

GIB/MH/Asahi Kasei/05.09.2018/AAR-431

Advance Ruling Category : Place of Supply

State : Maharashtra

Order No.: GIB/MH/Asahi Kasei/05.09.2018/AAR-431

Name of Entry :

Asahi Kasei India Private Limited

Date : 05-09-2018

Breif Issue :

Facts & Issue of The Case:

Asahi Kasei India Private Limited is a company incorporated in India in August 2012. The Applicant is a subsidiary of Asahi Kasei Corporation, Japan .It is the flagship company of the Asahi Kasei group. Asahi Kasei group S fibers and textiles, petrochemicals, pharmaceuticals, polymers, electronic devices, home products, construction materials, health care etc.

The Applicant provides sales promotion and marketing support to Asahi Kasei group. For this, the Applicant has entered in to a Services Agreement dated 01 March 2013 with Asahi Japan and Marketing Services Agreement with various group companies of Asahi Kasei group.

The question for which advance ruling is sought is as under:

1. Whether the service supplied by the Applicant under the Service Agreement dated 1 March 2013 constitute a supply of 'Support services' falling under HSN code 9985 'Intermediary service' classifiable under HSN code 9961 /9962?
2. Whether the service supplied by the Applicant under the Marketing Services Agreement dated 2 December 2012 constitute a supply of "Support services" falling under HSN code 9985 or "Intermediary service" classifiable under HSN code 9961 / 9962?
3. Whether the services provided by the Applicant is an export of services as defined under Section 2(6) of the [Integrated Goods and Services Tax Act 2017](#)?

Decision of Advance Ruling Authority :

Decision:

For reasons as discussed in the body of the order, the questions are answered thus

1. (i) The services provided by the applicant in the nature of Research on the matter related to functioning of the holding of company such as – corporate accounting, corporate finance, corporate personnel and labour relations, corporate research and development, quality assurance and corporate intellectual property, and provide Party A with its report of the research thereon would fall under service code tariff 99859 as other support services nowhere elsewhere classified.

(ii) The services provided by the applicant in the nature of Information on Market in the territory which includes – Economic, industrial and technical information on the products falling under the category of the Products and their markets, trends and outlook together with similar information concerning such other industries in the Territory, To provide necessary assistance in business activities (including interpreting) to such representatives, To undertake market surveys of the Products in the Territory and report the results thereof to Party and Ancillary services to all above services, including, but not limited to, those services with regard to finance, accounting, and patent and legal matters would fall under service code tariff 99837 with service description market research services.

2. The services supplied by the applicant under the Marketing Services Agreement would fall under Group 99837 as Market Research Services.

For detailed AAAR Ruling-[GIB/MH/Asahi/19.06.2019/AAAR-46](#)