

GIB/TN/R B SHAH/25.11.2019/AAR-192

Advance Ruling Category : Rate

State : Tamil Nadu

Order No.: GIB/TN/R B SHAH/25.11.2019/AAR-192

Name of Entry :

R B SHAH ENTERPRISES INDIA

Date : 25-11-2019

Breif Issue :

Issues Involved:

The applicant has sought Advance Ruling that what is the applicable rate of GST for the service provided for a whole sum price?

Fact of the Case:

The applicant supplies consultancy services to the clients relating to the Customs/DGFT/other statutory requirements for the import of goods by advising, updating on the incentives available, facilitating for the same, documents preparation related to duty payments, tracking of the goods, etc. they provide along with Contract of duty credit scrips facilitation & its accountability, documents preparation related to duty payments like Bill of Entry etc The court found that the stated services are supplied along with supplying of the duty credit scrip as seen in the invoice and service order. The applicant is billing the client for a single lumpsum payment. Duty credit scrip are GST exempted.

It is seen that the duty credit scrip is purchased by the applicant by means of transfer, which means that the scrip belongs to the applicant and he can import goods against the scrip if he chooses so. The applicant further retransfers the scrip to his client. Both these activities are to be done through the systems put in place by DGFT.

These activities are independent of the activities of data management or consultancy services that the applicant offers.

Decision of Advance Ruling Authority :

Ruling:

The supplies made by the applicant as enumerated in the service order of M/s. Sitaraman Shipping Service is 'Mixed supply 'and the rate of tax is the highest rate applicable to the various services supplied by the applicant which is 9% CGST as per Notification No. II/2017- C.T.(Rate) dated 28.06.2017 as amended and 9%o SGST vide Notification No. II (2)/CTR/532(d- 14)/2017 vide G.O.

(Ms) No.72 dated 29.06.2017 as amended.

As per Section 8 of the ACT, the rate of tax of this mixed supply which is billed at a single price is the rate of the highest rate of the services supplied which is 18%