

GIB/MH/POSCO/07.09.2018/AAR-264

Advance Ruling Category : Input Tax Credit

State : Maharashtra

Order No.: GIB/MH/POSCO/07.09.2018/AAR-264

Name of Entry :

Posco India Pune Processing Centre Private Limited

Date : 07-09-2018

Breif Issue :

Facts & Issue of The Case :

Applicant is a registered company engaged in the distribution of Rolled Grain Oriented Electrical Steel Sheets coil. They had filed an application on the following issues:

1. In case of rent free hotel accommodation provided to General Manager and ,managing Director of the applicant , whether input tax credit is admissible in respect of GST Paid for hotel stay?
2. Whether invoice for quality claim raised by the applicant on POSCO Daewoo Corporation located in Korea will be treated as “export of service”?
3. Whether recovery of Parents Health Insurance expenses from employee in respect of the insurance provided by the applicant amounts to “supply of service” under section 7 of the Central Goods and Service Tax Act, 2017?
4. What will be the time and value of supply if the said recovery amounts to supply?

Decision of Advance Ruling Authority :

Decision :

As per the findings the hotel accommodation is being used by the applicant as a residential premises of their MD/GM which is for the personal comfort of both and therefore in view of the provisions of section 17(5) (g) , we hold that they are not eligible to claim the ITC for the same.

As per the findings it has been obtained that complete details regarding the transaction have not been submitted by them therefore they refrained from answering this Question No.2.

Whether recovery of Parents Health Insurance expenses from employee does not amount to “supply of services” under the GST Laws. Since there is no supply of services there is no supply of services , there is no question of time of supply and value of the supply .

The applicant cannot claim ITC charged by the insurance company.