RAJASTHAN AUTHORITY FOR ADVANCE RULING
GOODS AND SERVICES TAX

ROOM NO. 208, KAR BHAWAN, AMBEDKAR CIRCLE,
BHAWANI SINGH ROAD, C-SCHEME
JAIPUR – 302005 (RAJASTHAN)

ADVANCE RULING NO. RAJ/AAR/2026-27/04

Mahipal Singh Additional Commissioner	:	Member (Central Tax)
Dr. Akhedan Charan Additional Commissioner	:	Member (State Tax)
Name and address of the applicant	:	M/s SHRIGOPAL JAJU, B-8, KRISHI UPAJ MANDI YARD, NAGAUR, Rajasthan-341001
GSTIN of the applicant		08AATPJ6117E1ZL
Clause(s) of Section 97(2) of CGST/SGST Act, 2017, under which the question(s) raised	:	(a)classification of goods and/or services or both (e) Determination of the liability to pay tax on any goods or services or both
Date of Personal Hearing	:	13.07.2026
Present for the applicant	:	Mr. Ujjaval Sharma (C.A.)
Date of Ruling	:	29.07.2026

1. केंद्रीय वस्तु एवं सेवा कर अधिनियम, 2017 तथा राजस्थान वस्तु एवं सेवा कर अधिनियम, 2017 (जिन्हें आगे क्रमशः 'सीजीएसटी अधिनियम' एवं 'आरजीएसटी अधिनियम' कहा गया है) की धारा 102 के अनुसार, इस अग्रिम निर्णय में अभिलेख पर प्रत्यक्ष रूप से विद्यमान किसी त्रुटि के सुधार हेतु प्राधिकरण द्वारा संशोधन किया जा सकता है, यदि ऐसी त्रुटि आदेश की तिथि से छह माह की अवधि के भीतर स्वयं प्राधिकरण के संज्ञान में आए अथवा आवेदक, संबंधित अधिकारी अथवा क्षेत्राधिकार अधिकारी द्वारा उसके संज्ञान में लाई जाए। तथापि ऐसा कोई संशोधन, जिससे कर देयता में वृद्धि हो अथवा अनुमन्य इनपुट टैक्स क्रेडिट में कमी हो, आवेदक/अपीलकर्ता को सुनवाई का अवसर प्रदान किए बिना नहीं किया जाएगा।

1. In terms of Section 102 of the Central Goods and Services Tax Act, 2017 and the Rajasthan Goods and Services Tax Act, 2017 (hereinafter referred to as the CGST Act and the RGST Act respectively), this Advance Ruling may be amended by the Authority for Advance Ruling so as to rectify any error apparent on the face of the record, if such error is noticed by the Authority on its own motion or is brought to its notice by the applicant or the concerned officer or the jurisdictional officer within a period of six months from the date of the order. Provided that no rectification which has the effect of enhancing the tax liability or reducing the amount of admissible input tax credit shall be made unless the applicant or the appellant has been given an opportunity of being heard.

2. सीजीएसटी अधिनियम, 2017 एवं आरजीएसटी अधिनियम, 2017 की धारा 103(1) के अनुसार, अध्याय XVII के अंतर्गत दिया गया यह अग्रिम निर्णय केवल निम्नलिखित पर

बाध्यकारी होगा: (क) उस आवेदक पर जिसने अधिनियम की धारा 97(2) में उल्लिखित विषय के संबंध में अग्रिम निर्णय प्राप्त किया है; तथा (ख) उक्त आवेदक के संबंध में संबंधित अधिकारी अथवा क्षेत्राधिकार अधिकारी पर।

2. Under Section 103(1) of the CGST Act, 2017 and the RGST Act, 2017, this Advance Ruling pronounced under Chapter XVII of the Acts shall be binding only: (a) on the applicant who had sought it in respect of any matter referred to in Section 97(2) of the Acts; and (b) on the concerned officer or the jurisdictional officer in respect of the applicant.

3. सीजीएसटी अधिनियम, 2017 एवं आरजीएसटी अधिनियम, 2017 की धारा 103(2) के अनुसार, यह अग्रिम निर्णय तब तक बाध्यकारी रहेगा जब तक कि उस निर्णय के आधारभूत विधिक प्रावधान, तथ्य अथवा परिस्थितियों में कोई परिवर्तन न हो जाए।

3. In terms of Section 103(2) of the CGST Act, 2017 and the RGST Act, 2017, this Advance Ruling shall be binding unless the law, facts or circumstances supporting the original ruling have changed.

4. सीजीएसटी अधिनियम, 2017 एवं आरजीएसटी अधिनियम, 2017 की धारा 104(1) के अनुसार, यदि प्राधिकरण यह पाता है कि आवेदक ने धोखाधड़ी, महत्त्वपूर्ण तथ्यों के दमन अथवा तथ्यों के मिथ्या प्रतिपादन द्वारा यह अग्रिम निर्णय प्राप्त किया है, तो वह आदेश द्वारा ऐसे निर्णय को प्रारंभ से ही शून्य (Void ab initio) घोषित कर सकता है और ऐसी स्थिति में अधिनियमों तथा उनके अधीन बनाए गए नियमों के सभी प्रावधान आवेदक पर ऐसे लागू होंगे मानो यह अग्रिम निर्णय कभी दिया ही नहीं गया हो।

4. Under Section 104(1) of the CGST Act, 2017 and the RGST Act, 2017, where the Authority finds that the Advance Ruling has been obtained by the applicant by fraud or suppression of material facts or misrepresentation of facts, it may, by order, declare such ruling to be void ab initio and thereupon all the provisions of the Acts or the Rules made thereunder shall apply to the applicant as if such Advance Ruling had never been made.

5. इस अग्रिम निर्णय के विरुद्ध अपील, सीजीएसटी अधिनियम, 2017 एवं आरजीएसटी अधिनियम, 2017 की धारा 100 के अंतर्गत राजस्थान अपीलीय अग्रिम निर्णय प्राधिकरण (Appellate Authority for Advance Ruling, Rajasthan) के समक्ष प्रस्तुत की जाएगी। ऐसी अपील निर्णय की सूचना आवेदक, संबंधित अधिकारी अथवा क्षेत्राधिकार अधिकारी को प्राप्त होने की तिथि से तीस दिनों के भीतर प्रस्तुत की जानी होगी। यदि अपीलीय प्राधिकरण यह संतुष्ट हो कि अपीलकर्ता पर्याप्त कारणों से उक्त अवधि के भीतर अपील प्रस्तुत नहीं कर सका, तो वह अधिकतम अतिरिक्त तीस दिनों की अवधि तक विलंब को क्षम्य करते हुए अपील स्वीकार कर सकता है।

5. Any appeal against this Advance Ruling shall lie before the Appellate Authority for Advance Ruling, Rajasthan, in terms of Section 100 of the CGST Act, 2017 and the RGST Act, 2017. Such appeal shall be filed within **thirty days** from the date on which the ruling is communicated to the applicant, the concerned officer or the jurisdictional officer, as the case may be. The Appellate Authority may, if satisfied that the appellant

was prevented by sufficient cause from presenting the appeal within the said period of thirty days, allow it to be presented within a further period not exceeding **thirty days.**

The issue raised by M/s SHRIGOPAL JAJU, B-8, KRISHI UPAJ MANDI YARD, NAGAUR, Rajasthan-341001, (hereinafter *"the applicant"*) is fit to pronounce advance ruling as they have deposited prescribed Fee under CGST Act and it falls under the ambit of the Section 97(2) given as under:

(a)classification of goods and/or services or both

(e) Determination of the liability to pay tax on any goods or services or both

A. SUBMISSION OF THE APPLICANT (in brief):-

Brief facts of the case:

The applicant is a proprietorship firm engaged in the trading business of Psyllium seeds, commonly known as Isabgol, to be purchased directly from farmers through official auctions conducted by the Agricultural Produce Market Committees (APMCs) within the State of Rajasthan. The applicant proposes to supply such Psyllium seeds (Isabgol), without undertaking any processing or subsequent value addition, to Isabgol processing units, and the said activities are proposed to be carried out in the ordinary course of business.

