

M/s. Sharad Sadashiv Patil

Authority for Advance Ruling — Maharashtra

Order No. GST-ARA-81/2021-22/B-629

Dated **28.11.2025**

Q Questions Before the Authority

- Classification of Goods/ Services
- Whether Supply of 'Masala Pan' is a Composite Supply with Principal Supply as Betel Leaf and other components as ancillary supply?

F Facts

The applicant intends to manufacture and supply 'Masala Pan' (Meetha Pan), which consists of betel leaves filled with various ingredients like gulkand, desiccated coconut, tutti-frutti, and mouth fresheners. The applicant argued that the product is a composite supply with the betel leaf as the principal supply, as the other ingredients are merely ancillary to the consumption of the betel leaf.

H Ruling

Classification of Masala Pan	Chapter Heading 2106 9099, taxable at 18%	Under entry No. 23 of Schedule III of Notification 1/2017 CT (R)
Whether Composite Supply	Answered in the negative	The ingredients are not naturally bundled

The Authority ruled that 'Masala Pan' is not a composite supply because the ingredients are not naturally bundled in the ordinary course of business. Instead, the product is classified as a 'Miscellaneous Edible Preparation' under Chapter Heading 2106 9099, attracting a GST rate of 18%.

R Reasoning

The Authority determined that the ingredients are not naturally bundled because the consumer demands the final product as a whole, not just the betel leaf. It relied on the definition of 'composite supply' under Section 2(30) of the CGST Act, noting that no single ingredient acts as the principal supply. Consequently, the product is classified as a 'Miscellaneous Edible Preparation' under Chapter Heading 2106 9099, supported by Supplementary Note 6 to Chapter 21.

P Provisions Relied On

Section 2(30) of the CGST Act

Section 2(90) of the CGST Act

Section 8 of the CGST Act

Notification No 01/2017-Central Tax (Rate) dated 28/06/2017

Supplementary Note 6 to Chapter 21

! For the Practitioner

This ruling clarifies that the preparation of 'Masala Pan' is **not a composite supply** and is instead a distinct product classified under **HSN 2106 9099**. Practitioners should note that the Authority rejected the argument that betel leaf serves as the principal supply, effectively subjecting the entire product to the higher 18% tax rate rather than the lower rates applicable to individual ingredients.

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 -> [sharad_sadashiv_patil_order.pdf](#)

Prepared 14-10-2026.

About Patron Accounting LLP

Patron Accounting LLP is a CA and CS-led accounting and compliance firm working with businesses across India since 2019 — bookkeeping, GST, income tax, payroll, company and LLP compliance, audit and the certificates banks and regulators ask for.

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