



**BEFORE THE AUTHORITY FOR ADVANCE RULING - ANDHRA PRADESH**

**Goods and Service Tax**

D.No.12-468-4, Adjacent to NH-16 Service Road, Kunchanapalli, Guntur-522501

**Present**

1. Sri. K.Ravi Sankar, Commissioner of State Tax (Member)
2. Sri.B. Lakshmi Narayana, IRS, Additional Commissioner of Central Tax (Member)

**AAR No.16/AP/GST/2024 dated: 17.02.2025**

1	Name and address of the applicant	M/s Olam Agri India Private Limited
2	GSTIN	37AAACO5798A1ZC
3	Date of filing of Form GST ARA-01	21.11.2024
4	Personal Hearing and Virtual Hearing Mode	30-01-2025 03-02-2025
5	Represented by	Monish Shah, Chartered Accountant
6	Jurisdictional Authority - State	Kakinada Port Circle, Kakinada Division
7	Clause(s) of section 97(2) of CGST/SGST Act, 2017 under which the question(s) raised	b) Applicability of a notification issued under the provisions of the act; e) Determination of the liability to pay tax on any goods or services or both;

**ORDER**

**(Under sub-section (4) of Section 98 of Central Goods and Services Tax Act, 2017 and sub-section (4) of Section 98 of Andhra Pradesh Goods and Services Tax Act, 2017)**

1. At the outset we would like to make it clear that the provisions of CGST Act, 2017 and APGST Act, 2017 are in parimateria and have the same provisions in like matter and differ from each other only on a few specific provisions. Therefore, unless a mention is particularly made to such dissimilar provisions, a reference to the CGST Act, 2017 would also mean reference to the corresponding similar provisions in the APGST Act, 2017.
2. The present application has been filed u/s 97 of the Central Goods & Services Tax Act, 2017 and AP Goods & Services Tax Act, 2017 (hereinafter referred to CGST Act and APGST Act respectively) by M/s. Olam Agri India Private Limited (hereinafter referred to as applicant), registered under the AP Goods & Services Tax Act, 2017.



### 3. Brief Facts of the case:

M/s Olam Agri India Private Limited, applicant is supplying rice to customers in pre/package and labelled packages having quantity upto 25 KG. The outward supply is generally zero-rated supply under Section 16 of IGST Act or supplying to merchant exporters who purchase either on bill to ship basis or for the purpose of exports.

The applicant is supplying rice to customers in pre packaged and pre labelled upto 25KG to

a. Customers located abroad ("foreign buyer"):-

- (i) Foreign buyer provides the specification which have to be printed/labelled on the packages of rice, which are intended for sale to it. They procure empty bag and get them printed/labelled according to the specifications of the foreign buyer from supplier of packing material.
- (ii) The supplier of packing material dispatches the printed/labelled empty bags, having capacity upto 25 kgs, to applicant's premises.
- (iii) Applicant packs rice in their factory in these bags and export it to foreign buyer.

b. Customers located in India who purchase rice from the applicant for the purpose of exports on "bill to ship to" basis ("Exporter") -

- i. The supplier of packing material dispatches the printed/labelled empty bags, having capacity upto 25 kgs, to applicant's premises on directions of exporter (i.e. on "bill to ship to" basis, bill to exporter and ship to us).
- ii. Applicant pack the rice in empty bags and dispatch the prepackaged rice to customs port on instructions of Exporter (i.e., bill to exporter and ship to customs port). Exporter ultimately exports the rice to foreign buyer.

c. Customers located in India who purchase rice from the applicant for the purpose of exports ("Exporter") -

- i. The supplier of packing material dispatches the printed/labelled empty bags, having capacity upto 25 kgs., to applicant's premises on directions of exporter (i.e., on "bill to ship to" basis, bill to exporter and ship to applicant).
- ii. Applicant pack the rice in empty bags and dispatch the prepackaged rice to factory of Exporter. Exporter exports the prepackaged rice to foreign buyer.

d. Purchase of rice upto 25Kg at concessional rate (as per terms of 40/2017 CGST or 41/2017 IGST) and exporting to foreign buyers as per condition laid in the Point-a above.



