



AUTHORITY FOR ADVANCE RULING, TAMILNADU
DOOR NO.32, INTEGRATED COMMERCIAL TAXES OFFICE COMPLEX
5TH FLOOR, ROOM NO. 503, ELEPHANT GATE BRIDGE ROAD,
CHENNAI -600 003.

PROCEEDINGS OF THE AUTHORITY FOR ADVANCE RULING U/s.98 OF THE
GOODS AND SERVICES TAX ACT, 2017.

Members present are:

1. Shri T.G.Venkatesh, I.R.S., Additional Commissioner/Member,
Office of the Principal Chief Commissioner of GST & Central Excise, Chennai -34
2. Tmt. K. Latha, M.Sc., (Agri), Joint Commissioner (ST)/ Member,
Office of the Authority for Advance Ruling, Tamil Nadu, Chennai-3.

ORDER No. 09/ARA/2022 Dated: 22.03.2022

GSTIN Number, if any / User id		33AADCV1880F1ZH
Legal Name of Applicant		Vaighai Agro Products Limited
Trade Name of the Applicant		Vaighai Agro Products Limited
Registered Address / Address provided while obtaining user id		No. 39(B), Vaighai House, Anna Nagar, Madurai. 625 020.
Details of Application		Form GST ARA - 001 Application Sl.No.32 dated 09.09.2021
Concerned Officer		Centre: Madurai Commissionerate State: Assistant Commissioner (ST) Madurai Rural (East) Assessment circle
Nature of activity(s) (proposed / present) in respect of which advance ruling sought for		
A	Category	Service Provision
B	Description (in brief)	The applicant is engaged in the manufacture of Rice Bran Oil, Coconut oil, De-oiled Rice Bran and also dealing various animal feed ingredients like Copra Cake, Palm Kernel Cake, etc, in addition the applicant is also engaged in doing Job Work for various

	Principal Manufacturers in the form of extraction of Coconut oil from Copra Cake and extraction of Rice Bran Oil from Rice Bran and so on. The applicant has 3 solvent extraction plants in Madurai, Tirunelveli and Namakkal districts.
Issue/s on which advance ruling required	<p>i Classification of any goods or services or both.</p> <p>ii. Applicability of a notification issued under the provisions of this Act.</p> <p>iii. Determination of the liability to pay tax on any goods or services or both.</p>
Question(s) on which advance ruling is required	<p>1. Whether GST rate applicable for Job work service in relation to manufacture of Coconut Oil and Coconut De-oiled cake is 5% (CGST- 2.50% ; SGST – 2.50%) as per Sl. No. 26 (f) and (g) of Notification No. 11/2017-CT(Rate) dated 28.06.2017 read with Notification No. 31/2017- CT (Rate) dated 13.10.2017.</p> <p>2. Whether GST rate applicable for Job work service in relation to manufacture of Rice Bran Oil and De-oiled Rice Bran is 5% (CGST – 2.50%; SGST – 2.50%) as per Sl. No. 26 (f) and (g) of Notification No. 11/2017- CT(Rate) dated 28.06.2017 read with Notification No. 31/2017-CT (Rate) dated 13.10.2017.</p>

Note: Any appeal against the Advance Ruling order shall be filed before the Tamil Nadu State Appellate Authority for Advance Ruling, Chennai under Sub-section (1) of Section 100 of CGST ACT/TNGST Act 2017 within 30 days from the date on which the ruling sought to be appealed against is communicated.

At the outset, we would like to make it clear that the provisions of both the Central Goods and Service Tax Act and the Tamil Nadu Goods and Service Tax 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.

M/s. Vaighai Agro Products Limited, No. 39(B), Vaighai House, Anna Nagar, Madurai - 625 020, (hereinafter called the 'Applicant') are registered under GST with GSTIN 33AADCV1880F1ZH. The applicant has sought Advance Ruling on the following questions:

1. Whether GST rate applicable for Job work service in relation to manufacture of Coconut Oil and Coconut De-oiled cake is 5% (CGST- 2.50%; SGST - 2.50%) as per Sl. No. 26 (f) and (g) of Notification No. 11/2017-CT(Rate) dated 28.06.2017 read with Notification No. 31/2017- CT (Rate) dated 13.10.2017.

