

**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 11/2024**

**Date : 15-04-2024**

Present:

**1. Dr. M.P. Ravi Prasad**

Additional Commissioner of Commercial Taxes

... Member (State)

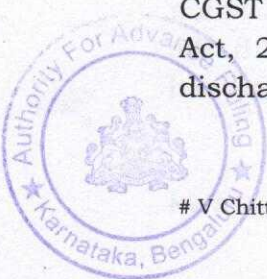
**2. Sri. Kiran Reddy T**

Additional Commissioner of Customs & Indirect Taxes ... Member (Central)

1.	Name and address of the applicant	M/s. V CHITTI BABU, No.47, V Legacy Road, Hosakerehalli, Rajarajeshwari Nagar, Bengaluru – 560 085.
2.	GSTIN or User ID	29AERP7968R2Z6
3.	Date of filing of Form GST ARA-01	06-10-2023
4.	Represented by	Sri. K J Kamath, Advocate & Authorised Representative
5.	<b>Jurisdictional Authority – Centre</b>	The Principal Commissioner of Central Tax, Bengaluru West Commissionerate, Bengaluru. (Range-BND4)
6.	<b>Jurisdictional Authority – State</b> ✓	ACCT, LGSTO-60, Bengaluru.
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 through debit from Electronic Cash Ledger vide reference No. DC2910230013362 dated 05.10.2023.

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

M/s. V Chitti Babu (herein after referred to as 'Applicant'), No.47, V Legacy Road, Hosakerehalli, Rajarajeshwari Nagar, Bengaluru – 560 085, having GSTIN 29AERP7968R2Z6, 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 KGST Act.



# V Chittibabu



2. The applicant, a proprietary concern registered under GST, stated that he is engaged in renting out the marriage hall/convention hall to the public for conducting personal functions including charitable & religious functions; the said activity is a taxable service and the applicant is discharging the applicable taxes.

3. In view of the above, the applicant has sought advance ruling in respect of the following questions:

a. Admissibility of input tax credit of tax paid or deemed to have been paid on construction materials used in the construction of Marriage & Convention hall, output service of which is exigible to tax under the GST Act 2017.

b. Admissibility of input tax credit of tax paid on inward supplies of D.G.Sets, Air Conditioners, Furnitures, Chairs etc., used in the course of business of letting out of Marriage/Convention halls.

#### **PERSONAL HEARING PROCEEDINGS**

4. Sri. K J Kamath, Advocate & Authorised Representative of the applicant appeared for personal hearing proceedings, held on 03.11.2023, reiterated the facts narrated in their application and sought time to make further submission on maintainability of the instant application. Accordingly an additional opportunity of hearing was given on 23.01.2024, but the applicant/authorized representative neither appeared for hearing nor sought for any adjournment. However, one last opportunity of hearing was given on 14.03.2024 in accordance with the principles of natural justice. Even this time also neither the applicant nor their authorized representative appeared for the said hearing or sought for adjournment.

#### **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 matters 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. We also considered the issues involved on which advance ruling is sought by the applicant and relevant facts along with the arguments made by the applicant & the submissions made by their learned representative during the time of hearing.



7. The applicant sought advance ruling in respect of the questions mentioned at para 3 supra. We proceed to examine, before going into the merits of the case, the maintainability of the instant application.

8. From the records made available, it is observed that the business place of the applicant was visited, the books of accounts were inspected and consequently a show cause notice, in form DRC-01, dated 05.09.2023 was issued by the Deputy Commissioner of Commercial Taxes, Audit-2-3, DGSTO-2, R R Nagara, Bengaluru-98, for recovery of ineligible credit and a personal hearing was fixed on 20.09.2023 at 11 AM. The instant application had been filed on 05.10.2023, in the portal and received the copy of the same in this office on 06.10.2023. Further, the applicant at column 17 of the application furnished wrong declaration to the effect that the questions raised in the application are not pending in any proceedings in the applicant's case under any of the provisions of the CGST/KGST Act 2017, suppressing the fact of issuance of the show cause notice.

9. In this regard we invite reference to the Section 98(2) of the CGST Act 2017 which is appended below:

*(2) The Authority may, after examining the application and the records called for and after hearing the applicant or his authorised representative and the concerned officer or his authorised representative, by order, either admit or reject the application:*

*Provided that the Authority shall not admit the application where the question raised in the application is already pending or decided in any proceedings in the case of an applicant under any of the provisions of this Act:*

*Provided further that no application shall be rejected under this sub-section unless an opportunity of hearing has been given to the applicant:*

*Provided also that where the application is rejected, the reasons for such rejection shall be specified in the order.*

10. It could be seen from the above that the first proviso to Section 98(2) stipulates that *the Authority shall not admit the application where the question raised in the application is already pending or decided in any proceedings in the case of an applicant under any of the provisions of the CGST Act 2017*. In the instant case the questions, on which the applicant seeks advance ruling, are already pending in the proceedings of show cause notice under the provisions of the CGST / KGST Act 2017. Thus the instant application is liable for rejection in terms of first proviso to Section 98(2) of the CGST/KGST Act 2017.

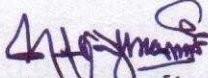




11. In view of the above, we pass the following

**RULING**

The application filed by the Applicant for advance ruling is rejected, in terms of first proviso of Section 98(2) of the CGST Act 2017.

  
(Dr. M.P. Ravi Prasad)  
Member

Place : Bengaluru,  
Karnataka Advance Ruling Authority  
Bengaluru-560 009

Date : 15-04-2024

  
(Kiran Reddy T)  
Member

MEMBER  
Karnataka Advance Ruling Authority  
Bengaluru-560 009

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 Principal Commissioner of Central Tax, Bengaluru West Commissionerate, Bengaluru.
4. The Assistant Commissioner of Commercial Taxes, LGSTO-60, Bengaluru.
5. Office Folder.

