

## **GST payable by Liaison Office of Dubai Chamber of Commerce as Services provided to various Business in India, Dubai: AAR**

### **Fact of the Case**

The applicant is a non-profit organization, formed to represent, support, and protect the interests of the Dubai business community in India, by creating a favorable environment, promoting Dubai businesses, and supporting the development of business in India. Under the ambit of RBI norms, Applicant shall undertake below liaison/ representation activities in India;

- Liaison between India office and Dubai office
- Attending and representing DCCI in various seminars, conferences & trade fairs Connecting businesses in India with business partners in UAE and vice versa Organizing events & interactions with Indian stakeholders for sharing information about Dubai

No other activity is to be performed by the applicant in India whether with or without any consideration.

All expenses incurred by the applicant (predominantly office rent, salaries, consultancy services), are to be reimbursed from DCCI UAE on a cost-to-cost basis. Thus, no consideration is to be charged/ paid for the aforementioned activities.

Issues on which Advance Ruling Required

(i) whether the applicant is required to be registered under the Act

(ii) whether any particular thing was done by the applicant with respect to any goods and/or services or both amounts to or results in a supply of goods and/or services or both, within the meaning of that term

### **Decision of the Case**

The applicant is not a non-profit organization, affecting the supply of services for a consideration for which it has to obtain GST registration and pay applicable GST on its transactions.

Further, it added that the applicant calls itself a liaison office. This satisfied one condition of an intermediary — broker, agent, or any person by whatever name called.

***Maharashtra Authority of Advance Ruling in a matter of Dubai chamber of commerce has ruled that Liaison office of Dubai Chamber of Commerce and Industry formed to represent, support and protect the interests of the Dubai business community in India, by creating a favorable environment, promoting Dubai businesses and by supporting the development of business in India is providing Intermediary services to Dubai HO, chargeable to GST.***

***The AAR ruled that the applicant is receiving consideration from its Head Office in excess of expenses incurred by it, and the applicant cannot be treated as a non-profit organization. Also, the application is providing intermediary services for which it is liable to pay GST.***