
Updates/GST/Advance Ruling/Legal-42-2/2024

Dt. 31/01/2024

(Advance Rulings in Gujarat from 1st jan. to 31st jan. 2024)

Advance Ruling Branch
Gujarat State Tax Department

Rulings given by Authority of Advance Rulings
(AAR)

Unique Welding Products P Ltd

Sr. no.	Advance Ruling sought for	Ruling
1.	<p>Questions on which Advance Ruling sought:</p> <p>Whether the applicant is eligible to take ITC as 'inputs/capital goods' or 'input services' on the purchased roof top solar system with installation & commissioning in terms of sections 16 & 17 of the CGST/GGST/IGST Act?</p>	1 . The applicant is eligible to avail ITC on roof top solar system with installation & commissioning under the CGST/GGST Act.
2	<p>Whether the roof top solar system with installation and commissioning constitute plant and machinery of the applicant which are used in the business of manufacturing welding wires and hence not blocked input tax credit under section 17(5) of the CGST/GGST/ IGST Act?</p>	2. The roof top solar system with installation and commissioning constitute plant and machinery of the applicant and hence is not blocked ITC under section 17(5) of the CGST/GGST Act.

Tecnimont Private Limited

Sr. no.	Advance Ruling sought for	Ruling
1	<p>Questions on which Advance Ruling sought: Whether the transaction of sale of goods by Tecnimont Pvt. Ltd. (TCMPL) to Indian Oil Corporation Ltd. (IOCL) on High Seas Sale basis in terms of Contract No. 44AC9100-EPCC-1 would be covered under Entry No. 8(b) of Schedule III of the CGST Act and shall be excluded from the value of work contract service for charging GST?</p>	<p>The transaction of sale of goods by Tecnimont Pvt. Ltd. (TCMPL) to Indian Oil Corporation Ltd. (IOCL) on High Seas Sale [HSS] basis in terms of Contract No. 44AC9100-EPCC-1 is covered under Entry No. 8(b) of Schedule III of the CGST Act. However in terms of the findings recorded supra, the value of such HSS supply would form a part of the transaction value under section 15, ibid, for computing the value of work contract service for charging GST.</p>
2	<p>Whether the transaction of sale of goods on high seas sale basis by the Applicant to IOCL in terms of Contract No. 44AC9100-EPCC-1 would be treated as works contract and whether Applicant is liable to charge GST on the goods sold on high seas sale basis to IOCL? If yes, what will be the applicable rate of tax on such goods supplied?</p>	<p>The transaction of sale of goods on high seas sale [HSS] basis by the applicant to IOCL in terms of Contract No. 44AC9100-EPCC-1 as has been held supra, is covered under entry 8(b) of Schedule III of the CGST Act, 2017 and is therefore the HSS supply is neither a supply of goods nor a supply of services.</p>

M/s. Kohler India Corporation Pvt Ltd

Sr. no.	Advance Ruling sought for	Ruling
1.	<p>Questions on which Advance Ruling sought:</p> <p>Whether the subsidized deduction made by the applicant from the employees who are ultimate recipient of canteen facility provided in factory/corporate office would be considered as 'supply' under the provisions of section 7 of the CGST Act, 2017 and the GGST Act, 2017?</p>	<p>1(a). The deduction of amount by the applicant from the salary of the employees who are availing facility of food provided in the factory premises would not be considered as a 'supply' under the provisions of section 7 of the CGST Act, 2017 and the GGST Act, 2017.</p> <p>1(b). Since the answer to the above is not in the affirmative, the ruling sought in respect of the question listed at 1(a) is rendered infructuous.</p> <p>1(c). Input Tax Credit (ITC) will be available to the applicant on GST charged by the service provider in respect of canteen facility provided to its employees other than contract employees working in their factory, in view of the provisions of Section 17(5)(b) as amended effective from 1.2.2019 and clarification issued by CBIC vide circular No. 172/04/2022-GST dated 6.7.2022 read with provisions of section 46 of the Factories Act, 1948 and read with provisions of Gujarat Factory Rules, 1963. ITC on the above is restricted to the extent of the cost borne by the applicant for providing canteen services to its employees, but disallowing proportionate credit to the extent embedded in the cost of goods recovered from such employees.</p>
2	<p>If the answer to the above is affirmative, the value at which the GST is payable ?</p>	
3	<p>Whether the Company is eligible to take the ITC for the GST charged by the CSP for canteen services, where the canteen facility is mandatory in terms of section 46 of the Factories Act, 1948.</p>	

Thanks

Note:

- a) The above rulings are available on the department's website for reference.**
- b) Please contact the Advance Ruling Branch in case of any ambiguity in the above rulings.**