

AUTHORITY FOR ADVANCE RULING, TAMILNADU
INTEGRATED COMMERCIAL TAXES OFFICE COMPLEX, DOOR NO.32,
5TH FLOOR, ROOM NO. 503, ELEPHANT GATE BRIDGE ROAD,
CHENNAI - 600 003.

PROCEEDINGS OF THE AUTHORITY FOR ADVANCE RULING U/s.98 OF THE
GOODS AND SERVICES TAX ACT, 2017.

Members present are:

1. Thiru Senthilvelavan B., I.R.S Member/ Additional Commissioner,
Office of the Commissioner of GST & Central Excise, Chennai -34
2. Thiru KurinjiSelvaan V.S., M.Sc., (Agri.), M.B.A., Member/ Joint Commissioner (ST)
Authority for Advance Ruling, Tamil Nadu, Chennai-600 003.

ORDER No. 12/AAR/2021 DATED: 22.04.2021

GSTIN Number, if any / User id	33AXQP7456G1ZS
Legal Name of Applicant	Veena Madhukant
Trade Name of the Applicant	M/s. Shree Parshwanath Coconuts
Registered Address / Address provided while obtaining user id	24B, Zamin Uthukuli, Meenkarai Road, Pollachi, Coimbatore. 642 004.
Details of Application	Form GST ARA - 001 Application Sl.No.07/2021 dated 08.03.2021
Concerned Officer	State: Pollachi (West)Assessment Circle Centre: Coimbatore Commissionerate Division: Coimbatore I
Nature of activity(s) (proposed / present) in respect of which advance ruling sought for	
A Category	Factory/Manufacturing
B Description (in brief)	
Issue/s on which advance ruling required	Classification of any goods or services or both
Question(s) on which advance ruling is required	What is the rate of tax for HSN entries that is DRY COCONUT (EDIBLE) HSN 08011920 and COPRA (DRY COCONUT FOR MILLING), HSN 1203 respectively?

Note: Any appeal against the Advance Ruling order shall be filed before the Tamil Nadu State Appellate Authority for Advance Ruling, Chennai under Sub-section (1) of Section 100 of CGST ACT/TNGST Act 2017 within 30 days from the date on which the ruling sought to be appealed against is communicated.

At the outset, we would like to make it clear that the provisions of both the Central Goods and Service Tax Act and the Tamil Nadu Goods and Service Tax Act are the same except for certain provisions. Therefore, unless a mention is specifically made to such dissimilar provisions, a reference to the Central Goods and Service Tax Act would also mean a reference to the same provisions under the Tamil Nadu Goods and Service Tax Act.

Tmt. Veena Madhukant, Propx. M/s. Shree Parshwanath Coconuts, , 24B, Zamin Uthukuli, Meenakarai Road, Pollachi, Coimbatore. 642 004. (hereinafter called the 'Applicant') is registered with GSTIN No. 33AXQPV7456G1ZS. They have sought Advance Ruling on :

What is the rate of tax for HSN entries that is DRY COCONUT (EDIBLE) HSN 08011920 and COPRA (DRY COCONUT FOR MILLING), HSN 1203 respectively?

The Applicant has submitted the copy of application in Form GST ARA - 01 and also submitted a copy of Challan evidencing payment of application fees of Rs.5,000/- each under sub-rule (1) of Rule 104 of CGST rules 2017 and SGST Rules 2017.

2.1 The applicant has stated that their Jurisdictional Office, which is CGST Pollachi has already clarified the classification between the Dry Coconut(Edible) HSN 08011920 and Copra (Dry Coconut for Milling) HSN 1203 via Provisional Assessment under Section 60 of the GST ACT. Their sister Concern M/s. Shree Parshwanath Corporation, Pollachi Tamilnadu(GSTIN 33ACOPV9088M1ZG) and its branch in Jaipur, Rajasthan (GSTIN 08ACOPV9088M1Z9) and Mumbai Customs have also clarified the classification. They requested to determine the rate of tax under Advance Ruling for both the respective HSN entries that is Dry Coconut (Edible) HSN 08011920 & Copra(Dry Coconut for Milling) HSN 1203. They had furnished the Clarification Order under Provisional Assessment by CGST Pollachi Tamilnadu in their case, Customs Tariff entries for Chapter 8 , Chapter 12, Notification No. 01/2017-C.T.(Rate), 2/2017-C.T.(Rate), Invoice for Edible Dry Coconut, Copra, Coconut shells, copra slices, etc

3.1 Due to the prevailing PANDEMIC situation and in order not to delay the proceedings, the applicant was addressed through the Email Address mentioned in the application to seek their willingness to participate in a virtual Personal Hearing in Digital media. The applicant consented and the hearing was held virtually on 09.04.2021. The Authorised representative appeared for the hearing and reiterated the submissions. The Authorised representative was intimated that the question raised in the application stands decided under Section 60 of the CGST/TNGST Act 2017 in their own case by the Jurisdictional authority, therefore as per first proviso to Section 98(2) of the Act, the application cannot be admitted before this authority, which was acceded by the applicant.

