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

F. No. KAR.AAR 44/2026
Order No. KAR.ADRG 44/2026 **Date: 08.09.2026**

Present:

1. **Shri. Kalyanam Rajesh Rama Rao**
Additional Commissioner of Customs & Indirect Taxes .... Member (**Central**)

2. **Shri. Sivakumar S Itagi**
Additional Commissioner of Commercial Taxes .... Member (**State**)

1	Name and address of the applicant	M/s Revathi Enterprises (Prop. Rama Naik Harjayanaik Dileep Kumar) #H. No. 4-2218, Raghavendra Colony, Shaktinagar, Raichur, Karnataka, 584170.
2	GSTIN or User ID	29COXPD1219P1Z8 (**Cancelled suo-moto) (Effective from 20.04.2025**)
3	Date of filing of Form GST ARA-01 (ARN date)	23.07.2020
4	Represented by	--Not Applicable--
5.	Jurisdictional Authority – Centre	The Commissioner of Central Tax, Belagavi GST Commissionerate, Bellary Division.
6	Jurisdictional Authority – State	ACCT, LGSTO 530 - Raichur
7	Whether the payment of fees discharged and if yes, the amount and CIN	No, the Applicant has discharged the prescribed application fee only of ₹5,000/- under an incorrect debit head.

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

M/s Revathi Enterprises (Prop. Rama Naik Harjayanaik Dileep Kumar), (hereinafter referred to as the "Applicant"), having GSTIN 29COXPD1219P1Z8 (Cancelled suo-moto)(Effective from 20.04.2025 and principal place of business at # H. No. 4-2218, Raghavendra Colony, Shaktinagar, Raichur, Karnataka, 584170, filed an application for Advance Ruling under Section 97 of the Central Goods and Services Tax Act, 2017 read with Rule 104 of the Central Goods and Services Tax Rules, 2017 and the corresponding provisions of the Karnataka Goods and Services Tax Act, 2017, in FORM GST ARA-01.

2. The Applicant is engaged in the business of transportation of goods as a Goods Transport Agency (GTA). The Applicant submits that it enters into transportation contracts with various companies (service recipients). As per the terms of such contracts, High Speed Diesel (HSD) required for the dedicated (chartered) vehicles deployed for transportation is procured and supplied by the service recipients at their own cost, and the freight payable to the Applicant excludes the cost of diesel.

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

a) ***Whether diesel filled free of cost by the service recipient in the engaged chartered (dedicated) vehicles, would form part of value of supply of service charged by the applicant and whether GST would be leviable on value of diesel filled free of cost by the service recipient or otherwise under GTA service?***

4. **<u>Admissibility of the Application</u>:** - The Applicant, under **Column 13 of Form ARA-01**, has indicated the category of issue as follows:

i. Determination of the liability to pay tax on any goods or services or both.
ii. Whether any particular thing done by the applicant with respect to any goods or services or both amounts to or results in a supply of goods or services or both, within the meaning of that term.

The questions raised by the Applicant under **Section 97(2) (e)** of the Central Goods and Services Tax Act, 2017, relating to the determination of liability to pay tax.

5. **<u>Applicant's Interpretation of Law: -</u>** The Applicant submits that the value of High Speed Diesel supplied free of cost by the service recipient is not required to be included in the value of the GTA service and, accordingly, GST is not leviable thereon. The Applicant contends that Section 15(2)(b) of the CGST Act, 2017 applies only where an amount, which the supplier is liable to incur in relation to the supply, is incurred by the recipient on behalf of the supplier. According to the Applicant, where the contract specifically provides that the responsibility for procuring and supplying diesel rests with the service recipient and the freight charged by the Applicant excludes the cost of diesel, the value of such diesel does not form part of the value of the GTA service under Section 15(2)(b) of the CGST Act, 2017.

6.1 **<u>PERSONAL HEARING PROCEEDINGS</u>:** - The Applicant was provided an opportunity of personal hearing vide this office letter dated 12.03.2025, fixing the hearing on 19.03.2025. However, the Applicant neither appeared before this Authority on the scheduled date nor furnished any clarification regarding the payment of the prescribed Advance Ruling fee.

