

**GIB/WB/Sai Fertilizer/26.08.2019/AAR-328****Advance Ruling Category : Rate****State : West Bengal****Order No.:** GIB/WB/Sai Fertilizer/26.08.2019/AAR-328**Name of Entry :**

Sai Fertilizers Pvt Ltd

**Date :** 26-08-2019**Breif Issue :****Facts & Issue Of The Case :**

The Applicant is stated to be a manufacturer of chemical fertilizer, namely 'single super phosphate'(hereinafter called SSP), classified under HSN 3103. SSP is used both in agriculture and industry. The Applicant intends to export SSP and pay IGST at the applicable rate in terms of section 16(3)(b) of the IGST Act. It seeks a ruling on what the applicable rate of IGST should be in terms of Notification No. 1/2017 - IT (Rate) dated 28/06/2017, as amended from time to time (hereinafter the Rate Notification), in the light of Circular No. 54/28/2018-GST dated 09/08/2018.

Export is a zero rated supply. The Applicant intending to export SSP may opt for a refund of the unutilized input tax credit under section 16(3)(a) of the IGST Act or may pay the applicable IGST and claim a refund under section 16(3)(b) of the IGST Act. The intention has been to provide the concessional rate of tax to the fertilizers which are used directly as fertilizer or which are used in the manufacturing of other complex fertilizers for agricultural use. Otherwise, SSP shall be taxable @18% under SI No. 43 of Schedule III the Rate Notification.

**Decision of Advance Ruling Authority :****Decision :**

The Applicant, while exporting 'single super phosphate', shall pay IGST @ 18% under SI No. 43 of Schedule III of Notification No. 1/2017 - IT (Rate) dated 28/06/2017, as amended from time to time, if it opts for refund in terms of section 16(3)(b) of the IGST Act.