

**AUTHORITY FOR ADVANCE RULING, TAMIL NADU
No.207, 2nd FLOOR, PAPJM BUILDING, No.1, GREAMS ROAD,
CHENNAI 600 006.**

**ORDER UNDER SECTION 98(4) OF THE CGST ACT, 2017 AND
UNDER SECTION 98(4) OF THE TNGST ACT, 2017**

Members present:

Shri C. Thiyagarajan, I.R.S., Additional Commissioner/Member (CGST), Office of the Commissioner of GST and Central Excise, Audit I Commissionerate, Chennai - 600 101.	Shri B. Suseel Kumar, BE., MBA., Joint Commissioner/Member (SGST), Authority for Advance Ruling, Tamil Nadu, Chennai - 600 006.
--	--

Advance Ruling No. 26/ARA/2025, dated 11.08.2025

- Any appeal against this Advance Ruling order shall lie before the Tamil Nadu State Appellate Authority for Advance Ruling, Chennai under Sub-Section (1) of Section 100 of CGST Act 2017/TNGST Act 2017, within 30 days from the date on which the ruling sought to be appealed is communicated.*
- In terms of Section 103(1) of the Act, Advance Ruling pronounced by the Authority under Chapter XVII of the Act shall be binding only-*
 - On the applicant who had sought it in respect of any matter referred to in sub-section (2) Section 97 for advance ruling.*
 - On the concerned officer or the Jurisdictional Officer in respect of the applicant.*
- In terms of Section 103(2) of the Act, this Advance Ruling shall be binding unless the law, facts or circumstances supporting the original advance ruling have changed.*
- Advance Ruling obtained by the applicant by fraud or suppression of material facts or misrepresentation of facts, shall render such ruling to be void ab initio in accordance with Section 104 of the Act.*
- The provisions of both the Central Goods and Services Tax Act and the Tamil Nadu Goods and Services Tax Act (herein referred to as the 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 Services Tax Act would also mean a reference to the same provisions under the Tamil Nadu Goods and Services Tax Act.*

GSTIN Number, if any/User id	33AVMPV1867H1Z3
Legal Name of Applicant	Vairavaraj
Trade Name of Applicant	M/s. Arun Traders
Registered Address/ Address provided while obtaining User id	1/4 A, Moontru Panai Road Athiyakuichi Toothukudi 628 203
Details of Application	Application Form GST ARA-01 received from the applicant on 16.12.2024.
Jurisdictional Officer	Center – Madurai Commissionerate, Tuticorin Division. State – Tirunelveli Division, Tiruchendur Circle.
Nature of activity (s) (proposed/ present) in respect of which advance ruling sought for A. Category B. Description (in brief)	Factory/Manufacturing, Wholesale Business, Retail Business and EOU/STP/EHTP -
Issues on which advance ruling required	1) Applicability of a notification issued under the provisions of the Act 2) Determination of the liability to pay tax on any goods or services or both
Question(s) on which advance ruling is required	1. To set aside the impugned Notice DRC-01A dated 14.10.2024, proposing to levy higher rate of tax @ 18% and tax due of Rs.41501156 2. To provide us with an opportunity of being heard in person 3. To allow us to add or alter any submissions made herein and adduce additional grounds at the time of hearing this appeal

M/s.Arun Traders, 1/4 A, Moontru Panai Road, Athiyakuichi, Toothukudi - 628 203 (hereinafter called as the "Applicant") are registered under the GST Acts with GSTIN 33AVMPV1867H1Z3. The applicant is the manufacturer of 'Panangarkandu' (Palmyra sugar). The place of business of the applicant was inspected U/S 67 of the TNGST Act by the officials of the Joint Commissioner (ST), Intelligence, Tirunelveli for the period from 31.07.2024 to 02.08.2024 for

the FYs 2018 – 19 to 2023 – 24. During the course of inspection, certain defects were noticed and then issued Form GST DRC-01A on 14.10.2024, in which, one of the defect is that the applicant reporting their sales at 5% for their product under HSN Code 1702 instead of 18% as 1702 Other category. The applicant had enclosed the copies of Form GST DRC-01A, dated 14.10.2024 for the FYs 2018 – 19 to 2023 – 24 along with their advance ruling application.

