

M/s RUKHM INDUSTRIES LIMITED

Authority for Advance Ruling — Rajasthan

ADVANCE RULING NO. RAJ/AAR/2026-27/17

Dated **25.08.2026**

Q Questions Before the Authority

- Whether fresh Psyllium Seeds (Isobgul) procured through Agricultural Produce Market Committee (APMC)/KUMS auctions from farmers/cultivators directly or through subsequent traders, without undergoing any drying, freezing, crushing or other processing qualifies for exemption 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?
- If Answer to Question (1) is No, whether Psyllium Seeds (Isobgul) being goods of seed quality and capable of sowing and germination as discussed above qualifies for exemption from GST under Entry 77 (HSN 12) of Notification No. 10/2025-Central Tax (Rate) dated 17.09.2025?
- If the answers to Questions (1) and (2) are both in the negative, what is the correct classification of, and the rate of tax applicable to, the supply of the said Psyllium Seeds (Isobgul) by the Applicant?

F Facts

The applicant is a public limited company intending to trade in raw and fresh Psyllium seeds (Isobgul) procured from farmers through APMC auctions. They claim the seeds are supplied in their natural, raw, and unprocessed form without any drying, freezing, or value addition. The applicant seeks to determine if these seeds qualify for GST exemption as fresh agricultural produce.

H Ruling

Exemption under Entry 87 (HSN 1211)	No	The seeds are not considered fresh or chilled at the time of supply.
Exemption under Entry 77 (HSN 12)	No	The authority rejected the contention that the seeds qualify as goods of seed quality.
Classification and Rate	HSN 1211 9013; 5% GST	Taxable under Notification No. 09/2025-Central Tax (Rate) dated 17.09.2025.

The Authority ruled that the Psyllium seeds supplied by the applicant do not qualify as 'fresh' or 'chilled' and are therefore not exempt under Entry 87. Furthermore, they do not qualify for exemption under Entry 77 as 'goods of seed quality'. Consequently, the supply is held to be taxable at 5% under Notification No. 09/2025-Central Tax (Rate).

R Reasoning

The Authority reasoned that the applicant failed to provide evidence that the seeds remain in a 'fresh' state from harvest until supply, noting that shelf life is typically extended by drying. It concluded that the seeds are intended for pharmaceutical use and are dried, thus falling under the scope of 'dried' goods rather than 'fresh or chilled'. The ruling relies on the interpretation of Notification No. 09/2025 and 10/2025, and the principle that exemption notifications must be construed strictly. It also referenced Circular No. 163/19/2021-GST to distinguish between fresh produce and produce subjected to intentional dehydration.

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 clarifies that Psyllium seeds (Isobgul) are **taxable at 5%** and do not benefit from the exemptions for fresh agricultural produce. It serves as a warning that the burden of proof lies with the applicant to demonstrate that goods remain in a 'fresh' state without any intentional drying or processing. Practitioners should note that the Authority **rejected the 'seed quality' argument** for exemption under Entry 77.

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 -> 6-order_17_rukhm_industries.pdf

Prepared 11-10-2026.

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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