The applicant proposes to undertake the following structured activities in the ordinary course of business operations:

- Procurement of Psyllium seeds (Isabgol) directly from farmers through standard Agricultural Produce Market Committee (APMC) auctions.
- Storage of such seeds in designated godowns without performing any mechanical or chemical processing.
- Supply of the said Psyllium seeds (Isabgol), without any processing, to specialized Isabgol processing units engaged in the mechanical extraction of Psyllium (Isabgol) husk.
- The commodity proposed to be traded is raw Psyllium seeds (Isabgol) that will be procured from the farmers by APMC after the completion of threshing (which represents the operation of separating the grains from the plants performed by the farmers, at their farms without any subsequent alteration in form, character, or chemical composition).
- At no stage, either prior to the purchase from farmers or prior to subsequent sale, do the Psyllium seeds (Isabgol) undergo any processing or treatment. There is no other industrial activity which alters the form, character, or essential nature of the seeds. The seeds remain in the exact same condition from the point of harvest to the purchase by the trader from farmers, and up to the final point of supply to the processing units. There is no intervention or value addition after harvesting.
- In established trade and agricultural practice, Psyllium seeds (Isabgol) are simply known as "Isabgol seeds" and there is no such recognized commercial or

agricultural distinction between fresh, dried, or frozen Psyllium seeds; the terms "fresh", "dried", or "frozen" for Psyllium seeds arise only from GST circulars and FAQs and not from actual agricultural or market practice. Hence, the distinction between "Fresh or Chilled" and "Dried or Frozen" might be required for other such agricultural seeds, but in the case of Psyllium seeds, they are always "fresh" and are never traded in a "Dried or Frozen" condition.

B. INTERPRETATION AND UNDERSTANDING OF APPLICANT ON QUESTION RAISED (IN BRIEF)

(i) Psyllium seeds (Isabgol) are classifiable under Chapter 12 of the Customs Tariff, which covers oil seeds, miscellaneous grains, seeds and fruits; industrial or medicinal plants. Specifically, Psyllium seeds (Isabgol) are covered under statutory tariff item 12119013.

(ii) Chapter 12 expressly covers seeds and other agricultural produce, and Psyllium seeds, being seeds obtained directly from cultivation and supplied without processing, squarely fall under the ambit of this Chapter.

(iii) The following specific statutory entries are relevant for the adjudication of the present application:

As per Notification No. 10/2025-Central Tax (Rate) dated 17.09.2025, Entry No. 87 (covering HSN 1211) which reads 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', fully exempts the product from the levy of Goods and Services Tax.

NOTIFICATION NO. 10/2025 - CENTRAL TAX (RATE) [G.S.R. 660(E)/F.NO. CBIC-190341/188/2025-TRU]

SECTION 11 OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 - POWER TO GRANT EXEMPTION FROM TAX - LIST OF CGST EXEMPT GOODS (NIL RATED GOODS) - SUPERSESSION OF NOTIFICATION NO. 2/2017-CENTRAL TAX (RATE), DATED 28-6-2017 NOTIFICATION NO. 10/2025 - CENTRAL TAX (RATE) [G.S.R. 660(E)/F.NO. CBIC-190341/188/2025-TRU], DATED 17-9-2025*In exercise of the powers conferred by sub-section (1) of section 11 of the Central Goods and Services Tax Act, 2017 (12 of 2017), and in supersession of the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 2/2017-Central Tax (Rate), dated the 28th June, 2017 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 674(E), dated the 28th June, 2017, except as respects things done or omitted to be done before such supersession, the Central Government, being satisfied that it is necessary in the public interest so to do, on the recommendations of the Council, hereby exempts intra-State supplies of goods, the description of which is specified in column (3) of the Schedule appended to this notification, falling under the tariff item, sub-heading, heading or Chapter, as the case may be, as specified in the corresponding entry in column (2) of the said Schedule, from the whole of the* *central tax leviable thereon under section 9 of the Central Goods and Services Tax Act, 2017 (12 of 2017).*

S. No.	*Chapter / Heading / Subheading / Tariff item*	*Description of goods*
(1)	*(2)*	*(3)*
77.	*12*	*All goods of seed quality*
87.	*1211*	*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*

(iv) As per Notification No. 10/2025-Central Tax (Rate) dated 17.09.2025, Entry No. 77 (covering HSN 12) which reads as 'All goods of seed quality', exempts the product from the levy of Goods and Services Tax.

(v) As per Notification No. 09/2025-Central Tax (Rate) dated 17.09.2025, Entry No. 71 (covering HSN 1211) which reads 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, frozen or dried, whether or not cut, crushed or powdered', prescribes a GST rate of 5%.

(vi) The aforementioned Notification covers a comprehensive list of products/items which are exempt from GST. Wherin two entries i.e. Entry No. 77 which reads as "All goods of seed quality" covering Chapter 12 and the other is Entry No. 87 covering heading 1211 and reads 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".

(vii) The product 'Psyllium seeds' is part of plant (seed) and is used in pharmacy for the production of 'Isabgol' Moreover, the said seeds are also 'fresh' we understand that Entry No. 77 is a general entry covering all goods of seed quality of Chapter 12 whereas Entry No. 87 is a specific entry covering products of heading 1211 only and aptly covers 'Psyllium seeds'.

(viii) The Psyllium seeds (Isabgol) are agricultural produce obtained from the plant Plantago ovata, and the seeds are cultivated by farmers as a seasonal agricultural crop and are harvested in seed form after reaching maturity.

(ix) As per the official FAQ F.No. 332/2/2017-TRU issued in December, 2017, the CBIC clarified that Isabgol seeds are classifiable under heading 1211; that fresh Isabgol seeds attract NIL rate of GST, whereas dried Isabgol seeds attract 5% GST, and that Isabgol husk falls under heading 1211 attracting a GST rate of 5%.

(x) <u>What is the HS code and the GST rate for Isabgol seeds?</u>

1. Isabgol seeds fall under heading 1211.
2. Fresh Isabgol seeds attract Nil GST.

3. Dried or frozen Isabgol seeds attract 5% GST.

(xi) What is the HS code and the GST rate for Isabgol husk?

1. Isabgol husk falls under 1211 and attracts 5% GST.

(xii) While the said FAQ draws a distinction between 'fresh' and 'dried or frozen' Isabgol seeds for GST purposes, it does not define the statutory scope or meaning of the expression 'fresh' in the context of Isabgol seeds. In established agricultural and commercial practice, there is no marketable product such as 'Dried Isabgol seeds' or 'Frozen Isabgol seeds' in wholesale or retail trade. Psyllium seeds (Isabgol) are traded as they are, after being harvested, in the same form (fresh form) without any further categorization. Hence, seeds supplied in their natural, unprocessed form must be treated legally as fresh.

(xiii) The Psyllium seeds (Isabgol) are agricultural produce obtained from the plant Plantago ovata, and the seeds are cultivated by farmers as a seasonal agricultural crop and are harvested in seed form after reaching maturity.

(xiv) The applicant proposes to purchase such Psyllium seeds (Isabgol) directly from farmers through APMC auctions without any processing, and further such seeds will be supplied directly to the processing units; the applicant will be engaged in mere trading activity and will not undertake any activity that alters the form, character, composition, or essential nature of the Psyllium seeds (Isabgol) at any stage.

(xv) Psyllium (Plantago ovata) is cultivated by farmers following standard agricultural procedures, and after the crop matures, farmers remove the whole plant from the field and the harvested plants are subjected to threshing, at agrictual farm itself whereby seeds are separated from the spikes, straw, and dust; threshing is an integral and unavoidable agricultural activity carried out to separate the seeds from the plant and does not amount to processing or manufacture as it is a natural part of the harvesting process; the output at this stage is raw Psyllium seeds (Isabgol), fully retaining their original botanical and physical characteristics.

(xvi) After threshing, the psyllium seeds (Isabgol) are packed in gunny bags in the same condition as harvested and transported by farmers to APMC mandis for sale through public auction; at the time of sale in the APMC mandi, the psyllium seeds remain whole and intact, retain their natural moisture content, and are not subjected to drying, freezing, grading, roasting, polishing, crushing, or any chemical or mechanical treatment though machnery . Thus, at the primary sale stage, the Psyllium seeds (Isabgol) are unprocessed agricultural produce.

(xvii) The Psyllium seeds (isabgol) from farmers will be obtained strictly through the APMC auction mechanism and will be procured in the same condition in which they are brought by farmers, without any intervention or alteration and after procurement, the applicant will store the psyllium seeds (isabgol) in dry and ventilated godowns to preserve their natural condition; that no artificial or intentional drying, no dehydration, no freezing and no processing of any kind will be undertaken at any stage by the applicant; that the psyllium seeds (isabgol) shall remain in the same natural form so harvested by the farmers, without any change or alteration, from the stage of procurement up to their supply to the processing unit; that processing of husk from the seeds will be carried out only by the processing units, where mechanical separation of the husk from the seed takes place resulting in Psyllium (isabgol) husk, which is a processed product; that the husk is a processed product, whereas the seeds remain agricultural raw material; that psyllium seeds (isabgol) shall be traded exclusively as agricultural produce and shall be supplied only as raw material to processing units for further processing; that the seeds in the form proposed to be supplied by the applicant, shall have no direct consumable or therapeutic use and shall be marketed or sold as a finished product.

