

M/s Esprit India Private Limited

Appellate Authority for Advance Ruling — Haryana

HAR/HAAAR/2018-19/02 dated 22.11.2018

Q Questions Before the Authority

- Taxability of above stated services provided by Esprit India to its associate concern in Hong Kong EDCFE under GST regime.
- Whether the above stated services provided by Esprit India are covered under Export of Services having Zero rated taxability.
- Whether Esprit India is eligible for seeking refund of GST for the taxes paid on input services or goods or both.

F Facts

The appellant, a subsidiary of Esprit De Corp (Far East) Limited (EDCFE), provides various sourcing support services in India to EDCFE, which in turn acts as a sourcing service provider for Esprit Germany. These services include market research, vendor evaluation, quality control, and logistics coordination. The appellant contends that these services are independent of the purchase of goods by Esprit Germany and should be treated as export of services.

H Ruling

Taxability of services	The AAR correctly identified the SAC description and rate of tax.	The appellate authority upheld the AAR's findings.
Export of services/Zero rating	Declined by the AAR as outside the scope of Section 97(2).	The appellate authority agreed with the AAR's refusal to answer.
Eligibility for GST refund	Declined by the AAR as outside the scope of Section 97(2).	The appellate authority agreed with the AAR's refusal to answer.

The Appellate Authority upheld the original Advance Ruling, dismissing the appeal. It concluded that the AAR had correctly addressed the questions within its jurisdiction and that the appellant's arguments were untenable. The authority affirmed the findings regarding the taxability and classification of the services provided.

R Reasoning

The authority reasoned that the AAR had provided a detailed and self-speaking order that addressed all relevant aspects. It observed that the appellant's questions regarding export status and refund eligibility did not fall within the **limited scope of Section 97(2)** of the CGST/HGST Act, which defines the matters on which an advance

ruling can be sought. Furthermore, the authority distinguished the case laws cited by the appellant, noting that the facts and circumstances of the present case were different. It concluded that the AAR had correctly identified the SAC description and tax rate for the services provided.

P Provisions Relied On

Section 97(2) of the CGST/HGST Act

Section 100(1) of the CGST/HGST Act

Section 101 of the CGST/HGST Act

Section 103 of the CGST/HGST Act

! For the Practitioner

This ruling reinforces the **strict jurisdictional limits** of the Authority for Advance Ruling under Section 97(2). It serves as a reminder that AARs may decline to answer questions that do not strictly pertain to classification, valuation, or tax liability. Practitioners should note that the appellate authority will uphold an AAR's refusal to address broader policy or eligibility questions if they fall outside the statutory mandate.

Source

Summary prepared from the published order, which is a scanned document. It is a reading aid and not the authority: where the two differ, the order governs. Verify every provision against the original before relying on it.

Original order: www.gstcouncil.gov.in -> [haryana_haaar_2018-19_02_dtd_22.11.18.pdf](#)

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