

F. No. CBIC-20001/5/2023-GST To, The Principal Chief Commissioners/ Chief Commissioners/ Principal Commissioners/ Commissioners of Central Tax (All) The Principal Directors General/ Directors General (All) Madam/Sir, Subject: Clarification on availability of ITC in respect of warranty replacement of parts and repair services during warranty period. Representations have been received from trade and industry that as a common trade practice, the original equipment manufacturers /suppliers offer warranty for the goods / services supplied by them. During the warranty period, replacement goods /services are supplied to customers free of charge and as such no separate consideration is charged and received at the time of replacement. It has been represented that suitable clarification may be issued in the matter as unnecessary litigation is being caused due to contrary interpretations by the investigation W.....