

# Amitkumar Maheshbhai Gulwani (Trade Name: M/s Godavari Logistics)

Authority for Advance Ruling — Gujarat

GUJ/GAAR/R/2025/55

Dated 24.11.2025

## Q Questions Before the Authority

- Whether the applicant can pay GST @ 12% under forward charge on GTA services under Notification No. 11/2017-Central Tax (R) dated 22.06.2017, as amended, read with Notification No. 13/2017-Central tax (R) dtd. 28.06.2017, as amended, and claim full ITC including on bio-diesel fuel.

## F Facts

The applicant is a Goods Transport Agency (GTA) providing transportation of goods by road. They have opted to pay GST under the forward charge mechanism and wish to claim Input Tax Credit (ITC) on bio-diesel fuel used in their trucks for providing these taxable services. The applicant sought a ruling on their eligibility to claim this ITC while discharging GST at the applicable forward charge rates.

## H Ruling

**Eligibility to pay GST under forward charge and claim ITC on bio-diesel**

**Yes, the applicant can pay GST @ 12% (18% w.e.f. 22.09.2025) under forward charge and claim full ITC on bio-diesel.**

Subject to fulfilling conditions in Section 16 and Section 17 of the CGST Act, 2017 and Notification No. 11/2017-CT(R).

The Authority ruled that the applicant is eligible to pay GST under the forward charge mechanism and claim full ITC on bio-diesel fuel used in their operations. This eligibility is contingent upon the applicant fulfilling all other conditions prescribed under the CGST Act and the relevant notifications. The ruling confirms that the restriction on ITC for motor vehicles under Section 17(5) does not apply to goods carriage vehicles.

## R Reasoning

The Authority reasoned that the applicant is a registered person using the fuel in the course and furtherance of their business, satisfying the requirements of Section 16(1) of the CGST Act. It specifically noted that the **blockage of credit under Section 17(5)** is restricted to motor vehicles for the transport of persons and does not extend to goods carriage vehicles. Consequently, there is no legal bar preventing a GTA from availing ITC on fuel inputs used for taxable transportation services. The ruling emphasizes that the applicant must strictly adhere to the procedural conditions for exercising the forward charge option.

## P Provisions Relied On

Section 2(zc) of the CGST Act, 2017

Section 16 of the CGST Act, 2017

Section 17(5) of the CGST Act, 2017

Notification No. 11/2017-Central Tax (R) dated 22.06.2017

Notification No. 13/2017-Central Tax (R) dated 28.06.2017

## ! For the Practitioner

This ruling provides **favorable clarification for GTAs** seeking to claim ITC on fuel used in goods carriages. It confirms that the Section 17(5) restriction on motor vehicles does not apply to goods transport vehicles, allowing for the **full utilization of ITC on fuel** when the forward charge option is exercised. Practitioners should note that this remains subject to the applicant's strict compliance with the procedural requirements for opting into the forward charge mechanism.

### 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](http://www.gstcouncil.gov.in) -> 55\_godavari\_logistics.pdf

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