

M/s. Lambda Therapeutic Research Limited

Authority for Advance Ruling — Gujarat

GUJ/GAAR/ADM/2018/34 dated 30.08.2018

Q Questions Before the Authority

- Whether the activity of the applicant provided to foreign clients in the nature of scientific testing and technical analysis on pharmaceutical products will be treated as export of service under the provisions of IGST Act, 2017?

F Facts

The applicant is a global clinical research organization that conducts bio-availability, bioequivalence, and clinical trials for pharmaceutical companies located outside India. During these services, the applicant performs scientific testing and technical analysis on pharmaceutical samples provided by the foreign entities, which are consumed in the process and not returned. The applicant receives consideration in convertible foreign exchange and sought to determine if this activity qualifies as an export of service under the IGST Act.

H Ruling

Jurisdiction to determine place of supply

Rejected

The authority held that place of supply is not a matter covered under Section 97(2) of the CGST Act.

The Authority rejected the application at the admission stage without addressing the merits of the case. It held that it lacked the jurisdiction to determine the place of supply, which is a necessary condition for classifying the activity as an export of service.

R Reasoning

The Authority noted that it is a creature of statute and can only decide issues specifically earmarked under Section 97(2) of the CGST Act. It observed that the applicant's question regarding export of service is intrinsically linked to the determination of the place of supply. Since the determination of the place of supply is not included in the list of issues under Section 97(2), the Authority concluded it was **lacking jurisdiction** to answer the question. Consequently, the application was rejected under sub-section (2) of section 98 of the CGST Act.

P Provisions Relied On

Section 97(2) of the CGST Act, 2017

Section 98(2) of the CGST Act, 2017

Section 2(6) of the IGST Act, 2017

Section 13 of the IGST Act, 2017

Section 16 of the IGST Act, 2017



For the Practitioner

This ruling serves as a reminder that the Advance Ruling Authority will **decline to entertain applications** where the core issue requires a determination of the place of supply. Practitioners should note that the Authority views its jurisdiction as strictly limited to the specific clauses of Section 97(2). This order does not provide any guidance on the substantive merits of whether clinical research services qualify as an export of service.

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 -> [guj.34-2018-19 dt 30.08.18 ltrl.pdf](#)

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