

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

Advance Ruling No. KAR ADRG 07/ 2023

Dated: 23.01.2023

Present:

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

1.	Name and address of the applicant	M/s. Meat Mart Unit of the New Bangalore Ham Shop, Shop No.9, No.528, Sarjapur Main Road, Bellandur Gate, Amblipura Village, Bengaluru Urban-560103.
2.	GSTIN or User ID	29AASFM7858C1ZM
3.	Date of filing of Form GST ARA-01	10.10.2022
4.	Represented by	Sri B.K. Srinivas, Advocate
5.	Jurisdictional Authority - Centre	The Commissioner of Central Taxes, Bengaluru East GST Commissionerate, East Division-8, RANGE-CED8
6.	Jurisdictional Authority - State	ACCT, LGSTO-015, Bengaluru
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 and Rs.5,000-00 under SGST Act vide debit of Electronic Cash Ledger Reference No. DC2910220016688 Dated 07.10.2022

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

M/s. Meat Mart Unit of the New Bangalore Ham Shop, Shop No.9, No.528, Sarjapur Main Road, Bellandur Gate, Amblipura Village, Bengaluru Urban-560103 (hereinafter referred to as 'The applicant'), having GSTIN 29AASFM7858C1ZM have filed an application for Advance Ruling under Section 97 of CGST Act, 2017 read with Rule 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 Partnership firm 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 engaged in trading in fresh and semi processed meat products like chicken, mutton, fish, pork and all type of packed cold cuts spices and masala powder etc.

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

- i. *What percentage of GST input tax should be claimed for our nature of business as mentioned above for the following services received from our service providers.*
 - a) *GST paid for our shop on commercial rent to landlord.*
 - b) *GST paid on commission to Dunzo and Swiggy for ecommerce online service.*
 - c) *GST paid on service charges charged by paytm.*
 - d) *GST paid on service charges charged by Banks.*
- ii. *What percentage of GST input tax should be claimed for our nature of business as mentioned above for the following other general goods purchased for carrying on our business.*
 - a) *Packing material*
 - b) *Printed material*
 - c) *Capital goods like cutting machine, weighing scale, refrigerators, computers and hardware and software goods.*
- iii. *What will be the GST consequences if we purchased goods from unregistered and composition dealers?*

4. BRIEF FACTS OF THE CASE: The applicant furnishes some facts relevant to the case:

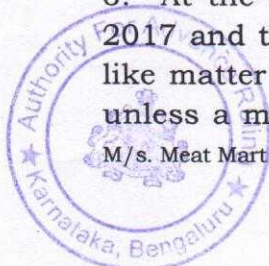
4.1 The applicant has stated that they are trading in fresh and semi processed meat products like chicken, mutton, fish, pork and all type of packed cold cuts spices and masala powder etc. They are trading in both taxable and exempted goods. The percentage of exempted goods traded is around 90% and the balance 10% traded is taxable goods.

PERSONAL HEARING / PROCEEDINGS HELD ON 10.11.2022

5. Shri B.K. Srinivas, Advocate and Duly Authorised Representative appeared for personal hearing proceedings held on 10.11.2022 and reiterated the facts narrated in their application.

FINDINGS & DISCUSSION

6. 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.

7. 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 their authorized representative and also their submissions made during the time of hearing.

8. The Applicant is into supply of fresh and semi processed meat products like chicken, Mutton, fish, pork and all types of packed cold cut, spices and masala powder. The Applicant is apparently into trading of both taxable and exempted goods. In view of this the applicant has sought advance ruling in respect of questions mentioned in Para 3 mentioned supra.

9. Now we proceed to consider and examine the questions one by one. In both the questions 1 and 2 mentioned in para 3, it seems that the Applicant wants to know the percentage of input tax credit to be claimed in view of the nature of their business. Since the Applicant is involved in the supply of both taxable and exempted supplies, the Applicant has to avail the input tax credit proportionately in terms of section 16, 17 of CGST Act 2017 read with Rule 42 of CGST Rules 2017; wherein the procedure to be followed is clearly mentioned.

10. Now we proceed to consider and examine the third question i.e, *what will be the GST consequences if we purchased goods from unregistered and composition dealers?*

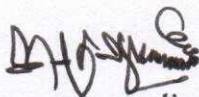
This question is not covered under the issues referred to in section 97(2) of CGST Act 2017, in respect of which an applicant can seek Advance Ruling and hence this Authority refrains from giving any ruling.

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

RULING

- i. *Input tax credit has to be availed in terms of section 16 and 17 of CGST Act 2017 read with Rule 42 of CGST Rules 2017.*
- ii. *Input tax credit has to be availed in terms of section 16 and 17 of CGST Act 2017 read with Rule 42 of CGST Rules 2017.*
- iii. *This question is not covered under the issues referred to in section 97(2) of CGST Act 2017, in respect of which an applicant can seek Advance Ruling and hence this Authority refrains from giving any ruling.*

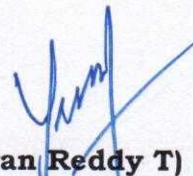




(Dr. M.P. Ravi Prasad)

Member
MEMBER

M/s. Meat Mart Unit of New Bangalore HAM Shop
Bengaluru - 560 009



(Kiran Reddy T)
Member

MEMBER

Karnataka Advance Ruling Authority
Bengaluru - 560 009

Place: Bengaluru,

Date: 23.01.2023

To,
The Applicant

Copy to:

1. The Principal Chief Commissioner of Central Tax, Bangalore Zone, Karnataka.
2. The Commissioner of Commercial Taxes, Karnataka, Bengaluru.
3. The Commissioner of Central Taxes, Bengaluru East GST Commissionerate, East Division-8, RANGE-CED8, Bengaluru.
4. The Assistant Commissioner of Commercial Taxes, LGSTO-015, Bengaluru.
5. Office Folder.

