

## ***Only Goods Supplier can seek GST Advance Ruling, not the Recipient: The AAR, Maharashtra***

### **Fact of the Case**

The Applicant, USV Private Limited is a healthcare company in India, registered under the GST regime and Novartis AG (NAG) is a Switzerland-based pharma company that owns rights of Trade Marks across the world including India. The said Trade Marks are registered in the name of NAG under the Indian Trade Marks Act, 1999 and the Trade Marks Rules, 2017 in India.

The applicant has sought the advance ruling on the issue that whether the activity of transfer of registered trademarks by Novartis AG to the applicant is a 'supply of goods or supply of services under the CGST, Act, 2017/IGST Act, 2017.

### **Decision of the Case**

The AAR pointed out that as per section 95 (a) there are two conditions to be fulfilled for making an advance ruling application firstly, the question asked should be in relation to supply undertaken by the applicant secondly the question should be in relation to the supply of goods or services or both being undertaken or proposed to be undertaken by the applicant.

The Coram conducted that the subject application is rejected as being non-maintainable as per Section 95 of the CGST Act, 2017 because the applicant has firstly raised questions as a recipient of services and secondly the questions are in respect of past and completed supply as on the date of the application and not supply, which is being undertaken/proposed to be undertaken.

"We find that in the subject case, the first condition mentioned above is not satisfied as much as NAG, Switzerland which is undertaking the supply and not the applicant. Further, with respect to the second condition for the supply 'to be undertaken or proposed to be undertaken' we observe that the Deed of Assignment is dated 30th November 2019, and the 'Effective Date' as stated in the Deed is 10th December 2019. The application has been filed on 16th January 2020," the AAR noted.

***The Maharashtra Authority of Advance Ruling (AAR) while rejecting the application filed by the USV Private Limited held that the only goods supplier can seek GST advance ruling, not the recipient.***