

RHIZO ORGANIC

Authority for Advance Ruling — Rajasthan

ADVANCE RULING NO.RAJ/AAR/2018-19/04

Dated 16.06.2018

Q Questions Before the Authority

- Whether goods (Bio Fertilizer or Organic Manure) are Exempt from GST or Not?

F Facts

The applicant is engaged in the manufacturing of bio-fertilizers and organic manure. They sought an advance ruling to clarify the classification of bio-fertilizers under HSN Code 3101 and the applicable GST rate.

H Ruling

Bio Fertilizer or Organic Manure

NIL rate if unbranded/not in unit container; 5% GST if in unit container with brand name

Classified under HSN Code 3101

The Authority ruled that bio-fertilizers or organic manure are **exempt (NIL rate)** if not put up in unit containers bearing a brand name. However, if put up in unit containers and bearing a brand name, they are taxable under GST at **5%**.

R Reasoning

The Authority observed that bio-fertilizers consist of living micro-organisms (classified as animal origin) and fall under HSN Code 3101 covering animal or vegetable fertilizers. Under the GST rate notifications, HSN Code 3101 provides a NIL rate for goods other than those put up in unit containers bearing a registered brand name or brand name with actionable rights. Goods put up in unit containers bearing a brand name fall under the 5% GST tax bracket (2.5% CGST + 2.5% SGST).

P Provisions Relied On

HSN Code 3101

Section 97(2)(a) of the CGST Act, 2017

Fertilizer (Control) Order, 1985

! For the Practitioner

This ruling establishes that bio-fertilizers qualify as animal or vegetable fertilizers under HSN Code 3101. Applicability of GST depends on **unit packaging and brand name** : unbranded bulk supplies attract NIL rate, whereas branded unit-container sales attract **5% GST** .

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 -> [raj.04.2018-19 dtd 16.06.18-ro.pdf](#)

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