(xviii)The psyllium seeds (Isabgol) shall remain in the same natural form so harvested by the farmers, without any change or alteration, from the stage of procurement up to their supply to the processing unit; the applicant supplies psyllium seeds (Isabgol) as raw material to Isabgol processing units; there is no proposal to undertake husk separation or any other processing activity; processing will be carried out only by the processing units, where mechanical separation of the husk from the seed takes place resulting in Psyllium (Isabgol) husk, which is a processed product; the husk is a processed product, whereas the seeds remain agricultural raw material; psyllium seeds (Isabgol) shall be traded exclusively as agricultural produce and shall be supplied only as raw material to processing units for further processing, namely Psyllium (Isabgol) husk; the seeds in the form proposed to be supplied by the applicant, shall have no direct consumable or therapeutic use and shall be marketed or sold as a raw material.

(xix) Further the Agricultural Produce Market Committee Secretary (APMC) under Office of Krishi Upaj Mandi Samiti, Nokha Bikaner Road, Nokha (Bikaner), Rajasthan Telephone: Office – 01531-220034 Email: kumsnokha@gmail.com Attached as **Annexture-1** Clarification regarding GST applicability on Isabgol and whether it falls under the category of Fresh Isabgol.

1. Clarification

With reference to the above subject, it is clarified that ***Isabgol (Psyllium Husk)*** *is an agricultural produce and its cultivation and marketing process is purely agricultural in nature. The details are as follows:*

2. Agricultural Production

Isabgol is an agricultural crop cultivated by farmers in their fields using *traditional agricultural practices. The cultivation process includes land preparation, sowing, irrigation, fertilization and other necessary farming activities. The seeds of Isabgol are sown during the prescribed season.*

3. **Cultivation Process**

During the cultivation period, farmers carry out irrigation, weeding, pest control and other agricultural operations. After the crop matures, it is harvested by the farmers. The harvested crop is not immediately marketable and requires collection and handling after harvesting.

4. **Sale in Mandi**

Like other agricultural commodities such as mustard, wheat, gram and other crops, farmers bring Isabgol to the agricultural market yard for sale. The produce is sold through open auction and competitive bidding in accordance with the prescribed rules.

5. **Role of Processing Units and Traders**

After sale in the mandi, processing units, traders and other buyers purchase the produce. The produce is then taken to warehouses or factories by such purchasers according to their business requirements.

6. **Nature of Produce at the Time of Sale**

Until the stage of sale, the farmer performs only agricultural operations relating to cultivation, harvesting, cleaning and marketing. No industrial processing or manufacturing activity is carried out by the farmer that changes the essential character of the produce. Therefore, the Isabgol seeds sold by the farmer continue to remain ***Agricultural Produce.***

7. **Cleaning and Moisture**

When farmers bring Isabgol to the mandi for sale, it contains natural moisture. No modern equipment or machinery is used in the mandi for cleaning the produce. Since the produce reaches the market directly from the fields, no cleaning or sorting activity is undertaken.

कार्यालय कृषि उपज मण्डी समिति "विशिष्ट श्रेणी" (नागौर)
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ईसबगोल (Psyllium Seed) की कृषि, कटाई एवं विपणन प्रक्रिया का वास्तविक स्वरूप

1. ईसबगोल एक कृषि उपज है, जिसका उत्पादन किसान द्वारा अपने कृषि खेत में परम्परागत कृषि पद्धतियों के माध्यम से किया जाता है। किसान सर्वप्रथम भूमि की तैयारी करता है, जिसमें खेत की जुताई, समतलीकरण तथा आवश्यक कृषि क्रियाएं सम्मिलित होती हैं। इसके पश्चात निर्धारित मौसम में ईसबगोल के बीजों की बुवाई (Sowing) की जाती है।
2. फसल अवधि के दौरान किसान सिंचाई, निराई-गुड़ाई, खरपतवार नियंत्रण तथा अन्य आवश्यक कृषि कार्य करता है। लगभग तीन माह की अवधि पूर्ण होने पर जब फसल पककर तैयार हो जाती है, तब उसकी कटाई की जाती है। ईसबगोल की फसल पकने के बाद किसानों को ही फसल को इकट्ठा करना पड़ता है। बाकी फसल की कटाई मशीनों से होती है, लेकिन इसब की फसल की कटाई मशीन से नहीं होती है।
3. किसान परम्परागत एवं सामान्य कृषि प्रक्रियाओं के माध्यम से ईसबगोल बीज की सफाई करता है जिससे मिट्टी, भूसा, तिनके एवं अन्य अशुद्धियां अलग हो सकें। यह प्रक्रिया केवल उपज को विपणन योग्य बनाने के उद्देश्य से की जाती है तथा इससे उत्पाद के मूल स्वरूप अथवा प्रकृति में कोई परिवर्तन नहीं होता। कटाई होने के बाद फसल को एक जगह इकट्ठा किया जाता है। फिर थ्रेसर के माध्यम से ईसबगोल की फली(दाने) को निकाला जाता है।
4. तत्पश्चात किसान उपलब्ध साधनों, जैसे बोरी, कट्टे अथवा अन्य सामान्य पैकिंग सामग्री में ईसबगोल बीज को भरकर ट्रैक्टर-ट्रॉली अथवा अन्य परिवहन साधनों के माध्यम से कृषि उपज मंडी तक पहुंचाता है। मंडी में किसान अपनी उपज को विक्रय हेतु प्रस्तुत करता है, जहां निर्धारित नियमों के अनुसार खुली नीलामी (Auction) एवं प्रतिस्पर्धी बोली प्रक्रिया के माध्यम से व्यापार संपन्न होता है।
5. इस नीलामी में प्रसंस्करण इकाइयां (Processing Units), व्यापारी तथा अन्य क्रेता भाग लेते हैं और सर्वोच्च बोलीदाता द्वारा उपज का क्रय किया जाता है। विक्रय के पश्चात व्यापारी अथवा क्रेता की आवश्यकता अनुसार उनके द्वारा लाए गए बारदाने या पैकिंग सामग्री में माल को भरकर सुपुर्द किया जाता है।
6. उक्त संपूर्ण प्रक्रिया में किसान द्वारा केवल कृषि उत्पादन, साफ-सफाई, भण्डारण, परिवहन एवं विपणन संबंधी सामान्य गतिविधियां ही सम्पादित की जाती हैं। किसान द्वारा किसी प्रकार का औद्योगिक प्रसंस्करण (Processing), निर्माण (Manufacturing) अथवा उत्पाद के मूल स्वरूप में परिवर्तन नहीं किया जाता। अतः मंडी में विक्रय हेतु प्रस्तुत ईसबगोल बीज अपने मूल कृषि उत्पाद (Agricultural Produce) के स्वरूप में ही रहता है।
7. किसान के द्वारा ईसबगोल जब मंडी प्रांगण में नीलामी के लिए ढेरी लगवाई जाती है तब ईसबगोल में नमी (Moisture) रहता है तो उसी खुले में ढेरी फैलाकर सूर्य की तेज धूप में सुखाया जाता है। जिससे ईसबगोल के दाने में एक मापक नमी के अलावा जो एक्स्ट्रा नमी होती है वो सूख जाती है। इसे सुखाने के लिए मंडी प्रांगण में किसी भी प्रकार के आधुनिक उपकरण का उपयोग नहीं किया जाता और ना ही किसी प्रकार के आधुनिक मशीनरी से साफ किया जाता है। किसान खेत से मंडी तक माल लाने और नीलामी करने तक किसी भी प्रकार की सफाई या Sortex नहीं किया जाता है।

सचिव
कृषि उपज मण्डी समिति
विशिष्ट श्रेणी नागौर

(xx)**The entire dynamic process flow of the trade of psyllium seeds (Isabgol) is structurally defined as under:**

a. **<u>Cultivation by farmers</u>**: Psyllium is cultivated as a seasonal agricultural crop using standard farming practices i.e., seeds are sown, irrigated, and grown naturally in open fields, crops mature in the field, generally during the months of March-April depending on climactic conditions.

b. **<u>Harvesting by farmers</u>**: After maturity, the entire plant is cut close to the ground using sickles or similar manual tools.

