

GIB/MH/Lear/30.10.2018/AAR-409

Advance Ruling Category : Charge

State : Maharashtra

Order No.: GIB/MH/Lear/30.10.2018/AAR-409

Name of Entry :

Lear Automotive India Private

Date : 31-07-2018

Breif Issue :

Facts & Issue Of The Case:

The Applicant is engaged in the manufacture of automotive seats', which is manufactured in its various plants located in the state of Maharashtra. The present application is filed in respect of valuation of supply of automotive parts (hereinafter referred to as "final goods"), which are manufactured out of tools provided by the customers on Free of Cost (FOC) basis to manufacture the products as per their requirements.

The Applicant had sought advance ruling on the following questions-

whether the amortized value of the tool cost which are provided/supplied on FOC basis by the customer needs to be added to the value of the final goods supplied to the customers under the GST laws?

Decision of Advance Ruling Authority :

Decision :

The tools which are supplied to M&M and GM by the applicant in this case are on payment of GST and are further supplied by the customer to the applicant for use in the process of the manufacture clearly indicate that the supply of tool is of goods owned by M&M and GM to appellant which is on FOC basis. Answered is in the negative in view of the facts of the case and as per detailed discussions above.