

WEST BENGAL AUTHORITY FOR ADVANCE RULING  
GOODS AND SERVICES TAX  
14, Beliaghata Road, Kolkata – 700015

BENCH

Ms Susmita Bhattacharya, Joint Commissioner, CGST & CX  
Mr. Parthasarathi Dey, Senior Joint Commissioner, SGST

Preamble

A person within the ambit of Section 100 (1) of the Central Goods and Services Act, 2017 or West Bengal Goods and Services Act, 2017 (hereinafter collectively called 'the GST Act'), if aggrieved by this Ruling, may appeal against it before the West Bengal Appellate Authority for Advance Ruling, constituted under Section 99 of the West Bengal Goods and Services Act, 2017, within a period of thirty days from the date of communication of this Ruling, or within such further time as mentioned in the proviso to Section 100 (2) of the GST Act.

Every such appeal shall be filed in accordance with Section 100 (3) of the GST Act and the Rules prescribed thereunder, and the Regulations prescribed by the West Bengal Authority for Advance Ruling Regulations, 2018.

Name of the applicant	Dipeet Agarwal, carrying on business under the trade name M/s Soorya Narayan Agency
Address	53/12/2 Bon Behari Bose Road, Howrah - 711101
GSTIN	19BCLPA6529A1ZU
Date of application	September 09, 2019
Case No	39 of 2019
ARN	AD1909190005600
Order number and date	31/WBAAR/2019-20 dated 11/11/2019
Applicant's representative	Sri Dipeet Agarwal, Proprietor

1. Admissibility of the Application

1.1 The Applicant supplies consumer goods like biscuits, soaps etc. earmarked 'FOR PDS SUPPLY ONLY' to fair price shops/PDS distributors. It seeks a ruling on whether he is liable to pay GST on such supplies of goods. The question raised by the Applicant is admissible for advance ruling under section 97 (e) of the GST Act.

1.5 The Applicant further submits that the question raised in the Application is neither decided by nor pending for decision before any authority under any provisions of the GST Act. The concerned officer from the Revenue does not object to the admission of the Application.

1.6 The Application is, therefore, admitted.

2. Submissions of the Applicant

2.1 The Applicant submits that he supplies consumer goods earmarked 'FOR PDS SUPPLY ONLY' to fair price shops/PDS distributors. In doing so he acts as an associate of the West Bengal Essential Commodities Supply Corporation Ltd (hereinafter the WBECSC Ltd) against payment of a monthly administrative charge at a rate fixed by the Government of West Bengal (hereinafter the Govt). The Applicant bears all cost and charges, including packaging, loading, railway freight, demurrage etc, and bears all the risk associated with transportation, warehousing and quality of the products.

2.2 The Applicant supplies the goods at the price and to the recipients fixed by the Govt. He is merely acting as the canalising agency on behalf of the Govt and the WBECSC Ltd, having no control over the pricing and the market share. He files copies of the relevant orders issued by the Govt and a copy of the agreement with the WBECSC Ltd.

2.3 The Applicant submits that his supplies of goods for distribution through PDS should be exempt from payment of the GST. However, he refers to no notification or legal provision under the GST in support of his argument.

3. Submissions of the Revenue

3.1 The concerned officer from the Revenue does not offer any comment on sustainability of the Applicant's argument.

4. Observations & Findings of the Authority

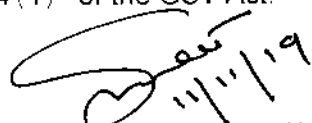
4.1 Supply of goods through PDS is not exempt under Notification No. 2/2017 – CT (Rate) dated 28/06/2017, as amended from time to time (reference to which includes reference to State Notification No. 1126 – FT dated 28/06/2017) or any other notification. Activities or transactions of the Applicant are not included in Schedule III either. The Applicant is, therefore, liable to pay GST at the applicable rate on his supplies of goods through PDS.

Based on the above discussion, we rule as under,

**RULING**

The Applicant is liable to pay GST at the applicable rate on his supplies of goods through PDS.

This Ruling is valid subject to the provisions under Section 103 until and unless declared void under Section 104 (1) of the GST Act.



(SUSMITA BHATTACHARYA)  
Member

West Bengal Authority for Advance Ruling



(PARTHASARATHI DEY)  
Member

West Bengal Authority for Advance Ruling