| GUJARAT AUTHORITY FOR ADVANCE RULING<br>GOODS AND SERVICES TAX<br>D/5, RAJYA KAR BHAVAN, ASHRAM ROAD,<br>AHMEDABAD – 380 009. | NATION TAX MARKET |
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**ADVANCE RULING NO. GUJ/GAAR/R/2026/19**
(IN APPLICATION NO. Advance Ruling/SGST&CGST/2025/AR/45)

**Date:08/05/2026**

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| Name and address of the applicant | : | Waystar Properties LLP, 15C2, Block 15, Gift City, Gandhinagar, Gujarat – 382235. |
| GSTIN of the applicant | : | 24AADFW9786G1ZM |
| Jurisdiction Office | : | CGST Commissionerate – Gandhinagar, Division – Gandhinagar, Range-III |
| Date of application | : | 05.11.2025 |
| Clause(s) of Section 97(2) of CGST/GGST Act, 2017, under which the question(s) raised. | : | - |
| Date of Personal Hearing | : | 08.04.2026 |
| Present for the applicant | : | Shri Meet Jadawala, C.A. |

**Brief facts:**

M/s. Waystar Properties LLP, 15C2, Block 15, Gift City, Gandhinagar, Gujarat – 382235 [for short – '*applicant*'], is a Limited Liability Partnership duly incorporated under the provisions of the Limited Liability Partnership Act, 2008 and registered with the Registrar of Companies, Gujarat bearing GSTIN 24AADFW9786G1ZM.

**2.** The Applicant has submitted that they have been granted the status of a Co-Developer within Gujarat International Finance Tec-City Special Economic Zone (hereinafter referred to as "GIFT SEZ"), pursuant to the approval of the Board of Approval (BOA), Ministry of Commerce and Industry, Government of India, under the provisions of the Special Economic Zones Act, 2005 ("the SEZ Act") and are accordingly authorized to develop, operate, and maintain certain specified infrastructure within the notified processing area of GIFT SEZ; that the applicant, in its capacity as a Co-Developer, is engaged in leasing out specified commercial premises ("the demised premises") situated wholly within the processing area of GIFT SEZ to the Lessee for the purpose of carrying out its authorized operations as approved under the SEZ framework through a lease arrangement which is duly

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documented through a registered lease deed executed between the applicant and the Lessee; that the demised premises form an integral part of the notified SEZ area, and both parties i.e. Lessor & Lessee are recognized entities under the SEZ framework; that the applicant holds a valid GST registration and the lessee, being a SEZ Unit, also holds a separate GST registration specifically for its operations in the GIFT SEZ; that the lessee's operations and premises are duly recognized by the Development Commissioner, GIFT SEZ as authorized operations; that the supply is treated as an inter-State supply u/s 7(5)(b) of IGST Act, 2017 and is, by its nature, intended to be a zero-rated supply u/s 16(1)(b) of IGST Act, being a supply of service to a SEZ Unit for its authorized operations; that w.e.f. 01.10.2023, the framework for zero-rated supplies to SEZ underwent significant amendment and Section 16 of the IGST Act, 2017 was amended to restrict benefit of zero-rated supply exclusively to supplies made "for authorized operations" to SEZ units/developers.

**3.** The applicant has further submitted that in light of the above, a specific question arises as to whether, under the provisions of the GST laws read with SEZ Act and Rules, endorsement by the SEZ Specified Officer on each invoice is a mandatory pre-condition for availing zero-rating benefits u/s 16 of IGST Act, or whether such endorsement is merely a procedural requirement, non-compliance of which does not, by itself, disqualify the supply from being treated as zero-rated, particularly when all substantive conditions of SEZ law and GST law are duly satisfied; that they have been substantiating that their supplies are "for authorized operations" through copies of LOAs of recipient SEZ units showing authorized activities, service contracts & agreements specifying authorized operations; that despite providing comprehensive documentary evidence, the Specified Officers at the SEZ refuse to provide endorsement on invoices for supplies from co-developer to SEZ units, stating that "Endorsement is required only for DTA to SEZ supplies u/r 30 of SEZ Rules, 2006, that Intra-SEZ transactions do not require external endorsement procedure & no formal procedure or channel is established for obtaining endorsement for Intra SEZ transactions." They have submitted that they are facing the following critical uncertainties: a) Whether the documentary evidence currently maintained (LOA, contracts) is legally sufficient to establish "authorized operations" or whether the law mandates invoice-level endorsement as the sole and exclusive proof; b) Whether zero-rating can still be claimed based on alternative documentary evidence irrespective of lack of established endorsement procedure for intra-SEZ supplies combined with SEZ authority's refusal to endorse, leading to



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impossible compliance situation; c) Whether refund claims for IGST paid on such supplies (when claimed) will be rejected due to absence of endorsement, notwithstanding the presence of comprehensive alternative documentary evidence.