2. Whether GST rate applicable for Job work service in relation to manufacture of Rice Bran Oil and De-oiled Rice Bran is 5% (CGST - 2.50%; SGST - 2.50%) as per Sl. No. 26 (f) and (g) of Notification No. 11/2017-CT(Rate) dated 28.06.2017 read with Notification No. 31/2017-CT (Rate) dated 13.10.2017.

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.

2.1. The applicant has stated that they are engaged in the manufacture of Rice Bran Oil, Coconut oil, De-oiled Rice Bran and also various animal feed ingredients like Copra Cake, Palm Kernel Cake, etc. In addition the applicant is also engaged in doing Job Work for various Principal Manufacturers (hereinafter referred to as "Customers or Principal Manufacturers") in the form of extraction of Coconut oil from Copra Cake and extraction of Rice Bran Oil from Rice Bran and so on. They have 3 solvent extraction plants in Madurai, Tirunelveli and Namakkal districts. They have stated that for the purpose of the above Job Work, the Principal Manufacturer sends the Copra Cake to the applicant and the latter process the same and extracts Coconut Oil and De-oiled Coconut Cake. Similarly, they also process the Rice Bran owned by other Principal Manufacturers and extracts Rice

Bran Oil and De-oiled Rice Bran, on a Job work basis. All the above Job work is done in compliance with the Job work procedures laid down in Sec 143 of Central Goods and Service Tax Act (hereinafter referred to as "CGST Act")

2.2 On interpretation of law, the applicant has referred to *Sec 9(1) of CGST Act*, and definition of Supply under *Sec 7 of CGST Act*, which covers supply of goods as well as services. The applicant has stated that they are engaged in Supply as per *Sec 7 of CGST Act*, as they have contractually agreed with their customers to do an activity in the nature of Job work in relation to manufacture for consideration. However, to determine whether the activity of such job work in relation to extraction of Coconut Oil and Coconut De-oiled Cake from Copra Cake or extraction of Rice Bran oil and De-oiled Rice Bran from Rice Bran, is a supply of goods or services, they have referred to ***Sec 7(1A) read with Entry No. 3 of Schedule II of CGST Act***, viz. any treatment or process which is applied to another person's goods is a supply of Services. They have stated that the definition of Supply also seeks reference to Schedule II wherein specified supplies has been classified either as goods or a service. They also seeks reference to the above classification for the purpose of levy of GST. Further, as per *Sec 2(68) of CGST Act*, Job work means any treatment or process undertaken by a person on goods belonging to another registered person. Thus, on conjoint reading of the above paragraphs it is understood that their activity in the form of conversion of Copra Cake into Coconut oil and Coconut De-oiled Cake or conversion of Rice bran into Rice Bran oil and De-oiled Rice Bran amounts to Job Work as it fulfils the essential requirements spelt out in *Sec 2(68) of the CGST Act*. Hence, they have reiterated that the activity undertaken by them amounts to Job work and for which conversion charges being charged, therefore such activity amounts to supply of services as per the provisions of the GST Law.

2.3 Further they have submitted that the materials received from the Principal Manufacturers by them were subject to certain processes and returned back to the Principal Manufacturer. They realize Job work charges on return of goods so manufactured by them as per *Sec 143 of CGST Act*. Hence, they are liable to pay GST only on the Job work charges and the rate of GST applicable on such Job work, being supply of services has to be determined accordingly, by virtue of relevant entries in *Notification No. 11/2017 - CT (Rate) dated 28.06.2017*. The applicant has further stated that the Customer is sending Copra Cake to the applicant for

