </ul>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

<p>Heights International School</p>	<p>Provider <b>(M.P AAR)</b></p>	<p>dated 20.08.2019</p>	<p>promotion of education</p> <ul style="list-style-type: none"> <li>• Emerald Heights School Samiti owns and runs The Emerald Heights International School</li> <li>• The school is not registered with the Goods &amp; Service Tax Department as it is providing education services.</li> <li>• The school is affiliated and associated with various National and International Organizations which are mainly active to promote education and sports world wide</li> <li>• Amongst various organizations the 'school is also member school of an association namely "Round Square".</li> <li>• he members of the association organize educative conferences for Students and staff of member schools of association from time to time in line with the philosophy of the association</li> <li>• As the Applicant is a member school of the organisation, they intend to hold one such educational conference/ gathering in India.</li> <li>• The Applicant and the Association intend to enter into an agreement for hosting and managing the conference/gathering.</li> <li>• The Proposed agreement clearly mentions that the school shall act as Host of the Conference in its own right as Principal and shall not be deemed to be acting as an Agent of the Association.</li> <li>• As per the Proposed agreement, the applicant is responsible to hold the conference engaging appropriately skilled, trained and experienced personnel and sufficient financial and material resources. This shall include planning the conference, inviting the participants, arranging the accommodation, food etc., organizing and managing the events in the conference etc.</li> <li>• Consideration for performing the above functions to cover the expenses of the conference would flow from the Round Square member schools in the form of fee along with the list of individual student and staff attendees to the Applicant.</li> </ul> <p><b>The questions have been raised -</b></p> <p>1. Will the consideration received by the school from the participant school (s) for participation of their students and staff in the conference would be exempted under No. 66 or entry No. 1 or entry No. 80 or any other entry of the Notification No. 12/2017- Central Tax (Rate) or will be chargeable to GST under CGST Act, 2017 &amp; MP GST Act, 2017 or IGST Act, 2017?</p> <p><b>Answer</b> -The consideration received by the school from the participant school(s) for participation of their students and staff in the impugned conference would not be exempted under entry No. 66 or entry No. 1 or entry No. 80 or any other entry of the Notification No. 12/2017 — Central Tax (Rate) or will be chargeable to GST under CGST Act, 2017 &amp; MP GST Act, 2017 or IGST Act, 2017? and concurrent notifications issued by the State Tax authorities.</p> <p>2. If not exempted then what would be the appropriate category of the service and the appropriate Tax Rate?</p> <p><b>Answer</b> -The authority is of opinion that various services provided for organizing the impugned conference / gathering of students and staff of other Schools, shall be liable to tax at the rate applicable to the respective services.</p> <p>3. What would be the Place of Supply for such services?</p> <p><b>Answer</b> -To decide the place of supply is beyond the jurisdiction of AAR</p> <p>4. Whether exemption provided to service providers of catering, security, cleaning, house-keeping, transportation etc. to an educational institution</p>
-------------------------------------	--------------------------------------	-------------------------	---

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p>up to higher secondary be available to the service providers of the Applicant for services related to such conference.</p> <p><b>Answer</b> – Authority is of the opinion that Exemption provided to service providers of catering, security, cleaning, house-keeping, transportation etc. to an educational institution up to higher secondary shall not be available for services provided for the impugned conference for which the applicant has asked for ruling.</p> <p><i>5. Whether ITC would be eligible of all the input services availed for the purpose of the above conference?</i></p> <p><b>Answer</b> – On the fifth question raised by the applicant, the authority is of opinion that the provision of the act very clear that no ITC shall be available on food and catering, as rate is 5% without ITC. ITC in respect of other services shall be available as per provisions of the GST Act and the Rules.</p>
M/s. RB Shah Enterprises India Private Limited	Customs Consultant (Tamilnadu AAR)	TN/53/AAR/2019 DATED 25.11.2019	<ul style="list-style-type: none"> <li>The applicant is engaged as a consultant &amp; guiding the Importers &amp; Exporters for various services related to Customs, JDGFT, CLA, etc.</li> <li>They organize/ use duty credit scrips while rendering consultancy service. <b>The question has been raised –</b></li> </ul> <p><i>What is the applicable rate of GST for the mentioned service provided for a whole sum price</i></p> <p><b>Answer</b> – The supplies made by the applicant as enumerated in the service order of M/s. Sitaraman Shipping Service furnished before us are 'Mixed supply and the rate of tax is the highest rate applicable to the various services supplied by the applicant which is 9% CGST as per Notification No. II/2017-C.T.(Rate) dated 28.06.2017 as amended and 9% SGST vide Notification No. II(4/CrR/532(d-14)/2017 vide C.O. (Ms) No. 72 dated 29.06.2017 as amended.</p>
M/s. Kalyan Jewellers India Limited	Jewellery Manufacturer (Tamilnadu AAR)	TN/52/AAR/2019 DATED 25.11.2019	<ul style="list-style-type: none"> <li>The Applicant is in the business of manufacturing and trading of Jewellery Products</li> <li>As a part of sales promotion the Applicant introduced the facility of different types of Pre-Paid Instruments (PPI's) viz., Closed System PPIs, Semi-closed System PPIs, Open System PPIs through its retail outlets, third party PPI issuers and online portals to their Customers and these are generally called "Gift Vouchers/Gift Cards" in trade practice. <b>The questions have been raised –</b></li> </ul> <p><i>1. Whether the issue of own closed PPIs by the 'Applicant' to their customers be treated as supply of goods or supply of service</i></p> <p><b>Answer</b> – The Own closed PPIs issued by the Applicant are Vouchers' as defined under CGST/TNGST Act 2017 and are a supply of goods under CGST/TNGST Act 2017</p> <p><i>2. If yes, is the time of issue of PPI's by the Applicant to their Customers is the time of supply of goods or services warranting tax liability</i></p> <p><b>Answer</b> – The time of supply of such gift vouchers / gift cards by the applicant to the customers shall be the date of issue of vouchers if the vouchers are specific to any particular goods specified against the voucher. If the gift vouchers/gift cards are redeemable against any goods bought, the time of supply is the date of redemption of voucher.</p> <p><i>3. If yes, what is the applicable rate of tax for such supply of goods or services?"</i></p> <p><b>Answer</b> – In the case of paper based gift vouchers classifiable under CTH 4911 the applicable rate is 6% CGST as per Sl. No. 132 of Schedule II of the Notification No. 1/2017-C.T.(Rate) dated 28.06.2017 and 6% SGST</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			as per Sl. No. 132 of Schedule II of Notification Ms. No. II(2)/CTR/532(d-4)12017 vide G.O. (Ms) No.62 dated 29.06.2017 as amended. In the case of gift cards classifiable under CTH 8523 the applicable rate is 9% CGST as per Sl. No. 382 of Schedule III of the Notification No. II2017-C.T.(Rate) dated 28.06.2017 and 9% SGST as per Sl. No. 382 of Schedule III of Notification Ms. No. II(2)/CTR/532(d-4)12017 vide G.O. (Ms) No. 62 dated 29.06.2017.
M/S. SreeVaralakshmiMahaal LLP	Leasing Business (Tamilnadu AAR)	TN/51/AAR/2019 DATED 25.11.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in the business of leasing out the building (MarriageHall) with all amenities for short term period.</li> </ul> <p><b>The question has been raised –</b>  <i>Whether the Input Tax Credit available spent for construction of building materials can be claimed and utilize to nullify the cascading effect of taxation?</i></p> <p><b>Answer –</b>No Input Tax Credit is available against any goods or services received by the applicant for construction of the Marriage Hall on his own account even if used in course or furtherance of his business of renting the place</p>
M/s. CMC Vellore Association	Medical and Health Care Services. (Tamilnadu AAR)	TN/50/AAR/2019 DATED 25.11.2019	<ul style="list-style-type: none"> <li>The 'Applicant' is engaged in provision of Health Care services to both inpatients and out-patients. <b>The questions have been raised –</b>  1. <i>Tax liability on medicines supplied to in-patients through pharmacy</i>  <b>Answer –</b>Medicines, drugs, stents, consumables and implants used in the course of providing health care services to in-patients admitted to the hospital for diagnosis, or medical treatment or procedures is a composite supply of In Patient Healthcare Service.  2. <i>Tax liability on the medicines, drugs, stents, implants, etc administered to in-patients during the medical treatment or procedure</i>  <b>Answer –</b>Supply of inpatient health care services by the applicant hospital as defined in Para 2(zg) of Notification no. II/2017-C.T. (rate) dated 28.06.2017 as amended and Notification No. II (21 / CfR/ 532(d-15) / 2017 vide G.,C. (Ms) No. 73 dated 29.06.2017 as amended is exempted from CGST and SGST as per Sl No 74 of the above notifications respectively</li> </ul>
M/s Tamil Nadu Coop Silk Producers Federation Ltd	Handloom Supplier (Tamilnadu AAR)	TN/49/AAR/2019 dated 22.10.2019	<ul style="list-style-type: none"> <li>The applicant is a co-operative society and engaged in the wholesale business of supply of Silk to Silk Handloom Weavers</li> </ul> <p><i>Whether TDS provision under GST Act is applicable to the Co-operative Society since it is Registered under Tamil Nadu Cooperative Society Act of 1975 and not under society registration act 1860 (21 of 1860)</i></p> <p><b>Answer –</b>Central Tax Notification No. 33/2017. C.T dated 15.09.2017 as amended and state tax notification no. II(2)/CTR/783(c-3) /2017 vide G.O (Ms.) No. 107 dated 15.09.2017 as amended is not applicable to applicant</p>
M/s Pushpa Rani Pabbi	Parking lot services (PUNJAB AAR)	AAR/GST/PB/011 Dated 06.09.2019	<ul style="list-style-type: none"> <li>The applicant has been appointed as a contractor for providing parking lot services at the place of the market committee at Jalandhar. The following question has been raised  <i>Whether the parking lot services provided by the Contractor appointed by the Market Committee, which is a Government Authority is exempt under Notification No.12/ 2017 as the parking lot activity is covered under Article 243 of the Constitution.</i></li> </ul> <p><b>Answer -</b> The parking services provided by the Contractor appointed by the Market Committee, are not exempt under Notification No. 12/2017 as the Market Committee is not a Government Authority. Marketing Committee (Mandi Board) does not qualify under the definition as provided in clause 2(zf) of the notes appended to Notification</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			No.12/2017. The activity / services of parking provided by the applicant falls under heading 9967 and attracts GST @ 18% (CGST 9 % + SGST 9 %).
S.P.Singla Constructions Pvt. Ltd.	Construction, Activity (PUNJAB AAR)	AAR/GST/PB/010 Dated -06.09. 2019	<ul style="list-style-type: none"> <li>The Applicant is engaged as a sub-contractor to the main Contractors who have been awarded the construction contracts pertaining to construction/widening of roads by the Government/ Government Entities such as National Highway Authority of India.</li> <li>In some point, the Applicant is also appointed as the main Contractor for carrying out the activity of construction, erection, commissioning, installation of bridges by the Government/ Government Entities. <b>The following question has been raised</b>  <i>What is the classification of the "Works-Contract" Service pertaining to construction, erection, commissioning and completion of Bridges provided by the Applicant as a sub-contractor to the contractors' contacts pertaining to construction/widening of roads by the Government Entities such as NHAI?</i>  <b>Answer:</b> The services pertaining to construction, erection, commissioning and completion of 'Bridges' provided by the applicant as a sub-contractor in respect of construction contract pertaining to construction / widening of road by the National Highway Authority of India falls under the scope of Serial No. 3(iv) of Notification No. 11/2017- Central Tax (Rate) dated 28.06.2017 (as amended) and attracts GST @ 12% (CGST 6% + SGST 6%).</li> </ul>
M/s. Kalis Sparkling Water Private Limited	Fruit Juice Manufacturer (Tamilnadu AAR)	TN/48/AAR/2019 dated 17.10.2019	<ul style="list-style-type: none"> <li>The applicant engaged in manufacture of beverages with fruit juice and without milk. <b>The following questions have been raised</b>  <i>1. Whether their product K juice Grape fall under category of fruit beverages or fruit based drinks?</i>  <b>Answer:</b>Not answered  <i>2. What is the rate of tax and HSN code for their product name?</i>  <b>Answer:</b>Applicable Tax Rate 28% and HSN Code 22021090  <i>3. Is there any preserved percentage of fruit or pulp in the beverages to call them as carbonated fruit beverages or drinks under GST Act?</i>  <b>Answer:</b>Not answered</li> </ul>
M/S Tata Projects Limited	Composite Supply of Goods (Tamilnadu AAR)	TN/47/AAR/2019 dated 16.10.2019	<ul style="list-style-type: none"> <li>The applicant is involved in the process of design and detailed engineering of Integrated Cryogenic Engine and Stage test facility for satellite launch vehicle program. <b>The following questions have been raised</b>  <i>1. Whether Supply of Engineering, Procurement &amp; Construction (EPC) contract for establishment of Integrated Cryogenic Engine &amp; Stage Test facility (ICET) where in both goods and services are supplied can be construed to be a Composite Supply in terms of Section 2(30) of CGST Act, 2017?</i>  <b>Answer:</b>The supply as specified in the contract between the applicant and the ISRO Propulsion Complex Mahendragiri for establishment of Integrated Cryogenic Engine &amp; Stage Test Facility wherein both goods and services supplied is a composite supply in terms of section 2(30) of CGST Act 2017  <i>2. If Yes, Whether the Principal Supply in such case can be said to be "Establishment of Fluids Servicing System (FSS)" can be taxable at 5% GST vide notification No. 45/2017-Central Tax (Rate) dt 14th November, 2017?</i>  <b>Answer:</b>This supply is a works contract in terms of section 2(119) of CGST and TNGST Act 2017 and hence Notification No. 45/2017 Central</li> </ul>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p>Tax (Rate) dated 14.11.2017 and corresponding SGST Notification vide G.O (MS) No. 161 is not applicable.</p> <p><i>3. If Principal Supply taxable at 5%, whether the entire transaction in the contract is taxed as per the rate applicable to Principal Supply</i></p> <p><b>Answer:</b>The entire transactions are taxable at the rate applicable to this supply of works contract</p>
M/s. Royal Care Speciality Hospitals Ltd	Health Care Services (Tamilnadu AAR)	TN/46/AAR/2019 dated 26.09.2019	<ul style="list-style-type: none"> <li>The applicant has stated that they are engaged in the health care service sector providing comprehensive patient care of International quality standards</li> <li>They intend to create a sustainable health care system for the people of this region which shall be one of the most contemporary healthcare facilities with the latest infrastructure to deliver treatment as per the latest advances in modern medicine.</li> <li>They have categorized the patients as OutPatients and In-patients for the administrative convenience.</li> <li>The inpatients are provided with stay facilities, medicines, consumables, surgical and implants, dietary food and other surgeries/procedures required for the treatment.<b>The following questions have been raised</b></li> </ul> <p><i>1. Whether the medicines, consumables and implants used in the course of providing health care services to in-patients for diagnosis or treatment would be considered as "Composite Supply" and accordingly eligible for exemption under the category "Health Care Services?"</i></p> <p><b>Answer:</b>Medicines, consumables and implants used in the course of providing health care services to in-patients by the applicant is a composite supply of Inpatient Services classifiable under SAC 999311. Supply of health care services or inpatient services by the applicant as defined in Para 2(zg) of Notification no 12/2017-C.T. (rate) dated 28.06.2017 as amended and Notification No.II (2)/CTR/532(d-15)/2017 vide G.O. (Ms) No. 73 dated 29.06.2017 as amended is exempted from CGST and SGST as per SI No 74 of the above notifications respectively.</p> <p><i>2. Whether ITC is eligible for obligatory services provided to In-patients through outsourcing</i></p> <p><b>Answer:</b>The applicant is not eligible for the credit of tax paid on the Input services used exclusively for providing exempt services of health services to in patients such as laundry services used for in patients. For Input services such as housekeeping, leasing of equipment used for both exempt supply of health services to in patients and taxable supply of medicines etc. to outpatients, the appropriate ITC eligible is determined by Rule 42 of the CGST Rules 2017 and TNSGST Rules as amended read with Section 17(2) of CGST/TNGST Act 2017.</p>
M/s. Chennai Port trust	Supply of port services (Tamilnadu AAR)	TN/45/AAR/2019 dated 26.09.2019	<ul style="list-style-type: none"> <li>The Applicant is engaged in supply of port services and incidental supply of goods like disposal of discarded assets.<b>The following question has been raised-</b></li> </ul> <p><i>Whether on the facts and in the circumstances given in the application, when the time of supply can be considered to occur with respect to providing continuous supply of services in the nature of renting of immovable properties in situations</i></p> <p><b>Answer:</b>In all the specified scenarios in the question, when the license for renting of immovable property is in force, but the licensee does not pay or pays only partially the periodical license fee to the applicant as agreed in the lease agreement, if the rent invoice is issued before the due</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			date of payment as specified in the agreement, the Time of supply as determined by Section 13(2) (a) shall be date of issue of invoice or Rent Claim Advice. If the invoice is issued after such due date of payment, the Time of supply as determined by Section 13(2) (b) shall be the date of provision of service which is the end of recurrent period specified in the agreement, after which the rent/licence fee is to be paid.
Shri. Krishnaiahsetty Murali (Proprietor M/s. Murali Mogan Firm)	Procurement of Tamarind fruit (Tamilnadu AAR)	TN/43/AAR/2019 dated 26.09.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in procuring Tamarind fruit from the farmers across Tamil Nadu. <b>The following question has been raised-</b> <i>Classification for the supply of "Tamarind Fruit (undried)"</i> <b>Answer:</b> Tamarind supplied by the applicant which has not undergone the process of direct drying in sun or by industrial process is classifiable under CTH "08109020".</li> </ul>
M/s. Shifa Hospitals	HEALTH CARE SERVICES (Tamilnadu AAR)	TN/42/AAR/2019 dated 23.09.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in providing health care services to both out-patients and in-patients. In-Patients are those who are admitted in to the hospital for their diagnosis and treatments</li> <li>The in-patients are provided with the facilities like stay inside the hospital rooms, diagnosis services, treatments including surgical treatments, post-surgery treatments, medicines, consumables, implants, dietary food etc. <b>The following question has been raised-</b> <i>Whether the medicines, consumables and implants used in the course of providing health care services to in-patients for diagnosis or treatment would be considered as "Composite Supply" and accordingly eligible for exemption under the category "Health Care Services?"</i> <b>Answer:</b> Medicines, consumables and implants used in the course of providing health care services to in-patients by the applicant is a composite supply of Inpatient Services classifiable under SAC 999311. Supply of health care services or inpatient services by the applicant as defined in Para 2(zg) of Notification no 12/2017-C.T. (rate) dated 28.06.2017 as amended and Notification No.II (2)/CTR/532(d-15)/2017 vide G.O. (Ms) No. 73 dated 29.06.2017 as amended is exempted from CGST and SGST as per SI No 74 of the above notification respectively.</li> </ul>
M/s. Rich Dairy Products (India) Pvt Ltd	Fruit Juice Manufacturer (Tamilnadu AAR)	TN/41/AAR/2019 dated 23.09.2019	<ul style="list-style-type: none"> <li>The applicant is manufacturer of fruit juices and also carbonated fruit juices. <b>The following question has been raised-</b> <i>Whether Carbonated Fruit Juice falls under Fruit Juices or Aerated drinks?</i> <b>Answer:</b> The products to be supplied by the applicant are to be classified as 'Richyaa Darner Lemon' and 'Licta Lemon' are classifiable under CTH 22021020 and all others i.e. 'Richyaa Darner Cola', 'Licta Cola', 'Richyaa Darner Jeera Soda', 'Licta Jeera Masala', 'Richyaa Darner Orange' and 'Licta Orange' are classifiable as 'Other' under CTH 22021090</li> </ul>
HP India Private Limited	Import and Sale of IT Products (Tamilnadu AAR)	TN/40/AAR/2019 dated 28.08.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in the import and sale of IT products primarily personal computers (i.e., desktops and laptops) and printers. <b>The following question has been raised-</b> <i>What is the rate of GST applicable on supply of desktops consisting of CPU, monitor, Keyboard and mouse or any combination of input/output unit?</i> <b>Answer:</b> The GST Rate is 18% if all the units are supplied together with the CPU in a single supply.</li> </ul>
Mrs Manju Devi, (M/s M.D. Enterprise)	Labour supplier. (Rajasthan AAR)	RAJ/AAR/2019-20/29 Dated 18.12.2019	<ul style="list-style-type: none"> <li>The applicant is in the business of supply of manpower</li> <li>The applicant supplied labour to one of his clients for the purpose of working in agriculture farms.</li> </ul> <p><b>The questions have been raised -</b> <i>Whether exemption of "Supply of Farm Labour" as provided in Notification No. 12/2017 and Notification No. 09/2017 Integrated Tax (rate) dated</i></p>

# ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p>28.06.2017 is available to supplier of manpower falling under SAC 99851?</p> <p><b>Answer</b> – Exemption available to 'supply of farm labour' services falling under Chapter heading 9986 under Notification No. 12/2017-Central Tax (Rate) dated 28.06.2017 and Notification No. 09/2017- Integrated Tax (rate) dated 28.06.2017 is not available to supply of manpower services falling under SAC 99851.</p> <p><i>Is it necessary for recipient of "Supply of Farm Labour" service to be fully engaged in agriculture and not doing any other activity?</i></p> <p><i>What type of documents/evidence is required to be kept as a supplier of manpower for availing exemption as "Supply of Farm Labour" under Notification No. 12/2017-Central Tax (Rate) dated 28.06.2017 and Notification No. 09/2017 Integrated Tax (rate) dated 28.06.2017?</i></p> <p><b>Answer:</b> The Question 'b' and 'c' raised by the applicant are beyond the scope of this authority as defined under Section 97(2) of the GST Act, 2017. Hence no ruling is given.</p>
SEVK RAM SAHU, (M/s S.R.S. Enterprises)	Labour service provider <b>(Rajasthan AAR)</b>	RAJ/AAR/2019-20/28 Dated 18.12.2019	<p>M/s. S.R.S. Enterprises is engaged in Services of pure labour contract supplied by way of construction, erection, commissioning, installation, completion, fitting out, repair, maintenance, renovation, or alteration of a civil structure or any other original works under PMAY. <b>The questions have been raised –</b></p> <p><i>Whether the entry number 10 of the Notification No. 12/2017-Central Tax (Rate) dated 28.06.2017 is applicable to the applicant and accordingly will the services provided by the applicant?</i></p> <p><i>If the Notification No. 12/2017-Central Tax (Rate) dated 28.06.2017 is not applicable, then what will be classification and HSN for services provided by the applicant?</i></p> <p><b>Answer:</b> The services provided by way of pure labour contract supplied by the applicant for the construction of flats under Pradhan Mantri Awas Yojana (PMAY) is covered under Entry 10 of the <b>Notification No. 12/2017-Central Tax (Rate) dated 28.06.2017</b> (as amended).</p>
M/s JVS Foods Pvt Ltd	Manufacturer and Supplier of Energy Food. <b>(Rajasthan AAR)</b>	AJ/AAR/2019-20/27 Dated 26.11.2019	<ul style="list-style-type: none"> <li>The applicant is one of the Largest Manufacturer and Supplier of Energy Food, Babymix, Indiamix, Paushtik Puffs, Halwa Premixes, Khichdi Premixes, Barfi Pretnixes etc.</li> <li>All these products are made of various food grains and fortified with vitamin &amp; minerals. JVS group is geared-up to produce and supply 870 MTs per day (or say 1000 MTs with sugar addition etc.) satisfying one crore children per day with a balanced diet.</li> </ul> <p><b>The question has been raised –</b></p> <p><i>Whether the goods (Fortified Rice Kernel) manufactured and sold by the applicant will be fall under Chapter-10, Tariff item 1006 as Rice and description of goods 10061090 others (IGST Nil/5%, CGST Nil/2.5%, SGST Nil/2.5%)?</i></p> <p><b>Answer:</b> Fortified Rice Kernels FRK. manufactured and supplied by the applicant is classifiable under HSN 19049090 and attracts GST @ 18% (SGST 9 % + CGST 9 %).</p>
M/s Geetastar Resorts Pvt Ltd	Construction Service <b>(Rajasthan AAR)</b>	RAJ/AAR/2019-20/26 Dated 26.11.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in hotel business. <b>The question has been raised –</b></li> </ul> <p><i>Whether Input Tax Credit on goods and services used in construction of</i></p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p><i>hotel will be available to the applicant engaged in providing taxable services of hotel accommodation and related services?</i></p> <p><b>Answer:</b> The jurisdictional officer (Deputy Commissioner) has submitted her comments vide letter dated 18.11.2019 which can be summarized as under:          "Input tax credit of input and input services used in construction of hotel for which output supply is taxable will not be available in reference to Section 17(5)(d) of GST Act, 2017."          Since the applicant has withdrawn the application, therefore, no ruling is given.</p>
M/s Crown Tours and Travels	Tour Operator (Rajasthan AAR)	RAJ/AAR/2019-20/25 Dated 26.11.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in business of providing Tour Operator as well as 'Support Services'.</li> <li>In a particular set of transactions, the Applicant receives service orders from the main tour operator to provide a range of services to the passenger/ tourist.</li> <li>There is a contractual understanding between the tourist and the main tour operator to provide a complete packaged tour.</li> <li>In turn the main tour operator engages the Applicant to provide one or more of the following services (hereinafter referred as 'Ancillary Services'). <b>The questions have been raised -</b>  <i>Whether the 'Ancillary Services' provided to various tour operators falls under Chapter heading 9985(i) {Supply of Tour Operator Service} or 9985 (iii) {Support Services}?</i>  <b>Answer:</b> The 'Ancillary Services' provided by the applicant to various tour operators falls under Chapter heading 9985 (iii) {Support Services} of Notification No. 11/2017 Central Tax (Rate) dated 28.06.2017 (as amended).</li> <li><i>What is the applicable tax rate for ancillary services provided to various tour operators?</i>  <b>Answer:</b> The applicable rate of GST for ancillary services provided by the applicant to various tour operators is 18% (SGST 9% + CGST 9%)</li> </ul>
M/s ChandmalNarayandas Consortium	Contractor (Rajasthan AAR)	RAJ/AAR/2019-20/24 Dated 24.10.2019	<ul style="list-style-type: none"> <li>The applicant is a contractor and he got contract of integrated operation, maintenance and management of recreation facilities and amenities within the boundary of SubhashUdhyan (Municipal park). ). <b>The questions have been raised -</b>  <i>What is applicable rate of GST on Entry Fees collected for allowing entry into Municipal Park SubhashUdhyan.</i>  <i>What is applicable rate of GST on ticket charges for toy train facility provided in the park.</i>  <i>What is applicable rate of GST on ticket charges for pedal boat facility provided in the park.</i>  <b>Answer:</b> The rate of GST on fee collected for entry into SubhashUdhyan (Municipal Park), ticket charges for Toy Train facility and ticket charges for Pedal Boat facility provided in SubhashUdhyan is @18% (SGST 9% +CGST 9%).</li> </ul>
M/s Indag Rubber Ltd	Rubber Manufacturer. (Rajasthan AAR)	RAJ/AAR/2019-20/23 Dated 21.10.2019	<ul style="list-style-type: none"> <li>The Applicant manufactures procured tread rubber, un-vulcanized rubber strip gum, universal spray cement and tyre envelopes for the tyre retreading industry.</li> <li>Elcom Systems Pvt. Ltd is a private company incorporated in India and is engaged in the business of repair, maintenance, overhaul, upgrade and modernization of Unmanned Aerial Vehicles (UAV). <b>The questions have been raised -</b></li> </ul>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p><i>Whether the applicant is eligible to claim credit of the GST charged by vendor at the time of supply of goods and services to it, which are used for carrying out the following activities for setting up of MRO facility which will be rented out:</i></p> <p>a. Civil Work b. External Development Works</p> <p><b>Answer:</b>In the present case if the outward supply of the applicant is taxable on which it will be paying GST at applicable rate, it is eligible to claim credit of inputs and input services which are being used for making further taxable supply which is renting of immovable property. The fact of the case of M/s Safari Retreats are also similar to the present application. The applicant is not eligible to claim credit of the GST charged by vendor for supply of goods and services to it, which are used for carrying out the activities (Civil Work and External Developmental Works) for setting up of MRO facility.</p>
M/s Wonder Cement Ltd	Manufacturer of Cement. <b>(Rajasthan AAR)</b>	RAJ/AAR/2019-20/22 dated 10.10.2019	<ul style="list-style-type: none"> <li>The applicant is a registered manufacturer cum supplier under GST engaged in the manufacture of Ordinary Portland Cement (OPC) / Portland Pozalana Cement (PPC). <b>The questions have been raised –</b> <i>Whether there is any 'Asset Transfer' involved which is a leviable to GST in the work of shifting &amp; raising of transmission lines owned by RRVPNL by M/S Wonder Cement Ltd.?</i> <i>Without prejudice to the submissions made above, if there is an "Asset transfer" which is a supply under GST, then who is liable to pay GST?</i> <i>If the above GST is to be paid by the Applicant, then the same will be exempt vide Entry 4 of Notification No. 12/2017-Central Tax (rate) dated 28.6.17</i></li> </ul> <p><b>Answer:</b>Since the issue raised by the applicant is no more in existence after issuance of Corrigendum by RRVPNL, no advance ruling is given.</p>
M/s T and D Electricals	Works contractor and wholesale supplier <b>(Rajasthan AAR)</b>	RAJ/AAR/2019-20/21 Dated 03.10.2019	<ul style="list-style-type: none"> <li>M/s T and D Electricals is registered under GST as works contractor and wholesale supplier in Jaipur, Rajasthan. <b>The questions have been raised –</b> <i>Admissibility of ITC of Tax paid or deemed to have been paid;</i> <i>Whether applicant is liable to be registered</i></li> </ul> <p><b>Answer:</b>The question raised by the applicant pertains to GST registration in State of Karnataka, which is beyond the purview of this authority therefore no ruling is given.</p>
M/s K. M. Trans-Logistics Pvt. Ltd.	Transport services Provider <b>(Rajasthan AAR)</b>	RAJ/AAR/2019-20/19 dated 29.08.2019	<ul style="list-style-type: none"> <li>M/s K. M. Trans-Logistics Pvt. Ltd. is the transport service provider. <b>The questions have been raised –</b> <i>Admissibility of ITC of Tax paid or deemed to have been paid;</i></li> </ul> <p><b>Answer:</b>The applicant is a registered GTA Service provider under GST and is not exempted from paying GST. <i>Whether applicant is liable to be registered</i> <b>Answer:</b>Where the goods or services or both used by the registered person partly for effecting taxable supplies including zero-rated supplies</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			and partly for effecting exempt supplies, the amount of credit shall be restricted to so much of the input tax as is attributable to the said taxable supplies including zero-rated supplies as per provisions and procedure prescribed under Section 17(2) of GST Act read with Rule 42 of GST Rules, 2017.
M/s Parmod Kumar Singala	Manufacturer of Cotton <b>(Rajasthan AAR)</b>	RAJ/AAR/2019-20/18 Dated 22.08.2019	<ul style="list-style-type: none"> <li>The Applicant is engaged in the business of manufacturing and production of Loose Cotton, Cotton Seeds, Cotton Seed Oil and by-product Cotton seed oil cake. <b>The questions have been raised –</b>  <i>What will be the treatment of claiming of Input Tax Credit under Section 16 of the GST Act in regard to by-product Cotton Seed Oil Cake which is taxable at 0%?</i>  <b>Answer:</b> As per Section 17(2) of GST Act, 2017 the amount of credit shall be restricted to so much of the input tax that is attributable to the taxable supplies including zero rated supplies. As the Cotton Seed Oil Cake is exempt from GST, the applicant has to reverse the amount of credit attributable to the supply of the Cotton Seed Oil Cake as per provisions and procedure prescribed under Section 17(2) of GST Act, 2017 read with rule 42 of GST Rules, 2017.  <i>Whether the provision of Apportionment Input Tax Credit u/s 17 of GST Act will be also applicable on the by-product Cotton Seed Oil Cake?</i>  <b>Answer:</b> The provision of Apportionment of Input Tax Credit u/s 17 of GST Act will be applicable on the byproduct Cotton Seed Oil Cake.  <i>What will be the treatment of claiming of Input Tax Credit on Raw Cotton purchased from agriculturist on whom tax @ 5% is paid under Reverse Charge Mechanism?</i>  <b>Answer:</b> The applicant is eligible to claim Input Tax Credit on Raw Cotton purchased from agriculturist on whom tax @ 5% is paid under Reverse Charge Mechanism under Section 16 of GST Act, 2017, however, the amount of credit shall be restricted to so much of the input tax that is attributable to the taxable supplies including zero rated supplies as per Section 17 (2) of GST Act, 2017.  <i>What will be the treatment of claiming of Input Tax Credit on Plastic Bags (Bardana) which is only used for packing of the cotton seed oil cake?</i>  <b>Answer:</b> The input tax credit on Plastic bags (Bardana) is eligible as per Section 16 of GST Act, 2017 but in the instant case as the applicant is using Plastic bags (Bardana) exclusively for packing of the Cotton Seed oil Cake which is exempt from GST therefore, the applicant have to reverse the input tax credit on Plastic bags (Bardana) as per provisions of Section 17 (2) of GST Act, 2017.  <i>Whether the applicant has to reverse the Input Tax Credit for the period of 2017-18, 2018-19 as per the Rule 42 of the CGST Rules, 2017?</i>  <b>Answer:</b>As the subject matter pertains to past-period therefore no ruling is given on this issue under Section 95(a) of GST Act, 2017.</li> </ul>
M/s Children Of The World India Trust	Charitable Trust <b>(Maharashtra AAR)</b>	GST-ARA-15/2019-20/B-110 Mumbai dated 04.10.2019	<p>The applicant is a charitable trust engaged in proving charitable activities such as social welfare activities for the benefit of Children and Women , particularly for abandoned babies and infants and also to arrange for adoption of the abandoned babies . <b>The question has been raised –</b>  <i>Whether the activities conducted by The Children of the World (India) Trust are the "Charitable Activities" exempted under the Notification No.12/2017- Central Tax (Rate) dated 28.06.2017 as amended and consequently, the receipt of the Adoption Fees paid under Regulation 46 of the Adoption Regulations, 2017 by the Prospective Adoptive Parents to the Trust is exempted from the levy of Goods and Services Tax</i></p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p><b>Answer</b> - The Activities conducted by the applicant are charitable activities which are exempted under Notification No. 12/2017 -Central Tax (Rate) dated 28.06.2017 as amended. The receipt of adoption fees paid under regulation 46 of the adoption regulations 2017 by the prospective adoptive parents too the trust is exempted from GST under Notification No. 12/2017 -Central Tax (Rate) dated 28.06.2017 as amended</p>
M/s Jotun India Pvt Ltd	Manufacturer, and exporter of paints and powder coatings <b>(Maharashtra AAR)</b>	GST-ARA-19/2019-20/B-108 Mumbai dated 04.10.2019	<ul style="list-style-type: none"> <li>The Applicant engaged in supplying of paints and coatings</li> <li>The Applicant has introduced parental insurance scheme for employees' parents as an optional scheme</li> <li>As per this scheme, the Applicant initially pays the entire premium along with taxes to the insurance company. The insurance company issues the premium receipt in the name of the Applicant.</li> <li>In case of the employees who opt for the parental insurance scheme, the Applicant recovers 50% of the premium in one to three installments from the salaries and the balance 50% amount is borne by the Applicant. <b>The question has been raised -</b> <i>Whether recovery of 50% of Parental Health Insurance Premium from employees amounts to "supply of service" under Section 7 of the Central Goods and Services Tax Act, 2017?</i></li> </ul> <p><b>Answer</b> - Applicant M/s Jotun India Pvt. Ltd has paid the entire premium to the insurance company and further recovered 50% of the insurance premium amount from the employees and balance 50% premium cost is borne by himself. The said service was given in the course of or in relation to his employment and are not in the course or furtherance of business. So recovery of 50% of Parental Health Insurance Premium from employees does not amount to "supply of service" under Section 7 of the Central Goods and Services Tax Act, 2017.</p>
M/s Vertiv Energy Private Limited	Manufacturer of UPS <b>(Maharashtra AAR)</b>	GST-ARA-17/2019-20/B-107 Mumbai dated 04.10.2019	<ul style="list-style-type: none"> <li>Vertiv Energy Private Limited is engaged in the manufacture of various types of UPS systems, which serve as an alternate source of power for a specific period of time in the event of power failure.</li> <li>The applicant also supplies installation commissioning and maintenance and other services to its customers.</li> <li>Some components like battery and cables are either manufactured by the applicant or purchased by the applicant from third party vendors.</li> <li>The applicant has obtained GST registration in the state of Maharashtra. Further, the applicant has also obtained GST registration in other states where the applicant is rendering supply of Goods and services to its customers.</li> <li>The applicant entered into a contract with Delhi Metro Railway Corporation ("DMRC") for Supply, installation, testing, and commissioning of UPS systems on 20.1.2014. The said contract, though entered in the pre-GST regime, is an on-going contract and the applicant has been making supplies to DMRC in the GST regime as well. <b>The questions have been raised -</b> <i>Whether the contract entered into with DMRC for supply, erection, installation, commissioning and testing of UPS system qualifies as a supply of works contract under Section 2(119) of the CGST Act?</i></li> </ul> <p><b>Answer</b> - The term "works contract" means a contract for building, construction, fabrication, completion, erection, installation, fitting out,</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p>improvement, modification, repair, maintenance, renovation, alteration or commissioning of <b>any immovable property</b> wherein transfer of property in goods (whether as goods or in some other form) is involved in the execution of such contract"</p> <p>In the subject case UPS is not as immovable property as it can be dismantled and moved to a different location without any damage. UPS is delivered to the client along with the service of installation, testing and commissioning of the substations. Without these goods the services cannot be supplied by the applicant and therefore this is a composite supply in the subject case.</p> <p>So this is not in nature of "Works Contract"</p> <p><i>If yes, whether such supply made to DMRC would be taxable at the rate of 12% in terms of Sr. no. 3(v) of Notification No. 11/2017 - C.T. (Rate), as amended w.e.f. 25.1.2018?</i></p> <p><b>Answer</b> – Not answered as the answer to the first question is in the negative.</p>
M/s VFS Global Services Private Limited	Administrative and Non Judicial Service <b>(Maharashtra AAR)</b>	GST-ARA-16/2019-20/B-109 Mumbai dated 04.10.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in the business of providing of Administrative and Non Judicial Service to various diplomatic missions / consular section related to the entire lifecycle of visa application process, Identity management and other citizen service for its client government</li> <li>The applicant offers innovative solution such as "Doorstep Citizen Service etc. <b>The questions have been raised –</b></li> </ul> <p><i>Whether the work for "Operating Citizen Facilitation Centre (CFC) at various Locations of MCGM on per transaction/ receipt basis" involving the aforesaid Scope of Work would be exempt from GST vide Sr. No.3 &amp; 3A of amended Notification No. 12/2017 - Central (Rate) as on 31st Dec, 2018.</i></p>
Rotary Club of Mumbai Western Elite	Social Service Provider <b>(Maharashtra AAR)</b>	GST-ARA-09/2019-20/B-105 Mumbai dated 04.10.2019	<ul style="list-style-type: none"> <li>Rotary Club is an association of persons, joined together to undertake social activities without any profit motive.</li> <li>Funds collected as fees are pooled together to be expended for meeting expenses &amp; administrative expenses. Surplus, if any, is used for Charitable activities. <b>The question has been raised –</b></li> </ul> <p><i>The amount collected by Rotary club is towards convenience of members and pooled together for paying meeting expenses, communication expenses, RI per capita dues, subscription fees to the Rotarian or Rotary regional magazine, district per capita assessment and the same is deposited in single bank account. As there is no furtherance of business in this activity and neither any services are rendered nor are any goods being traded, whether the above transaction can be considered as supply of goods or services to its Members under GST?</i></p> <p><b>Answer</b> – The said transaction by the applicant to its members is a supply of goods/services and is liable to GST.</p>
M/s Vijay Baburao Shirke	Horse Race <b>(Maharashtra AAR)</b>	GST-ARA-12/2019-20/B-106 Mumbai dated 04.10.2019	<ul style="list-style-type: none"> <li>The applicant owns horses which participate in races organized at different clubs.</li> <li>The applicant also participates in Horse Race held in various cities</li> <li>Upon winning such horse races the applicant is awarded with prize money in respect of horses which win the race. <b>The question has been raised –</b></li> </ul> <p><i>Whether receipt of prize money from horse race conducting entities, in the event horse owned by the applicant wins the race, would amount to 'supply under section 7 of the Central Goods and Service Tax Act, 2017 or not and consequently, liable to GST or not?</i></p> <p><b>Answer</b> – The amount of prize money received from the events</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			conducting entities would be covered under "Supply under section 7" of the CGST Act 2017 and consequently it is held as taxable supply of services and liable to GST @18%
The Bangalore Printing and Publishing Co.Ltd.,	Printing Industry <b>(Maharashtra AAR)</b>	KAR/AAR/45/2019-20 dated 17.09.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in activity of printing of books , journals , question paper , calendars etc.</li> <li>The applicant received an order from State Government for printing question paper for state level Higher Secondary Exam.</li> </ul> <p><b>The question has been raised -</b>  <i>Whether the activity of printing of Question Paperbooks is to be covered under HSN 4901 under the description "Printed books, including Braille books" in Serial Number 119 of Notification No.2/2017 Central Tax (Rate) or under the sub-clause (vi) of clause (b) in serial Number 66 with SAC 9992 of Notification No.12/2017</i></p> <p><b>Answer -</b>The activity of printing of question paper by the applicant with content supplied by educational institutions constitutes a supply of service under heading 9989 of the scheme of classification of services and the services would be covered under SI No. 66 of Notification No. 12/2017 -Central Tax (Rate) dated 28.06.2017 and corresponding notification issued under KGST Act 2017</p>
Alligo Agrovet Private Limited	Fertilizer Manufacturer <b>(Maharashtra AAR)</b>	GST-ARA-02/2019-20/B-101 Mumbai dated 26.08.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in manufacturing of organic fertilizers.</li> </ul> <p><b>The question has been raised -</b>  <i>Classification of goods and GST rate applicability in the case of goods manufactured the applicant?</i></p> <p><b>Answer -</b> Products namely AUTUS, SJ-NINJ A, SJ-ERASER, OPRAX, TELNAR, VK's NEMO AND STRESSOUT are classifiable under HSN Code-3808 and liable to GST @18% (SGST CGST 9% as per Notification-1 of 2017-CT (Rate) dated 28.06.2017 each respectively. The product SHYAM SAMRUDDHI is an organic fertilizer classifiable under HSN-3105 and liable to GST @5% as per Sr. No.182D of Schedule-I of Notification-1 of 2017-CT (Rate) dated 28.06.2017</p>
Yash Nirman Engineers & Contractor	Works Contract Service <b>(Maharashtra AAR)</b>	GST-ARA-143/2018-19/B-95 Mumbai dated 23.08.2019	<ul style="list-style-type: none"> <li>M/s. Yash Nirman Engineers &amp; contractors engaged in the business of providing Works Contract Services specially in construction services.</li> <li>At present M/s. Ya0 Nirman Engineers &amp; contractors provides Works Contract Service by means Construction of a Residential Project." La-Riveria" located at Plot No. 491., Market Yard, Panvel, Raigad for M/s. Lakhani Builders Pvt. Ltd having their office at 1801, 18th floor, Satara Plaza, Plot No. 20, Sector-19D, Vashi, Navi Mumbai-400705.</li> <li>M/s. Lakhani Builders: Pvt.Ltd. has been undertaking development of Residential project " La-Riveria" in Panvel having its "RERA No. P52000001858" with the intension of sale to the prospective apartment buyers wholly or partly.</li> <li>M/s. Lakhani Builders Pvt. Ltd awarded a contract to Ws. Yash Nirman Engineers &amp; Contractors for construction of La-Riveria.</li> </ul> <p><b>The question has been raised -</b>  <i>Whether the construction service provided by M/s. Yash Nirman Engineers and Contractors to M/s. Lakhani Builders Pvt. Ltd under the project " La-Riveria" qualifies for application of lower rate of CGST@6% and SGST @ 6% as provided in Sl. No: 3- Item (V) - sub item(da) vide notification no: 01/2018-CT (Rate) dated 25-01-2018?</i></p> <p><b>Answer -</b> Yes.</p>
Tejas Constructions	Civil Contractor <b>(Maharashtra AAR)</b>	GST-ARA-03/2019-20/B- 90	<ul style="list-style-type: none"> <li>Applicant is a civil contractor working for Government, Semi-government, Private &amp; Co-operative Sectors in various states.</li> </ul>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

& Infrastructure Private Limited	AAR)	Mumbai dated 20.08.2019	<p><b>The question has been raised –</b>  <i>Whether the contractor can charge GST on the value of material supplied by the recipient of service?</i>  <b>Answer –</b> As per clause 2 (b) of Section 15, any amount that the supplier is liable to pay in relation to such supply but which has been incurred by the recipient of the supply and not included in the price actually paid or payable for the goods or services or both. It has been found that materials are essential components for supply of construction service by the applicant to the contractee. Section 15 (2) (b) very clearly states that the supplier i.e the applicant in this case, is liable to pay in relation to such supply (supply of concerned materials by the contractee in this case) if the cost of the same has been incurred by the recipient of the supply (the contractee in this case) and the cost is not included in the price actually paid or payable for the goods or services or both. The cost the materials supplied by the contractee is included in the value of the entire contract and GST is being paid on the entire value of contract and hence the applicant is discharging GST on the value of materials supplied by the contractee.  In this case the material is supplied by the contractee and therefore the question raised by the applicant as to whether they can charge GST on the same is irrelevant. The applicant, on this issue of supply of concerned materials, is not a supplier of goods/services and as per the provisions of Section 95 of the CGST Act, they cannot raise this question. Hence the question is not answered.  2. <i>What should be the mechanism to calculate the taxable value as per section 15 of the Act?</i>  <b>Answer –</b> As per the provisions of section of GST Act, tax is payable on the entire contract value as per certificate issued by the Architect i.e. R A Bill without deducting the value of Cement, Mild Steel, Tor Steel and Structural Steel provided by the contractee.</p>
Soma-Mohite Joint Venture	Construction Industry (Maharashtra AAR)	GST-ARA- 08/2019-20/B- 100 Mumbai dated 23.08.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in business of construction of Infrastructure Project.</li> <li>The applicant entered into a Joint Venture to undertake construction of Tunnel and its allied works.</li> <li>The dealer has made online application of advance ruling on applicability of GST Rate for works contract where the earth works is more than 75% of total work. <b>The question has been raised –</b>  1. <i>Whether the said Contract is covered under SI NO -3A , Chapter No 99 as per Notification No 2/2018 -Central Tax (Rate) dated 25/01/2018, w.e.f 25/01/2018 ?</i>  <b>Answer –</b> No  2. <i>Whether the said contract is covered under the term “Earth Work” and therefore covered under SI No – Chapter No. 9954 as per Notification NO. 31/2017 – Central Tax (Rate) dated 13/10/2017?</i>  <b>Answer –</b> No  3. <i>If we are covered under SL No.3 chapter No. 9954 as per Notification No.31/2017 - Central Tax (Rate) dated 13/10/2017, w.e.f. 13/10/2017 then what is the meaning of “Earthwork”?</i>  <b>Answer –</b> In view of answer to question no. 2, the question is not answered.</li> </ul>
Rotary Club of Mumbai Nariman Point	Charitable Activity (Maharashtra AAR)	GST-ARA- 142/2018-19/B- 88 Mumbai dated	<ul style="list-style-type: none"> <li>Rotary" is an International organization having clubs in 216 countries engaged in humanitarian and charitable services. These services are executed through various districts</li> </ul>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