c. **<u>Threshing by farmers:</u>** Harvested plants are fed into a thresher machine at the agricultural farm itself where seeds are separated from spikes, straw, and dust. Loose straw, chaff, and visible dust are separated during threshing and no grading, polishing, or chemical treatment is done through any machinery, and seeds are successfully obtained. Thereafter, the seeds obtained from the threshing process are collected and packed in ordinary gunny bags. No chemical treatment, artificial preservation, dehydration, freezing, roasting, polishing, crushing, grading any machinery, or any other industrial process is carried out by the farmers. The seeds remain in their original agricultural condition exactly as they emerge from the harvesting and threshing process.

d. **<u>Packing by farmers:</u>** Seeds obtained after threshing are directly collected and packed in jute bags or PP bags without any chemical or thermal treatment. As mentoined in above phots

e. **<u>Transportation to mandi by farmers:</u>** Packed bags are transported by tractors, carts, or trucks to the nearest APMC mandi for sale.

f. **<u>Primary sale to APMC:</u>** Psyllium seeds (Isabgol) are sold through auction in APMC mandis, and the mandi only facilitates regulated sale and does not involve any processing.

g. **<u>Procurement by APMC agent:</u>** Traders procure Psyllium Seeds directly from farmers through APMC auctions in the same condition as brought by the farmers.

h. **<u>Storage at APMC:</u>** Seeds are stored in dry and ventilated godowns to prevent moisture damage. Manual removal of visible foreign matter such as straw or dust, if required, is done and no mechanical clearing, grading, or polishing is undertaken.

I. **Supply by APMC agent to processing unit:** Seeds are supplied as received without drying, dehydration, freezing, grading, polishing, roasting, milling, crushing, or any chemical treatment. The applicant supplies Psyllium seeds without undertaking husk separation, and husk separation is done mechanically by the purchasing processing units.

(xxi) At the very outset, the Applicant respectfully submits that the present matter does not involve any manufactured product, processed commodity, or value-added goods. The issue before this Hon'ble Authority relates to a simple agricultural commodity, namely Psyllium Seeds, commonly and popularly known throughout India as "Isabgol Seeds", which are purchased directly from farmers through Agricultural Produce Market Committee (APMC) auctions and thereafter supplied in the very same condition without any processing whatsoever.

(xxii) It is most respectfully submitted that after purchasing the Psyllium Seeds, the Applicant does not undertake any activity that may alter the nature of the commodity. The Applicant neither dries the seeds nor subjects them to dehydration. The Applicant neither freezes nor chemically treats the seeds. The Applicant does not roast, crush, polish, mill, grade, or process the seeds in any manner whatsoever.

(xxiii) Consequently, the very same seeds that are purchased from the farmers are subsequently supplied to the processing units. There is no transformation of the commodity at any stage. The identity of the goods remains completely unchanged from the time of harvest until the time of supply.

(xxiv) The Applicant respectfully submits that in common agricultural practice, commercial parlance, and trade understanding, there is no separate marketable commodity known as "dried Isabgol Seeds". Farmers, traders, commission agents, processors, and purchasers universally identify the commodity simply as "Isabgol Seeds". The commodity is bought, sold, stored, and traded in the same natural form in which it is harvested from the fields.

(xxv) It is a settled principle of classification that where a term is not specifically defined under the statute, its meaning must be understood in accordance with common trade parlance and commercial understanding. In ordinary commercial language, fresh agricultural produce refers to goods that continue to remain in the same condition as harvested and have not been subjected to any intentional drying, freezing, preservation, or processing activity.

(xxvi) In the present case, the Applicant neither undertakes any artificial drying process nor carries out any activity intended to remove the natural moisture content of the seeds. Any natural reduction of moisture that may occur due to passage of time or ordinary storage conditions is an inherent characteristic of agricultural produce and cannot convert fresh agricultural goods into dried goods.

(xxvii) The Customs Tariff specifically recognizes Psyllium Seeds under Tariff Item 1211 90 13. The tariff itself acknowledges that Psyllium Seeds are plants or parts of plants used primarily for pharmaceutical purposes. There is therefore no dispute regarding the classification of the commodity under Heading 1211.

(xxviii) The only question requiring determination is whether the Psyllium Seeds supplied by the Applicant are "fresh" or "dried". The answer becomes self-evident when the complete journey of the commodity is examined. The seeds are harvested by farmers, separated through threshing, packed in bags, sold through APMC auctions, stored in ordinary godowns, and supplied in the same form. At no stage does any process take place that changes their identity or character.

(xxix) Therefore, applying both commercial understanding and legal principles, the Psyllium Seeds supplied by the Applicant unquestionably retain their character as fresh agricultural produce. Since the goods remain fresh, natural, raw, and unprocessed, they squarely fall within the exemption available to "Plants and parts of plants (including seeds and fruits), of a kind used primarily in pharmacy, fresh or chilled" falling under Heading 1211.

(xxx) It is respectfully submitted that the legislative intent behind granting exemption to fresh agricultural produce is to ensure that primary agricultural commodities remain outside the burden of indirect taxation until a stage where value addition or processing takes place. The Applicant merely acts as a link between the cultivator and the processing industry and does not undertake any activity resulting in value addition.

(xxxi) In these circumstances, the supply of Psyllium Seeds by the Applicant remains a supply of fresh, natural, and unprocessed agricultural produce classifiable under Heading 1211 and eligible for exemption under the relevant notification. Any attempt to treat such goods as dried goods would be contrary to the factual position, commercial reality, and the scheme of classification envisaged under the GST law.

(xxxii) Further, it is submitted that the issue involved in the present proceedings is squarely covered by Advance Ruling No. GUJ/GAAR/R/2026/21 dated 29.05.2026 passed by the Gujarat Authority for Advance Ruling in the case of M/s. Jigneshkumar Narayandas Patel (Trade Name: Akshar Traders) (GSTIN: 24BEGPP6511L2ZB). The Hon'ble Authority, while dealing with an identical commodity and substantially similar facts, has held that the produce continues to retain its character as 'Agricultural Produce' where only such processes are undertaken as are ordinarily carried out by the cultivator to make it marketable. The said ruling, though not binding, has significant persuasive value and supports the contention of the Noticee. The relvent portion of the the rulling is as under

Hold that ***Question 1: 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"?***

Answer 1: Yes. 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 legally as "fresh" Isabgol seeds and are fully exempted from GST under Entry 87 (HSN 1211) of Notification No. 10/2025-Central Tax (Rate) dated 17.09.2025.

Question 2: 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?

Answer 2: No, in view of the definitive affirmative answer accorded to Question 1, the specific exemption under Entry 87 takes precedence over the alternative general entry.

(xxxiii) The Applicant therefore humbly understand that Psyllium Seeds (Isabgol) procured from farmers through APMC auctions and supplied without drying, freezing, crushing, or any other processing continue to retain their character as fresh Psyllium Seeds and are accordingly entitled to exemption from Goods and Services Tax under the applicable exemption notification.

C. QUESTIONS ON WHICH THE ADVANCE RULING IS SOUGHT:

Q1) 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"?

Q2) 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?

D. COMMENTS OF THE JURISDICTIONAL OFFICER: -

Comments received from the Office of Deputy Commissioner, State Tax, Circle-NAGAUR, Zone- Ajmer, Kar Bhawan, Opp. Police line, Manasar Circle, Nagaur-341001 Rajasthan vide letter No. DC/ST/NGR/328, dated 15.07.2025 are as under:

In this regard detailed Comments are -

The applicant is a proprietorship firm proposed to be engaged in trading business of Psyllium seeds, commonly known as Isabgol, to be purchased from farmers through auctions conducted by Agricultural Produce Market Committees (APMCs) in the State of Rajasthan. The applicant proposes to supply such Psyllium seeds (Isabgol), without undertaking any processing or value addition, to Isabgol processing units and the said activities are proposed to be carried out in the ordinary course of business. The applicant is duly registered under the Goods and Services Tax Law bearing GSTIN **08AATPJ6117E1ZL** with effect from 01.07.2017.

Question Raised :

1. 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"?

2. 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?

LEGAL OPINION

I. Scope of Examination

The present application raises a limited but significant issue regarding the GST treatment of Psyllium Seeds (Isabgol) procured by the applicant directly from farmers through Agricultural Produce Market Committee (APMC) auctions and supplied thereafter without any processing.