extraction of Coconut Oil for a consideration in the form of Job Work after complying with the procedures laid down in *Sec 143 of CGST Act*. The applicant in the course of conversion of Copra Cake into Coconut Oil / Coconut De-oiled cake they have to naturally undergo certain manufacturing process and thereby a new product has emerged having a distinct name, character and use. They had furnished the flow chart exhibiting the manufacturing process of conversion of Copra Cake into Coconut Oil / Coconut De-oiled cake. They have stated that hence the applicant shall be construed to be engaged in manufacturing activity and will be construed as Manufacturer accordingly as per *Sec 2(72) of CGST Act*. Hence in the given context they will be called as "Job Work Manufacturer". In view of the aforementioned facts, they have stated that they are engaged in supply of manufacturing services by way of job work and their services are classified under SAC Code 9988 in *Sl. No. 26 of Notification No. 11/2017 - CT(Rate) dated 28.06.2017*. As far as rate of tax is concerned, it is submitted that they are processing the Copra Cake and extracting primary output of Coconut Oil which is classified by the Principal Manufacturers or Customers under *Tariff heading 15131100 in Chapter 15 of First Schedule to the Customs Tariff Act, 1975* as a Vegetable fats and oils. In the same manufacturing process of conversion of Copra cake into Coconut oil, the applicant is extracting a residue product which is identified as Coconut De-oiled cake in the market and is classified by the Principal Manufacturers or Customers under *Tariff heading 23065020 in Chapter 23 of First Schedule to the Customs Tariff Act, 1975* as a Residue and waste from the food industries. The applicant has submitted that if a Job Worker manufacturer is engaged in the manufacturing services on physical inputs owned by others and such services are in relation to manufacture of all food and foods products falling under *Chapter 1 to Chapter 22 of First Schedule to the Customs Tariff Act, 1975*, then as per *Sl. No. 26(f) of Notification No. 11/2017-CT (Rate) dated 28.06.2017 read with Notification No. 31/2017-CT (Rate) dated 13.10.2017*, the applicable GST Rate for such job work services will be 5% [CGST-2.50%; SGST -2.50%] with effect from 13th October 2017. Thus, in the given case, since the output goods manufactured by the applicant in the capacity of Job Work Manufacturer is Coconut Oil which is falling under the category of Chapter 15 of First Schedule to the Customs Tariff Act and based on the foregoing submissions the applicant has sought the Advance Ruling authority to clarify whether they can levy GST at 5% [CGST - 2.50%; SGST - 2.50%] on conversion charges / Job work charges levied on the Customers / Principal Manufacturers on such extraction of Coconut Oil in case of Intra-state supply

whereas IGST – 5% in case of Inter-state supply under the Heading 998814 – Vegetable and animal oil and fat manufacturing services. They have further submitted that if the same Job work manufacturer is engaged in the manufacturing services on physical inputs owned by others and such services are in relation to manufacture of products falling under *Chapter 23 of First Schedule to the Customs Tariff Act, 1975* except dog and cat food put up for retail sale falling under tariff item 23091000 of the said Chapter, then as per *Sl. No. 26(g) of Notification No. 11/2017-CT (Rate) dated 28.06.2017 read with Notification No. 31/2017-CT (Rate) dated 13.10.2017*, the applicable GST Rate for such job work services will be 5% [CGST-2.50%; SGST -2.50%] with effect from 13th October 2017. They have relied on the ruling issued by *Hon'ble Punjab Authority for Advance Ruling in M/s.Gupta Steel Udyog case [Order No. AAR/GST/PB/007 dated 21.08.2019]* and stated that the cited ruling is squarely applicable to the instant case also. Thus, in the given case, since the output manufactured by them in the capacity of Job Work Manufacturer is Coconut De-oiled Cake as a residue which is falling under the category of *Chapter 23 of First Schedule to the Customs Tariff Act*, and based on the foregoing submissions the applicant is seeking the authority to clarify whether they can levy GST at 5% [CGST – 2.50%; SGST – 2.50%] conversion charges / Job work charges levied on the Customers / Principal Manufacturers for such Coconut De-Oiled Cake, in case of Intra-state supply whereas IGST – 5% in case of Inter-state supply under the Heading 998814 – Vegetable and animal oil and fat manufacturing services.

