

 सत्यमेव जयते	RAJASTHAN AUTHORITY FOR ADVANCE RULING GOODS AND SERVICES TAX KAR BHAWAN, AMBEDKAR CIRCLE, NEAR RAJASTHAN HIGH COURT JAIPUR – 302005 (RAJASTHAN)	
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ADVANCE RULING NO. RAJ/AAR/2019-20/35

J.P.Meena Additional Commissioner	:	Member (Central Tax)
Hemant Jain Additional Commissioner	:	Member (State Tax)
Name and address of the applicant	:	M/s Thinklab Edusoft LLP, Plot No.11, karni Nagar, Green Park, Khatipura Road, Jaipur-302006
GSTIN of the applicant	:	08AALFT6624N1ZH
Clause(s) of Section 97(2) of CGST/SGST Act, 2017, under which the question(s) raised	:	b. Applicability of a notification issued under the provisions of this Act;
Date of Personal Hearing	:	19.2.2020 and 4.2.2020
Present for the applicant	:	Mr. Sunil Pareek (Authorised Representative)
Date of Ruling	:	13.03.2020

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.

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- At the outset, we would like to make it clear that the provisions of both the CGST Act and the RGST Act are the same except for certain provisions. Therefore, unless a mention is specifically made to such dissimilar provisions, a reference to the CGST Act would also mean a reference to the same provision under the RGST Act. Further to the earlier, henceforth for the purposes of this Advance Ruling, a reference to such a similar provision under the CGST Act / RGST Act would be mentioned as being under the "GST Act".
 - The issue raised by *M/s Thinklab Edusoft LLP, Plot No. 11, Karni Nagar, Green Park, Khatipur Road, Jaipur-302006, Rajasthan* (hereinafter the applicant) to pronounce advance ruling under the ambit of the Section 97(2) (b) given as under: -
 - b. Applicability of a notification issued under the provisions of this Act.
 - Further, the applicant being a registered person (GSTIN 08AALFT6624N1ZH). 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.

1. **SUBMISSION AND INTERPRETATION OF THE APPLICANT:**

- The assessee is engaged in the business of software consultancy and wants to act as an exporter of these services. Under the previous tax regime, the export services were exempt from service tax and now are under the purview of GST as services as Zero rated supply. We are eligible for refund of GST paid on Zero rated supply vide Rule number 1(2) of refund rules which contain the services provided by us. Also section 54 throws more light on the issue as it deals with export of services and resulting refund claim from the same.
- As per refund rules, we are required to submit FIRC/BRC Details along with the refund application. We understand that the same is needed to verify that the funds have been received in foreign currency and that services are provided in relation to the funds received. However, our receiving bank does not issue FIRC Certificates stating that there is no provision of FIRC Certificates unless the amount involved is in case of

FDI. Further we want to confirm that the funds received through Paypal, an intermediary to receive funds from overseas. The Funds are expected to be received in foreign currency in our Paypal account and will be transferred to our Indian account after conversion into domestic currency. How will we receive FIRC Certificates as there is contradictory provision in respect of the same in many statutes.

2. **QUESTIONS ON WHICH THE ADVANCE RULING IS SOUGHT**

1. Availability of FIRC in respect of Export proceeds with respect to services for funds received through service providers like Paypal, Worldremit etc?
2. Documents required for export without payment of tax to prove receipt of proceeds in foreign currency in case FIRC is not receivable in case of such transactions?
3. The measure to be followed in case any refund proceedings are due to non-availability of FIRC or any other supporting documents being relied upon by the GST department?


3. **PERSONAL HEARING**

In the matter personal hearing was granted to the applicant on 19.2.2020 on which adjournment was requested by the applicant. Further hearing was granted on 04.03.2020 at Room no. 2.29 NCRB, Statue Circle, Jaipur. On behalf of the applicant Shri Sunil Pareek (Authorised Representative) appeared for PH. During the PH, he reiterated the submissions already made in the application. He also requested for early disposal of the application.

4. **COMMENTS OF THE JURISDICTIONAL OFFICER**

The jurisdictional officer (Assistant Commissioner, Central Tax, CGST Division-G, Sector-10, Vidyadhar Nagar, Jaipur, Rajasthan 302039) has submitted his comments vide letter dated 07.02.2020 which are as under:

“In this context, it is submitted that in view of this office it is mandatory in terms of Rule 89(2) of CGST Rules 2017 to produce copy of FIRC / BRCs, evidencing that the export proceeds involved in the export of Services has actually been realized from abroad in foreign currency.



However, ongoing through the website <https://www.paypal.com/in/webapps/mpp/firc-certificate>, a process for getting copy of FIRC has been mentioned.

Therefore, by adopting the said process, the assessee can obtain the copy of FIRC.”

5. **FINDINGS, ANALYSIS & CONCLUSION:**

We observe that as per Section 97(2) CGST Act 2017 the question on which advance ruling is sought shall be in respect of,-


- (a) classification of any goods or services or both;
- (b) applicability of a notification issued under the provisions of this Act;
- (c) determination of time and value of supply of goods or services or both;
- (d) admissibility of input tax credit of tax paid or deemed to have been paid;
- (e) determination of the liability to pay tax on any goods or services or both;
- (f) whether applicant is required to be registered;
- (g) whether any particular thing done by the applicant with respect to any goods or services or both amounts to or results in a supply of goods or services or both, within the meaning of that term.

In the instant case, we observe that the question sought by the applicant is outside the scope of Section 97(2) of CGST Act 2017 therefore the application is liable for rejection without going in to the merit of the case under Section 98(2) of CGST Act 2017.


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

RULING

Since question sought by the applicant is outside the scope of Section 97(2) of CGST Act 2017 therefore, the application is not admitted.


13/3/2020
J.P. MEENA
Member
(Central Tax)




13/3/2020
HEMANT JAIN
Member
(State Tax)

SPEED POST

✓ M/s Thinklab Edusoft LLP,

Plot No.11, karni Nagar,
Green Park, Khatipura Road,
Jaipur-302006

F.No. AAR/Thinklab/2019-20/280

Dated: 17/03/2020

Copy to: -

1. The Chief Commissioner, Central Tax, CGST and Central Excise, (Jaipur Zone), NCRB, Statue Circle, Jaipur, Rajasthan 302005.
2. The Commissioner, State Tax, Kar Bhawan, Bhawani Singh Road, Ambedkar Circle, C-Scheme-, Jaipur 302005.
3. The Commissioner, Central Tax, CGST and Central Excise Jaipur Commissionerate, NCRB, Statue Circle, Jaipur, Rajasthan 302005.
4. The Assistant Commissioner, Central Tax, CGST Division-G, Sector-10, Vidyadhar Nagar, Jaipur, Rajasthan 302039.