

# M/s S S S V K COLD STORAGE PVT.LTD

Authority for Advance Ruling — Andhra Pradesh

Order No. AAR/AP/02(GST)/2018 dated 28th March 2018

Dated 28.03.2018

## Q Questions Before the Authority

- Whether the storage of Agriculture produce falls under Service Account Code (SAC) 998619 or 996721 or some other SAC and rate of tax applicable for such storage of such produces if any.
- Whether the services falls under SAC 998619 the exemption under notification no 12/2017-CTR dated 28.06.2017 under entry no 54(e) is applicable to both farmers and traders.
- If benefit of Notification No 12/2017-CTR dated 28.06.2017 under Entry No 54(e) is applicable exclusively for farmers, then what are documents required to be taken by cold storage operator for availing exemption benefit.

## F Facts

The applicant operates a cold storage facility providing storage services for agricultural produce, including items like pulses, spices, and seeds, to both farmers and traders. They sought clarification on the appropriate Service Account Code (SAC) for these services and the applicability of tax exemptions under GST notifications. The applicant specifically requested guidance on whether the exemption for agricultural storage is restricted to farmers or extends to traders.

## H Ruling

|                                                           |                                        |                |
|-----------------------------------------------------------|----------------------------------------|----------------|
| Classification of storage services                        | SAC 9986                               | Not under 9967 |
| Applicability of exemption under Notification 12/2017-CTR | Applicable to both farmers and traders | Entry 54(e)    |

The Authority ruled that the storage and warehousing of agricultural produce is classified under SAC 9986. It further held that the exemption provided under entry 54(e) of Notification No. 12/2017-Central Tax (Rate) is service-specific rather than person-specific, and therefore applies to agricultural produce belonging to both farmers and traders. The Authority declined to rule on the specific documentation required for claiming the exemption, stating it falls outside the scope of the advance ruling authority.

## R Reasoning

The Authority examined the scope of Heading 9986, which covers support services to agriculture, including storage and warehousing of agricultural produce. It concluded that these services are **nil rated** under the relevant notification provided the goods meet the definition of agricultural produce. The Authority emphasized that the exemption is **service-specific** and not restricted to the status of the service recipient. Consequently, the benefit extends to traders as long as the stored commodities qualify as agricultural produce.

## **P** Provisions Relied On

Section 104 of APGST Act 2017

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

Circular No. 16/16/2017-GST dated 15th November 2017

## **!** For the Practitioner

This ruling provides clarity that cold storage services for agricultural produce are classified under SAC 9986 and qualify for the **nil rate of tax** under Notification 12/2017-CTR. It confirms that the exemption is **not person-specific**, allowing cold storage operators to extend the benefit to traders. However, practitioners should note that the Authority refused to provide a list of required documentation, leaving that aspect to be determined by general compliance requirements.

### 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](http://www.gstcouncil.gov.in) -> ap\_02-2018\_dt\_28-03-18\_sssvk\_cold\_storage.pdf

Prepared 16-10-2026.

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