**4.** The applicant has submitted that failure to obtain clear guidance on documentary sufficiency, Intra-SEZ supply treatment & Endorsement alternatives exposes the Applicant to significant GST liability, interest, and penalties if assessment authorities or refund processing authorities subsequently hold contradictory that supplies were not "for authorized operations" / Intra-SEZ supplies do not qualify for zero-rating due to absence of endorsement. This uncertainty directly impacts working capital and liquidity due to IGST implications, refund eligibility and assessment outcomes.

**5.** The applicant has asked for Advance Ruling on the following questions:

**Question 1: Documentary Requirements and Legal Interpretation of "For Authorized Operations"**

Whether for availing zero-rated supply treatment u/s 16 of IGST Act, 2017 read with Notification No. 09/2017-Integrated Tax (Rate) dated 28.06.2017, as amended w.e.f. 01.10.2023, for services supplied from Domestic Tariff Area (DTA) to Special Economic Zone (SEZ) units/developers, the phrase "for authorized operations" can be established through documentary evidence including Letter of Approval (LOA) / Eligibility Certificate issued by SEZ authorities demonstrating that the service relates to authorised operations; or whether endorsement from the Specified Officer of SEZ on each invoice is mandatorily required irrespective of other documentary evidence available (Letter of Approval (LOA) / Eligibility Certificate) to prove that the service is supplied for "authorized operations"?

**Question 2: Intra-SEZ Supplies - Zero-Rating and Endorsement Requirements.**

Whether the supply of services, from one SEZ unit to another SEZ unit (both located within SEZ and not in DTA) qualifies as a zero-rated supply u/s 16 of IGST Act, 2017, and if yes, whether endorsement from the Specified Officer of SEZ is mandatory on each invoice for such intra-SEZ transactions, or whether the Letter of Approval (LOA) / Eligibility certificate establishing that both parties are SEZ units engaged in authorized operations would be sufficient as documentary evidence?

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**Question 3: Practical Difficulty in Obtaining Endorsement for Intra-SEZ Supplies.**

In situations where the service provider & service recipient are both SEZ Developer / units, and the SEZ authorities deny to provide endorsement for such invoices mentioning that "a procedure for endorsement is for services supplied from DTA to SEZ and details of such invoice to be mentioned through DTA Service Procurement Form (DSPF) and that is not applicable for invoices for intra-SEZ transactions. Whether Letter of Approval (LOA) / Eligibility certificate as documentary evidence would be acceptable to establish that such services are supplied for authorized operations and such intra-SEZ supplies would still qualify for zero-rated treatment under GST law in the absence of invoice endorsement?

**6.** Statement containing the applicant's interpretation of law and/or facts, as the case may be, in respect of the aforesaid question(s) (i.e. applicant's view point and submissions on issues on which the advance ruling is sought) is as under:

**Question:1 Documentary Requirements & Legal Interpretation of "For Authorized Operations"**

Whether for availing zero-rated supply treatment u/s 16 of the IGST Act, 2017 read with Notification No. 09/2017-Integrated Tax (Rate) dated 28.06.2017, as amended w.e.f. 01.10.2023, for services supplied from Domestic Tariff Area (DTA) to Special Economic Zone (SEZ) units/developers, the phrase "for authorized operations" can be established through documentary evidence including Letter of Approval (LOA) / Eligibility Certificate issued by SEZ authorities demonstrating that the service relates to authorised operations; or whether endorsement from the Specified Officer of SEZ on each invoice is mandatorily required irrespective of other documentary evidence available (Letter of Approval (LOA) / Eligibility Certificate) to prove that the service is supplied for "authorized operations"?

**Applicant's submission:**

- The relevant extract of Section 16 of IGST Act, 2017 is reproduced as under:

  16. (1) "Zero rated supply" means any of the following supplies of goods or services or both, namely: —

  (a) export of goods or services or both; or

  (b) Supply of goods or services or both *for authorized operations* to a Special Economic Zone developer or a Special Economic Zone unit.



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The relevant extract of Section 2 of SEZ Act, 2005 is reproduced as under:

(C) *"Authorized operations" means operations which may be authorised under sub-section (2) of section 4 and sub-section (9) of section 15;*

- The relevant extract of Section 15 of SEZ Act,2005 is reproduced as under:

*(1) Any person, who* ***intends to set up a Unit for carrying on the authorized operations in a Special Economic Zone, may submit a proposal to the Development Commissioner*** *concerned in such form and manner containing such particulars as may be prescribed:*

*Provided that an existing Unit shall be deemed to have been set up in accordance with the provisions of this Act and such Units shall not require approval under this Act.*

……

*(9) The Development Commissioner may, after approval of the proposal referred to in sub-section (3),* ***grant a letter of approval to the person concerned to set up a Unit and undertake such operations which the Development Commissioner may authorises and every such operation so authorized shall be mentioned in the letter of approval.***

Meaning thereby, Section 15(9) empowers the Development Commissioner, after approval of the proposal, to grant a Letter of Approval (LOA) to a person for setting up a Unit and to undertake such operations as may be authorized, which are specifically mentioned in the said LOA.

