

GIB/KN/KARDEX/18.03.2020/AAR-242**Advance Ruling Category :** Registration**State :** Karnataka**Order No.:** GIB/KN/KARDEX/18.03.2020/AAR-242**Name of Entry :**

Kardex India Storage Solution

Date : 18-03-2020**Breif Issue :****Facts & Issue of the Ruling**

M/s. Kardex India Storage Solution Private Limited, is private limited company registered under GST Law, filed an application for Advance Ruling. The Applicant is the importer of storage solutions and vertical storage solutions (machines) from Germany and distributes the imported goods to Industrial customers all over India. Presently, applicant is transporting the imported goods from the port of import to applicants' registered place of business at Bangalore and then supplying the same to the customer's place. During this process of transportation, the applicant came across lot of logistical problems and found it costly. In view of this, the applicant intends to import the goods to the port nearest to the customer's place and supply directly to customer's location from the said port of import. However, the applicant intends to issue the bill/ tax invoice for the said transaction from the registered place of business. *"The applicant seeks advance ruling to know whether the applicant can take credit of IGST paid on import of goods or not , whether applicant can issue tax invoice with IGST to the customer or not and whether applicant needs to obtain registration in the state where the port of clearance is located or not"*

The applicant contends that location of the importer is the place of business of the importer and not the state in which the port of import is located unless the importer has some permanent establishment or business place in the port of import and hence contends that place of supply for the imported goods would be the registered place of business premises.

The applicant submitted that in terms of section 7(2) of the IGST Act 2017, the supply of goods imported into the territory of India, till they cross the customs frontiers of India, shall be treated to be a supply of goods in the course of inter-state trade or commerce. The applicant further contends that, though the imported goods are supplied directly from the port of import to the customer's place, it is deemed that imported goods are received at the registered place of business of the importer and then supplied to the customer's place. Such being the case, the applicant has opined that there is no need to shift the imported goods physically to the place where the registration is obtained and also no need to take registration in the state where the port of import is located. In support of this, the applicant has placed reliance on the Rulings of the Advance Ruling Authority, Maharashtra in the case of "[M/s](#)

[Aarel Import Export Private Limited.](#)" and "[M/s Sonkamal Enterprises Private Limited.](#)"

[GIB/MH/AAREL/24.04.2019/AAR-240](#)

[GIB/MH/Sonkamal/27.09.2018/AAR-241](#)

Decision of Advance Ruling Authority :

Decision:

The applicant is eligible to claim credit of IGST paid on import of goods as per section 20 of the IGST Act 2017 read with section 16 of the COST Act, 2017. The applicant can issue tax invoice with IGST to the customer as per section 20 of the IGST Act 2017 read with section 31 of the CGST Act 2017 for the interstate transaction as provided under section 7(1) of the IGST Act 2017, when the goods are directly dispatched from the port of import with invoicing done from the registered place of business and Since the applicant is already registered under GST Act, no provisions under the CGST or SGST or IGST Act 2017 mandates any person to obtain the registration again in the place of port where applicant obtain the custom clearance for further supply of goods. Hence, the applicant need not obtain registration in the state where the port clearance is located, if he is not making any supply from the State in which the port is located.