

**GOVERNMENT OF TAMIL NADU
COMMERCIAL TAXES DEPARTMENT
OFFICE OF THE COMMISSIONER OF COMMERCIAL TAXES
EZHILAGAM, CHENNAI- 600 005**

**PRESENT: THIRU DHEERAJ KUMAR I.A.S.,
PRINCIPAL SECRETARY/ COMMISSIONER OF STATE TAX**

**Circular No.16/2023
(PP6/GST/82/2023)**

Dated 21.08.2023

Sub: Clarification regarding GST rates and classification of certain goods based on the recommendations of the GST Council in its 50th meeting held on 11th July, 2023-Regarding.

Ref: Circular No. 200/12/2023-GST, dated 01.08.2023, issued by Government of India, Ministry of Finance, Department of Revenue, Tax Research Unit.

In the reference cited, the Central Board of Indirect Taxes & Customs, Department of Revenue, Tax Research Unit, Government of India, New Delhi, has issued Circular No 200/12/2023-GST, dated 01.08.2023 on the recommendations of the GST Council. Hence, following *pari-materia* circular is issued.

2. Based on the recommendations of the GST Council in its 50th meeting held on 11th July, 2023, clarifications with reference to GST levy related to the following items are being issued through this circular:

- i. Un-fried or un-cooked snack pellets, by whatever name called, manufactured through process of extrusion;
- ii. Fish Soluble Paste;
- iii. Desiccated coconut;
- iv. Biomass briquettes;
- v. Imitation zari thread or yarn known by any name in trade parlance;
- vi. Supply of raw cotton by agriculturist to cooperatives;
- vii. Plates, cups made from areca leaves
- viii. Goods falling under HSN heading 9021

3. Applicability of GST on un-fried or un-cooked snack pellets, by whatever name called, manufactured through process of extrusion:

3.1 In the 48th meeting of the GST Council, it was clarified that the snack pellets (such as 'fryums'), which are manufactured through the process

of extrusion, are appropriately classifiable under tariff item 1905 90 30, which covers goods with description 'Extruded or expanded products, savoury or salted', and thereby attract GST at the rate of 18% vide S. No. 16 of Schedule-III of G.O. (Ms) No. 62 dated 29.06.2017 in Notification No.II(2)/CTR/532(d-4)/2017, dated 29.6.2017 published in Tamil Nadu Government Extraordinary Gazette [Issue No. 202]

3.2 In view of the recommendation of the GST Council in the 50th meeting, supply of uncooked / un-fried extruded snack pellets, by whatever name called, falling under CTH 1905 will attract GST rate of 5% vide S. No. 99B of Schedule I of G.O Ms No 84, Commercial Taxes and Registration(B1) Department, dated 27.07.2023 in Notification No. II(2)/CTR/713(a-1)/2023, dated 27.07.2023 published in Tamil Nadu Government Extraordinary Gazette [Issue No. 289] with effect from 27th July, 2023. Extruded snack pellets in ready- to-eat form will continue to attract 18% GST under S. No. 16 of Schedule III of G.O. (Ms) No. 62 dated 29.06.2017 in Notification No.II(2)/CTR/532(d-4)/2017, dated 29.6.2017 published in Tamil Nadu Government Extraordinary Gazette [Issue No. 202]

3.3 Further, in view of the prevailing genuine doubts regarding the applicability of GST rate on the un-fried or un-cooked snack pellets, by whatever name called, manufactured through process of extrusion, the issue for past period upto 27.7.2023 is hereby regularized on "as is" basis.

4. Applicability of GST on Fish Soluble Paste:

4.1 Fish soluble paste attracted 18% under the residual entry S No. 453 of Schedule III of G.O. (Ms) No. 62 dated 29.06.2017 in Notification No. II(2)/CTR/532(d-4)/2017, dated 29.6.2017 published in Tamil Nadu Government Extraordinary Gazette [Issue No. 202]. As per recommendation of the GST Council, GST on fish soluble paste, falling under CTH 2309, has been reduced to 5%. Accordingly, the rate has been notified vide S. No. 108A with effect from 27th July, 2023, vide G.O Ms. No 84, Commercial Taxes and Registration (B1) Department, dated 27.07.2023 in Notification No. II(2)/CTR/713(a-1)/2023, dated 27.07.2023 published in Tamil Nadu Government Extraordinary Gazette [Issue No. 289]

4.2 Further, in view of the prevailing genuine doubts regarding the applicability of GST rate on fish soluble paste, the issue for past period upto 27.7.2023 is hereby regularized on "as is" basis.