

**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 26 / 2021

Date : 19-04-2021

Present:

1. Dr.M.P.Ravi Prasad
Additional Commissioner of Commercial Taxes Member (State)
2. Sri.Mashhood Ur Rehman Farooqui,
Joint Commissioner of Customs & Indirect Taxes, Member (Central)

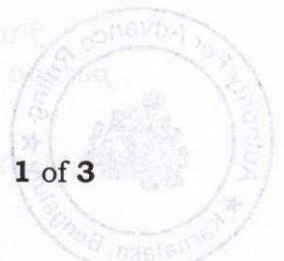
1.	Name and address of the Applicant	M/s. Hubli-Dharwad Municipal Corporation, No.01, Sir Siddappa Kambli Road, Hubli,Dharwad-580020.
2.	GSTIN or User ID	29AAALH0164Q1ZQ
3.	Date of filing of Form GST ARA-01	28-09-2020
4.	Represented by	Sri. Sivakrishna Challa, C A & Authorised Representative
5.	Jurisdictional Authority - Centre	The Principal Commissioner of Indirect Taxes, Belgaum Commissionerate, Belagavi.
6.	Jurisdictional Authority - State	LGSTO-320, Hubli.
7.	Whether the payment of fees discharged and if yes, the amount and CIN	Yes, discharged fee of Rs.5,000/- under CGST Act & Rs. 5,000/- under KGST Act by way of debit from Electronic Cash Ledger.

**ORDER UNDER SECTION 98(2) OF CGST ACT, 2017
& UNDER SECTION 98(2) OF KGST ACT, 2017**

M/s Hubli Dharwad Municipal Corporation, (herein after referred to as 'the applicant' or 'HDMC') No.1, Sir Siddappa Kambli Road, Hubli-580020 having GSTIN number 29AAALH0164Q1ZQ, have filed an application for Advance Ruling under Section 97 of CGST Act, 2017, read with Rule 104 of the CGST Rules and Section 97 of the 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.



Hubli-Dharwad Municipal Corporation



2. The applicant i.e. HDMC was Constituted during 1962, by conducting a unique experiment in urban development on Hubli-Dharwad Municipal Corporations by combining two cities separated by distance of 20 Kms. The applicant is availing the services from KEONICS by way of supply of IT professionals for information Technology System Development and Maintenances for Municipal Corporation activities and also availing security services from M/s Gemini Security and Allied Services by way of Supply of Security Guards.

3. In view of the above, M/s HDMC has sought advance ruling in respect of the following question:

“Whether Supply of Man Power services provided by M/s KEONICS and M/s GEMINI SECURITY AND ALLIED SERVICES to applicant(HDMC) which are in the nature of Pure services as per the Notification No.12/2017 of CGST (rate) read with Notification No.02/2018 CGST (rate) are exempted from GST.”

PERSONAL HEARING: / PROCEEDINGS HELD ON 16-12-2020

4. Sri. Sivakrishna Challa, CA and Authorized Representative of HDMC appeared for personal hearing proceedings held on 15-10-2020 and reiterated the facts mentioned in the application.

FINDINGS & DISCUSSION

5. 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.

6. We have considered the submissions made by the applicant in their application for advance ruling as well as the submissions made by applicant and his authorized representatives during the hearing.

7. We proceed to examine the admissibility / maintainability of the instant application before going into the merits of the application. We invite reference to Section 95(a) of the CGST Act 2017, which defines “advance ruling” to mean

a decision provided by the Authority or the Appellate Authority to an applicant on matters or on questions specified in sub-section (2) of section 97 or sub-section (1) of section 100, in relation to the supply of goods or services or both being undertaken or proposed to be undertaken by the applicant;

Further Section 95 (c) of the CGST Act 2017 defines “Applicant” **as any person registered or desirous of obtaining registration under the said Act.**



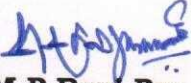
8. It could be easily inferred from above that any person registered or desirous of obtaining registration under CGST Act 2017 can seek advance ruling only in relation to the supply of goods or services or both being undertaken or proposed to be undertaken.


9. In the instant case, we observe that M/s HDMC, who have filed the instant application is not a supplier of either goods or services or both but is a recipient of services. Thus the instant application is not admissible and liable for rejection in terms of Section 98(2) of the CGST Act 2017.

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

RULING

The application is hereby rejected as "inadmissible", in terms of Section 98(2) of the CGST Act 2017.


(Dr.M.P.Ravi Prasad.)
Member
Karnataka Advance Ruling Authority
Place : Bengaluru, 560 009


19.04.2021
(Mashhood Ur Rehman Farooqui)
Member
Karnataka Advance Ruling Authority
Bengaluru-560 009

Date : 19-04-2021

To,

The Applicant

Copy to :

- 1) The Principal Chief Commissioner of Indirect Taxes, Bangalore Zone, Karnataka.
- 2) The Commissioner of Commercial Taxes, Karnataka, Bengaluru.
- 3) The Principal Commissioner of Indirect Taxes, Belgaum Commissionerate, Belgavi.
- 4) ACCT, LGSTO-320, Hubli.
- 5) Office Folder.