4.1 The applicant is under the administrative jurisdiction of Center. The Joint Commissioner, Coimbatore Commissionerate vide their letter C.No. IV/16/39/2020-GST Policy dated 23.03.2021 furnished that there is no pending proceeding/case against the applicant, M/s. Shree Parshwanath Coconuts, Coimbatore, on the issue raised in the ARA. They further submitted that:

- M/s Shree Parshwanath Coconuts (GSTIN33AXQPV7456G1ZS) had filed GST ASMT-01-Application for Provisional Assessment under Section 60 of the CGST Act, 2017 vide ARN No. ARNAD330820002915E dated 16-08-2020 wherein it was submitted that they are having their office at 24B, Meenkarai Road, Pollachi, Coimbatore, TamilNadu Pin – 642 004 and engaged in dry coconut processing and trading business and stated that their commodity for business is **Dry Coconut (Edible)** (HSN 08011920) and is being sold to Kirana Grocery stores in North India states i.e. to Rajasthan, Gujarat, Haryana & Jammu Kashmir. The Tax Payer further stated that there is one more item viz., Dry Coconut (milling) (HSN 12030000) which is also known as Copra is being sold to oil mills in the market. Hence, the main purpose of the application for Provisional assessment of the tax payer is to confirm the HSN code of their product/commodity, i.e. **Dry coconut (Edible)** for availing the eligible tax exemption. In this regard, the Tax payer had submitted all the relevant copies of the Provisional assessment case in respect of their related unit viz., Shree Parshwanath Corporation (GSTIN08ACOPV9088M1Z9). On verification of the said document copies, their office had noted and agreed the following facts, which has already been accepted by the State and Central GST authorities in respect of their related unit i.e. Shree Parshwanth Corporation (GSTIN08ACOPV9088M1Z9).

- There are two types of usages of dried coconuts, normally called as COPRA as detailed in the website of Coconut Development Board, falling under the Ministry of Agriculture and Farmers welfare, Government of India. The first type is edible (Balls & Cups for human consumption) and the other one is non-edible (milling for extraction of oil.)
- As stated in the Notification No. 01/2017-Central Tax (Rate) and 02/2017-Central Tax (Rate) both dated 28.06.2017 classification of goods under GST Act is to be done in terms of Customs Tariff Act, 1975. As per the customs Tariff Act, 1975 Edible Dried Coconut, which is not meant for expression of oil, will fall under HSN Code 08011920 and it attracts NIL GST. The Dried Coconut, which is for expression of oil, will fall under Head 1203 and attracts 5% GST. This is also clarified by the board vide Circular No. 332/2/2017-TRU dated 07-12-2017 (Sl. No.13 of the Table). CBEC Vide Circular No. 32/2/2017-TRU dated 07-12-2017 clarified that coconut, fresh or dried, whether or not shelled or peeled falls under 0801 and attracts Nil GST. As per the HSN explanatory Notes, this heading excludes Copra (Head 1203) which is defined as dried flesh of coconut used for the expression of coconut oil and unsuitable for human consumption in the Notes. For classification of goods, the foremost consideration is the “statutory definition” and any guideline provided by HS Explanatory Notes.
- Samples were drawn from the running stock of the tax payer by the CGST & Central Excise, Pollachi division Preventive Section (Test Memo 01/2020 dated 06-10-2020) and on testing of the same the analysis report by the Quality Testing Laboratory Coconut Development Board (F.No.124/2019-CIT dated 23-10-2020, Report No. 205/2020 dated 23-10-2020, ULR No. TC683620000000205P, Reg. No. J20103 & Ref No 4941C231020) stated that **“as per the analysis report (Report No. 205/2020 dated 23.10.2020) the sample submitted for analysis is Edible Dry Coconut.”** From the above facts and analysis report, it was clear that the product intended for supply is Edible Dry Coconut and the same is classified under Chapter 8 as per Customs Tariff Act, 1975. Since the classification of goods under GST has to be done as per Customs Tariff Act, 1975 & the Customs Tariff Act, 1975 clearly classifies edible dried coconut, which is not meant for expression of oil under HSN Code 080 11 920 with “NIL” GST whereas dried coconut meant for expression of oil will fall under HSN 1203 with 5% GST and there is no confusion on classification of goods.

5.1 The State jurisdictional authority has not reported as to whether any proceedings are pending in the applicant's case on the issues raised by the applicant in the ARA application in their jurisdiction.