2.4 They have further stated that the Customer is sending Rice Bran to them for extraction of Rice Bran Oil for a consideration in the form of Job Work after complying with the procedures laid down in **Sec 143 of CGST Act**. The applicant in the course of conversion of Rice Bran into Rice Bran Oil / De-oiled Rice Bran have to naturally undergo certain manufacturing process and thereby a new product has emerged having a distinct name, character and use. As mentioned in para supra their services are classified under SAC Code 9988 in *Sl. No. 26 of Notification No. 11/2017 – CT(Rate) dated 28.06.2017*. As far as rate of tax is concerned, they are processing the Rice Bran and extracting primary output of Rice Bran Oil which is classified by the Principal Manufacturers or Customers under Tariff heading 15159040 in Chapter 15 of First Schedule to the Customs Tariff Act, 1975 as a Vegetable fats and oils. In the same manufacturing process of conversion of Rice Bran into Rice Bran oil, the applicant is extracting a residue product which is identified as De-oiled Rice Bran in the market and is classified by the Principal

Manufacturers or Customers under Tariff heading 23069090 in Chapter 23 of First Schedule to the Customs Tariff Act, 1975 as a Residue and waste from the food industries. Thus, the applicant is of the view that rate of tax for the Job work service in relation to manufacture of Rice Bran Oil and De-oiled Rice is 5% (CGST – 2.50%; SGST – 2.50%.) as per Sl.No. 26 f, g of Notification No. 11/2017-CT (Rate) dated 28.06.2017 read with Notification 31/2017 dated 13.10.2017

3.1 Due to the prevailing PANDEMIC situation and in order not to delay the proceedings, the applicant was addressed through the Email Address mentioned in the application to seek their willingness to participate in a virtual Personal Hearing in Digital media. The authorised representative, Shri. J. Balasubramanian, Chartered Accountant, appeared for the hearing virtually on 30.11.2021 and reiterated the written submissions made along with the application. He stated that the applicant undertakes conversion of Coconut Cake and Rice Bran into Coconut Oil, Rice Bran Oil and De-oiled cakes. The activity amounts to manufacture and they undertake the activity as job-work and therefore, the applicable rate is as per Sl. No. 26(f), (g) of Notification No. 11/2017 CT (rate) dated 28.06.2017 as amended. The authorised representative stated that they will furnish in detail the pending cases in respect of the intelligence of the State (i.e) copies of orders/Appeals filed; copies of work order/agreement for job work with the Principal; copies of invoices.

3.2 In furtherance, to the hearing dated 30.11.2021, the applicant vide their letter dated 11.12.2021 submitted that there is no specific proceeding pending before any other Authority under any provisions of the Act and to substantiate the same the Applicant has furnished following documents:

- a. Adjudication Order issued by the State Tax Officer, Madurai for the issues relating to the FY 2017-18, FY 2018-19 and FY 2019-20
- b. Appeal filed by the Deputy Commissioner (ST) – Intelligence, Madurai against the Order issued by the State Tax Officer for the FY 2017-18, FY 2018-19 and FY 2019-20
- c. Intimation of Superintendent of CGST & Central Excise, North Range, Madurai with respect to blocking of Electronic, Credit Ledger for irregular availment of ITC
- d. Recording of Statement in Mahazar, by Directorate General of GST Intelligence, Madurai Regional Unit, Madurai
- e. Summary of the issues

- f. Conversion Agreement with respect to Job Work for conversion of copra Cake into Coconut Oil/ De-Oiled Cake
- g. Conversion Agreement with respect to Job Work for conversion of Rice Bran into Rice Bran Oil / De-Oiled Rice Bran
- h. Invoice Copies for Conversion of Copra Cake into Coconut Oil ; De-Oiled Copra Cake
- i. Invoice Copies for Conversion of Rice Bran into Rice Bran Oil / De-Oiled Rice Bran

The applicant also requested to grant another hearing to put forth their contentions and explain their submissions before passing any order in this regard:

