

ADVANCE RULING IN GST

(APRIL, 2021 – JULY, 2021)

Name of Applicant	Industry	Order No. & Date	Case History
<p>Dubai Chamber of Commerce And Industry</p>	<p>Liaison office of Dubai Chamber of Commerce and Industry formed to represent, support and protect the interests of the Dubai business community in India</p> <p>(Maharashtra Authority of Advance Ruling)</p>	<p>GST-ARA-35/2019-20/B-14 Mumbai, dated 24.05.2021</p>	<p>Facts of the Case: The applicant is a non-profit organization, formed to represent, support, and protect the interests of the Dubai business community in India, by creating a favorable environment, promoting Dubai businesses, and supporting the development of business in India. Under the ambit of RBI norms, Applicant shall undertake below liaison/ representation activities in India;</p> <ul style="list-style-type: none"> ➤ Liaison between India office and Dubai office ➤ Attending and representing DCCI in various seminars, conferences & trade fairs Connecting businesses in India with business partners in UAE and vice versa Organizing events & interactions with Indian stakeholders for sharing information about Dubai <p>No other activity is to be performed by the applicant in India whether with or without any consideration.</p> <p>All expenses incurred by the applicant (predominantly office rent, salaries, consultancy services), are to be reimbursed from DCCI UAE on a cost-to-cost basis. Thus, no consideration is to be charged/ paid for the aforementioned activities.</p> <p>Issues on which Advance Ruling Required</p> <ul style="list-style-type: none"> (i) whether the applicant is required to be registered under the Act (ii) whether any particular thing was done by the applicant with respect to any goods and/or services or both amounts to or results in a supply of goods and/or services or both, within the meaning of that term <p>Views of Maharashtra Authority of Advance Ruling</p> <ol style="list-style-type: none"> 1. The applicant is not a non-profit organization, affecting the supply of services for a consideration for which it has to obtain GST registration and pay applicable GST on its transactions. 2. Further, it added that the applicant calls itself a liaison office. This satisfied one condition of an intermediary — broker, agent, or any person by whatever name called. <p>Conclusion: Maharashtra Authority of Advance Ruling in a matter of Dubai chamber of commerce has ruled that Liaison office of Dubai Chamber of Commerce and Industry formed to represent, support and protect the interests of the Dubai business community in India, by creating a favorable environment, promoting Dubai businesses and by supporting the development of business in India is providing Intermediary services to Dubai HO, chargeable to GST.</p>

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<p>M/s. Thermo Fisher Scientific India Pvt. Ltd.</p>	<p>5% GST on National Centre for Polar and Ocean Research, University of Delhi, Council of Scientific and Industrial Research, CSIR-North East, and Institute of Science & Technology</p> <p>(Maharashtra Authority of Advance Ruling)</p>	<p>GST-ARA- 45/2019-20/B- 15 ,Mumbai, dated 14.06.2021</p>	<p>Facts of the Case: Thermo Fisher Scientific India Pvt. Ltd. supplies scientific and technical instruments and equipment to public funded research institutions, research institutions, universities, Indian Institute of Technology (IIT), departments and laboratories of the Central and State Government.</p> <p>Normally, Applicant imports the said goods & clears the same by</p> <ul style="list-style-type: none"> (i) filing Bill of Entry for Warehouse without payment of assessed customs duty & IGST or (ii) filing Bill of Entry for Home Consumption thereby paying the applicable customs duty and IGST. <p>The said institutions, raise purchase orders on the Applicant for the supply of the said goods, declaring therein that, supplied items will be used for research and development.</p> <p>The applicant sought the advance ruling on the issue of whether Applicant is correct in charging 2.5% CGST and SGST or 5% IGST, as applicable, by applying Notification No.45/2017-C.T. (Rate), Notification No. 45/2017 - S.T.(Rate) and Notification No. 47/2017-I.T.-(Rate) all dated November 14, 2017, on the scientific and technical instruments/ equipment supplied to public-funded research institutions, research institutions, universities, Indian Institute Of Technology, departments and laboratories of the Central and State Government, basis the certificates.</p> <p>Views of Maharashtra Authority of Advance Ruling The Coram of T.Rammani and P.Vinitha Sekhar ruled that the applicant would be correct in charging 5% GST only in 4 cases of National Centre for Polar and Ocean Research, the University of Delhi, Council of Scientific and Industrial Research CSIR-North East, and Institute of Science & Technology where all the conditions mentioned in the impugned Notifications are found be satisfied and the necessary and proper certificates, complete in all ruling respects as mandated by the relevant Notifications have been produced.</p> <p>Conclusion: The Maharashtra Authority of Advance Ruling (AAR) ruled that 5% GST on National Centre for Polar and Ocean Research, University of Delhi, Council of Scientific and Industrial Research, CSIR-North East, and Institute of Science & Technology. The applicant,</p>
<p>M/s. M P Enterprises & Associates Limited</p>	<p>service of operating mini AC buses by the applicant for Brihan Mumbai Electricity Supply Transport Undertaking (BEST) would be subject to</p>	<p>GST-ARA- 37/2020-21/B- 16 ,Mumbai, dated 14.06.2021</p>	<p>Facts of the Case: The applicant, M.P. Enterprises & Associates Limited is a 'supplier' GSTIN, under the provisions of the Central Goods and Services Tax Act, 2017. Brihanmumbai Electric Supply and Transport Undertaking (BEST) floated a Tender dated 24.08.2019, for the operation of stage carriage services for the public transport of 500 mini AC buses in Mumbai and its suburbs. The bid submitted by</p>

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	<p>12% GST under Tariff Heading 9966.</p> <p>(Maharashtra Authority of Advance Ruling)</p>		<p>the applicant was accepted. The applicant entered into an agreement with BEST for the operation of stage carriage services for the public transport of AC minibusses.</p> <p>The applicant sought the advanced ruling on the issue of whether the service of operating mini AC buses by the applicant for Brihan Mumbai Electricity Supply Transport Undertaking (BEST) would be exempt from payment of GST under Tariff Heading 9966 i.e. 'services by way of giving on hire to a state transport undertaking, a motor vehicle meant to carry more than twelve passengers' in terms of Notification No.12/2017-CT(R) dated 28.06.2017 or not? Answered in the negative.</p> <p>The applicant further sought clarification on whether the service of operating mini AC buses by the applicant for BEST would be subject to 12% GST under Tariff Heading 9966 i.e. renting of any motor vehicle designed to carry passengers where the cost of fuel is included in the consideration charged from the service recipient' inserted by way of Notification No.31/2017 dated 13.10.2017? (Amended Notification No.11/ 2017-CT(R) dated 28.06.2017) Answered in the affirmative. However, 12% GST is chargeable only.</p> <p>The applicant also asked that whether the service of operating mini AC buses by the applicant for BEST would be subject to GST @18% under Tariff Heading 9966 i.e. rental service of transport vehicles with or without operators' under Notification No.11/2017-CT(R) dated 28.06.2017.</p> <p>Views of Maharashtra Authority of Advance Ruling The Coram ruled that service of operating mini AC buses by the applicant for Brihan Mumbai Electricity Supply Transport Undertaking (BEST) would not be exempted from payment of GST under Tariff Heading 9966.</p> <p>The AAR ruled that service of operating mini AC buses by the applicant for BEST would be subject to 12% GST under Tariff Heading 9966 with effect from October 13, 2017. The Authority observed that service of operating mini AC buses by the applicant for BEST would be subject to 18% GST under Tariff Heading 9966 with effect from October 13, 2017.</p> <p>Conclusion: The Maharashtra Authority of Advance Ruling (AAR) ruled that 12% GST on service of operating mini AC buses.</p>
<p>Senor General Manager Ordnance Factory</p>	<p>Input Tax Credit is not allowable in respect of manpower services hired for industrial canteen and LPG cylinders refilled for use in industrial canteen.</p> <p>Input Tax Credit is allowable in respect of medicines</p>	<p>GST-ARA- 58/2019-20/B- 28 ,Mumbai, dated 13.07.2021</p>	<p>Facts of the Case: The applicant, Ordnance Factory Chanda (OFCh), the applicant, is a unit of Ordnance Factories Board (OFB) functioning under the Department of Defence Production and Supply. Ministry of Defence, Government of India. Established in the year 1964, the main business of OFCh is, to manufacture various types of ammunition like bombs, shells, cartridges, rockets etc.</p> <p>It is also engaged in manufacture of explosive and non-explosive components such as Initiator. Primer Cap, Fuze, Paper Components & Packages. The said products are</p>

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	<p>purchased in factory hospitals and other inputs and input services used in factory hospitals</p> <p>(Maharashtra Authority of Advance Ruling)</p>		<p>supplied mainly to Indian defence and military forces. Some of the products are also supplied to sister Ordnance factories that use such goods for their production and manufacturing process. OFCh also supplies a small part of its manufactured goods to state police. Defence Public Sector companies like Bharat Dynamics Ltd, units under the Ministry of Home Affairs and defence laboratories like Defence Research & Development Laboratory.</p> <p>The applicant has sought the advance ruling on</p> <ol style="list-style-type: none">1. whether the exemption to a 'defence formation for preparation and generation of E way bills is applicable to Ordnance factories & other Central Government & Public Sector Undertakings (PSU's) that function under the Ministry of Defence;2. whether exemption on payment of GST on transport of 'military or defence equipment through a goods transport agency applicable to goods transported by organization;3. Whether availing of eligible Input Tax Credit on inputs & input services relating to the main business activity of manufacturing is allowed against GST liability on renting of immovable property;4. Whether Input Tax Credit is allowable in respect of manpower services hired for industrial canteen and LPG cylinders refilled for use in industrial canteen; and5. Whether Input Tax Credit is allowable in respect of medicines purchased in factory hospital and other inputs and input services used in factory hospital. <p>Views of Maharashtra Authority of Advance Ruling:</p> <p>The Coram ruled that the exemption to a 'defence formation for preparation and generation of E way bills is applicable to Ordnance factories & other Central Government & Public Sector Undertakings (PSU's) that function under the Ministry of Defence.</p> <p>The Authority ruled that exemption on payment of GST on transport of 'military or defence equipment through a goods transport agency applicable to goods transported by organization. The AAR held that availing of eligible Input Tax Credit on inputs & input services relating to the main business activity of manufacturing is not allowed against GST liability on renting of immovable property.</p> <p>The AAR said that Input Tax Credit is not allowable in respect of manpower services hired for industrial canteen and LPG cylinders refilled for use in industrial canteen.</p> <p>Lastly, the AAR ruled that Input Tax Credit is allowable in respect of medicines purchased in factory hospitals and other inputs and input services used in factory hospitals and it would be applicable with effect from 01.02.2019, and not for the prior period.</p>
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			<p>Conclusion: The Maharashtra Authority of Advance Ruling (AAR) ruled that the Input Tax Credit (ITC) is not allowable on Food and Beverages consumed in Industrial Canteen.</p>
<p>Emerald Court Co-operative Housing Society Limited</p>	<p>Liable to pay GST on maintenance charges (by whatever name called) collected from its members if the monthly subscription or contribution be charged from the members is more than Rs. 7,500/- per month.</p> <p>(Maharashtra Authority of Advance Ruling)</p>	<p>GST-ARA- 113/2019-20/B-29 ,Mumbai, dated 13.07.2021</p>	<p>Facts of the Case: The applicant, Emerald Court Co-op Housing Society Ltd. is a Co-operative Housing Society (CHS). It looks after the upkeep of the society and its members. The CHS provides services to its members in the form of facilities or benefits like security, cleaning, repairs, water, common electricity, etc. It also arranges to pay for the ancillary services like accounting, auditing, caretaker, etc.</p> <p>Presently, the CHS is raising monthly bills on its members which consist of 2 parts, one is the property tax on which GST is not being charged and another is 'Maintenance charges' on which GST is being charged.</p> <p>The applicant has sought the advance ruling on the issue of chargeability of GST on such transactions since there could be no sale by the Co-operative Housing Societies to their own permanent members, for the doctrine of mutuality would come into play. To elaborate, CHS treated itself as the agent of the permanent members entirely and advanced the stand that no consideration passed for the services rendered by the society to its members and there was the only reimbursement of the amount by the members and therefore no GST could be levied.</p> <p>Views of Maharashtra Authority of Advance Ruling: The Coram ruled that the applicant is liable to pay GST on maintenance charges (by whatever name called) collected from its members if the monthly subscription or contribution be charged from the members is more than Rs. 7,500/- per month. "In view of the amended Section 7 of the CGST Act, 2017, we find that the applicant society and its members are distinct persons and the amounts received by the applicant, against maintenance charges, from its members are nothing but consideration received for supply of goods/services as a separate entity.</p> <p>The principles of mutuality, which has been cited by the applicant to support its contention that GST is not leviable on the maintenance charges collected by them from its members, is not applicable in view of the amended Section 7 of the CGST Act, 2017 and therefore, the applicant has to pay GST on the said amounts received against maintenance charges, from its members," the AAR ruled.</p> <p>Conclusion: The Maharashtra Authority of Advance Ruling (AAR) ruled that housing societies should pay Good and Service Tax (GST) on Maintenance Charges if Members' monthly contribution exceeds Rs.7,500.</p>
<p>Arco Electro Technologies Pvt. Ltd.</p>	<p>Railway parts such as Brush Holder Assembly and parts, Lead Wires for locomotives and Insulating Rods Locomotives</p>	<p>GST-ARA- 61/2020-21/B- 31 ,Mumbai, dated 13.07.2021</p>	<p>Facts of the Case: The Applicant, M/s. Arco Electro Technologies Pvt. Ltd. is manufacturing and supplying Brush Holder Assembly and Parts, Lead Wires and Insulating Rods for locomotives.</p> <p>The application is with regard to classification of these items and applicable GST rate thereon. Subject goods are</p>

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	<p>manufactured as per the specification and drawings of Indian Railways.</p> <p>12% GST on Brush Holder Assembly, Parts, Lead Wires for Locomotives when manufactured as per drawings of Indian Railways</p> <p>(Maharashtra Authority of Advance Ruling)</p>		<p>supplied to Indian Railways (IR) and other customers who ultimately supply to Indian Railways after assembly of their products. The subject goods are manufactured as per specification and drawings of Indian Railways. Currently, Brush Holder Assembly (made of non-ferrous castings and are assembled with springs, axles etc) and Lead Wires with fittings (made of specialized Fluonlex Cables designed for Rolling stock and fitted with Terminal Lugs, Tubes) are being classified under HSN Heading 8503 and 8544 respectively and Brush Holder Support Pin / Terminal Support / Brush Holder Arm for Locomotives (Glass Bonded Mica Insulators with steel inserts & machined for fitment in Railway machines) are classified under HSN Heading 8547.</p> <p>The applicant sought the advance ruling in respect of classification of the Railway parts such as Brush Holder Assembly and parts, Lead Wires for locomotives and Insulating Rods Locomotives manufactured as per the specification and drawings of Indian Railways.</p> <p>Views of Maharashtra Authority of Advance Ruling:</p> <p>The Coram of Rajiv Mangoo and T.R.Ramnani ruled that the products Brush Holder Assembly and parts, Lead Wires and Insulating Rods are to be classified under heading 8607 only when they are manufactured as per the drawings and specifications given to the applicant by the Indian Railways and only when the said goods are used in traction motors meant for Railway locomotives.</p> <p>Conclusion:</p> <p>The Maharashtra Authority of Advance Ruling (AAR) ruled that 12% GST on Brush Holder Assembly, parts, Lead Wires for locomotives, Insulating Rods Locomotives only when manufactured as per drawings of Indian Railways.</p>
<p>Maharashtra State Dental Council</p>	<p>18% GST payable on Online and Offline tendering</p> <p>(Maharashtra Authority of Advance Ruling)</p>	<p>GST-ARA- 125/2019-20/B-30 ,Mumbai, dated 13.07.2021</p>	<p>Facts of the Case:</p> <p>The Dentists Act. 1948 regulates the profession of dentistry, whereas it is expedient to make provision for the regulation of the profession of dentistry and for that purpose to constitute the applicant, Maharashtra State Dental Councils to provide help, assistance and guidance for the benefit and welfare to the Dental Practitioner who were registered with this council.</p> <p>Complaints are also lodged about the unethical behaviour, self-glorification, advertisement of the lay press etc. making the enquiry of the Dental Practitioners, against whom the complaints are lodged, as one of the important functions of the Maharashtra State Dental Council (the applicant). Applicant is not a profit making institution and the income earned by way of fees is used for the maintenance of this council and the income and expenditure is audited by the office of Chief Auditor. Local Fund Account. Maharashtra State.</p> <p>The applicant has sought advance ruling in respect of various issues namely</p> <ol style="list-style-type: none"> 1. Whether online tendering to be considered as Supply of Goods or Supply of Service?

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			<p>2. Whether offline tendering to be considered as Supply of Goods or Supply of Services.</p> <p>3. Under which tariff head the Online Tendering should get taxed.</p> <p>4. Under which tariff head the Offline Tendering should get taxed.</p> <p>5. If tendering is service then whether it will be considered as administrative services or specific Service.</p> <p>6. Whether the activities conducted by the Maharashtra State Dental Council are the "Registration Activities and their related activities laid down in the Act" exempted under the Notification No. 12/2017-Central Tax (Rate) dated 28.06.2017 as amended and consequently, the receipt of the Registering Fees paid under Rule 73 of the Bombay Dentists Rules, 1951 by the Prospective Dental Practitioners to the Council is exempted from the levy of Goods and Services tax.</p> <p>Views of Maharashtra Authority of Advance Ruling:</p> <p>The Coram that Online tendering will be considered as Supply of Services and 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>The AAR ruled that Online and Offline tendering are covered under services heading 9997. The AAR ruled that activities conducted by the Maharashtra State Dental Council are the "Registration Activities and their related activities laid down in the Act" are not exempted under the Notification No. 12/2017-Central Tax (Rate) dated June 28, 2017</p> <p>Conclusion:</p> <p>The Maharashtra Authority of Advance Ruling (AAR) ruled that 18% GST payable on Online and Offline tendering.</p>
<p>Nagpur Waste Water Management Pvt. Ltd.</p>	<p>Whether the "Tertiary Treated Water" supplied by the applicant to Maharashtra State Electricity Generating Co. Ltd. (MAHAGENCO) is taxable under the GST law?</p> <p>(Maharashtra Authority of Advance Ruling)</p>	<p>GST-ARA- 65/2019-20/B-35 ,Mumbai, dated 27.07.2021</p>	<p>Facts of the Case:</p> <p>The applicant, M/s Nagpur Waste Water Management Private Limited is a Private Limited Company registered under CGST Act and Maharashtra Goods and Service Tax Act, 2017 w.ef. 01.07.2017. Nagpur Municipal Corporation (NMC) is constituted under the city of Nagpur Corporation Act, 1948 Therefore. NMC is "Local Authority". The NMC is required to provide the services of management of the sewage system within the city of Nagpur. NMC. in order to manage the sewage system of Nagpur city and to treat the sewage water generated in Nagpur City, has decided to set up and operate the Sewage Treatment Plant (STP) located at Bhandewadi. Nagpur. NMC has appointed the applicant, under PPP contract basis, for treatment of sewage water. The applicant is therefore awarded a contract to set up and operate the Sewage Treatment Plant (STP) located at Bhandewadi. Nagpur on Build Operate and Transfer basis (BOT basis).</p>

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			<p>The applicant has sought the advance ruling on the issue of whether GST is applicable on the “Tertiary Treated Water” supplied by the applicant to Maharashtra State Electricity Generating Co. Ltd. and if applicable at what rate.</p> <p>Views of Maharashtra Authority of Advance Ruling: The two member bench of Rajiv Mangoo and T.R.Ramnani ruled that the term ‘waters’ is specifically prescribed for the levy of taxes under Entry No.24 of schedule rates. Eventually, we conclude and hold that the purified “Tertiary treated water” is covered under Entry No. 24 and 18% GST is applicable on supply of “Tertiary Treated Water”.</p> <p>Conclusion: The Maharashtra Authority of Advance Ruling (AAR) ruled that 18% GST is leviable on “Tertiary Treated Water” supplied to Maharashtra State Electricity Generating Co. Ltd. (MAHAGENCO).</p>
<p>MAN Energy Solutions India Private Limited</p>	<p>5% GST on Supply of MDEs and parts exclusively and directly to Shipyards or Indian Navy for use in manufacture of Ships, Vessels, Boats, Floating Structures</p> <p>(Maharashtra Authority of Advance Ruling)</p>	<p>GST-ARA- 56/2019-20/B- 41 ,Mumbai, dated 30.07.2021</p>	<p>Facts of the Case: The applicant, MAN Energy Solutions India Private Limited, is engaged in design and manufacture of two-stroke and four-stroke engines. Applicant’s range of products includes complete marine propulsion systems, turbo machinery units for the oil & gas as well as the process industries and turnkey power plants. Applicant is also engaged in manufacturing and supply of parts of engines, like piston, con rod, etc. Applicant assembles and manufactures diesel engines by using various imported or locally procured parts and also trades in imported diesel engines. The supply of engines and parts of engines is made by importing or locally procuring the parts. These parts are not assembled by the Applicant in India.</p> <p>The applicant has sought the advance ruling on the issue whether the marine diesel engine, and parts supplied by the Applicant exclusively to ship building companies / shipyards or Indian Navy for use and application in ships, vessels, boats, floating structures etc. are to be classified under Sr. No. 252 of Notification No. 1/2017-Central Tax (Rate), dated 28-6-2017.</p> <p>Views of Maharashtra Authority of Advance Ruling: The two-member bench concluded that the supply of MDEs and parts thereof supplied by the Applicant exclusively and directly to ship building companies/shipyards or Indian Navy for use in manufacture of ships, vessels, boats, floating structures etc. will be classified under Sr. No. 252 of Notification No. 1/2017- C.T. (Rate), dated 28-6-2017. If the applicant supplies the impugned goods to parties other than ship building companies and for other purposes, it would not be covered in the said entry and is liable to be taxed at respective higher rates as per schedule entry.</p> <p>“Marine diesel engine, and parts thereof will be covered under Sr. No. 252 of Notification No. 1/2017-C.T.(Rate), dated 28-6-2017, only when used in the manufacture of</p>