The issue before this Authority is not one of tariff classification, which appears to be undisputed, but rather whether such goods satisfy the conditions prescribed under Entry No. 87 of Notification No. 10/2025-Central Tax (Rate) dated 17.09.2025 so as to qualify for exemption from GST, or whether they are liable to tax under Entry No. 71 of Notification No. 09/2025-Central Tax (Rate) dated 17.09.2025 applicable to frozen or dried goods.

Thus, the controversy essentially revolves around the legal interpretation of the expression **"fresh"** occurring in Entry No. 87.

II. Tariff Classification

Before examining the applicability of the exemption notification, the correct classification of the goods deserves consideration.

Heading 1211 of the First Schedule to the Customs Tariff Act, 1975 specifically covers:

"Plants and parts of plants (Including seeds and fruits), of a kind used primarily in perfumery, in pharmacy or for insecticidal, fungicidal or similar purposes."

The tariff itself specifically enumerates **Psyllium Seeds (Isobgul)** under Tariff Item 12119013. The HSN Explanatory Notes further include *Plantagopsyllium (herbs and seeds)* within the scope of Heading 1211.

Accordingly, there remains no ambiguity regarding classification and the product is correctly classifiable under Heading 1211.

III. Principles governing Interpretation of Exemption Notifications

It is a settled proposition of law that exemption notifications must be construed strictly with respect to the eligibility conditions. However, once an assessee establishes that his goods squarely satisfy the conditions prescribed in the exemption notification, the notification must receive a reasonable and purposive interpretation so as to give effect to the legislative intent.

Equally well settled is the principle that exemption entries are to be interpreted according to their language, read harmoniously with the Customs Tariff and HSN Explanatory Notes, which constitute important aids to interpretation under the GST regime.

Accordingly, the issue requires determination solely on the basis of the statutory description contained in Entry No. 87.

IV. Meaning of the expression "Fresh"

The CGST Act, the Notifications and the Customs Tariff do not define the expression **"fresh."**

In the absence of a statutory definition, the expression must receive its ordinary commercial meaning having regard to the context in which it is used.

Entry No. 87 exempts:

"Plants and parts of plants (including seeds and fruits)... fresh or chilled."

Simultaneously, Entry No. 71 of Notification No. 09/2025 taxes identical goods when supplied in **frozen or dried** condition.

The legislature has consciously recognised four distinct physical conditions of the same commodity:

- Fresh
- Chilled
- Frozen
- Dried

Therefore, these expressions must be treated as mutually exclusive.

Consequently, every harvested seed cannot automatically be regarded as "dried". Such an interpretation would render the distinction created by the legislature otiose and defeat the scheme of the notifications.

V. Whether the applicant's goods can be regarded as "dried"

The applicant has categorically stated that the goods:

- are procured immediately after harvest through APMC auctions;
- are subjected only to threshing for separation from straw;
- are neither artificially dried nor dehydrated;
- are neither frozen nor chemically treated;
- are not graded, polished, roasted or processed before supply.

Threshing merely separates the seed from the harvested crop and is an inseparable agricultural operation. Such activity neither changes the essential character of the commodity nor results in manufacture or processing.

Similarly, storage in ventilated godowns merely preserves the goods in their existing condition and cannot be equated with intentional drying.

Therefore, on the facts presented, the commodity cannot be regarded as "dried" within the meaning of Entry No. 71.

VI. Applicability of CBIC Circular No. 169/19/2021-GST

Although the Circular deals with fruits and nuts falling under Chapter 8, the interpretative principle enunciated therein has wider application.

The Circular clarifies that goods remain "fresh" so long as they are supplied in the condition in which they are harvested and lose that character only when they are intentionally dried, dehydrated, frozen or otherwise processed.

The underlying principle is that the distinction between "fresh" and "dried" depends not upon the inherent moisture content of the commodity but upon whether any deliberate process has been undertaken to remove moisture or alter the natural condition of the goods.

This principle squarely supports the applicant's case.

VII. Evidentiary Value of CBIC FAQ

The applicant has also relied upon the CBIC FAQ issued under F.No.332/2/2017-TRU, wherein it has been clarified that:

- Fresh Isabgol Seeds attract NIL GST;
- Dried Isabgol Seeds attract GST at 5%;
- Isabgol Husk attracts GST at 5%.

Though FAQs do not possess statutory force comparable to notifications issued under Section 11 of the CGST Act, they nevertheless reflect the contemporaneous departmental understanding of the notification and cannot be ignored while interpreting an ambiguous entry, particularly where such interpretation is consistent with the statutory language.

VIII. Applicability of Entry No. 87

The following ingredients are required to attract Entry No. 87:
(i) the goods must be plants or parts of plants including seeds;
(ii) such goods must be of a kind used primarily in pharmacy or similar purposes;
(iii) such goods must be supplied in fresh or chilled condition.
All three conditions stand satisfied in the present case.

Psyllium Seeds are specifically recognised under Heading 1211, are admittedly used in the pharmaceutical and nutraceutical industry for manufacture of Isabgol products, and, based on the factual matrix placed before this Authority, are supplied in their natural harvested condition without undergoing drying or any other process that would deprive them of their character as fresh goods.

Therefore, the goods squarely fall within Entry No. 87 of Notification No. 10/2025-Central Tax (Rate).

IX. Alternative Claim under Entry No. 77

The applicant has alternatively invoked Entry No. 77 relating to "goods of seed quality."

In my considered opinion, this contention is unnecessary and legally unsustainable.

Entry No. 77 is a general exemption covering all goods of seed quality under Chapter 12, whereas Entry No. 87 is a specific exemption governing goods of Heading 1211.

It is a settled canon of statutory interpretation that where a specific provision and a general provision operate in the same field, the specific provision prevails (*generaliaspecialibus non derogant*).

Further, the expression "goods of seed quality" ordinarily refers to seeds possessing the quality or certification for sowing and not merely any commodity which happens to be a seed. The applicant has neither pleaded nor established that the goods are intended for sowing or satisfy the standards applicable to certified seed.

Hence, Entry No. 77 has no application.

X. Caveat

It is pertinent to note that the present opinion proceeds entirely on the factual representation made by the applicant that no artificial drying, dehydration, freezing or other processing is undertaken after procurement.

Should it transpire during verification that the goods have undergone intentional drying or any process altering their natural condition, the benefit of Entry No. 87 would cease to be available and the goods would merit examination under Entry No. 71 of Notification No. 09/2025-Central Tax (Rate).

XI. Opinon

For the foregoing reasons, I am of the considered opinion that:

1. Psyllium Seeds (Isabgol) are correctly classifiable under Tariff Item 12119013 of the Customs Tariff Act, 1975.
2. The processes of harvesting, threshing, packing, transportation and storage undertaken by the applicant do not amount to processing or drying of the goods.
3. In the absence of intentional drying, dehydration, freezing or any comparable treatment, the goods retain their character as "fresh" for the purposes of Entry No. 87 of Notification No. 10/2025-Central Tax (Rate) dated 17.09.2025.
4. Accordingly, Psyllium Seeds supplied by the applicant in their natural, raw and unprocessed condition are eligible for exemption under Entry No. 87 of Notification No. 10/2025-Central Tax (Rate).
5. The applicant's alternative reliance on Entry No. 77 is misconceived and need not be examined, as Entry No. 87 is the specific exemption governing the goods in question.

E. <u>PERSONAL HEARING:</u>

In the matter, personal hearing was granted to the applicant on 13.07.2026. Mr. Ujjaval Sharma (C.A.) Authorized Representative appeared for personal hearing. He reiterated the submission already made by him.

F. DISCUSSIONS AND FINDINGS

1. At the outset, we would like to make it clear that the provisions of both the CGST Act and the RGST Act are the same except for certain provisions. Therefore, unless a mention is specifically made to such dissimilar provisions, a reference to the CGST Act would also mean a reference to the same provision under the RGST Act. Further to the earlier, henceforth for the purposes of this Advance Ruling, a reference to such a similar provision under the CGST Act / RGST Act would be mentioned as being under the "GST Act".

2. We have considered the submissions made by the applicant in their application for advance ruling as well as the submissions made both oral and written during the course of personal hearing. We have also considered the issue involved, the relevant facts & the applicant's submission/views in respect of question on which the advance ruling is sought and the comments of the jurisdictional officer.

3. The applicant has submitted that they are engaged in the trading business of Psyllium seeds, commonly known as Isabgol, to be purchased directly from farmers through official auctions conducted by the Agricultural Produce Market Committees (APMCs) within the State of Rajasthan. The applicant proposes to supply such Psyllium seeds (Isabgol), without undertaking any processing or subsequent value addition, to Isabgol processing units, and the said activities are proposed to be carried out in the ordinary course of business.