3.3 The applicant was given another opportunity to be heard virtually on 20.01.2022. The Authorised Representative, Shri. J. Balasubramanian, Chartered Accountant appeared for the hearing virtually. He reiterated their submissions in detail. He was asked to submit documents for receipt and delivery of goods received towards job works for the verification of the members. Further, it was communicated that the Deputy Commissioner, Appeal, Madurai in her letter in RC. 179/2020/A1, dated 07.10.2020 has informed that the Deputy Commissioner (ST), Intelligence, Madurai has preferred an appeal in form GST AP1-03 against the assessment order of the STO-II, Intelligence, Inspection Cell 2, Madurai for the year 2017-18.; that on verification of the Appeal Petition it was noticed that one of the issued raised is regarding the Job Work done by the applicant.; The appeal has been filed to make reassessment after verification of the job work details which was not verified by the Proper Officer. As per the first proviso to Section 98(2), the Advance Ruling Authority shall not admit the application where the question raised in the application is already pending or decided in any proceedings in the case of an applicant under any of the provisions of the GST Act. The Authorised Representative was, therefore, requested to state his reasoning as to why the Application for Advance Ruling should be entertained even though the proceedings are pending before the Appellate Deputy Commissioner (ST), GST, Madurai.

3.4 The applicant vide their letter dated 11.02.2022 stated that there is no specific proceeding pending before any of the Adjudicating Authorities, Appellate Authorities or any other Authority under any provision of the Act and has also submitted the following documents:

- Inward & Outward Delivery Challan copies for jobwork(sample copies).

4.1 The Central Jurisdictional Authority, who has the administrative Jurisdiction over the applicant submitted that in the case of the applicant, the State authorities of SGST have already made investigations regarding the taxability of the products for which Advance Ruling is sought for. The DGGI, Madurai have also been investigating the taxability of the products and have issued Incident Report (IR) No.15/2021-GST against the applicant.

4.2 The DGGI, Madurai vide their letter dated 23.11.2021, informed that the question raised by the applicant, in their Advance Ruling application were not part of the investigation, since the investigation initiated against the applicant is about non payment of GST on the outward supply of De-oiled Rice Bran to various customers by them during the period from 01.07.2017 to 24.01.2018 and they also furnished copy of the incident report.

5. The State Authority, Joint Commissioner(ST), Intelligence, Madurai vide letter RC.No. 3226/2021/A9 dated 29.11.2021 has stated that as per authorization issued, the place of business of the applicant was inspected by the inspection officials. The taxpayer's reply to the notice issued by the inspecting official, is that it is a Centre case and the same place was inspected by the Deputy Director GST Intelligence and some records were taken over by them and they have not produced the required documents for the assessment. As time bound to pass Adjudication Order the Adjudicating Authority passed the adjudication order for the years 2017-18, 2018-19 and 2019-20 on the basis of the available records on hand and points which were mentioned in the investigation file only i.e, Excess turnover reported in GSTR.1 and GSTR 3B; Difference noticed between GSTR 2A and 3B; Huge difference between inward and outward supply as per e-way bill and GSTR 2A; Stock difference. The GST rate applicable for Job work service relating to the Tax payer was not incorporated in the adjudication order. Against the adjudication order the GST appeal was filed by the Department side before the appellate authority to make reassessment for non-discussed points in the order and it is still pending. The Taxpayer had also filed appeal before the Deputy Commissioner (GST-Appeal) Madurai to set aside the assessment order in toto except the admitted liabilities and it is still pending.