- Upon a conjoint reading of the aforementioned provisions, we submit that the condition to qualify as zero-rated is thus intrinsically linked to the purpose and nature of the supply that it is for authorized operations of the SEZ entity. The statute does not prescribe any procedural endorsement requirement within the IGST Act itself. Meaning thereby, Section 16(1)(b) of IGST Act prescribes a substantive requirement. Supply must be made "for authorized operations" to SEZ units/developers. The section does NOT explicitly prescribe the manner or exclusive method of proving this substantive requirement.

- The phrase "for authorized operations" is a substantive condition, not a procedural formality. Substantive conditions relate to the nature and character of the transaction itself, whereas procedural requirements relate to mechanics

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of compliance and administration. Authorized operations are defined under the SEZ Act, 2005 and are specifically documented in the Letter of Approval (LOA) issued by the Development Commissioner to each SEZ unit. The LOA is the foundational legal document establishing what activities constitute "authorized operations" for that specific unit.

- Once a Letter of Approval (LOA) is granted containing a specific authorization of operations, such authorization becomes statutory recognition under Section 15(9) of the SEZ Act. Therefore, where a supplier of goods or services makes supply to a SEZ Unit or developer whose LOA explicitly stipulates that it carries on authorized operations, the statutory condition of "for authorized operations" under Section 16(1)(b) of the IGST Act stands duly satisfied. Neither the SEZ Act nor the IGST Act mandates additional procedural endorsement by the Specified Officer when the LOA itself contains an explicit mention of the nature and scope of authorized operations. The endorsement mechanism is, at best, a procedural facilitation under Rule 89(1).

- Accordingly, where the Development Commissioner has granted the LOA specifying that the unit is engaged in authorized operations, any supply made to such SEZ Unit for carrying out those operations shall be treated as a zero-rated supply u/s 16 of the IGST Act, 2017 even in the absence of a separate endorsement from the Specified Officer. Accordingly, following documentary evidence legally & substantively establishes "for authorized operations":

  1. Letter of Approval (LOA): Formal Govt. document specifying authorized activities
  2. Written Confirmations: SEZ unit certification that services are for authorized operations

**Question 2: Intra-SEZ Supplies - Zero-Rating and Endorsement Requirements**

Whether the supply of services, from one Whether the supply of services, from one SEZ unit to another SEZ unit (both located within SEZ and not in DTA) qualifies as a zero-rated supply u/s 16 of IGST Act, 2017, and if yes, whether endorsement from the Specified Officer of SEZ is mandatory on each invoice for such intra-SEZ transactions, or whether the Letter of Approval (LOA) / Eligibility certificate



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establishing that both parties are SEZ units engaged in authorized operations would be sufficient as documentary evidence?

**Applicant's submission:**

- Section 16(1)(b) of IGST Act, 2017 discussed supra uses language: *"supply of goods or services or both to a SEZ developer or a SEZ unit undertaking authorised operations".*

  Meaning thereby, the statute uses the word **"to"** without any qualifier such as "from DTA" or "from outside SEZ." The statute does not distinguish the source of supply (DTA vs. intra-SEZ).

- This broad language encompasses:

  Supplies from DTA to SEZ (clearly intended); &

  Supplies within SEZ between different entities (reasonably included unless excluded)

- Further, relevant extract of Rule-30 of SEZ Rules, 2006 is reproduced as under:

**Import and Procurement. -**

(1) *A **Unit or Developer may import or procure from** the Domestic Tariff Area without payment of duty, taxes or cess or procure from Domestic Tariff Area after availing export entitlements **or procure from other Units in the same or other Special Economic Zone** or from Export Oriented Unit or Software Technology Park unit or Electronic Hardware Technology Park unit or Biotechnology Park unit, or **warehouse all type of goods, including capital goods (new or second hand), raw materials, semi-finished goods, (including semi-finished Jewellery) component, consumables, spares goods and materials for making capital goods required for authorized operations** except prohibited items under the Import Trade Control (Harmonized System) Classifications of Export and Import Items.*

- The relevant extract of Rule-30 of SEZ Rules,2006 is reproduced as under:

***Procedure for procurement from the Domestic Tarriff Area: -***

*(1) The Domestic Tariff Area supplier supplying goods or services to a Unit or Developer shall clear the goods or services, as in the case of zero-rated supply as per provisions of section 16 of the Integrated Goods and Services Tax Act, 2017 (13 of 2017) either under bond or legal undertaking or under any other refund procedure permitted under Goods and Services Tax laws or*