4. The applicant has asked the following question before the Advance Ruling Authority:

> (a) 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"?
>
> (b) 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?

5. Since the applicant is of the opinion that the product supplied by him falls under heading 1211 of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975), a reference will be required to be made to the Chapter Notes of Chapter 12, headings 1211 of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) as well as the HSN notes to heading 1211. The same are reproduced hereunder:

Chapter Notes to Chapter 12 of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975):

CHAPTER 12 Oil seeds and oleaginous fruits, miscellaneous grains, seeds and fruit; industrial or medicinal plants; straw and fodder

1. Heading 1207 applies, inter alia, to palm nuts and kernels, cotton seeds, castor oil seeds, sesamum seeds, mustard seeds, safflower seeds, poppy seeds and shea nuts (karite nuts). It does not apply to products of heading 0801 or 0802 or to olives (Chapter 7 or Chapter 20).

2. Heading 1208 applies not only to non-defatted flours and meals but also to flours and meals which have been partially defatted or defatted and wholly or partially refatted with their original oils. It does not, however, apply to residues of headings 2304 to 2306.

3. For the purposes of heading 1209, beet seeds, grass and other herbage seeds, seeds of ornamental flowers, vegetable seeds, seeds of forest trees, seeds of fruit trees, seeds of vetches (other than those of the species Vicia faba) or of lupines are to be regarded as 'seeds of a kind used for sowing'. Heading 1209 does not, however, apply to the following even if for sowing: (a) leguminous vegetables or sweet corn (Chapter 7); (b) spices or other products of Chapter 9; (c) cereals (Chapter 10); or (d) products of headings 1201 to 1207 or 1211.

4. Heading 1211 applies, inter alia, to the following plants or parts thereof: basil, borage, ginseng, hyssop, liquorice, all species of mint, rosemary, rue, sage and wormwood. Heading 1211 does not, however, apply to: (a) medicaments of Chapter 30; (b) perfumery, cosmetic or toilet preparations of Chapter 33; or (c) insecticides, fungicides, herbicides, disinfectants or similar products of heading 3808.

5. For the purposes of heading 1212, the term 'seaweeds and other algae' does not include: (a) dead single-cell micro-organisms of heading 2102; (b) cultures of micro-organisms of heading 3002; or (c) fertilizers of heading 3101 or 3105. SUB-HEADING NOTE: For the purposes of sub-heading 1205 10, the expression 'low erucic acid rape or colza seeds' means rape or colza seeds yielding a fixed oil which has an erucic acid content of less than 2% by weight and yielding a solid component which contains less than 30 micromoles of glucosinolates per gram.

Heading 1211 as per the First Schedule to the Customs Tariff Act, 1975 (51 of 1975)

1211 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, CHILLED, FROZEN OR DRIED, WHETHER OR NOT CUT, CRUSHED OR POWDERED

1211 20 00	Ginseng roots
1211 30 00	Coca leaf

1211 40 00	Poppy straw
1211 50 00	Ephedra
1211 60 00	Bark of African cherry (Prunus africana)
1211 90	Other :
	--- Seeds, Kernel, Aril, Fruit, Pericarp, Fruit rind, Endosperm, Mesocarp, Endocarp :
1211 90 11	Ambrette seeds
1211 90 12	Nuxvomica, dried ripe seeds
1211 90 13	Psyllium seed (isobgul)
1211 90 14	Neem seed
1211 90 15	Jojoba seed
1211 90 16	Garcinia
1211 90 19	Other
	--- Leaves, Leaf bud, Galls, flowers, Inflorescence, Spadix, Flower bud, Style and Stigma, Stamen and pods
1211 90 21	Belladona leaves
1211 90 22	Senna leaves and pods
1211 90 23	Neem leaves
1211 90 24	Gymnema
1211 90 25	Cubeb
1211 90 26	Pyrethrum
1211 90 29	Other
	--- Bark, husk and rind
1211 90 31	Cascara sagrada bark
1211 90 32	Psyllium husk (isobgul husk)
1211 90 33	Gamboge fruit rind
1211 90 34	Ashoka (Saraca asoca)
1211 90 35	Arjuna (Terminalia arjuna)

1211 90 39	Other
	--- Roots, Root stalk, Bulb, Corn, Tuber, Stolon and rhizome:
1211 90 41	Belladona roots
1211 90 42	Galangal rhizomes and roots
1211 90 43	Ipecac dried rhizome and roots
1211 90 44	Serpentina roots (rowwalfia serpentina and other species of rowwalfias)
1211 90 45	Zedovary roots
1211 90 46	Kuth root
1211 90 47	Sarasaparilla roots
1211 90 48	Sweet flag rhizomes
1211 90 49	Other
	--- Whole Plant, Aerial Part, Stem, Shoot and Wood
1211 90 51	Sandalwood chips and dust
1211 90 52	Vinca rosea herbs
1211 90 53	Mint
1211 90 54	Agarwood
1211 90 55	Chirata
1211 90 56	Basil, hyssop, rosemary, sage and savory
1211 90 57	Ashwagandha (Withania somnifera)
1211 90 58	Giloy (Tinospora cordifolia)
1211 90 59	Other
1211 90 90	Other

HSN Notes to Heading 1211

12.11 - Plants and parts of plants (including seeds and fruits), of a kind used primarily in perfumery, in pharmacy or for insecticidal, fungicidal or similar purposes, fresh, chilled, frozen or dried, whether or not cut, crushed or powdered.

1211.20 - Ginseng roots; 1211.30 - Coca leaf; 1211.40 - Poppy straw; 1211.50 - Ephedra; 1211.90 - Other

This heading covers vegetable products of a kind used primarily in perfumery, in pharmacy or medicine, or for insecticidal, fungicidal, parasiticidal or similar purposes. They may be in the form of whole plants, mosses or lichens, or of parts (such as wood, bark, roots, stems, leaves, flowers, petals, fruits and seeds (other than oleaginous fruits and oil seeds classified in headings 12.01 to 12.07), or in the form of waste resulting, in the main, from mechanical treatment. They remain in the heading whether fresh, chilled, frozen or dried, whole, cut, crushed, ground or powdered or (where appropriate) grated or hulled. Products of this heading impregnated with alcohol remain classified here.

Plants and parts (including seeds and fruits) of trees, bushes, shrubs or other plants are classified here if of a kind used directly for the purposes specified above or if used for the production of extracts, alkaloids or essential oils suitable for those purposes. On the other hand, the heading excludes seeds and fruits of a kind used for the extraction of fixed oils; these fall in headings 12.01 to 12.07 even if the oils are to be used for the purposes mentioned in this heading.

It should also be noted that vegetable products more specifically described in other headings of the nomenclature are excluded from this heading, even if they are suitable for use in perfumery, pharmacy, etc., e.g.: citrus fruit peel (heading 08.14); vanilla, cloves, aniseed, badian and other products of Chapter 9; hop cones (heading 12.10); chicory roots of heading 12.12; natural gums, resins, gum-resins and oleoresins (heading 13.01).

Live chicory plants and roots and other live seedling plants, bulbs, rhizomes, etc., clearly intended for planting, and flowers, foliage, etc., for ornamental purposes, fall in Chapter 6.

A representative (non-exhaustive) list of plants and parts covered by the heading includes, among others: Aconite (roots and leaves), Ambrette/musk (seeds), Angelica (roots and seeds), Belladonna (herbs, roots, berries, leaves and flowers), Cinchona (bark), Ephedra (Mahuang) (stems and branches), Ginseng (roots), Liquorice (roots), Mint (all species), and Plantago psyllium (herbs and seeds) — among many other listed botanicals. The botanical names given are illustrative only, for identification purposes, and mention of a particular species does not indicate that other species of the same plant family are excluded from the heading.

Certain products of this heading, which are regarded as narcotic drugs under international instruments, are indicated in the list which appears at the end of Chapter 29.

6. We have gone through the Chapter Notes of Chapter 12, products/articles mentioned under tariff heading 1211 as well as the HSN Notes to heading 1211. We find that the product "Psyllium seeds" appears at sub-heading 1211 9013. The name against the sub-heading is mentioned as Psyllium seed (Isobgul). Further, the name Plantago psyllium : herbs and seeds also finds mention under the HSN notes of heading

1211. We therefore, find that Psyllium seeds are correctly classifiable under Sub-heading 1211 9013 of the First Schedule to the Customs Tariff Act, 1975(51 of 1975).

