

M/s. SUPREME FIREWORKS FACTORY

Authority for Advance Ruling — Tamil Nadu

Advance Ruling No. 17/ARA/2026

Dated 03.03.2026

Q Questions Before the Authority

- Whether, in terms of Section 49(5), Section 49A and Rule 88A of the CGST Rules, 2017, the applicant can utilize SGST input tax credit to discharge IGST liability while SGST output liability remains unpaid and CGST credit is still available, especially when such offsetting is permitted by the GST portal.

F Facts

The applicant is a manufacturer of fireworks and a regular GST registrant. They sought clarification on the order of utilization of input tax credit (ITC) for discharging tax liabilities, specifically whether they could use SGST credit to pay IGST liability while SGST output liability remained unpaid and CGST credit was still available. The applicant provided an illustration of their tax liabilities and available ITC to support their query.

H Ruling

Utilization of SGST credit for IGST liability

Rejected

The application was rejected as it did not fall within the scope of Section 97(2) of the CGST Act, 2017.

The Authority rejected the application for advance ruling. It held that the query raised by the applicant does not fall under the ambit of Section 97(2) of the CGST Act, 2017, as it relates to procedural aspects of tax discharge rather than a determination of liability or applicability of a notification. Consequently, the application was rejected under Section 98(2) of the CGST Act, 2017.

R Reasoning

The Authority determined that the applicant's query pertains to the procedure for discharging tax liability rather than a substantive determination of liability or the applicability of a notification. It noted that the query does not fall under any of the clauses (a) to (g) of Section 97(2) of the CGST Act, 2017. Therefore, the application was found to be **not liable for admission** and was rejected under Section 98(2) of the CGST Act, 2017.

P Provisions Relied On

Section 49 of the CGST Act, 2017

Section 97(2) of the CGST Act, 2017

Section 98(2) of the CGST Act, 2017



For the Practitioner

This ruling serves as a reminder that the Advance Ruling mechanism is not intended for seeking procedural guidance on tax payment or credit utilization. Practitioners should note that queries must strictly fall within the categories specified in Section 97(2) to be admitted. This order does not provide any substantive interpretation on the order of ITC utilization.

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 -> 2-supreme fire works aar order.pdf

Prepared 12-10-2026.

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