

GIB/TN/NAMAKKAL/27.02.2020/AAR-266

Advance Ruling Category : Taxability

State : Tamil Nadu

Order No.: GIB/TN/NAMAKKAL/27.02.2020/AAR-266

Name of Entry :

Namakkal Agricultural Producers Co-operative marketing society Ltd.

Date : 27-02-2020

Breif Issue :

Facts & Issue Of The Case :

The applicant is registered under the GST Act 2017 ,it is a society which acts as an agent or auctioneers arranging for merchandise auction for marketing of the agricultural produce of its member agriculturists to the best advantage.

Applicant has sought advance ruling on the following issues –

1. Classification of any goods or services or both
2. Applicability of a notification issued under the provisions of this act.
3. Determination of the liability to pay tax on any goods or services or both.

Applicant has raised the following questions-

1. Whether there is any purchase/sale involved in the process of auction of agriculture produce (cotton) conducted by the Namakkal Agricultural producers Co-operative marketing Society?
2. Whether our society is liable to pay tax under Reverse Charge Mechanism in the capacity of being an auctioneer?
3. Whether service tax payable on receipt of commission, godown rent , interest in respect of service provided to the agricultural produce?
4. Whether or not the merchants (Registered Person) who directly purchase cotton from the agriculturist through action conducted by the society is liable to pay tax on the Reverse Charge Mechanism ?

Decision of Advance Ruling Authority :

Decision :

As per the First Proviso to Section 98(2) of CGST/TNGST Act 2017, where the questions in the application is already pending or decided in any proceedings in the case of an applicant under any of

the provision of this act, the authority shall not admit the application.