M/s. Veeram Natural Products

Authority for Advance Ruling — Tamil Nadu

ORDER No. 4/AAR/2018 Dated **30.07.2018**

Q Questions Before the Authority

- What is the appropriate classification for Aluminum foil disposable container? Whether it is classifiable under SH76151030 or SH76071993.

F Facts

The applicant manufactures aluminum foil disposable containers using aluminum foil raw material. After filing a refund application under the inverted duty tax structure, the departmental officer issued a Show Cause Notice proposing to reject the refund and reclassify the product under SH 7607 instead of SH 76151030. Another Show Cause Notice for demand of duty was also issued to the applicant, and both proceedings were actively pending.

H Ruling

The Authority for Advance Ruling held that the application is **not admissible** under sub-section (2) of Section 98 of the CGST/TNGST Act, 2017. As the question raised was already pending in departmental proceedings against the applicant, the application was **rejected at the threshold** .

R Reasoning

The ruling turned on the first proviso to Section 98(2) of the CGST/TNGST Act, 2017, which explicitly bars the admission of an advance ruling application if the question raised is already pending or decided in any proceedings in the applicant's case. Since Show Cause Notices regarding the correct HSN classification and duty demand were already pending before the Assistant Commissioner, the statutory bar applied directly.

P Provisions Relied On

Section 98(2) of CGST Act, 2017

Section 98(2) of TNGST Act, 2017

Section 54(3)(ii) of CGST Act, 2017

! For the Practitioner

This order confirms that an advance ruling application will be rejected if the issue is already subject to pending departmental proceedings, such as a Show Cause Notice or refund dispute. Practitioners must verify that no **active departmental notice or proceeding** exists on the subject matter before filing for an advance ruling.

Prepared as a reading aid. Where this summary and the original order differ, the order governs.

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 -> tn.4aar_2018-vnp.pdf

Prepared 21-10-2026.

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