

M/s. Pon Pure Chemical India Private Limited

Authority for Advance Ruling — Gujarat

GUJ/GAAR/ADM//2017-18/1

Dated **30.10.2017**

Q Questions Before the Authority

- 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.

F Facts

The applicant sought an advance ruling regarding the taxability of High Sea Sales and Bond Transfer Sales transactions. The applicant questioned whether these transactions, where goods are sold before or after entering the Customs Area but before clearance, attract Goods and Services Tax. The authority examined whether these transactions constitute a supply under the GST framework.

H Ruling

Jurisdiction to rule on High Sea Sales and Bond Transfer Sales

Rejected

The authority lacks jurisdiction as the issue relates to place of supply and Customs domain.

The authority rejected the application at the admission stage without addressing the merits of the case. It held that the questions raised pertain to the determination of the 'place of supply' and fall within the domain of Customs law rather than the Goods and Services Tax domain. Consequently, the authority concluded it lacked the jurisdiction to decide these issues.

R Reasoning

The authority reasoned that the questions raised are fundamentally related to the determination of the 'place of supply', which is not an issue enumerated under Section 97(2) of the CGST/GGST Act, 2017. Furthermore, it observed that the transactions involve imported goods subject to Customs duty, placing them within the Customs domain rather than the GST domain. The authority relied on Section 97(2) and Section 98(2) of the CGST/GGST Act, 2017, as well as the proviso to Section 5(1) of the IGST Act, 2017, to conclude that it was **lacking jurisdiction** to entertain the application.

P Provisions Relied On

Section 97(2) of the CGST/GGST Act, 2017

Section 98(2) of the CGST/GGST Act, 2017

Section 5(1) of the IGST Act, 2017

Section 2(10) of the IGST Act, 2017

Section 7 of the IGST Act, 2017

Section 3(7) of the IGST Act, 2017

Section 3 of the Customs Tariff Act, 1975

Section 12 of the Customs Act, 1962



For the Practitioner

This ruling serves as a precedent that the Authority for Advance Ruling will **reject applications** that primarily seek to determine the 'place of supply' or issues falling under the Customs domain. It clarifies that the AAR is strictly limited to the specific issues enumerated in Section 97(2). Practitioners should note that this order does not provide a substantive decision on the taxability of High Sea Sales, but rather acts as a **jurisdictional bar** to such inquiries.

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 -> guj-2017-18-1 dt 30-10-17 pon pure 0.pdf

Prepared 13-10-2026.

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