

M/s. LENA MODERN RICE MILL

Authority for Advance Ruling — Tamil Nadu

Advance Ruling No.47/AAR/2025

Dated 17.11.2025

Q Questions Before the Authority

- Paddy Godown Rent - Taxable or Not

F Facts

The applicant is the owner of premises that include a rice mill and a godown. They have rented out the godown to a tenant specifically for the storage of paddy. The applicant sought a ruling on whether the rent received for this godown is subject to GST.

H Ruling

Taxability of rent for paddy godown **Not taxable under GST** As per S.No.54 of Notification No.12/2017-Central Tax (Rate) dated 28.06.2017

The Authority ruled that the rent received by the applicant for the godown used for the storage of paddy is not taxable under GST. This is because the service of storage or warehousing of agricultural produce is exempt from tax under the relevant notification. The ruling confirms that paddy qualifies as agricultural produce for this purpose.

R Reasoning

The Authority relied on S.No.54 of Notification No.12/2017-Central Tax (Rate), which provides a **Nil rate of GST** for services relating to the storage or warehousing of agricultural produce. It determined that paddy, being an unprocessed grain harvested from the rice plant, falls under the definition of **agricultural produce**. Since the godown is used for storing paddy, the rental service qualifies for the exemption. The ruling concluded that the necessary criteria for the agricultural produce exemption are satisfied.

P Provisions Relied On

Section 97(2)(b) of the CGST/TNGST Act, 2017

S.No.24 of Notification No.11/2017-Central Tax (Rate) dated 28.06.2017

S.No.54 of Notification No.12/2017-Central Tax (Rate) dated 28.06.2017



For the Practitioner

This ruling provides clarity for landlords renting out storage facilities specifically for paddy, confirming that such rental income is **exempt from GST**. It reinforces the classification of paddy as agricultural produce. Practitioners should note that this exemption is specific to the storage of agricultural produce and does not extend to general commercial warehousing.

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 -> 3-ms-leena_modern.pdf

Prepared 15-10-2026.

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Pune (HQ)

RTC Silver, B4-708, Sai Satyam Park, Wagholi, Pune, Maharashtra 412207

Delhi

3rd Floor, B-6/154-155, Sector 5, Rohini, Delhi 110085

Ahmedabad

Phoenix Tower, 1107, near Commerce Six Road, Drive In Road, Navrangp...

Mumbai

104, Rajshila Building, 597 J.S.S. Road, Marine Lines, Mumbai 400002

Gurugram

Pioneer Urban Square, B109, Golf Course Ext Road, Sector 62, Gurugram...

Talk to us: **+91 94594 56700** | sales@patronaccounting.com | patronaccounting.com