

M/s RAJENDRA PRASAD PURSHOTAMMOONDRA

Authority for Advance Ruling — Rajasthan

ADVANCE RULING NO. RAJ/AAR/2026-27/06

Dated **29.07.2026**

Q Questions Before the Authority

- Whether Psyllium Seeds (Isabgol) supplied in their natural, raw and unprocessed form as procured through Agricultural Produce Market Committee (APMC) auctions directly from farmers, without undergoing any drying, freezing, crushing or other processing qualifies as "fresh" Isabgol seeds and are exempted under Entry 87 (HSN 1211) of Notification No. 10/2025-Central Tax (Rate) dated 17.09.2025 as "Plants and parts of plants (including seeds and fruits), of a kind used primarily in perfumery, in pharmacy or for insecticidal, fungicidal or similar purpose, fresh or chilled"?
- Alternatively, whether Psyllium Seeds (Isabgol) as discussed above qualifies as "goods of seed quality" and are exempt from GST under Entry 77 (HSN 12) of Notification No. 10/2025-Central Tax (Rate) dated 17.09.2025?

F Facts

The applicant is a proprietorship firm engaged in the trading of Psyllium seeds (Isabgol) procured directly from farmers via APMC auctions. The applicant stores these seeds in dry and ventilated godowns before supplying them to processing units for husk extraction. The applicant contends that the seeds remain in their natural, unprocessed state and should be classified as fresh agricultural produce.

H Ruling

Classification as fresh Isabgol seeds	No, liable to tax @ 5%	Not exempt under Entry 87 of Notification No. 10/2025-Central Tax (Rate)
Exemption as goods of seed quality	No	Not exempt under Entry 77 of Notification No. 10/2025-Central Tax (Rate)

The Authority ruled that the Psyllium seeds supplied by the applicant do not qualify as "fresh" or "chilled" and are therefore not exempt from GST. The product is liable to tax at 5% under the relevant notification. The alternative claim for exemption as "goods of seed quality" was also rejected.

R Reasoning

The Authority reasoned that the applicant's storage of seeds in dry and ventilated godowns for an indefinite period effectively results in the product being "dried," thereby disqualifying it from the "fresh or chilled" exemption. It relied on the interpretation of Circular No. 163/19/2021-GST, which distinguishes between fresh and dried produce. The Authority concluded that the seeds are liable to 5% GST under Entry 71 of Schedule I of Notification No. 09/2025-Central Tax (Rate). It further noted that the specific entry for dried products takes precedence over general exemptions for seed quality.

P Provisions Relied On

Section 97(2) of CGST/SGST Act, 2017

Notification No. 09/2025-Central Tax (Rate) dated 17.09.2025

Notification No. 10/2025-Central Tax (Rate) dated 17.09.2025

Circular No. 163/19/2021-GST dated 06.10.2021

! For the Practitioner

This ruling serves as a **cautionary precedent** for traders of agricultural produce who store goods in dry conditions, as the Authority may classify such goods as "dried" rather than "fresh." It clarifies that the **method of storage** can negate the benefit of tax exemptions intended for fresh agricultural produce. Practitioners should note that this decision specifically rejects the reliance on similar rulings from other states, emphasizing the factual determination of the product's condition at the time of supply.

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 -> 4-order_rajendra_prasad_purshotammoondra.pdf

Prepared 11-10-2026.

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