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			<p>goods falling under 8901, 8902, 8904, 8905, 8906, 8907 and supplied only to ship building companies/shipyards or Indian Navy. Items which do not conform to “parts of marine diesel engines” will not be covered under the said Sr. No. 252 of Notification No. 1/2017-C.T.(Rate), dated 28-6-2017.”</p> <p>Conclusion: The Maharashtra Authority of Advance Ruling (AAR) ruled that 5% GST on supply of MDEs and parts exclusively and directly to shipyards or Indian Navy for use in manufacture of ships, vessels, boats, floating structures.</p>
<p>Pioneer Bakers</p>	<p>Supply of items such as birthday stickers, candles, birthday caps, and snow sprays whether comes within the purview of composite supply and attract GST @5% under the composite scheme.</p> <p>(Odisha Authority of Advance Ruling)</p>	<p>06/ODISHA-AAR/2020-21 dated-09.03.2021</p>	<p>Facts of the Case: The Applicant, Pioneer Bakers is a registered Partnership Firm and has been operating under the Brand name of “Go cool” since the year 1997. It has established itself as a brand in the field of bakery items and especially in cakes. Further, it has several outlets operating in the state of Odisha and offers a wide range of goods and services in the business of bakery items.</p> <p>The principal business of the Applicant is producing and selling bakery products viz cakes, artisan cakes, pastries, pizza, patties, sandwiches, self-manufactured ice-creams, handmade chocolates, cookies, beverages, etc. in its outlets. It is pertinent to mention here that; the applicant offers a number of customization options to its customers with respect to the above-mentioned products.</p> <p>The said bakery products are manufactured either in the premises of the outlets itself and served to the customers or in its workshop which is located nearby to the premises of the outlet of the Applicant. It is pertinent to mention here that generally the raw materials such as raw chocolates, cookies, etc. are manufactured in the workshops as these goods require heavy machinery and are labour intensive in nature, and due to these features, the same is prepared in the nearby workshop and brought to the outlets for further customization. It is hereby clarified that nothing is sold directly from the workshop and each and every item is brought to the outlet for sale.</p> <p>Views of Odisha Authority of Advance Ruling: The Coram of G.K.Pati and Dilip Satpathy ruled that supply of Cakes, bakery items, ice creams, chocolates, drinks, and other eatable products prepared at the premises of the applicant and supplied to the customers from the counter with the facility to consume the same in the air-conditioned premises itself covered under the restaurant services.</p> <p>The Authority observed that supply of items such as birthday stickers, candles, birthday caps, snow sprays, etc related items which are essentially used in birthday celebration cannot be classified as Composite Supply defined under Section 2 (30) of the CGST Act, 2017 and Section 2 (30) of the OGST Act, 2017 wherein the principal supply of goods consists of bakery items, chocolates while the supply of services includes the supply of air-conditioned place to sit and to celebrate a birthday.</p>

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			<p>“The sale of handmade chocolates which are manufactured in the workshop of the Applicant and are utilized for the purpose of providing other services such as shakes, brownies and are also retailed by packing in different containers as per the choice of the customer will be covered under the under the restaurant services,” the AAR ruled.</p> <p>The AAR added, items such as birthday stickers, candles, birthday caps, Balloon, Carry Bags, snow sprays, etc, we observe that the said related items are being purchased and sold as such without any further processing in the restaurant. These items are not articles of foods and drinks and are covered under goods. The sale of such bought-out goods as such is not a service but a sale of goods. Entry No. 7 of Notification No. 11/2017-Central Tax (Rate), dated 28-6-2017 relating to the supply of goods.</p> <p>Since the goods as specified are supplied and output tax is payable on the same, the applicant is eligible to take applicable input tax credit which is admissible as per the GST laws.</p> <p>“We observe that raw chocolates are manufactured in the nearby workshop of the applicant which is utilized for the purpose of providing other services such as shakes, brownies and is also retailed by packing in different containers as per the choice of the customer. In no case, chocolates are sold as such from the workshop but are customized and sold from the outlets. Therefore, we agree with the submission of the Applicant that the sale of handmade chocolates which are manufactured in the workshop and brought to the outlets for further processing will be covered under the ‘restaurant services’,” the AAR said.</p> <p>The AAR held that the supply of the items namely chocolate, cookies which are prepared in the nearby workshop of the Applicant and then processed/customized in the outlets of the Applicant before selling to the customers from the premises of the Bakery shop of the Applicant qualifies as ‘composite supply’ under Section 2(30) of the CGST Act. The said composite supply shall be deemed to be a supply of service as per Entry 6(b) of Schedule II to the CGST Act and more specifically the ‘Restaurant Service’ and rate of tax is 5% without any input tax credit.</p> <p>Conclusion: The Odisha Authority of Advance Ruling (AAR) ruled that the Supply of items such as birthday stickers, candles, birthday caps, snow sprays does not qualify as Composite Supply.</p>
<p>URC Construction Pvt. Ltd.</p>	<p>What is the applicable rate of Goods and Service Tax [GST] on the Contract awarded by Ms. NBCC (INDIA) LIMITED, an Executing Agency of</p>	<p>07/ODISHA-AAR/2020-21 dated-09.03.2021</p>	<p>Facts of the Case: Ms. URC Construction Private Limited filed an application for Advance Ruling under Section 97 of CGST Act, 2017 and Section 97 of the OGST Act, 2017 in FORM GST ARA-01 discharging the fee of Rs. 5,000/- each under the CGST Act and the SGST Act.</p>

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	<p>behalf of Ms. SAIL, for construction of ISPAT Post graduate Medical Institute and super-specialty Hospital at Rourkela Steel Plant for SAIL in the State of Odisha on Design, Engineering, Procurement and Construction (EPC) basis?</p> <p>(Odisha Authority of Advance Ruling)</p>		<p>The applicant has been awarded a contract by M/s NBCC vide letter no. NBCC/CGM (CPG)/2019/122 dated 15-01-2019 for Construction of ISPAT Post Graduate Medical Institute and Super Specialty Hospital at Rourkela Steel Plant for SAIL in Odisha on Design, Engineering, Procurement and Construction (EPC) basis at a total contract value of Rs. 259,60,13,257.00 (Rupee Two Hundred Fifty-Nine Crores Sixty Lakhs Thirteen Thousands Two Hundred Fifty-Seven only) inclusive of all taxes, duties, cess, statutory levies with a rider that contract Price will be adjusted prospectively for any increase/decrease in GST rate on Works Contract notified by Government of India.</p> <p>Issue: What is the applicable rate of GST on the contract awarded by M/s NBCC(India) Ltd, an executing agency on behalf of M/s SAIL for construction of ISPAT Post Graduate Medical Institute and super speciality hospital at Rourkela Steel Plant for SAIL in the state of Odisha on Design, Engineering, Procurement and Construction(EPC) basis?</p> <p>Views of Odisha Authority of Advance Ruling: The Advance Ruling is sought on the question of applicable rate of Goods and Service Tax, we would like to make it clear that the provisions of both the CGST Act and the OGST Act are the same except for certain provisions. Therefore, unless a mention is specifically made to such dissimilar provisions, a reference to the CGST Act would also mean a reference to the same provision under the OGST Act</p> <p>Conclusion: The rate of GST on supply of works contract service which is being supplied to M/s SAIL, Rkl for construction of ISPAT Post Graduate Medical Institute and Super Specialty Hospital would merit entitlement for concessional rate of GST @ 12% [CGST @ 6% + SGST @ 6%] in terms of Notification No. 11/2017- Central Tax (Rate) dated 28-06-2017 (and as amended).</p> <p>This ruling is valid subject to the provisions under Section 103(2) until and unless declared void under Section 104(1) of the GST Act.</p>
<p>M/s PSK Engineering Construction & Co</p>	<p>18% GST is applicable on services provided to Tamilnadu Generation and Distribution Company Ltd. (TANGEDCO) for carrying out retrofitting work for strengthening NPKRR Maaligai against seismic and wind effects.</p> <p>(Tamil Nadu Authority of Advance Ruling)</p>	<p>TN/08/ARA/2021 dated 25.03.2021</p>	<p>Facts of the Case: The Applicant, PSK Engineering Construction & Co stated that they have been awarded the contract to carry out Retrofitting works for strengthening the NPKRR Maaligai against Seismic & wind effect and Modification of Elevation of the said building in TNEB Headquarter.</p> <p>The applicant has sought the advance ruling in respect of</p> <ol style="list-style-type: none"> 1. What is the rate of GST to be charged on providing works contract services to TANGEDCO for carrying out retrofitting work for strengthening the NPKRR Maaligai against seismic and wind effect and modification of elevation in TNEB headquarters building at Chennai. 2. Whether the entry in Sl.No.3 item (vi) of the Notification no.11/2017-Central Tax (Rate) dated

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			<p>28.06.2017 as amended is applicable to the applicant in instant case.</p> <p>Views of Tamil Nadu Authority of Advance Ruling: The Coram ruled that The rate of GST to be charged on the services provided by the applicant to TANGEDCO for carrying out retrofitting work for strengthening the NPKRR Maaligai against seismic and wind effect and modification of elevation in TNEB headquarters building at Chennai is 18% (9%CGST and 9% SGST) as per SL.No.3(xii) of Notification dated June 28, 2017, as amended.</p> <p>Conclusion: The Tamil Nadu Authority of Advance Ruling (AAR) ruled that 18% GST is applicable on services provided to Tamilnadu Generation and Distribution Company Ltd. (TANGEDCO) for carrying out retrofitting work for strengthening NPKRR Maaligai against seismic and wind effects.</p>
Tiruppur City Municipal Corporation	Municipal Corporation (Tamil Nadu Authority of Advance Ruling)	TN/15/ARA/2021 dated 28.04.2021	<p>Facts of the Case: M/s. TIRUPPUR CITY MUNICIPAL CORPORATION, the 'Applicant' is a "Municipality" as defined in clause (e) of article 243P of the Constitution.</p> <p>The applicant has stated that they are rendering the following functions directly as well as through contractors (through tender process) and collecting Fee from parks, Market fee-daily, Market fee -weekly, Fee for entry vehicle in the market, Fees for pay and use toilets, slaughter house fees, Fees for bays in bus stand (bus stand entrance fee collection), Bus -stand (others), charges for TV advt. in bus-stand, locker rent provided in bus-stand, cycle stand, scooter, auto, four wheeler stand in bus stand and other places, Bunk stalls, annual track rent cable operator fee (Optical fibre laying fee).</p> <p>The Questions for which the ruling is sought are:</p> <p>Q.1. Advance Ruling is required in respect of SI.No. 1 to 5, 7 to 9 as whether the services rendered by them are exempted or not under the Notification No. mentioned against each S1.No.</p> <p>Answer:</p> <ol style="list-style-type: none"> Maintenance of Park: Not a Supply of Service as per Notification No. 14/2017-C.T.(Rate) dated 28th June 2017 as amended vide Notification No. 16/2018 dated 26.07.2018 Providing Market facilities –daily: Not a Supply of Service as per Notification No. 14/2017-C.T.(Rate) dated 28th June 2017 Providing Market facilities –weekly: Not a Supply of Service as per Notification No. 14/2017-C.T.(Rate) dated 28th June 2017 Providing bays in bus stand: Not a Supply of Service as per Notification No. 14/2017-

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			<p>C.T.(Rate) dated 28th June 2017 as amended vide Notification No. 16/2018 dated 26.07.2018</p> <p>5. Locker rent facilities: Facility of providing locker for rent directly by the applicant is taxable for the reason that this does not fall under Notification No. 14/2017-C.T.(Rate) dated 28th June 2017 and is taxable.</p> <p>7. Providing Slaughter house facilities: Not a Supply of Service as per Notification No. 14/2017-C.T.(Rate) dated 28th June 2017 as amended vide Notification No. 16/2018 dated 26.07.2018</p> <p>8. Providing Toilet facilities: Not a Supply of Service as per Notification No. 14/2017-C.T.(Rate) dated 28th June 2017 as amended vide Notification No. 16/2018 dated 26.07.2018</p> <p>9. Providing stand for cycle, scooter, auto, four wheeler stand in bus stand and other places: Not a Supply of Service as per Notification No. 14/2017-C.T.(Rate) dated 28th June 2017 as amended vide Notification No. 16/2018 dated 26.07.2018</p> <p>Q.2 In respect of services rendered by them through tender contractors as mentioned in respect of SI.No. 1 to 9 are exempted or not under the Notification No. mentioned against each SI.No.</p> <p>Answer: The applicant supplies the 'Right to collect the fees/right to certain amenities' to the contractors and the supply undertaken by the contractors are as per the tender conditions which is an independent supply. The applicability of the Notification to the supplies of the contractors is not answered as per S.95(a) read with S.103(1) of the GST Act.</p> <p>(ii) In respect of SI.No.10 to 12 instead of reverse charge we collected tax under direct charge from the service availers who are registered with GSTN w.e.f 25.01.2018 and whether it can be regularized or not.</p> <p>Answer: The question seeks regularization of the payment made by them considering the same as a technical lapse, which is not in the purview of this authority as per Section 97 (2) and therefore, the question is not admitted under Section 98(2) of the Act</p> <p>Q.3 In respect of SI.No.14 they are collecting charges for laying of cables alongside roads and collecting road cutting charges as well as annual rent. We require advance ruling whether composite supply can be applied or not for classifying the said service as renting of immovable property service and reverse charge can be applied or not for collecting GST as per S.No. 5A of Notification 13/2017 CT(R)dated 28.06.2017 as amended form the telephone operators who are GSTN holders.</p>
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			<p>Answer: Supply of allowing the road cut for laying the OFC and allowing the space alongside the road for the OFC lines are not 'composite supply' as defined under S. 2(30) of the GST Act, 2017 in as much as these two supplies are not made in conjunction with each other in the ordinary course of business. Hence Composite supply cannot be applied for classifying the said service as 'Renting of Immovable property service'</p> <p>Q.4 In respect of S.No. 13 full exemption is applicable or not as noted against the SI.No.</p> <p>(ii) In respect of S.No. 15 the renting of immovable property service rendered by us as a local authority to</p> <ul style="list-style-type: none"> (i) pure State Govt. Offices, (ii) Central Government Offices, Co-operative societies, (iii) Nationalised Banks are fully exempted nor not as per SI.No. 8 of Notification 12/2017 dated 28.06.2017. <p>Answer: The exemption provided in the entry no. 12 of Notification 12/2017 dated 28.06.2017 will be applicable to the applicant, in case of the applicant providing the 'residential dwellings' owned by them for use as residence</p> <p>(i) Pure state Govt. offices (viz) Asst. Director of L F Accounts, Project Officer, ICDS, ICDS Centre: Deputy Supt. Of Police and pure Central Govt offices (viz) post offices are fully exempted or not as per entry SI no 8 of the table to Notification 12/2017 dated 28.06.2017</p> <p>(ii) Co-operative society (viz) Chindhamani Super Market, Jeeva Co-Op Society, TNSTC Staff Society, Jeeva Co-Op Society and transport corporation TNSTC are exempted or not as per entry Si no 8 of the table to Notification 12/2017 dated 28.06.2017.</p> <p>(iii) Nationalised Banks are exempted or not as per SI no 8 of the table to Notification 12/2017 dated 28.06.2017</p> <p>Service of renting of immovable property by the applicant to another Central/State government/Union territory or Local authority alone is exempted from tax as per SI. No. 8 of Notification 12/2017 dated 28.06.2017 and the services of renting of immovable property to other than Central/State Government, Union Territory or Local authority, are not exempted under SI No. 8 of the table to Notification 12/2017 dated 28.06.2017</p>
<p>M/s Unique Aqua Systems</p>	<p>Whether the Services provided by the applicant to the recipient i.e. The Greater Chennai Corporation is a pure service provided to the local authority by way of activity in relation to functions entrusted to a</p>	<p>TN/09/ARA/2021 dated 30.03.2021</p>	<p>Facts of the Case: The Applicant, Unique Aqua System has stated that they have entered into a contract with the Greater Chennai Corporation based on which they have been awarded with the project of Operation and Maintenance of High Quality Treated Drinking Water Plant for the "Amma Kudineer (Drinking Water Plant) Project".</p> <p>As per the Contractual conditions of work order, they have supplied, installed and commissioned high quality drinking water plants at different locations as required by</p>

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	<p>Panchayat under article 243G and Municipality under article 243W of the Constitution and eligible for benefit of exemption provided under Serial No. 3 of Notification No. 12/2017- Central Tax (Rate) dated June 28, 2017.</p> <p>(Tamil Nadu Authority of Advance Ruling)</p>		<p>the Greater Chennai Corporation (GCC) on the land allotted to them. They have been provided with raw water and electricity free of cost for the operation and maintenance of the drinking water plant to dispense treated water to the General Public. The consideration for the above-mentioned service is paid based on the quantity of treated water dispensed to the General Public. The beneficiaries are identified by GCC based on their residential status of the Ward in which the water treatment plant is located. The treated water is distributed by way of smart cards issued to the beneficiaries by GCC.</p> <p>The applicant has sought the advanced ruling on the issue whether the Services provided by the applicant to the recipient i.e. The Greater Chennai Corporation is a pure service provided to the local authority by way of activity in relation to functions entrusted to a Panchayat under article 243G and Municipality under article 243W of the Constitution and eligible for benefit of exemption provided under Serial No. 3 of Notification No. 12/2017- Central Tax (Rate) dated June 28, 2017.</p> <p>Views of Tamil Nadu Authority of Advance Ruling:</p> <p>The Coram ruled that the Supply provided by the applicant to the recipient i.e. The Greater Chennai Corporation based on the agreement to provide RO Plant and undertake O&M of the same, being not a “Pure service” but a composite supply of goods & Services, they are not eligible for benefit of exemption provided at Serial No. 3 of Notification No. 12/2017- Central Tax (Rate) dated June 28, 2017.</p> <p>Conclusion:</p> <p>The Tamil Nadu Authority of Advance Ruling (AAR) ruled that No GST Exemption on Operation and Maintenance of High Quality Treated Drinking Water Plant for the “Amma Kudineer Project.</p>
<p>M/s SHV Energy Private Limited</p>	<p>1. Whether the applicant is eligible for availment of input tax credit of GST paid on goods and services for laying of transfer pipeline and the foundation and structural support for such pipeline which is intended for unloading Propane/Butane from the Vessel/Jetty to the Terminal?</p> <p>2. Whether the applicant is eligible for availment of input tax credit of GST paid on goods and services used for setting up</p>	<p>TN/10/ARA/2021 dated 31.03.2021</p>	<p>Facts of the Case:</p> <p>The applicant, SHV Energy Pvt. Ltd. has stated that their Tuticorin terminal is contemplating expansion to increase the LPG capacity from 3,50,000 Metric Tons Per Annum (MTPA) to 12,00,000 MTPA. The expansion will involve suitable augmentation of existing facilities including Utilities and Offsite systems.</p> <p>The applicant has sought the advance ruling on the issue</p> <p>1. Whether the applicant is eligible for availment of input tax credit of GST paid on goods and services for laying of transfer pipeline and the foundation and structural support for such pipeline which is intended for unloading Propane/Butane from the Vessel/Jetty to the Terminal?</p> <p>2. Whether the applicant is eligible for availment of input tax credit of GST paid on goods and services used for setting up refrigerated storage tank and input credit of goods and services used for foundation and structural support for such tanks?</p>

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	<p>refrigerated storage tank and input credit of goods and services used for foundation and structural support for such tanks?</p> <p>3. Whether the applicant is eligible for availment of input tax credit of GST paid on goods and services for setting up of Fire Water reservoir(tank) and input credit on goods and services used for foundation and structural support for such reservoir?</p> <p>(Tamil Nadu Authority of Advance Ruling)</p>		<p>3. Whether the applicant is eligible for availment of input tax credit of GST paid on goods and services for setting up of Fire Water reservoir(tank) and input credit on goods and services used for foundation and structural support for such reservoir?</p> <p>Views of Tamil Nadu Authority of Advance Ruling: The Coram ruled that the applicant is not eligible for availment of input tax credit of GST paid on goods and services for laying of transfer pipeline and the foundation and structural support for such pipeline which is intended for unloading Propane/Butane from the Vessel/Jetty to the Terminal.</p> <p>“The applicant is eligible for availment of input tax credit of GST paid on goods and services used for setting up refrigerated storage tank including the structural support thereon as per the Purchase Order No. 4500405026 dated 11.03.2020 subject to the condition that the tanks are capitalized in their books of accounts as Plant and Machinery’ and not as Immovable Property’ and the applicant are not eligible to avail input credit of goods and services used for Pile foundation’ as per the Purchase Order No. 4500401679 dated 10.02.2020,” the AAR ruled.</p> <p>The Authority further added that the applicant is eligible for availment of input tax credit of GST paid on goods and services for setting up of Fire Water reservoir(tank) including the structural support thereon as per the Purchase Order No. 4500405071 dated 11.03.2020 subject to the condition that the tanks are capitalized in their books of accounts as Plant and Machinery and not as Immovable Property and the applicant are not eligible to avail input credit of goods and services used for ‘ Pile foundation’ and input credit on goods and services used for such pile foundation.</p> <p>Conclusion: The Tamil Nadu Authority of Advance Ruling (AAR) ruled that the Input Tax Credit (ITC) is not available on GST paid on laying of transfer pipeline, foundation and structural support for pipeline.</p>
<p>M/s Tamilnadu Water Supply and Drainage Board</p>	<p>The service of Geophysical survey investigation is exempted from Goods and Service Tax terms of entry no.3 of the Notification 12/2017-Central Tax (Rate) dated 28.06.2017 subject to conditions.</p> <p>(Tamil Nadu Authority of Advance Ruling)</p>	<p>TN/11/ARA/2021 dated 31.03.2021</p>	<p>Facts of the Case: The Applicant, Tamil Nadu Water Supply and Drainage Board has stated that it is a government Organization/Authority executing the water supply and underground sewerage works for urban local bodies/village panchayats.</p> <p>They have established totally 4 material quality testing labs to ensure the quality of materials used by the contractors under the Turnkey system in the works executed by TWAD. Quality control laboratories in TWAD Board comprising one for each region at Coimbatore (established in 1999), Madurai (2001), Trichy (2014) and Tindivanam (2014) with test facilities as per IS standard specifications are functioning.</p> <p>The laboratories are fully equipped with the necessary machinery, equipment, and instruments for conducting</p>

