

# 18% GST on ready-to-cook idli, dosa mixes, rules AAR

READY-to-cook dosa, idli, porridge mix, etc., sold in powdered form are taxable at 18 per cent, even though the GST rate is 5 per cent if they are sold as batter, the Tamil Nadu bench of the Authority for Advance Ruling (AAR) has ruled. Krishna Bhavan Foods and Sweets had approached the bench seeking a ruling on the Goods and Services Tax (GST) rate applicable on 49 products sold under a brand name, such as bajra, jowar, ragi and multigrain porridge mix,

The AAR observed that the products sold by the entity are all food preparations in the form of powder. “The Dosai

Mixes and Idli Mixes are packed and sold as mixes which are to be mixed with water/boiled water/curd to make it as batter and the product sold is a powder and not batter.. All the 49 products for which the ruling is sought... the applicable rate is 9 per cent CGST and 9 per cent SGST,” the AAR ruled.

AMRG & Associates Senior Partner Rajat Mohan said, “This kind of legal interpretation by the authority for the advance ruling would lead to an inverted duty structure for the entire industry, posing them to file tax refunds on a regular basis”. *PTI*