

M/s. Teemage Builders Private Limited

Authority for Advance Ruling — Tamil Nadu

Advance Ruling No. 6/ARA/2026

Dated **21.01.2026**

Q Questions Before the Authority

- Whether the applicant is required to obtain registration in the states in which it is executing works contract using precast structures manufactured at its principal place of business in Tirupur, when it has no fixed establishment in such state?
- Whether it is mandatory to register the site address (where there is only temporary office and no fixed establishment) as additional place of business if the site address is different from the registered office address but within the same state?
- Whether the transportation of material used in erection of the precast structures in the construction sites in other states, amounts to supply in the absence of consideration and in the absence of two different parties involved?
- Whether such transportation of manufactured elements and other raw materials for site work used for erection of the precast structures would require raising of invoice?
- If invoice is not required, can the movement of goods shall be made according to Rule 55 (1) (c) of the CGST Rules 2017 without support of invoice but with Delivery Challan?
- Whether it is mandatory to specify the tax rate in delivery challan (as per Rule 55 (1)) since we undertake only works contract and the rate of tax for the same is 18%, but the rate of tax for individual components (like cement) is 28% when they are sold separately?
- The delivery challan and e-way bill for manufactured elements and other raw materials for site work would contain GST rates and corresponding HSN codes, which would differ from the final invoice where SAC code for composite works contract would be mentioned. Would that be considered as a mismatch between HSN/SAC codes and GST rates in e-way bill and actual invoice, which is made at stage wise completion of construction, by the tax authorities?
- Similarly, in cases of movement of machineries (no transfer of ownership) to work sites, where there is no permanent establishment at the respective state and only used to perform the construction service, whether the difference in HSN/SAC codes and GST rates in e-way bill and actual composite supply invoice would be considered as mismatch?
- What document shall be issued for return of tools, equipments for return from worksite to our registered office?
- If tools, equipments and accessories which are returnable after work execution should be transported under delivery challan, what is the rate to be adopted in the delivery challan and e-way bill, whether contract rate or whether GST rate of the tools and equipments transported?
- If we are transferring materials and equipments between two sites at respective state where we do not have fixed establishment, what document shall be used for transportation of the same?

F Facts

The applicant is engaged in the business of precast concrete construction, manufacturing structures at its Tirupur premises and transporting them to customer sites across India for assembly. The applicant maintains that it does

not have a fixed establishment at these construction sites, as it only employs a small number of staff for a limited duration to perform the assembly. The applicant sought an advance ruling on registration requirements and various procedural aspects regarding the movement of goods and machinery.

H Ruling

Registration in other states	Yes, the applicant is required to get registered in the state where the construction site is located.	Based on the finding that the site constitutes a fixed establishment.
Registration of site address	Yes, the applicant may add such sites as additional places of business.	Applicable when the site is within the same state.
Transportation as supply	Yes, it amounts to supply.	Based on the interpretation of Schedule I and Section 25.
Procedural questions (d-k)	The question is not covered under the issues mentioned under Section 97(2) of the CGST Act 2017.	Liable for rejection in terms of Section 98(2).

The Authority ruled that the applicant is required to obtain registration in states where it executes works contracts, as the construction site constitutes a fixed establishment. Consequently, the applicant must register such sites as additional places of business if located within the same state. The Authority rejected the remaining questions (d through k) as they pertain to procedural requirements outside the scope of Section 97(2) of the CGST Act.

R Reasoning

The Authority determined that the applicant's presence at construction sites, involving human and technical resources for a duration of approximately 150 days, meets the definition of a fixed establishment under Section 2(50) of the CGST Act. Regarding the supply of goods to these sites, the Authority relied on Section 7 and Schedule I, noting that transfers between distinct persons (as defined in Section 25) constitute a supply even without consideration. The remaining procedural queries were dismissed because they did not fall under the specific categories of questions admissible for an advance ruling under Section 97(2).

P Provisions Relied On

Section 97(2) of the CGST Act 2017	Section 98(2) of the CGST Act 2017
Section 2(50) of the CGST Act 2017	Section 7 of the CGST Act 2017
Section 25 of the CGST Act 2017	Schedule I of the CGST Act 2017



For the Practitioner

This ruling clarifies that **precast construction sites** with a duration of around 150 days are likely to be treated as **fixed establishments**, necessitating state-specific GST registration. It confirms that inter-state movement of goods to such sites is a taxable supply under Schedule I. However, the ruling does not provide guidance on the procedural compliance issues (invoicing, delivery challans, and HSN mismatches) raised by the applicant, as the Authority deemed these outside its jurisdiction.

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 -> [6-teemage builders aar order compressed.pdf](#)

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