7. When it comes to decide the rate of tax on Psyllium Seeds, the applicant has submitted that there are three entries relevant for the present application which are as under:

> 1. As per Notification No.10/2025-Central Tax (Rate) dated 17.09.2025, Entry No.87 (covering HSN 1211) which reads 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**, exempts the product from GST.
>
> 2. As per Notification No.10/2025-Central Tax (Rate) dated 17.09.2025, Entry No.77 (covering HSN 12) reads as **'All goods of seed quality'** exempts the product from GST.
>
> 3. As per Notification No.09/2025-Central Tax (Rate) dated 17.09.2025, Entry No.71 (covering HSN 1211) reads 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, **frozen or dried, whether or not cut, crushed or powdered**.' GST rate here is 5%.

8. We find that **in order to decide whether rate of tax is "exempted" or "5%", the test of eligibility hinges on whether the goods supplied by applicant (not purchased by applicant) are "fresh or chilled" or "of seed quality" or "frozen or dried".** We find that the applicant has detailed the entire process followed for obtaining Psyllium seeds in their submission starting with:

(i) cultivation by farmers followed by
(ii) harvesting of the plants,
(iii) threshing of the plants in a thresher through which psyllium seeds are obtained,
(iv) collecting and packing of seeds by farmers in PP bags,
(v) transport of seeds to APMC mandis through tractors, carts or trucks,
(vi) primary sale to APMC through auction in APMC mandis,
(vii) procurement of psyllium seeds by APMC agent from farmers through APMC auctions in the same condition as brought by farmers,
(viii) Storage of seeds in dry and ventilated godowns to prevent moisture damage where manual removal of visible foreign matter such as straw or dust, if required is done and no mechanical clearing, grading, or polishing is undertaken.
(ix) Supply of seeds as received without drying, dehydration, freezing, grading, polishing, roasting, milling, crushing or any chemical treatment to the processing units. Husk separation from psyllium seeds is done mechanically by the processing units.

8.1 We find that the process mentioned by applicant is not relevant for the purpose of deciding the condition in which goods are supplied by applicant. The above referred processes are relevant only upto the stage of supply of goods by farmers to applicant (purchase of applicant) through APMC. Hence whether the above mentioned process involves drying or freezing etc., if of no significance after purchase of the goods by applicant because the question to be decided in this application is whether goods supplied by applicant at a later stage after purchase from farmers through APMC qualify as "fresh or chilled" or "frozen or dried" so as to apply rate of tax.

9. The applicant has further submitted that the Psyllium seeds (isabgol) from farmers will be obtained strictly through the APMC auction mechanism and will be procured in the same condition in which they are brought by farmers, without any intervention or alteration and after procurement, the applicant will store the psyllium seeds (isabgol) in dry and ventilated godowns to preserve their natural condition; that no artificial or intentional drying, no dehydration, no freezing and no processing of any kind will be undertaken at any stage by the applicant; that the psyllium seeds (isabgol) shall remain in the same natural form so harvested by the farmers, without any change or alteration, from the stage of procurement up to their supply to the processing unit; that processing of husk from the seeds will be carried out only by the processing units, where mechanical separation of the husk from the seed takes place resulting in Psyllium (isabgol) husk, which is a processed product; that the husk is a processed product, whereas the seeds remain agricultural raw material; that psyllium seeds (isabgol) shall be traded exclusively as agricultural produce and shall be supplied only as raw material to processing units for further processing; that the seeds in the form proposed to be supplied by the applicant, shall have no direct consumable or therapeutic use and shall be marketed or sold as a finished product. The applicant has also submitted that Psyllium seeds (Isabgol) are plants or parts of plants (including seeds) used primarily in pharmacy as the seeds constitute the source material for extraction of Psyllium husk which is a recognized pharmaceutical and nutraceutical ingredient; that the term 'fresh' is not defined in GST law, however, fresh agricultural produce refers to goods supplied in the same state as harvested without undergoing any drying or freezing process and in the present case, no artificial drying or freezing process is carried out. Natural low moisture content is an inherent characteristic of Psyllium seeds and cannot be equated with 'dried' goods.

9.1 We find that applicant has emphasized that subject goods will be traded in the same form as procured by them from farmers. It is important to note that to be eligible for exemption from tax, the goods should be "fresh or chilled" at the time of supply by applicant. The applicant has declared that they will store the goods in dry ventilated godowns to preserve their natural condition and that no artificial or intentional drying etc. will be undertaken. We find that there is no information on record about the period of storage and in fact it can not be predicted, secondly when the goods will be stored in dry and ventilated godowns, undoubtedly the purpose is to dry them and so it amounts to "drying". By the time the goods are supplied by applicant, they are "dried".

10. The applicant has also made a reference to FAQ F.No.332/2/2017-TRU dated December, 2017, wherein it is mentioned that Isabgol seeds are classifiable under heading 1211, fresh Isabgol seeds attract NIL rate of GST, dried Isabgol seeds attract

5% GST & Isabgol husk falls under heading 1211 attract GST rate of 5%. The applicant has also referred to Circular No.163/19/2021-GST dated 06.10.2021 wherein clarification regarding GST rates and classification (goods) (based on the recommendation of the GST Council in its 45th meeting held on 17.09.2021 at Lucknow) has been provided. The representatives of the applicant have submitted a copy of the said circular during the course of personal hearing. They have also referred to para 3.2 of the said Circular stating that the process of drying is discussed in para 3.2. of Circular No.163/19/2021-GST dated 06.10.2021.

11. Since the rate of GST and the Notifications applicable to the Psyllium seeds supplied by the applicant is mainly based on whether the product is "fresh OR chilled" OR "frozen OR dried", we find it prudent to refer to Circular No.163/19/2021-GST dated 06.10.2021 wherein it has been discussed threadbare as to what a fresh product OR dried product OR frozen product means. We find that para-3 of the said Circular covers "applicability of GST on fresh and dried fruits and nuts." Para 3.2 and 3.3 of the said Circular reads as under:

"3.2 At present, fresh nuts (almond, walnut, hazelnut, pistachio etc.) falling under heading 0801 and 0802 are exempt from GST, while dried nuts under these headings attract GST at the rate of 5%/12%. The general Explanatory Notes to chapter 08 mentions that this chapter covers fruit, nuts intended for human consumption. They may be fresh (including chilled), frozen (whether or not previously cooked by steaming or boiling in water or containing added sweetening matter) or dried (including dehydrated, evaporated or freeze-dried). Thus, HS chapter differentiates between fresh, frozen and dried fruits and nuts. Fresh fruit and nuts would thus cover fruit and nuts which are meant to be supplied in the state as plucked. They continue to be fresh even if chilled. However, fruit and nuts do not qualify as fresh, once frozen (cooked or otherwise), or intentionally dried to dehydrate including through sun drying, evaporation or freezing, for supply as dried fruits or nuts. It may be noted that in terms of note 3 to Chapter 8, dried fruits, even if partially re-hydrated, or subject to preservation say by moderate heat treatment, retain the character of dried fruits or dried nuts.

3.3. Therefore, exemption from GST to fresh fruits and nuts covers only such products which are not frozen or dried in any manner as stated above or otherwise processed. Supply of dried fruits and nuts, falling under heading 0801 and 0802 attract GST at the rate of 5%/12% as specified in the respective rate Schedules."

12. We find that the above para refers to fresh nuts falling under headings 0801 and 0802 and explains that fresh fruit and nuts would cover fruit and nuts which are meant to be **supplied in the state as plucked** and would continue to be fresh even if chilled. It is further mentioned therein that fruit and nuts do not qualify as fresh, once frozen (cooked or otherwise), or intentionally dried to dehydrate including through **sun drying**, evaporation or freezing, for supply as dried fruits or nuts. It is further mentioned therein that exemption from GST to fresh fruits and nuts covers only such products which are not frozen or dried in any manner as stated above or otherwise processed. Supply of dried fruits and nuts, falling under heading 0801 and 0802 attract GST at the rate of 5%/12% as specified in the respective rate Schedules. Since the rate of GST and the Notification in which the Psyllium seeds supplied by the applicant is mainly based on whether the product is fresh OR chilled OR frozen OR dried, we find that the aforementioned analogy would be applicable in toto in the present case.

13. From the submission of the applicant, we find that there is no justification supported by documentary evidences as to how long does it take during the period the goods are harvested by the farmer till the same are supplied by the applicant. It is universal fact that shelf life of agricultural produce is enhanced by drying and other processing and in the absence of evidence about the time duration as discussed above, it can not be accepted that the produce remains fresh and in the same condition in which they are brought by farmers to the APMC. The applicant has submitted that in established agricultural and commercial practice, there is no marketable product such as 'Dried Isabgol seeds' or 'Frozen Isabgol seeds' in wholesale or retail trade, that Psyllium seeds (Isabgol) are traded as it is, after being harvested, in the same form (fresh form) without any further categorization. Hence, seeds supplied in natural, unprocessed form must be treated as fresh. We do not agree that for a product to be "dried" it should be labeled as "dried".

