

What should be the place of business to be considered for the purpose of registration? HELD the applicant is providing services from his registered place of business i.e. Jaipur Therefore place of business for the purpose of registration is Jaipur. B. Whether having a vacant lands on lease for parking of trailers/trucks at various cities for operational purpose requires registration at various cities when billing, control, registered office, head office and management is centralized located at Jaipur. HELD The authority for advance ruling is created under SGST/UTGST Act and thus rulings are applicable within the particular state only, it is for this reason that question relating to registration of vacant lands taken on lease by the applicant is out of purview of the authority and hence no ruling is given on this aspect.

ADVANCE RULING NO. RAJ/AAR/2018-19/29,F.No. IV(4)28/AAR/RAJ/2018-19/136-137 , Dated 9th January , 2019

RAJASTHAN AUTHORITY FOR ADVANCE RULING

GOODS AND SERVICES TAX

NCR BUILDING, STATUE CIRCLE, C-SCHEME

JAIPUR - 302005 (RAJASTHAN)

J P MEENA Additional Commissioner	:	Member (Central Tax)
Hemant Jain Joint Commissioner	:	Member (State Tax)
Name and address of the applicant	:	M/s K M Trans Logistics Private Limited; D-80,Chandpole, Anaj Mandi, Jaipur, Rajasthan, 302001
GSTIN of the applicant	:	08AACCK0420F1Z4
Clause(s) of Section 97(2) of CGST/SGST Act, 2017, under which the question(s) raised	:	f. whether applicant is required to be registered;
Date of Personal Hearing	:	04.01.2019
Present for the applicant	:	Shri Alok Kumar Kothari, Advocate (authorised representative)
Date Of Ruling	:	09.01.2019

Note: Under Section 100 of the CGST/SGST Act 2017, an appeal against this ruling lies before the Appellate Authority for Advance Ruling constituted under section 99 of CGST/SGST Act 2017, within a period of 30 days from the date of service of this order.

The Issue raised by M/s K M Trans Logistics Private Limited {hereinafter the applicant} is fit to pronounce advance ruling as it falls under ambit of the Section 97(2) (f) and it is given as under:

f. whether applicant is required to be registered;

Further, the applicant being a registered person, GSTIN is 08AACCK0420F1Z4, as per the declaration given by him in Form ARA-01, the issue raised by the applicant is neither pending for proceedings nor proceedings were passed by any authority. Based on the above observations, the application is admitted to pronounce advance ruling.

1. SUBMISSION OF THE APPLICANT:

- a. The applicant who is the service provider is having the registered office at Jaipur Rajasthan and providing transport services to various manufacturers of motor vehicles for carrying their vehicles from the factory to the various cities in India where the authorised dealers are located.
- b. The applicant has entered into an agreement with various manufacturers and the agreements were showing the place of business as Jaipur i.e. the registered office of the company.
- c. In order to park their trucks and trailers the applicant has taken on lease the vacant lands at various cities where the vehicles are parked not always but as per waiting at the manufacturer factory for loading/unloading or at dealer premises for unloading. The vehicles are parked as there is always the risk of theft of tyres/motor parts and also drivers can rest at proper place.
- d. The billing, maintenance accounts and operational control of the work is done from the Jaipur office i.e. the registered office of the company. There is no billing is done from the other states. The lease deeds of the vacant lands are also having the address of registered office at Jaipur of the applicant. Sample copies of the agreement with the manufacturer (Maruti Suzuki Ltd, Gurgaon) and lease agreement at Gurgaon is enclosed as Annexure - B & C.
- e. That the bills of all Input services/Input goods consumed at addressed at Jaipur and GST Credit is availed centralized at Jaipur.
- f. That the trucks/trailers/chassis which are used in providing the transportation services at Pan India are purchased in Rajasthan as well as registered with RTO Jaipur/Rajasthan and Bills for the Chassis /Trailers/Vehicle is also raised at Jaipur address and Credit of GST Charged by the trader/manufacturer in Purchases Bills are also availed at Jaipur thus the principal good that is vehicles are technically located at Jaipur and Supply of service is from Jaipur.

2. QUESTIONS ON WHICH THE ADVANCE RULING IS SOUGHT

Applicant has sought ruling to be pronounced under section 97(2) (f) of the CGST Act 2017, on the following questions:

- a. What should be the place of business to be considered for the purpose of registration?
- b. Since no billing is done from any other state other than Jaipur and even input services bills are billed at Jaipur thus the applicant is required to take registration at Jaipur only or at any other state?
- c. Whether having a vacant lands on lease for parking of trailers/trucks at various cities for operational purpose requires registration at various cities when billing, control, registered office, head office and management is centralized located at Jaipur.