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			<p>the parametric tests as per the procedures postulated in the relevant Bureau of Indian Standards.</p> <p>The applicant has sought the advance ruling on the issue of applicability of the Notification issued under the provisions of the CGST Act,2017 in respect of Rendering “Pure Services” (testing of materials for quality) by TWAD Board which is the Governmental Authority relating to water supply and sewerage schemes to urban and rural beneficiaries which are covered under Twelfth Schedule of Article 243 W of the constitution. Therefore, the services (Quality material testing charges) rendered by the TWAD Board are exempted from CGST under Sl.No.3 of the Notifications No.12/2017 CT(Rate) dated 28.06.2017 as amended and exempted from SGST under Sl.No.3 of the G.O(Ms) No.73 dated 29.06.2017 No.II/CTR/532(d-15)/2017 as amended.</p> <p>Yet another ruling was sought in respect of the applicability of Notification issued under the provisions of the CGST Act,2017: For conducting Geological surveying and testing (Pure Services) to identify the water potentiality by TWAD Board which is Governmental Authority relating to water supply schemes to urban and rural beneficiaries which are covered under Twelfth Schedule of Article 243W of the constitution. Therefore, the services (Geological surveying and testing charges) rendered by the TWAD Board are exempted from CGST under SL.No.3 of the Notification 12/2017-CT (rate) dated 28.06.2017 as amended and exempted from SGST under Sl.No.3 of the G.O(Ms) No.73 dated 29.06.2017 No.II/CTR/532(d-15)/2017 as amended.</p> <p>Views of Tamil Nadu Authority of Advance Ruling:</p> <p>The Coram ruled that the services provided by the applicant, namely, Quality material testing works are not exempted from Goods and Services Tax in terms of entry no.3 of the Notification 12/2017- Central Tax (Rate) dated June 28, 2017, as amended.</p> <p>“The service of Geophysical survey investigation is exempted from Goods and Service Tax terms of entry no.3 of the Notification 12/2017- Central Tax (Rate) dated 28.06.2017 subject to conditions,” the AAR ruled.</p> <p>Conclusion:</p> <p>The Tamil Nadu Authority of Advance Ruling (AAR) ruled that the Service of Geophysical survey investigation is exempted from GST.</p>
<p>Daebu Automotive Seat India Private Limited</p>	<p>28% GST applicable on ‘Track Assembly’, an accessory to Motor Vehicle</p> <p>(Tamil Nadu Authority of Advance Ruling)</p>	<p>“TN/17/ARA/2021 DATED 07.05.2021”</p>	<p>Facts of the Case:</p> <p>The applicant, Daebu Automotive Seat India Private Limited is a manufacturer of Seat Components and Accessories, which is added to the manufacturing of Full Seat of four-wheelers. The parent company which is situated in Korea is called DAS Corporation and they are engaged in the manufacture of automobile seats.</p> <p>The applicant has submitted for clarity that they have requested for determination of the classification of only the finished goods viz., Track assembly meant for front Left/right. seat. The various sub-assemblies (which are</p>

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			<p>also named in their typed set to their application) that go into making their product viz., Track assembly are essentially parts of the track assembly.</p> <p>The applicant has sought the Advance Ruling in respect of</p> <ol style="list-style-type: none"> 1. What is the correct classification of goods manufactured by the applicant viz., “Automotive Seating System”? 2. Will it fall under CH 87089900 attracting GST @ 28% or under CH 940199990 attracting GST @ 18% ? <p>Views of Tamil Nadu Authority of Advance Ruling The Coram observed that the product ‘Track Assembly’ manufactured and supplied by M/s. Daebu Automotive India Private Limited is classifiable under CTH 8708 of the First Schedule to the Customs Tariff Act, 1975 as applicable to GST as per Explanation (iii) to Notification 1/2017-Central Tax (Rate) dt 28.06.2017 and G.O. Ms No. 59, Commercial Taxes and Registration (B1) dt 29th June 2017.</p> <p>The AAR ruled that The applicable rate of tax is 14% CGST as per entry Sl.No.170 of Schedule -IV of the Notification 1/2017-Central Tax (Rate) dt 28.06.2017 as amended and 14% SGST as per entry sl. No. 170 of Schedule-IV of Notification No. II(2)/CTR/532(d-4)/2017 vide G.O. (Ms) No. 62 dated 29.06.2017 as amended.</p> <p>Conclusion: The Tamil Nadu Authority of Advance Ruling (AAR) ruled that 28% GST applicable on ‘Track assembly’, which is an accessory to Motor vehicles.</p>
<p>KLF Nirmal Industries Private Limited</p>	<p>ITC eligible on Input Services used in Installation of Solar Power Panel</p> <p>(Tamil Nadu Authority of Advance Ruling)</p>	<p>TN/19/AAR/2021 dated 18.06.2021</p>	<p>Facts of the Case: The applicant, KLF Nirmal Industries Private Limited has stated that their company has a plant in Erode for extracting edible oils etc. The applicant is in the process of installing/ has installed a captive roof top solar grid connected power plant in the edible oil extracting plant. They have furnished the copy of the order placed on KCP Solar Industry vide purchase order reference KLF/PO/PRI/20-21/43 dated 6.8.2020 and invoice no 135/20-21 dated 10.9.2020. The solar panels have been installed at the top of the roof of the factory building and oil tanks. Electricity generated from the solar plant has been fully consumed to produce taxable goods. A consolidated contract was placed for design, engineering, supply, erection of 265Kw Rooftop Grid Solar PV Power Plant as per MNRE & IEC Standards.</p> <p>The system includes 790 panels. Each panel has 335 watt peak and a total capacity is 264.65 KW. They have stated that the Roof top Grid solar PV Power is for captive consumption within the premises. There is no third-party sale and the units generated by the solar plant are consumed for operating the edible oil extraction plant.</p> <p>The operation is done by a reference signal received by the smart meter from the main panel which is synchronised with the solar system. In case there is a failure of the smart meter there is a system called reverse</p>

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			<p>base relay protection fixed in the main panel room which will shut down the solar generation. In order to avoid any discharge to the grid (zero discharge). Solar generation is done only when there is a consumption (discharge) in the main panel which is being sensed by the smart meter. If there is no consumption the smart meter will shut down the complete solar system.</p> <p>The applicant has sought the advance ruling on the issue</p> <ol style="list-style-type: none"> 1. whether the company is eligible to take input tax credit as inputs/capital goods or input services of the items used in Design, Engineering, Supply, Execution (EPC) of 265KW Rooftop Grid Solar PV Power Plant as per MNRE & IEC Standards 2. Yet another issue raised was whether the company is eligible to take input tax credit for inputs and services for running the solar plant. <p>Views of Tamil Nadu Authority of Advance Ruling: The two-member bench ruled that the applicant is eligible for availing input tax credit as inputs/capital goods or input services of the items used in Design, Engineering, Supply, Execution (EPC) of 265KW Rooftop Grid Solar PV Power Plant as per MNRE & IEC Standards procured from M.s KCP Solar Industries as they have been found to comply with the provisions of Sections 16(1) and (2), 17(5) of the CGST Act,2017 and that they are found to be using the electricity so generated captively only in the process of manufacture of edible oils, which is a taxable commodity.</p> <p>“In respect of eligibility to credit of goods/services utilised in running the plant, no ruling is pronounced as the details of such input goods/ services which are proposed to be or used in running the plant have not been furnished before us,” the AAR said.</p> <p>Conclusion: The Tamil Nadu Authority of Advance Ruling (AAR) ruled that Input Tax Credit (ITC) eligible on input services used in installation of Solar Power Panel.</p>
<p>Indian Institute of Management, Tiruchirapalli.</p>	<p>The Indian Institute of Management (IIM) was required to discharge Liability on a reverse charge basis on the supply of Legal services.</p> <p>(Tamil Nadu Authority of Advance Ruling)</p>	<p>TN/20/AAR/2021 dated 18.06.2021</p>	<p>Facts of the Case: The applicant, M/s. Indian Institute of Management, Tiruchirapalli is an educational institution of excellence established in the year 2011 with the objectives of imparting high-quality management education and training, conducting industrial and management research, etc. The institute was established under the auspices of the Ministry of Human Resources Development (MHRD), Government of India as a premier educational institution and is renowned in India for its management education programs.</p> <p>The applicant sought the advance ruling on the issue of</p> <ol style="list-style-type: none"> 1. Whether Indian Institute of Management, Tiruchirappalli(IIM) is a Government Entity under GST Law. 2. If the answer to question is in the affirmative, whether

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			<p>2.1 The applicant is liable to deduct tax at source (TDS) under Section 51 of the CGST Act, 2017.</p> <p>2.2 Whether the applicant is required to discharge Liability on reverse charge basis on supply of services as per Section 9(3) and 9(4) of the CGST Act, 2017.</p> <p>2.3. Whether the entry provided as under is applicable</p> <p>A) Serial No.3/3A of Notification 12/2017 is available to IIMT.</p> <p>B) Composite supply of works contract provided to the applicant is covered by Serial No.3 (vi) of Notification 11/2017 dated 28th June 2017.</p> <p>Views of Tamil Nadu Authority of Advance Ruling:</p> <p>The Coram of Kurinji Selvaan V.S. and Senthil Velavan B. ruled that the Indian Institute of Management, Tiruchirappalli (IIM) is a Government Entity Under GST Law. The applicant is liable to deduct tax at source (TDS) under Section 51 of the CGST Act, 2017 read, with Notification No. 50/2018-C.T dated September 13, 2018.</p> <p>“The applicant is required to discharge Liability on reverse charge basis on supply of services as per Section 9(3) of the CGST Act, 2017, in respect of Legal services received by them for which documentary evidence was submitted,” the AAR said.</p> <p>Conclusion:</p> <p>The Tamil Nadu Authority of Advance Ruling (AAR) ruled that the Indian Institute of Management (IIM) was required to discharge Liability on a reverse charge basis on the supply of Legal services.</p>
<p>Tamil Nadu Labour Welfare Board</p>	<p>Tamilnadu Labour Welfare Board liable to make GST Registration.</p> <p>(Tamil Nadu Authority of Advance Ruling)</p>	<p>TN/21/AAR/2021 dated 18.06.2021</p>	<p>Facts of the Case:</p> <p>The applicant, Tamil Nadu Labour Welfare Board has stated that they have been constituted by the Government of Tamilnadu in the year 1972 by Tamilnadu Labour Welfare Fund Act 7972 enacted by the Legislature of the State of Tamil Nadu with a view to promote the welfare of the employees and their family/dependents with the Minister of Labour, Govt of Tamilnadu as the Chairman of the Board to administer the Tamilnadu Labour Welfare Fund and such other actions as assigned by or under the Act. The Tamil Nadu Labour Welfare Board is executing and implementing various welfare schemes for the benefit of the workers who contribute to the Labour Welfare Fund. The Board is receiving contributions from employees and matching contributions from employers and Government of Tamilnadu to the fund.</p> <p>The applicant has sought the ruling on the issue in respect of</p> <ol style="list-style-type: none"> 1. Applicability of GST registration to Tamil Nadu Labour Welfare Board 2. Applicability of GST towards the rental income received by the board from Government and business entities. 3. Applicability of Reverse Charge Mechanism for the rent on immovable properties received by the board from Government and business entities <p>Views of Tamil Nadu Authority of Advance Ruling</p>

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			<p>The Coram ruled that Tamil Nadu Labour Welfare Board, being a person liable to pay GST, has to get registered under GST. The rental income received by the applicant from Government and business entities are taxable to GST.</p> <p>“The applicant do not fall under the ‘specified class of supplier of services’ under Notification No.13/2017-C.T.(Rate) dated 28.06.2017 as amended by notification no.3/2018 – Central Tax(Rate) dated 25.01.2018 and therefore ‘Reverse charge Mechanism’ is not available to the applicant,” the AAR said.</p> <p>Conclusion: The Tamil Nadu Authority of Advance Ruling (AAR) ruled that Tamil Nadu Labour Welfare Board liable to make GST registration.</p>
<p>Kasipalayam Common Effluent Treatment Plant Private Limited</p>	<p>18% GST payable on De-mineralized Water for Industrial use</p> <p>(Tamil Nadu Authority of Advance Ruling)</p>	<p>TN/23/AAR/2021 dated 18.06.2021</p>	<p>Facts of the Case: The applicant, Kasipalayam Common Effluent Treatment Plant Private Limited has stated that they are an effluent treatment plant promoted by the dyeing units. They plan to buy the effluents from the dyeing units. The effluents will be delivered from the dyeing units to them through pipelines. The effluent will be processed at the plant and the resulting products water, sulphate solution, and brine solution will be sold at market rates. The delivery will be made either through pipelines/lorry. As per the norms of the Pollution control board, the resulting products can be sold to any member unit.</p> <p>The applicant sought the advance ruling on the issue of</p> <ol style="list-style-type: none"> 1. Whether the classification of the supply of outputs as sale of goods is correct. 2. Whether classification of water sold as Water (other than aerated, mineral, purified, distilled, medicinal, ionic, battery, de-mineralized and water solid in sealed container) under Heading 2201 is correct. 3. Whether classification of effluent purchased from dyeing as Other wastes from chemical or allied industries (3825 69 00) is correct. 4. Whether the method of arriving value for effluent using the net realization price method is correct as there are no comparable products and cost cannot be worked out <p>Views of Tamil Nadu Authority of Advance Ruling The coram of Kurinji Selvaan V.S. and Senthil Velavan B. ruled that in the proposed Modus of purchase of ‘Raw effluent’, treat it on own account and supply the outputs at market rates, the classification of supply of outputs as sale of goods is correct. The classification of Water recovered, which is demineralized water for Industrial use is classifiable under CTH 2201 as Waters described under S.no.24 of Annexure -III of Notification No. 01/2017-C.T.(Rate) dated 28.06.2017.</p> <p>Conclusion:</p>

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			The Tamil Nadu Authority of Advance Ruling (AAR) ruled that 18% GST payable on De-mineralized water for Industrial use.
Krishna Bhavan Foods & Sweets	<p>Clarification on the rate of GST for their products listed in the application and the applicable HSN code</p> <p>(Tamil Nadu Authority of Advance Ruling)</p>	TN/24/AAR/2021 dated 18.06.2021	<p>Facts of the Case: The applicant, Krishna Bhavan Foods and Sweets stated that they make ready-to-eat foods and that the ingredients are added by simply mixing/mixing a portion of salt, rice, and rice flour. These mixtures are the same as the mixture of flowers of vegetable plants. They also disclosed that they registered for a trademark in 2018, which is still pending.</p> <p>The applicant has sought the advance ruling on the issue of clarification on the rate of GST for their products listed in the application and the applicable HSN code.</p> <p>Views of Tamil Nadu Authority of Advance Ruling The Coram of Kurinji Selvaan V.S. and Senthil Velavan B. ruled that Branded mixes for dosa, idli, tiffin, health, and porridge will yield a Goods & Services Tax (GST) of 18 percent. The AAR said the products in question are all powdered food preparations.</p> <p>“The dosai mixes and idli mixes are packaged and sold as mixes to be mixed with water/boiled water/curd to make it as batter and the product sold is a powder and not a batter,” it said while making it clear that it will attract GST at a rate of 18 percent and not 5 percent. “In the case at hand, the products are all food preparations in the form of powder. The Dosai Mixes and Idli Mixes are packed and sold as mixes which are to be mixed with water/boiled water/curd to make it as batter and the product sold is a powder and not batter. Therefore, the entry at 100A of Schedule-I is not applicable to the applicant’s products. All the 49 products for which the ruling is sought are classifiable under CTH 2106 and the applicable rate is 9% CGST and 9% SGST as provided at Sl.No. 23 of Schedule - III of the Notification No. 07/2017-C.T.(Rate) dated 28.06.2017 as amended and entry S.No. 23 of Schedule-III of Notification No. II (4/CTP./532(d-4)/2017 vide G.O. (Ms) No. 62 dated 29.06.2017 as amended,” the AAR said.</p> <p>Conclusion: The Tamil Nadu Authority of Advance Ruling (AAR) ruled that ready-to-use powder mixes to attract 18% of Goods and Service Tax.</p>
Vijayavahini Charitable Foundation	<p>18% GST payable on Drinking Water Supply through Mobile Tankers</p> <p>(Andhra Pradesh Authority of Advance Ruling)</p>	AAR No. 14 /AP/GST/2021 dated: 20.03.2021	<p>Facts of the Case: The applicant, M/s. Vijayavahini Charitable Foundation (VCF) undertakes, encourages, supports and aids charitable activities in relation to the poor in the areas of medical relief, education, health, vocation, livelihood, etc. It is also exempted under section 12A of the Income Tax Act, 1961. VCF has proposed to undertake the activity of providing pure and safe Drinking Water at an affordable cost for the underprivileged people in villages in the state of Andhra Pradesh where clean and potable drinking water is not available.</p> <p>The applicant has sought the advance Ruling on the issue of Whether supply of drinking water to general public in</p>

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			<p>unpacked/unsealed manner through dispensers/mobile tankers by a charitable organisation at a concessional rate is covered under exemption of GST as per Sl.No 99 of Notification 02/2017 – central tax (Rate) dated 28/06/2017?Sl.No.99. “Intra state supplies of Water [other than aerated, mineral, purified, distilled, medicinal, ionic, battery, demineralized and water sold in sealed container]”</p> <p>The applicant contended that Entry No 99 of notification 12/2017 is applicable only if the water is sold in unsealed containers. In the instant case, water is sold in unsealed containers, which is an essential condition for the benefit of exemption. The villagers come and collect the water from the dispensing units/ Mobile Tankers. Moreover, the beneficiaries are the general public.</p> <p>Views of Andhra Pradesh Authority of Advance Ruling: The Coram ruled that the principal supply is the supply of purified water whereas the service component of distribution through mobile units is the ancillary service. The purified water is eligible to tax at the rate of 18% as it is not fit for exemption under serial no.99 of notification No. 2/2017- Central Tax (Rate) dated June 28, 2017. “It is invariably a composite supply and the rate of tax of purified water prevails, being the principal supply. The said supply is not covered under exemption and taxable at 18 percent,” the AAR noted.</p> <p>Conclusion: The Andhra Pradesh Authority of Advance Ruling (AAR) ruled that 18% Goods and Service Tax (GST) is payable on Drinking water supply through mobile tankers.</p>
<p>Saddles International Automotive & Aviation Interiors Private Limited</p>	<p>Whether the product namely ‘Car Seat Covers’ merits classification under HSN 9401? If not, what is the correct classification applicable to ‘Car Seat Covers’? Is Sl.No.435A of Schedule IV of the Notification No 1/2017-Central Tax (Rate) dt: 28.06.2017 applicable to ‘Car Seat Covers’? If not, what is the applicable entry under the said Notification? (Andhra Pradesh Authority of Advance Ruling)</p>	<p>AAR No. 15 /AP/GST/2021 dated: 21.06.2021</p>	<p>Facts of the Case: M/s. Saddles International Automotive & Aviation Interiors Private Limited are mainly engaged in the business of production and manufacture of car seat covers, and other allied accessories necessary for seats. They sell the manufactured seat covers to Car seat makers who affix the seat covers into the seats and thereafter the seat is affixed to the motor vehicle. The applicant approached the Authority for Advance Ruling on the classification issue of the specific product i.e., 'car seat covers' which is manufactured by the applicant.</p> <p>The applicant submitted that they had so far classified 'seat covers' under the HSN 8708 at Serial No.170 under Schedule IV of Notification No.01/2017-Central Tax (Rate) dated 28.06.2017 with the applicable rate of CGST+SGST (14% + 14%) amounting to 28%.</p> <p>The applicant approached this authority seeking clarification regarding the competing entry at Serial No.211 of Notification 11/2017 - Central Tax (Rate) dt:28.06.2017 under HSN 9401-Seats (other than those of heading 9402), whether or not convertible into beds, and parts thereof chargeable to GST at 28% upto L3.tL.2077. However, the tax rate of said entry underwent a change vide Notification No.47/2017 -Central Tax (Rate) dated 14.11.2017 reducing the tax rate to 18 %.</p>

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			<p>The applicant claims that as the tax has been paid so far under HSN 8708, the benefit of reduction in rate of CGST/SGST will be applicable to the applicant if the correct classification is adopted.</p> <p>Views of Andhra Pradesh Authority of Advance Ruling:</p> <p>The bench comprising Members Mr. D Ramesh and Mr. Syam Sunder was considering an application filed by M/s. Saddles International Automotive & Aviation Interiors Private Limited is mainly engaged in the business of production and manufacture of car seat covers, and other allied accessories necessary for seats. They sell the manufactured seat covers to Car seat makers who affix the seat covers into the seats and thereafter the seat is affixed to the motor vehicle.</p> <p>It was further pointed out that the trade circles consider automotive accessories as a category of articles relating to non-essential automotive parts which embellish the look and feel of an automobile or add functionality. “seat covers’ provide a new look to the interior of the car, and also make it more comfortable for passengers. It is pertinent to mention in this context that seat covers were covered under ‘accessories’ in the pre-GST regime too. car seat covers were classified under heading 87 08 as accessories,” the bench said.</p> <p>Conclusion:</p> <p>The Authority for Advance Rulings (AAR), Andhra Pradesh bench has held that the car seat covers would attract a higher tax rate of 28% GST.</p>
<p>M/s. Kanayalal Pahilajrai Balwani (Siddharth Foods)</p>	<p>Whether or not there is requirement for reversal of input tax credit on goods used as raw material in manufacturing of expired cakes & pastries that were kept in display for use in course or furtherance of business.</p> <p>(Gujarat Authority of Advance Ruling)</p>	<p>GUJ/GAAR/R/16/2021 dated 30.06.2021</p>	<p>Facts of the Case:</p> <p>The applicant, M/s. Kanayalal Pahilajrai Balwani has been engaged in the business of manufacturing & distributing cakes & pastries items. The applicant sends cakes & pastries to the distributors to keep them on display to fascinate consumers. The cakes & pastries are of perishable nature and cannot be preserved for a longer period and on regular intervals, all cakes & pastries kept in the display have to be compulsorily replaced after the expiry of said bakery item. The applicant submits that display assists them to achieve the objectives of continuing to conduct the business of manufacturing and selling cakes & pastries in future also.</p> <p>The applicant has sought the advance ruling on the issue Whether or not there is requirement for reversal of input tax credit on goods used as raw material in manufacturing of expired cakes & pastries that were kept in display for use in course or furtherance of business.</p> <p>Views of Gujrata Authority of Advance Ruling:</p> <p>The Coram of Sanjay Saxena and Arun Richard ruled that the manufacturers of perished or expired cakes should reverse any ITC that they may have availed on the inputs or ingredients used in the manufacturing of such cakes.</p>

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			<p>The AAR has given the ruling in the light of the provision of circular dated October 26, 2018, which prescribed “where the time expired goods, which have been returned by the retailer/wholesaler, are destroyed by the manufacturer, he/she is required to reverse the ITC attributable to the manufacture of such goods.”</p> <p>“We hold the act of throwing away expired cakes and pastries is akin to destroying the expired food products, for the applicant destroys by throwing them away,” the AAR said while holding this scenario is similar to treatment of expiry drugs.</p> <p>Conclusion: The Gujarat Authority of Advance Ruling (AAR) ruled that Input Tax Credit (ITC) is not allowable on expired cakes & pastries and needs to be reversed.</p>
Vadilal Industries Ltd	<p>18% GST is applicable on Ready-to-Cook Parathas</p> <p>(Gujarat Authority of Advance Ruling)</p>	<p>GUJ/GAAR/R/20/2021 dated 30.06.2021</p>	<p>Facts of the Case: M/s. Vadilal Industries Ltd submitted that they are producing Paratha, which is a flat and thick piece of unleavened bread eaten like a Roti or Chapati; that various varieties of Paratha are produced and sold by them but the principal ingredient in all the varieties of Paratha is whole wheat flour.</p> <p>The applicant has sought the advance ruling on the issue in respect of classification of any goods or services or both and applicability of a notification issued under the provisions of the CGST Act.</p> <p>The applicant contended that rotis are subject to GST at 5% under HSN code 1905 the same should also apply to parathas. The applicant said, “Chapattis, Rotis (fulkas) and parathas share a close resemblance to one another, as not only the method of preparation or cooking but even the manner of use and consumption are same and similar for all such products.”</p> <p>Views of Gujrata Authority of Advance Ruling: The AAR noted that the ‘parathas’ supplied by the applicant are not ‘ready to eat food preparations’ OR ‘products ready for consumption, but are products on which ‘cooking process’ needs to be carried out as per the cooking instructions given on the ‘packing covers’ in order to make them ‘ready for consumption.</p> <p>The Coram of Sanjay Saxena and Arun Richard said that the applicant’s product is not akin to Khakra and plain chapati or roti as they do not require any processing before consumption by humans and hence are ready to eat food preparations.</p> <p>The AAR added that Parathas are required to be heated on a pre-heated pan or a griddle as per the cooking instructions printed on the packing covers of these products in order to make them ready for consumption. Therefore, we hold that the applicant’s contention is not tenable and their product cannot be classified under CTH 1905 of CTA 1975. The AAR ruled that ‘Paratha’ merits classification at HSN 21069099 and attracts 18% GST.</p>

