

GIB/WB/GKB Lens/30.05.2018/AAR-415

Advance Ruling Category : Input Tax Credit

State : West Bengal

Order No.: GIB/WB/GKB Lens/30.05.2018/AAR-415

Name of Entry :
GKB Lens Pvt Ltd

Date : 30-05-2018

Breif Issue :

Facts & Issue of Case:

M/s. GKB Lens Pvt. Ltd., holding GSTN No. 19AACCG3446M1ZA, re-seller and importer of Sun Glasses, Frames, Lenses, Contact Lenses, etc., having its Head Office in West Bengal (hereinafter referred to as “the Respondent”), transferring, inter alia, goods, namely, Optical Lenses and Frames for Spectacles and Accessories, from Head Office in West Bengal to its branches in other States, sought an Advance Ruling on the following issues-

(a) whether the transfer of goods (optical lenses and frames for spectacles and accessories) from Head Office in West Bengal to its branches in other states, can be done at cost price, by applying the second proviso to [Rule 28](#) of CGST Rules, 2017 (instead of 90 % of MRP as required under the First Proviso to [Rule 28](#) of CGST Rules, 2017, and

(b) what is meant by the expression “where the recipient is eligible for full input tax credit” as used in the second proviso to [Rule 28](#) of CGST Rules, 2017.

Decision of Advance Ruling Authority :

Decision:

The Applicant has the option of not supplying goods to its branches under the First Proviso of Rule 28 and is eligible to value these goods by applying the terms of the Second Proviso to Rule 28 of GST Act.

The expression “ where the recipient is eligible for full input tax credit ”, as used in the Second Proviso to Rule 28 of CGST Rules, 2017, means that the recipient will be eligible

to take full input tax credit of the amount of tax paid by the supplier as mentioned in the respective invoice or any other document valid under Section 16(2)(a) of GST Act.

This Ruling is valid subject to the provisions under Section 103 until and unless declared void under Section 104(1) of the GST Acts

Following AAAR can be referred:

AAAR "[M/s. GKB Lens Pvt. Ltd.](#)(West Bengal): [GIB/WB/GKB Lens/27.09.2018/AAAR-18](#)