3. COMMENTS OF JURISDICTIONAL OFFICER

The jurisdictional officer has commented that "concerning states are most suitable to advice on this matter as it pertains to their respective jurisdictions. Matter is related to other states, so query should be asked from the concerning states, as the applicant is already registered in Rajasthan."

4. PERSONAL HEARING (PH)

In the matter personal hearing was given to the applicant, Shri Alok Kumar Kothari, Advocate (authorised representative/AR) of applicant appeared for personal hearing on 04.01.2019. The AR submitted that the applicant is providing inter-state supply of transport services from the state of Rajasthan. During the PH they reiterated the submissions already made in the application for advance ruling and requested that the case may be decided at the earliest.

5. FINDINGS, ANALYSIS & CONCLUSION:

We find that the applicant is a service provider of transport services and is registered in state of Rajasthan. As per the submissions made by the applicant the trucks/trailers/chassis which are used

in providing the transportation services at Pan India are purchased in Rajasthan as well as registered with RTO Jaipur. Applicant is registered at Jaipur and makes billing, maintenance accounts and operational control in relation to the services of transport from the registered office at Jaipur.

As per section 22(1) of the Central Goods and Service Tax Act 2017 & Rajasthan Goods and Service Tax Act 2017 Act the basic ingredients required to be satisfied to decide the place/state of registration is:

(a) Place must be decided from where supplier makes a taxable supply of services.

In order to interpret Section 22, the Section 2(71), Section 2(85) and Section 2(113) of the CGST Act, 2017 is being referred to:

Sec 2(71) defines "Location of the Supplier of Service", means:-^

(a) where a supply is made from a place of business for which the registration has been obtained, the location of such place of business;

(b) where a supply is made from a place other than the place of business for which registration has been obtained (a fixed establishment elsewhere), the location of such fixed establishment;

(c) where a supply is made from more than one establishment, whether the place of business or fixed establishment, the location of the establishment most directly concerned with the provisions of the supply; and

(d) in absence of such places, the location of the usual place of residence of the supplier;~

Sec 2(85) defines "Place of Business" includes,-^

a. a place from where the business is ordinarily carried on, and includes a warehouse, a godown or any other place where a taxable person stores his goods, supplies or receives goods or services or both; or

b. a place where a taxable person maintains his books of account; or

c. a place where a taxable person is engaged in business through an agent, by whatever name called;~

Section 2(113) defines usual place of residence as;-^

(a) in case of an individual, the place where he ordinarily resides;

(b) in other cases, the place where the person is incorporated or otherwise legally constituted;~

We find that the applicant is supplying transport services to various manufacturers to transport their vehicles to the retail outlets in different states. The applicant is fulfilling the condition of clause (a) of Section 2(71) as mentioned above which is concerned with location of the supplier of service.

The applicant is registered in Jaipur, Rajasthan which is his place of business from where he is supplying services in Haryana. The same is also evident from the copy of invoices submitted by the applicant during the personal hearing on dated 04.01.2019 wherein invoices are raised by M/s Maruti Suzuki, Gurgaon in favour of M/s K M Trans Logistics Pvt. Ltd., Jaipur.

Similarly, the applicant is billing and maintains book of accounts at Jaipur only thus also satisfying the condition in clause (b) of Section 2(85).

Further, the applicant is incorporated as a company having its registered office at Jaipur, satisfying condition mentioned in clause (b) of Section 2(113) of CGST Act, 2017. From the facts given by the

applicant and on harmonious reading of the Section 22 along with the Section 2(71), Section 2(85) and Section 2(113) of the CGST Act, 2017, it is ascertained that the applicant have rightly taken registration in state of Rajasthan as the supply of transport services is initiated from the state of Rajasthan.

Further, the applicant has submitted that he has taken on lease some vacant lands so as to park his vehicles and to provide resting place for drivers. The authorized representative has reiterated the same fact in personal hearing too. The vacant land taken by the applicant is situated in the state of Haryana which is beyond the jurisdiction of this authority.

6. In view of the foregoing, we rule as under:-

RULING

a. In the instant case, the applicant is providing services from his registered place of business i.e. Jaipur in the state of Rajasthan. Therefore place of business for the purpose of registration is Jaipur.

b. The registration under GST regime is applicable on place of supply of goods or services or both. Since in the instant case, as per the facts submitted by the applicant, the place of supply is from the state of Rajasthan, thus applicant is required to take registration at Jaipur, Rajasthan only.

c. The vacant land taken on lease by the applicant for parking of vehicles and drivers rest is outside the state of Rajasthan. The authority for advance ruling is created under SGST/UTGST Act and thus rulings are applicable within the particular state only, it is for this reason that question relating to registration of vacant lands taken on lease by the applicant is out of purview of the authority and hence no ruling is given on this aspect.

09/01/19

J P MEENA

Member

(Central Tax)

HEMANT JAIN

Member

(State Tax)