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			<p>Conclusion: The Gujarat Authority of Advance Ruling (AAR) ruled that 18% GST is payable on Ready-to-cook parathas. The applicant,</p>
Global Gruh Udyog	<p>What will be the classification of the goods intended to be produced such as Puripapad and Unfried papad?</p> <p>(Gujarat Authority of Advance Ruling)</p>	GUJ/GAAR/R/21/2021 dated 08.07.2021	<p>Facts of the Case: The applicant, M/s. Global Gruh Udyog submitted that they are planning to manufacture: PuriPapad and unfried papad (not served for consumption) such as Jeera papad, Red Chili papad, Green chilli papad, Rice papad, Pauapapad, Udadpapad, Mung papad and Black pepper papad, all produced by using the same machinery.</p> <p>The applicant has further submitted that on the basis of production process, raw material used, HSN analysis, trade parlance etc., they contend that their product Papad is an Indian food prepared mainly with the ingredients like flour, spices, salt, oil etc. This product is unfried and it is not a cooked food. Further it is not an instant food eatable for human consumption. Consumers need to fry or roast the product to make it ready for consumption. As per rules of interpretation for classification of goods under HSN, specific heading will prevail over general heading. The titles of Sections, Chapters and sub-chapters are provided for ease of reference only; for legal purposes, classification shall be determined according to the terms of the headings and any relative section or chapter notes.</p> <p>The applicant has sought the advance ruling in respect of the classification of the goods intended to be produced such as Puripapad and Unfried papad.</p> <p>Views of Gujrata Authority of Advance Ruling: The Coram of Members Sanjay Saxena and Arun Richard while ruling that the Goods are classified at HSN 19059040 ruled that due to advancement of technology, papad does not limit to the same age old traditional round shaped papad but can be in any desired shape and size. In the old era, usually 'papad' was manufactured manually, therefore it was easy for them to manufacture the Round Shape papad. In the modern era, by the advent of technology, the product is being manufactured by machines and dies of different shapes and sizes are used in the machine.</p> <p>Therefore, with the help of dies of various sizes and shapes, it is convenient to manufacture different shapes and sizes of papad. Further, at entry No. 96 of Notification No. 02/2017-CT (Rate) dated June 28, 17, the description goods is Papad, by whatever name it is known, except when served for consumption.</p> <p>Conclusion: The Gujarat Authority of Advance Ruling (AAR) ruled that 5% GST payable on Puri papad and Unfried papad.</p>
Dishman Carbogen Amcis Ltd.	Whether it is required by the applicant to charge GST on the amount collected from the employees	GUJ/GAAR/R/22/2021 dated 09.07.2021	<p>Facts of the Case: The applicant, M/s. Dishman Carbogen Amcis Ltd., has sought Ruling on whether it is required by the applicant to charge GST on the amount collected from the employees towards canteen charges. The applicant submitted as follows:</p>

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	<p>towards canteen charges?</p> <p>(Gujarat Authority of Advance Ruling)</p>		<p>i. Company is providing canteen facility to their employee as it is mandatory as per Section 46 of the Factories Act, 1948. This facility provided to employee without making any profit and working as mediator between employee and contractor of canteen service provider. They are collecting amount from the employee and paid to the contractor of canteen.</p> <p>ii. With reference to the Gujarat Appellate Authority Advance Ruling (Appeal) No. GUJ/GAAAR/APPEAL/2021/07 dated 08.03.2021, Tax is not applicable on the collection of employee portion of amount towards food stuff supplied by the third party/canteen service provider.</p> <p>iii. Service in relation to supply of food and beverages by a canteen maintained in a factory covered under the factories Act, 1948 was exempted under the Service Tax as per Sr. No. 19 of Mega Exemption Notification No. 25/2012-ST dated 20.06.2012.</p> <p>iv. They are of the opinion that this activity does not fall within the scope of supply as the same is not in the course or furtherance of its business. They are facilitating the supply of food to the employees which is statutory requirement and is recovering only employees share as actual expenditure incurred in a connection with the food supply without making any profit.</p> <p>v. The canteen service provider charging GST on supply of food and same is not entitled to avail as ITC as it has been restricted by virtue of Section 17(5) of CGST Act, 2017. In such case canteen service provided by company should not be construed as “service” and no GST shall be payable.</p> <p>Views of Gujrata Authority of Advance Ruling: Shri Vinod Bohra, Manager (Indirect Taxation) appeared for the hearing and reiterated the contents of the application. The applicant vide letter dated 30-6-21 has submitted as follows:</p> <p>1. They are having two manufacturing facility at Bavla and Naroda in AhmedabadGujarat and have more than 250 employees at both manufacturing location. Therefore, in terms of Factories Act, 1948, it is mandatory for the company to provide canteen facilities to the employee.</p> <p>2. They have contract with canteen contractor and agreed to pay him the fix per plate amount as per agreement. As per company policy, applicant provide the food facility to their employees and recovered of nominal amount from the employee and the said recovered amount is paid to canteen contractor. For more clarity they have given the following illustration.</p> <p>Illustration: The company (Dishman) and canteen contractor (XYZ) have agreed to provide a dish @ 60/- per</p>
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			<p>plate and the contractor charges the GST on such supply. The company pays Rs.40/- directly to contractor and Rs.20 recovered from employees and pay to the contractor. The company has not availed GST credit on such supply.</p> <p>Conclusion: We have carefully considered all the submissions made by the applicant. We find that the applicant has arranged a canteen for its employees, which is run by a third party Canteen Service Provider. As per their arrangement, part of the Canteen charges is borne by the applicant whereas the remaining part is borne by its employees. The said employees' portion canteen charges are collected by the applicant and paid to the Canteen Service Provider. The applicant submitted that it does not retain with itself any profit margin in this activity of collecting employees' portion of canteen charges. This activity carried out by applicant is without consideration. Thus, we pass the Ruling: GST, at the hands on the applicant, is not leviable on the amount representing the employees portion of canteen charges, which is collected by the applicant and paid to the Canteen service provider.</p>
<p>Tirupati Construction</p>	<p>GST payable on Development & Construction of Sports Complex for Ahmedabad Urban Development Authority</p> <p>(Gujarat Authority of Advance Ruling)</p>	<p>GUJ/GAAR/R/24/2021 dated 09.07.2021</p>	<p>Facts of the Case: The applicant, M/s. Tirupati Construction has submitted that the activity of "construction of sports complex" is a supply of service within the meaning of Section 7(1)(a) of the CGST Act, 2017 read with Section 2(102) of the said Act. The said supply of service is an intra state supply within the meaning of Section 8(2) of the IGST Act, 2017 and is chargeable CGST under Section 9 of CGST Act, 2017 and SGST under Section 9 of CGST Act, 2017.</p> <p>The applicant has sought the advance ruling on the issue of the activity of composite supply of work contract service by way of development and construction of sports complex at Maninagar, Ahmedabad for the Ahmedabad Urban Development Authority, and as detailed in the tender document merit classification at Sr. No. 3(vi)(a) of Notification No. 11/2017-CT (Rate) dated 28.06.2017.</p> <p>Views of Gujrata Authority of Advance Ruling: The Coram of Members Sanjay Saxena and Arun Richard observed that the commercial uses of an already existing Sports complex at Bopal location as detailed in previous pages. We note the chargeable bookings and their rates, the non-refundable nature of bookings too. With the plain reading of the inclusive definition of the word 'business' in CGST Act with the nature of commercial activities in which AUDA is involved as evidenced with the above illustration, with nothing to dissuade us from what is a glaring and clear illustration of activity of AUDA w.r.t. a sports facility already existing.</p> <p>"We note that the explanation to said entry of the Notification wherein the term 'business' shall not include any activity or transaction undertaken by the Central Government, a State Government or any local authority in which they are engaged as public authorities and does not cover Government Authority. We cannot allow any scope for intent. The subject Supply does not merit to be</p>

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			<p>entertained at subject Serial Number 3(vi)(a) of said NT (as amended from time to time),” the AAR said.</p> <p>Conclusion: The Gujarat Authority of Advance Ruling (AAR) ruled that GST payable on development & construction of sports complex for Ahmedabad Urban Development Authority (AUDA).</p>
<p>Adarsh Plant Protected Ltd</p>	<p>Seed dressing, coating and treating drum” machine is classified at HSN 84368090 tariff item and liable to GST at 12% [6% CGST+6% SGST].</p> <p>(Gujarat Authority of Advance Ruling)</p>	<p>GUJ/GAAR/R/25/2021 dated 09.07.2021</p>	<p>Facts of the Case: The applicant, M/s. Adarsh Plant Protected Ltd., has applied for Advance Ruling for determining the HSN and applicable tax on ‘Agricultural manually hand operated Seed dressing, Coating and Treating drum’, submitting that these machines are used by the farmer and are manually operated. It is submitted that the subject machine is used in agriculture to cover, coat and treat chemicals on seeds before sowing and it falls under HSN 8201 and attracts a Nil rate of GST.</p> <p>It was submitted that other manufacturers of this kind of machines are charging 5% GST under HS code 84371000.</p> <p>Views of Gujrata Authority of Advance Ruling: The Coram of Members Sanjay Saxena and Arun Richard observed that “Seed dressing, coating and treating drum” machine is classified at HSN 84368090 tariff item and liable to GST at 12%.</p> <p>The AAR noted that Chapter 82 01 to 8205 includes tools which, apart from certain specified exceptions (e.g. blades for machine saw), are used in the hand. As per HSN they are hand tools which can be used independently in hand. As per HSN notes, these tools almost always have a spring which forces the shafts apart from cutting, and a hook or other fastening so that they can be easily opened or closed with one hand. In cutting they are manipulated with one hand, and they have a very powerful action.</p> <p>The applicant product is not a hand tool rather it is a machine used for seed dressing, coating and treating the seed with chemicals. There is no merit to classify subject goods at HSN 8201. “As per HSN Notes [Page No. XVI-8436-1], the other agricultural machinery includes seed dusting machines usually consisting of one or more hoppers feeding a revolving drum in which the seeds are coated with insecticidal or fungicidal powders. We find that this Chapter Heading is more appropriate for classifying the subject goods as the function of subject goods is also similar wherein the said agricultural machinery has a drum in which seeds are coated and treated with chemicals before sowing. The said Chapter heading makes no different treatment between manual and power driven machines. On examination of HSN 8436, the subheading 843680 covers: ‘other machinery’ and tariff item 84368090 covers ‘other’. We hold that the description of subject goods fit into this Chapter Heading 8436, precisely subheading 843680 and further precisely at Tariff item 84368090,” the AAR noted.</p> <p>Conclusion:</p>

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			<p>The Gujarat Authority of Advance Ruling (AAR) ruled that 12% GST payable on Seed dressing, coating and treating drum machine.</p>
<p>Hilti Manufacturing India Pvt.Ltd.</p>	<p>GST applicable on Research and Development Services on Goods Physically made available by Foreign Entities</p> <p>(Gujarat Authority of Advance Ruling)</p>	<p>GUJ/GAAR/R/26/2021 dated 09.07.2021</p>	<p>Facts of the Case:</p> <p>The applicant, M/s.Hilti Manufacturing India Pvt.Ltd. has submitted that they have been granted approval from Development Commissioner (KASEZ) to operate as an 100% Export Oriented Unit (EOU) vide permission. They have been granted permission as per LUT as an 100% EOU to manufacture products such as Easicut diamond impregnated segments, Easicut diamond segmented saw, Continuous type saw, Turbo Type saw, Diamond core bit drills, Aluminium Flange for diamond wheels, Copper washers and blister moulds. They have been granted license for private bonded warehouses under 100% EOU Scheme bearing License No.2/93 with the additional premises Unit-1 and Unit-3 being included in the said license vide amendment to the license and the license has been renewed from time to time.</p> <p>The applicant has been granted approval from the Development Commissioner (KASEZ) to operate as an 100% EOU. They have been granted permission as per LUT as an 100% EOU to manufacture products such as Easicut diamond impregnated segments, Easicut diamond segmented saw, Continuous type saw, Turbo Type saw, Diamond core bit drills, Aluminium Flange for diamond wheels, Copper washers and blister moulds. They have been granted license for private bonded warehouses under 100% EOU Scheme bearing License No.2/93 with the additional premises Unit-1 and Unit-3 being included in the said license vide amendment to the license and the license has been renewed from time to time.</p> <p>The applicant has sought the advance ruling on the issue</p> <ul style="list-style-type: none"> (i) Whether the services provided by the applicant to the entities located outside India is covered under Section 13(2) of the Integrated Goods and Services Tax Act, 2017? (ii) Whether the services provided by the applicant is liable to Central Goods and Service Tax and State Goods and Service Tax or Integrated Goods and Services Tax or is it eligible to be treated as a 'zero rated supply' under Section 16 of the Integrated Goods and Services Tax Act, 2017? <p>Views of Gujrata Authority of Advance Ruling:</p> <p>The Coram of Members Sanjay Saxena and Arun Richard held that the Service contract between the applicant and service receiver, applicant's submissions, even those during the personal hearing, we find that goods were sent by Hilti Aktiengesellschaft (hereinafter referred to as recipient) to the applicant which are required to be made physically available to the applicant, so that applicant conducts various tests and RD activities on the said goods and prepare the results and supply the subject service to the recipient. We find this situation is covered at Section</p>

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			<p>13(3)(a) of IGST Act. Thus, as per said section 13(3)(a) of IGST Act, the place of supply of the following services shall be the location where the services are actually performed, i.e. location of the applicant. As the services provided by the applicant are in the form of R&D activity undertaken on the sample goods provided by the recipient i.e. the sample goods have to be made physically available by the recipient to the applicant in order to enable the applicant to provide the services. Therefore, the place of supply of service in the present case will be the location where the services are actually performed. The place of supply of services is therefore, Gujarat.</p> <p>Conclusion: The Gujarat Authority of Advance Ruling (AAR) ruled that the IGST applicable on Research and Development Services on goods physically made available by foreign entities.</p>
<p>Ahmedabad Janmarg Limited.</p>	<p>Ahmedabad Janmarg liable to pay GST on Security Services under RCM</p> <p>(Gujarat Authority of Advance Ruling)</p>	<p>GUJ/GAAR/R/27/2021 dated 19.07.2021</p>	<p>Facts of the Case: The applicant, M/s. Ahmedabad Janmarg Limited (AJL) has submitted that Ahmedabad Municipal Corporation (AMC) is 100% shareholder of AJL i.e. AJL is nothing but a mere offshoot of AMC and for all practical purposes, AJL is an inseparable part of AMC; that the applicant is an extended arm of the Municipal Corporation and does the activities as per the functions entrusted to Municipal Corporation.</p> <p>The applicant has stated that the majority of the employees that work for AJL are sent on deputation by AMC; that the Deputy/Assistant Municipal Commissioner of AMC is in charge of the operation of AJL and in case he/she is posted to a different department of AMC, another Assistant Municipal Commissioner of AMC is given charge of the operations of AJL; that similarly, other AMC officers such as city engineers are deputed to AJL to carry out day to day activities; that since AJL is part of centrally funded scheme, various stakeholders are involved and the details of the key stakeholders are given; that the lead planning & implementing agency for all the practical purpose is AMC.</p> <p>The applicant has sought the advance ruling on the issue of</p> <ol style="list-style-type: none"> 1. Whether AJL would be qualified as 'Local Authority' under the Central Goods and Services Tax Act, 2017? 2. Whether AJL is liable to pay GST on procurement of security services received from any person other than body corporate under reverse charge mechanism, considering the exemption granted in sl. no. 3 of Notification No. 12/2017 – Central Tax (Rate) or sl. no. 3 of Notification No.09/2017 – IGST (Rate)? 3. Whether AJL is required to pay GST on advertisement services or the service recipient of AJL is required pay GST under reverse charge mechanism

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			<p>considering Notification no. 13/2017-Central tax (Rate) dated 28-06-2017?</p> <p>4. Whether AJL is required to be registered as a Deductor under GST as per the provision of Section 24 of the CGST Act?</p> <p>5. If AJL does not qualify to be local authority under Central Goods and Services Tax Act, 2017 in Part A, can be it construed to be a government entity or a governmental authority?</p> <p>Views of Gujrata Authority of Advance Ruling: The Coram of Members Sanjay Saxena and Arun Richard ruled that Ahmedabad Janmarg Ltd. is not a Local Authority and it is not required to be registered as a Deductor under GST. “Ahmedabad Janmarg Ltd is liable to pay GST on security services under RCM, as per relevant Notification,” the AAR added. The AAR observed that Ahmedabad Janmarg Ltd is not a Government Entity/ Governmental Authority.</p> <p>Conclusion: The Gujarat Authority of Advance Ruling (AAR) ruled that the Ahmedabad Janmarg liable to pay GST on security services under Reverse Charge Mechanism (RCM).</p>
Ramdev Food Products Pvt.Ltd.	<p>18% GST applicable on Mixed Supply of Instant Mix Flour of Gota or Methi Gota with Chutney powder or Kadi Chutney Powder.</p> <p>(Gujarat Authority of Advance Ruling)</p>	GUJ/GAAR/R/29/2021 dated 19.07.2021	<p>Facts of the Case: The applicant, M/s. Ramdev Food Products Pvt. Ltd., supplies varieties of instant mix flour under the brand name of Ramdev.</p> <p>The applicant has submitted the method of making instant mix flours wherein it is stated that The applicant purchases food grains/pulses such as wheat, rice, chana dal, udad dal, etc from vendors. The food grains/pulses are fumigated and cleaned for the removal of wastage. The food grains/pulses are then grinded and converted into flour. The flour is sieved for the removal of impurities. The flour is then mixed with other ancillary ingredients such as salt, spices, etc. The proportion of flour in most of instant mixes is ranging from 70% to 90%. The flour mix is then subjected to quality inspection and testing. The flour mix is thereafter packaged and stored for dispatch.</p> <p>The applicant has sought the advance ruling on the issue</p> <p>(a) What is the applicable rate of tax under the GST Acts on supply of instant mix flours for gota, khaman, dalwada, dahiwada, idli, dhokla, dhosa, pizza, methi gota and handvo?</p> <p>(b) What is the applicable rate of tax under the GST Acts on supply of instant mix flour for gota/methi gota along with chutney powder/kadhi chutney powder?</p> <p>(c) What is the applicable rate of tax under the GST Acts on supply of khaman along with masala pack?</p>

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			<p>Views of Gujrata Authority of Advance Ruling: The Coram of Members Sanjay Saxena and Arun Richard held that the subject 10 goods merit classification at HSN. 2106 90 attracting 18% GST. “The mixed supply of Instant mix flour of Gota/Methi Gota with Chutney powder/Kadi Chutney powder shall be treated as supply of Instant Gota Mix Flour/Instant Methi Gota Mix Flour respectively (falling under HSN 2106 90) on which the GST liability will be 18%(9% CGST + 9% SGST),” the AAR added.</p> <p>The AAR observed that the mixed supply of Instant mix flour of Khaman and masala pack shall be treated as supply of Instant Mix Flour of Khaman (falling under HSN 2106 90) on which the GST liability will be 18%.</p> <p>Conclusion: The Gujarat Authority of Advance Ruling (AAR) ruled that 18% GST payable on the mixed supply of Instant mix flour of Gota or Methi Gota with Chutney powder or Kadi Chutney powder.</p>
<p>Kitchen Express Overseas Ltd.</p>	<p>18% GST payable on Gota Flour, Khaman Flour, Dalwada Flour, Dahiwada Flour, Dhokla Flour, Idli Flour, Dosa Flour</p> <p>(Gujarat Authority of Advance Ruling)</p>	<p>GUJ/GAAR/R/32/2021 dated 30.07.2021</p>	<p>Facts of the Case: The applicant, M/s Kitchen Express Overseas Ltd. is a supplier of Pulses, Flours, Namkeen, Mix Flours, and other food products including Khaman Flour, Gota Flour, Dalwada Flour, Dahiwada Flour, Dhokla Flour, Idli Flour, and Dosa Flour, supplied in a unit container under the registered brand name of ‘KITCHEN XPRESS’. These flours are in the form of an instant mix of flour of grains, which is then used to prepare instant farsan and other similar dishes by following the directions of the recipe after adding such other ingredients as required.</p> <p>The applicant has sought the advance ruling on the issue under which Chapter, Tariff Heading and HSN, the different varieties of Flours i.e. Gota Flour, Khaman Flour, Dalwada Flour, Dahiwada Flour, Dhokla Flour, Idli Flour, and Dosa Flour manufactured and supplied by applicants will attract CGST or SGST.</p> <p>Views of Gujrata Authority of Advance Ruling: The Coram of Members Sanjay Saxena and Arun Richard held that The products i.e. Gota Flour ii. Khaman Flour iii. Dalwada Flour iv. Dahiwada Flour v. Dhokla Flour vi. Idli Flour and vii. Dosa Flour is classifiable under HSN. 2106 90 (Others) attracting 18% GST (9% CGST and 9% SGST) as per Sl. No. 23 of Schedule-III to the Notification No.01/2017- Central Tax (Rate) dated June 28, 2017. “Thus, ‘Food preparations not elsewhere specified or included’ falling under Chapter Heading 2106 are covered under the aforesaid Entry at Sr. No. 23 of Schedule- III of Notification No. 1/2017-Central Tax, as amended, attracting Goods and Services Tax @ 18% (CGST 9% + SGST 9%), though some of the specific products of Chapter Heading 2106 excluded from this entry are covered under different entries of Schedule-I or Schedule-II, attracting Goods and Services Tax @ 5% or 12%. None of the aforesaid 7 products of various Instant Mix / Ready Mix Flour being supplied by the applicant are the products which have been excluded from the entry at aforesaid Sr. No. 23 of Schedule – III or which have been specifically</p>

