

**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 21 / 2022**

**Dated: 12-08-2022**

Present:

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

1.	Name and address of the applicant	M/s. UNNATHI HR SOLUTIONS, No.975, 2 <sup>nd</sup> Cross, 1 <sup>st</sup> Block, 3 <sup>rd</sup> Stage, Near Shankar Mutt, Basaveshwaranagara, Bengaluru-560079.
2.	GSTIN or User ID	29AEBPL4738H1ZC
3.	Date of filing of Form GST ARA-01	30-05-2022
4.	Represented by	Sri Vishwanath Bhat, Cost Accountant
5.	Jurisdictional Authority - Centre	The Commissioner of Central Taxes, Bengaluru West GST Commissionerate, West Division-3, RANGE-AWD3
6.	<b>Jurisdictional Authority - State</b>	ACCT, LGSTO-071, 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. DC2905220208619 Dated 23-05-2022

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

M/s. Unnathi HR Solutions, No.975, 2<sup>nd</sup> Cross, 1<sup>st</sup> Block, 3<sup>rd</sup> Stage, Near Shankar Mutt, Basaveshwaranagara, Bengaluru-560079 (hereinafter referred to as 'The applicant'), having GSTIN 29AEBPL438H1ZC 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.



M/s. Unnathi HR Solutions



2. The applicant is a Proprietary concern registered under the provisions of the Central Goods and Services Tax Act, 2017 as well as the Karnataka Goods and Services Tax Act, 2017 (hereinafter referred to as the CGST Act and KGST/SGST Act respectively). The applicant is engaged in providing manpower service for State and Central Government Departments and other government undertakings through contract.

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

- i. *Whether the supply of craftsman and other manpower service to M/s. Karnataka Institute of Leather Technology (State Government Organisation under Department of Industries and Commerce approved by AICTE & DTE), GOK, under such contractual agreement would be entitled for exemption as envisaged under Sl.No.72 of the Notification No.12/2017-CT(R) dated 28-06-2017 for CGST?*

4. The applicant states that they are providing manpower service to M/s. Karnataka Institute of Leather Technology which is conducting 3 years Diploma Course in Leather and Fashion Technology being supported by the Department of Industries and Commerce, Government of Karnataka.

5. An audit report U/s 65(6) dated: 18.02.2022 followed by notice U/s 73 of KGST and CGST Act, 2017, dated: 18.05.2022 has been issued by Deputy Commissioner of Commercial Taxes Audit 2.2. It is observed from the said notice that the applicant is claiming exemption on the manpower services provided to M/s. Karnataka Institute of Leather Technology.

6. The applicant has filed the instant application seeking advance ruling on the same issue on which an audit report U/s 65(6) followed by notice U/s 73 of KGST and CGST Act, 2017 has been issued as mentioned supra.

#### **PERSONAL HEARING / PROCEEDINGS HELD ON 07-07-2022**

7. Shri Vishwanath Bhat, Cost Accountant and Duly Authorised Representative appeared for personal hearing proceedings held on 07-07-2022 and reiterated the facts narrated in their application.

#### **FINDINGS & DISCUSSION**

8. 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.

9. 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.

10. The issue before us is the admissibility / maintainability of the instant application and the said admissibility is governed by the first proviso to Section 98(2) of the CGST Act, 2017, which reads as under:

*"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 applicant under any provisions of this Act".*

Thus the conditions to be considered before admission of application, on the basis of above proviso are as under:

- i. Whether the question raised is pending or decided in any proceedings.
- ii. Whether the question raised is pending or decided in the case of the applicant.
- iii. Whether the question raised is pending or decided under any provisions of this Act.


11. We examined the records and observed that the instant application has been filed online on 23.05.2022 and the question raised therein is about the applicability of GST on supply of manpower service to M/s. Karnataka Institute of Leather Technology. The notice U/s 73 of KGST and CGST Act, 2017 issued by concerned authorities as mentioned supra, also pertains to the applicability of GST supply of manpower service to M/s. Karnataka Institute of Leather Technology.

12. The issues raised in the instant application and the issues mentioned in the notice mentioned supra are one and the same i.e applicability of GST on supply of manpower service to M/s. Karnataka Institute of Leather Technology. Thus first proviso to Section 98(2) of the CGST Act 2017 is squarely applicable to the instant case, as all the conditions therein are fulfilled.

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

### **R U L I N G**

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

  
(Dr. M.P. Ravi Prasad)  
Member

  
(T. Kiran Reddy)  
Member



Karnataka Advance Ruling Authority  
Bengaluru - 560 009

Date: 12-08-2022

M/s. Unnathi HR Solutions

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 Commissioner of Central Taxes, Bengaluru West GST Commissionerate, West Division-3, RANGE-AWD3, Bengaluru.
4. The Assistant Commissioner of Commercial Taxes, LGSTO-071, Bengaluru.
4. Office Folder.

### RULING



M/s. Unnathi HR Solutions