6.1 We have carefully examined the statement of facts, supporting documents filed by the Applicant along with application, oral written submissions made at the time of Virtual hearings and the comments/remarks of the center jurisdictional authority. The applicant is engaged in dry coconut processing and trading business and their commodity for business id Dry Coconut(Edible) and Dry Coconut (Milling). They have sought ruling on

What is the rate of tax for HSN entries that is DRY COCONUT (EDIBLE) HSN 08011920 and COPRA (Dry Coconut for Milling), HSN 1203 respectively?

7.1 We first address the issue of admissibility of the application under Section 97/98 of the CGST Act. The question raised is on the rate applicable as per the Notification issued in respect of the products supplied by the applicant and therefore covered under Section 97 (2) of the Act. Section 98 of the CGST Act 2017/TNGST Act 2017 provides the procedure to be followed on receipt of the application. The same is given under for ease of reference:

98 (2) The Authority may, after examining the application and the records called for and after hearing the applicant or his authorised representative and the concerned officer or his authorised representative, by order, either admit or reject the application:

Provided that the Authority shall not admit the application where the question raised in the application is already pending or decided in any proceedings in the case of an applicant under any of the provisions of this Act:

7.2 The first proviso to Section 98(2) makes an application ineligible for admission if the Authority finds that the question raised in the application is already pending or decided in 'any proceedings' in the case of the applicant under any provisions of this Act. From the submissions of the applicant, it is evident that the classification of the products and the applicable rate under GST, has been taken up in depth while deciding the application made by the applicant seeking Provisional Assessment under Section 60 of the CGST Act, 2017 vide ARN No. ARNAD330820002915E dated 16-08-2020 before the Jurisdictional Authority. It is seen that the Jurisdictional

Authority vide GEXCOM/TECH/PA/6/2020-CGST-div-pol_commtrte-coimbatore dated 26.11.2020 in Para 5 has stated as follows:

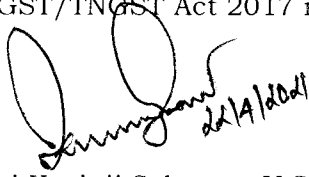
5. From the above facts and analysis report, it is clear that the product intended for supply is Edible Dry Coconut and the same is classified under Chapter 8 as per Customs Tariff Act, 1975. Since the classification of goods under GST has to be done as per Customs Tariff Act, 1975 & the Customs Tariff Act, 1975 clearly classifies edible dried coconut, which is not meant for expression of oil under HSN Code 080 11 920 with "NIL" GST whereas dried coconut meant for expression of oil will fall under HSN 1203 with 5% GST and there is no confusion on classification of goods therefore there is no requirement for Provisional Assessment under Section 60 of the CGST Act 2017.....

Thus it is seen that the classification of the aproducts and the applicable rate under GST has been decided vide proceedings under Section 60 of the Act, in the case of the applicant. Therefore, as per first Proviso to Section 98 (2) of the Act, the present application seeking ruling on the applicable rate on the same products for which the classification and applicable rate stands decided, is not admissible.

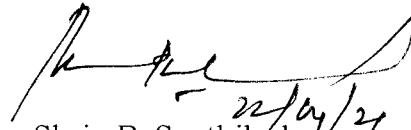
8. In view of the above, we rule as under:

Ruling

The application for Advance Ruling is not admitted as per first Proviso to Section 98(2) of the CGST/TNGST Act 2017, for the reason that the question raised is already decided in the proceedings under Section 60 of the CGST/TNGST Act 2017 in the case of the applicant.

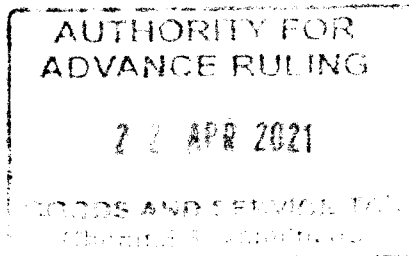


Shri Kurinji Selvaan . V.S.,
(Member SGST)



Shri. B. Senthilvelavan
(Member CGST)

To
Shree Parshwanath Coconuts,
Alandur Road, 24B, Zamin Uthukuli,
Meenakarai Road, Pollachi,
Coimbatore. 642 004. // By RPAD//By e-mail:vishm42@gmail.com//



Copy Submitted to:

1. The Principal Chief Commissioner of GST & Central Excise,
26/1, Mahatma Gandhi Road, Nungambakkam, Chennai-600034.
2. The Principal Secretary/Commissioner of Commercial Taxes,
II Floor, Ezhilagam, Chepauk, Chennai-600 005.

Copy to:

3. The Principal Commissioner of GST & Central Excise, Coimabto
Commissionerate, 6/7, A.T.D. Street, Race Course, Coimbatore 641 018.
4. The Assistant Commissioner (ST),
Pollachi (West) Assessment Circle,
Commercial Taxes Buildings
Ground Floor,
Pollachi – Palghat Road,
Pollachi – 642 001.
5. Master File/ Spare-2