#### 4. Questions raised before the authority:

The applicant sought advance ruling on the following:

- i) Whether GST would be leviable on export of pre-packaged and labelled rice up to 25 Kgs, to foreign buyer ?
- ii) Whether GST would be applicable on supply of pre-packaged and labelled Rice up to 25 Kgs, to exporter on "bill to ship to" basis i.e., bill to exporter and ships to customs port. Exporter ultimately exports the rice to foreign buyer ?
- iii) Whether GST would be applicable on supply of pre-packaged and labelled rice up to 25 Kgs, to the factory of exporter. Exporter will export the rice ?
- iv) Whether GST would be applicable on goods procured from other party at concessional rate of 0.10 % (0.5 % +0.5 %) as per notification 40/2017 or 41/2017 and export the goods directly to foreign buyers for pre-packaged and labelled rice up to 25 Kgs, at 5%?

#### 5. Personal Hearing:

The tax payer was given an opportunity of Personal Hearing on 30.01.2025; On the request of tax payer another hearing was conducted through Virtual Mode on 03-02-2025 for which the authorized representative, Sri Monish Shah, Chartered Accountant has appeared and reiterated the facts narrated in their application.

#### 6. Discussions and Findings:

- 6.1 The applicant is under State jurisdiction i.e., Kakinada Port Circle, Kakinada Division. The State Jurisdictional Assistant Commissioner (ST), Kakinada Port Circle submitted his remarks as per Sec. 98(1) of CGST /APGST Act 2017 and stated that the Tax payer is involving export of rice and claimed refunds which are under Comprehensive Verification/Audit for the period 2019-20, 2020-21, 2021-22 and 2022-23. He further submitted that the transactions effected by the Taxpayer during the audit/adjudication period i.e., 2020-21 to 2022-23 involves export of pre-packed and labelled rice upto 25 Kgs as well as inward supplies of rice procured from other parties at concessional rate of 0.1% in terms of Notification No. 41/2017-Integrated Tax (Rate), dated the 23rd October, 2017 and Notification No. 40/2017-Central Tax (Rate), dated the 23rd October, 2017.
- 6.2 As per the first proviso to sub-section (2) of Section 98 of the GST Act speaks that the Authority shall not admit the application where the question raised in the application is already pending or decided in any proceedings in the case of an applicant under any of the provisions of this Act.

6.3 In the instant case , on careful examination of the submissions made by the Authorized representative during the personal hearing and the remarks made by the Jurisdictional Assistant Commissioner (ST), Kakinada Port Circle, Kakinada division, it is observed that the question raised in the application is already decided for the year 2020-21 and pending for adjudication for the years 2021-22 and 2022-23.

6.4 Accordingly, the instant application is, therefore, found liable for rejection.

**Sd/-K. Ravi Sankar**  
**Member**

**Sd/- . Lakshmi Narayana**  
**Member**

//t.c.f.b.o//

  
Deputy Commissioner (ST)  
Registrar

Authority for Advance Ruling  
O/o. Chief Commissioner (State Tax)  
Andhra Pradesh,

**To**

M/s. Olam Agri India Private Limited, Ground Floor,  
D.No.16-23- 65/A, Flat No. 101 & 102, Revenue Block No.16,  
Situated at Road no.1, Ayodhya Nagar, Kakinada,  
Andhra Pradesh, 533003. **(By Registered Post)**

**Copy to**

1. The Assistant Commissioner (ST), Kakinada Port Circle, Kakinada Division through mail) with a direction to communicate the copy to the Central Tax authorities )
2. The Commissioner of Central Tax, CGST, GST Bhavan, Central Revenue Buildings, Kannavari Thota, Guntur – 522 004

**Copy submitted to**

1. The Chief Commissioner (State Tax), O/o Chief Commissioner of State Tax, Kunchanapalli, Guntur District, (A.P).
2. The Principal Chief Commissioner (Central Tax), O/o Principal Chief Commissioner of Central Tax & Customs, Visakhapatnam Zone, GST Bhavan, Port area, Visakhapatnam-530035. A.P.

**Note:** Under Section 100 of the APGST Act 2017, an appeal against this ruling lies before the Appellate Authority for Advance Ruling constituted under Section 99 of APGST Act, 2017, with in a period of 30 days from the date of service of this order.