

AAR of one state cannot provide ruling on liability arising in another state

The AAR, Telangana, in the matter of *M/s. Comsat System Private Limited [Advance Ruling No. 51/2022 dated October 20, 2022]* rejected the application for advance ruling of the assessee by holding that, the ruling passed by the AAR, Telangana is only applicable in the state of Telangana, thus, it cannot provide ruling on the question whether the assessee is liable to obtain registration in another state or not.

Facts:

M/s. Comsat System Private Limited ("**the Applicant**") is engaged in the business of manufacturing, supplying, installation, testing, and commissioning of satellite communication antenna systems. The Applicant install antennas all over India.

One of the Applicant's customer insisted the Applicant to obtain GST registration in the state where they are executing the contract. Thus, the Applicant filed this application for Advance ruling.

Issue:

Whether the Applicant is liable to obtain GST registration in the state where they perform installation, testing and commissioning of antenna?

Held:

The AAR, Telangana in *Advance Ruling No.51 /2023* held as under:

- Observed, Section 96 of the Central Goods and Services Tax Act, 2017 ("**the CGST Act**"), which states that the authority for advance ruling constituted under the provisions of a

state goods and services Act shall be deemed to be the authority for advance ruling of that state.

- Rejected the Application.
- Held that, the Advance Ruling Authority constituted under the Telangana State Goods and Services Act cannot give a ruling on the liability arising under the CGST Act or State Goods and Services Tax Act, 2017 in a different state.

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