		13.08.2019	<p>comprising of many Clubs.</p> <ul style="list-style-type: none"> <li>In order to facilitate the meetings and administration, reimbursements are collected from members. These amounts are then used for administration and meetings.</li> <li>In some cases, the amount so collected is likely to exceed Rs.20 lacs, being the threshold for registration under GST Act, 2017</li> <li>A separate Administration Account is also being run which is being managed by yearly elected members. The expenses incurred for the weekly meetings include the expenses for the location and light refreshments.</li> <li>The contributions collected are spent by the end of the year and consistently there is a deficit which is generally borne by the Office Bearers for the said year in question or Members from their pockets for the weekly meetings or a meagre surplus. <b>The question has been raised –</b></li> </ul> <p><i>1. Whether contributions from the members in the Administration Account, recovered for expending the same for the weekly and other meetings and other petty administrative expenses incurred including the expenses for the location and light refreshments, amounts to or results in a supply, within the meaning of supply?</i></p> <p><b>Answer - Yes</b></p> <p><i>2.If answer to question no. 1 is affirmative, whether it will be classified as supply of goods or services?</i></p> <p><b>Answer - It will be classified as supply of services.</b></p> <p><i>3.Whether the applicant would be a taxable person under the provisions of the Act?</i></p> <p><b>Answer – Yes the applicant would be a taxable person subject to provisions of Section 22 of the GST Act.</b></p> <p><i>4.If answer to question no. 3 is affirmative, who shall be person responsible under GST, as office bearers keep on changing everyyear?</i></p> <p><b>Answer - The applicant is liable to pay GST and not the office bearers.</b></p> <p><i>5.Whether the said collection of funds under common pool and spending back the same on said contributors, would entail 'supply' as defined in the law?</i></p> <p><b>Answer -Yes.</b></p> <p><i>6.If answer to Question No. 5 is affirmative, whether the same would be supply of goods or services?</i></p> <p><b>Answer - It will be classified as supply of services</b></p>
Nipro India Corporation Private Limited	Manufacturer of Medical Apparatus (Maharashtra AAR)	GST-ARA-141/2018-19/B-94 Mumbai dated 23.08.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in the manufacture of various medical apparatus like Dialyzer, Cannula, Syringe, Blood Tubing Sets, Artificial Venous Fistula Needles, Diapers, etc. <b>The questions have been raised –</b></li> </ul> <p><i>1. "Whether the product "Dialyzer" can be treated as 'Disposable sterilized dialyzer or micro barrier of artificial kidney' as mentioned under Entry No. 255 of Schedule I to Notification Number 1/2017-Central Tax (Rate), dated 28 June 2017 and Notification Number 1/2017-Integrated Tax (Rate), dated 28 June 2017 (collectively referred to as the 'Rate Notifications')"</i></p> <p><b>Answer – Yes</b></p> <p><i>2. If the said product "Dialyzer" falls under Entry No. 255 of Schedule I to the Rate Notifications, whether it would be classified under Chapter 90 (i.e. Tariff item 9018 90 31) or Chapter 84 (i.e. Tariff item 8421 29 00).</i></p> <p><b>Answer – The product is classifiable in the tariff item 9018 90 31</b></p>
Maansmarine Cargo	BPO Services (Maharashtra)	GST-ARA- 04 /2019-20/B- 97	<ul style="list-style-type: none"> <li>The applicant has been offered a Business process outsourcing (BPO) work from Hong Kong based shipping Co. MSS Marine</li> </ul>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

International Llp	AAR)	Mumbai dated 23.08.2019	<p>Ltd. MSS Marine involved in worldwide shipping consultancy and logistics arrangement of cargoes.</p> <ul style="list-style-type: none"> <li>The applicant would incur the expenses like salaries, rent, office expenses, travelling cost and these expenses shall be reimbursed by PRINCIPAL to Agent on actual basis with prior approval of PRINCIPAL <b>The questions have been raised –</b></li> </ul> <p>1. <i>Whether GST is applicable on the reimbursement of expenses such as salaries, rent, office expenses, travelling cost etc.?</i>  <b>Answer – Yes</b></p> <p>2. <i>Whether GST will be applicable on the management fees charged by us to the Company for managing the job outsourced to us?</i>  <b>Answer – Yes</b></p>
Fluid Power Pvt Ltd	Engineering Industry (Maharashtra AAR)	GST-ARA-05/2019-20/B- 98 Mumbai dated 23.08.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in designing &amp; manufacture of customized hydraulic equipment</li> </ul> <p>1. <i>Applicability of GST @ 5% (CGST of 2.5% and SGST of 2.5%) or IGST @ 5% for the above mentioned Marine Duty hydraulic equipment, which is being designed and custom built by us for being fitted on a Barge falling under Serial No 246 of Schedule. I of GST Notification No 1/2017 dated 28th June 2017, and its Parts falling under Serial No. 252 of Schedule I of GST Notification No. 1/2017, which are essentially required for the functioning of barge.</i>  <b>Answer – Yes</b></p> <p>2. <i>Whether applicant can claim input tax credit in respect of indigenous and imported inputs which are being used for manufacture of the above equipment, if GST on the equipment manufactured by us is determined as 5% in terms of Notification No 1/2017 dated 28th June 2017.</i>  <b>Answer – Yes</b></p>
Attest Testing Services Limited	Education Service Provider (Maharashtra AAR)	GST-ARA-07/2019-20/B- 99 Mumbai dated 23.08.2019	<ul style="list-style-type: none"> <li>Applicant is engaged in the business of providing exam, certification and other allied services including various types of surveys, assessments, and exam services to various clients including individuals, educational institutions, firms, corporate bodies, government undertakings etc.</li> <li>Applicant has entered into various contracts with customers to provide services including ancillary services which are, conducting online examinations along with pre exam management processes, post exam management processes across different cities &amp; examination centers. <b>The questions have been raised –</b></li> </ul> <p>1. <i>Whether the services provided by the Applicant can be considered to be a composite supply as defined under section 2(30) of the CGST Act, 2017 or a mixed supply defined under section 2(74) of the CGST Act, 2017?</i>  <b>Answer –</b> The subject services provided by the Applicant can be considered to be a composite supply as defined under section 2(30) of the CGST Act, 2017</p> <p>2. <i>If the services provided by Applicants are considered as composite supply, whether conduct of examination can be considered as principal supply?</i>  <b>Answer – Yes</b></p> <p>3. <i>If the above services are considered as composite supply and conduct of examination is considered as principal supply, whether the exemption provided under Entry 66 of Notfn 12/2017-Central Tax (Rate) as amended vide Notfn. No 02/2018 - Central Tax (Rate) w.e.f. 25.01.2018 shall be granted?</i>  <b>Answer –</b> The exemption under Entry No. 66 will be available to the</p>

# ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p>applicant only when the provisions mentioned therein are satisfied by them.</p> <p>4. <i>In case the exemption is applicable to the Applicant, whether the exemption shall be applicable in respect of all agreements entered by Applicant or only applicable to services provided to educational institution?</i></p> <p><b>Answer</b> – The exemption under Entry No. 66 will be available to them only in respect of the Work Order issued by the University of Delhi, as discussed above.</p>
Ambo Agritec Pvt Ltd	<p>Manufacturer Of Vanaspati, Refined Oil And Biscuits (West Bengal Authority of Advance Ruling )</p>	39/WBAAR/2019-20 dated 24.12.2019	<p><b><u>Question on which Advance Ruling Sought</u></b> <b><i>Classification of a non edible dough of flour and sugar used as an intermediate preparation in confectionary business</i></b></p> <ul style="list-style-type: none"> <li>The applicant is a manufacturer of vanaspati, refined oil and biscuits along with non-edible intermediary product for confectionery prepared from a dough of wheat flour, sugar, food-grade sodium bicarbonate and water, cut into tiny Kaju shaped pellet.</li> <li>As the Applicant is not supplying its Kaju-shaped products under any brand name.</li> </ul> <p>1. <i>The West Bengal Authority of Advance Ruling ( AAR ) in an application filed by Ambo Agritec Pvt Ltd held that supply of mixture and dough of wheat flour, sugar and water, cut into a specific shape, which is dried and hardened by heating is classifiable under tariff item 1901 20 00 which will attract 28% GST.</i></p> <p><b>Answer:-</b> The Bench constituting of members Ms Susmita Bhattacharya and Ms Parthasarathi Dey held that supply of mixture and dough of wheat flour, sugar and water, cut into a specific shape, which is dried and hardened by heating is classifiable under tariff item 1901 20 00.</p> <p>As the Applicant is not supplying its Kaju-shaped products under any brand name, it is not classifiable under HSN 1103.</p> <p>The applicant is supplying mixes and dough for preparation of biscuits and other bakers' wares, whether or not the preparation of the final edible item involves further baking or frying. It is, therefore, classifiable under tariff item 1901 20 00 and attract 28% GST.</p> <p>This Ruling is valid subject to the provisions under Section 103 until and unless declared void under Section 104(1) of the GST Act.</p>
Infobase Services Pvt Ltd	<p>Printing Service And Intermediary Service For Selling Space For Advertisement (West Bengal Authority of Advance Ruling )</p>	38/WBAAR/2019-20 dated 24.12.2019	<p><b><u>Question on which Advance Ruling Sought</u></b> <b><i>Classification of the services of printing and selling advertisement space as an agent when supplied as a bundle</i></b></p> <ul style="list-style-type: none"> <li>The Applicant is supplying of a bundle of services to the Tollygunge Club Ltd. at a single price. The applicant is supplying selling space for Advertisement in the Directory and printing Services.</li> <li>The cost of printing the Directory is covered by the sales of the advertisement space. Any profit generated from the sale of space would be divided among the parties with the applicant receiving 75% of the profit.</li> </ul>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p>1. <i>Whether Mixed supplied within the meaning of Section 2(74) of the GST Act is applied when supply of a bundle of services at a single price if it is does not constitute a composite supply</i></p> <p><b>Answer:</b> – The ruling was made by a bench of the Authority of Advance Ruling consisting of Ms Susmita Bhattacharya, Joint Commissioner, CGST &amp; CX and Mr Parthasarathi Dey, Senior Joint Commissioner, SGST on an application made by Infobase Services Pvt Ltd.</p> <p>Supply of services goes beyond the sale of space for advertisements. As per press release dated 23/08/2017 of the Ministry of Finance, Government of India pointing that if the supplier sells space for advertisement as an agent of the print media as a part of any composite supply, the rate applicable for the principal supply shall apply. The court further elaborated that such a supply should be treated as supply of that service which attracts the highest rate of tax [section 8 (b) of the GST Act].</p> <p>The Authority noted that the <b><i>“Applicant is making a bundled supply to the Club of printing service and intermediary service for selling space for advertisement on behalf of the Club and charging a single price for the bundle as the project cost for printing. The two services are not naturally bundled or supplied in conjunction with each other in the ordinary course of business”</i></b>. The Authority further pointed out that they are bound by an obligation specified in the agreement between the Applicant and the Club and therefore, not a composite supply.</p> <p>The Authority hence ruled that the applicant is making a mixed supply to the Tollygunge Club of printing service and intermediary service for selling space for advertisement on behalf of the club.</p> <p>This Ruling is valid subject to the provisions under Section 103 until and unless declared void under Section 104(1) of the GST Act.</p>
Switz Foods Pvt Ltd	Manufacturer Of Confectionery Products Like Cakes, Rusks etc (West Bengal Authority of Advance Ruling )	37/WBAAR/2019-20 dated 09.12.2019	<p><b><u>Question on which Advance Ruling Sought</u></b> <b><i>Whether baked food having more than 20 per cent by weight meat is classifiable under HSN 1601</i></b></p> <ul style="list-style-type: none"> <li>The Applicant is stated to be a manufacturer of confectionery products like cakes, rusks etc. Some of its products contain portions of cooked chicken, fish or egg.</li> <li>The Applicant submits in the light of decisions of CESTAT in Venky's Fast Food [2000 (124) ELT 939 (Tri-Del)], that it has so far been classifying the products under HSN 2106. The products contain more than 20% by weight of chicken meat. The products are preparations of meat instead of raw meat. They emerge as distinct food preparations through cooking when other ingredients are added and are separately identifiable as Chicken Kebab, Chicken Burger etc. The Applicant, therefore, argues that the products are classifiable under HSN 1601 instead of HSN 2106.</li> <li>The Applicant also submits a report A few of the products would not survive as food preparation if the chicken meat were removed. Such products may be classified under HSN 1601,</li> </ul>

# ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p>provided they contain more than 20% by weight of meat.</p> <p><b>1. Whether baked food having more than 20 per cent by weight meat is classifiable under HSN 1601</b></p> <p><b>Answer:</b> – The division bench comprising of Ms Susmita Bhattacharya, Joint Commissioner, CGST &amp; CX and Mr Parthasarathi Dey, Senior Joint Commissioner, SGST held that the Application is admitted for the products that belong to the category of baked food preparations made of flour and contain chicken.</p> <p>The products that survive as bakers' wares if the chicken meat is removed cannot be labelled food preparations based on meat</p> <p>Chicken meat is used as a filling in most of the products where bread or baked flour is used as the base.</p> <p>The baked products as distinct food preparations will survive even if the chicken meat is excluded from the filling. They are, therefore, not food preparations based on chicken meat. Such bakers' wares cannot, therefore, be classified under HSN 1601.</p> <p>A few of the Applicant's products would not survive as food preparation if the chicken meat were removed. Such products may be classified under HSN 1601, provided they contain more than 20% by weight of the meat.</p> <p><b>The Authority of Advance Ruling ( AAR ) in West Bengal ruled that baked food having more than 20% meat is classifiable under HSN 1601.</b></p> <p>This Ruling is valid subject to the provisions under Section 103 until and unless declared void under Section 104(1) of the GST Act.</p>
M/s Ex-servicemen Resettlement Society	Registered Society Providing Security Services (West Bengal Authority of Advance Ruling )	35/WBAAR/2019-20 dated 29.11.2019	<p><b><u>Question on which Advance Ruling Sought</u></b></p> <p><b><i>Whether it is liable to pay GST on the portion of the payment received on amount of the bonus paid or payable</i></b></p> <ul style="list-style-type: none"> <li>• The Applicant, stated to be a registered society providing security services and scavenging services to various hospitals under the State Government.</li> <li>• The Applicant submits that it supplies security and scavenging services to the Government hospitals, classifying the service under the act and the Applicant also provides a few copies of the bills raised on Dr R Ahmed Dental College &amp; Hospital of its service.</li> <li>• The finance audit department clarifies that the monthly charges payable to the private security agencies deployed in govt. Establishments have two parts (1) service charge and (2) security charge. The security charge is the minimum wages for the security personnel their entitlements to ESI, EPF, and bonus as applicable</li> <li>• The applicant claims the minimum wages employee's portion of</li> </ul>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p>EPF, ESI, etc. on its bill for monthly charges and charges GST on the gross amount including the security charges. The health and family welfare department directs that the contractual security personnel be paid bonus @8.33% once in a year.</p> <ul style="list-style-type: none"> <li>The applicant makes a separate bill for claiming the bonus amount. No GST is charged on such bills.</li> </ul> <p>1. The application for Advance Ruling is filed under Section 97(2) (c) &amp; (e) of the GST Act for seeking a ruling on <b><i>whether it is liable to pay GST on the portion of the payment received on account of the bonus paid or payable to the persons it deploys as security personnel</i></b></p> <p><b>Answer:-</b> The division bench comprising of members Ms Susmita Bhattacharya, Joint Commissioner, CGST &amp; CX Mr. Parthasarathi Dey, Senior Joint Commissioner, SGST observed that the security personnel engaged are at no point employees of the state government.</p> <p>The applicant can recruit, deploy, withdraw or replace any security personnel, provided the recipient kept informed. <b><i>It is not a manpower recruit agency.</i></b></p> <p>It is entitled to pass the liability to the recipient who, in terms of the agreement, apparently ready to bear that liability. <b><i>Such an agreement does not create a master and servant relationship between the recipient of the service and security personnel.</i></b></p> <p><b><i>Therefore, liable to pay GST on the portion of the payment received on account of the bonus paid or payable to the persons it deploys as security personnel.</i></b></p> <p>This Ruling is valid subject to the provisions under Section 103 until and unless declared void under Section 104(1) of the GST Act.</p>
M/s Dipeet Agarwal	<p>Liab To Pay GST On Supply Of Goods Through PD (West Bengal Authority of Advance Ruling )</p>	<p>31/WBAAR/2019-20 dated 11.11.2019</p>	<p><b><u>Supply of goods through PDS is not exempt and hence is liable to pay GST.</u></b></p> <ul style="list-style-type: none"> <li>The Applicant, Dipeet Agarwal, supplies consumer goods like biscuits, soaps etc. earmarked 'FOR PDS SUPPLY ONLY' to fair price shops/PDS distributors.</li> <li>The applicant argued that by supplying consumer goods earmarked 'FOR PDS SUPPLY ONLY' to fair price shops/PDS distributor</li> <li>He acts as an associate of the West Bengal Essential Commodities Supply Corporation Ltd</li> <li>The Applicant further argued that he bears all cost and charges, including packaging, loading, railway freight, demurrage etc., and bears all the risk associated with transportation, warehousing and quality of the products.</li> <li>He also pointed that he Supplies the goods at the price and to</li> </ul>

# ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p>the recipients fixed by the Government.</p> <p><b>1. whether Applicant is liable to pay GST on supply of goods through PDS (Public Distribution Center)</b></p> <p><b>Answer:-</b> The Authority ruled that the Supply of goods through PDS is not exempt under Notification No.212017 - CT (Rate) dated 28/06/2017, as amended from time to time or any other notification and <b>activities or transactions of the Applicant are not included in Schedule III either.</b></p> <p>The Applicant is, therefore, <b>liable to pay GST at the applicable rate</b> on his supplies of goods through PDS.</p>
M/s Shewratan Co Pvt Ltd	Supply Of Stores To Foreign Going Vessels (West Bengal Authority of Advance Ruling )	30/WBAAR/2019-20 dated 21.10.2019	<p><b><u>Supply of stores to foreign going vessels, as defined under section 2(21) of the Customs Act, 1962 Act, is not export or zero-rated supply</u></b></p> <ul style="list-style-type: none"> <li>The Applicant supplies foreign going vessels stores like paint, rope, spare parts, electronic equipment etc</li> <li>The Applicant argues that supply of stores in a foreign going vessel is <b>export and a zero-rated supply</b> in terms of section 16 of the IGST Act.</li> </ul> <p><b>1. Whether supply of stores in foreign going vessels is export</b></p> <p><b>Answer:-</b> Supplying warehoused goods as stores to the merchant ships on the foreign run where the goods are not to be consumed until the vessel crosses the territorial waters of India. In other words, the foreign going vessel is merely transporting the stores until it reaches a location outside India. Facts of the Applicant's case are not similar or that specific reference to the ruling of the <b>AAR, Andhra Pradesh.</b></p> <p>The Authority also held that, <b>"A foreign going vessel anchored within the territory of India is not a place outside India and taking the stores on board such a vessel does not amount to supply to a location outside India"</b></p> <p>The Applicant is, therefore, <b>liable to pay tax</b> on such supplies under the GST Act or the IGST Act, as the case may be.</p>
M/s Singh Transport Agency	Conservancy/Solid Waste Management Service (West Bengal Authority of Advance Ruling )	29/WBAAR/2019-20 dated 21.10.2019	<p><b><u>Conservancy/solid waste management service for local government is exempt from the payment of GST</u></b></p> <ul style="list-style-type: none"> <li>The Applicant provides conservancy/solid waste management service to the Conservancy Department of the Howrah Municipal Corporation (HMC). The HMC, was <b>deducting TDS</b> while paying consideration for the above supply in accordance with the TDS Notifications.</li> <li>The applicant argued that since he supplies pure service he is exempted under SI No. 3 of the Exemption Notification.</li> </ul>

# ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p><b>1. Whether TDS is deductible on supply of solid waste conservancy service to a municipality</b></p> <p><b>Answer:-</b> The eligibility under Exemption Notification was examined by the Authority from three aspects:  (1) whether the supply being made is pure service or a composite supply, where supply of goods does not exceed more than 25% of the value of the supply,  (2) whether the recipient is government, local authority, governmental authority or a government entity, and  (3) Whether the supply is being made in relation to any function entrusted to a panchayat or a municipality under the constitution.  The Authority noted that the services were pure services, the recipients are a local authority and the supply is in relation to a function of the local authority.</p> <p><b>The West Bengal Authority for Advance Ruling has ruled that the Conservancy/solid waste management service for local government is exempt from the payment of GST and since the Applicant is making an exempt supply, the mechanism of TDS, do not apply to the Supply.</b></p>
M/s Golden Vacations Tours and Travels	Support Services (West Bengal Authority of Advance Ruling )	26/WBAAR/2019-20 dated 23.09.2019	<p><b><u>Engaged in providing the standalone service of arranging client's accommodation is classifiable as 'Support Service' and not as 'Tour Operator'.</u></b></p> <ul style="list-style-type: none"> <li>The Applicant by referring to the definition of a <b>"tour operator"</b> stated under Explanation to Sl. No. 23(i) of Notification No. 11/2017 dated 28/06/2017 which means a person engaged in the business of planning, scheduling, organizing, arranging tours (which may include arrangements for accommodation) along with others.</li> <li>Applicant's opinion, it <b>is not to be classified as tour operating service because it only provides client accommodation</b></li> <li>The Applicant argues that accommodation service is classified under SAC 996311 and covered under several clauses of Sl No. 7 of the Rate Notification.</li> <li>The Applicant further argues that <b>support services</b> covered under Sl No. 23(iii) of the Rate Notification include services classified under SAC 998552. Services covered under SAC 998552 includes arranging <b>reservations for accommodation services</b> for domestic accommodation, accommodation abroad etc</li> </ul> <p><b>1. What is the classification of the standalone service of arranging accommodation in a hotel</b></p> <p><b>Answer:-</b> The Authority constituting of the Bench of Hon'ble Members Mr. Parthasarathi Dey and Ms. Susmita Bhattacharya emphasized that the applicant is merely engaged in arranging the client's accommodation in hotels and held that such a service of <b>arranging accommodation as a standalone business cannot be classified as tour operating under Sl</b></p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p>No. 23(i) of the Rate Notification wherein the definition of tour operator prescribes that the arrangement of accommodation might be provided as add-ons, but that is not the essence of the tour operating service.</p> <p>Further, while analyzing competing entries to classify the service, the Authority referred to the entry of 'Accommodation Service' under SAC 996311 which is limited to the one provided by the hotels, guest house,... and to that of 'Support Services' under SAC 998552 which include arranging reservations for accommodation services for domestic accommodation, accommodation abroad etc.</p> <p>The West Bengal Authority for Advance Ruling in an application filed by Golden Vacations Tours and Travels held that the applicant engaged in providing the standalone service of arranging client's accommodation is classifiable as <b>'Support Service' and not as 'Tour Operator'</b>. <b>Also, ITC shall be available on the same.</b></p>
Parexel International Clinical Research	Clinical Service (Karnataka AAR)	KAR/AAR/122/2019-20 dated 30.09.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in coordinating in clinical trial service for its affiliates (All are affiliates has been referred as PARAXEL Group)</li> <li>The main function of applicant is Project Management, Monitoring, compliance and regulatory affairs.</li> <li>The applicant stated that PARAXEL International Corporation, a leading clinical research organization provided clinical service to "SPONSORS" a worldwide pharmaceutical company</li> <li>For conducting clinical activity in India, PARAXEL Prime entered into an agreement with applicant. The following questions have been arisen –</li> </ul> <p>Determination of liability to pay tax on the co-ordination services provided by the company to its affiliates outside India?  Answer - The above question related to determination of Place of Supply does not cover under section 97 of CGST Act 2017</p> <p>Determination of liability to pay tax on "Pass through" expenses charged by the Company to its affiliates located outside India?  Answer - For Pass Through Expenses the applicant acts as pure agent in receiving amounts from foreign clients and passing it on to the local research institute</p>
Hewlett Packard Enterprises India Private Limited	IT Products and Services (Karnataka AAR)	KAR/AAR/121/2019-20 dated 30.09.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in the sale of IT Products and Services</li> <li>The applicant proposed to undertake projects to set up data center facilities for its clients including Govt. Agencies. The following questions have been arisen –</li> </ul> <p>Whether the proposed activity of setting-up of the data centre facilities as explained proposed to be undertaken by the applicant would qualify as "works contract" as per section 2(119) of the Central Goods and Service Tax Act 2017 and Section 2(119) of the Karnataka Goods and Service Tax Act 2017?  Answer - The above activity would qualify as "Works Contract"</p> <p>What is the rate of GST applicable on the proposed activities?  Answer - GST Rate 18% as per entry no. 3(ii) of notification no. 11/2017-Central Tax (Rate) dated 28th June 2017.</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