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			<p>included in any other entry of other Schedule of Notification No. 1/2017-Central Tax, as amended or in any of the entries of Notification No. 2/2017-Central Tax,” the AAR said.</p> <p>Conclusion: The Gujarat Authority of Advance Ruling (AAR) ruled that 18% GST payable on Gota Flour, Khaman Flour, Dalwada Flour, Dahiwada Flour, Dhokla Flour, Idli Flour, and Dosa Flour.</p>
Wago private limited	<p>ITC not admissible on Air-Conditioning, Cooling System, Ventilation System, as this is blocked Credit</p> <p>(Gujarat Authority of Advance Ruling)</p>	GUJ/GAAR/R/33/2021 dated 30.07.2021	<p>Facts of the Case: The applicant, M/s. Wago Private Limited is in the process of establishing their new factory at Vadodara, Gujarat and are procuring various assets to install and commission them in their factory and therefore, the applicant sought Ruling on the admissibility of input tax credit on the same in terms of the provisions of Section 16 and 17 of the CGST Act, 2017.</p> <p>The applicant has sought the advance ruling on admissibility of input tax credit of GST paid on the procurement of the above including the service of installation and commissioning of the same, in terms of the provisions of Section 16 and 17 of the CGST Act, 2017.</p> <p>Views of Gujrata Authority of Advance Ruling: The Coram of Members Sanjay Saxena and Arun Richard held that the ‘Ventilation system fitted in the building cannot be taken as such to the market for sale and cannot be shifted from one place to another as such to erect at another site. It can be shifted only after dismantling the said system which cannot be called ‘Ventilation system after it is. The ‘Ventilation system’ once installed and commissioned in the building is transferred to the building owner and this involves the element of transfer of property, thereby ‘Ventilation system supply merits to be classified as work contract supply as the system per se is an immovable property.</p> <p>“We find that the work order awarded to Skai Air Control pvt. ltd. is for HVAC works and this covers the ‘Ventilation system’ too. However, since the applicant has raised the ‘Ventilation system’ separately, the same is taken up for discussion. The ventilation system comprises of fresh air fans, exhaust fans, electrical panel, GI ducting, threaded rod with PU coating, beam clamp, piping support for copper pipe and drain pipe, drain pipe U clamp, brid screen and cowls, grill, MS structure, regulators, suitable PU coated GI perforated cable trays with cover with necessary structural supports, Anchor Fastener, insulated PVC pipe, SITC of sheet metal ducts (factory fabricated ducts) with accessories like veins, flanges, guide vens as per technical specification, flexible duct for equivalent connecting fresh air ducting and cassette ac indoor units fresh air connection, fabrication and erecting structure steel for support etc. All the different parts of ‘Ventilation system’ after being fitted in the building lose their identity as individual goods and become “Ventilation system”,” the AAR noted. “Input tax credit is not admissible on Air-conditioning and Cooling System and Ventilation System,</p>

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			<p>as this is blocked credit falling under Section 17(5)(c) CGST Act,” the AAR ruled.</p> <p>Conclusion: The Gujarat Authority of Advance Ruling (AAR) ruled that ITC not admissible on Air-conditioning, Cooling System, Ventilation System, as this is blocked credit.</p>
<p>Greenbrilliance Renewable Energy LLP</p>	<p>Subsidy amount to be reduced for arriving at Taxable Value of Solar system, GST Liability shall be on Taxable Value</p> <p>(Gujarat Authority of Advance Ruling)</p>	<p>GUJ/GAAR/R/34/2021 dated 30.07.2021</p>	<p>Facts of the Case: The applicant, M/s. Greenbrilliance Renewable Energy LLP, supplies solar photovoltaic panels and Solar EPC services. The applicant is empanelled as channel partner to execute the solar rooftop system in Gujarat under the Surya Gujarat Yojna 2019-20 and 2020-21.</p> <p>The applicant has sought the advance ruling on the issue</p> <ol style="list-style-type: none"> 1. Whether subsidy should be reduced for arriving at Ex-factory value in order to collect the GST on goods supplied to the customer under the rooftop solar project? 2. If yes than whether we should claim refund for the excess amount of GST paid by us to the department? 3. If no then whether direction to this effect should be given to all other supplier for collection of GST on subsidy amount? <p>Views of Gujrata Authority of Advance Ruling: The Coram of Members Sanjay Saxena and Arun Richard held that the taxable Value on Tax invoice issued to the Customer shall be arrived after deducting the subject Subsidy from ‘System Cost’ and GST liability is on the Taxable Value. “There shall be no implication of Section 17(2) CGST Act, if taxable value is arrived after subtracting the subsidy amount from the system price,” the AAR ruled.</p> <p>“The applicant has collected Subsidy from the Government in this regard and this subsidy amount is inclusive of GST, as detailed in aforementioned paragraphs, the applicant is required by law to pay to the Government the said amount in the subsidy representing GST, irrespective of the position of law that subsidy portion is to be deducted from the value of supply charged to the customer, for arriving at the taxable value,” the AAR noted.</p> <p>Conclusion: The Gujarat Authority of Advance Ruling (AAR) ruled that the Subsidy amount to be reduced for arriving at the taxable value of the solar system, GST liability shall be on taxable value.</p>
<p>The Varachha Co Op Bank Ltd.</p>	<p>ITC admissible on New Locker Cabinet and Generator</p>	<p>GUJ/GAAR/R/37/2021 dated 30.07.2021</p>	<p>Facts of the Case: The applicant, M/s. Varachha Co-operative Bank Ltd. submitted that they are constructing New Administrative Building and incurring cost of various services namely Central Air Conditioning Plant, New Locker Cabinet, Lift,</p>

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	<p>(Gujarat Authority of Advance Ruling)</p>		<p>Electrical fittings, such as Cables, Switches, NCB and other Electrical Consumables Materials, Roof Solar, Generator, Fire Safety Extinguishers, Architect Service Fees, Interior Designing Fees.</p> <p>The applicant has submitted as follows: Section 17 (5) of CGST Act, 2017 deals with “Blocked Credit” in GST. Sub-Section (c) & (d) of Section 17 (5) deal with blocked credit relating to “Works Contract Services” and “Goods & Service” received for construction of Immovable Property respectively. For understanding the Blocked credit for construction of Immovable Property in GST a Conjoint reading of Section 17 (5) (c) & 17 (5) (d) is required. The meaning of “Works Contract” and basics of Section 17 (5) (c) & (d) are reproduced as follows.</p> <p>As per Section 2(119) of GST Act, “Work Contract” means a contract for building, construction, fabrication, completion, erection, installation, fitting out, improvement, modification, repair, maintenance, renovation, alteration or commissioning of any immovable property wherein transfer of property in goods (whether as goods or in some other form) is involved in the execution of such contract.</p> <p>The applicant has sought the advance ruling on the issue Whether the Applicant, having undertaken the Construction of their New Administrative Office, will be eligible for the ITC of following:</p> <ul style="list-style-type: none">(i) Central Air Conditioning Plant (Classified & Grouped under “Plant & Machinery”)(ii) New Locker Cabinet (Classified & Grouped under “Locker Cabinets”)(iii) Lift (Classified & Grouped under “Plant & Machinery”)(iv) Electrical Fittings, such as Cables, Switches, NCB and other Electrical Consumables Materials (Classified & Grouped under Separate Block namely “Electrical Fittings”)(v) Roof Solar (Classified & Grouped under “Plant & Machinery”)(vi) Generator (Classified & Grouped under “Plant & Machinery”)(vii) Fire Safety Extinguishers (Classified & Grouped under “Plant & Machinery”)(viii) Architect Service Fees (Charged to Profit & Loss Account)(ix) Interior Designing Fees (Charged to Profit & Loss Account). <p>Views of Gujrata Authority of Advance Ruling: The Coram of Members Sanjay Saxena and Arun Richard held that Input Tax Credit is admissible on New Locker</p>
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			<p>Cabinet and Generator. Input Tax Credit is blocked under Section 17(5)(c) CGST Act for Central Air Conditioning Plant; Lift; Electrical Fittings; Fire Safety Extinguishers, Roof Solar Plant. Input Tax Credit is blocked under Section 17 (5) (d) CGST Act for Architect Service and Interior Decorator fees.</p> <p>Conclusion: The Gujarat Authority of Advance Ruling (AAR) ruled that the Input Tax Credit (ITC) is admissible on New Locker Cabinet and Generator.</p>
Romano Drugs Pvt. Ltd.	<p>What is rate of tax applicable to the Services by way of job work on Diphenylmethoxy'N' N-diethylaminethanol HCI (Job work of pharmaceutical Drugs) , undertaken by the supplier (applicant) as per CBIC issued clarification on Job work vide circular No.126/45/2019- GST dated 22.11.2019 i.e., whether the GST rate 18% or 12% is to be charged by the supplier?</p> <p>(Gujarat Authority of Advance Ruling)</p>	GUJ/GAAR/R/38/2021 dated 30.07.2021	<p>Facts of the Case: The applicant, M/s. Romano Drugs Pvt. Ltd. submitted that Section 2(68) of the CGST Act, 2017 defines job work as ‘any treatment or process undertaken by a person on goods belonging to another registered person’. The job worker is required to carry out the process specified by the principal on the goods owned by him. Sl. No. 26 of the Notification No. 11/2017-CT (Rate) dated 2-6-2017 defines the GST rates to be charged on manufacturing services on physical inputs (goods) owned by others. That the Notification No.11/2017 dated 28-06- 2017 was amended vide Notification No.20/2019 dated 30.09.2019, and the following entry was inserted at serial number-26 namely “(id) Services by way of job work other than (i), (ia), (ib) and (ic) above”, which is chargeable to CGST at the rate of 6% and (iv) Manufacturing service on physical inputs (goods) owned by others other than specifically specified, is chargeable to CGST at the rate of 9%.</p> <p>The applicant has submitted that as per the CBIC Circular, if any service provided by way of treatment or processing undertaken by a person on goods belonging to another registered person will be considered under the Job work service and is liable at the rate of 12% GST.</p> <p>The applicant sought the advance ruling in respect of rate of tax applicable to the Services by way of job work on Diphenylmethoxy ‘N’ N-diethylaminethanol HCI (Job work of pharmaceutical Drugs), undertaken by the supplier (applicant) as per CBIC issued clarification on Job work vide circular No.126/45/2019- GST dated 22.11.2019 i.e., whether the GST rate 18% or 12% is to be charged by the supplier.</p> <p>Views of Gujrata Authority of Advance Ruling: The Coram of Sanjay Saxena and Arun Richard ruled 12% GST is payable on Services by way of job work on Diphenylmethoxy ‘N’ N-diethylaminethanol HCI (Job work of pharmaceutical Drugs).</p> <p>Conclusion: The Gujarat Authority of Advance Ruling (AAR) ruled that the Services by way of job work on pharmaceutical Drugs attracts 12% Goods and Service Tax (GST).</p>
Tata Motors Ltd.	No GST leviable on Amount representing Employees portion of Canteen Charges	GUJ/GAAR/R/39/2021 dated 30.07.2021	<p>Facts of the Case: The Applicant, M/s Tata Motors Ltd. is recovering nominal amount on monthly basis to ensure the use of canteen facility only by authorized persons/employees and expenditure incurred towards canteen facility borne by</p>

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	<p>(Gujarat Authority of Advance Ruling)</p>		<p>Applicant is part and parcel of cost to the company. In a press release dated 10.07.2017 also, it was clarified that supply by the employer to an employee in terms of contractual agreement of employment (part of salary/CTC) is not subject to GST. Once an employee ceases to be in employment with Applicant, he/she is not authorized to use the canteen facility. In other words, the employer-employee relationship is a must to avail this facility.</p> <p>The applicant has submitted that they are not in the business of providing canteen service and hence recovery of nominal amount will not fall in the definition of supply at all. A similar view is also upheld by Maharashtra AAR in the case of Jotun India (P) Ltd- 2019-TIOL-312-AAR-GST. The applicant submitted that they deducted a nominal amount from the employee's salary for availing canteen facility. In other words, the difference between the amount paid to the service provider and the amount recovered from employees is the cost to the company as salary cost.</p> <p>The applicant has sought the advance ruling on the issue</p> <ol style="list-style-type: none"> 1. ITC on GST paid on canteen facility is blocked credit under Section 17 (5)(b)(i) of CGST Act and inadmissible to applicant. 2. GST, at the hands on the applicant, is not leviable on the amount representing the employees portion of canteen charges, which is collected by the applicant and paid to the Canteen service provider. <p>Views of Gujrata Authority of Advance Ruling: The Coram of Members Arun Saxena and Arun Richard ruled that ITC on GST paid on canteen facility is blocked credit under Section 17 (5)(b)(i) of CGST Act and inadmissible to the applicant.</p> <p>"GST, at the hands of the applicant, is not leviable on the amount representing the employee's portion of canteen charges, which is collected by the applicant and paid to the Canteen service provider," the AAR said.</p> <p>Conclusion: The Gujarat Authority of Advance Ruling (AAR) ruled that no GST is levied on the amount representing employees' portion of canteen charges.</p>
<p>B.G. Elevators and Escalators Private Limited</p>	<p>M/s BG Elevators and Escalators Private Limited is trading as well as erection and commissioning of lifts and elevators for domestic as well as commercial use.</p> <p>(Karnataka Authority of Advance Ruling)</p>	<p>Advance Ruling No. KAR ADRG 11/2021 09/03/2021.</p>	<p>Facts of the Case: The applicant, M/s BG Elevators and Escalators Private Limited is a registered private limited company engaged in trading as well as erection and commissioning of lifts and elevators for domestic as well as commercial use.</p> <p>The applicant has sought advance ruling in respect of</p> <ol style="list-style-type: none"> i) What is the Rate of tax required in respect of erecting and commissioning of lifts installed for domestic use.

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			<p>ii) What is the Rate of tax required in respect of erecting and commissioning of escalators installed for domestic use.</p> <p>The applicant submits that they learnt that their competitors are charging GST at the rate of 12% on the erection and commissioning of lifts on immovable property for domestic use and hence filed the instant application.</p> <p>Views of Karnataka Authority of Advance Ruling: The Coram of Dr. M.P.Ravi Prasad and Mashood Ur Farooqui clarified that Notification 11/2017-Central Tax (Rate) dated June 28, 2017, as amended, stipulates the rate of GST on the services covered under 995466 at 18%, in terms of Sl. No.3(xii). Further the said GST rate is irrespective of the place of installation i.e. at the residence or at the mall or shopping complex and also irrespective of the intended usage of the lifts/escalators either for domestic use or commercial use. "The rate of GST applicable to erection and commissioning of lifts / escalators installed for domestic use is 18%, as the said services are covered under Lift and escalator installation services, falling under SAC 995466, in terms of Sl.No. 3(xii) of the Notification No. 11/2017 (Central Tax Rate) dated 28-06-2017, as amended," the AAR ruled.</p> <p>Conclusion: The Karnataka Authority of Advance Ruling (AAR) ruled that 18% GST is applicable on erection and commissioning of lifts or escalators for domestic use.</p>
<p>Olety Landmark Apartment Owner's Association</p>	<p>Olety Landmark Apartment Owner's Association is a non-profit making residents welfare Association</p> <p>(Karnataka Authority of Advance Ruling)</p>	<p>Advance Ruling No. KAR ADRG 12/2021 Dated 10.03.2021</p>	<p>Facts of the Case:</p> <p>The applicant, M/s Olety Landmark Apartment Owner's Association is a non-profit making residents welfare Association formed by the individual apartment/flat owners for the purpose of maintaining and managing the common areas and facilities in the condominium and the Applicant is duly registered under the provisions of the Karnataka Apartment Ownership Act, 1972. The applicant is also registered under GST Act.</p> <p>The Applicant, having about 208 members, is engaged in providing maintenance and repairs of common areas such as the corridors, garden, play area, pathway, clubhouse, swimming pool, gymnasium, electric equipment etc., and payment of electricity and other outgoings by collecting monthly maintenance charges from its members based on the area of occupancy.</p> <p>The applicant also collects certain amounts towards sinking funds, in addition to regular maintenance amounts, to meet the expenditure of planned / unplanned outlay in future, under its bye-laws.</p> <p>The applicant sought advance ruling on the issue of whether the Applicant is liable to pay GST on amounts which it collects from its members for setting up the 'Sinking Fund' / Corpus Fund.</p>

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			<p>Views of Karnataka Authority of Advance Ruling The Coram of Mashood Ur Rehman Farooqui and Dr. Ravi Prasad ruled that The amounts collected by the applicant towards Sinking Fund amount to advances meant for the future supply of services to members, covered under SAC 9995 as “Services of Membership Association” and are taxable to GST at the rate of 18% in terms of Sl.No.33 of Notification No.11/2017-Central Tax (Rate) dated June 28, 2017, as amended, as the time of supply is receipt of the advance amounts in terms of Section 13(2)(a) of the CGST Act 2017.</p> <p>Conclusion: The Karnataka Authority of Advance Ruling (AAR) ruled that 18% GST applicable on Sinking Fund collected by Residential Society from Members.</p>
<p>Karnataka State Warehousing Corporation</p>	<p>Whether 'supervisory charges' under clause 28(b) of the Office order on charges of KSWC charged to Food Corporation of India (FCI) by the Corporation towards supervision of loading, transportation and unloading of agricultural produce like Rice, wheat etc., at the rate of 8% on the amount billed by 'Handling and Transportation' Contractors is chargeable to tax under the CGST/KSGST Acts, 2017, If yes, at what is the applicable rate of tax and the HSN/SAC Code applicable thereto?</p> <p>(Karnataka Authority of Advance Ruling)</p>	<p>KAR ADRG 14/2021 dated 24.03.2021</p>	<p>Facts of the Case: The applicant, Karnataka State Warehousing Corporation submitted that they are a State Government Undertaking, establishment during 1957 and set up under the erstwhile Agricultural Produce (Development and Warehousing Corporations Act, 1956, later repealed by the Warehousing Corporation Act, 1962, having Central Warehousing Corporation and the Government of Karnataka as shareholders, in equal proportions. Further they also submitted that they are engaged in the various activities.</p> <ol style="list-style-type: none"> 1. Firstly, to acquire and/or build godowns and/or warehouses within the State of Karnataka. 2. Secondly, to run Warehouses in the State of Karnataka for the storage of Agricultural Produce, seeds, manures, Fertilizers, Agriculture implements and other notified commodities. 3. Thirdly, to arrange facilities for handling and transport, loading and unloading of agricultural produce, seeds, manures, fertilizers etc., to and from various railheads to corporation’s godowns; and supervise all these activities being carried out by handling & Transport contractors (H&T Contractors). 4. Fourthly, to arrange for disinfestation services on behalf of farmers, government offices, public libraries, etc. 5. Lastly, to lease/rent out space on per square feet or any other basis to other corporations/agencies for storage of food grains, oil, fertilizers. Branded good, etc. <p>The applicant has sought advance ruling on the issue whether 'supervisory charges under clause 28(b) of the Office order on charges of KSWC charged to Food Corporation of India (FCI) by the Corporation towards supervision of loading, transportation and unloading of agricultural produce like Rice, wheat etc., at the rate of 8% on the amount billed by Handling and Transportation Contractors is chargeable to tax under the CGST/KSGST Acts, 2017, if yes, at what is the applicable rate of tax and the HSN/SAC code applicable.</p>

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			<p>Views of Karnataka Authority of Advance Ruling: The Coram of Dr.M.P.Ravi Prasad and Mashood Ur rehman Farooqui ruled that the services of the applicant to supervise the handling & transportation “agriculture produce belonging to the FCI, from railhead to the warehousing station provided by the H&T contractors, are covered under SAC 9997 being the services nowhere else classified and are exigible to GST at the rate of 18% in terms of Sl. No.35 of the Notification No.11/2017-Central Tax (Rate) dated 28.06.2017, on the value equivalent to 8% of the sum of actual amounts paid to H&T contractors, in terms of Section 15 of the CGST Act, 2017.</p> <p>Conclusion: The Karnataka Authority of Advance Ruling (AAR) ruled that 18% GST exigible on supervising the handling and transportation agriculture produce belonging to the FCI.</p>
<p>SPSS South Asia Private Limited</p>	<p>1) Does the supply of licenses for internet downloaded software fall within the ambit of Notification No.47/2017-Integrated Tax (Rate) dated 14th November 2017.</p> <p>2) Does the supply of licenses for internet downloaded software fall within the ambit of Notification No.45/2017-Central Tax (Rate) dated 14th November 2017?</p> <p>(Karnataka Authority of Advance Ruling)</p>	<p>KAR ADRG 15/2021 dated 24.03.2021</p>	<p>Facts of the Case: The Applicant, SPSS South Asia Pvt. Ltd. is a Private Limited Company, registered under the Goods and Services Act, 2017 and is an authorized reseller for various IBM SPSS Software in India. The applicant is a pure trader in such software and does not develop / modify any software prior to selling it to a customer.</p> <p>The applicant has sought advance ruling in respect of</p> <p>1) Does the supply of licenses for internet downloaded software fall within the ambit of Notification No.47/2017-Integrated Tax (Rate) dated 14th November 2017.</p> <p>2) Does the supply of licenses for internet downloaded software fall within the ambit of Notification No.45/2017-Central Tax (Rate) dated 14th November 2017?</p> <p>Views of Karnataka Authority of Advance Ruling: The Coram of Dr.M.P.Ravi Prasad and Mashood Ur rehman Farooqui ruled that the Notification No.45/2017- Central Tax (Rate) dated 14.11.2017 and Notification No.47/2017-Integrated Tax (Rate) dated November 14, 2017 stipulates the rate of CGST / IGST at the rate of 5%, if the goods of computer software is supplied to public funded research institutions subject to fulfillment of the conditions prescribed under column 4 of the said notification. In the instant case the applicant is supplying computer software to National Institute of Science Education and Research, Bhubaneswar, a public funded research institution, under the administrative control of Department of Atomic Energy (DAE), Government of India. Further the said institute has also furnished a certificate as required to fulfill the required condition.</p> <p>Therefore, the AAR held that the Notification 45/2017-Central Tax (Rate), dated November 14, 2017 or Notification 47/2017- Integrated Tax (Rate), dated November 14, 2017 are applicable to the transaction or supply of the applicant.</p> <p>Conclusion: The Karnataka Authority of Advance Ruling (AAR) ruled that 5% GST is applicable on supply of computer software</p>

