

## **12% GST applicable on Job Work of Metal Alloy Coating or Thermal Spray: AAR**

### **Fact of the Case**

- The applicant, Spraymet surface technologies Pvt Ltd. is engaged in making various classes of thermal spray or metal coating by using metal powders, carbide powders, wire rods for various engineering applications. Indeed they provide coatings of pure metal alloys which include plasma spray, HVOF spray, powder flame spray, wire flame spray.
- The steps engaged in the procedure of the receipt of the material from the client within the proper delivery challan and within the PO or work order within the needed job features, the performance of the needed job on the material obtained from the customer, and dispatch of the material again to the customer.

The applicant sought advance ruling on the issue whether the activity of the applicant is in the nature of Job work, as defined under Section 2 (68) of CGST Act, 2017 and whether Notification No. 20/2019-Central Tax (Rate) dated 30.09.2019 is applicable on them.

### **Decision of the Case**

The Coram ruled that the job work engaged through the petitioner is comes beneath item (id) of SL.No.26 of Notification No. 11/2017- Central Tax (Rate) dated June 28, 2017, if the owner of the goods is enrolled beneath CGST and imposed with 12% GST and if the same is not being enrolled the impugned job work will cover beneath item (iv) of SL.No.26 of Notification No. 11/2017- Central Tax (Rate) dated June 28, 2017, and attracts 18% GST.

***The Karnataka Authority of Advance Ruling (AAR) ruled that 12% GST is applicable on Job Work of Metal Alloy Coating or Thermal Spray.***