<p>Solarsys Non-conventional Energy Private Limited</p>	<p>Power Project (Karnataka AAR)</p>	<p>KAR/AAR/120/2019-20 dated 30.09.2019</p>	<ul style="list-style-type: none"> <li>• In their application Solarys has described themselves as engaged in the operation of renewable energy power plant projects</li> <li>• Solarys is established under Independent Power Producer (IPP) category for setting up and sale Of power produced from their plant to third party</li> <li>• The application entered into contracts with Project Developing Companies (or EPC contractors) for various activities.</li> <li>• The applicant claims that the following two scenarios arise in this context:               <p>i. All Goods may be supplied by te EPC Contractor :In this case , entire contract is executed by the EPC contractor and all goods required are supplied by the contractor (including PV modules)</p> <p>ii. Certain goods supplied by the EPC contractor : In this case, modules may be procured directly by Project Developer and balance goods. The following questions have been arised –</p> <p>Whether in case of separate contracts for supply of goods and services for a solar power plant, there would be separate taxability of goods as 'Solar Power Generating System' at 5% and services at 18%.</p> <p>Answer - The contract of the applicant is covered under works contract under section 211 19) of the CGST Act of the Notification No.11 — Central Tax (Rate) dated 28.06.2017 upto 31.12_2018. From 01.01.2019, the same is taxable On the values worked out separately for goods and services under both entry no. 38 of Notification NO.1 1/2019 — Central Tax (Rate) dated 28.06.2017 (as amended by Notification No.27 /2018-Centra1 Tax (rate) dated 31.12.2018) and Entry No.234 Of Schedule I of Notification No.1/2017 — Central Tax (Rate) dated 28.06.2017 as amended by Notification No.24/2018 — Central Tax (Rate) dated 31.12.2018, and the values must be as per the explanation provided therein.</p> <p>Whether parts supplied on standalone basis (when supplied with PV modules) would also be eligible to concessional rate of 5% as parts of solar power generation system.</p> <p>Answer - Parts supplied on standalone basis (when supplied with PV modules) would be eligible to concessional rate Of 5% as parts of solar power generation system.</p> <p>Whether benefit of concessional rate of 5% of solar power generation system and parts thereof would also be available to sub-contractors.</p> <p>Answer - Benefit of concessional rate of 5% of solar power generation system and parts thereof would be available to sub-contractors if the sub-contract is only for supply Of goods. If the entire EPC contract is sub-contracted then the rate of tax applicable shall be the same as that applicable to the contractor and as ruled above in response to question number 1 .</p> </li> </ul>
---	--------------------------------------	---	---

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

Maarq Spaces Private Limited	Property Development Business (Karnataka AAR)	KAR/AAR/119/2019 -20 dated 30.09.2019	<ul style="list-style-type: none"> <li>The Applicant is engaged in the business of property development.</li> <li>The Applicant entered into a Joint Development Agreement with Landowners for development of land into residential layout along with specifications and amenities.</li> <li>The consideration was agreed on revenue sharing basis in the ratio of 75% for Landowner and Agreement Holder and 25% for Applicant. Cost of the development shall be borne by Applicant.</li> <li>Applicant also entered into an agreement with customers for sale of developed plots for consideration. The following questions have been arised –</li> </ul>
			<p>Whether the activity of development and sale of land attract tax under GST?</p> <p>Answer - The activities as envisaged in the agreement between the applicant and the landowners amount to supply of service and is liable to be taxed under GST.</p> <p>If the answer to the question no.1 is yes, for the purpose of taxable value, whether provision of rule 31 can be made applicable in ascertaining the value of land and supply of service?</p> <p>Answer - Rule 31 applies in the instant case and the value of the supply is equal to the total amount received by the applicant, which is equal to 25% of the market value of each plot.</p>
Randox Laboratories India Private Limited	Trading of diagnostic equipment (Karnataka AAR)	KAR/AAR/118/2019 -20 dated 30.09.2019	<ul style="list-style-type: none"> <li>The applicant is in the business of trading of medical diagnostic reagents and diagnostic equipment and in providing services / spares relating to such equipment.</li> <li>The applicant imports equipment, reagents and spares from their group company. Only certain spares are procured domestically.</li> <li>Majority of the sales are made to the diagnostic centres across India through authorised distributors who purchase the reagents from the applicant and sell the same to end-customers.</li> <li>In some cases, the equipment is sold outright separately to end customers.</li> <li>In few cases, the equipment is also supplied in conjunction with supply of reagents on a rental basis.</li> <li>Currently the equipment is given on rental basis to the customers under two types of contracts as under:- <ul style="list-style-type: none"> <li>(i) The Reagent Rental Placement Contracts ('RRC') wherein the contract is for supply of equipment, reagents, controls and services, in conjunction. The equipment is supplied on returnable basis</li> <li>(ii) The other model is the Part Reagent Rental Placement Contract ('PRC') wherein the contract is worded akin to the contract in the RRC model except for the fact that an additional upfront non-refundable deposit is obtained from the end-customer. The following questions have been arised –</li> </ul> </li> </ul> <p>Whether the applicant is liable to pay GST on the machines given to the</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p>customers under RRC/PRC models?</p> <p>Answer - The applicant is liable to pay GST on the machines / equipment given to the customers under the PRC Model but is not liable to pay GST on the machines / equipment given to the Customers under the RRC model.</p> <p>Whether the supply of reagents along with tile machine rental and services in a RRC/PRC contract is a separate supply or a mixed supply or composite supply? If considered as composite supply, what is principal supply?</p> <p>Answer - The supply of reagents along With the machine rental services in both RRC and PRC contract is a separate supply independent of machine rental services supplied, if any</p> <p>What is the rate of tax for the service of machine under RRC/PRC models?</p> <p>Answer - The rate of tax for the supply Of rental service of equipment is 9% CGST and 9% KGST.</p> <p>What is the value on which GST has to be paid in case of RRC / PRC model and what is the time of supply?</p> <p>Answer - The value on which GST has to be paid and the time Of supply are</p> <p>a. in case of RRC Model</p> <p>i. for the supply of reagents — at the time Of supply of reagents On the transaction value</p> <p>ii. for the supply of services in the nature of “an act agreeing to the obligation to refrain from an act, or to tolerate an act or a situation, or to do an act” for which a consideration is received — at the time of supply Of such services on the transaction value</p> <p>b. In case of PRC Model</p> <p>i. For the supply Of rental services in equipments — at the time Of supply Of the equipments on the amount of non-refundable payment received or invoiced</p> <p>ii. for the supply Of reagents — at the time Of supply Of reagents on the transaction value</p> <p>iii. For the supply of services in the nature of “an act agreeing to the obligation to refrain from an act, Or to tolerate an act or a situation, or to do an act” for which a consideration is received — at the time of supply Of such services On the transactions value</p> <p>Whether the applicant is eligible for t1 e input tax credit on the purchase of machinery for use in RRC / PRC contracts?</p> <p>Answer - The applicant is eligible for the input tax credit on the purchase Of equipment for use in RRC / PRC contrast.</p>
Hindustan Coca-cola Beverages Pvt. Ltd.	Aerated drinks Manufacturer (Karnataka AAR)	KAR/AAR/117/2019-20 dated 30.09.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in the manufacture of aerated drinks and fruit pulp or fruit juice based drinks under different brand name</li> <li>The Applicant commenced manufacturing of a new product “FANTA FRUITY ORANGE. The following questions have been arised –</li> </ul> <p>“Whether “FANTA FRUITY ORANGE” product proposed to be manufactured is classified under Chapter Heading 2202 99 20 at Sl. No. 48 under Schedule II as “Fruit pulp or fruit juice based drinks”, or under Chapter 2202 99 90 at Sl.No. 24A under Schedule III as “Other Non-alcoholic beverages” or under 2202 10 at Sl.No.12 under Schedule IV as “all goods [including aerated waters], containing added sugar or other sweetening matter or flavoured” under Notification No.1/2017- Central Tax (Rate) dated 28.06.2017 (as amended)”.</p> <p>Answer - The product ‘Fanta Fruity is classifiable under Tariff Item 2202 99 90 and GST rate of 18% (CGST 9% + GGST 9%) is applicable .</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

Arivu Educational Consultants Pvt. Ltd	Education Service (Karnataka AAR)	KAR/AAR/116/2019-20 dated 30.09.2019	<ul style="list-style-type: none"> <li>The Applicant provides the coaching service to under-graduate, graduate and post-graduate degree, diploma and professional course students on a standalone bases or for any institution, corporate, company, institutes, universities and colleges in all subject</li> <li>The applicant collects certain amount as exam fee from the students and remits the same to the respective institute or college or universities without any profit element.</li> <li>In one such transaction the applicant collects CIMA (Chartered Institute of Management Accountants) exam fee from the students registered with applicant for coaching and remits the exact amount collected to CIMA on behalf of the students. The following question has been arised –</li> </ul> <p>Does the activity of collecting exam fee (charged by any university or institution) from the students and remitting to that particular university or Institution without any value addition to it, amount to taxable service</p> <p>Answer - The activity of collecting exam fee (charged by any university or institution) from students and remitting the same to that particular university or institution without any value addition to it is a service as a pure agent and hence the value is excluded from the taxable value of the applicant as per Rule 33 of the Central GST Rules / Karnataka GST Rules.</p>
Mountain Trail Foods Private Limited,	Beverage Manufacturer and seller (Karnataka AAR)	KAR/AAR/115/2019-20 dated 30.09.2019	<ul style="list-style-type: none"> <li>The applicant is in the business of preparation of beverages at he Chai point location and takeaway (parcel) prepared food products at their outlets (restaurants).</li> <li>In addition, the company also sells packed ready to eat products, confectionary and packed bakery products of various brands, co-branded products, Loose leaf Tea, Assam Tea, Premium Tea packets, Dip Tea bags, Chai Bottle, Chai Mugs. The following questions have been arised –</li> </ul> <p>Applicability of rate of GST on the packed food products</p> <p>Answer - The sale of packed items like packaged food products which cannot be consumed as is basis and that needs further cooking operations and other packaged food products which are not processed by the applicant and sold as purchased are taxable at the appropriate rates and are not covered under the tax rate applicable to Group 99633 (HSN Code) as those relates only to services.</p> <p>Admissibility of input tax credit on the packed food products sold.</p> <p>Answer - The applicant is eligible to take credit of the applicable input tax credit relatable to the supply of such goods.</p>
Ascendas Services (India) Pvt. Ltd.	Maintenance of International Tech Park (Karnataka AAR)	KAR/AAR/114/2019-20 dated 30.09.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in the business of operation and maintenance of International Tech Park Bangalore</li> <li>The Applicant also facilitates the service of transportation to the employees of the tenants of the business park</li> <li>For the provision of transport facilitation service, the Applicant has entered into a contract with Bangalore Metropolitan Transport Corporation(BMTC), the sole public bus transport provider for Bengaluru. The following questions have been arised –</li> </ul> <p>Whether the value of bus passes distributed by the applicant to the commuters is to be included in the value of facilitation charges as per section 15(2) of the CGST Act, 2017 and KGST Act, 2017?</p> <p>Answer - The Value of the bus passes distributed by the applicant to the commuters and the facilitation charges is to be included in the value of services provided by the applicant.</p> <p>Whether the supply of service in the hands of the applicant could be classified as merely a supply of facilitation services between BMTC and the commuters?</p> <p>Answer - Regarding the second question of “whether the supply of service in the hands of the applicant could be classified merely a supply of facilitation service between BMTC and the commuter”, the answer is</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			in the “negative
VTs TF Air Systems Pvt. Ltd.	Manufacturer of Air Handling Units and Ventilation Units (Karnataka AAR)	KAR/AAR/113/2019-20 dated 30.09.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in the manufacture and distribution of the Air Handling Units and Ventilation Units. The following questions have been arised –</li> </ul> <p>Whether the Air Handling Unit is classifiable under 8414 80 90 or under 8415 90 00?</p> <p>Answer - The Air handling units which are supplied by the applicant is classified under HSN 8415 90 00.</p> <p>Whether the Ventilation Unit is classifiable under 8414 80 90 or under 8415 90 00?</p> <p>Answer - The Air Ventilators which are supplied by the applicant is classified under HSN 8414 59 10</p>
Karnataka Food & Civil Supplies Corporation	Govt. Organization (Karnataka AAR)	KAR/AAR/112/2019-20 dated 30.09.2019	<ul style="list-style-type: none"> <li>The Applicant is a Government Company</li> <li>The applicant is hiring a Godoum of Central Warehousing Corporation and paying storage charges for the agreed space for storage.</li> <li>The applicant is engaged in the business of distributing Rice, wheat, Palm Oil, Toor dal, and salt etc., under the Public Distribution System allocated by the Government of Karnataka.</li> </ul> <p>The following question has been arised –</p> <p>Is it liable to pay GST on Total Storage charges or is it liable to pay GST on taxable storage food commodities like Palm Oil, etc. Whether GST is payable on the storage charges.</p> <p>Answer - The services provided by the Central Warehousing Corporation to the applicant are covered under renting of commercial space in immovable property and not storage service of goods. The said service is covered under SAC 997212 81 is liable to GST @18%</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

Manipal Energy & Infratech Ltd	Civil Construction Company (Karnataka AAR)	KAR/AAR/111/2019-20 dated 30.09.2019	<ul style="list-style-type: none"> <li>The Applicant, is engaged in the activity of undertaking civil construction, mechanical structural work, erection of equipment, electrical infrastructure including sub-stations. etc. The following question has been arisen –</li> </ul>
			<p>Whether entry 3(vi)(a) to Notification No.8/2017 –Integrated Tax (Rate) is applicable for services provided to Electricity Supply Companies (wholly owned Government of Karnataka undertakings) by way of construction, erection, commissioning, installation, completion, etc., which attracts levy of 12%.</p> <p>Answer - The services provided by the applicant to the Electricity Supply Companies are not covered under entry 3(vi)(a) of the Notification No.12/2017-Central Tax (Rate) dated 28.06.2017 or under entry 3(vi)(a) of the Notification No.8/2017-Integrated Tax (Rate) dated 28.06.2017 as amended from time to time and consequentially are not eligible to be taxed at a lower rate of 12% GST and hence are liable to be taxed at 18% GST.</p>
Embassy Industrial Park Private Limited	Building and managing industrial warehousing spaces (Karnataka AAR)	KAR/AAR/109/2019-20 dated 30.09.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in building and managing industrial warehousing spaces for consumers and industrial centers.</li> <li>The Applicant procures various goods and services from various contractors for fitting-out of the warehousing spaces and provides the subject space having with all facilities and infrastructure facility on rent to various industrial consumers and manufacturers.</li> <li>Applicant procures various inputs which are installed in warehousing spaces rented out by the Applicant. The following question has been arisen –</li> </ul> <p>“Whether input GST credit can be availed by the applicant on the inputs i.e. Electrical Works, Pumps, Pumping systems and tanks, Lighting system, Physical security system and Fire System”</p> <p>Answer - The question is answered in the “negative” and input GST credit cannot be availed by the applicant on the inputs i.e. Electrical Works, Pumps, Pumping systems and tanks, Lighting system, Physical security system and Fire System as it is blocked under section 17(5) of the CGST Act 2017 and section 17(5) of the Karnataka Goods and Services Tax Act, 2017, for the s explained.</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

Brightstone Developers Private Limited	Supplier of Power System (Karnataka AAR)	KAR/AAR/108/2019-20 dated 30.09.2019	<ul style="list-style-type: none"> <li>The applicant wanted to engage in Engineering, Procurement and Construction(EPC) Contract for supply of Solar Power Generating System and the operation and maintenance of the installed solar power plants.</li> <li>The applicant wanted to enter into contract with various developers who desire to set up and operate solar photovoltaic plants for supply of power generated.</li> <li>Typically .a turnkey contract would be entered by the applicant to do end to end setting up of a solar power plant which includes supply of various goods . The following questions have been arised -</li> </ul> <p>Whether the supply of turn-key Engineering, Procurement &amp; Construction (EPC) Contract for construction of solar power plant wherein both goods and services are supplied can be construed to be a composite supply in terms of Section 2(30) of CGST Act, 2017?</p> <p>Answer - The supply of turnkey Engineering, Procurement and Construction (EPC) Contract for construction of solar power plant wherein both goods and services are supplied can be construed to be a composite Supply in terms of Section 2(30) of CGST Act, 2017.</p> <p>Whether the supply of 'Solar Power Generating System' is taxable at 5% GST?</p> <p>Answer - The contract of the applicant is covered under works contract under section 2(119) of the CGST Act and by item (ii) of entry no. 3 of the Notification No. 11/2019 – Central Tax (Rate) dated 28.06.2017 up to 31.12.2018. From 01.01.2019, the same is taxable on the values worked out separately for goods and services under both entry no. 38 of Notification No.11/2019 -Central Tax (Rate) dated 28.06.2017 (as amended by Notification No. 27/2018-Central Tax (rate) dated 31.12.2018) and Entry No. 234 of Schedule I of Notification No. 1/2017-Central Tax (Rate) dated 28.06.2017 as amended by Notification No. 24/2018 — Central Tax (Rate) dated 31.12.2018, and the values must be as per the explanation provided therein.</p>
Wisdom Security Services	Manpower Service Provider (Karnataka AAR)	KAR/AAR/107/2019-20 dated 30.09.2019	<ul style="list-style-type: none"> <li>The applicant is in the business of providing manpower services.</li> <li>The applicant is providing manpower services to M/s Karnataka Rural Road Development Agency, (KRRDA) throughout Karnataka State for their various locations as per their work orders against e-Tender. The following question has been arised -</li> </ul> <p>Is GST Applicable on man power services provided to Karnataka Rural Road Development Agency?</p> <p>Answer - The activity of providing manpower services like Data Entry Operators, Field Engineers, Diploma Field Engineers, Senior Software Professionals, Software Engineers for IT Cell, Graduate Assistant, Office Assistant, Peon and Watchman to Karnataka Rural Road Development Agency is not covered under entry no. 3 of Notification No. 12/2017-Central Tax (Rate) dated 28.06.2017 and hence is not exempted from GST.</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

Wework India Management Private Limited	Office Premises provider (Karnataka AAR)	KAR/AAR/106/2019-20 dated 30.09.2019	<ul style="list-style-type: none"> <li>The applicant is in the business of supplying shared works pace/office space to the freelancers, startups, small businesses and large enterprises.</li> <li>Towards this end, the Applicant procures goods and services from various contractors for fitting-out of the works paces and provides the said works pace on rent, to various companies and individuals as sharing work-spaces. The following questions have been arised –</li> </ul> <p>Whether input GST credit can be availed by the applicant on the detachable 14mm Engineered Wood with Oak top Wooden Flooring which is movable in nature and capitalized as “furniture and fixture”, and is not capitalized as “immovable property”?</p> <p>Answer - The input tax credit of GST can be availed by the applicant on the detachable 14 mm Engineered wood with Oak top wooden flooring which is movable in nature and capitalized as ‘furniture’</p> <p>Whether input GST credit can be availed by the applicant on the detachable sliding and stacking glass partition which is movable in nature and capitalized as “furniture and fixture”, and is not capitalizes as an immovable property?</p> <p>Answer - The input tax credit of GST is not available on the detachable sliding and stacking glass partitions.</p>
Matrix Imaging Solutions India Private Limited	Healthcare Service Provider (Karnataka AAR)	KAR/AAR/105/2019-20 dated 30.09.2019	<ul style="list-style-type: none"> <li>The applicant is in the business of providing health care services to the Government Hospitals only on PPP Model for a limited contract period.</li> <li>All expenditure related to the services provided by the applicant are borne by the applicant themselves, and the applicant receives the bills for the same by vendors of different GST slabs. The following questions have been arised –</li> </ul> <p>Whether they, being a health care service provider, are exempted from tax or not?</p> <p>Answer - The diagnostic services provided by the applicant to Hospitals and other establishments are covered under entry no. 74 of the Notification No.12/2017- Central Tax (Rate) dated 28.06.2017 and hence are exempted from CGST. Similarly, the services are also exempted under the Karnataka Goods and Services Tax Act, as it is covered under entry no.74 of Notification (12/2017) No. FD 48 CSL 2017 dated 29.06.2017.</p>
Krish Biotech Research Pvt. Ltd	Research Center (Karnataka AAR)	KAR/AAR/110/2019-20 dated 30.09.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in the activity of technical testing and analysis. The following questions have been arised</li> <li>Whether the activity of technical testing and analysis carried out by KBRPL is liable to Goods and Services Tax under the provisions of Central Goods and Services Tax Act, 2017 read with Karnataka Goods and Service Tax Act, 2017, the Rules framed thereunder and Notifications issued from time to time. The following questions have been arised</li> </ul> <p>Answer - The activity of technical testing and analysis carried out by the applicant is a “supply of services” under the GST Acts.</p> <p>Where the material for testing and analysis is sent from outside India to KBRPL and on which KBRPL carries out testing and analysis and issues certificate based thereon to the person not residing in India, whether it can be said that there is no supply by KBRPL involved in terms of Section 7 Central Goods and Services Tax Act, 2017 read with Karnataka Goods and Service Tax Act, 2017, the Rules framed thereunder and Notifications issued from time to time.</p> <p>Answer - The activity of technical testing and analysis carried out by the applicant for consideration and supplied to a person outside India is also a “supply of service” under the GST Act.</p> <p>Where the customer providing the material is not residing in India and</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p>sends material from outside India to KBRPL in India, for carrying out testing and analysis and issuance of certificate thereafter, such an activity if held to be supply in terms of Section 7 of the Central Goods and Services Tax Act, 2017 read with Karnataka Goods and Service Tax Act, 2017, the Rules framed thereunder and Notifications issued from time to time, and where payments are received in convertible foreign currency, whether Invoice in terms of Section 31 of the Central Goods and Services Tax Act, 2017 read with Karnataka Goods and Service Tax Act, 2017, the Rules framed thereunder and Notifications issued from time to time, can be issued without charging Goods and Services Tax therein.</p> <p>Answer - The applicant is required to issue a tax invoice for the supply of service made even when the recipient of such supply is a person located outside India and the consideration is received in convertible foreign exchange.</p> <p>Whether the services of technical testing and analysis provided by KBRPL to customers located outside India can be regarded as export of services as per section 2(6) of the Integrated Goods and Services Tax, 2017?</p> <p>Answer - No advance ruling is given determining whether the transaction is an "export of services" as the same involves the determination of place of supply.</p>
Teamview Developers LLP	Construction Company (Karnataka AAR)	KAR/AAR/104/2019-20 dated 30.09.2019	<ul style="list-style-type: none"> <li>The applicant stated that in the 34th GST Council meeting held on 19.03.2019 regarding the construction service, new rates of taxes were made available, 1% without ITC on construction of affordable houses and 5% without ITC on construction of —</li> </ul> <p>a) All houses other than affordable houses in ongoing projects whether booked prior to or after 01.04.2019.</p> <p>b) All houses other than affordable houses in new projects</p> <p>c) Commercial apartments such as shops, offices, etc. in a residential real estate project in which the carpet area of commercial apartments is not more than 15% of total carpet area of all apartments.</p> <p>Whether the above rates are applicable to constructions comprising entirely of construction of commercial space. If not, what is the rate of tax applicable both with ITC and without ITC?</p> <p>Answer - The tax rate applicable on the supply of construction service to the land owner in lieu of transfer of development rights to the promoters portion is liable to tax at 9% under CGST and 9% KGST under entry no. 3(xii) of the Notification No. 11/2017 — Central Tax (Rate) dated 28.06.2017 as amended by Notification No. 3/2017-Central Tax (Rate) dated 29.03.2019. The applicant is eligible for input tax credit on the same.</p> <p>In the instant case can the applicant, the service provider of construction of commercial space utilise the ITC relating to the construction activity on supply of other goods and services?</p> <p>Answer - Since the applicant is capitalizing his portion of the building as an immovable property, the applicant is not eligible to claim input tax credit on the inputs and input services to the extent used for such construction as per section 17(5)(d) of the CGST Act, 2017.</p> <p>Can input tax paid on inputs relating to construction activity i.e. on construction of buildings / built up space be utilised against the output tax payable on letting out of the same space?</p> <p>Answer - Since the input tax credit is not available relating to his portion of the constructed building (as answered in 2 above), the same is not available for utilization of it against the output tax payable on letting out of the same space.</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