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			to a public funded research institution, under the administrative control of Department of Atomic Energy (DAE).
Bishops Weed Food Crafts Private Limited	<p>1) Whether leasing of property for use as residence along with basic amenities would qualify, as composite supply under Section 2(30) of the Karnataka Goods and Services Tax Act, 2017.</p> <p>2) Whether renting of property by Applicant is covered under entry 12 of the exemption Notification 12/2017 (Rate) dated June 28, 2017.</p> <p>3) If the answer to 2 is negative, whether services by the Applicant are covered under entry 14 of the exemption Notification 12/2017 (Rate) dated June 28, 2017</p> <p>4) Whether leasing of property for residential subletting would be covered under the exemption for residential dwelling via notification 12/2017 (Rate) dated June 28, 2017</p> <p>(Karnataka Authority of Advance Ruling)</p>	KAR ADRG 16/2021 dated 24.03.2021	<p>Facts of the Case:</p> <p>The applicant, Bishops Weed Food Crafts Pvt. Ltd. is engaged in the business of provision of services by way of Leasing of residential units for use as residence to Tenants.</p> <p>The applicant has sought the advance ruling on the issue</p> <p>1) Whether leasing of property for use as residence along with basic amenities would qualify, as composite supply under Section 2(30) of the Karnataka Goods and Services Tax Act, 2017.</p> <p>2) Whether renting of property by Applicant is covered under entry 12 of the exemption Notification 12/2017 (Rate) dated June 28, 2017.</p> <p>3) If the answer to 2 is negative, whether services by the Applicant are covered under entry 14 of the exemption Notification 12/2017 (Rate) dated June 28, 2017.</p> <p>4) Whether leasing of property for residential subletting would be covered under the exemption for residential dwelling via notification 12/2017 (Rate) dated June 28, 2017.</p> <p>Views of Karnataka Authority of Advance Ruling:</p> <p>The Coram of Dr.M.P.Ravi Prasad and Mashood Ur rehman Farooqui ruled that Leasing of property for use as residence along with basic amenities”, in the instant case, is covered under accommodation services, as ruled in the preceding paras, falls under SAC 996311 and hence would qualify as composite supply under Section 2(30) of the CGST/KGST Act, 2017.</p> <p>“Renting of property by Applicant is not covered under entry 12 of Notification 12/2017-Central Tax (Rate) dated 28.06.2017, as their services are covered under accommodation services falling under SAC 996311,” the AAR said.</p> <p>The Authority held that the exemption under entry 14 of Notification 12/2017-Central Tax (Rate) dated June 28, 2017 is available to the transaction of the applicant.</p> <p>The AAR observed that leasing of property for residential subletting would not be covered under the exemption for residential dwelling under entry 12 Notification 12/2017-Central Tax (Rate) dated June 28, 2017, as the two are different and individual transactions.</p> <p>Conclusion:</p> <p>The Karnataka Authority of Advance Ruling (AAR) ruled that the leasing of property for use as residence along with basic amenities, covered under accommodation services under GST.</p>

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<p>Arvind Envisol Limited</p>	<p>"Whether the service of supply, erection, commissioning and installation of wastewater pretreatment plant followed by operation and maintenance of such plant attracts rate 12% of GST in terms of notification No.11/2017 Central Tax (rate) Dated: 28/06/2017?"</p> <p>(Karnataka Authority of Advance Ruling)</p>	<p>KAR ADRG 17/2021 dated 25.03.2021</p>	<p>Facts of the Case:</p> <p>The applicant, M/s. Arvind Envisol Limited submitted that they are engaged in providing end-to-end solutions for water treatment, industrial waste-water treatment, sewage treatment zero liquid discharge solutions, on engineering and procurement construction key basis, by setting up effluent treatment plant (ETP), sewage treatment plant (STP), Packaged STP (PSTP), and Zero Liquid Discharge Plant (ZLD). The applicant also provides services in the nature of operation and maintenance of such plants.</p> <p>The applicant submitted that M/s Karnataka Power Corporation Limited (hereinafter referred as KPCL) has awarded a contract to the applicant for supply, erection, commissioning and installation of a wastewater treatment plant (ZLD plant) followed by its operation and maintenance (O&M) for a period of 5 years. The applicant has to carry out the work as detailed in the letter of award issued by the KPCL.</p> <p>The applicant has sought the advance ruling on the issue whether the service of supply, erection, commissioning and installation of wastewater pretreatment plant followed by operation and maintenance of such plant attracts rate 12% of GST in terms of notification No. 11/2017 Central Tax (rate) Dated June 28, 2017.</p> <p>Views of Karnataka Authority of Advance Ruling:</p> <p>The Coram of Dr.M.P.Ravi Prasad and Mashood Ur rehman Farooqui ruled that service of supply, erection, commissioning and installation of waste water pretreatment plant (ZLD plant) and the services of Operation and Maintenance (O&M) of the said plant together is composite supply of works contract classified under SAC 9954 and is liable to 6% CGST and 6% KGST in terms of entry No.3(iii) of the Notification No. 11/2017-Central Tax (Rate) dated June 28, 2017 as amended by Notification No. 20/2017-Central Tax (Rate) dated August 22, 2017 and Notification No. 31/2017-Central Tax (Rate) dated October 13, 2017.</p> <p>Conclusion:</p> <p>The Karnataka Authority of Advance Ruling (AAR) ruled that 12% GST on service of supply, erection, commissioning and installation of wastewater pretreatment plants.</p>
<p>Hadi Power Systems</p>	<p>Whether concessional rate of GST shall apply to the sub-contractor who is sub-contracted from a sub-contractor of the main contractor, the main contractor being provider of works contract to a Government entity?</p> <p>(Karnataka Authority of Advance Ruling)</p>	<p>KAR ADRG 18/2021 dated 06.04.2021</p>	<p>Facts of the Case:</p> <p>The applicant, M/S Hadi Power Systems is a proprietary concern registered under the Goods and Services Tax Acts and is engaged in the business of execution of works contracts relating to electrical works and electrical infrastructure.</p> <p>The applicant states that M/S. Ocean Constructions (India) Pvt. Ltd., has been awarded a contract by M/S Karnataka Neeravari Nigam Ltd. for civil, electrical and mechanical works.</p> <p>M/S Karnataka Neeravari Nigam Ltd is being registered as a company which is wholly owned Government of</p>

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			<p>Karnataka, as per the provisions of the Companies Act, 1956 with effect from 9th December 1998 for civil, electrical and mechanical works.</p> <p>The applicant also states that the nature of works delegated to the main contractor, M/S. Ocean Construction (India) Pvt. Ltd. is for the construction of Channa basaveshwara Lift Irrigation Scheme which includes preparation of plans and drawings, construction of intake canal, jack well cum pump house, Rising main, Electrical sub-station, erection of vehicle turbine pumps, including commissioning of entire project, including maintenance for 5 years period on turnkey basis.</p> <p>The applicant has also stated that the main contractor has subcontracted the certain electrical works to M/S Shaaz Electricals. Further, the first subcontractor has in turn entered into a sub-contract agreement with the applicant for providing electrical works.</p> <p>The applicant sought the advanced ruling on the issue whether concessional rate of GST shall apply to the sub-contractor who is sub-contracted from a sub-contractor of the main contractor, the main contractor being provider of works contract to a Government entity.</p> <p>Views of Karnataka Authority of Advance Ruling: The Coram of Dr. M.P.Ravi Prasad and Mashood Ur Rehman Farooqui observed that the privity of contract is between the applicant and the M/S Shaaz Electricals, however M/S Shaaz Electricals is not covered under Central Government, State Government, Union Territory, a local authority or a Governmental Authority or a Government Entity and hence the supply made by the applicant is not covered entry no.3 (iii) of Notification No. 11/2017- Central Tax (Rate) dated June 28, 2017. For the same reason, the activity of the applicant is also not covered under entry no. 3(vi) of the Notification No. 11/2017- Central Tax (Rate) dated June 28, 2017 (as amended). The AAR ruled that that the activity under consideration undertaken by the applicant is not covered under entry no.3(ix) or under entry 3(iii) or under entry 3(vi)of Notification No. 11/2017- Central Tax (Rate) dated 28.06.2017 (as amended) and hence applicant is not liable to charge concessional rate of 12% GST on the said supply, and the applicant has to discharge tax rate 18% GST.</p> <p>Conclusion: The Karnataka Authority of Advance Ruling (AAR) ruled that the 18% GST is applicable on contract relating to electrical works from sub-contractor for work of Government Company.</p>
<p>Puttahalagaiah G.H.</p>	<p>Whether Rent received from Backward Classes Welfare Department, is taxable or not? (Karnataka Authority of Advance Ruling)</p>	<p>KAR ADRG 19/2021 dated 06.04.2021</p>	<p>Facts of the Case: The applicant, Sri Puttahalagaiah is an individual and owner of the premises and has entered into an agreement with the Extension Officer, Backward Classes Welfare Department, Government of Karnataka to rent out his property to run post metric Girl's Hostel and constitute rent/ letting out of 10,441 sq.ft building consisting of seven rooms, two halls, 11 toilets, 10 bathrooms and bore well, for a rent of Rs. 1 per month.</p>

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			<p>The applicant has furnished a magazine published by the Government of Karnataka which pertains to action plan of backward classes Welfare Department 2019-20, where in it is reported that backward Classes Welfare Department has been established for the welfare of backward classes to implement programmes of overall development of backward classes which are notified by the Government of Karnataka.</p> <p>The Backward Classes Welfare Department is providing hostel facilities to the students of backward classes studying in Government/ Government aided institutions after matriculation.</p> <p>The applicant is of the opinion that since he is letting out his property to Backward Classes Welfare Department who in turn is using it for welfare of weaker section of the society of the backward classes students where the annual income of the family is less than threshold for the creamy layer, therefore the service provided by him to Backward Classes Welfare Department to run post metric Girl's Hostel is exempted service as it is covered under Article 243G of the Constitution.</p> <p>The applicant has sought the advance ruling in respect of the taxability of rent received from Backward Classes Welfare Department.</p> <p>Views of Karnataka Authority of Advance Ruling: The Coram of Dr. M.P.Ravi Prasad and Mashood Ur Rehman Farooqui noted that the applicant has rented his property to the Backward Classes Welfare Department, Government of Karnataka, who in turn is using the same for providing hostel facilities to the post metric girls of backward classes. This is in relation to the function entrusted to a panchayat under article 243G of the constitution which is covered by the 27th entry of the 11th schedule which says Welfare of the weaker sections, and in particular, of the Scheduled Castes and the Scheduled Tribes.</p> <p>The AAR ruled that since the applicant is providing to the State Government pure services by way of any activity in relation to any function entrusted to a Panchayat under article 243G of the Constitution, the same is covered under entry number 3 of Notification No. 12/2017-Central Tax (Rate) dated June 28, 2017, and hence is exempted under the CGST Act, 2017. For the same reasons, the activity is also exempted under the KGST Act, 2017.</p> <p>Conclusion: The Karnataka Authority of Advance Ruling (AAR) ruled that no GST is applicable on Rent received from Backward Classes Welfare Department.</p>
<p>Bharat Earth Movers Limited</p>	<p>"Whether the supplies made by Cost Centres C, D, E and G are independent supplies of goods and services</p>	<p>KAR ADRG 20/2021 dated 06.04.2021</p>	<p>Facts of the Case: The applicant, Bharat Earth Movers Limited is a Public Sector Undertaking, engaged in manufacture of a wide range of products to meet the needs of mining,</p>

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	<p>(as applicable) or composite supply with principal supply of goods?"</p> <p>(Karnataka Authority of Advance Ruling)</p>		<p>construction, power, irrigation, fertilizer, cement, steel and rail sectors.</p> <p>The applicant was a successful bidder to the tender invited by BMRCL for Supply of "150 numbers of Standard Gauge Intermediate Cars compatible with and suitable for integration with existing trains of Bangalore Metro Rail Project Phase- 1" procured under Contract.</p> <p>The Applicant entered into a contract with BMRCL vide Contract. In relation to the scope of work under the contract, the applicant states that as per the terms of the contract, the broad scope of activity to be undertaken by the applicant was to manufacture and supply the Standard Gauge Intermediate Cars along with the installation and commissioning of the cars supplied, including training, supervision of maintenance, supply of spares, preparation of manuals etc.</p> <p>The applicant has sought advance ruling on the issue whether the supplies made by Cost Centres C, D, E and G are independent supplies of goods and services (as applicable) or composite supply with principal supply of goods.</p> <p>Views of Karnataka Authority of Advance Ruling: The Coram of Dr. M.P.Ravi Prasad and Mashood Ur Rehman Farooqui held that the supplies made by the applicant under Cost Centres C, D, E and G form a composite supply and since the supply of intermediate cars is the principal supply, would be treated as the supply of intermediate cars as per section 8 of the CGST Act, 2017 and section 12 of the CGST Act, 2017 is applicable to the issues related to the time of supply.</p> <p>Conclusion: The Karnataka Authority of Advance Ruling (AAR) ruled that the supply made by Cost Centers of Bharat Earth Movers Limited is composite supply.</p>
<p>SKF Boilers and Driers (P) Ltd.</p>	<p>1. Whether parboiling and rier plant is part of rice milling machinery as specified in the Notification dated 28-06-2017 under HSN 8437 issued under the CGST Act, 2017 taxable at 5% (2.5% CGST + 2.5% SGST)?</p> <p>2. If the above mentioned plant/machinery is not classified under HSN 8437, whether the same is to be taxed under HSN 8419 at the rate of 18% in the Notification dated</p>		<p>Facts of the Case: The applicant, M/s SKF Boilers and Driers (P) Ltd. has submitted that a paddy processing plant consists of various sections which are involved with the activities of parboiling rice, drying, rice milling, and polishing. Parboiling is a process of soaking, steaming and drying prior to milling.</p> <p>The applicant has sought advance ruling on the issue of</p> <ol style="list-style-type: none"> 1. Whether parboiling and rier plant is part of rice milling machinery as specified in the Notification dated 28-06-2017 under HSN 8437 issued under the CGST Act, 2017 taxable at 5% (2.5% CGST + 2.5% SGST)? 2. If the above mentioned plant/machinery is not classified under HSN 8437, whether the same is to be taxed under HSN 8419 at the rate of 18% in the Notification dated 28.06.2017 (9% CGST + 9% SGST)?

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	<p>28.06.2017 (9% CGST + 9% SGST)?</p> <p>(Karnataka Authority of Advance Ruling)</p>		<p>Views of Karnataka Authority of Advance Ruling: The Coram of Dr. M.P.Ravi Prasad and Mashood Ur Rehman Farooqui held that Parboiling and Drying plant is classified under HSN 8419 Entry No.320 at the rate of 18% as per Notification No. 1/2017 -Central Tax (Rate) dated 28th June, 2017 (9% CGST + 9% SGST) as amended vide Notification No.41/2017-Central Tax (Rate) dated the 14th November, 2017.</p> <p>Conclusion: The Karnataka Authority of Advance Ruling (AAR) ruled that 18% GST is applicable on Parboiling Rice and Drying plant.</p>
<p>Uralungal Labour Contract Co-op Society Ltd</p>	<p>Whether the educational courses which are conducted in Indian Institute of Infrastructure and Construction fall under taxable service or not?</p> <p>(Kerala Authority of Advance Ruling)</p>	<p>KER/126/2021 dated 31.05.2021</p>	<p>Facts of the Case: The applicant, Uralungal Labour Contract Co-operative Society Ltd is primarily engaged in the construction of roads, bridges and other public infrastructure for the Government and other institutions. The applicant entered into an agreement with Kerala Academy for Skills Excellence (KASE), the State Skill Development Mission of the Government of Kerala, under the Department of Labour and Skills for setting up and operating of the Indian Institute of Infrastructure and Construction (IIIC), Chavara, Kollam.</p> <p>The applicant has sought the advance ruling on the issue of whether the educational courses which are conducted in the Indian Institute of Infrastructure and Construction (IIIC) fall under the taxable service.</p> <p>Views of Kerala Authority of Advance Ruling: The Coram of Members Sivaprasad and Senil K. Rajan held that IIIC has initiated action to get affiliation under various Universities and that no formal recognition has been given to IIIC and the courses conducted there, the Government declares that IIIC, Chavara is a Government-owned institute and the courses that are being conducted in the said institute are approved by the Government. In view of the above declaration that IIIC is a Government-owned institute and the approval of the courses conducted by IIIC by the Government of Kerala, IIIC has attained the status of an institution providing services by way of education as a part of a curriculum for obtaining a qualification recognised by law. Consequently, IIIC qualifies to be classified as an educational institution as defined under sub-clause (ii) of clause (y) of Paragraph 2 of the Notification No. 12/2017 CT (Rate) dated June 28, 2017. Therefore, the courses conducted in the Indian Institute of Infrastructure and Construction are exempted from GST as per entry at SI No. 66 of Notification No. 12/2017 Central Tax (Rate) dated June 28, 2017.</p> <p>The applicant has further asked that what is the value of services, for services for the period 01.07.2017 onwards for which appropriation towards an undivided share of land was already done in pre - GST period; whether the one-third deduction as provided for in Para 2 of Notification No. 11/2017 can again be taken where the value of undivided share already appropriated is lower than one-third of the total amount receivable for the project including land value. The AAR has ruled that the</p>

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			<p>provisions of Para 2 of Notification No. 11/2017 Central Tax (Rate) dated 28.06.2017 will apply for determining the taxable value of the services rendered for the period from 01.07.2017 and accordingly one-third of the total amount charged for the supply shall be deemed to be the value of land or undivided share of land involved in the supply.</p> <p>Conclusion: The Kerala Authority of Advance Ruling (AAR) ruled that Courses conducted by the Indian Institute of Infrastructure and Construction (IIIC) are eligible for exemption from GST, as it is an 'Educational Institution'.</p>
<p>Kerala Books and Publications Society</p>	<p>1. printing text books for supply by the State Government to its allied educational institutions.</p> <p>2. printing of Lottery tickets for vending by the State Government to the general public.</p> <p>iii)printing of stationery items like calendars, Diaries etc. for supply by the State Government to its offices and other institutions.</p> <p>(Kerala Authority of Advance Ruling)</p>	<p>KER/125/2021 dated 31.05.2021</p>	<p>Facts of the Case: The applicant, Kerala Books, and Publications Society was constituted as a society by the Government of Kerala of the Higher Education Department. The society is registered under the Travancore Cochin, Literary, Scientific and Charitable Societies Registration Act, 1955. The said society is running the printing press till date. The Governing body of the society consists wholly of officers from the Government.</p> <p>They have progressed into the printing of lottery tickets and stationery items like brochures, diaries, calendars, etc in addition to the textbooks for school children. Their customer for the printed textbooks and the lottery tickets is solely the State Government. In respect of the printed stationery items, the customers vary from the State Government and its allied educational institutions to other departments of the State Government. The State Government does not charge GST on the school textbooks supplied by it to the end customers; i.e. allied educational institutions. The school textbooks are supplied on a no-profit / no-loss basis to the said educational institutions. They have been incurring losses on the printing of the said school textbooks. In respect of all the above activity carried out by them the print content and its features that are to be printed is designed solely by the customer; i.e; the Government of Kerala. They only arrange the paper and then print the said content on the paper. They do not own the usage rights to the said content given to them. The applicant has sought the advance ruling on the issue of whether our activities namely printing textbooks for supply by the State Government to its allied educational institutions; printing of Lottery tickets for vending by the State Government to the general public; and printing of stationery items like calendars, Diaries, etc. for supply by the State Government to its offices and other institutions fall within the ambit of the scope of 'supply' under GST.</p> <p>Views of Kerala Authority of Advance Ruling: The coram of Members Sivaprasad and Senil K. Rajan all the activities undertaken by the applicant constitute supply as defined in Section 7 of the CGST Act. The activities constitute a supply of services falling under Heading - 9989 - Other manufacturing services; publishing, printing and reproduction services; materials recovery services - 998912 - Printing and reproduction services of recorded media, on a fee or contract basis of the Scheme of Classification of Services.</p>

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			<p>“The service of printing of Textbooks supplied by the applicant to the State Government is exempted from GST as per entry at SI No. 3 of the Notification No. 12/2017 Central Tax (Rate) dated 28.06.2017 as amended,” the AAR said.</p> <p>The AAR further ruled that the service of printing of lottery tickets and stationery items like Diary, Calendar etc supplied by the applicant to the State Government are not exempted under Notification No. 12/2017 Central Tax (Rate) dated 28.06.2017 as amended</p> <p>Conclusion: The Kerala Authority of Advance Ruling (AAR) ruled that the Printing of textbooks, Lottery tickets & stationery items for the State Govt. is supplied under GST.</p>
VKL Builders India Private Limited	<p>The provisions of Para 2 of Notification No. 11/2017 Central Tax (Rate) dated 28.06.2017 will apply for determining the taxable value of the services rendered for the period from 01.07.2017 and accordingly one- third of the total amount charged for the supply shall be deemed to be the value of land or undivided share of land involved in the supply.</p> <p>(Kerala Authority of Advance Ruling)</p>	KER/119/2021 dated 30.05.2021	<p>Facts of the Case: The applicant, VKL Builders India Private Ltd. is engaged in the construction of flats in Thiruvananthapuram.</p> <p>The applicant has sought the advance ruling on the issue in respect of the rate of tax for services provided to the customers for the period 01.07.2017 to 31.03.2019 as per Notification No. 11/2017 Central Tax (Rate) dated 28.06.2017 as amended.</p> <p>Views of Kerala Authority of Advance Ruling: The Coram of Joint Commissioner of Central Tax, Shiva Prasad, and Additional Commissioner of State Tax, Senil A.K.Rajan ruled that the services of construction of all the 12 different types of residential apartments as mentioned in the question in the project-Santhi Homes, Pothencode during the period from 01.07.2017 to 31.03.2019 is liable to GST at the rate of 18% [9% – CGST + 9% – SGST] as per Item (i) of 51 No. 3 of Notification No. 11/2017 Central Tax (Rate) dated 28.06.2017.</p> <p>Conclusion: The Kerala Authority of Advance Ruling (AAR) clarified the dates of GST refund in case of cancellation of residential flats by customers.</p>
Aswath Manoharan	<p>Banana Chips are classifiable under Customs Tariff Heading 2008.19.40 and is liable to GST at the rate of 12% [6% - CGST + 6% SGST]. Jackfruit Chips are classifiable under Customs Tariff Heading 2008.19.40 and is liable to GST at the rate of 12% [6% - CGST + 6% - SGST]. Tapioca Chips are classifiable under Customs Tariff</p>	KER/120/2021 dated 30.05.2021	<p>Facts of the Case: The applicant, K. Swaminathan, M/s. Banana Chips & Halwa Merchant is engaged in business as a supplier of goods such as Banana Chips, Jackfruit Chips, Sharkaraivaratty and Halwa without brand name.</p> <p>The applicant requested for advance ruling in respect of GST on Jackfruit Chips, Banana Chips (made out of both raw as well as ripe banana), Banana Chips (masala) sold without brand name, Sharkarai varatty and Halwa sold without brand name, roasted and salted or salted or roasted preparations such as of Ground nuts, Cashew nut and other seeds are namkeens and when sold without a brand name, and salted and masala chips of Potato and Tapioca are classifiable as Namkeens and when sold without a brand name.</p> <p>The applicant contended that the Jackfruit Chips, Banana Chips, Sarkara Varatty and Halwa are sold without brand</p>

