

GIB/UK/OPTO ELECTRONICS/06.02.2019/AAR-288

Advance Ruling Category : Rate

State : Uttrakhand

Order No.: GIB/UK/OPTO ELECTRONICS/06.02.2019/AAR-288

Name of Entry :

Opto Electronics Factory

Date : 06-02-2019

Breif Issue :

Issue And Fact Of The Case:

Classification and Rate of applicable GST on various equipment manufactured for being used exclusively in various armored Tanks.

The applicant, one of the unit of Ordinance Factory Board, Ministry of Defense, Government of India, is engaged in manufacture and repair of various types of 'Sight Vision Equipment' exclusively used in various types of Tanks viz. BMP-II Tank/ T-72 Tank /T-90 Tank etc. Since the products were exclusively manufactured for Armed Forces for being used in Tanks, therefore, there was no indirect tax till 31.05.2015, however, w.e.f. 01.06.2015 Excise duty was imposed on the said products.

The applicant after the implementation of the GST the applicant continued to classify the said item under the HSN 8710 and discharged the burden of GST @28% but w.e.f 15.11.2017 the rates of GST were rationalized and the GST applicable on the said HSN 8710 stood reduce to 12%.

As per chapter heading /sub-heading 8710, we find that it determines the rate of GST leviable @ 12% on the goods namely – 'Tanks and other armored fighting vehicles, motorized, whether or not fitted with weapons, and parts of such vehicles', which is not the subject goods manufactured and repaired by the said applicant.

In view of the above, we opine that the applicant has ever mis-classified their products i.e. "Sight Vision Equipment' as a part of armored vehicles i.e. tanks.

GST Tariff, we find that the optical instrument' are covered under Chapter 90 under Section XVIII of the GST Tariff Act. As per chapter note 4 of the Chapter 90

The said products i.e. 'Sight Vision Equipment', manufactured and repaired by the applicant for exclusive use in various types of Armored Tanks, will be classified under HSN code 9013 of the GST tariff

Decision of Advance Ruling Authority :

Decision:

The various 'sight visions Equipment's' manufactured and repaired by the applicant for further exclusive use in armoured tanks will be classified under HSN code 9013 of the GST Tariff Act, supply of these various equipment will attracts GST @ 18% [CGST @9% + SGST @9%]