Tarun Realtors Private Limited	Installation Service (Karnataka AAR)	KAR/AAR/103/2019-20 dated 30.09.2019	<ul style="list-style-type: none"> <li>The Applicant is developing a shopping Mall Mantri Arena Mall (Schedule Property) with all amenities of entertainment.</li> <li>The Applicant is entering into various lease agreements with their customers / tenants (Service recipients) and will be leasing all unit(s) at the Mall together with the right to use the staircases, common areas and other common facilities. The following question has been arised –</li> </ul> <p>Whether taxes paid on procurement of goods and/or services for installation of the following, hereinafter referred to as “Installations”, are regarded as blocked credits under Section 17(5) of the CGST Act, 2017?  (a) Chillers, (b) Air Handling Unit (AHU), (c) Lift, Escalators and Travellator, (d) Water Treatment Plant (WTP), (e) Sewage Treatment Plant (STP), (f) High Speed Diesel Yard (HSD), (g) Mechanical Car Park (MLCP), (h) Indoor / Outdoor Surveillance System (CCTV), (i) D.G.Sets, (j) Transformers, (k) Electrical wiring and fixtures (l) Public Health Engineering (PHE), Fire-fighting and water management pump system.  Answer - The taxes paid on procurement of goods and/or services for installation of the Installations as listed in the application are regarded as blocked credits under Section 17(5) of the CGST Act, 2017.</p>
Acharya Shree Mahashraman Chaturmas Pravas Vyavastha Samiti Trust	Religious Charitable Trust (Karnataka AAR)	KAR/AAR/102/2019-20 dated 30.09.2019	<ul style="list-style-type: none"> <li>The Applicant is a Religious Charitable Trust</li> <li>The applicant is principally engaged in the field of spreading knowledge and advancement of Jab Dharma. The following questions have been arised –</li> </ul> <p>Whether the applicant is liable to pay tax on renting of temporary residential rooms for consideration to the devotees and renting of space for shops and stalls for the purpose of religious programmers where the predominant object is not to do business but for advancement of religion?  Answer - The applicant is liable to pay tax in renting of temporary residential rooms for consideration to the devotees and renting of space for shops and stalls.</p> <p>Whether the applicant is liable to pay tax on renting of temporary residential rooms as per the following categories, to the devotees to stay for the purpose of religious programmers where charges per room is less than one thousand per day, if answer to the question 1 is yes?  Category-I: 2 BHK 430 sq.ft., including facilities such as water, electricity, cot, bed, pillow, bedspread, one AC, and having two rooms, hall, kitchen, rest-room + toilet, with cooking facility and no cleaning services.  Category-II: 1 BHK 300 sq.ft., including facilities such as water, electricity, cot, bed, pillow, bedspread, one AC and having one room, hall, kitchen, rest-room + toilet, with cooking facility and no cleaning services.  Category-III: Single room, 100 sq.ft., including facilities such as water, electricity, cot, bed, pillow, bedspread, common rest rooms and toilets and no cleaning and cooking facility services.  Category-IV: Single room, 150 sq.ft., including facilities such as water, electricity, cot, bed, pillow, bedspread, one AC and having rest room and toilet. No cleaning and cooking facilities.  Category-V: Dormitory consisting 12 beds, including facilities such as water, electricity, two AC, bed, pillow, bedspread, common rest rooms and toilets. Charges per bed ranging from Rs.250-00 per day.  Answer - The applicant is liable to pay tax on renting of temporary residential rooms of all categories if the declared tariff of a unit of accommodation is Rs.1000-00 or more per day or equivalent.</p> <p>c) Whether applicant is liable to pay tax on renting of space for stalls, where the predominant object is not to do business but for advancement of religion, if answer to the question 1 is yes?  Answer - The applicant is liable to pay tax on renting of space for stalls.</p> <p>d) Whether the applicant is liable to pay tax on supply of food and beverages at subsidized rates to the devotees, where the predominant</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p>object is not to do business but for advancement of religion?  Answer - The applicant is liable to pay tax on supply of food and beverages at subsidized rates to the devotees</p> <p>e) Whether the applicant is liable to pay tax on providing space for registered person without consideration for supply of food and beverages to the devotees, where consideration is received by registered person directly from devotees?  Answer - The applicant is liable to pay tax on providing space for registered person without consideration for supply of food and beverages to the devotees, only if the applicant and such registered person are covered under the definition of "related persons" as defined in Explanation to Section 15 of the CGST Act, 2017.</p> <p>f) Whether applicant is liable to pay tax for acting intermediary for booking hotel rooms to the pilgrims from outside?  Answer -The applicant is liable to tax for acting as an intermediary for booking of hotel rooms to the pilgrims from outside, if he does not satisfy all the conditions prescribed for a pure agent (i.e the services must be procured from suppliers of accommodation service in addition to the service he supplies on his own account).</p>
Qatro Rail Tech Solutions Limited	Construction Company (Karnataka AAR)	KAR/AAR/93/2019-20 dated 27.09.2019	<ul style="list-style-type: none"> <li>• The applicant undertakes works of supply and installation, testing and commissioning of automatic signaling equipment of Indoor and Outdoor, LV Gates for Alstom Systems Pvt Ltd.</li> <li>• The main contractors participate in the tender and get the work order from Railways for execution of work</li> <li>• In turn the main contractor, places the orders on the applicant under bill to ship to model i.e. to execute the work of supply of goods or services or both for railways in the premises of Railways only.</li> <li>• The main contractor releases the payments towards applicant's bills after getting the certification from the Railways as per their standard procedures. The following questions have been arisen –</li> </ul> <p>What is the rate of tax for the sub-contractors who executes the works contract work like supply of goods or services or both pertaining to Railways based on the order received from the main contractor who got the work order directly from Railways.  Answer - The contract work of the applicant to the main contractor, who is executing, the works contract to M/s DRCCIL, is liable to tax at 12% as amended by Notification No.20/2017 – Central Tax (Rate) dated 22.08.2017.</p> <p>Does the rate of tax of 6% as per serial no.3(v) of Notification No.11/2017- Central Tax dated 28.06.2017 as amended, applicable to sub-contractors or not?  Answer - The date of application of the above rate of tax of 12% is from 22.08.2017.</p>

# ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

Shimsha Infrastructures	Works Contract (Karnataka AAR)	KAR/AAR/94/2019-20 dated 27.09.2019	<ul style="list-style-type: none"> <li>The applicant is in the business of executing civil works contract.</li> <li>He states that the work order for construction of houses under "Pradhan Mantri Awas Yojana" has been given to on sub-contract basis. The following question has been arisen –</li> </ul> <p>What is the GST rate applicable for sub-contract (works contract) for construction of independent residential units for weaker sections of society under "Pradhan Mantri Awas Yojana". The rate of tax is 12% for works contract under Pradhan mantri Awas Yojana as per serial no. 3 of Notification No.1/2018- Central Tax (Rate) dated 25.01.2018. However, there is nothing specified on rate applicable for sub-contract for projects under "Pradhan Mantri Awas Yojana" in the subsequent amendment to the notification.</p> <p>Answer - The sub-contract of construction of independent houses by the applicant under the main contract of construction of houses pertaining to the Pradhan Mantri Awas Yojana is covered under sub-item (c) of item (iv) of serial number 3 of Notification No. 11/2017 – Central Tax (Rate) dated 28.06.2017 as amended by Notification No. 1/2018 -Central Tax (Rate) dated 25.01.2018 and is liable to GST at 12%.</p>
VE Commercial Vehicles Limited	Large Vehicle Seller (Karnataka AAR)	KAR/AAR/95/2019-20 dated 27.09.2019	<ul style="list-style-type: none"> <li>The applicant is a joint venture between the Volvo Group and Eicher Motors Limited. They are in the business of selling Volvo branded trucks and thereafter providing after sale support services, including warranty services for Volvo branded trucks and buses in India. The following questions have been arisen –</li> </ul> <p>Whether Notification No.45/2017 – Central Tax (Rate) dated November 14th, 2017 is applicable on supply of trucks and its spare parts to Public Funded Research Institutions?</p> <p>Answer - The applicant is providing composite supply of goods and services to the customers where in the principal supply is that of goods or services depending on the nature of individual case.</p> <p>Whether the supplies made by the Applicant to Volvo Sweden is a supply of services?</p> <p>Answer - The transaction is an intra-State or inter-State transaction (but not export transaction) depending on the place of supply</p> <p>Whether the supplies by the Applicant amounts to export of services to Volvo Sweden and hence zero rated under GST law?.</p> <p>Answer - Since this transaction is not an export of services, the transaction is not a "Zero-rated Supply" under the IGST Act.</p>
Juniper Networks Solution Private Limited	Import and sale of networking equipments (Karnataka AAR)	KAR/AAR/96/2019-20 dated 27.09.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in import and sale of networking equipments to customers. in India in provision of maintenance contracts (AMC) pertaining to the equipments supplied. The following question has been arisen –</li> </ul> <p>Whether delivery of spares by JNSIPL, Karnataka (i.e. the applicant) would constitute a supply under Schedule I of the CGST Act, 2017, by the applicant to JNSIPL, Maharashtra?</p> <p>Answer - The delivery of spares by the applicant to the ultimate consumer on account of M/s. JNSIPL, Maharashtra, where invoice is raised against M/s JNSIPL, Maharashtra and the goods are delivered to the ultimate consumer of M/s JNSIPL, Maharashtra, would not amount to a supply to the ultimate consumer under the GST Act. However, the supply is made to M/s JNSIPL, Maharashtra and invoice needs to be raised on them.</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

M.K. Agro Tech Pvt. Ltd.	Edible oil supplier (Karnataka AAR)	KAR/AAR/97/2019-20 dated 27.09.2019	<ul style="list-style-type: none"> <li>The applicant states that they arc into the business of supplying edible oil and they import edible grade Crude Oil without any separate charges for transportation from other countries to Indian port on CIF basis.</li> <li>When it enters the. Indian Port, Basic Customs Duty and applicable Cess along with LOST is paid. The following question has been arised –</li> </ul> <p>Whether under Reverse Charge Mechanism, IGST should be paid by the importer on ocean freight on the case of CIF basis contract?</p> <p>Answer - Subject to the final decision in the issue by the Hon'ble Court, it is ruled that IGST should be paid by the importer on ocean freight in case of CIF basis contract, under Reverse Charge.</p>
Saravana Perumal	GTA Service (Karnataka AAR)	KAR/AAR/98/2019-20 dated 27.09.2019	<ul style="list-style-type: none"> <li>The following question has been arised –</li> </ul> <p>The applicant is a registered GTA, as per the Notification No.12/2017 – Central Tax (Rate) dated 28.06.2017. Can applicant hire vehicles to another GTA?</p> <p>Answer - The registered person can be a Goods Transport Agency and also a supplier of goods vehicles to another GTA on hire basis at the same time subject to the appropriate tax treatments as notified in Notification No.11/2017- Central Tax (Rate) dated 28.06.2017, Notification No.12/2017- Central Tax (Rate) dated 28.06.2017 and Notification No.13/2017- Central Tax (Rate) dated 28.06.2017, as amended from time to time.</p>
Tata Coffee Limited	TEA /Coffee Business (Karnataka AAR)	KAR/AAR/99/2019-20 dated 27.09.2019	<ul style="list-style-type: none"> <li>The applicant states that he is a part of the Tata Group of Companies and is engaged in the business of Coffee /Tea / Pepper plantation.</li> <li>In the plantation, certain trees are grown for the purpose of “shade” of coffee crop. The following questions have been arised –</li> </ul> <p>Whether the legally binding and prescribed activity of depositing the timber / wood by the applicant with the Government Timber Depot for disposal as per the provision of Section 104 of the Karnataka Forest Act will constitute a “supply” and therefore subject to payment of GST for keeping the goods at the custody of the auctioneer i.e. Government Timber Depot?</p> <p>Answer - The transaction of depositing timber with the Government Timber depot for disposal would amount to “supply” within the meaning assigned to it under the GST Act and GST is chargeable on the Value, of such supply.</p> <p>If GST applicable on depositing timber with the auctioneer, on what value GST is chargeable in the invoice by the applicant?</p> <p>Answer - The value of supply of timber to the Depot by the applicant shall be the open market value or the value as may be determined under Rule 30 or Rule 31 in that order.</p> <p>Whether the payment of GST on the full amount by the auctioneer i.e. Government Depot, will be the complete discharge of liability in the hands of the applicant and hence the applicant is not required to charge any GST while depositing as well as receiving the net consideration from the auctioneer?</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p>Answer - There is no provision in the GST Act for shifting of the tax liability and considering that as a deemed discharge of liability. There are two supplies of timber involved in the chain of transactions, one when the timber is handed over to the depot by the applicant and the second when the timber is sold by the depot. Both are independent supplies in the eyes of the GST Act and hence the tax needs to be discharged at both stages.</p> <p>If the transaction is supply in the hands of the applicant, what is the time of supply of timber?</p> <p>Answer - The time of supply is the time of removal of timber/ wood by the applicant for supply to the depot.</p> <p>If the transaction is considered as "supply" in the hands of the applicant when consideration is not fixed / known at the time of supply, when would be the time of supply and when the applicant has to remit the tax on what value? This is especially where the Government Timber Depot decides the time of auction and the applicant does not have any control on this process.</p> <p>Answer - It is the repeat of the earlier questions and hence not answered again. It is pertinent to note that the time of second supply involving timber i.e. by the depot (agent) to the third party does not have any impact on the value or time of supply of the first supply, i.e. supply of timber/ wood by the applicant to the depot for sale.</p> <p>Should GST be paid by the applicant on supervision charges collected by the Government Timber Depot under Reverse Charge as per the Sl.No.5 of Notification No.13/2017?</p> <p>Answer - The activity of providing supervision services is not covered under the exceptions in entry 5 of Notification No.13/2017- Central Tax (Rate) dated 28.06.2017, the same is liable to tax under reverse charge and this is subject to the condition that the Government Timber Depots are Government Departments, the applicant is liable pay tax on the receipt of supervision services. In case the Government Timber Depots are= not Government Department then the transaction would not be covered under Notification No.13/2017- Central Tax (Rate) dated 28.06.2017 and such reverse charge mechanism shall not be applicable and the Government Timber Depot shall collect the GST and issue invoice to the applicant.</p>
Datacon Technologies	Printing Business (Karnataka AAR)	KAR/AAR/100/2019-20 dated 27.09.2019	<ul style="list-style-type: none"> <li>The Applicant is engaged in offset printing of Answer booklets, center pinning and hand numbering. The following questions have been arised –</li> </ul> <p>We execute the work contract for customers, that is offset printing of Answer booklets, centre pinning and hand numbering, accordingly we have classified it under HSN Code No. 998912 attracting 12% GST however the other vendors for the said work seems to have applied slab rate of 18% and hence ruling is requested.</p> <p>Answer - The supply of printed, center pinned and hand numbered answer booklet to the Karnataka State Secondary Education Board constitutes supply of goods falling under the Heading 4802 of entry 112 of the Schedule 11 to the Notification 01/2017 central tax (Rate) dated 28/06/2017 and taxable at 6% CGST and 6% SGST.</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

Sri Roopesh Kumar	Transportation of Fuel (Karnataka AAR)	KAR/AAR/101/2019-20 dated 27.09.2019	<ul style="list-style-type: none"> <li>The applicant is proprietary concern engaged in the business of excavation and transportation of RDF (Refused derived fuel) by using earth-moving equipments and tipper.</li> </ul> <p>Whether the applicant has to charge GST for the service (providing Hydraulic excavator and ten wheeler tippers to transport RDF (inerts) from KCDC processing plant Bommanahalli to Bellahalli Land fill site near Yelahanka) done to government organization? If so at what rate?</p> <p>Whether this service (providing Hydraulic excavator and ten wheeler tippers to transport RDF (inerts) from KCDC processing plant Bommanahalli to Bellahalli Land fill site near Yelahanka) done to government organizations is exempted by way of Entry No.3 of the Notification No 12/2017 which provides exemption to Pure service (Excluding works contract service or other composite supplies involving supply of any goods) provided to the Central Government, State Government authority or Union territory or local authority or a Government Entity by way of any activity in relation to any function entrusted to a Panchayat under article 243 G of the constitution or in relation to any function entrusted to a Municipality under article 243 W of the Constitution?</p> <p>Whether activity done by us is in relation to function entrusted to a municipality under 243W. Whether any exemption is available under GST in respect of service rendered by us to KRIDL (which is a Government Organization)?</p> <p>Whether exemption is available under GST in respect of service rendered by us to KRIDL (Which is a Government Organization)?</p> <p>The applicant has subsequently withdrawn the third question.</p> <p>Answer - The activity undertaken by the applicant is exempt from payment of taxes as per entry number 3 of Notification No. 12/2017- Central Tax (Rate) dated 28.06.2017 as amended by Notification No. 2/2018 – Central Tax (Rate) dated 25.01.2018 with effect from 25.01.2018.</p>
Cartus India Private Ltd	Relocation Management Service (Karnataka AAR)	KAR/AAR/92/2019-20 dated 27.09.2019	<ul style="list-style-type: none"> <li>The Applicant is engaged in supply of 'Relocation Management Service' to its clients located in India, which primarily involves facilitation/administration/management of relocation of client's employees from one location to another.</li> <li>In this regard, the Applicant enters into relocation service agreements/ statement of work with its clients. The following questions have been arised –</li> </ul> <p>"Whether the gamut of services collectively referred to as 'Relocation Management Service' provided by the Applicant, would constitute as a composite supply or a mixed supply for the purpose of taxability under GST?"</p> <p>Answer - The services supplied by the applicant do not constitute a Composite Supply and would be a mixed supply, when the services are billed for a single price in case where the relocation related services are actually provided by them.</p> <p>The services provided to the company as an agent are "management support services of relocation related services" which is a single service covered under SAC 9985 and is covered under entry 23(11) of Notification No.11/2017- Central Tax (Rate) dated 28.06.2017.</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

VAPS Knowledge Services Pvt. Ltd.	Supply of e-campus solutions (Karnataka AAR)	KAR/AAR/91/2019-20 dated 26.09.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in supplying c-campus solutions to various organisations and the consideration is received as a onetime investment and also running maintenance.</li> <li>The consideration is also inclusive Of software updation, training and staff for teaching. The entire solution is a single package and cannot be broken and supplied as there is no piece meal supply.</li> </ul> <p>The following questions have been arised – What is the HSN Code and rate of tax payable under GST Act for the e-campus solutions supplied by the applicant? Answer - The supplies made by the applicant are covered under SAC 997329 and is liable to tax at 18% GST</p>
Sagas Autotec Pvt. Ltd.,	Supplier of LPG KIT (Karnataka AAR)	KAR/AAR/90/2019-20 dated 26.09.2019	<ul style="list-style-type: none"> <li>The applicant states that they are into the business of supplying LPG Conversion Kits which can be fitted to the Petrol and Diesel Vehicles to convert them to run with LPG.</li> <li>The applicant states that Conversion Kit involves all the components for a Petrol run vehicle to run on LPG or CNG as the case may be . The following questions have been arised –</li> </ul> <p>Classification of LPG Conversion Kit for Automobiles Answer - The LPG Conversion Kits are classifiable under HSN 8409 99 90 and the same are covered under serial no.116 of Schedule IV to. the Notification No. 01/2017 -Central Tax (Rate) dated 28.06.2017 and hence liable to tax at 14% under the CGST Act, 2017. Similarly the same are liable to tax at 14% under the Karnataka Goods and Services Tax Act, 2017 in entry no. 116 of Schedule IV of Notification (01/2017) No. FD 48 CSL 2017 dated 29.06.2017.</p>
Sringeri Yogis Pai	Tobacco. Leaves Trader (Karnataka AAR)	KAR/AAR/89/2019-20 dated 26.09.2019	<ul style="list-style-type: none"> <li>The Applicant is an unregistered dealer engaged in trading of tobacco. leaves. He procures the same from wholesalers and sells it in the retail market. The following questions have been arised –</li> </ul> <p>Whether the Tobacco leaves attracting tax at the rate of 5% on forward charge or whether such Tobacco leaves can be classified as Unmanufactured tobacco ;tobacco refuse {other than tobacco leaves} (other than bearing brand name) Answer - The commodity in question is covered under the tariff heading 2401 10 20 and is covered by entry no. 13 of Schedule IV of Notification No. 1/2017-Central Tax (Rate) dated 28.06.2017 attracting a tax of 28% under the GST Act Unmanufactured tobacco (without Lime tube)-bearing a brand name Unmanufactured tobacco (with lime tube)-bearing brand name other manufactured tobacco and manufactured tobacco substitutes: “Homogenized” or “reconstituted” tobacco: tobacco extracts and essences (including biris) which attract a rate of tax 28%. Answer - The transactions of the applicant in question is not covered under Notification number 4/2017-Central Tax (Rate) dated 28.06.2017 and hence not liable under reverse charge mechanism.</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

