

M/s. MURALI PHARMACY

Authority for Advance Ruling — Tamil Nadu

Advance Ruling No. 7/ARA/2026

Dated **22.01.2026**

Q Questions Before the Authority

- Whether the applicant is liable to pay tax for turnover less than the threshold limit of Rs. 40 Lakhs as per the Notification No. 10/2019-CT dated 07-03-2019?
- Whether the provisions of exemption as per Notification No. 10/2019-CT dated 07-03-2019 is applicable only to new registrants or applicable to existing registrants under GST, before 01-04-2019?

F Facts

The applicant is a proprietorship concern registered under GST, engaged in the retail sale of medicines and medical equipment. The applicant sought an advance ruling on whether they are liable to pay tax on turnover below the threshold of Rs. 40 Lakhs, relying on Notification No. 10/2019-CT. However, the tax authorities had already initiated scrutiny and assessment proceedings against the applicant for the period 2019-20 to 2021-22 prior to the filing of this application.

H Ruling

Liability to pay tax for turnover below Rs. 40 Lakhs	Rejected	Application rejected as the matter is already pending in proceedings
Applicability of exemption to existing registrants	Rejected	Application rejected as the matter is already pending in proceedings

The Authority for Advance Ruling rejected the application in its entirety. It held that the application is not admissible because the questions raised are already pending or decided in proceedings under the Act. Consequently, the merits of the questions regarding the threshold exemption were not addressed.

R Reasoning

The Authority relied on the first proviso to Section 98(2) of the CGST Act, 2017, which mandates that the Authority shall not admit an application where the question raised is already pending or decided in any proceedings. The records confirmed that scrutiny and assessment proceedings, including the issuance of Form GST ASMT-10 and subsequent adjudication orders in Form GST DRC-07, were initiated against the applicant before the filing of the advance ruling application. Therefore, the Authority concluded that it lacked the jurisdiction to entertain the application on merits.

P Provisions Relied On

Section 98(2) of the CGST Act, 2017

Notification No. 10/2019-CT dated 07-03-2019

Rule 107A of the CGST Rules

Circular No. 25/25/2017-GST

! For the Practitioner

This ruling serves as a **procedural bar** for practitioners, emphasizing that an application for advance ruling will be rejected if the subject matter is already under scrutiny or assessment by tax authorities. It does not provide any substantive interpretation on the applicability of the Rs. 40 Lakhs threshold exemption for existing registrants. Practitioners should ensure that no active proceedings exist regarding the specific issue before filing for an advance ruling.

Source

Summary prepared from the published order, which is a scanned document. It is a reading aid and not the authority: where the two differ, the order governs. Verify every provision against the original before relying on it.

Original order: www.gstcouncil.gov.in -> 7-murali_pharmacy_aar_order_compressed.pdf

Prepared 12-10-2026.

About Patron Accounting LLP

Patron Accounting LLP is a CA and CS-led accounting and compliance firm working with businesses across India since 2019 — bookkeeping, GST, income tax, payroll, company and LLP compliance, audit and the certificates banks and regulators ask for.

Pune (HQ)

RTC Silver, B4-708, Sai Satyam Park, Wagholi, Pune, Maharashtra 412207

Delhi

3rd Floor, B-6/154-155, Sector 5, Rohini, Delhi 110085

Ahmedabad

Phoenix Tower, 1107, near Commerce Six Road, Drive In Road, Navrangp...

Mumbai

104, Rajshila Building, 597 J.S.S. Road, Marine Lines, Mumbai 400002

Gurugram

Pioneer Urban Square, B109, Golf Course Ext Road, Sector 62, Gurugram...

Talk to us: **+91 94594 56700** | sales@patronaccounting.com | patronaccounting.com