

M/s Hindalco Industries Ltd.

Authority for Advance Ruling — Uttar Pradesh

Order No. 03

Dated 04.05.2018

Q Questions Before the Authority

- Whether an advance ruling can be issued regarding the requirement of generating tax invoices for continuous inward supplies of bauxite originating from the applicant's captive mines located outside Uttar Pradesh.

F Facts

The applicant, located at Renukoot, Uttar Pradesh, receives continuous supplies of bauxite from its captive mines situated in Lohardaga (Jharkhand) and Samari (Chhattisgarh). Transportation occurs daily via road and rail-cum-road using around 400 trucks per day, resulting in approximately 15,000 tax invoices per month. The high volume of invoices caused severe processing delays in the applicant's ERP system and GSTR-1/GSTR-2 mismatches, prompting the applicant to seek clarification on invoicing requirements.

H Ruling

The Authority held that the legal liability to issue a tax invoice under Section 31(1) lies with the supplier making the outward supply. Since the supplying captive mines are registered in Jharkhand and Chhattisgarh, the UP AAR **lacks territorial jurisdiction** over them. Accordingly, the application was **disposed of as non-maintainable** without deciding on the procedural merits.

R Reasoning

The Authority analyzed Section 31(1) alongside definitions under Section 2(63), 2(83), 2(93), and 2(105) of the UPGST/CGST Act, 2017. It observed that the statutory responsibility to issue a tax invoice rests strictly on the supplier executing the outward supply. Because the supplying units are distinct persons registered outside Uttar Pradesh, the Uttar Pradesh Authority for Advance Ruling has no legal jurisdiction to pass an order binding on entities registered in other states.

P Provisions Relied On

Section 2(63) of the CGST/UPGST Act, 2017

Section 2(83) of the CGST/UPGST Act, 2017

Section 2(93) of the CGST/UPGST Act, 2017

Section 2(105) of the CGST/UPGST Act, 2017

Section 31(1) of the CGST/UPGST Act, 2017

Section 98 of the CGST/UPGST Act, 2017



For the Practitioner

This ruling settles that a recipient cannot seek an advance ruling on invoicing procedures or compliance issues that fall under the statutory obligations of a supplier registered in a different state. Applications regarding outward supply invoicing must be filed before the AAR of the state where the **supplier is registered**, upholding the strict **territorial jurisdiction** of State AARs.

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 -> [up_aar_03_04.05.2018_hil.pdf](#)

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