Karnataka Co-operative Milk Producers Federation Ltd., (Formerly known as KMF)	Milk Processor (Karnataka AAR)	KAR/AAR/88/2019-20 dated 26.09.2019	<ul style="list-style-type: none"> <li>The applicant is a registered society under Co-operative Society Act 1959 in Karnataka and is engaged in processing of milk and milk products wherein its district co-operative unions are shareholders of the organizations. The following questions have been arisen –</li> </ul> <p>Whether the Flavored Milk is liable to be classified under HSN 0402 99 90 or under 2202 99 30 or under any other Chapter?</p> <p>Answer - The applicant is not liable to deduct tax at source as per provisions of section 51 of CGST ACT towards payments made to suppliers of taxable goods or services or both, as they are not covered under any of the clauses of Section 51(1) of the CGST / KGST Act 2017.</p>
International Flower Auction Bangalore	Flower Auctioneer (Karnataka AAR)	KAR/AAR/87/2019-20 dated 26.09.2019	<ul style="list-style-type: none"> <li>The applicant states that they are in the business of auctioning flowers and are a commission agent for the flower growers.</li> <li>The applicant creates a platform for both growers and buyers who can earn great profits. It is funded by Centre and State to facilitate auction service and develop floriculture. The following question has been arisen –</li> </ul> <p>Whether the “commission earned from auctioning of flowers is covered under entry no. 54(e) &amp; (g) of Notification No.12/2017 – Central Tax (Rate) dated 28.06.2017 and entry no. 54(e) &amp; (g) of Notification (12/2017) FD 48 CSL 2017 dated 29.06.2017?</p> <p>Answer - The commission received by the applicant for facilitating the purchase and sale of cut flowers is covered under clause (g) of the entry 54 of the Notification No.12/2017-Central Tax (Rate) dated 28.06.2017 and hence exempted from CGST. Similarly, the services are covered under clause (g) of entry no.54 of the Notification (12/2017) No. FD 48 CSL 2017 dated 29.06.2017 and hence are exempted from tax under the Karnataka Goods and Services Tax Act, 2017.</p>
Sri DMS Hospitality Private Limited	Hospitality Service Provider (Karnataka AAR)	KAR/AAR/86/2019-20 dated 25.09.2019	<ul style="list-style-type: none"> <li>The applicant company states that the company is facility providing services such as supply of services, accommodation services provided by inns, guest house or place for lodging purposes and Rental or leasing services involving own or leased residential property.</li> <li>The applicant company has entered into agreement with landlord Dr Banraji for getting a building exclusively used the schedule premises for accommodation purpose.</li> <li>Further the applicant company has entered in to leave and licensee agreement with Sodexo Food Solutions India Private Limited for providing the sub lease (sub let) of scheduled premises and also provided facilities as per requirement of Sodexo Food Solutions India Private Limited Staff and Executives for residential accommodation. The following questions have been arisen –</li> </ul> <p>Classification of service provided by Sri DMS Hospitality Private Limited to Sodexo Food Solutions India Private Limited?</p> <p>Answer - The Classification of service provided by Sri DMS Hospitality Private Limited to Sodexo Food Solutions India Private Limited is covered under SAC 997212 and hence under entry no. 16 of Notification No.11/2017 – Central Tax (Rate) dated 28.06.2017 and the security services provided is covered under SAC 998529 and hence under entry 23(ii) of Notification No.11/2017- Central Tax (Rate) dated 28.06.2017 and are hence liable to tax at respective rates.</p> <p>Classification of service provided by the Building owner to Sri DMS Hospitality Private Limited?</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p>Answer - The Classification of service provided by the building owner to M/s Sri DMS Hospitality Private Limited is covered under SAC 997212 and hence liable to tax under entry no. 16 of Notification No.11/2017 - Central Tax (Rate) dated 28.06.2017.</p> <p>Applicability of GST Notification No. 12/2017-Central tax (Rate) dated 28th June 2017, "Services by way of renting of residential dwelling for use as residence" is exempt from GST?</p> <p>Answer - The entry no.12 of Notification No.12/2017- Central Tax (Rate) dated 28.06.2017 - "services by way of renting of residential dwelling for use as residence" is not applicable to the present case on hand</p> <p>Applicability of GST on EMI per month charged from Sodexo Food Solutions India Private Limited and security services provided by Sodexo Food Solutions India Private Limited?</p> <p>Answer - The EMI charged on the goods supplied is an installment for the goods transferred and is a supply of goods under clause 1(c) of Schedule II to the CGST Act and hence is liable to tax at the rate applicable to each of the goods supplied at the time of delivery of such goods.</p>
Cadmaxx Solutions Education Trust	Registered Trust (Karnataka AAR)	KAR/AAR/85/2019-20 dated	<ul style="list-style-type: none"> <li>The applicant states that they are a registered Trust under section 12A of the Income Tax Act and also an approved NEEM (National Employability Enhancement Mission) Facilitator under All India Council for Technical Education Regulation 2017. The following questions have been arised -</li> </ul> <p>Under this scheme the resource provided by trust, these called as "On Job Trainee". It will be paid monthly stipend amount determined by the client and Trust. The Trust is expected to collect stipend amount from the client and transfer the entire amount to the trainee - Does this stipend reimbursement attracts GST or not?</p> <p>Answer - The reimbursement of the stipend paid to the trainees does not attract tax under the GST Acts.</p> <p>The Trust is expected to keep training the trainee for acquainting the skills and enhancement of employability. The Trust will charge a predetermined training charges - Does this attract GST or not?</p> <p>Answer - The additional training to the trainees for which the training fees is paid by the trainer is taxable under entry no. 35 of Notification No.11/2017 - Central Tax (Rate) dated 28.06.2017 and liable to tax at the rate 9% under CGST Act and similarly taxable at 9% under the Karnataka Goods and Services Tax Act, 2017 under entry no. 35 of Notification (12/2017)No. FD 48 CSL 2017 dated 29.06.2017.</p> <p>The Trust also obtains Group Health Insurance Policy and Workman Compensation Policy for the trainee's deployed at client place. Trust recovers this amount on monthly basis, the rate which is determined based on the premium amount. - Does this attract GST or not?</p> <p>Answer - The reimbursement of Group Insurance and Workmen Compensation premium by the trainer company to the applicant is not liable to tax under the GST Acts</p> <p>The Trust is also obliged to recover the expenditure, then against on boarding the trainee - Does this attract GST or not?</p> <p>Answer - The Sourcing fees collected by the applicant from the trainer companies is liable to tax at 9% CGST under entry no. 23(ii) of the Notification No.11/2017- Central Tax (Rate) dated 28.06.2017. Similarly it is taxable at 9% under the Karnataka Goods and Services Tax Act, 2017 under entry no.23(ii) of Notification (12/2017) No.FD 48 CSL 2017 dated 29.06.2017.</p> <p>If client finds our trainee suitable for absorption of the roles of the Company, trust would like to charge certain amount on-Rolls conversion charges - Does this attracts GST or not?</p> <p>Answer - The "On roll Conversion charges" collected by the applicant from the trainer companies is liable to tax at 9% CGST under entry no. 23(ii) of the Notification No.11/2017- Central Tax (Rate) dated</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			28.06.2017. Similarly it is taxable at 9% under the Karnataka Goods and Services Tax Act, 2017 under entry no. 23(ii) of Notification (12/2017) No. FD 48 CSL 2017 dated 29.06.2017.
Sameera Trading Company	Electricity Service Provider (Karnataka AAR)	KAR/AAR/84/2019-20 dated 25.09.2019	<ul style="list-style-type: none"> <li>The applicant states that they are into the business of generating electricity from Wind Mills and have installed 108 wind mills.</li> <li>They entered into a power purchase agreement with Bangalore Electricity Supply Company Limited.</li> <li>The applicant is now desirous to sell 42 mills located in one geographical area on as is where basis without dismantling them. The land lease is to be got transferred by the buyer from the Government and the buyer has to enter new electricity purchase agreement with the Government. The following question has been arised</li> </ul> <p>Whether GST is applicable on local sale of used second hand Wind Turbine Generator (WTG) / (Wind Mill) with accessories?</p> <p>Answer - The Supply of Used Wind Turbine Generator (WTG) or Wind Mill with accessories is a composite supply of Wind Mills and is liable to tax at 2.5% under CGST Act, 2017 in terms of entry 234 of Schedule I of Notification No.1/2017 – Central Tax (Rate) dated 28.06.2017</p>
Alcon Consulting Engineers (India) Pvt. Ltd.	Consultancy services (Karnataka AAR)	KAR/AAR/83/2019-20 dated 25.09.2019	<ul style="list-style-type: none"> <li>The applicant states that they are in the business of providing Consultancy services, like surface survey and map making, Project management consultancy services for construction projects, Engineering Advisory services and technical testing analysis services to the General Public, State Government Agencies, and Central Government throughout the country.</li> <li>The applicant states that while providing the above said services, some of the expenses are incurred by their employees on behalf of the Company. The following questions have been arised-</li> </ul> <p>Whether the expenses incurred by the Staff members on behalf of the Company exceeding Rs.5000-00 a day and then reimbursed periodically are liable to tax</p> <p>Answer - The amounts paid to the employees of the applicant company as reimbursement of expenses incurred by them in the course of employment of the applicant company are not liable to tax under the provisions of the Goods and Services Tax Act, 2017 as the transaction of the services supplied by a supplier to the employee and paid by the employee is liable to tax after 30.09.2019.</p> <p>Whether RCM is applicable on remuneration paid to the Directors.</p> <p>Answer - The remuneration paid to the Director of the applicant company is liable to tax under reverse charge mechanism under sub--section (3) of section 9 in the hands of the applicant company as it is covered under entry no. 6 of Notification No. 13/2017-Central Tax (Rate) dated 28.06.2017.</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

Conservia Ecocrafts India Private Limited.,	Manufacturer and seller of Areca Palm Leaf Plates (Karnataka AAR)	KAR/AAR/82/2019-20 dated 25.09.2019	<ul style="list-style-type: none"> <li>The applicant states that he is in the business of manufacturing and sale of Areca Palm Leaf Plates (machine pressed), one of the important commercial crops of Malenadu. The following question has been arised-</li> </ul> <p>What is the rate of tax applicable under GST on Areca Palm Leaf Plates?</p> <p>Answer - The Areca Leaf plates made out of pericarnium of areca leaves are liable to tax at 5% from 22.09.2017 under the GST Act as per entry no. 198A of Schedule I of Notification No. 11/2017 – Central Tax (Rate) dated 28.06.2017 as amended by Notification No.27/2017 – Central Tax (Rate) dated 22.09.2017.</p>
The Nursery Men Co-Operative-Society	Works Contract (Karnataka AAR)	KAR/AAR/81/2019-20 dated 25.09.2019	<ul style="list-style-type: none"> <li>The applicant states that he is in the business of maintaining the gardens and landscape development for State and Central Governments, local bodies and government undertakings.</li> <li>He also stated that he has been providing pure services (excluding works contract services and other composite supplies not involving any goods) to these recipients of services. The following questions have been arised-</li> </ul> <p>Whether the landscape development and maintenance of garden work for State and Central Government Departments, all government local bodies (Municipalities and Corporations) etc. and other government undertakings through contract from sub-contracts attracts GST as inward supplies from those vendors?</p> <p>Answer - Even after assuming the activity of the applicant being either covered in entry no.3 or entry no.3A of the Notification No.12/2017- Central Tax (Rate) dated 28.06.2017 (as amended), the activity supply by the sub-contractor to the applicant of execution of the sub-contract work of the said activity would not be exempt as it is not covered either in entry no.3 or entry no.3A of the Notification No.12/2017- Central Tax (Rate) dated 28.06.2017 (as amended), as the applicant being the recipient of such service is not covered under the class of recipients enumerated in the said entries.</p>
Asiatic Clinical Research Private Limited,	Clinical Trial Activity (Karnataka AAR)	KAR/AAR/80/2019-20 dated 24.09.2019	<ul style="list-style-type: none"> <li>The Applicant is engaged in the activity relating to the management of clinical trials on behalf of Asahi Kasei Pharma America Corporation, USA. The following question has been arised-</li> </ul> <p>Whether the applicant acts as a 'Pure Agent' while receiving amounts from the foreign clients and passing it on to the Local Research Institutions.</p> <p>Answer -The applicant qualifies to be a pure agent in receiving amounts from the foreign clients and passing it on to the local research institute as per agreement placed before Authority</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

Sharma Transports	Transport Business (Karnataka AAR)	KAR/AAR/79/2019-20 dated 24.09.2019	<ul style="list-style-type: none"> <li>The Applicant is engaged in the business of transportation of passengers and other ancillary &amp; related services.</li> <li>The applicant also renders Employee transportation service to various corporate Companies using buses.</li> <li>The applicant has entered into a Composite "Operation and Maintenance of Employee Commutation Vehicles and Transportation Services Agreement" with M/s. Volvo Group India Pvt. Ltd., in which the applicant is responsible for not only providing the buses but also maintaining them and running the same towards Employee Commutation.</li> <li>Towards the same, the applicant is paid a minimum Fixed Cost and a Variable cost, depending on the number of kilometers run.</li> <li>The applicant is the owner of the buses and takes "Private Service Vehicle" permits in the name of M/s. Volvo</li> <li>The applicant picks up of employees of the Client from respective pick up points and drops them in the Client's factory/office and vice versa. The applicant is responsible for transportation of employees and also the maintenance of the buses. The following question has been arised-</li> </ul> <p>Whether the revenue earned through the "operation and maintenance of employee commutation vehicles and transportation services agreement" be classified under heading passenger transport services with SAC 9964 (vi) liable to tax at 5% (CGST + SGST) without input or 12% (CGST + SGST) with input credit or under rental services of transport services with SAC 9966 (i) liable to tax at 5% (CGST + SGST) without input or 12% (CGST+SGST) with input credit or any other rate.</p> <p>Answer - The services provided by the applicant to M/s Volvo Group India Pvt. Ltd., are "Passenger Transport Services" covered under Heading 9964 and this service is covered under the entry 8(vii) of Notification No.11/2017-Central Tax (Rate) dated 28.06.2017 as amended and are taxable at 18% under the GST Act, 2017</p>
S R Propellers Pvt. Ltd.,	Manufacturer of Marine Propellers and accessories (Karnataka AAR)	KAR/AAR/78/2019-20 dated 24.09.2019	<ul style="list-style-type: none"> <li>The applicant is engaged into the business of manufacturing of Marine Propellers and accessories to supply to the fishing sector.</li> </ul> <p>The following question has been arised-</p> <p>Whether the rate of tax applicable is 5% on commodities such as marine propellers, rudder set, stern tube set, propeller shaft and couplings used only for the purpose of the fishing or floating vessels.</p> <p>Answer - The concessional rate of 5% GST in terms of entry number 252 of Schedule I to the Notification No.01/2017-Central Tax (Rate) dated 28.06.2017 is applicable to the products marine propeller, rudder set, stern tube set, propeller shaft and MS couplings subject to the condition that the said parts form parts of goods falling under 8901, 8902, 8904, 8905, 8906 &amp; 8907.</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

Kohinoor Woods	Trading of live trees (Karnataka AAR)	KAR/AAR/77/2019-20 dated 24.09.2019	<ul style="list-style-type: none"> <li>The Applicant is engaged in the business of purchasing standing live trees from the Deputy Conservator of Forests, Social forestry Division, Bangalore rural, through online tender cum auction held at. MSTC portal. The following question has been arised- What is rate of GST on Live standing trees? Answer – The transaction of the applicant removing the rough wood after cutting the trees and appropriating the wood logs under contract is covered under entry no. 134 of Schedule 111 of the Notification No: 1/2017- Central Tax (Rate) dated 28/06/2017 and hence chargeable to tax @ 9%. Similarly the same is taxable under KGST Act at 9%.</li> </ul>
Kwality Mobikes (P) Ltd.	Motor vehicles supplier (Karnataka AAR)	KAR/AAR/76/2019-20 dated 24.09.2019	<ul style="list-style-type: none"> <li>The applicant states that he is in the business of supplying motor vehicles.</li> <li>The applicant in its regular course of business purchases the vehicles from the authorised supplier wherein it charges 28% GST plus applicable Cess.</li> <li>The Authorised supplier allows credit period of 30 days and also fixes sales targets to the applicant. Besides, on purchase of vehicles which are over and above the limit fixed on regular purchases, the applicant is also eligible for volume discount, which is paid on monetary terms.</li> <li>Hence, the company is eligible for Volume Discount on retail i.e. Sales Commission) and on purchases over and above the target is eligible for Regular Volume Discount (i.e. on purchases).</li> <li>The authorised supplier issues Credit Note and this credit note is not affecting the purchase price or sale price and hence has no effect on GST collected in the invoices. The following questions have been arised- Whether the volume discount received on purchases is liable for GST? If yes, under which HSN/SAC? Answer – The Volume Discount received on purchases in the form of credit note without any adjustment of GST is not liable for GST. Whether volume discount received on retail (on sales) is liable for GST? If yes, under which HSN /SAC? Answer – The Volume Discount received on Retail (on sales) in the form of credit note without any adjustment of GST is not liable for GST. Whether the Company has to issue taxable invoice to this effect? Answer – Since the amount received in the form of credit note is actually a discount and not a supply by the applicant to the authorized supplier, the applicant need not issue tax invoice for this transaction.</li> </ul>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

Informatics Publishing Ltd	Online Journal Supplier (Karnataka AAR)	KAR/AAR/75/2019-20 dated 24.09.2019	<ul style="list-style-type: none"> <li>The applicant states that they are a company engaged in the supply of online journals.</li> <li>They import various online journals from the foreign suppliers and supply them mainly to the educational institutions.</li> <li>The applicant states that the online journals or periodicals sold to an educational institution other than pre-school and higher secondary is exempt from the payment of IGST. The following question has been arised-</li> </ul> <p>Whether the input tax credit is available when the online educational journals and periodicals are supplied to the Educational Institutions other than to pre-school and higher secondary school or equivalent, which is exempt by virtue of Notification No.2/2018 – Central Tax (Rate) dated 25.01.2018?</p> <p>Answer – The providing of access to the online content by the applicant to his users is covered under SAC 998431 and is liable to tax at 18% GST under the entry no.22 of Notification No. 11/2017- Central Tax (Rate) dated 28.06.2017</p> <p>Since the transaction is not exempt, there is no restriction on input tax credit claims as per Section 17(1) or 17(2) of the CGST Act / SGST Act / IGST Act.</p>
URC Construction (P) Ltd.	Works Contract (Karnataka AAR)	KAR/AAR/73/2019-20 dated 23.09.2019	<ul style="list-style-type: none"> <li>The applicant has entered into a works contract agreement with National Centre for Biological Sciences for the purpose of execution of works contract for construction of building for laboratories and associated facilities at NCBS Campus in Bangalore. The following question has been arised-</li> </ul> <p>What is the applicable rate of tax for the provision of construction service rendered to NCBS?</p> <p>Answer – The works contract service provided by the applicant to NCBS, for the reasons stated above, is liable to tax at 18% GST as it is covered under item no. (xii) of Serial No.3 of Notification No.11/2017 – Central Tax (Rate) dated 28.06.2017</p>
Sri Balaji Rice Mill	Manufacturer of Rice (Karnataka AAR)	KAR/AAR/72/2019-20 dated 23.09.2019	<ul style="list-style-type: none"> <li>The Applicant is a Company, registered under the Goods and Services Act, 2017, involved in the manufacturer of Rice and its by-products and selling the same under the registered brand name 'KITCHEN KING'. The following questions have been arised-</li> </ul> <p>As a manufacturer of rice, can the applicant sell Rice under Registered Brand with 5% GST and also in Unregistered Brand with affidavit &amp; disclaimer under GST exempted category?</p> <p>Answer – The manufacturers of rice who sells rice under Registered Brand name are liable to GST @ 5% on such sale of rice. Those manufacturers who sells rice under unregistered Brand name foregoing their actionable claim or enforceable right on such brand name by filing an affidavit and printing disclaimer on unit container to that effect are exempted from GST.</p> <p>Is it compulsory to de-register the registered brand to sell goods in unregistered brand with nil rate of tax under GST?</p> <p>Answer – The manufacturers can hold the registered brand name while selling the rice under unregistered brand after following all the other conditions prescribed. However, if they sell in the registered brand name, they would not be eligible for exemption.</p> <p>Whether sale of rice is exempt, if applicant forgo the actionable claim on brand name after de-registration?</p> <p>Answer – The manufacturers of rice, selling under deregistered brand</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			name, are eligible for exemption of GST after foregoing voluntarily their actionable claim or enforceable right on such brand name by filing an affidavit and printing disclaimer on unit container regarding foregoing of their actionable claim or enforceable right on such brand name.
Chrochemie Laboratory Pvt. Ltd	Pharmaceutical Industries (Karnataka AAR)	KAR/AAR/71/2019-20 dated 23.09.2019	<ul style="list-style-type: none"> <li>The applicant is a science based organisation belonging to Pharmaceutical Industries</li> <li>The applicant is a leading organisation engaged in new product development for addressing the growing challenges in the analysis and separation of pharmaceutical, biopharmaceutical and food industries.</li> <li>The applicant imports Pharmaceutical Reference Standards from various official pharmacopeias like US Pharmacopoeia (USP), European Pharmacopoeia (EDQM), British Pharmacopoeia (BP) and supplies them to all major pharmaceutical companies in India like Sun Pharmaceuticals Ltd., Torrent Pharmaceuticals, Lupin Ltd., Matrix Laboratories Ltd., Ranbaxy Ltd., Dr.Reddy's, Aurobindo Pharmaceuticals Ltd., etc. The following questions have been arised-</li> </ul> <p>Whether Entry No. 80 in Schedule II to the Notification No.1/2017-Integrated Tax (Rate) dated 28.06.2017 (as amended) is applicable for import as well as supply of "Prepared Laboratory Reagents / Pharmaceutical Reference Standards (PRS)" attracting a levy of Integrated Tax at the rate of 12% or Entry No.453 to Schedule III attracting a levy of Integrated Tax at the rate of 18%</p> <p>Answer – The Prepared Laboratory Reagents or Pharmaceutical Reference standards (HSN 3822 00 90) which are not diagnostic reagents are not covered under Entry No.80 of Schedule II of Notification No.1/2017 – Integrated Tax (Rate) dated 28.06.2017 and is covered under entry no.453 of Schedule III of Notification No. 1/2017 -Integrated Tax (Rate) dated 28.06.2017 and attracts IGST at 18%.</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

M/S.N M D C Ltd.,	(Karnataka AAR)	KAR/AAR/69/2019-20 dated 21.09.2019	<ul style="list-style-type: none"> <li>The applicant is registered dealer having registered office at Bengaluru, (Bangalore) and same is used as its corporate office. Various support department such as Sales, Marketing, IT, Finance etc., operate from aforesaid office.</li> <li>The applicant had taken the said premise on lease with effect from 01.07.2011 till 30.06.2022 with a lock in period of first three years.</li> <li>The applicant wishes to vacate the said premises in the near future and intend to hand over the possession of the premises to the owner along with fixtures to the building.</li> <li>The applicant submitted that these fixtures cannot be dismantled on vacating the premises and these fastened assets would be handed over to the building owner in "as is where is" condition without any consideration charged for the assets handed over. The following questions have been arised- Whether the royalty paid in respect of Mining Lease can be classified as "Licensing services for Right to use minerals including its exploration and evaluation falling under the heading 9973 attracting GST at the same rate of tax as applicable on supply of like goods involving transfer of title in goods? Answer- The royalty paid in respect to Mining Lease is a part to consideration payable for the licensing service for right to use minerals including exploration and evaluation falling under head 9973 which is taxable at a rate 18% on supply like goods involving transfer of title in goods The statutory contribution made to District Mineral Foundation (DMF) and National Mineral Exploration Trust (NMET) as per MMDR Act, 1957 are part of consideration payable for the licensing service for right to use minerals including including exploration and evaluation Whether statutory contributions made to District Mineral Foundation (DMF) and National Mineral Exploration Trust (NMET) as per MMDR Act, 1957 amounts to "Supply" and whether the same is liable for GST under reverse charge. Answer- The liability to pay tax is on the recipient on RCM basis</li> </ul>
Springer Nature Customer Service Centre GmbH	OIDAR services Provider (Karnataka AAR)	KAR/AAR/70/2019-20 dated 23.09.2019	<ul style="list-style-type: none"> <li>The Applicant is a provider of OIDAR services</li> <li>The applicant is a part of Springer Nature Group (SNG or the Group). The Group is a leading publisher of scientific, technical and medical content (the content or Group's / SNG's content).</li> <li>The applicant is one of the two sales services entities within SNG.</li> <li>It enters into sales contracts with customers. Furthermore, it performs (or arranges for) sales and marketing, customer service, warehousing and deliveries of books and journals to customers.</li> <li>The Sales Service entities invoice the customers and, after deduction of a commission fee, subsequently transfer the revenue to the Publisher entities within SNG.</li> </ul> <p>Whether the applicant is required to charge GST on supply of OIDAR services to "only" unregistered persons in India in view of compulsory or mandatory registration and return filing requirement as per section 24(xi) of CGST Act, Rule 64 of CGST Rules and GST Flyer issued by Directorate General of Taxpayer Services, CBIC?</p> <p>Answer - The applicant has to charge GST on the supplies of OIDAR services made to unregistered persons in taxable territory for the purposes other than commerce, industry, business or profession.</p> <p>If response to the above is 'No', whether the applicant is required to charge GST on supply of OIDAR services to Government, Local Authority, Governmental Authority and an individual irrespective of their GST registration status?</p> <p>Answer - The applicant is not required to charge GST on the OIDAR services made to Government, Local Authority, Governmental Authority and an individual, if they are registered persons.</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p>Whether the purpose for which OIDAR services are to be used by a recipient in India shall also determine whether GST has to be charged by the applicant or not irrespective of the category of recipient? In other words, if any service recipient is using applicant's OIDAR services for commerce, industry or any other business or profession in India, the applicant will not be required to charge GST.</p> <p>Answer - The applicant is not required to charge GST on the OIDAR supplies made to a person in the taxable territory who receives the same for the purpose of commerce, industry or any other business or profession.</p> <p>Whether it is adequate for the applicant to obtain written confirmation from recipient of its OIDAR services in order to:</p> <p>a. Determine their respective category in terms of section 2(16) of IGST Act, i.e. whether the customer is covered in the category of Government, Local Authority, Governmental Authority, etc.</p> <p>b. Accept recipient's claim to exemption under GST Law, eg. exemption allowed to eligible educational institutions from GST on procurement of electronic journals/ periodicals in terms of Notification No.2/2018-Central Tax (Rate)/</p> <p>The burden of proving that the OIDAR services received by an unregistered person were for purposes other than commerce, industry or any other business or profession lies with the applicant.</p>
Knowlarity Communications Pvt. Ltd.,	Telecommunication Service (Karnataka AAR)	KAR/AAR/62/2019-20 dated 20.09.2019	<ul style="list-style-type: none"> <li>The applicant states that he is engaged in the business of providing cloud telephony internet based communication solutions to its customers in different States of India</li> <li>The Company, in order to save itself from losing the amount of input tax credit of intra-State Karnataka GST, which is charged by the telecom operators on Company in the state of Karnataka, has got itself registered under the GST Law in the State of Karnataka.(H.Q of company in Haryana) The effective date of registration is 01.04.2018.</li> <li>The Company received certain input invoices of goods or services procured by its office located in the State of Karnataka. These invoices were issued during July 1st, 2017 to March 31st, 2018. The following question has been arised-</li> </ul> <p>Whether or not a registered person under the Goods and Services Tax Act, 2017 can claim eligible input tax credit of goods and services tax paid on input invoices of goods or services procured or availed by a registered person before its effective date of registration under GST, where such inputs are eligible input credits and for the purpose of furtherance of business?</p> <p>Answer - The applicant is not eligible to claim input tax credit of the tax paid on input invoices of goods or services procured or availed by a registered person before its effective date of registration under GST. Further, in case of inputs being goods, the applicant is only eligible to claim input tax credit of the tax paid on such goods (inputs) lying in stock on the day previous to the effective date of registration, which are intended to be used in the course or furtherance of business, subject to other conditions and restrictions prescribed in the GST Act and in Rule 40 of the CGST Rules, in case the application for registration has been filed within thirty days from the date on which the applicant became liable for registration under the Act.</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

