

**AUTHORITY FOR ADVANCE RULING, TAMIL NADU
NO.206, 2ND FLOOR, PAPJM BUILDING, NO.1, GREAMS ROAD,
CHENNAI -600 006.**

**ORDER UNDER SECTION 98(4) OF THE CGST ACT, 2017 AND UNDER
SECTION 98(4) OF THE TNGST ACT, 2017.**

Members present:

Smt. D. Jayapriya, I.R.S., Additional Commissioner / Member(CGST), Office of the Principal Chief Commissioner of GST & Central Excise, Chennai -600 034.	Smt. T Indira, Joint Commissioner (ST)/ Member(SGST), Office of the Authority for Advance Ruling, Tamil Nadu, Chennai-600 006.
---	--

Advance Ruling No.121/AAR/2023 Dated: 18.12.2023

1. *Any appeal against this Advance Ruling order shall lie before the Tamil Nadu State Appellate Authority for Advance Ruling, Chennai under Sub-Section (1) of Section 100 of CGST Act 2017/ TNGST Act 2017, within 30 days from the date on the ruling sought to be appealed, is communicated.*
2. *In terms of Section 103(1) of the Act, Advance Ruling pronounced by the Authority under Chapter XVII of the Act shall be binding only-*
 - (a) *on the applicant who had sought it in respect of any matter referred to in sub-section (2) of Section 97 for advance ruling.*
 - (b) *on the concerned officer or the jurisdictional officer in respect of the applicant.*
3. *In terms of Section 103(2) of the Act, this advance ruling shall be binding unless the law, facts or circumstances supporting the original advance ruling have changed.*
4. *Advance Ruling obtained by the applicant by fraud or suppression of material facts or misrepresentation of facts, shall render such ruling to be void ab initio in accordance with Section 104 of the Act.*
5. *The provisions of both the Central Goods and Service Tax Act and the Tamil Nadu Goods and Service Tax Act (herein referred to as an Act) are the same except for certain provisions. Therefore, unless a mention is specifically made to such dissimilar provisions, a reference to the Central Goods and Service Tax Act would also mean a reference to the same provisions under the Tamil Nadu Goods and Service Tax Act.*

GSTIN Number, if any / User id		33AABCI4002Q1ZP
Legal Name of Applicant		M/s. INDICO MOTORS PRIVATE LIMITED
Registered Address / Address provided while obtaining user id		35, SIPCOT Industrial Area, Phase II, Hosur 635109.
Details of Application		Form GST ARA - 01 Application Sl.No.59/2022/ARA, dated 30.11.2022
Jurisdictional Authority		Center: Salem Commissionerate State : Hosur Division, Hosur (North) -II Circle
Nature of activity(s) (proposed / present) in respect of which advance ruling sought for-		
A	Category	Manufacturing activity/Job work services
B	Description (in brief)	Whether Body Mounting on Truck chassis will amount to manufacturing activity or job work services
Issue/s on which advance ruling required		i. Determination of liability to pay tax on any goods or services or both.
Question(s) on which advance ruling is required		Whether fabrication of Truck Body on Chassis of Truck supplied by customer will be considered as sale or job work for the purpose of GST Billing?

M/s. Indico Motors Private Limited, 35, SIPCOT Industrial Area, Phase II, Hosur 635109 (herein after referred to as 'The Applicant'), are registered with GST and hold GSTIN 33AABCI4002Q1ZP. The Applicant is engaged in Body building fabrication for Truck and Trailer segment.

2.1 The Applicant has submitted the copy of application in Form GST ARA - 01 and also submitted a copy of challan evidencing payment of application fees of Rs.5,000/- each under sub-rule (1) of Rule 104 of CGST Rules 2017 and SGST Rules 2017.

2.2. The Applicant is producing bodies for both OEM suppliers and for open market customers. The Applicant submitted that

- They have got designs to build body as per specifications from OEM suppliers and similarly open customers provide their design on which company is building it bodies.

- The OEM suppliers is buying body either by transporting the fully built up body to the OEM company where they fit them on chassis themselves or by supplying chassis at company end to the fabrication of body on the same.
- The open market customers supply chassis to the company on which the body is mounted as per the design either provided by the customer or as developed and approved by the company.
- As per the notification No.20/2019(CTR) dated 30.09.2019, Government has categorized 'Bus body building' as service by way of job work.
- Later another notification No.26/2019(CTR) dated 22.11.2019 was issued explaining that 'Bus body building' shall include building the body on chassis of any vehicle falling under Chapter 87 in the First Schedule to the Customs Tariff Act, 1975.
- They rely on Advance ruling vide Order No.06/2009 dated 03.05.2019 passed by AAR, Madhya Pradesh, vide which the Authority has categorized 'Bus body building on chassis' as job work service; They also rely on Advance ruling vide Order No. KAR/ADRG 20/2020 dated 07.01.2020 passed by AAR, Karnataka, wherein similar view was taken.

