

GIB/UP/SPFL/18.04.2019/AAAR-43

Appellate Advance Ruling Category : Time of Supply

State : Uttar Pradesh

Order No.: GIB/UP/SPFL/18.04.2019/AAAR-43

Name of Entry :
SPFL Securities Ltd.

Date : 18-04-2019

Breif Issue :

Facts & Issue Of The Case :

M/s. SPFL Securities Limited 15/63-M, SPFL House, Civil Lines, Kanpur, Uttar Pradesh, 208001 is a registered assessee under GST having GSTN: 09AABCS2452CIZP. The applicant is engaged primarily in the business of providing service of stock broking i.e. purchasing and selling of shares on behalf of the clients on exchange platform by virtue of being a recognized BSE/NSE appointed stock broker.

Since the service of buying & selling of securities is exempted under GST, the corresponding delayed payment charges, which are also linked to the above service of trading of securities, should also stand exempt under GST.

Decision of Advance Ruling Authority :

Decision:

Therefore, the appellant is not liable to pay GST on the delayed payment charges on reimbursement of amount by client to appellant, where client failed to pay amount paid to stock exchange for purchase of securities with trading day plus one day under SEBI Regulation norms and deducted by stock exchange from applicant account being purchase consideration of securities, which are neither 'goods' nor 'services' under the GST.