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*Central Excise law, or as duty or tax paid goods under claim of rebate, on the cover of documents laid down under the relevant Central Excise law for the purpose of export by a manufacturer or supplier.*

……

……

*(4) A copy of the document referred to in sub-rule (1) or copy of Bill of Export,* ***as the case may be, with an endorsement by the authorised officer that goods have been admitted in full into the Special Economic Zone shall be treated as proof of export and a copy with such endorsement shall also be forwarded by the Unit or Developer to the Goods and Services Tax or Central Excise Officer having jurisdiction over the Domestic Tariff Area*** *supplier within forty-five days failing which the Goods and Services Tax or Central Excise Officer, as the case may be, shall raise demand of tax or duty against the Domestic Tariff Area supplier.*

……

……

***(15) A Unit or Developer may procure goods and services from another Unit located in the same or any other Special Economic Zone, subject to following conditions, namely: -***

*(i) the receiving Unit or Developer shall file Bill of Entry for home consumption with the Authorized Officer, in quintuplicate, giving description of the goods along with an invoice and packing list for assessment;*

*(ii) on the basis of such assessed Bill of Entry, the goods shall be allowed to be transferred to the receiving Unit or Developer under transshipment permit;*

*(iii) there shall be no requirement to file any additional documents or bond(s) for the purpose of transshipment of goods and the transshipment permission shall be stamped on the Bill of Entry itself;*

*(iv) the supplying Unit shall submit the re-warehousing certificate to the Specified Officer having jurisdiction over the supplying unit within forty-five days, failing which the Specified Officer of the supplying Unit shall write to the Specified Officer having jurisdiction over the receiving Unit or Developer for demand of duty from the receiving Unit or Developer;*

*(v) where the supplying and receiving Units or Developer are located in the same Special Economic Zone, the provisions of sub rules (i) to (iv) shall not apply and the movement of goods shall be allowed and such transactions shall be recorded in the regular books of accounts of the receiving Unit or*



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*Developer and the supplying Unit and no Bill of Entry shall be required to be filed.*

- Meaning thereby, close and harmonious reading of Rules 27, 30, and the specific sub-rules cited, interpretes that the legislative intent is to provide a facilitative regime for procurement of goods or services by SEZ Units & Developers to enable authorized operations, subject to prescribed documentation and accountability.

- Rule 27(1) expressly allows a Unit or Developer to procure goods and services from various sources, including from other Units within the same or different SEZs, Export Oriented Units, and specified technology parks without reference to any mandatory endorsement by SEZ officers for transactions between SEZ units. The primary obligation cast on the SEZ unit is the proper utilization of goods and services for authorized operations, for which the unit remains liable.

- Rule 30, as well, is structured to address procedure for procurement from DTA, mainly contemplating supplies under a zero-rated mechanism as per Section 16 of the IGST Act. **Its sub-rule (4) mandates an endorsement by the authorized officer only in the context of DTA procurements, specifically as proof of export for DTA suppliers' tax purposes. This limited and targeted endorsement requirement is thus statutorily restricted to transactions involving DTA-to-SEZ movement and does not extend to inter-SEZ supplies.**

- Most pertinently, Rule 30(15), which governs procurement of goods and services from another SEZ unit (whether within the same SEZ or a different SEZ), sets forth a distinct compliance regime for such transfers. It prescribes the filing of a Bill of Entry for home consumption, assessment, and related logistics for inter-SEZ movement except within the same SEZ, where even these formalities are dispensed with. Crucially, throughout Rule 30, there is no stipulation for any endorsement by the SEZ officer as a precondition for procurement or as a documentary proof of authorized operations in the context of intra-SEZ transactions.

- Therefore, upon a combined reading of these provisions, the applicant submits that the endorsement mechanism in Rule 30 was designed to monitor & verify supplies crossing the DTA-SEZ boundary where goods/services exit the customs territory. For intra-SEZ transactions wholly within the SEZ ecosystem, such boundary-crossing monitoring is inapplicable or redundant as there exists no statutory or rules-based requirement for endorsement by the SEZ officer specifically in the context of procurement of services (or goods) by one SEZ unit from another SEZ unit, as distinct from the clear endorsement process imposed on DTA-to-SEZ procurements.

- Accordingly, the Letter of Approval (LOA) / Eligibility certificate establishing that both parties are SEZ units engaged in authorized operations is sufficient as documentary evidence and thus endorsement from the Specified Officer of SEZ is not mandatory on each invoice for such intra-SEZ transactions.