2.3. In their interpretation of law/facts in respect of the questions raised, the Applicant submitted that –

- As per the two Notification issued by the Government, notification No.20/2019(CTR) dated 30.09.2019 and notification No.26/2019(CTR) dated 22.11.2019, Government has clearly categorized that any activity of Fabrication for 'Body building on Chassis either for the purpose of Bus Body building or Truck body building falling under Chapter 87 of the First Schedule to the Customs Tariff Act, 1975, the body which is mounted on chassis is job work and bodies fabricated and produced as per designs and specifications provided by the customer and transported to the customer end should be considered as sale and not job work.
- The Authority for Advance ruling, as stated in statement of facts, has also ruled that fabrication of body on chassis is job work activity.

4.1. The Applicant's jurisdictional Central Authority has submitted their remarks vide letter dated 25.04.2023 on the questions raised as under:

- The concept of job work under the GST regime entails a treatment or process to be carried out on the goods belonging to the principal.

- As per Section 2(68) of CGST Act, 2017, which defines job work, wherein 3 conditions have to be cumulatively fulfilled for an activity to qualify as job work; The applicant is found to fulfil the said 3 conditions.
- They undertake supply of service of job work by way of building the body over chassis provided by customers and the activity undertaken by them qualifies as a job work and thus in terms of Section 7(1A) read with clause 3 of the Schedule II to the CGST Act, 2017, the same will be deemed to be a supply of service under GST.
- Circular No.52/26/2018-GST dated 09.08.2018; the applicable GST on the bus body building activity is clarified. Also as per Notification No.20/2019(CTR) dated 30.09.2019, the Government has categorised Bus Body building as service by way of job work.
- With regard to the issue ' Whether fabrication of truck body on chassis of Truck supplied by customer will be considered as sale or job-work for the purposes of GST billing', it will be considered as job work as it satisfies all conditions under Section 2(68) of the GST Act, 2017.
- As per office records, no proceeding is pending or decided in their case in respect of the said issue.

4.2. The Applicant's jurisdictional State Authority has not submitted any remarks and hence it is presumed that there are no pending proceedings in the Applicant's case on the issue raised in the application.

5.1. After the consent of the Applicant, a personal hearing was fixed on 02.11.2023. The Applicant requested for adjournment of the PH. Hence another Personal hearing was fixed on 30.11.2023. However, the Applicant did not attend the personal hearing but submitted a letter dated 15.12.2023, wherein it was stated that they intend to withdraw the Advance Ruling Application filed by them on 25.11.2022, as the business with respect to which Advance ruling was sought is no more in running state and they do not require a ruling in that matter. They requested that their advance ruling application may be disposed off accordingly.

DISCUSSION AND FINDINGS:

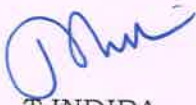
6. After due consideration, we take on record, the letter dated 15.12.2023 of the Applicant wherein they have stated that they have decided to withdraw the ARA application filed by them. As the Applicant has requested for withdrawal of their

Advance Ruling Application, their request is considered and the application is treated as withdrawn without going into the merits or detailed facts of the case.

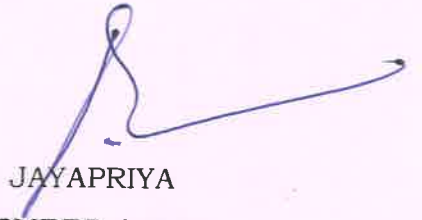
In view of the above, we rule as under:

RULING

The ARA Application Sl.No.59/2022/ARA dated 30.11.2022 filed by the Applicant seeking Advance Ruling is disposed as withdrawn as per the request of the Applicant.



T INDIRA
(MEMBER SGST)



D JAYAPRIYA
(MEMBER CGST)

To

M/s. Indico Motors Private Limited,
35, SIPCOT Industrial Area, Phase II,
Hosur 635109. (by SPAD)

Copy Submitted to:

1. The Principal Chief Commissioner of GST & Central Excise,
26/1, Mahatma Gandhi Road, Nungambakkam, Chennai-600034.
2. The Additional Chief Secretary/Commissioner of Commercial Taxes,
II Floor, Ezhilagam, Chepauk, Chennai-600 005.

Copy to:

3. The Commissioner of GST & Central Excise,
Salem Commissionerate,
Chennai-600035.
4. The Assistant Commissioner (ST),
Hosur (North) II Assessment circle,
Hosur Division
5. Master File/ Spare-2