6.1 We have carefully examined the facts of the case, oral and written submissions made by the Applicant, the remarks of the Central Jurisdiction

Authority and State Authority, namely Joint Commissioner (ST), Intelligence, Madurai. It is seen that the applicant is engaged in the manufacture of Rice Bran Oil, Coconut oil, De-oiled Rice Bran and also dealing various animal feed ingredients like Copra Cake, Palm Kernel Cake, etc, in addition the applicant is also engaged in doing Job Work for various Principal Manufacturers in the form of extraction of Coconut oil from Copra Cake and extraction of Rice Bran Oil from Rice Bran and so on. For the purpose of the above job work, the Principal Manufacturer sends the copra cake to the Applicant and they process the same for extraction of coconut oil and De-oiled coconut cake. Similarly, they also process and extract Rice Bran Oil and De-oiled rice Bran on job work basis. The entire above job are done in compliance with the Job work procedures laid down in Section 143 of CGST/TNGST Acts. They have sought Advance Ruling on the following questions:

i. Whether GST rate applicable for Job work service in relation to manufacture of Coconut Oil and Coconut De-oiled cake is 5% (CGST- 2.50% SGST - 2.50%) as per Sl. No. 26 (f) and (g) of Notification No. 11/2017-CT(Rate) dated 28.06.2017 read with Notification No. 31/2017- CT (Rate) dated 13.10.2017.

ii. Whether GST rate applicable for Job work service in relation to manufacture of Rice Bran Oil and De-oiled Rice Bran is 5% (CGST - 2.50%; SGST - 2.50%) as per Sl. No. 26 (f) and (g) of Notification No. 11/2017-CT(Rate) dated 28.06.2017 read with Notification No. 31/2017-CT (Rate) dated 13.10.2017.

6.2 The question raised is on the classification of the supply made by the applicant and the rate applicable for such supply, which are within the ambit of this authority. However, it has been expressed by the Centre Jurisdictional authority that the State authorities have already made investigations regarding the taxability of the products for which Advance Ruling is sought. Section 98 of the CGST Act 2017 /TNGST Act 2017 provides the procedure to be followed on receipt of the application and the first proviso to Section 98(2) states that the application is not to be admitted when the question raised in the application is already pending or decided in any proceedings in the applicant's case. The statutory provision is given below for ease of reference:

“ 98 (2) The Authority may, after examining the application and the records called for and after hearing the applicant or his authorised representative and

the concerned officer or his authorised representative, by order, either admit or reject the application:

Provided that the Authority shall not admit the application where the question raised in the application is already pending or decided in any proceedings in the case of an applicant under any of the provisions of this Act."

In the instant case, the applicant has sought the classification of the supply as to whether, it is a supply of Goods or services and GST rate applicable on the said job work activity undertaken by them. As per the remarks of the Centre Jurisdictional authority and the State Investigation authorities, the issue raised by the applicant is pending before the State Investigation authorities. The applicant however claimed that the issue raised is not pending before any authorities. Before considering the case on merits for issuing ruling, we have to ensure non-pendency of the subject issue and the admissibility of the application before us.

7.1 During the Virtual Personal hearings offered to the applicant on 30.11.2021 and 20.01.2022 it was pointed out that the Centre as well State Jurisdiction Officers have remarked that investigations are pending against the applicant by the Joint Commissioner(ST), Intelligence, Madurai. But the applicant in their reply dated 11.12.2021 and 11.02.2022 have stated that no specific proceedings are pending against them on the issues raised before the any of Adjudicating Authorities, Appellate Authorities or any other Authority under any provisions of the Act. To support their claim, they enclosed the documents mentioned below: .

- a. Adjudication Order issued by the State Tax Officer, Madurai for the issues relating to the FY 2017-18, FY 2018-19 and FY 2019-20.
- b. Appeal filed by the Deputy Commissioner (ST) – Intelligence, Madurai against the Order issued by the State Tax Officer for the FY 2017-18, FY 2018-19 and FY 2019-20.
- c. Intimation of Superintendent of CGST & Central Excise, North Range, Madurai with respect to blocking of Electronic, Credit Ledger for irregular availment of ITC
- d. Recording of Statement in Mahazar, by Directorate General of GST Intelligence, Madurai Regional Unit, Madurai.