**Question3: Practical Difficulty in Obtaining Endorsement for Intra-SEZ Supplies**

In situations where the service provider & service recipient are both SEZ Developer / units, and the SEZ authorities deny to provide endorsement for such invoices mentioning that "a procedure for endorsement is for services supplied from DTA to SEZ and details of such invoice to be mentioned through DTA Service Procurement Form (DSPF) and that is not applicable for invoices for intra-SEZ transactions. Whether Letter of Approval (LOA) / Eligibility certificate as documentary evidence would be acceptable to establish that such services are supplied for authorized operations and such intra-SEZ supplies would still qualify for zero-rated treatment under GST law in the absence of invoice endorsement?

**Applicant's submission:**

- Rule-27 & Rule-30 discussed supra, provides a fact that endorsement is "not applicable" for intra-SEZ transactions is significant evidence that:
  - A distinction exists between DTA-to-SEZ and intra-SEZ supplies
  - Rule 30 and DSPF procedures are meant for cross-border transactions



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- Intra-SEZ transactions are not contemplated within the endorsement framework

- GST law should be interpreted harmoniously with SEZ regulatory framework. It should not be interpreted to create impossible or impractical compliance situations. In the present case, a unique & practical compliance situation exists where:
  - SEZ authorities are unable to provide endorsement for Intra-SEZ supplies DTA Service Procurement Form (DSPF) and that is not applicable for invoices for intra-SEZ transactions
  - No formal, written procedure has been established as a substitute
- This creates an impossible situation where compliance cannot be achieved regardless of diligence.
- When endorsement is inapplicable and no formal alternative procedure has been established by SEZ authorities, GST law should be interpreted to permit alternative documentary evidence.

- Following comprehensive documentary package should be sufficient to prove "authorized operations":

1. Letter of Approval (LOA) of supplier & recipient specifying authorized operations

2. Invoice clearly marked with Recipient's SEZ unit name, GSTIN and a note that "Service supplied to SEZ Unit [Name] for authorized operations as per LOA [dated].

3. Recipient's written Certification certifying services received & their utilization confirmation that services are for authorized operations referred in LOA

Combined LOAs of both supplier & recipient, invoices & certificate / declaration from recipient, conclusively prove that services are for authorized operations because LOA specifies what is authorized and Invoice identifies the recipient and its authorization.

- When SEZ Rules itself provides **a procedure for endorsement for services supplied from DTA to SEZ only through DTA Service Procurement Form (DSPF) which is not applicable for Invoices for intra-SEZ transactions,** endorsement is inapplicable for intra-SEZ transactions. It is

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illogical and unreasonable to demand endorsement as proof. Instead, the substantive evidence (LOA + Eligibility Certificate + Invoice + Declaration) should be accepted as sufficient.

- Therefore, where documentary evidence substantively proves the underlying fact (here, "for authorized operations"), procedural variations in form of evidence should not negate the substantive entitlement. Accordingly, when endorsement is administratively unavailable despite good faith efforts, Letter of Approval (LOA) / Eligibility certificate should constitute sufficient evidence of "authorized operations".

7. Personal hearing was granted on 08.04.2026 wherein Shri Meet Jadawala, C. A. appeared on behalf of the applicant and reiterated the facts & grounds as stated in the application.

**Discussion and findings**

8. At the outset, we would like to state that the provisions of both the CGST Act and the GGST Act are the same, except for certain provisions. Therefore, unless a mention is specifically made to such dissimilar provisions, a reference to the CGST Act would also mean a reference to the same provisions under the GGST Act.

9. We have considered the submissions made by the applicant in their application for advance ruling as well as the oral submissions made during the course of personal hearing. We have also considered the issue involved, the relevant facts & the applicant's submission/views in respect of question on which the advance ruling is sought.

10. The Applicant has submitted that they in their capacity as a Co-Developer, are engaged in leasing out specified commercial premises ("the demised premises") situated wholly within the processing area of GIFT SEZ to the Lessee for the purpose of carrying out its authorized operations as approved under the SEZ framework through a lease arrangement which is duly documented through a registered lease deed executed between the applicant and the Lessee; that the demised premises form an integral part of the notified SEZ area, and both parties i.e. Lessor & Lessee are recognized entities under the SEZ framework; that the applicant holds a valid GST registration and the lessee, being a SEZ Unit, also holds a separate GST registration