6.2 In terms of Section 97(1) of the CGST/KGST Act, 2017 read with Rule 104 of the CGST/KGST Rules, 2017, an application for Advance Ruling is required

Authority For Advance Ruling ★ Karnataka, Bengaluru ★

to be accompanied by a fee of ₹5,000/- **each under the CGST Act and the KGST Act**. Since, the Applicant had not remitted the prescribed fee in full.

6.3 Further, this office issued additional opportunities advising the Applicant to rectify the defect by remitting the requisite balance amount. The details of the opportunities provided to the Applicant for compliance are as follows:

SL. No.	Letter F. No. & date	Tracking ID	Tracking ID status	Communication on Email id & date
1	KAR/AAR/OTH/2025-06 dated 06-03-2026	-	-	Dileepkumarhr123@gmail.com
2	KAR/AAR/OTH/2025-06 dated 25-05-2026	EK508427513IN	Delivered on 29-05-2026	Dileepkumarhr123@gmail.com 26-05-2026
3	KAR/AAR/OTH/2025-06 dated 08-06-2026	EK860781513IN	Delivered on 15-06-2026	Dileepkumarhr123@gmail.com 09-06-2026
4	KAR/AAR/OTH/2025-06 dated 17-06-2026	EK860785546IN	Delivered on 22-06-2026	Dileepkumarhr123@gmail.com 17-06-2026

6.4 Apart from the communications issued through Registered Speed Post and e-mail, this office made repeated attempts to contact the Applicant telephonically on the contact number furnished in Form GST ARA-01. However, no response has been received till date, as the said contact number was consistently found to be either switched off or out of service.

FINDINGS & DISCUSSION

7. *At the outset, we would like to make it clear that the provisions of the Central Goods and Services Tax Act, 2017 and the Karnataka Goods and Services Tax Act, 2017 are pari materia and contain identical provisions on all material aspects, differing only in respect of certain specific provisions. Accordingly, unless a particular reference is made to such dissimilar provisions, any reference to the CGST Act, 2017 shall also be construed as a reference to the corresponding provisions of the KGST Act, 2017.*

8. *We have carefully examined the application, the documents placed on record and the relevant provisions of the CGST Act, 2017 and the KGST Act, 2017. It is observed that, in terms of Section 97(1) of the CGST/KGST Act, 2017 read with Rule 104 of the CGST/KGST Rules, 2017, an application for Advance Ruling is required to be accompanied by the prescribed fee of ₹5,000/- each under the CGST Act and the KGST Act.*

9. Further, it is observed that the Applicant had not remitted the prescribed fee in full at the time of filing the application. Accordingly, this Authority issued communications from time to time calling upon the Applicant to rectify the defect by remitting the requisite balance fee. An opportunity of personal hearing was also provided to the Applicant vide this office letter dated 12.03.2025, fixing the hearing on 19.03.2025. Thereafter, further opportunities were provided vide the communications referred to in paragraph 6.3 supra. However, the Applicant neither appeared before this Authority nor complied with the requirement of remitting the prescribed balance fee.

10. The requirement of payment of the prescribed fee under Section 97(1) of the CGST/KGST Act, 2017 is mandatory for entertaining an application for Advance Ruling. In the absence of compliance with the said statutory requirement, despite sufficient opportunities having been provided, the present application is liable to be rejected as not maintainable. Consequently, this Authority is precluded from examining the questions raised by the Applicant on merits.

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

RULING

The application for Advance Ruling filed by M/s Revathi Enterprises is hereby rejected as not maintainable for non-compliance with the mandatory requirement prescribed under Section 97(1) of the CGST/KGST Act, 2017 read with Rule 104 of the CGST/KGST Rules, 2017.

(Kalyanam Rajesh Rama Rao)
Member
MEMBER
Karnataka Advance Ruling Authority
Bengaluru - 560 009

(Sivakumar S Itagi)
Member
MEMBER
Karnataka Advance Ruling Authority
Bengaluru - 560 009

Place: Bengaluru,
Date: 08.09.2026

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 Tax, Belagavi GST Commissionerate, Bellary Division.
4. The Assistant Commissioner, LGSTO 530 - Raichur.
5. Officer Folder.

Authority For Advance Ruling ★ Karnataka, Bengaluru ★