Jairaj Ispat Limited.,	Iron Manufacturer (Karnataka AAR)	KAR/AAR/60/2019-20 dated 20.09.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in process of manufacturing Sponge Iron and in the process Char- Dolochar/Dolochar emerges as waste products. . The following question has been arised- Whether the Char-Dolochar / Dolochar (waste emerged during the process of manufacturing Sponge Iron) supplied by him is classifiable under (i) Tariff Item 2621 90 90 of Customs Tariff Act, 1975 and therefore, in view of Entry 30 of Schedule III of Notification 01/2017- Integrated Tax (Rate) dated 28 June 2017 as amended from time to time, attract a levy of 18%. Or (ii) Tariff Item 2701 20 90 of Customs Tariff Act, 1975 and therefore, in view of Entry 158 of Schedule I of Notification 01/2017- Integrated Tax (Rate) dated 28 June 2017 as amended from time to time, attract a levy of 5%?. Answer - The Char-Dolochar/Dolochar (waste emerging during the process of manufacturing Sponge Iron) supplied by the Applicant is classifiable under Tariff Item 26190090 of Customs Tariff Act, 1975 and therefore, in view of Entry 28 of Schedule III of Notification 01/2017- Integrated Tax (Rate) dated 28 June 2017, attract tax at the rate of 18 percent IGST. The intra-State supply of the same would attract GST at 18%</li> </ul>
Poppy Dorothy Noel	Lodging Service (Karnataka AAR)	KAR/AAR/59/2019-20 dated 20.09.2019	<ul style="list-style-type: none"> <li>The applicant states that she is in the business of providing accommodation services to various corporates in Bengaluru and they include certain SEZ Units. However, "The Pommels" is located in Kalyannagar, Banaswadi which is outside the SEZ Zone.</li> <li>he applicant is providing accommodation services to the SEZ Unit employees for which the SEZ Unit had advised them to raise invoices with IGST at 0% as per section 16 of the IGST Act, 2017.</li> </ul> <p>The following question has been arised- Whether the IGST at 0% is applicable for the invoices raised to the SEZ Units, even if the accommodation services were rendered outside the SEZ Zone?</p> <p>Answer - The supply of accommodation services to the SEZ Units is an inter-State supply under clause (b) of sub-section (5) of section 7 of the Integrated Goods and Services Tax Act, 2017 and if it is for (a) authorized operations, then it is covered under "zero-rated supplies" under Section 16(1) of the Integrated Goods and Services Tax Act, 2017 (b) non-authorised operations, then it would be not covered under "zero-rated supplies" under Section 16(1) of the Integrated Goods and Services Tax Act, 2017 and hence liable to tax at 18% IGST with the place of supply being the provision of such services.</p>
Humble Mobile Solutions Pvt. Ltd.,	Technology Service Provider (Karnataka AAR)	KAR/AAR/58/2019-20 dated 19.09.2019	<ul style="list-style-type: none"> <li>The applicant states that he operates a technology based electronic platform service called "DriveU" which seeks to provide drivers on demand to customers who wish to obtain the services of a driver.</li> </ul> <p>The following question has been arised- Whether the applicant is liable to pay tax for supply of services by another person through the e-commerce platform operated by the applicant?</p> <p>Answer - The applicant is not liable to pay tax for the supply of services by drivers through the e-commerce platform operated by the applicant, but he is liable to pay tax on the services provided to the drivers. Further, the applicant is liable to collect tax under section 52 on the net value of taxable supplies made by the drivers through it where the consideration with respect to such supplies is to be collected by the applicant.</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

GDC Dimension Data Pvt. Ltd.	Technology Service Provider (Karnataka AAR)	KAR/AAR/57/2019-20 dated 19.09.2019	<ul style="list-style-type: none"> <li>The applicant is a 100% subsidiary of Dimension Data Asia Pacific Pte Ltd based in Singapore. The ultimate parent company is NTT, a company incorporated and listed in Japan.</li> <li>The Company has been set up in Milestone Buildcon IT SEZ in Bangalore</li> <li>The applicant is engaged in providing IT Technical and Support Services and IT Managed Services to its group entities located outside India. The following question has been arised- What is the correct Service Accounting Code (SAC) for the services mentioned below in terms of Notification No.11/ 2017 – Central Tax (Rate) dated 28th June 2017? a. IT Support Services b. IT Managed Services Answer - As per the terms of Notification No. 11/ 2017 – Central Tax (Rate) dated 28th June 2017 – 1. The IT Support services provided by the applicant are covered under the Service Code 998313. 2. The IT Managed services provided by the applicant are covered under the Service Code 998316</li> </ul>
McAfee Software (India) Pvt. Ltd	Software Product Service (Karnataka AAR)	KAR/AAR/56/2019-20 dated 19.09.2019	<ul style="list-style-type: none"> <li>The applicant states that he is a subsidiary of McAfee (Singapore) Pte. Ltd, which is inter alia engaged in the sale of security software products and services. In relation to the business of McAfee (Singapore) Pte Ltd (McAfee Singapore”) the applicant has entered into Marketing Services Agreement to provide marketing support services. The following questions have been arised- Whether the marketing service provided by the application is taxable under the GST provisions and if yes, what is the SAC and the applicable rate of tax? Answer - The services supplied by the applicant to McAfee Singapore are covered under the SAC 998599 (if not treated as Export of Services) a. Under the CGST Act – are covered under the sub-entry no. (ii) of Entry No. 23 of Notification No. 11/2017 – Central Tax (Rate) dated 28-06-2017 attracting a tax of 9% under CGST Act. b. Under the SGST Act – are covered under the sub-entry no. (ii) of Entry No. 23 of Notification (11/2017) No. FD 48 CSL 2017 dated 28-06-2017 attracting a tax of 9% under KGST Act. c. Under the IGST Act- are covered under the sub-entry no. (ii) of Entry No. 23 of Notification No. 08/2017 – Integrated Tax (Rate) dated 28-06-2017 attracting a tax of 18% under IGST Act. Is that the services are not “intermediary” services. Answer - The services provided by the applicant are in the nature of services supplied by an intermediary.</li> </ul>
Fulcrum Info Services LLP	Back-end support services (Karnataka AAR)	KAR/AAR/55/2019-20 dated 19.09.2019	<ul style="list-style-type: none"> <li>The applicant is in the business of providing back-end support services to its various clients.</li> <li>As a part of its business, the applicant has entered into a Trade Compliance Services (“the agreement”) with Juniper Networks Inc., an entity located in the USA which lays down terms of various services to be provided by the applicant. The following questions have been arised- Whether the back-end support services provided by the applicant to the Juniper Inc. under the agreement would be classified as ‘Support Services’ under the Tariff Heading 9985 of Notification 11/2017 – Central Tax (Rate) dated 28.06.2017? Answer - The back-end support services provided by the applicant to the Juniper Inc under the agreement is classifiable as “Support Services” under the Tariff Heading 9985 of Notification No.11/2017 – Central Tax (Rate) dated 28.06.2017 and more specifically under the Service Code 998599. Whether the services in question would be treated as Intermediary</li> </ul>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p>services or not?  Answer - The services in question are not Intermediary Services for the reasons explained</p>
Parker Hannifin India Pvt. Ltd	Filter Manufacturer (Karnataka AAR)	KAR/AAR/54/2019-20 dated 19.09.2019	<ul style="list-style-type: none"> <li>• The Applicant is engaged in the manufacture of various type of filters viz., air filter, oil filter, fuel filter etc which are custom manufactured for Indian Railways as per the design specifications provided by Indian Railways itself.</li> <li>• Separately, applicant is proposed that going forward the applicant may receive order through an intermediary/ distributor.</li> <li>• Hence, the eventual supply of goods shall be to Indian Railways but through the intermediary or distributor implying that the immediate customer for the Applicant would be the intermediary or distributor instead.</li> <li>• The modus operandi of the transaction in such instance would, however, not alter. The goods would continue to be manufactured basis express design and specification received by the distributor from Indian railways and shared with the Applicant and that, the manufactured product would still be solely and principally used as a part in the railway/ locomotives. The following questions have been arisen-</li> </ul> <p>Whether filters manufactured solely and principally for use by/ in Indian Railways and supplied directly to Indian Railways are classifiable under HSN Heading 8421 or under HSN Heading 8607 of the Customs Tariff (which has been borrowed for classification purposes under GST regime)?</p> <p>Answer - The filters are classifiable under HSN Heading 8421.</p> <p>Whether the aforementioned classifications of subject goods i.e. filter alter if identical goods are supplied to a distributor instead of Indian railways directly, and the distributor in turn effects supply to Indian railways?</p> <p>Answer - The classification of the goods shall not alter on account of supply by distributor to Railways.</p>

# ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

V.S.T Tillers Tractors Ltd.,	Manufacturer of Tractors and Tillers. (Karnataka AAR)	KAR/AAR/53/2019-20 dated 19.09.2019	<ul style="list-style-type: none"> <li>The applicant is a registered dealer under the GST Act, 2017 engaged in the manufacture and marketing of Tractors and Tillers. These products exclusively used in the farm sectors for various agricultural activities. The following questions have been arised- Whether the applicant is right in classifying certain components, spares and accessories with HSNs under reference applicable to Tractors, Tillers and other farm equipments though such goods are sold to them under different HSNs attracting peak rate due to certain constraints. Answer - Parts of the tillers are classified under HSN Code 8432 90 90 if the same are not excluded by way of Section Notes, Chapter Notes, Heading Notes or Sub-heading Notes to the Custom Tariff Act or by any other exclusions as discussed in para 7.5. The parts, components and accessories of tractors as listed in the question 2 of the application, which are either embossed with Brand name or Drawing number or exclusive Part number of the applicant and which are exclusively manufactured for the usage as inputs in the manufacture of tractors are taxable under CGST Act at 9% in terms of notification No. 19/2017- Central tax dated 18-08-2017 subject to the condition that the same are "for tractors". Similar notification to the effect is also issued under the Karnataka Goods and Services Tax Act, 2017 taxing the same under KGST Act at 9%. The same are liable to tax under the IGST Act at 18%.</li> </ul>
Hatsun Agro Product Ltd	Producer of dairy products (Karnataka AAR)	KAR/AAR/68/2019-20 dated 21.09.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in the business of producing and marketing of dairy products</li> <li>The applicant operates under brands namely "ARUN" and "IBACO" in the Ice Cream segment, "AROKYA" in milk and curd segment, and "HATSUN" in Curd, Skimmed Milk Powder, Dairy Whitener, Ghee, Butter, Paneer, Lassi and flavoured Milk and "SANTOSA" in Cattle Feed and "OYALO" in Pizza, and all their brands are leading brands in South India and enjoy continued patronage from the customers for more than three decades.</li> <li>The applicant further submits that IBACO outlets are air conditioned. In these outlets the applicant ensures proper festive ambience to the customers. The following questions have been arised- Whether the supply of ice creams, chocolates, ice cream cakes, and pizza cakes in an IBACO outlet can be classified as a composite supply defined under section 2(30) of the CGST Act, 2017 and section 2(30) of the KGST Act, 2017, wherein the principal supply is the supply of goods namely the ice cream and other products while the services supplied namely the air conditioned place, place to sit, the service of mixing various ice creams being naturally bundled in the ordinary course of business? Answer - The ice creams, chocolates, ice cream cakes and pizza cakes made as per the orders of the customers and served in IBACO outlet qualifies as composite supply under section 2(30) of the CGST Act and section 2(30) of the Karnataka Goods and Services Tax Act, 2017. Whether the said supply will be covered under serial no. 6(b) of schedule II of CGST Act and serial no. 6(b) of Schedule II of Karnataka GST Act? Serial no.6(b) deems the following composite supply as supply of service; Answer - The said composite supply shall be deemed to be a supply of service as per the entry 6(b) of Schedule II to the CGST Act and entry 6(b) of Schedule II to the KGST Act. Whether the said supply will be classified under chapter "9963" and chargeable to 5% GST rate in accordance with serial no. (ii) of Notification No. 46/2017 dated 14.11.2017 – Central Tax (Rate) read with serial no. 7(iv) of Notification No.11/2017 dated 28.06.2017 and similar notification under KGST Act? Answer - The above supplies are classified under chapter "9963" and</li> </ul>

# ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			chargeable to tax at a rate of 2.5% subject to the conditions under CGST Act, 2017 as per entry no. 7(i) of Notification No. 11/2017- Central Tax (Rate) dated 28.06.2017, as amended by Notification No. 46/2017 – Central Tax (Rate) dated 14.11.2017 from 14.11.2017 and at a rate of 2.5% subject to the conditions under KGST Act, 2017 as per entry no. 7(i) of Notification (11/2017) No.FD 48 CSL 2017 dated 28.06.2017 as amended by Notification (46/2017) No. FD 48 CSL 2017 dated 14.11.2017 from 14.11.2017.
West Coast Paper Mills Ltd.	Paper Manufacturer (Karnataka AAR)	KAR/AAR/67/2019-20 dated 21.09.2019	<ul style="list-style-type: none"> <li>The applicant states that he is in the business of manufacture of paper and is purchasing wood for pulping in the process of manufacture of paper and paper boards.</li> <li>The applicant states that the company is manufacturing paper and paper boards and wood meant for pulping is purchased from farmers. The wood purchased from farmers is being grown in their agricultural land. The following question has been arised- What is the rate of GST applicable on following types of Wood meant for pulping? (i) Debarked Eucalyptus Wood (ii) Debarked Acacia Wood (iii) Casuarina Wood (iv) Subabul Wood</li> </ul> <p>Answer - The pulpwood supplied to the applicant is covered under the HSN 4403 and is liable to tax at West Coast Paper Mills At 9% under the CGST Act as per entry no.134 of Schedule III to the Notification No.01/2017 – Central Tax (Rate) dated 28.06.2017. At 9% under the KGST Act as per entry no.134 of Schedule III to the Notification (01/2017) FD 48 CSL 2017 dated 29.06.2017 At 18% under the IGST Act as per entry no.134 of Notification No. 01/2017 – Integrated Tax (Rate) dated 28.06.2017.</p>
Naren Rocks and Mines Private Limited	Mining Industry (Karnataka AAR)	KAR/AAR/65/2019-20 dated 21.09.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in the business of developing, owning, hiring, leasing or otherwise acquiring or disposing off any rights in any mines, stone quarry lands, and exploring, drilling, processing etc., of all types of products derived from such mines and stone quarry lands. The applicant is quarrying building stones and sells it to the customers.</li> </ul> <p>Whether royalty payments in respect of quarrying /mining lease as per the MMDR Act read with the KMMC Rules would amount to supply of goods or service under the Central Goods and Service Tax Act, 2017 (CGST Act) and the Karnataka Goods and Service Tax Act, 2017 (KGST Act)?</p> <p>Answer - The royalty paid in respect of Mining Lease is a part of the consideration payable for the Licensing services for right to use minerals including exploration and evaluation falling under the Head 9973. Where it is clarified that quarrying /mining royalty is taxable under CGST Act, whether royalty payment in respect of quarrying/mining lease as per the MMDR Act read with KMMC Rules is in the nature of “Licensing services for the right to use minerals falling under the heading 9973 attracting GST at the same rate of tax as applicable on supply of like goods involving transfer of title in goods or renting of immovable property under the heading 9972 attracting GST at the rate</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p>of 18% or residual entry “other services nowhere else classified-999799?</p> <p>Answer - The royalty paid in respect of Mining Lease is a part of the consideration payable for the Licensing services for right to use minerals including exploration and evaluation falling under the Head 9973, which is taxable at the rate applicable on supply of like goods involving transfer of title in goods up to 31.12.2018 and taxable at 9% CGST and 9% SGST from 01.01.2019, under the residual entries of Serial No.17 of the Notification No.11/2017-Central Tax dated 28.06.2017 as amended by Notification No. 27/2018 — Central Tax (Rate) dated 31-12-2018.</p> <p>Applicability of GST and reverse charge implication on contributions to DMF as per the MMDR Act read with KDMF Rules.</p> <p>Answer - The statutory contribution made to District Mineral Foundation (DMF) as per MMDR Act, 1957 is also part of the consideration payable for the Licensing services for right to use minerals including exploration and evaluation.</p>
Rajendran Santhosh	Manufacturer and Distributor transformer (Karnataka AAR)	KAR/AAR/64/2019- 20 dated 20.09.2019	<ul style="list-style-type: none"> <li>The Applicant is an individual stated to be an employee of an overseas company engaged in business of manufacturing and selling various categories of distribution transformer components and accessories. The following questions have been arised- Whether the services provided by the applicant to M/s H-J Family of Companies amount to or result in a supply of services or both, within the meaning of that term?</li> </ul> <p>Answer - The services provided by the applicant to M/s H-J Family of Companies would result in the supply of services within the meaning of that term.</p> <p>If the above question is answered in the affirmative:</p> <p>i. What is the classification of the services rendered by Mr. Santosh to H-J Family of Companies?</p> <p>Answer - The services provided would be classifiable under HSN 9983.11 under the description “Other professional, technical and business services”</p> <p>ii. Is Mr. Santosh required to be registered under the CGST Act, 2017?</p> <p>Answer - The applicant is required to be registered under the Central Goods and Services Tax Act, 2017</p> <p>iii. What is the liability of Mr. Santosh to pay tax on the services rendered by him to H-J Family of Companies?</p> <p>Answer - The rates of tax applicable for the service is 18%</p> <p>iv. What is the time and value of the supply of services rendered by Mr. Santosh to H-J Family of Companies?</p> <p>Answer - The time of such supply would be determined as per the provisions of sub-section (2) of section 13 of the CGST Act, 2017 and the value of such supply would be the amount received by the applicant from the recipient of services and also includes the amounts reimbursed to the applicant by the recipient of services for the expenses incurred.</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

Toyota Tsusho India Private Ltd	Trader (Karnataka AAR)	KAR/AAR/52/2019-20 dated 18.09.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in purchasing goods such as Motor Cars, Automobile Parts, Chassis fitted with engines and parts and accessories from registered domestic suppliers on which full GST at applicable rates is being charged, and exporting the same under Legal Undertaking ("LUT") without payment of IGST.</li> <li>The applicant is availing input tax credit (ITC) on such purchases along with input services and capital goods.</li> <li>The applicant now proposes to undertake both the following activities               <ol style="list-style-type: none"> <li>Export on payment of applicable IGST</li> <li>Procurement at concessional rate of GST @ 0.10% under merchant export scheme. The following questions have been arised-</li> </ol> </li> </ul> <p>Whether the restriction introduced by Notification No. 3/2018 - Central tax (later substituted by Notification No.39/2018- Central Tax dated 04.09.2018 retrospectively from 23.10.2017) on claiming refund of IGST paid on export of goods by inserting Rule 96(10) is applicable only on such export of goods for which corresponding inward supplies were procured at a concessional rate of 0.10% GST under Notification No. 40/2017- Central Tax (Rate), thereby holding that such restriction on IGST refund does not apply on export of goods which were procured on full payment of GST?</p> <p>Alternatively, whether the above restriction prohibits refund of IGST paid in its entirety even on such exports where the goods have been procured on payment of full rate of GST by the person who procures only a small quantity of goods at concessional rate of 0.10% GST under Merchant Export Scheme as provided under Notification No. 40/2017- Central Tax (Rate)?</p> <p>Answer -The persons who have procured goods by utilising the benefit of Notification No. 40/2017 - Central Tax (Rate) dated 23.10.2017 are not to claim refund of the IGST paid on exports as per Rule 96(10) of the CGST Rules 2017 right from 23.10.2017, irrespective of the other transactions made by such person.</p>
Yashaswini Enterprises	Works Contract (Karnataka AAR)	KAR/AAR/51/2019-20 dated 18.09.2019	<ul style="list-style-type: none"> <li>The applicant is into business of drilling bore wells and are pursuing work order issued by M/s. Dr. B R Ambedkar Development Corporation Limited, Schedule Tribes Welfare Department, Karnataka</li> <li>After execution of the above work, the goods passed on are PVC casing pipes and Collar. The cost of these components is very minimum (approximately less than 5% of the total contract value per bore Well).</li> <li>The applicant submits that their transaction, relating to execution of the aforesaid work order, is covered under article 243G of the Constitution, their supply is meant to the Government Entity. The following questions have been arised-</li> </ul> <p>Whether the transaction of the applicant relating to execution of the works contract pertains to energised borewells is it covered under article 243G of the Constitution, their supply is meant to the Government Entity and hence it is exempted under Sl.No.3A of Notification No. 2/2018 - Central Tax (Rate) dated 25/01/2018. Thus the applicant contends that their activity / service is taxable at NIL rate or not ?</p> <p>Answer - The composite supply of energized bore wells to the recipients being Government entities as explained by the applicant is covered under the entry no. 3A of the Notification No. 12/ 2017 - Central Tax (Rate) dated 28.06.2017 as amended by the Notification No.2 /2018 - Central Tax (Rate) dated 25.01.2018, for the reasons enumerated above.</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