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specifically for its operations in the GIFT SEZ; that the lessee's operations and premises are duly recognized by the Development Commissioner, GIFT SEZ as authorized operations; that the supply is treated as an inter-State supply u/s 7(5)(b) of IGST Act, 2017 and is, by its nature, intended to be a zero-rated supply u/s 16(1)(b) of IGST Act, being a supply of service to a SEZ Unit for its authorized operations; that w.e.f. 01.10.2023, the framework for zero-rated supplies to SEZ underwent significant amendment and Section 16 of the IGST Act, 2017 was amended to restrict benefit of zero-rated supply exclusively to supplies made "for authorized operations" to SEZ units/developers'; that they have been substantiating that their supplies are "for authorized operations" through copies of LOAs of recipient SEZ units showing authorized activities, service contracts & agreements specifying authorized operations; that despite providing comprehensive documentary evidence, the Specified Officers at the SEZ refuse to provide endorsement on invoices for supplies from co-developer to SEZ units, stating that "Endorsement is required only for DTA to SEZ supplies under Rule 30 of SEZ Rules, 2006, that Intra-SEZ transactions do not require external endorsement procedure & no formal procedure or channel is established for obtaining endorsement for Intra SEZ transactions." The applicant has submitted that failure to obtain clear guidance on documentary sufficiency, Intra-SEZ supply treatment & Endorsement alternatives exposes the applicant to significant GST liability, interest, and penalties if assessment authorities or refund processing authorities subsequently hold contradictory that supplies were not "for authorized operations"/Intra-SEZ supplies do not qualify for zero-rating due to absence of endorsement. This uncertainty directly impacts working capital and liquidity due to IGST implications, refund eligibility and assessment outcomes.

**11.** The applicant has asked for Advance Ruling on the following questions:

**<u>Question 1:</u> Documentary Requirements and Legal Interpretation of "For Authorized Operations"**

Whether for availing zero-rated supply treatment u/s 16 of IGST Act, 2017 read with Notification No. 09/2017-Integrated Tax (Rate) dated 28.06.2017, as amended w.e.f. 01.10.2023, for services supplied from Domestic Tariff Area (DTA) to Special Economic Zone (SEZ) units/developers, the phrase "for authorized operations" can be established through documentary evidence including Letter of Approval (LOA) / Eligibility Certificate issued by SEZ authorities demonstrating that the service

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relates to authorised operations; or whether endorsement from the Specified Officer of SEZ on each invoice is mandatorily required irrespective of other documentary evidence available (Letter of Approval (LOA) / Eligibility Certificate) to prove that the service is supplied for "authorized operations"?

**Question 2: Intra-SEZ Supplies - Zero-Rating and Endorsement Requirements.**

Whether the supply of services, from one SEZ unit to another SEZ unit (both located within SEZ and not in DTA) qualifies as a zero-rated supply u/s 16 of IGST Act, 2017, and if yes, whether endorsement from the Specified Officer of SEZ is mandatory on each invoice for such intra-SEZ transactions, or whether the Letter of Approval (LOA) / Eligibility certificate establishing that both parties are SEZ units engaged in authorized operations would be sufficient as documentary evidence?

**Question 3: Practical Difficulty in Obtaining Endorsement for Intra-SEZ Supplies.**

In situations where the service provider & service recipient are both SEZ Developer / units, and the SEZ authorities deny to provide endorsement for such invoices mentioning that "a procedure for endorsement is for services supplied from DTA to SEZ and details of such invoice to be mentioned through DTA Service Procurement Form (DSPF) and that is not applicable for invoices for intra-SEZ transactions. Whether Letter of Approval (LOA) / Eligibility certificate as documentary evidence would be acceptable to establish that such services are supplied for authorized operations and such intra-SEZ supplies would still qualify for zero-rated treatment under GST law in the absence of invoice endorsement?

12. On going through the questions for Advance Ruling put forward by the applicant in detail, it raises doubts as to whether the same are eligible to be covered under the ambit of questions on which advance ruling can be sought under Section of the CGST Act, 2017. For the purpose, we find it prudent to refer to Section 97 of the CGST Act, 2017 which covers Advance Ruling. Section 97 of the CGST Act, 2017 reads as under:

***"97. Application for advance ruling.***— *(1) An applicant desirous of obtaining an advance ruling under this Chapter may make an application in such form and manner and accompanied by such fee as may be prescribed, stating the question on which the advance ruling is sought.*

*(2) The question on which the advance ruling is sought under this Act, shall be in respect of ,–*



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*(a) classification of any goods or services or both;*
*(b) applicability of a notification issued under the provisions of this Act;*
*(c) determination of time and value of supply of goods or services or both;*
*(d) admissibility of input tax credit of tax paid or deemed to have been paid;*
*(e) determination of the liability to pay tax on any goods or services or both;*
*(f) whether applicant is required to be registered;*
*(g) whether any particular thing done by the applicant with respect to any goods or services or both amounts to or results in a supply of goods or services or both, within the meaning of that term.*

**13.** On going through the above, we find that Section 97(2) of the CGST Act, 2017 covers those questions on which the advance ruling can be sought under the CGST Act,2017. Since the applicant has put forward 3 questions of Advance Ruling in their application, we will take up the questions one by one in order to examine whether the same are covered under the ambit of Section 97(2)(a) to 97(2)(g) of the CGST Act, 2017 or otherwise.

