
Updates/GST/Advance Ruling/Legal-30-13/2023

Dt. 03/07/2023

(Advance Rulings in Gujarat from 1st June to 30st June 2023)

**Advance Ruling Branch
Gujarat State Tax Department**

Rulings given by Authority of Advance Rulings (AAR)

Devendrakumar Rambhai Patel

Sr. No.	Advance Ruling sought for	Ruling
1.	What will be the <u>classification of the goods 'Kandi Ravo'</u> ?	The supply of applicant of 'kandi ravo' is <u>classifiable under 24013000</u> . The applicant <u>is liable to pay GST at 28% [14 % CGST and 14 % SGST]</u> in terms of notification No. 1/2017-CT(Rate), Sr. No. 13 of Schedule IV <u>subject to the condition that goods are cleared without brand name</u> .

Strata Geosystems India Pvt Ltd.

Sr. No.	Advance Ruling sought for	Ruling
1.	Whether the proposed product <u>“Geotextile-Stratex”</u> would be <u>classifiable under Tariff Item (TI) No. 60059000 or under TI 59119032</u> of the Customs Tariff Act, 1975?	Based on the information submitted by the applicant, the proposed product <i>StrataTex HSR®</i> would be <u>classifiable under Tariff Item (TI) No. 59119032</u> of the Customs Tariff Act, 1975 however <u>subject to the condition that they have been granted BIS certification</u> in terms of amendment in Customs Tariff Act, 1975 as per 3 rd Schedule (Sr. No. 43(vi)) read with section 98 of Finance Act, 2022.

Tata Autocomp Systems Ltd.

Sr. no.	Advance Ruling sought for	Ruling
1a.	Whether the <u>deduction of nominal amount</u> by the applicant <u>from the salary of the employees who are availing facility of food provided in the factory premises</u> would be <u>considered as a 'supply of service'</u> by the applicant under the provisions of section 7 of CGST & GGST ?	<p>The deduction of amount by the applicant from the salary of the employees who are availing facility of food provided in the factory premises <u>would not be considered as a 'supply'</u> under the provisions of section 7 of the CGST Act, 2017 and the GGST Act, 2017.</p> <p>Since the answer to the <u>above is not in the affirmative</u>, the ruling sought in respect of the question <u>listed at 1(b) is rendered infructuous</u>.</p> <p>Input Tax Credit <u>(ITC) will be available to the applicant on GST charged by the service provider in respect of canteen facility provided to its employees other than contract employees working in their factory</u>, in view of the provisions of Section 17(5)(b) as amended effective from 1.2.2019 and clarification issued by CBIC vide circular No. 172/04/2022-GST dated 6.7.2022 read with provisions of section 46 of the Factories Act, 1948 and read with provisions of Gujarat Factory Rules, 1963. <u>ITC on the above is restricted to the extent of the cost borne by the applicant for providing canteen services to its employees, but disallowing proportionate credit to the extent embedded in the cost of goods recovered from such employees.</u></p>
1b	In case answer to <u>above is yes</u> , whether <u>GST is applicable on the nominal amount</u> to be deducted from the salaries of employees?	
1c	Whether ITC is available to the applicant on GST charged by the CSP for providing the catering services?	

Tata Autocomp Systems Ltd.

Sr. no.	Advance Ruling sought for	Ruling
2a	Whether the services by the way of non air conditioner <u>bus transportation facility provided by transport service providers would be construed as 'supply of service' by the applicant to its employees</u> under the provisions of section 7 of CGST and GGST?	2a. The services by the way of <u>non air conditioned bus transport facility provided by TSPs would not be construed as 'supply of service' by the applicant to its employees</u> under the provisions of section 7 of CGST and GGST.
2b	Whether <u>ITC is available to the applicant on GST charged by the transport service</u> providers for providing the non air conditioned bus transportation services?	2b. <u>ITC is available to the applicant</u> on GST charged by the TSPs for providing the non air conditioned bus transport services however <u>subject to the condition that the buses hired are more than 13 seater wef 1.2.2019</u> . ITC on the above is <u>restricted to the extent of the cost borne by the applicant</u> for providing transportation services to its employees, <u>but disallowing proportionate credit to the extent embedded in the cost of goods recovered from such employees</u> .
3	Whether <u>GST is applicable on salary deducted in lieu of notice period</u> from the full and final settlement of the employees leaving the company without completing or serving the complete notice period as specified in the appointment letter?	3. <u>No GST is applicable on salary deducted in lieu of notice period</u> from the full and final settlement of the employees leaving the company without completing or serving the complete notice period as specified in the appointment letter.

Thanks

Note:

- a) The above rulings are available on the department's website for reference.**
- b) Please contact the Advance Ruling Branch in case of any ambiguity in the above rulings.**