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	<p>Heading 2008.19.40 and is liable to GST at the rate of 12% [6% CGST + 6% - SGST]. Jaggery Coated Banana Chips [Sarkaraupperi] are classifiable under Customs Tariff Heading 2008.19.40 and is liable to GST at the rate of 12% [6% - CGST + 6% - SGST].</p> <p>(Kerala Authority of Advance Ruling)</p>		<p>name. Jackfruit chips are made by frying the fruit in edible oil. Banana Chips are made by slicing raw / ripe bananas into thin round pieces and frying in edible oil. Salt and Turmeric are also applied. By adding masala, fried banana masala chips are prepared. Sarkara Varatty is made by frying thick pieces of banana slices in edible oil. Thereafter, they are mixed thoroughly in dense syrup of jaggery and then mixed in powder of dried ginger and cardamom. Halwa is made by cooking prepared maida flour in edible oil. After cooking, sugar and flavour are added and Halwa is ready for sale. Thus Jackfruit Chips, Banana Chips, Sharkara Varatty and Halwa are edible preparations and the first two are savoury and the last two-Sharkara Varatty and Halwa are Sweetmeat. Accordingly, the applicant is levying GST at the rate of 5% by classifying the commodities under Entry 101A of Schedule I of Central Tax (Rate) Notification No.1 of 2017.</p> <p>Views of Kerala Authority of Advance Ruling: The Coram of Joint Commissioner of Central Tax, Shiva Prasad and Additional Commissioner of State Tax, Senil A.K.Rajan ruled that the Jackfruit Chips and Banana Chips, Sharkara Varatty, Roasted / salted / roasted and salted Cashew nuts, and salted and masala chips of Potato and Tapioca are classifiable under Customs Tariff Heading 2008.19.40 and is liable to GST at the rate of 12% (6% - CGST + 6% - SGST) as per Entry at SI No. 40 of Schedule II of Notification No.01/2017 Central Tax (Rate) dated 28.06.2017.</p> <p>Conclusion: The Kerala Authority of Advance Ruling (AAR) ruled that 12% GST on Chips, Sharkarai varatty, Roasted and Salted Cashew nuts and Namkeens.</p>
<p>Malankara Orthodox Syrian Church Medical Mission Hospital</p>	<p>Whether GST is leviable on the value of supply of medicines, implants and other supplies issued to patients during the course of treatment.</p> <p>(Kerala Authority of Advance Ruling)</p>	<p>KER/118/2021 dated 30.05.2021</p>	<p>Facts of the Case: The applicant, M/s. Malankara Orthodox Syrian Church Medical Mission Hospital is supplying medicine, implants, and other supplies to their patients during the course of treatment who are admitted as inpatients and who are not admitted but undergoing treatment in their hospital as outpatients. They are supplying medicines only to patients who are registered in their hospital as a patient against prescription from their treating Doctors. The patients have the option to purchase medicine and other supplies from outside pharmacies, subject to quality assessment by the hospital. In certain cases where choices are available as brand or type (for example metal implant vs. titanium implants), the patient is at liberty to choose out of the available items and the bill will be prepared accordingly. This is not applicable in the case of 'all-inclusive packages.</p> <p>The applicant is issuing tax invoices as per the GST law for the supply of medicines and other supplies through the pharmacy to both inpatients and outpatients. They are also disclosing the GST included in the MRP in the tax invoice for the supply of medicines and they are paying the tax to the Government as per the requirements of GST law.</p>

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			<p>The applicant sought the advanced ruling on various issues. Firstly, whether GST is leviable on the value of supply of medicine, implants, and other supplies issued to patients during the course of treatment.</p> <p>Views of Kerala Authority of Advance Ruling: The Coram of Joint Commissioner of Central Tax, Shiva Prasad, and Additional Commissioner of State Tax, Senil A. K. Rajan ruled that in the case where a package is offered to the patient which covers the treatment, required medicines, required supplies, etc. for a consolidated amount. This amount was prefixed by the hospital with respect to the treatment of a particular disease or surgery and charged to patients irrespective of the type and quantity of medicine, supplies, etc. issued to patients. It is a composite supply of which the principal supply is healthcare services and the other supplies are only incidental or ancillary to the supply of healthcare services. Therefore, the supply of medicines, implants, and other items to the inpatients admitted to the hospital for treatment as per the package offered by the applicant is a composite supply where the principal supply is healthcare services falling under SAC 999311.</p> <p>The AAR said that in the case where a package is offered to the patient which covers the treatment for a consolidated amount and this amount is prefixed by the Hospital with respect to the treatment of a particular disease or surgery. But the supply of medicine and certain other supplies like implants are not included in this package and will be billed extra, according to the type and quantity of items issued to the patient. The healthcare services supplied by the applicant as per the package is exempted and the supply of medicines, implants, and other items that are not included in the package and which are separately billed shall attract GST at the rate applicable to such items as per the GST Tariff Schedule.</p> <p>Conclusion: The Kerala Authority of Advance Ruling (AAR) ruled that GST exempted on composite supply of healthcare services and the other incidental supplies.</p>
Victoria Realtors	<p>Whether the new tax rate of 7.55 with no ITC is applicable to the 11 unbooked units in the said Vrindhavan Project and if it is applicable for similar projects in similar situations.</p> <p>(Kerala Authority of Advance Ruling)</p>	KER/116/2021 dated 28.05.2021	<p>Facts of the Case: The applicant, Victoria Realtors started the activities from 2012 onwards. They first identify locations suitable for the gated community villa projects and will buy land in their own name and take layout approval in their name and promote the villas to various villa buyers. In another situation, they identify locations suitable for the gated community villa projects and enter into an agreement with the landlords for the purchase of the entire land area required for the project. The total area of land is divided into various plots and the layout approval is taken in the name of the landlord and the villa approval is taken either in the name of the landlord or in the name of villa buyers from concerned local authorities at their expense. After the approval from local authorities, they provide amenities like roads, arches, compound walls, rainwater harvesting, health club, etc required for the gated communities. They do marketing activities such as digital,</p>

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			<p>paper ads, media advertisement, etc, and identify suitable villa buyers for the projects.</p> <p>The applicant has sought the advance ruling on the issue of whether the new tax rate of 7.5% (effective rate of 5% after excluding land portion), with no ITC, is applicable to the 11 unbooked units in the said VRINDHAVAN project.</p> <p>Views of Kerala Authority of Advance Ruling: The Coram of Joint Commissioner of Central Tax, Shiva Prasad, and Additional Commissioner of State Tax, Senil A.K.Rajan ruled that Since the applicant has exercised the option for paying tax at the rate as specified in Item in respect of the ongoing project “VRINDHAVAN”, the old rate of tax at 18% (9%- CGST + 9% – SGST) with the input tax credit is applicable for all the apartments/villas comprised in the project-“VRINDHAVAN”.</p> <p>Conclusion: The Kerala Authority of Advance Ruling (AAR) ruled that 18% GST payable if the builder fails to exercise the option of the lower rate.</p>
<p>Shri N. M. Thulaseedharan, M/s N. V. Chips</p>	<p>12% GST on Salted and Masala Chips of Potato and Tapioca, Jackfruit Chips, Roasted and Salted Groundnuts, Cashew Nuts.</p> <p>(Kerala Authority of Advance Ruling)</p>	<p>KER/114/2021 dated 26.05.2021</p>	<p>Facts of the Case: The applicant, N. M. Thulaseedharan, M/s. N.V. Chips is engaged in business as a supplier of Jackfruit Chips without the brand name. The applicant purchases Jackfruit Chips from other registered persons making Jackfruit Chips. They levy tax at the rate of 5% under HSN Code 1903 and accordingly the applicant also classified it under the same HSN Code and levied tax at the rate of 5%. The applicant also intends to engage in the supply of salted as well as masala chips made from Tapioca and Potato, roasted/roasted and salted/salted preparations made out of groundnuts, cashew nuts and other seeds.</p> <p>The applicant has sought the advance ruling on the issue of whether Jackfruit Chips sold without BRAND NAME are classifiable as NAMKEENS and are covered by HSN code 2106.90.99 and taxable under Entry 101A of Schedule. Whether roasted and salted/salted/roasted preparations such as of groundnuts, cashew nut and other seeds are NAMKEENS and when sold without a brand name can they be classified under HSN 2106.90.99 and taxed under Entry 101A of Schedule 1.</p> <p>The applicant has further sought the ruling on Whether salted and masala chips of Potato and Tapioca are classifiable as Namkeens and when sold without a brand name can they be classified under HSN 2106.90.99 and taxed under Entry 101A of Schedule 1.</p> <p>Views of Kerala Authority of Advance Ruling: The coram of Joint Commissioner of Central Tax, Shiva Prasad, and Additional Commissioner of State Tax, Senil A. K. Rajan ruled that the Jackfruit Chips are classifiable under Customs Tariff Heading 2008.19.40 and is liable to GST at the rate of 12% as per Entry at SI No. 40 of Schedule II. The AAR ruled that roasted/salted/roasted and salted Cashew nuts are classifiable under Customs Tariff Heading 2008.19.10 and roasted/salted / roasted and salted Groundnuts and other nuts are classifiable under</p>

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			<p>Customs Tariff Heading 2008.19.20 and is liable to GST at the rate of 12% as per Entry at SI No. 40 of Schedule II. The salted and masala chips of Potato and Tapioca are classifiable under Customs Tariff Heading 2008.19.40 and is liable to GST at the rate of 12% (6% -CGST + 6% - SGST) as per Entry at SI No. 40 of Schedule II of Notification No.01/2017 Central Tax (Rate) dated 28.06.2017," the AAR said.</p> <p>Conclusion: The Kerala Authority of Advance Ruling (AAR) ruled that 12% GST on salted and masala chips of Potato and Tapioca, Jackfruit Chips, roasted and salted groundnuts, and cashew nuts.</p>
<p>Cigma Medical Coding Private Ltd</p>	<p>1. Whether the payment made to the American Academy of Professional Coders (AAPC) as examination fee for students on behalf of some of the students of the applicant institute as a pure agent is service under GST and is there any tax liability for the same when the applicant is collecting the actual examination fee and remitting that amount to AAPC as such without taking any service charges either from students or from AAPC.</p> <p>2. Whether the payment made to AAPC as examination fee on behalf of outside students as pure agent is service under GST and is there any tax liability for the same when the applicant is collecting the actual examination fee and remitting that amount to AAPC as such without taking any service charges either from students or from AAPC.</p> <p>(Kerala Authority of Advance Ruling)</p>	<p>KER/111/2021 dated 26.05.2021</p>	<p>Facts of the Case: The applicant, M/s. Cigma Medical Coding Private Ltd is engaged in providing training for students in medical coding. The medical coding examination is conducted and certified by the American Academy of Professional Coders (AAPC) having its headquarters in Salt Lake City, Utah, United States of America (USA).</p> <p>The applicant also helps some of their students to pay the examination fees for the medical coding examination conducted by AAPC by arranging an online facility/platform for making payment without collecting any service charge. Students can also pay their examination fee directly to AAPC.</p> <p>The applicant provides this fee payment facility to interested students for easy payment of fees without any hardship to students since the e-payment of fees through conversion of Indian Rupee to Dollar may not be easy to students who are not familiar with online foreign currency transfer payment. Moreover, there is every chance for errors in depositing fees to the particular account head of the foreign recipient. Neither the student nor AAPC is paying any service charge to the applicant for such remittance for examination fees. The applicant is providing this free fee payment facility to all interested students, including those who are not attending the training program of the applicant.</p> <p>The applicant has sought the advance ruling on the issues whether the payment made to the American Academy of Professional Coders (AAPC) as examination fee for students on behalf of some of the students of the applicant institute as a pure agent is service under GST and is there any tax liability for the same when the applicant is collecting the actual examination fee and remitting that amount to AAPC as such without taking any service charges either from students or from AAPC.</p> <p>Yet another issue raised was whether the payment made to AAPC as examination fee on behalf of outside students as pure agent is service under GST and is there any tax liability for the same when the applicant is collecting the actual examination fee and remitting that amount to AAPC as such without taking any service charges either from students or from AAPC.</p>

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			<p>Views of Kerala Authority of Advance Ruling: The Coram of Joint Commissioner of Central Tax, Shiva Prasad, and Additional Commissioner of State Tax, Senil A.K.Rajan ruled that the collection and payment of examination fee to AAPC by the applicant on behalf of the students who are enrolled for training with the applicant is not liable to GST subject to fulfillment of the conditions stipulated under Rule 33 of CGST Rules 2017.</p> <p>“The collection and payment of examination fee to AAPC by the applicant on behalf of outside students (who are not enrolled for training with the applicant) without collecting any service charge either from students or AAPC is not liable to GST,” the AAR ruled.</p> <p>Conclusion: The Kerala Authority of Advance Ruling (AAR) ruled that no GST payable on payment of examination fee on behalf of students to American Academy of Professional Coders (AAPC) as a pure agent.</p>
<p>Alleppey Fibretuft Pvt. Ltd.</p>	<p>PVC tufted Coir mats and matting are appropriately classifiable under Customs Tariff Item 5703.90.90 and attracts GST at the rate of 12%.</p> <p>(Kerala Authority of Advance Ruling)</p>	<p>KER/110/2021 dated 26.05.2021</p>	<p>Facts of the Case: The applicant, Alleppey Fibretuft Pvt Ltd is engaged in the manufacture and sale / supply of “PVC Tufted Coir Mats and Matting” in the local / domestic market.</p> <p>The applicant submits that the PVC Tufted Coir Mats and Matting are manufactured using technologically advanced machines. The machine is designed in such a way that coir yarn stacked in creel stand is automatically fed into cutting / tufting head where that yarn is cut into bits of required pile height and tufted over a uniform thickness PVC base in conveyor belt which is cured by passing over heated radiators (Heating Zone) and then chilled surface (chilling zone) of the continuous process machinery.</p> <p>The PVC base solidifies and results in formation of PVC matting in rolls which can also be cut into mat size by longitudinal and cross cutting. All the above process is done in this machine automatically and this requires minimum labour for operation.</p> <p>The applicant has sought the advance ruling on the issue</p> <ol style="list-style-type: none"> 1. whether or not item number (A) (xiii) in Schedule 1 2.5% (which reads as in SI.No.219, in column (2), for the figure, ‘5705’, the figures ‘5702, 5703, 5705’, shall be substituted), referred to in Notification No.34/2017-Central Tax (Rate) dated 13.10.2017 is meant to cover PVC Tufted coir Mats and Matting. 2. Whether or not PVC Tufted Coir Mats and Matting attract a low band of tax rates as per the recommendations of the Fitment Committee and approval of the GST Council. 3. whether or not PVC Tufted Coir Mats and Matting can be classified under tariff item 5703.90.90 — Of other textile material — Other corresponding to entry in SI.No.144 of Schedule II attracting 12% GST.

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			<p>Views of Kerala Authority of Advance Ruling: The Coram of Joint Commissioner of Central Tax, Shiva Prasad and Additional Commissioner of State Tax, Senil A.K.Rajan ruled that No. SI No. 219 of Schedule I of Notification No. 01/2017 Central Tax (Rate) dated 28.06.2017 as amended by Notification No.34/2017-Central Tax (Rate) dated 13.10.2017 does not cover PVC Tufted Coir mats and matting.</p> <p>“PVC tufted Coir mats and matting are appropriately classifiable under Customs Tariff Item 5703.90.90 and attract GST at the rate of 12% (CGST — 6% + SGST- 6%) as per entry at SI. No. 144 of Schedule II of Notification No. 01/2017 Central Tax (Rate) dated 28.06.2017,” the AAR observed.</p> <p>Conclusion: The Kerala Authority of Advance Ruling (AAR) ruled that 12% GST payable on PVC tufted Coir mats and matting.</p>
<p>United Rubber Industries</p>	<p>Whether "Mats, Mattings and Floor Covering of Coir, if backed by PVC, Rubber, Latex etc would fall under Tariff Headings 5702, 5703 & 5705 at SI No.219 of Schedule-1 of Notification No.1/2017-CGST(Rate) dated 28-06-2017 within the 5% tax net depending upon the respective manufacturing process of its exposed surface.</p> <p>(Kerala Authority of Advance Ruling)</p>	<p>KER/109/2021 dated 26.05.2021</p>	<p>Facts of the Case: The applicant, United Rubber Industries manufactures mats, mattings and floor coverings of coir by various processes like weaving, tufting etc and are classified under headings 5702, 5703 and 5705 based on the method of manufacture. During such manufacturing process products may or may not be impregnated or embedded with Rubber, Latex, PVC etc for providing the backing for the surface textile, according to the customer specification. In all the cases products will have coir as its exposed surface. Such products irrespective of the backing are identified / known as coir products in the market or trade parlance.</p> <p>As there is a general confusion among the trade as to whether coir products if backed by Rubber / PVC / Latex etc would come under the terminology “Coir mats, mattings and floor covering” and the rate of GST applicable on such backed product, the applicant has sought the advance ruling on the issue whether “Mats, Mattings and Floor Covering of Coir”, if backed by PVC, Rubber, Latex etc would fall under Tariff Headings 5702, 5703 and 5705 at SI. No.219 of Schedule I of Notification No.1/2017-CGST (Rate) dated June 28, 2017, within the 5% tax net, depending upon the respective manufacturing process of its exposed surface.</p> <p>Views of Kerala Authority of Advance Ruling: The Coram of Joint Commissioner of Central Tax, Shiva Prasad and Additional Commissioner of State Tax, Senil A.K.Rajan ruled that Mats, Matting and Floor Covering of Coir backed by PVC, Rubber, Latex etc are appropriately classifiable under Tariff Sub- Heading 5703 90 90 of First Schedule of the Customs Tariff Act, 1975 and attracts GST at the rate of 12% (6% CGST and 6% SGST) as per entry at SI No. 144 of Schedule II of Notification No.1/2017-CGST (Rate) dated June 28, 2017.</p> <p>Conclusion: The Kerala Authority of Advance Ruling (AAR) ruled that 12% Goods and Service Tax (GST) is payable on Mats,</p>

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			Matting & Floor Covering of Coir backed by PVC, Rubber, and Latex.
CC FABS	<p>Whether the activity of tanker body building is supply of goods or supply of services. If it is supply of goods what is the applicable rate of GST and if it is the supply of services what is the applicable rate of GST. What will be the service code for above stated activity of tanker body building carried out on chassis of motor vehicle owned by customer.</p> <p>(Kerala Authority of Advance Ruling)</p>	KER/107/2021 dated 25.05.2021	<p>Facts of the Case: The applicant, CC FABS is engaged in tanker body fabrication on the chassis given by the customer on a job work basis. The customers purchase the chassis and hand it over to the applicant for fabricating the tanker body. On receipt of chassis, a work order with the specifications of the tanker body will be raised and on acceptance of the same by the customer, the materials used for structural fabrication of the tanker will be procured and the tanker body will be built on the chassis. The processes involved in the manufacturing activity are receiving chassis at the workshop; purchase of raw steel; cutting and bending of raw materials; welding of all cut and bend parts; assembly of all fabricated parts and statutory parts; and final product on chassis and delivery of the tanker with license. The applicant has sought the advance ruling on the issue of whether the activity of tanker bodybuilding on a job work basis, on the chassis supplied by the customer, is the supply of goods or a supply of service. If it is a supply of services, what is the applicable rate of GST, and what will be the service code (tariff) for the above-stated activity of tanker bodybuilding carried out on chassis of motor vehicles owned by customers?</p> <p>Views of Kerala Authority of Advance Ruling: The Coram of Joint Commissioner of Central Tax, Shiva Prasad, and Additional Commissioner of State Tax, Senil A.K.Rajan observed that the activity of tanker bodybuilding on the chassis supplied by the customer is a supply of service.</p> <p>“The activity is liable to GST at the rate of 18% as per entry at SI No. 26 (iv) 9988 “Manufacturing services on physical inputs (goods) owned by others Manufacturing services on physical inputs (goods) owned by others, other than (i), (ia), (ib), (ic), (id), (ii), (iia) and (iii) above” of Notification No. 11/2017 Central Tax (Rate) dated 28.06.2017,” the AAR said.</p> <p>The AAR further ruled that the activity of tanker bodybuilding on the chassis owned by the customer is classifiable under Service Accounting Code 998881.</p> <p>Conclusion: The Kerala Authority of Advance Ruling (AAR) ruled that Tanker bodybuilding on job work basis, on chassis supplied by the customer is Supply of Services and 18% GST is payable.</p>
K. Swaminathan, M/s Banana Chips & Halwa merchant	<p>Whether jackfruit chips, banana chips sold without brand name are classified as NAMKEENS and are covered by HSN Code 2106. 90.99 and are taxable under Entry 101A of Schedule of Central Tax (rate)</p>	KER/105/2021 dated 25.05.2021	<p>Facts of the Case: The applicant, K. Swaminathan, M/s. Banana Chips & Halwa Merchant is engaged in business as a supplier of goods such as Banana Chips, Jackfruit Chips, Sharkaraivaratty and Halwa without brand name.</p> <p>The applicant requested for advance ruling in respect of GST on Jackfruit Chips, Banana Chips (made out of both raw as well as ripe banana), Banana Chips (masala) sold without brand name, Sharkarai varatty and Halwa sold</p>