**14.** In the first question, mentioned under the heading "**Documentary Requirements and Legal Interpretation of 'For Authorized Operations',** the applicant wants to know "Whether for availing zero-rated supply treatment under Section 16 of the IGST Act, 2017 read with Notification No. 09/2017-Integrated Tax (Rate) dated 28.06.2017, as amended w.e.f. 01.10.2023, for services supplied from Domestic Tariff Area (DTA) to Special Economic Zone (SEZ) units/developers, the phrase "for authorized operations" can be established through documentary evidence including Letter of Approval (LOA) / Eligibility Certificate issued by SEZ authorities demonstrating that the service relates to authorised operations; or whether endorsement from the Specified Officer of SEZ on each invoice is mandatorily required irrespective of other documentary evidence available (Letter of Approval (LOA) / Eligibility Certificate) to prove that the service is supplied for "authorized operations"?

**14.1** In short, the question is about the documentary evidence/support that is required OR sufficient to prove that the services supplied from DTA to SEZ are for 'authorised operations' i.e. whether LOA/Eligibility certificate is enough OR whether endorsement from the Specified Officer on each invoice is mandatorily required irrespective of other documentary evidence available. Thus, the question asked is solely about the documentary evidence/support that is either already available with them/already obtained from SEZ authorities OR further documents/endorsements that are required to be obtained from the SEZ authorities

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to prove/support that the services supplied from DTA to SEZ are 'authorised operations'. On going through the question and comparing the same vis-à-vis the clauses from Section 97(a) to 97(g) of the CGST Act, 2017, we find that the question does not, in any way, relate to: (a) *classification of any goods or services (or both) OR* (b) applicability of a notification issued under the provisions of this Act OR (c) determination of time and value of supply of goods or services or both OR (d) *admissibility of input tax credit of tax paid or deemed to have been paid* OR (e) determination of the liability to pay tax on any goods or services or both OR (f) whether applicant is required to be registered OR (g) whether any particular thing done by the applicant with respect to any goods or services or both amounts to or results in a supply of goods or services or both, within the meaning of that term.

**14.2** We therefore find that the said question on Advance Ruling does not fall within the ambit of any of the sub-sections of Section 97 of the CGST Act, 2017 i.e. from 97(a) to 97(g) of the said Act. Thus, for these reasons alone, we do not find the need to answer this question raised by the applicant.

**15.** In the second question mentioned under the heading "**Intra-SEZ Supplies - Zero-Rating and Endorsement Requirements",** the applicant wants to know "Whether the supply of services, from one SEZ unit to another SEZ unit (both located within SEZ and not in DTA) qualifies as a zero-rated supply under section 16 of IGST Act, 2017, and if yes, whether endorsement from the Specified Officer of SEZ is mandatory on each invoice for such intra-SEZ transactions, or whether the Letter of Approval (LOA) / Eligibility certificate establishing that both parties are SEZ units engaged in authorized operations would be sufficient as documentary evidence? In other words, the said question could be reframed to read as " If the supply of services, from one SEZ unit to another SEZ unit (both located within SEZ and not in DTA) qualifies as a zero-rated supply under section 16 of IGST Act, 2017, whether endorsement from the Specified Officer of SEZ is mandatory on each invoice for such intra-SEZ transactions, or whether the Letter of Approval (LOA) / Eligibility certificate establishing that both parties are SEZ units engaged in authorized operations would be sufficient as documentary evidence?"

**15.1** Thus, here also, we find that the question is about the documentary evidence/support that is required OR sufficient to prove that the intra-SEZ transactions is a zero-rated supply i.e. whether endorsement from the Specified



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Officer of SEZ is mandatory on each invoice for such intra-SEZ transactions, or whether the Letter of Approval (LOA) / Eligibility certificate establishing that both parties are SEZ units engaged in authorized operations will suffice. Thus, the question asked is solely about the documentary evidence/support that is either already available with them/already obtained from SEZ authorities OR further documents/endorsements that are required to be obtained from the SEZ authorities to prove/support that the intra-SEZ transactions is an 'authorised operation'. On going through the question and comparing the same vis-à-vis the clauses from Section 97(a) to 97(g) of the CGST Act, 2017, we find that the question does not, in any way, relate to: (a) classification of any goods or services (or both) OR (b) applicability of a notification issued under the provisions of this Act OR (c) determination of time and value of supply of goods or services or both OR (d) admissibility of input tax credit of tax paid or deemed to have been paid OR (e) determination of the liability to pay tax on any goods or services or both OR (f) whether applicant is required to be registered OR (g) whether any particular thing done by the applicant with respect to any goods or services or both amounts to or results in a supply of goods or services or both, within the meaning of that term.

**15.2** We therefore find that the said question on Advance Ruling does not fall within the ambit of any of the sub-sections of Section 97 of the CGST Act, 2017 i.e. from 97(a) to 97(g) of the said Act. Thus, for these reasons alone, we do not find the need to answer this question raised by the applicant.