7.2 The above documents were verified and found that as per authorization issued, the place of business of the applicant was inspected by the Joint Commissioner (ST) intelligence, Madurai. Further, on verification of the available

records and scrutiny of returns of TRAN 1, GSTR 1, GSTR-2A and GSTR -3B for the year 2017-18, 2018-19, 2019-20 a notice was issued to the applicant. On receipt of notice, the applicant has replied that their place of business was inspected by Deputy director GST Intelligence and some records were taken over by them and the documents required by the State tax officer will be submitted as and when they are ready and it will take two months' time. Since, the applicant has not produced the required documents for the assessment and as time bound to pass Adjudication Order, the proper officer passed the adjudication order for the years 2017-18, 2018-19 and 2019-20 on the basis of the available records on hand and points which were mentioned in the Investigation file only i.e, 1) Excess turnover reported in GSTR1 and GSTR 3B 2) Difference noticed between GSTR 2A and 3B 3) Huge difference between inward and outward supply as per e-way bill and GSTR 2A 4) Stock difference. However, the GST rate applicable for Job work activities relating to the Tax payer was not incorporated in the said adjudication order.

7.3 Against the said adjudication order, GST appeal is filed by the State Department before the Appellate Authority to make reassessment on the grounds that there is variation while comparing the Adjudication order and the credit and liability statement. In the Grounds of Appeal in Form GST APL-03 filed for the period of dispute July 2017 to March 2018, April 2018 to March 2019 and April 2019 to October 2019, among the various points discussed, point No.14 pertains to Rate of Tax and Exempted turnover which is extracted below:

" 14. Rate of tax and exempted turnover:

The taxable person has effected inward and outward supplies at the rate of 0%, 5%, 12%, 18% and 28% and exempted commodities. And also the dealer had effected export sales and non - supply. But the A.O had failed to verify and not discussed in the notice and in the order whether the taxpayer had adopted correct rate of tax and not verified the genuineness of the exempted turnover export details and non-supply details. In this backdrop this appeal is filed to pray before the appellate authority to make reassessment in this ground".(emphasis supplied)

Further point no. 24 of the Grounds of appeal is Job work and the same is extracted below:

"24. Job work details were available in the adjudication file. But the A.O had failed to verify and discuss the same in the adjudication order. In this backdrop

this appeal is filed to pray before the appellate authority to make reassessment in this ground"

From the above, it is evident that in the Appeal filed by the Department, the rate of tax adopted and job work undertaken by the applicant are among the points included in the grounds of appeal which requires reassessment. Further, the State authority has informed that the Taxpayer has also filed appeal before the Deputy Commissioner (GST-Appeal) Madurai to set aside the assessment order in toto except the admitted liabilities and it is still pending.

7.4 As per Section 98(2) of the CGST Act, 2017, any application for advance ruling involving questions already pending or decided in any proceedings in the case of the applicant under any of the provisions of this Act shall not be admitted. In the applicant case, it is seen that the State authorities have already made investigations regarding the taxability of the products for which Advance Ruling is sought for and the questions raised by the applicant in their Advance Ruling application is one of the grounds raised in the Appeal filed by the Department against the order passed by the State Tax officer, Intelligence, O/o Deputy Commissioner (ST) Intelligence, Madurai seeking reassessment.

7.5 In view of the aforementioned facts and in view of the specific embargo of Section 98(2) of the CGST Act, 2017, the Advance ruling application submitted by the applicant cannot be admitted by this Authority as the proceedings are pending on the issues on which the Advance Ruling is sought for.

8. Hence, we rule as under:

RULING

The application is not admitted under first proviso to Section 98(2) of the CGST/TNGST Act 2017 for the reasons stated in para 7 above


Smt. K. LATHA
Member (SGST)


Shri T.G. VENKATESH
(Member CGST)



To,

Vaighai Agro Products Limited **// BY SPEED POST WITH ACK.DUE //**

No. 39(B), Vaighai House,

Anna Nagar,

Madurai 625 020.

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, Madurai Commissionerate.
Central Avenue Building, No 4, Lal Bahadur Shastri, Bibikulam,
Madurai- 625 002.
4. The Assistant Commissioner (ST) Madurai Rural (East) Assessment circle
Commercial Taxes Buildings, Dr. SVKS Thangaraj Salai, Madurai- 625020.
5. Master File/ Spare-2

