

**GUJARAT AUTHORITY FOR ADVANCE RULING  
GOODS AND SERVICES TAX  
D/5, RAJYA KAR BHAVAN, ASHRAM ROAD,  
AHMEDABAD – 380 009.**



**ADVANCE RULING NO. GUJ/GAAR/R/2025/16**  
(IN APPLICATION NO. Advance Ruling/SGST&CGST/2024/AR/29 )

**Date: 30/04/2025**

Name and address of the applicant	:	M/s. Saket International Office No. 1342, RK World Tower, Floor No. 13, 150 Feet Ring Road, Rajkot- 360 006.
GSTIN of the applicant	:	24AFEF3013E1ZJ
Jurisdiction Office	:	Office of the Assistant Commissioner of State Tax, Unit-88, Range- 22, Division- 10, Rajkot.
Date of application	:	06.10.2024
Clause(s) of Section 97(2) of CGST/IGST Act, 2017, under which the question(s) raised.	:	(b)
Date of Personal Hearing	:	08.04.2025
Present for the applicant	:	Shri Satish L Kalariya and Ms. Shivani Rayjada.

**Brief facts:**

M/s. Saket International, Office No. 1342, RK World Tower, Floor No. 13, 150 Feet Ring Road, Rajkot- 360 006 [for short –‘applicant’] is registered under GST and their GSTIN is 24AFEF3013E1ZJ.

2. The applicant is engaged in the supply of **clay**. The applicant’s case is that their outward supply of ‘clay’ is chargeable to GST @ 5%; that for the aforementioned outward supply, their inward supply is

1. Clay /Felspar/Slary Powder which is chargeable to GST @ 5%
2. Soda ash/Sodium meta silicate which is chargeable to GST @ 18% and
3. Coal which is chargeable to GST @ 5%.

Now in terms of notification No. 5/2017-CT (R) dated 28.6.2017 read with notification No. 9/2022-CT (R) dated 13.7.2022, *coal* is one of the product, in respect of which no refund of unutilized ITC<sup>1</sup> shall be allowed, where the credit has accumulated on account of rate of tax on inputs being higher than the rate of tax on the output supplies of such goods (other than nil rated or fully exempted supplies).

<sup>1</sup> Input Tax Credit



3. In view of the foregoing, the applicant, has sought a ruling on the following question viz

- i. Whether on the basis of notification No. 5/2017-CT (R) dated 28.6.2017 read with notification No. 9/2022-CT (R) dated 13.7.2022, refund is restricted on outward supply of products in which notified product is used as inward supply.

4. Personal hearing was granted on 08.04.2025 wherein Shri Satish L Kalariya and Ms. Shivani Rayjada, appeared on behalf of the applicant and reiterated the facts as stated in the application. Consequent to the personal hearing, the applicant submitted a sample copy of refund ARN receipt, RFD-01, RFD-02, RFD-05 and RFD-06, document of refund, calculation of refund in respect of M/s. Denstar Cera LLP, to substantiate their plea.

### **Discussion and findings**

5. At the outset, we would like to state that the provisions of both the CGST Act and the GGST Act are the same except for certain provisions. Therefore, unless a mention is specifically made to such dissimilar provisions, a reference to the CGST Act would also mean a reference to the same provisions under the GGST Act.

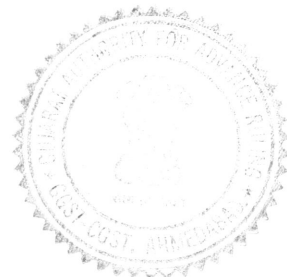
6. We have considered the submissions made by the applicant in their application for advance ruling as well as the submissions made during the course of personal hearing. We have also considered the issue involved, the relevant facts & the applicant's submission/interpretation of law in respect of question on which the advance ruling is sought.

7. We feel that the application needs to be rejected at the application stage itself. Before delving on the reasoning for our above view, it would be prudent to reproduce the relevant provisions for ease of reference viz

**Section 95. Definitions.** — *In this Chapter, unless the context otherwise requires, —*

(a) "advance ruling" means a decision provided by the Authority or the Appellate Authority<sup>1</sup> [or the National Appellate Authority] to an applicant on matters or on questions specified in sub-section (2) of section 97 or sub-section (1) of section 100<sup>2</sup> [or of section 101C], in relation to the supply of goods or services or both being undertaken or proposed to be undertaken by the applicant;

(c) "applicant" means any person registered or desirous of obtaining registration under this Act;



**Section 97. Application for Advance ruling. —**

(1) *An applicant desirous of obtaining an advance ruling under this Chapter may make an application in such form and manner and accompanied by such fee as may be prescribed, stating the question on which the advance ruling is sought.*

(2) *The question on which the advance ruling is sought under this Act, shall be in respect of, —*

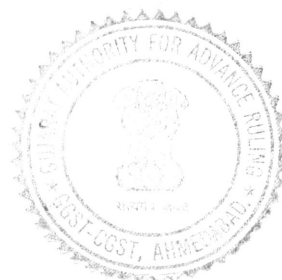
- (a) *classification of any goods or services or both;*
- (b) *applicability of a notification issued under the provisions of this Act;*
- (c) *determination of time and value of supply of goods or services or both;*
- (d) *admissibility of input tax credit of tax paid or deemed to have been paid;*
- (e) *determination of the liability to pay tax on any goods or services or both;*
- (f) *whether applicant is required to be registered;*
- (g) *whether any particular thing done by the applicant with respect to any goods or services or both amounts to or results in a supply of goods or services or both, within the meaning of that term.*

8. A conjoint reading of the sections 95(a) and (c), & 97 of the CGST Act, 2017, depicts that advance ruling means a decision by the AAR<sup>2</sup> to an applicant on matters or on questions specified under 97(2) *ibid* in relation to the supply of goods or services or both being undertaken or proposed to be undertaken by the applicant; that an applicant, means any person registered or desirous of obtaining registration under this Act; that such an applicant, may make an application in the prescribed form with appropriate fee, stating the question on which the said ruling is sought. The questions on which the ruling is sought is however, **restricted to the 7[seven] issues** listed in section 97(2), *ibid*.

9. We find that vide this application, the applicant has sought clarification regarding availability of refund *ie* whether the refund is restricted on outward supply of such products or also of products in which a notified product is used as an inward supply.

10. Refund, not being one amongst the seven issues listed in section 97(2), *ibid*, we are left with no option but to reject the application.


<sup>2</sup> Authority for Advance Ruling



11. In view of the foregoing, we rule as under:

**Ruling**

The aforementioned application filed by M/s. Saket International is rejected in terms of section 98(2) of the CGST Act, 2017 read with sections 95(a), (c) and 97 of the CGST Act, 2017.

  
(Kamal Shukla)  
Member (SGST)

  
(P.B.Meena)  
Member (CGST)

Place: Ahmedabad  
Date: 30.04.2025