S.K. Aagrotechh	Pooja oil Manufacturer (Karnataka AAR)	KAR/AAR/49/2019-20 dated 18.09.2019	<ul style="list-style-type: none"> <li>The Applicant is a Partnership firm and is a wholesale dealer in edible oils</li> <li>The applicant, as part of their business manufacture "Pooja Oil", which is primarily a mixture of rice bran SK Aagrotechh sesame oil (gingelly oil), coconut oil and mahua oil. A small quantity of fragrance also is mixed only for giving fragrance. The following questions have been arised-</li> </ul> <p>Whether "Pooja oil" can be classified under tariff item 1518 of Schedule-I (taxable at 5%.) or Schedule-II (taxable at 12%) of Notification No.01/2017-CT(R) dated 28.06.2017, as amended from time to time?</p> <p>Answer - The "Pooja Oil", classified under tariff heading 1518, being inedible mixture gets covered under entry number 27 of Schedule - II of the Notification No.01/2017-CT (R) dated 28.06.2017, as amended, and hence is taxable at 6% under CGST Act, 6% under KGST Act and 12% under the IGST Act.</p>
Sri Venkateshwara Enterprises	Printing Business (Karnataka AAR)	KAR/AAR/48/2019-20 dated 18.09.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in printing business</li> <li>The applicant got the order for printing text books from Karnataka State Pre- University Board through Tender</li> <li>he PUC Board supplies the content on a DVD/CD which is copyright protected for which royalty is paid by the applicant.</li> <li>The materials for printing belong to the applicant.</li> <li>The printing is done on a job work basis and once the printing is done, the text books are supplied to various authorized resellers of the text books across the State. The following questions have been arised-</li> </ul> <p>Whether the printed text books for PUC Board classifiable under HSN Code 4901 1010 supplied to resellers is exempt from the payment of CGST and SGST?</p> <p>Answer - The printed text books, classifiable under HSN Code 4901, supplied to re sellers are covered under Entry No. 119 of Notification No.02/2017 — Central Tax (Rate) dated 28.06.2017 and are exempt from the payment of CGST and SGST.</p> <p>What is the applicable rate of CGST and SGST on printing and binding of brochures, books, calendars, pamphlets on job work basis to the Government authority and other printers?</p> <p>Answer - The printing and binding of brochures, printed books and pamphlets, on a job work basis attracts 2.5% CGST and 2.5% SGST under clause (ii) of entry no.26 of Notification No.11/2017 — Central Tax (Rate) dated 28.06.2017 as amended by Notification NO. 20/2017 — Central Tax (Rate) dated 22.08.2017 whereas printing and binding of calendars attracts 6% CGST and 6% SGST under clause (ia) of Entry No. 26 of Notification No.11/2017 — Central Tax (Rate) dated 28.06.2017 as amended by Notification No. 31/2017 — Central Tax(Rate) dated 13.10.2017.</p> <p>What is the applicable rate of CGST and SGST on binding of diary, catalogues and books on job work basis?</p> <p>Answer - The binding of Diary, Catalogues and Books carried out on job work basis attracts CGST @ 9% and SGST @ 9% under clause (iii) of Entry no. 26 of Notification No.11/2017 — Central Tax (Rate) dated 28.06.2017 as amended by Notification No.31/2017 — Central Tax (Rate) dated 13.10.2017.</p> <p>What is the applicable rate of CGST and SGST on printing and supply of text books and work books to the State Government for onward supply to schools?</p> <p>Answer - The printing of textbooks and workbooks and supplied back to State Government across the state attracts CGST @ 6% and SGST @ 6% under clause (i) of entry no.27 of Notification No.11/2017 — Central Tax</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p>(Rate) dated 28.06.2017 as amended by Notification No.31/2017 — Central Tax (Rate) dated 13.10.2017.</p> <p>Whether the printing and supply of periodicals and magazines referred in HSN code 4901 exempt from payment of GST?</p> <p>Answer - The printing and supply of periodicals and magazines to the Government Departments attracts CGST@ 6% and SGST@ 6% under clause (i) of entry no.27 of Notification No. 11/2017 — Central Tax (Rate) dated 28.06.2017 as amended by Notification No.31/2017 — Central Tax (Rate) dated 13.10.2017.</p>
Vaishnavi Splendour Home Welfare Owners Association	Welfare Association (Karnataka AAR)	KAR/AAR/47/2019-20 dated 17.09.2019	<ul style="list-style-type: none"> <li>The applicant is an Association of Persons and is distinct from its members.</li> <li>The Association is receiving consideration for the supply of services. The following questions have been arisen-</li> </ul> <p>Whether the applicant is liable to pay CGST and SGST on the amount of contribution received from its members?</p> <p>Answer - YES</p> <p>If the answer to (i) above is “yes”, whether it can avail the benefit of Notification No.12/2017 dated 28-6-2017 (Sl. No. 77) read with Notification No.2/2018 dated 25-1-2018 which provide for exempting from tax, the value of supply up to an amount of Rs. 7,500 per month per member ?</p> <p>Answer – The benefit of Exemption would be available maintenance charges per member does not exceed Rs 7500 otherwise entire amount would be taxable</p> <p>If the answer to (ii) above is “yes”, whether it is required to restrict its claim of input tax credit ?</p> <p>Answer – The applicant can claim ITC on inward supplies subject to restriction as per section 17(2) of CGST Act read with rule 42</p> <p>Whether the applicant is liable to pay CGST/SGST on amounts which it collects from its members for setting up a corpus fund</p> <p>Answer -NO</p>
Pattabi Enterprises	Printing Business (Karnataka AAR)	KAR/AAR/46/2019-20 dated 17.09.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in printing the content supplied by the recipient using their own physical inputs including paper, ink etc.</li> <li>Since there is involvement of rights to stay in the temple precincts attached to the card and other involvement of privileges and can only be issued by the recipient of supply of ‘Access Cards’, the same is to be treated as Composite supply with the supply of services being the principal supply. The following questions have been arisen-</li> </ul> <p>Whether ‘Access Card’ printed and supplied by the applicant i.e. Pattabi Enterprises based on the contents provided by their customers is rightly classifiable under HSN code 4901 10 20 under the description brochures, leaflets and similar printed matter whether or not in single sheet.</p> <p>Whether ‘Access Card’ printed and supplied by the applicant i.e., Pattabi Enterprises based on the contents provided by their customers is rightly classifiable under HSN code 4901 10 20 under the description brochures, leaflets and similar printed matter whether or not in single sheet and attracts GST rate of 5% in case of IGST and 2.5% CGST and 2.5% SGST in case of Intra State supplies. Vide Notification No. 1/2017-</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p>CT (Rate) Sl.No. 201 &amp; 1/2017-IT (Rate) Sl.No.201 dated. 28.06.2017 and SGST/UTGST Notifications.</p> <p>Answer - The supply of 'access cards", and similar material printed by the applicant with the contents supplied by the recipient of supply are classifiable under SAC 9989 and liable to tax under CGST at 9% , KGST at 9% and at 18% under the IGST Act.</p>
Intek Tapes Private Limited		KAR/AAR/44/2019-20 dated 17.09.2019	
Maxwell Electrical Engineers	Works Contract (Karnataka AAR)	KAR/AAR/43/2019-20 dated 17.09.2019	<ul style="list-style-type: none"> <li>The applicant the applicant is principal contractor and has been awarded contract works by the Government Entities , Bengaluru Electrical Supply Company Limited and government sponsored scheme of Ganga Kalyana and water supply installations through turnkey projects for supply, erection, testing, commissioning of transmission of 11 KV HT/ LT lines and also erection of 25 KVA transformer.</li> <li>Recipient of supply is actively engaged in commerce, business and trading of Electricity.</li> <li>On this count the composite works carried out by the applicant for the said Corporation are predominantly meant for trade and commerce. The following questions have been arised- Whether the rate of tax specified in entry Sl No 3 (vi) (a) of notification 11/2017-CGST (Rate) as amended till date is applicable for the aforesaid service as a main contractor or the rate of tax specified in Entry Sl. No. 3 (ix) of 11/2017 –Central Tax (Rate) as amended till date is applicable as a subcontractor</li> </ul> <p>If the rate of tax specified in Entry Sl No 3 (vi) (a) or Sl No. 3(ix) is not applicable, could you please elaborate on the reasons for non applicability and which is the entry of the notification to determined the applicable rate?</p> <p>If the aforesaid notification itself is not applicable, then under which service the activity has to be taxed and at what rate?</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p>Answer - The rate of tax applicable to the composite supply of works contract as defined in clause (119) of Section 2 of the Central Goods and Services Tax Act undertaken by the applicant is to be charged at 9% under the CGST Act and 9% under the KGST Act under item no. (ii) of 81. No. 3 till 28.03.2019 and thereafter at the same rate under item no. (xii) of Sl. No. 3 of Notification No. 11/2017 – Central Tax (Rate) dated 28-06-2017.</p> <p>The amendments to the Notification No. 11/2017 – Central Tax (Rate) dated 28.06.2017 has no effect on the taxability of the transactions of the applicant as the transactions of the applicant are covered under item no. (ii) of Serial No. 3 of the Notification No. 11/2017 – Central Tax (Rate) dated 28.06.2017 till 28.03.2019 and under item no. (xii) of Serial No. 3 of the Notification No. 11/2017 – Central Tax (Rate) dated covered under item no. (vi) of the of Serial No. 3 of the said Notification.</p>
Prestige South Ridge Apartment Owners	Association (Karnataka AAR)	KAR/AAR/42/2019-20 dated 17.09.2019	<ul style="list-style-type: none"> <li>The Applicant is an Apartment Owners Association, registered under Karnataka Apartment Ownership Act 1972</li> <li>The applicant, being an Apartment owners' Association, have been engaged in providing maintenance and repairs of the common area of the apartments &amp; surrounding areas viz. corridors, pathways, gardens, clubhouse, swimming pool, lifts, etc., providing lighting in common area, undertaking periodic up-keep of equipments etc., in the play area, etc. The following questions have been arised- Whether the activity of procuring Goods and Services from third parties for upkeep and maintenance of Apartments and collecting the monies from its members to pay third party vendors is an activity liable to GST?</li> </ul> <p>Answer - The activity of procuring Goods and Services from third parties for upkeep and maintenance of apartments and collecting the monies from its members to pay third parties is an activity liable to GST.</p> <p>If liable to GST, whether the exemption entry no 77 of notification 12/2017 Central Tax (Rate) dated 28.06.2017 apply for maintenance charges collected from members?</p> <p>Answer - The exemption of Rs. 7,500/- in terms of entry no. 77 of Notification 12/2017 – Central Tax (Rate) dated 28.06.2017, as amended, is applicable for maintenance charges collected from members.</p> <p>If exemption is available, whether it is available on per member basis or per flat basis, as some members could have more than one flat?</p> <p>Answer - The benefit of exemption up to Rs 7500/- is applicable on per flat basis, when members have more than one flat.</p> <p>Whether the exemption as per entry no 77 of Notification 12/2017 Central Tax (Rate) is a standard exemption that can be claimed irrespective of amount collected towards maintenance? i.e. if maintenance charges from a member for a month is Rs 10,000/-, whether Rs 10,000/- liable to GST or Rs 2,500/- (Rs 10,000 – 7,500) liable to GST?</p> <p>Answer - The exemption of Rs.7,500/-, in terms of entry no. 77 of Notification 12/2017 – Central Tax (Rate) dated 28.06.2017, as amended, on maintenance charges charged by a Resident Welfare Association (RWA) from. resident is available only if such charges do not exceed Rs.7,500/- per month per member. In case the charges exceed Rs.7,500/- per month per member, the entire amount is tax-able.</p> <p>Whether the electricity charges paid to BESCOM (Electricity supply authority) for the power consumed towards common facilities and separately recovered from members, liable to GST?</p> <p>Answer - The electricity charges paid to BESCOM for power consumed towards common facilities and separately recovered from members is liable to GST as consideration received for the supply of maintenance</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p>services to the members.</p> <p>Whether the Corpus/Sinking Fund collected from members liable to GST?</p> <p>Answer - The Corpus Fund or Sinking Fund collected from members is not to GST, as it amounts to deposits received towards future supply of services to members.</p>
<p>Ansys Software Private Limited</p>	<p>(Karnataka AAR)</p>	<p>KAR/AAR/30/2019-20 dated 12.09.2019</p>	<ul style="list-style-type: none"> <li>• M/s Ansys Software Pvt. Ltd. is a wholly owned subsidiary of M/s Ansys Inc., US .The Applicant is inter-alia engaged in the business of distribution of Ansys software in India, the proprietary right of which lies with the Parent Company.</li> <li>• As a distributor, the Applicant resells the 'right/ license to use' the software to customers in India. Towards this, the Applicant pays GST at applicable rate.</li> <li>• In some cases, customers directly place order for purchase of right/ license to use of the software from Ansys US. In such cases, the Parent Company directly raises invoice to customers and the customer directly pays to the Parent Company.</li> <li>• In such cases the Ansys US engages Ansys India for providing Marketing and Pre-sales technical support services</li> <li>• Further, by means of a separate arrangement, the Parent Company also engages the Applicant for providing technical support services, once the 'right/ license to use' the software is sold to customers in India. The following questions have been arised- Whether Marketing &amp; Pre-Sales Technical Support Services provided by the applicant will be classified as Intermediary services in terms of Section 2(13) of the Integrated Goods and Services Tax Act, 2017? Answer - As regard the Marketing and Pre-sales technical support services, the Applicant is performing all the necessary pre-sales co-ordination work so that the Parent Company can make the supply of the software. Performing the necessary work would amount to facilitation of the supply. And as the Applicant is facilitating the supply of Marketing and Pre-sales technical support services directly by the Parent Company to others, and not making the supply on its' own account, the Applicant would be covered under the definition of 'intermediary'. Whether the Post- Sales Technical Support Services provided by the applicant would be classified as Information Technology Support Services falling under HSN Code 998313? Answer - As regard post sale technical services, the services provided by the Applicant to the Parent Company can be classified under SAC 998313 "Information Technology Consulting and Support Services"</li> </ul>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

S.R.K Ladders	Manufacturer of Aluminium Ladder (Karnataka AAR)	KAR/AAR/29/2019-20 dated 12.09.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in manufacturing of Aluminium Tree Climbing ladder and claims that ladder is being used for agricultural purpose. The following question has been raised</li> </ul> <p>Classification of the goods manufactured by the dealer "Agriculture Tree Climbing Apparatus-Unipole Manually operated" - Principal raw material being Aluminium.</p> <p>Answer -It will be classified under tariff heading 8201 and is covered under entry number 137 of Notification No. 12/2017-Central Tax (Rate) and hence is exempted</p>
Surfa Coats India Private Limited	Interior Designing (Karnataka AAR)	KAR/AAR/28/2019-20 dated 12.09.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in the business of manufacturing of decorative paints for interior designing purpose</li> <li>Pain Industry , specially Small Business men in this sector has to face competition and macro economic factors</li> <li>So the applicant has provided incentive scheme to motivate dealers to uplift their products</li> <li>The applicant states that they used to get the ITC and bills from composite dealers for procuring incentive schemes when they are purchased and these items are being used in furtherance of Business , not for sale . The following question has been raised</li> </ul> <p>Whether the applicant is eligible to claim the GST Input tax credit on the items purchased for furtherance of business?</p> <p>Answer - The applicant can not enjoy ITC on inward supplies of goods and services which are attributable to the incentive scheme in form of Goods/Services to the painters and dealers and others under CGST/SGST/IGST Act.</p>
Karnataka co-Operative Milk Producers Federation Limited.kmf	Milk Product Producer (Karnataka AAR)	KAR/AAR/27/2019-20 dated 12.09.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in processing of milk and milk products. The following question has been raised</li> </ul> <p>Whether KMF is liable to deduct GST TDS under section 51 of CGST Act on the payments made to suppliers."</p> <p>Answer - The applicant is not liable to deduct tax at source as per provisions of section 51 of CGST ACT towards payments made to suppliers of taxable goods or services or both, as they are not covered under any of the clauses of Section 51(1) of the CGST / KGST Act 2017.</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

Shri Keshav Cements and Infra Limite	Cement Manufacturer (Karnataka AAR)	KAR/AAR/26/2019-20 dated 12.09.2019	<ul style="list-style-type: none"> <li>• The applicant is engaged in the business of manufacturing of cement.</li> <li>• The applicant has received a license to set-up and produce electricity vide</li> <li>• the applicant has been authorised to set-up a renewable energy based Solar Electric Power Plant of 20MW capacity for power generation and captive</li> <li>• The Applicant, for the purpose of setting up the power plant, has purchased the following inputs/ capital goods such as Solar Power Panels, Transformers, electrical meters, wiring ex, installations and performed civil works for the foundation of these items.</li> <li>• The applicant has entered into a Wheeling and Banking agreement with Karnataka Power Transmission Corporation Limited (KPTCL). The following questions have been arised-  Whether the company is eligible to take input tax credit as 'inputs/capital goods' or 'input services' of the items enlisted in Annexure-4 of this application in terms of Section 16 and 17 of the CGST/ KGST/ IGST Act? Additionally, whether the capital goods and inputs constitute plant and machinery of the Applicant which are used in the business of Manufacturing Cement and hence not blocked input tax credit under section 17(5) of the CGST/ KGST/ IGST Act?  Answer - Goods, the value of which has been capitalized in the books of account would not be considered as inputs and the applicant will not be entitled to credit of input tax in relation to such goods. From the list of the goods given in Annexure 4 to the application it cannot be inferred as to where capitalization has been done. Therefore in respect of each and every entry of the annexure specific order cannot be made. Therefore the applicant is entitled to input tax credit in respect of goods other than capital goods. In respect of the second part of the question it is Ruled that only those apparatus, equipment, and machinery which are fixed to earth by foundation or structural support alone arc entitled to qualify as plant and machinery. Therefore the goods answering to this definition alone shall be qualified to be treated as 'plant and machinery'. In respect of other goods provisions of Section 17(5)(c) shall apply and credit of input tax shall not be available.  Whether the Applicant Company is permitted to avail the entire input tax credit of the enlisted items in Annexure 4 of this application, being used towards the electric energy generated from the captive power plant and transmitted to the cement manufacturing plants which are physically located at distinct locations within the State of Karnataka in terms of section 17(1) and 17(2) of the CGST/KGST/IGST Act and subsequently utilize the same for payment of output tax on cement sold by the Applicant?  Answer - The applicant shall be entitled to the eligible input credits (as decided in question 1) in entirety provided the entire production is captively consumed (emphasis supplied).  Whether the applicant company is required to reverse input tax credit on the electric energy generated by it at its plant and banked with the KPTCL, GESCOM &amp; HESCOM and which is unutilized at the end of six months from the date of banking and is deemed to be consumed by KPTCL, GESCOM and HESCOM at the end of six months?  Answer - The applicant company is required to reverse input tax credit on the unutilized electric energy banked with KPTCL, GESCOM &amp; HESCOM and for which the applicant receives a consideration in terms of the Wheeling and banking agreement as discussed in the preceding paragraphs.</li> </ul>
--------------------------------------	-------------------------------------	-------------------------------------	---

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

Hical Technologies Private Limited	Job Worker (Karnataka AAR)	KAR/AAR/25/2019-20 dated 12.09.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in the supply of goods and services and are basically a job worker. They are proposing to undertake a job work activity for M/s Woodward India Private Limited based on the purchase orders.</li> <li>The job work involves assembly, integration and testing of converters. The following question has been raised</li> </ul> <p>Whether the value of free of cost supplies by the principal is included in the value of supply by the job worker?</p> <p>Answer- The nature of supply done by the applicant is one composite supply consisting of two supplies – one relating to the manufacturing service on the physical inputs (goods) owned by others (Service Accounting Code 9988) and the other relating to supply of non-critical components, with the former being the principal supply. Hence the entire transaction is to be treated as the supply of manufacturing service on the physical inputs (goods) owned by others (Service Accounting Code 9988) and is taxable at the rate applicable to the same at 18%; and The value of the goods provided by WIPL would not form the part of the value of the supply and must be excluded while valuing the supply.</p>
Morigeri Traders	Trading of agricultural products (Karnataka AAR)	KAR/AAR/23/2019-20 dated 12.09.2019	<ul style="list-style-type: none"> <li>The applicant is in the business of rendering service of supplying dry chillies on behalf of farmers to the traders in the Byadgi A.P.M.C. Market, Karnataka, as commission agents.</li> <li>They sell goods on behalf of agriculturist principals (farmers) to the traders, issue invoices to the traders/buyers as prescribed under the APMC Act and also issue sale patties to the agriculturist principals.</li> <li>They collect commission on the services provided to the agriculturist principals from the purchasers and the same is also shown in the invoice issued to the purchasers. The following questions have been raised</li> </ul> <p>Whether the applicant is required to be registered under the GST Act?</p> <p>If the answer to the above question is affirmative, then under which section the Commission Agents are to be registered?</p> <p>Answer- The applicant, being a commission agent, is required to be registered under Section 22(1) of CGST Act 2017, as they qualify to be an agent in terms of para 3 of Schedule I to the CGST Act 2017. This answers question numbers 1 and 2.</p> <p>Whether the notification No.12/2017 – Central Tax (Rate) dated 28.06.2017 as amended and Notification No.9/2017 -Integrated Tax (Rate) dated 28.06.2017 – Serial No. 54(g) issued under section 11 of the CGST Act is applicable to Commission Agents of APMC?</p> <p>If the answer to the above question is negative, then to whom does this Notification No.12/2017 – Central Tax (Rate) dated 28.06.2017 as amended and Notification No.9/2017 -Integrated Tax (Rate) dated 28.06.2017 – Serial No. 54(g) issued under section 11 of the CGST Act is applicable and under what circumstances the aforesaid notification is applicable? e) Whether the Dry Chilly is covered under the definition of agriculture produce?</p> <p>Answer- The services provided by the applicant to the principal are covered under “services provided by a commission agent for sale or purchase of agricultural produce”, which are exempted under entry no. 54(g) of the Notification No. 12/2017 – Central Tax (Rate) dated 28.06.2017 and hence the said Notification is applicable to the Applicant, being the commission agent of APMC, Karnataka. However the supply of dry chillies to the traders under the invoice of the applicant is liable to tax as discussed in Para 6.8 supra. This answers question number 3 and 4.</p> <p>If the answer to the above question is negative, then what kind of produce the dry chilly is? What is the HSN Code of Dry Chilli and what is</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

			<p>the rate of GST on Dry Chilli?</p> <p>Answer- Dry Chillies is covered under the definition of agricultural produce, in terms of definition at para 2(d) of the Notification No. 12/2017 – Central Tax (Rate) dated 28.06.2017.</p>
Bharat Electronics Limited	Govt. Company (Karnataka AAR)	KAR/AAR/21/2019-20 dated 26.08.2019	<ul style="list-style-type: none"> <li>The applicant states that they are a Government of India Enterprise under the Ministry of Defence. The following question has been raised</li> </ul> <p>Whether the various systems, sub-systems and onboard spares supplied by the applicant for use in the Warships, Vessels and Submarines meant for Indian Navy and Shipbuilders, attracts 5% GST?</p> <p>Answer- Various systems, sub-systems and onboard spares supplied by the applicant for use in the Warships, Vessels and Submarines meant for Indian Navy and Shipbuilders (excluding consumables and raw materials) are appropriately covered under sl.no.252 of Notification No.01/2017-Central Tax(Rate) dated 28.06.2017, and accordingly attracts 5% GST.</p>
Antrix Corporation Limited	Govt. Company (Karnataka AAR)	KAR/AAR/19/2019-20 dated 26.08.2019	<ul style="list-style-type: none"> <li>The applicant is a company wholly owned by the Government of India (GOI) and under the administrative control of the Department of Space</li> <li>The applicant is authorized by the Government of India, acting through Department of Space, to conduct a variety of commercial activities. The following questions have been raised</li> </ul> <p>Whether Leasing of Satellite Transponder which is covered under SAC Code 997319 be charged at 5% GST as per HSN Code 8803 – Parts Goods of Heading 8802 (Satellites)?</p> <p>Answer- The service of Leasing of Satellite Transponders, covered under SAC 9973 19, falls under the Entry No.17 (viii) of Notification No. 8/2017-Integrated Tax (Rate) dated 28th June 2017, as amended, and is taxable to GST at the rate of 5% IGST (i.e. 2.5% of CGST and 2.5% of KGST), as applicable on the supply of like goods (transponder – part of communication satellite) involving the transfer of title in goods, covered under 8803 90 00, in terms of Entry no. 245 of the Schedule I of the Notification No. 1/2017 – Integrated Tax (Rate) dated 28th June, 2017, as amended.</p>

## ADVANCE RULING (JANUARY 2019 - DECEMBER 2019)

Strides Emerging Markets Limited	Manufacturer and Seller of Nicotine (Karnataka AAR)	KAR/AAR/18/2019-20 dated 07.08.2019	<ul style="list-style-type: none"> <li>The applicant is engaged in manufacture and sale of product Nicotine Polyacrylamide Lozenge which is used to wean off the withdrawal symptoms associated from the nicotine consumption cessation. The following question has been raised What is the appropriate classification of Nicotine Polacriliex Lozenge (hereinafter referred to as "NCT") manufactured by the Company and rate of tax applicable thereupon under Notification 01/2017-Central Tax (Rate), dated 28-06-2017 Answer- The instant product, Nicotine Polacriliex Lozenge, is rightly classifiable the heading 38.24. Accordingly the product is covered under Serial number 97 of Schedule III to Notification No. 01/2017-Central Tax (Rate) dated 28.06.2017 and attracts GST at the rate of 18% (9% COST, 9% SGST)</li> </ul>
Deputy Conservator of Forests	Forest Department (Karnataka AAR)	KAR/AAR/20/2019-20 dated 26.08.2019	<ul style="list-style-type: none"> <li>The Applicant is a Government Department (Karnataka Forest Department). The following questions have been raised Is it legally correct to infer that the service of "logging" and its components described before do not attract any SGST under the CGST Act, 2017? If not, what is the correct position by law?  In case the trees have grown from "plants" not planted by the Karnataka Forest Department, but that which grew by natural regeneration but were nurtured, managed and protected by the Karnataka Forest Department, does the same nil rate of SGST and CGST apply to them too? If not, what would be the rate?  In case of sale of forest produce or any other goods belonging to Karnataka Forest Department, where the buyer is registered or is based in and transports the goods to outside the State of Karnataka, what should be charged under the CGST Act, 2017, (A) SGST and CGST, or (B) IGST?  In case of sale of forest produce or any other goods belonging to Karnataka Forest Department, where the buyer is registered or is based outside the State of Karnataka, but uses the goods within the State of Karnataka, what should be charged under the CGST Act, 2017? (A) SGST and CGST, or (B) IGST? Answer- The operations of "Sopping" as described in the application would attract tax under the Goods and Services Tax Acts and it is independent of the trees, whether planted by the Forest Department or which grew out of natural regeneration.  The transaction described in the application in Issue No.2, is an intra-State supply and attracts CGST and SGST and is independent of where the goods are taken by the recipient after the supply is completed.</li> </ul>