14. Since the product namely Psyllium seeds is an agricultural produce and the applicant is firmly of the view that their product is 'Fresh', it becomes pertinent to ascertain the meaning of 'fresh agricultural produce' in common parlance. In common parlance, 'fresh agricultural produce' refers to raw, unprocessed food items derived from farming, primarily including fresh fruits, vegetables, and root crops that have not been dried, frozen, or heavily processed. As per Oxford Learner's dictionary, 'fresh produce' refers to farm-grown food items that are recently picked or produced and have not been preserved, such as through freezing or canning. We find that there is nothing on record to establish that the subject goods reach the APMC immediately after plucked or harvested and for how much time they are stored by the applicant before being supplied. It is a common practice that plant products are dried to increase their shelf life so that they can be consumed for a longer time as their life cycle in the market before consumption is not definite and certain. We further find that the applicant has relied on the clarification given in para 3.2 of the Circular No. 163/19/2021-GST dated 06.10.2021 to the present case, however, para 3.3 of the said circular clarifies that *"Therefore, exemption from GST to fresh fruits and nuts covers only such products which are not frozen or dried in any manner as stated above or otherwise processed"*. Emphasis is applied on the phrase "dried in any manner" and we find that as per the applicant, the psyllium seeds are stored in a dry ventilated place which renders them a dried character. Hence we do not agree that the subject goods can be considered as 'fresh' at the time of supply by applicant.

15. Now, since the applicant wants to know whether the Psyllium seeds are exempted or taxable, we will be required to refer to Notification No.09/2025-Central Tax (Rate) dated 17.09.2025 as well as Notification No.10/2025-Central Tax (Rate) dated 17.09.2025 to ascertain the aspect of GST liability. Notification No.09/2025-Central Tax (Rate) dated 17.09.2025 reads as under:

GOVERNMENT OF INDIA

MINISTRY OF FINANCE

(DEPARTMENT OF REVENUE)

NOTIFICATION NO 9/2025-Central Tax (Rate)

New Delhi, the 17th September, 2025

In exercise of the powers conferred by sub-section (1) of section 9 and sub-section (5) of section 15 of the Central Goods and Services Tax Act, 2017 (12 of 2017), and in supersession of the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 01/2017-Central Tax (Rate), dated the 28th June, 2017 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 673(E), dated the 28th June, 2017, except as respects things done or omitted to be done before such supersession, the Central Government, on the recommendations of the Council, **hereby notifies the rate of central tax** of-

(i) 2.5 per cent. in respect of goods specified in Schedule I; (ii) 9 per cent. in respect of goods specified in Schedule II; (iii) 20 per cent. in respect of goods specified in Schedule III; (iv) 1.5 per cent. in respect of goods specified in Schedule IV; (v) 0.125 per cent. in respect of goods specified in Schedule V; (vi) 0.75 per cent. in respect of goods specified in Schedule VI, and (vii) 14 per cent. in respect of goods specified in Schedule VII,

appended to this notification (hereinafter referred to as the said Schedules), that shall be levied on intra-State supplies of goods, the description of which is specified in the corresponding entry in column (3) of the said Schedules, falling under the tariff item, sub-heading, heading or Chapter, as the case may be, as specified in the corresponding entry in column (2) of the said Schedules.

Schedule I – 2.5%

S. No.	Chapter/Heading/ Subheading/Tariff item	Description of goods
71	1211	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, frozen or <u>dried</u>, whether or not cut, crushed or powdered.

16. On going through the aforementioned Notification, we find that there is only one entry in the said Notification i.e. Entry No.71 falling under Schedule I of Notification No.09/2025-Central Tax (Rate) covering heading 1211 which reads 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, frozen or dried, whether or not cut, crushed or powdered," wherein GST rate is 5% (2.5% CGST + 2.5% SGST). The Psyllium seeds are parts of plants (seeds) of a kind used in pharmacy i.e. manufacture of isabgol, the same is dried, hence the same is squarely covered under the ambit of Entry No.71 of the Schedule-I of Notification No.09/2025- Central Tax (Rate) dated 17.09.2025.

17. Next, we need to refer to Notification No.10/2025-Central Tax (Rate) dated 17.09.2025 which reads as under:

GOVERNMENT OF INDIA

MINISTRY OF FINANCE

(DEPARTMENT OF REVENUE)

NOTIFICATION No. 10/2025-Central Tax (Rate)

New Delhi, the 17th September, 2025

G.S.R...-(E). - In exercise of the powers conferred by sub-section (1) of section 11 of the Central Goods and Services Tax Act, 2017 (12 of 2017), and in supersession of the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 02/2017-Central Tax (Rate), dated the 28th June, 2017 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 674(E), dated the 28th June, 2017, except as respects things done or omitted to be done before such supersession, the Central Government, being satisfied that it is necessary in the public interest so to do, on the recommendations of the Council, hereby **exempts** intra-State supplies of goods, the description of which is specified in column (3) of the Schedule appended to this notification, falling under the tariff item, sub-heading, heading or Chapter, as the case may be, as specified in the corresponding entry in column (2) of the said Schedule, from the whole of the central tax leviable thereon under section 9 of the Central Goods and Services Tax Act, 2017 (12 of 2017).

SCHEDULE

S. No.	Chapter/Heading/ Subheading/Tariff item	Description of goods
77	12	All goods of seed quality
87	1211	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

18. We find that the aforementioned Notification covers a comprehensive list of products/items which are exempt from GST. On going through the aforementioned Notification, we find that there are two entries i.e. Entry No.77 which reads as "**All goods of seed quality**" covering Chapter 12 and the other is Entry No.87 covering heading 1211 and reads 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**". As discussed earlier, the product 'Psyllium seeds' is part of plant (seed) and is used in pharmacy for the production of 'Isabgol'. Moreover, the said seeds can not be termed as 'fresh' at the time of supply by applicant, as discussed in paras supra. Entry No.87 is a specific entry covering products of heading 1211 only and aptly covers 'Psyllium seeds' which are "fresh or chilled" only. Hence, we find and conclude that "Psyllium seeds" being dried as discussed above, are not covered under Entry No.87 of Notification No.10/2025-Central Tax (Rate) dated 17.09.2025 under NIL GST.

19. We also note, that the Advance Ruling No. GUJ/GAAR/R/2026/21 dated 29.05.2026 of the Gujarat Authority for Advance Ruling in the case of M/s Jigneshkumar Narayandas Patel (Trade Name: Akshar Traders), which has been referred by applicant said to be based on similar material facts, holding that Psyllium Seeds (Isabgol) supplied in natural, raw and unprocessed form, as procured through APMC auctions directly from farmers, without undergoing drying, freezing, crushing or other processing, qualify as 'fresh' Isabgol seeds exempt to tax under Entry 87 (HSN 1211) of Notification No. 10/2025-Central Tax (Rate) dated 17.09.2025, can not be relied upon to form an opinion in this case as we do not have access to the facts of that case. As per section 103 of the CGST Act 2017, the above referred ruling does not have a binding effect.

20. In view of the foregoing facts, circumstances and provisions of the GST law, we pass the following ruling: -

RULING

Q.1. 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"?

A.1. No, Psyllium Seeds (Isabgol) supplied by the applicant can not be said to qualify as "fresh" Isabgol seeds and are not 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." The same are liable to tax @ 5% under Notification No. 09/2025-CT dt 17.09.2025.

Q.2. 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?

A.2. No, in view of answer to Question 1.

23/07/2025

(Mahipal Singh)
MEMBER
CENTRAL TAX

(Dr. Akhedan Charan)
MEMBER
STATE TAX

F. No. AAR/SF/2026-27/384-389

Date: 29.07.2025

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2. The Chief Commissioner, State Tax, Kar Bhawan, Bhawani Singh Road, Ambedkar Circle, C-Scheme, Jaipur-302005.
3. The Commissioner, CGST and Central Excise, JODHPUR, Rajasthan.
4. The Deputy Commissioner, State Tax, Circle-NAGAUR, ZONE- AJMER, KAR BAHWAN Kar Bhawan, Opp. Police line, Manasar Circle, Nagaur-341001
5. The Assistant Commissioner, Central Tax, CGST Division- NAGAUR, NAGAUR