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	<p>Notification 1/2017. Whether the commodities Sharkarai varatty and Halwa sold without brandname is classified as SWEET MEATS and covered by HSN code 2106.90.99 and taxable under Entry 101A of Schedule of Central Tax(Rate) notification 1/2017.</p> <p>Whether roasted/salted nuts, seeds potato and tapioca can be classified as NAMKEENS and when sold without brand name can they be classified under HSN 2106.90.99 and taxed under Entry 101A of Schedule 1 of Central Tax (Rate) Notification No.1 of 2017</p> <p>(Kerala Authority of Advance Ruling)</p>		<p>without brand name, roasted and salted or salted or roasted preparations such as of Ground nuts, Cashew nut and other seeds are namkeens and when sold without a brand name, and salted and masala chips of Potato and Tapioca are classifiable as Namkeens and when sold without a brand name.</p> <p>The applicant contended that the Jackfruit Chips, Banana Chips, Sarkara Varatty and Halwa are sold without brand name. Jackfruit chips are made by frying the fruit in edible oil. Banana Chips are made by slicing raw / ripe bananas into thin round pieces and frying in edible oil. Salt and Turmeric are also applied. By adding masala, fried banana masala chips are prepared. Sarkara Varatty is made by frying thick pieces of banana slices in edible oil. Thereafter, they are mixed thoroughly in dense syrup of jaggery and then mixed in powder of dried ginger and cardamom. Halwa is made by cooking prepared maida flour in edible oil. After cooking, sugar and flavour are added and Halwa is ready for sale. Thus Jackfruit Chips, Banana Chips, Sharkara Varatty and Halwa are edible preparations and the first two are savoury and the last two-Sharkara Varatty and Halwa are Sweetmeat. Accordingly, the applicant is levying GST at the rate of 5% by classifying the commodities under Entry 101A of Schedule I of Central Tax (Rate) Notification No.1 of 2017.</p> <p>Views of Kerala Authority of Advance Ruling: The Coram of Joint Commissioner of Central Tax, Shiva Prasad and Additional Commissioner of State Tax, Senil A.K.Rajan ruled that the Jackfruit Chips and Banana Chips, Sharkara Varatty, Roasted / salted / roasted and salted Cashew nuts, and salted and masala chips of Potato and Tapioca are classifiable under Customs Tariff Heading 2008.19.40 and is liable to GST at the rate of 12% (6% - CGST + 6% - SGST) as per Entry at SI No. 40 of Schedule II of Notification No.01/2017 Central Tax (Rate) dated 28.06.2017.</p> <p>“Halwa is appropriately classifiable under Customs Tariff Heading 2106 90 99 and is liable to GST at the rate of 5% (2.5%-CGST + 2.5% - SGST) as per SI No. 101 of Schedule I of Notification No. 01/2017 — Central Tax (Rate) dated 28.06.2017,” the AAR said.</p> <p>Conclusion: The Kerala Authority of Advance Ruling (AAR) ruled that 12% GST on Chips, Sharkarai varatty, Roasted and Salted Cashew nuts and Namkeens.</p>
<p>South Indian Federation of Fishermen Societies</p>	<p>Applicability of GST rate of 5% on marine engines of heading 8407 and its spare parts without considering its general tax rate. Whether GST is applicable for supply of materials and labour charges incurred during</p>	<p>KER/102/2021 dated 25.05.2021</p>	<p>Facts of the Case: The applicant, M/s. South Indian Federation of Fishermen Societies (SIFFS) is a non-Governmental Organization supporting the livelihood activities of small scale fishing communities in South India. The applicant is engaged in the business of supply of fishing boats (HSN 8902), ice boxes for fish preservation (HSN 3923) and marine engines (HSN 8407) to traditional small-scale fishermen communities at competitive prices. Fishing boats and iceboxes are manufactured by them while marine engines for fishing vessels are imported from outside India.</p>

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	<p>warranty period at free of cost on fishing vessels presented for repair works. Applicability of GST rate of 5% on supply of materials and service charges for the repairs and maintenance of fishing vessels of heading 8902 without consideration of general tax rates. What is the tax rate of puff insulated iceboxes produced by SIFFS and that of marine engine of general heading 8407 when it is supplied to defence department, patrol, flood relief and rescue operations?</p> <p>(Kerala Authority of Advance Ruling)</p>		<p>The applicant has sought the advanced ruling on the issues regarding the applicability of GST rate of 5% on marine engines of heading 8407 and its spare parts without considering its general tax rate as per the entry of Schedule I, Sl.No.252 of GST Act dated 28-06-2017, being the part of a fishing vessel of heading 8902. Yet another issue raised was whether GST is applicable for supply of materials and labour charges incurred during the warranty period at free of cost on fishing vessels presented for repair works; Applicability of GST rate of 5% on supply of materials and service charges in connection with the repairs and maintenance of fishing vessels of heading 8902 without considering its individual general tax rates as per the entry of Sch. No.1, Sl.No.252 of GST Act dtd.28-06-2017, being the part of a fishing vessel of heading 8902.</p> <p>The applicant has also raised the issue regarding the tax rate of puff insulated iceboxes produced by SIFFS and used by traditional fishermen at their fishing vessels for the purpose of reducing fish spoilage and maintaining good hygiene and the tax rate of the marine engine of general heading 8407 when it is supplied to the defence department, patrol, flood relief and rescue operations.</p> <p>Views of Kerala Authority of Advance Ruling: The Coram of Joint Commissioner of Central Tax, Shiva Prasad and Additional Commissioner of State Tax, Senil A.K.Rajan ruled that the marine engine and its spare parts supplied for use in vessels falling under Customs Tariff Heading 8902 shall attract GST at the rate of 5% as per entry at SI No. 252 of Schedule I of Notification No.01/2017 Central Tax (Rate) dated 28.06.2017. If it is supplied for use other than as parts of fishing vessels, GST at the rate applicable under the respective Customs Tariff Headings in which they are classified will apply.</p> <p>The AAR further ruled the supply of goods or services or both during the warranty period without consideration in the discharge of the warranty obligation is not liable to GST. However, if any additional consideration is received in respect of such supplies of goods or services or both it will be liable to GST at the rate applicable for the goods/services as per the rate schedule.</p> <p>“The supply of maintenance and repair service of fishing vessels is classifiable under SAC 998714 and is liable to GST at the rate of 18% [9%-CGST + 9%-SGST] as per SI No. 25 (ii) of the Notification No. 11/2017 Central Tax (Rate) dated 28.06.2017. However, where the contract of supply of repair or maintenance specifies that the spare parts and services are to be separately charged and the value of such spare parts and services supplied are shown separately the spare parts and the services shall attract GST respectively at the rates applicable to such spare parts and service as per the GST rate schedule. In such cases, the spare parts are supplied for use as part of fishing vessels will attract GST at the rate of 5% as per entry at SI No. 252 of Schedule I of Notification No.01/2017 Central Tax (Rate) dated 28.06.2017 and the services will be liable to GST at the rate of 18% as per SI No. 25 (ii) of the Notification No. 11/2017 Central Tax (Rate) dated 28.06.2017,” the AAR said.</p>
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			<p>The Authority held that the product falls under Customs Tariff Head 3923 and is liable to GST at the rate of 18% as per entry at SI No. 108 of Schedule III of Notification No. 01/2017 Central Tax (Rate) dated 28.06.2017.</p> <p>“The marine engine that falls under Customs Tariff Heading 8407 when supplied for use as part of vessels falling under Customs Tariff Heading 8906: Other vessels, including warships (which aptly covers vessels for Defence and other agencies used for patrol, relief and rescue operations) shall attract GST at the rate of 5% [2.5%-CGST + 2.5% SGST] as per entry at SI No. 252 of Schedule I of Notification No.01/2017 Central Tax (Rate) dated 28.06.2017,” the AAR said.</p> <p>Conclusion: The Kerala Authority of Advance Ruling (AAR) ruled that 5% GST is payable on marine engines and its spare parts being part of fishing vessels.</p>
<p>Chellanam Grama Panchayath</p>	<p>Whether lease rent charged by Municipality / Panchayath for land i.e., water channel used for fish farming falls within the meaning of “services relating to rearing of all life forms of animals- by way of renting or leasing of vacant land” eligible for GST exemption as per Sl.No.54 of Notification No. 12/2017-Central Tax (Rate) dated 28-06-2017 and corresponding notification under Kerala GST</p> <p>(Kerala Authority of Advance Ruling)</p>	<p>KER/100/2021 dated 25.05.2021</p>	<p>Facts of the Case: The applicant, Chellanam Grama Panchayath is a Local Self Government Institution and is engaged among other activities in leasing of wetland for fish farming. The applicant has allotted some wet land, i.e., water channel (paruthithodu chaal in Chellanam) on lease. The land is used for fish and crab farming. The person who has taken the wet land on auction has to pay the agreed auction amount.</p> <p>The applicant sought advance ruling on whether lease rent charged by Municipality / Panchayath for land i.e., water channel used for fish farming falls within the meaning of “services relating to rearing of all life forms of animals- by way of renting or leasing of vacant land” eligible for GST exemption as per Sl.No.54 of Notification No. 12/2017-Central Tax (Rate) dated 28-06-2017 and corresponding notification under Kerala GST.</p> <p>Views of Kerala Authority of Advance Ruling: The Coram of Joint Commissioner of Central Tax, Shiva Prasad and Additional Commissioner of State Tax, Senil A.K.Rajan ruled that lease rent charged by Municipality / Panchayath for land i.e., water channel used for fish farming falls within the meaning of ‘services relating to rearing of all life forms of animals- by way of renting or leasing of vacant land’ eligible for GST exemption as per Sl.No.54 of Notification No. 12/2017-Central Tax (Rate) dated June 28, 2017 and corresponding notification under Kerala GST.</p> <p>“The services relating to cultivation of plants and rearing of all life forms of animals by way of renting or leasing of vacant land with or without structures is exempted under the entry. The conditions to be satisfied are; (1) vacant land with or without structures is provided; (2) the land should be provided on lease or rent; and (3) the activity for which the land is provided should be cultivation of plants or rearing of animals. In the instant case the applicant is providing a water channel (paruthithodu chaal in Chellanam) and there is no doubt that the water channel comes under the category of land. Thus the first</p>

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			<p>condition is satisfied. The nature of provision of the land as evidenced by the allotment letter and agreement comes within the scope of definition of renting of immovable property in Para 2 (zz) of Notification No. 12/2017-Central Tax (Rate) dated 28-06.2017 and hence the second condition is satisfied,” the AAR said.</p> <p>Conclusion: The Kerala Authority of Advance Ruling (AAR) ruled that no GST is payable on Renting/Leasing of vacant land used for fish farming.</p>
<p>St. Thomas Hospital</p>	<p>Whether the medicines, surgical items, implants, stents and other consumables used in the health care services and food to inpatients would be considered as "Composite Supply" of health care under GST and can have an exemption of GST.</p> <p>(Kerala Authority of Advance Ruling)</p>	<p>KER/108/2021 dated 26.05.2021</p>	<p>Facts of the Case: The applicant, M/s. ST. Thomas Hospital has a multi-speciality hospital providing health care services with professionals like doctors, nursing staff, lab technicians, etc. Medicines, surgical items, implants, stents and other consumables etc. are supplied through pharmacy to in-patients under the prescription of the doctors which are incidental to the health care services rendered in the hospital. The medicines and surgical items are taken from the inpatient pharmacy by the nursing staff to the bedside of the inpatients and managed by the nursing staff themselves. The inpatients are provided with stay facilities, medicines, consumables, implants, dietary food and other surgeries / procedures required for the treatment. The Central store of the hospital procures stocks of medicines, implants, consumables etc from various suppliers and distributes to its outlets such as inpatient pharmacy, operation theatre pharmacy and outpatient pharmacy based on the indent issued.</p> <p>The inpatient pharmacy and operation theatre pharmacy supplies medicines, implants and consumables only to inpatients, whereas the outpatient pharmacy attached to the hospital entertains the medical prescription of outpatients. Applicant raise an invoice on the inpatients at the time of discharge in which the charges for various items like, room rent, lab and diagnostic services, surgery, doctor’s consultation, nursing charge, diet charges, medicines, implants and other surgical items are included. Along with the rendering of healthcare services to inpatients, they also supply food to them. There are two categories of inpatients-while the food to be consumed by some of the inpatients are under the direction / supervision of the dietician, some other inpatients are not under any specific direction or supervision by the dieticians but only under general direction of doctors.</p> <p>The applicant has sought the advance ruling on the issues:</p> <ol style="list-style-type: none"> i. Whether the medicines, surgical items, implants, stents and other consumables used in the course of providing health care services to inpatients admitted to the hospital for diagnosis, or medical treatment or procedures would be considered as “Composite Supply” of health care services under GST and consequently can exemption under Notification No.12/2017 Central Tax (Rate) dated 28.06.2017 read with Section 8(a) of GST be claimed, ii. Whether the supply of food to all the inpatients would be considered as “Composite Supply” of health care services under GST and

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			<p>consequently can exemption under Notification No.12/2017 Central Tax (Rate) dated 28.06.2017 read with Section 8(a) of GST be claimed.</p> <p>Views of Kerala Authority of Advance Ruling: The Coram of Joint Commissioner of Central Tax, Shiva Prasad and Additional Commissioner of State Tax, Senil A.K.Rajan ruled that the supply of medicines, surgical items, implants, stents, and other consumables to inpatients admitted to the hospital for diagnosis, or medical treatment or procedures is a composite supply where the principal supply is healthcare services falling under SAC 999311 which is exempted as per entry at Sl No. 74 of Notification No.12/2017 Central Tax (Rate) dated 28.06.2017.</p> <p>“The supply of food to inpatients admitted to the hospital for diagnosis, or medical treatment or procedures is a component of the composite supply where the principal supply is healthcare services falling under SAC 999311 which is exempted as per entry at Sl No. 74 of Notification No.12/2017 Central Tax (Rate) dated 28.06.2017,” the AAR ruled. The AAR ruled that the eligibility of credit of tax paid on the inputs and input services used for taxable as well as exempted supplies are governed by the provisions of Section 17 (2) of the CGST Act, 2017 and Rule 42 of the CGST Rules, 2017. The eligible input tax credit shall be calculated as per the formula prescribed in Rule 42 of the CGST Rules, 2017.</p> <p>Conclusion: The Kerala Authority of Advance Ruling (AAR) ruled that no GST payable on Composite supply of healthcare services.</p>
<p>Neogen Food and Animal Security(India) Private Ltd</p>	<p>Whether Entry No.80 in Schedule II to the Notification No.1/2017-Integrated Tax(Rate) dated 28-06-2017 is applicable for import as well as supply of "Laboratory reagents for rapid testing of food safety parameters" 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>KER/106/2021 dated 25.05.2021</p>	<p>Facts of the Case: The applicant is engaged in contract of chemical and microbiological testing services and trading (import and sale) of Neogen Group products in the Indian market. The range of trading items includes Neogen’s food safety products consisting of kits and laboratory reagents for dangerous or unintended substances’ testing for food safety parameters. Their products are used by food processing companies, regulatory bodies etc to manage the risk in food caused by pathogens and toxic substances. The exhaustive list of about 254 products dealt by them that are predominantly used for food testing in lab / field / mobile vans/ for testing of processed and unprocessed foods, juices, cereals, nuts, spices etc and raw materials like wheat, rice, corn, fruits, and also milk (aflatoxin), poultry (egg allergen) and fish products in some cases (histamine).</p> <p>The applicant sought the advance ruling on issue whether Entry No. 80 in Schedule H to the Notification No. 01/2017 Integrated Tax (Rate) dated June 28, 2017 (as amended) is applicable for import as well as supply of “Laboratory reagents for rapid testing of food safety parameters”, 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>

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			<p>Views of Kerala Authority of Advance Ruling: The coram of Joint Commissioner of Central Tax, Shiva Prasad and Additional Commissioner of State Tax, Senil A.K.Rajan observed that reagents referred to in Heading 3822 of the Customs Tariff includes both diagnostic and laboratory reagents. The Tariff Heading 3002 pertains to human blood; animal blood prepared for therapeutic, prophylactic or diagnostic uses; antisera, other blood fractions and immunological products, whether or not modified or obtained by means of biotechnological processes; vaccines, toxins, cultures of microorganisms (excluding yeasts) and similar products and the Tariff Heading 3006 pertains to pharmaceutical goods specified in note 4 of chapter 30. Admittedly, the products supplied by the applicant are laboratory reagents which are predominantly used in food testing labs or in the field for testing of processed and unprocessed food. Hence, they do not fall under any of the sub – headings / tariff items under Heading 3002 or 3006 and therefore, they are appropriately classifiable under Customs Tariff Heading 3822 00 90.</p> <p>The AAR held that that the laboratory reagents for rapid testing of foods safety parameters supplied by the applicant is appropriately classifiable under Customs Tariff Heading 3822 00 90 and is liable to GST at the rate of 12% as per entry at Sl No. 80 of Schedule II of Notification No. 01/2017 Integrated Tax (Rate) dated June 28, 2017.</p> <p>Conclusion: The Kerala Authority of Advance Ruling (AAR) ruled that 12% GST applicable on laboratory reagents for rapid testing of food safety parameters.</p>
<p>EVM Motors & Vehicles India Pvt. Ltd</p>	<p>Whether the services rendered by applicant falls under the chapter 99, Heading 9964 and Service code 996415. Whether the rate provided in Notification No.11/2017-Central Tax (Rate) dated 28-06- 2017 and Notification No.8/2017-Integrated Tax (Rate) dated 28/06/2017 under heading 9964 and description in point(vii) having a GST rate of 18% is applicable for the service rendered by this applicant. Whether the appellant is entitled to claim input tax credited.</p>	<p>KER/103/2021 dated 25.05.2021</p>	<p>Facts of the Case: The applicant, EVM Motors & Vehicles India Pvt. Ltd. is a major automobile dealer in the State of Kerala. It handles 15 automobile brands with showrooms and workshops spread all round Kerala. As a part of the diversification plan they have started a new venture “Le Leela” in the Hospitality segment.</p> <p>The new venture is a resort in Muhamma in Alapuzha district. As part of this venture, house boats are being acquired and furnished. These houseboats are to be used for cruises, overnight cruises and for day trips. Meals are provided as part of a package. Alcohol provided, if any, is to be billed separately and KGST will be charged. The boarding point may or may not be the point of disembarkation. The boats procured are to be furnished with state-of-the-art bedrooms, dining rooms, halls and kitchens. The rate proposed to be charged by the applicant is an all-inclusive fare for transportation, accommodation, food services and other incidental services.</p> <p>The applicant has sought the advance ruling on the issues whether the service rendered by the applicant falls under the Chapter 99, Heading 9964 and Service Code 996415; Whether the rate provided in Notification No.11/ 2017-Central Tax (Rate) dated 28-06-2017 and Notification No.8/ 2017-Integrated Tax (Rate) dated 28-06-2017 under heading 9964 and description in point (vii) having</p>

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			<p>a GST rate of 18% is applicable for the service rendered by this applicant; and whether the applicant is entitled to claim Input Tax Credit.</p> <p>Views of Kerala Authority of Advance Ruling: The Coram of Joint Commissioner of Central Tax, Shiva Prasad and Additional Commissioner of State Tax, Senil A.K.Rajan ruled that The applicant is operating a resort at Alapuzha District. In connection with the same, house boats are being acquired and furnished by the applicant. The house boats are used for overnight cruises and day trips. Meals are provided as part of package. If alcohol is provided, it will be billed separately and Kerala General Sales Tax will be charged. The boarding point may or may not be the point of disembarkation. The boats procured are furnished with state- of- the- art bedrooms, dining rooms, halls and kitchens. The rate proposed to be charged by the applicant is an all-inclusive amount for transportation, accommodation, food and other incidental services.</p> <p>The applicant claims that the service is classifiable under SAC 9964 placing reliance on the explanatory notes to Heading 996415 of the Scheme of Classification of Services under GST. The Scheme of Classification of Services is notified as Annexure to Notification No. 11/2017 Central Tax (Rate) dated 28.06.2017. Chapter 99 — Heading — 9964 pertains to passenger transport services and 996415 pertains to local water transport services of passengers by ferries, cruises and the like. The Explanatory Notes to the Heading 996415 states that the service code includes inland water cruises that include transportation, accommodation, food and other incidental services in an all—inclusive fare. The services rendered by the applicant as detailed above squarely falls under the Heading 996415 in view of the explanatory note and hence the services are appropriately classifiable under SAC 996415.</p> <p>“The services rendered by the applicant are liable to GST at the rate of 18% [9% -CGST + 9% – SGST] as per entry at SI No. 8 (vii) of Notification No.11/ 2017-Central Tax (Rate) dated 28-06-2017 and Notification No.8/ 2017-Integrated Tax (Rate) dated 28-06-2017,” the AAR ruled.</p> <p>Conclusion: The Kerala Authority of Advance Ruling (AAR) ruled that 18% GST on house boats used for Cruises, Day Trips with Meals as part of Packages.</p>
<p>Sutherland Mortgage Services Inc.</p>	<p>Whether supply of services by India Branch to customers located outside India liable to GST in the light of Inter Company Agreement.</p> <p>(Kerala Authority of Advance Ruling)</p>	<p>KER/96/2021 dated 07.05.2021</p>	<p>Facts of the Case: The applicant, Sutherland Mortgage Services Inc. is primarily engaged in the business of providing information technology enabled services such as mortgage orientation and related services. The applicant was established as a branch of SMSI, USA as the mortgage laws of the United States of America prevented its Head Office from outsourcing its work to any other third party.</p> <p>The applicant is set up as a branch in accordance with Reserve Bank of India general permission under Master Circular dated 01.07.2013 of foreign companies in SEZ to</p>

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			<p>undertake service activities. The applicant has entered into an Inter-Company Agreement with their Head Office SMSI, USA for providing services to the customers located outside India. SMSI, USA requires the following services performed on behalf of its customers who are located outside India; (i) Mortgage Orientation; (ii) Primary Servicing; (iii) Special Servicing; (iv) Cash Management and (v) Analytics and Reporting. The applicant is providing such services covered by the Agreement dated 22.06.2012. The Agreement is entered only for the purpose of transfer pricing regulation as the branch has no separate legal entity. SMSI, USA has also entered into agreement with customers outside India for providing the services from USA and India branch. SMSI, USA is reimbursing the applicant for the costs incurred to perform the services. The valuation is done as mark cost plus 10% up to comply with the Transfer Pricing Regulation. The applies issues commercial to SMSI, USA their Head Office and therefore services would qualify as export of services, which is considered as Zero-rated supply in terms of section i.e IGST Act, 2017.</p> <p>The applicant has sought the advance ruling on the issue whether supply of services by India Branch at M/s. Sutherland Mortgage Services Inc. USA to the customers located outside India shall be liable to GST in the light of the Inter Company Agreement with M/s Sutherland Mortgage Services Inc. USA.</p> <p>Views of Kerala Authority of Advance Ruling: The Coram of Joint Commissioner of Central Tax, Shiva Prasad and Additional Commissioner of State Tax, Senil A.K.Rajan concluded that the recipient of service of the applicant is SMSI, USA the Head office of the applicant and hence a distinct person in accordance with Explanation 1 in Section 8 of the IGST Act, 2017. Hence the condition at sub-clause (v) of clause (6) of Section 2 of the IGST Act, 2017 defining export of service that the supplier of service and the recipient of service are not merely establishments of a distinct person in accordance with Explanation 1 in section 8 is not satisfied and accordingly the service provided by the applicant do not constitute export of service as defined in Section 2 (6) of the IGST Act, 2017 and consequently the applicant is liable to pay IGST.</p> <p>The AAR ruled that the supply of services by the applicant as per the Inter-Company Agreement with M/s Sutherland Mortgage Services mc, USA is liable to GST for the period from July 1, 2017 to July 26, 2018 and thereafter is exempted from GST as per entry at Sl No. 10F of Notification No. 09/2017 – Integrated Tax (Rate) dated June 28, 20 17 as inserted by Notification No. 15/2018 – Integrated Tax (Rate) dated July 26, 2018.</p> <p>Conclusion: The Kerala Authority of Advance Ruling (AAR) ruled that the GST applicable on Supply by Indian Branch of Sutherland to customers located outside India till July 2018.</p>
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