2. The Applicant has made a payment of application fees of Rs.5,000/- each under sub rule (1) of Rule 104 of CGST Rules, 2017 and SGST Rules, 2017.

3. Applicant's Statement of facts and Interpretation of Law:

The applicant submits that as per Notification No.6/2022-Central Tax (Rate), dated 13.07.2022 "Jaggery of all types including Cane Jaggery (gur), Palmyra Jaggery" Pre-packaged and labelled, Khandsari Sugar Pre-packaged and labelled has been inserted into Schedule – I, 2.5% at Sl.No.91A under the HSN Code 1701 or 1702. The applicant requests for lesser rate of Tax @ 5% and to set aside the Form GST DRC-01A, dated 14.10.2024 issued by the Tirunelveli Intelligence Wing.

4.1 The applicant falls within the administrative jurisdiction of 'CENTER' and the concerned Authorities of the Centre and State were addressed to report the detailed remarks and pendency report on the questions raised by the applicant in their ARA application.

4.2 Accordingly, the Center Authority vide their letter dated 27.01.2025 had submitted that no proceeding is pending in respect of applicant on the issue raised by them in their advance ruling application. At the same time, they had not submitted the detailed remarks on the questions raised by the applicant.

4.3 The Joint Commissioner (ST), Intelligence, Tirunelveli vide their letter dated 28.01.2025 had informed that the applicant is the manufacturer of 'Panangarkandu' and reporting their sales at 5% in GSTR 3B. Their place of business was inspected u/s.67 of TNGST Act, 2017 on 31.07.2024. The applicant reported their finished goods under the category of "palm sugar" which does not align with the definition of palm sugar under HSN Code 1702 which is taxable at 5%, the product is rightly classified under "Others" category of HSN Code 1702, which is taxable at 18%. Accordingly, the applicant was insisted to

pay tax at 18%. At present, the issue is at the DRC-01A stage and the applicant was advised to comply with the applicable tax rate at 18%.

5. Vide letter dated 14.05.2025, the applicant was requested to show cause as to why the application should not be rejected as the questions raised by the applicant for advance ruling is in contravention to Section 98(2) as the queries raised by the applicant is already pending with the Tirunelveli Intelligence Unit.

6. The applicant vide e-mail dated 19.06.2025 has informed that due to internal reasons, they had decided to withdraw their advance ruling application at this stage.


7. Discussions and Findings:

After due consideration, we have taken on record the applicant's e-mail dated 19.06.2025, wherein they have informed that due to their internal reasons, they had decided to withdraw their advance ruling application at this stage. The applicant's request is considered and the application is disposed and treated as withdrawn without going into the merits or detailed facts of the case.


8. In view of the above, we rule as under:

RULING

The ARA Application received from the applicant on 16.12.2024 is disposed as withdrawn as per request of the applicant e-mail dated 19.06.2025.


(B. Suseel Kumar)
Member (SGST)




(C. Thiyagarajan)
Member (CGST)

To

M/s. Arun Traders,
GSTIN: 33AVMPV1867H1Z3
1/4 A, Moontru Panai Road,
Athiyakuichi,
Toothukudi 628 203.
(By RPAD)

Copy submitted to:

1. The Principal Chief Commissioner of GST and Central Excise,
26/1, Uthathamar Mahatma Gandhi Road,
Nungambakkam, Chennai 600 034.
2. The Commissioner of Commercial Taxes,
2nd Floor, Ezhilagam, Chepauk, Chennai 600 005.
3. The Commissioner of GST and Central Excise,
Madurai Commissionerate,
Central Avenue Building,
No.4, Lal Bahadur Shastri Road,
Bibikulam,
Madurai 625 002.

Copy to:

1. The Assistant Commissioner (ST),
Tiruchendur Assessment Circle,
Travellers Bungalow Road,
Near Assistant Superintendent of Police Station,
Tiruchendur – 628 215.
2. Stock File – A1