**16.** In the third question mentioned under the heading **"Practical Difficulty in Obtaining Endorsement for Intra-SEZ Supplies",** the applicant wants to know that "In situations where the service provider & service recipient are both SEZ Developer / units, and the SEZ authorities deny to provide endorsement for such invoices mentioning that "a procedure for endorsement is for services supplied from DTA to SEZ and details of such invoice to be mentioned through DTA Service Procurement Form (DSPF) and that is not applicable for invoices for intra-SEZ transactions. Whether Letter of Approval (LOA) / Eligibility certificate as documentary evidence would be acceptable to establish that such services are supplied for authorized operations and such intra-SEZ supplies would still qualify for zero-rated treatment under GST law in the absence of invoice endorsement?

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**16.1** Thus, here also, we find that the question is about the documentary evidence/support that is required OR sufficient i.e. whether Letter of Approval (LOA)/Eligibility certificate as documentary evidence would suffice to establish that such services are supplied for authorized operations and such intra-SEZ supplies would still qualify for zero-rated treatment under GST law in the absence of invoice endorsement. Thus, the question asked is solely about the documentary evidence/support that is either already available with them/already obtained from SEZ authorities OR further documents/endorsements that are required to be obtained from the SEZ authorities to prove that such services are supplied for authorized operations and such intra-SEZ supplies would still qualify for zero-rated treatment under GST law. On going through the question and comparing the same vis-à-vis the clauses from Section 97(a) to 97(g) of the CGST Act, 2017, we find that the question does not, in any way, relate to: (a) classification of any goods or services (or both) OR (b) applicability of a notification issued under the provisions of this Act OR (c) determination of time and value of supply of goods or services or both OR (d) admissibility of input tax credit of tax paid or deemed to have been paid OR (e) determination of the liability to pay tax on any goods or services or both OR (f) whether applicant is required to be registered OR (g) whether any particular thing done by the applicant with respect to any goods or services or both amounts to or results in a supply of goods or services or both, within the meaning of that term.

**16.2** We therefore find that the said question on Advance Ruling does not fall within the ambit of any of the sub-sections of Section 97 of the CGST Act, 2017 i.e. from 97(a) to 97(g) of the said Act. Thus, for these reasons alone, we do not find the need to answer this question raised by the applicant.

**17.** In view of the above, we rule as under: -

## RULING

**<u>Question 1:</u> Documentary Requirements and Legal Interpretation of "For Authorized Operations"**

Whether for availing zero-rated supply treatment u/s 16 of IGST Act, 2017 read with Notification No. 09/2017-Integrated Tax (Rate) dated 28.06.2017, as amended w.e.f. 01.10.2023, for services supplied from Domestic Tariff Area (DTA) to Special



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Economic Zone (SEZ) units/developers, the phrase "for authorized operations" can be established through documentary evidence including Letter of Approval (LOA) / Eligibility Certificate issued by SEZ authorities demonstrating that the service relates to authorised operations; or whether endorsement from the Specified Officer of SEZ on each invoice is mandatorily required irrespective of other documentary evidence available (Letter of Approval (LOA) / Eligibility Certificate) to prove that the service is supplied for "authorized operations"?

**Answer 1:** We refrain from answering this question for the reasons discussed in the paras supra.

**Question 2: Intra-SEZ Supplies - Zero-Rating and Endorsement Requirements.**
Whether the supply of services, from one SEZ unit to another SEZ unit (both located within SEZ and not in DTA) qualifies as a zero-rated supply u/s 16 of IGST Act, 2017, and if yes, whether endorsement from the Specified Officer of SEZ is mandatory on each invoice for such intra-SEZ transactions, or whether the Letter of Approval (LOA) / Eligibility certificate establishing that both parties are SEZ units engaged in authorized operations would be sufficient as documentary evidence?

**Answer 2:** We refrain from answering this question for the reasons discussed in the paras supra.

**Question 3: Practical Difficulty in Obtaining Endorsement for Intra-SEZ Supplies.**
In situations where the service provider & service recipient are both SEZ Developer / units, and the SEZ authorities deny to provide endorsement for such invoices mentioning that "a procedure for endorsement is for services supplied from DTA to SEZ and details of such invoice to be mentioned through DTA Service Procurement Form (DSPF) and that is not applicable for invoices for intra-SEZ transactions. Whether Letter of Approval (LOA) / Eligibility certificate as documentary evidence would be acceptable to establish that such services are supplied for authorized operations and such intra-SEZ supplies would still qualify for zero-rated treatment under GST law in the absence of invoice endorsement?

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**Answer 3:** We refrain from answering this question for the reasons discussed in the paras supra.

(Sushma Vora)
Member (SGST)

GUJARAT AUTHORITY FOR ADVANCE RULING
GCST-CGST, AHMEDABAD.
सत्यमेव जयते

(Vishal Malani)
Member (CGST)

Place: Ahmedabad
Date: 08/05/2026



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