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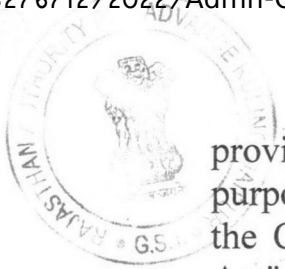
 सत्यमेव जयते	RAJASTHAN AUTHORITY FOR ADVANCE RULING GOODS AND SERVICES TAX KAR BHAWAN, AMBEDKAR CIRCLE, NEAR RAJASTHAN HIGH COURT JAIPUR – 302005 (RAJASTHAN)	
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ADVANCE RULING No. RAJ/AAR/2022-23/---10

Umesh Kumar Garg Joint Commissioner	:	Member (Central Tax)
M. S. Kavia Additional Commissioner	:	Member (State Tax)
Name and address of the applicant	:	M/s Celebal Technologies Private ltd, 2/63, SFS, Agarwal Farm Mansarovar, Jaipur, Rajasthan 302020
GSTIN of the applicant	:	08AAGCC7144L1ZC
Clause(s) of Section 97(2) of CGST/SGST Act, 2017, under which the question(s) raised	:	(a) Classification of goods and /or services or both (b) applicability of a notification issued under the provisions of this Act; (c) determination of the liability to pay tax on any goods or services or both;
Date of Personal Hearing	:	Not applicable
Present for the applicant	:	Not applicable
Date of Ruling	:	14.09.2022

Note: Under Section 100 of the CGST/SGST Act, 2017, an appeal against this ruling lies before the Appellate Authority for Advance Ruling constituted under section 99 of CGST/SGST Act, 2017, within a period of 30 days from the date of service of this order.

- At the outset, we would like to make it clear that the provisions of both the CGST Act and the SGST Act are the same except for certain provisions. Therefore, unless a mention is specifically made to such dissimilar provisions, a reference to the CGST Act would also mean a reference to the same



provision under the RGST Act. Further to the earlier, henceforth for the purposes of this Advance Ruling, a reference to such a similar provision under the CGST Act / RGST Act would be mentioned as being under the "GST Act".

- The issue raised by M/s Celebal Technologies Private Ltd, 2/63, SFS, Agarwal Farm Mansarovar, Jaipur, Rajasthan 302020, - (hereinafter the applicant) is fit to pronounce advance ruling as it falls under the ambit of the Section 97(2) (a) given as under: -
 - (a) Classification of goods and /or services or both
 - (b) applicability of a notification issued under the provisions of this Act;
 - (c) determination of the liability to pay tax on any goods or services or both;

Further, the applicant being a registered person (GSTIN is 08AAGCC7144L1ZC) as per the declaration given by him in Form ARA-01) the issue raised by the applicant is neither pending for proceedings nor proceedings were passed by any authority. Based on the above observations, the applicant is admitted to pronounce advance ruling.

A. SUBMISSION AND INTERPRETATION OF THE APPLICANT:

M/s Celebal Technologies Private Ltd (i.e. applicants) is registered under GST law vide GST No. 08AAGCC7144L1ZC. The applicant is engaged in providing Management Consultancy Service using software techniques. Applicant issues employment letter to his employee and whenever applicants' employee leaves organization, without serving notice within the agreed period in accordance to employment agreement, then employee is subjected to pay reimbursement of cost of training to the applicant.

Applicant invested considerable amount of time and resources on his employee during the training and orientation programmed thus imparting them with necessary technical/ managerial skill so applicant make recovery from his employee against such investment in his employee if an employee does not adhere with the terms and condition of employment agreement.

Applicant interpreted that recovery of notice pay is nowhere in furtherance of business so notice pay recoveries cannot be supply under Section 7(1) of the CGST Act.

B. QUESTIONS ON WHICH THE ADVANCE RULING IS SOUGHT:

1. Whether the notice pay recoveries made from employee, on account of not serving the company or the stipulated period of time as per agreement would be constituted as supply under GST?
2. If answer of question 1 is yes, then whether transaction would be taxable under GST law or not ?

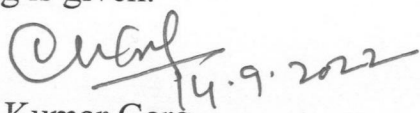
C. WITHDRAWAL OF APPLICATION

Due to subsequent clarification in para 7.5 of Circular no. 178/10/2022-GST to their filing, the Applicant vide their letter dated 01.09.2022 has requested to withdraw the Advance Ruling Application filed before the authority.

D. FINDINGS, ANALYSIS & CONCLUSION:

The Applicant vide their letter dated 01.09.2022 has requested to withdraw the Advance Ruling Application filed before the authority.

Since the applicant has requested for withdrawal of the application therefore, their request to withdraw the application is considered. Hence, no ruling is given.


Umesh Kumar Garg
Member
(Central Tax)


M. S. Kavia
Member
(State Tax)

SPEED POST

M/s Celebal Technologies Private Ltd, 2/63, SFS, Agarwal Farm Mansarovar, Jaipur, Rajasthan 302020

F. No. AAR/KMS/2022-23/ 175

Dated: 23/09/2022

Copy to: -

1. ✓ The Chief Commissioner, CGST and Central Excise, Jaipur Zone, NCRB, Statue Circle, Jaipur-302005 (Raj.).
2. The Chief Commissioner, State Tax, Kar Bhawan, Bhawani Singh Road, Ambedkar Circle, C-Scheme, Jaipur-302005 (Raj.).
3. The Pr. Commissioner, Central Tax, CGST & Central Excise Commissionerate, Jaipur, NCRB, Statue Circle, Jaipur-302005 (Raj.).