

M/s Revathi Enterprises (Prop. Rama Naik Harjayanaik Dileep Kumar)

Authority for Advance Ruling — Karnataka

Order No. KAR.ADRG 44/2026

Dated 08.09.2026

Q Questions Before the Authority

- 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?

F Facts

The applicant is a Goods Transport Agency (GTA) that enters into transportation contracts with various companies. Under these contracts, the service recipients procure and supply High Speed Diesel (HSD) for the chartered vehicles at their own cost. The applicant sought a ruling on whether the value of this free-of-cost diesel should be included in the value of the GTA service for GST purposes.

H Ruling

Inclusion of free-of-cost diesel in value of supply

Not answered

Application rejected as not maintainable due to non-payment of mandatory fees

The Authority did not address the merits of the question raised by the applicant. Instead, it rejected the application as not maintainable due to the applicant's failure to pay the mandatory application fee in full. Consequently, the Authority stated it was precluded from examining the questions on their merits.

R Reasoning

The Authority observed that under Section 97(1) of the CGST/KGST Act, 2017, read with Rule 104 of the CGST/KGST Rules, 2017, an application for Advance Ruling must be accompanied by a prescribed fee of INR5,000. Despite multiple opportunities and communications provided to the applicant to rectify the deficiency in fee payment, the applicant failed to comply. Therefore, the Authority concluded that the **mandatory requirement** for entertaining the application was not met, rendering the application **liable to be rejected**.

P Provisions Relied On

Section 97(1) of the CGST Act, 2017

Section 97(1) of the KGST Act, 2017

Rule 104 of the CGST Rules, 2017

Rule 104 of the KGST Rules, 2017



For the Practitioner

This order serves as a procedural reminder that compliance with statutory fee requirements is a **condition precedent** for the admission of an application for Advance Ruling. It does not provide any guidance on the valuation of services involving free-of-cost supplies by recipients. Practitioners should ensure all administrative and financial prerequisites are strictly met to avoid summary rejection of their applications.

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 -> 2-revathi enterprises prop. rama naik harjayanaik dillep kumar.pdf

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