Electroplating And Metal Finishers

Authority for Advance Ruling — Tamil Nadu

ORDER No.06 /AAR/2020 DATED: 31.01.2020 Dated **31.01.2020**

Q Questions Before the Authority

- Whether the activity of zinc electroplating (platting) done by the applicant on customer-owned material, per customer specification, is a supply of goods or services or both within the meaning of the GST Act.
- What is the rate of GST applicable on the platting service?
- What is the SAC for the platting service?

F Facts

The applicant is a partnership firm in Ambattur Industrial Estate, Chennai, doing zinc electroplating for customers in the automobile, general engineering and electrical and electronics sectors. Customers send components under delivery challan, marked as outward job work in the e-way bill. The applicant acid-cleans and plates the components to customer specification, returns them after quality check, and raises an invoice for the service, describing it as 'Zinc Plating' under the code printed as 998898 (the order treats the correct code as 9988).

H Ruling

Whether the platting activity is a supply of goods or services	**Supply of service**	Treatment or process applied to another person's goods under Schedule II, para 3; also job work under Section 2(68).
SAC for platting	**Heading 9988 (manufacturing services on physical inputs owned by others)**	The order treats the electroplating as a portion of the customer's manufacturing process.
Rate of tax for the period up to 30.09.2019	**9% CGST and 9% SGST**	Entry 26 of Notification 11/2017-C.T.(Rate), as amended; applies whether goods are owned by registered or unregistered persons.
Rate of tax from 01.10.2019	**6% CGST and 6% SGST where goods belong to a registered person; 9% CGST and 9% SGST where goods belong to an unregistered person**	6% under entry 26(id) as inserted by Notification 20/2019-C.T.(Rate) dated 30.09.2019; 9% under entry 26(iv).

The electroplating activity is a supply of service, classifiable under heading 9988 (manufacturing services on physical inputs owned by others). Up to 30.09.2019, the rate is 9% CGST and 9% SGST irrespective of whether the goods belong to registered or unregistered persons. From 01.10.2019, the rate is 6% CGST and 6% SGST where the goods belong to a registered person, and 9% CGST and 9% SGST where they belong to an

Prepared as a reading aid. Where this summary and the original order differ, the order governs.

unregistered person.

R Reasoning

The authority held that treatment of another person's goods is a supply of services under Para 3 of Schedule II, and that the work is job work under Section 2(68) because it is done on goods of another registered person. Since electroplating is a portion of the customer's manufacturing process and the output is not owned by the applicant, it falls under heading 9988 as outsourced manufacturing services. The rate was traced through entry 26 of Notification 11/2017-C.T.(Rate), as amended by Notifications 20/2017, 31/2017, 01/2018 and 20/2019. The 2019 amendment introduced the 6% rate for job work on goods of registered persons, relying on the GST Council fitment committee recommendation. The TN SGST position follows the parallel notification G.O. (Ms) No. 72.

P Provisions Relied On

- Section 2(68) of the CGST Act (definition of job work)
- Para 3 of Schedule II of the CGST Act (treatment or process applied to another person's goods is a supply of services)
- Notification No. 11/2017-C.T.(Rate) dated 28.06.2017, entry 26 (heading 9988), as amended
- Notification No. 20/2017-C.T.(Rate) dated 22.08.2017
- Notification No. 31/2017-C.T.(Rate) dated 13.10.2017
- Notification No. 01/2018-C.T.(Rate) dated 25.01.2018
- Notification No. 20/2019-C.T.(Rate) dated 30.09.2019, entry 26(id)
- Notification No. II(2)/CTR/532(d-14)/2017, G.O. (Ms) No. 72 dated 29.06.2017 (Tamil Nadu SGST, as amended)
- Section 98 of the CGST Act (advance ruling)
- Rule 104 of the CGST Rules 2017 (application fee)

! For the Practitioner

A practitioner doing electroplating or similar job work on customer-owned goods can use this order to support a supply-of-service classification under heading 9988, with the rate split by the status of the goods owner. The rate is 9% for the whole period to 30.09.2019, and from 01.10.2019 it is 6% for goods of registered persons and 9% for unregistered owners. The order is an advance ruling binding only on the applicant, and it does not decide the input tax credit position, the place of supply, or the treatment of any goods that are not owned by the principal.

Source

Summary prepared from the published order, which is a scanned document. It is a reading aid and not the authority: where the two differ, the order governs. Verify every provision against the original before relying on it.

Original order: www.gstcouncil.gov.in -> tn_aar_06_2020_31.01.2020_e_mf.pdf

Prepared 17-11-2026.

About Patron Accounting LLP

Patron Accounting LLP is a CA and CS-led accounting and compliance firm working with businesses across India since 2019 — bookkeeping, GST, income tax, payroll, company and LLP compliance, audit and the certificates banks and regulators ask for.

Pune (HQ)
RTC Silver, B4-708, Sai Satyam Park, Wagholi, Pune, Maharashtra 412207

Mumbai
104, Rajshila Building, 597 J.S.S. Road, Marine Lines, Mumbai 400002

Delhi
3rd Floor, B-6/154-155, Sector 5, Rohini, Delhi 110085

Gurugram
Pioneer Urban Square, B109, Golf Course Ext Road, Sector 62, Gurugram…

Ahmedabad
Phoenix Tower, 1107, near Commerce Six Road, Drive In Road, Navrangp…

Talk to us: **+91 94594 56700** | sales@patronaccounting.com | patronaccounting.com

Patron Accounting LLP