

GIB/GJ/SHREENATH/19.02.18/AAR-70

Advance Ruling Category : Determination of Liability

State : Gujarat

Order No.: GIB/GJ/SHREENATH/19.02.18/AAR-70

Name of Entry :

M/s SHREENATH POLYPLAST PVT LTD

Date : 19-02-2018

Product/ Service Involve :

Engaged as Del Credere Agent (DCA) appointed by the supplier of goods for promotion and sale of products of supplier and provide guarantee for payment of goods supplied

Breif Issue :

Whether an amount charged as interest on transaction based short term loan given by the Del Credere Agent (DCA) to buyers of material is exempt from tax in terms of the Notification No. 12/2017-Central Tax (Rate) dated 28.06.2017 (Serial Number 27)?

Decision of Advance Ruling Authority :

Service provided by M/s. Shreenath Polyplast Pvt. Ltd. (GSTIN 24AACCS9788C1Z3) by way of extending short term loans in so far as the consideration is represented by way of interest, is covered under Sl. No. 27 of the Notification No. 12/2017-Central Tax (Rate) dated 28.06.2017 and Notification No. 12/2017-State Tax (Rate) dated 30.06.2017, and hence exempt from payment of Goods and Services Tax