

**THE AUTHORITY FOR ADVANCE RULINGS  
IN KARNATAKA  
GOODS AND SERVICES TAX  
VANIJYA THERIGE KARYALAYA, KALIDASA ROAD  
GANDHINAGAR, BENGALURU - 560 009**

**Advance Ruling No. KAR ADRG 79 / 2021  
Dated: 31.12.2021**

Present:

1. Dr. M.P. Ravi Prasad  
Additional Commissioner of Commercial Taxes . . . . Member (State)
2. Sri. T. Kiran Reddy  
Joint Commissioner of Customs & Indirect Taxes . . . . Member (Central)

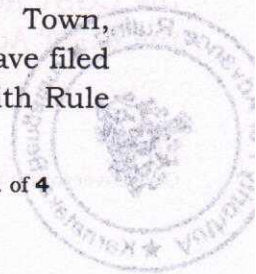
1.	Name and address of the applicant	M/s. Chikkaveeranna Sweet Stall, Chikkananjvadappa Building, Ground Floor, Melur Road, Vijayapura Town, Devanahalli Taluk, Bengaluru(R)-562135.
2.	GSTIN or User ID	29APWPS8630K1ZR
3.	Date of filing of Form GST ARA-01	24-11-2021
4.	Represented by	Sri Suresh, Proprietor
5.	Jurisdictional Authority - Centre	The Principal Commissioner of Central Tax, Bangalore North GST Commissionarate, Bangalore North Division-9, RANGE-DND-9, Bengaluru
6.	<b>Jurisdictional Authority - State</b>	SGSTO-153, Dodballapur
7.	Whether the payment of fees discharged and if yes, the amount and CIN	Yes, discharged fee of Rs.5,000-00 under CGST Act vide CIN SBIN21112900370117 Dated 26-11-2021 & Rs.5,000-00 under SGST Act vide CIN HDFC19082900125172 Dated 14-08-2019

**ORDER UNDER SECTION 98(4) OF THE CGST ACT, 2017  
& UNDER SECTION 98(4) OF THE KGST ACT, 2017**

M/s. Chikkaveeranna Sweet Stall, (hereinafter referred to as the 'Applicant'), Chikkananjvadappa Building, Ground Floor, Melur Road, Vijayapura Town, Devanahalli Taluk, Bengaluru(R)-562135 having GSTIN 29APWPS8630K1ZR have filed an application for Advance Ruling under Section 97 of CGST Act, 2017 read with Rule



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104 of CGST Rules, 2017 and Section 97 of KGST Act, 2017 read with Rule 104 of KGST Rules, 2017, in Form GST ARA-01 discharging the fee of Rs.5,000/- each under the CGST Act and the KGST Act.

2. The Applicant is a Proprietorship concern registered under the provisions of Central Goods and Services Tax Act, 2017 as well as Karnataka Goods and Services Tax Act, 2017 (hereinafter referred to as the CGST Act and KGST/SGST Act respectively). The Applicant is running sweet stall and is engaged in manufacturing of sweets and doing counter sale on retail basis.

3. The applicant has sought advance ruling in respect of the following question:

- i. *For Composition tax payers what is the applicable rate of GST for the manufacturing of sweet and namkins and selling the goods over the counter not having any facility of restaurant or hotel or not a part thereof and not giving for human consumption at the place of shop.*

**4. Admissibility of the application:** The question is about “determination of the liability to pay tax on any goods or services or both” and hence is admissible under Section 97(2)(e) of the CGST Act 2017.

**5. BRIEF FACTS OF THE CASE:** The applicant furnishes some facts relevant to the issue:

5.1 The applicant states that he is running sweet stall and is engaged in manufacturing the sweets and doing counter sale on retail basis. He also states that he is registered as “Composition Tax Payer” under GST and selling the goods over the counter and not having any facility of restaurant or hotel.

5.2 The applicant states that at present they are paying 1% composition tax on total turnover, as he is a manufacturer of sweets and not providing any goods for human consumption at the place of shop.

#### **PERSONAL HEARING/ PROCEEDINGS HELD ON 26-11-2021**

6. Sri Suresh, Proprietor appeared for personal hearing proceedings held on 26.11.2021 and reiterated the facts narrated in their application.

#### **FINDINGS & DISCUSSION**

7. At the outset we would like to make it clear that the provisions of CGST Act, 2017 and the KGST Act, 2017 are in pari-materia and have the same provisions in like matter and differ from each other only on a few specific provisions. Therefore, unless a mention is particularly made to such dissimilar provisions, a reference to the CGST Act would also mean reference to the corresponding similar provisions in the KGST Act.



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8. We have considered the submissions made by the applicant in their application for advance ruling. We have also considered the issues involved on which advance ruling is sought by the applicant and the relevant facts along with the arguments made by the applicant and also their submissions made during the time of hearing.

9. The applicant is a composition tax payer who is engaged in the manufacture of sweets and doing counter sales. The applicant wishes to know the rate of GST applicable on the same.

10. As per Notification No. 8/2017-Central Tax dated: 27.06.2017, an eligible registered person, whose aggregate turnover in the preceding financial year did not exceed seventy five lakh rupees, may opt to pay, in lieu of the central tax payable by him, an amount calculated at the rate of,—

- (i) one per cent. of the turnover in State in case of a manufacturer,
- (ii).....

11. Since the applicant is into manufacture of sweets, he can opt to pay GST at one per cent. of the turnover subjected to the condition mentioned in the Notification No. 8/2017 (Central Tax) dated: 27.06.2017 and further amended notifications.

12. In view of the foregoing, we pass the following

**RULING**


*Rate of GST applicable for a Composition tax payer who are engaged in the manufacture of sweet and namkins and who is doing only the counter sales, is one percent(0.5% CGST and 0.5%SGST) subjected to the condition mentioned in the Notification No. 8/2017-Central Tax dated: 27.06.2017 and further amended notifications.*



**(Dr. M.P. Ravi Prasad)**

**Member**  
**MEMBER**

Karnataka Advance Ruling Authority  
Place: Bengaluru, - 560 009



**(T. Kiran Reddy)**

**Member**  
**MEMBER**

Karnataka Advance Ruling Authority  
Bengaluru - 560 009

Date: 31.12.2021

To,

The Applicant



The Principal Chief Commissioner of Central Tax, Bangalore Zone, Karnataka.



2. The Commissioner of Commercial Taxes, Karnataka, Bengaluru.
3. The Principal Commissioner of Central Tax, Bangalore North GST  
Commissionarate, RANGE-DND-9, Bengaluru
4. The Commercial Tax Officer, SGSTO-153, Doddaballapur.
5. Office Folder.

10. As per notification No. 8/2017-Central Tax dated: 27.09.2017, an eligible registered person, whose aggregate turnover in the preceding financial year did not exceed seventy five lakh rupees, may opt to pay, in lieu of the central tax payable by him, an amount calculated at the rate of -

11. Since the applicant is interested in the condition mentioned in the notification No. 8/2017-Central Tax dated: 27.09.2017 and further requested conditions

12. In view of the foregoing, we pass the following

**RULING**

Rate of GST applicable for a Composition tax payer who are engaged in the manufacture of sweet and nammas and who is doing only the transfer sales is one percent of the turnover in State in case of a restaurant.

*(Signature)*  
 MEMBER  
 Karnataka Advance Ruling Authority  
 Bengaluru - 560 007

*(Signature)*  
 MEMBER  
 Karnataka Advance Ruling Authority  
 Bengaluru - 560 007

Date: 21.12.2021

