



**TELANGANA STATE AUTHORITY FOR ADVANCE RULING**  
**CT Complex, M.J Road, Nampally, Hyderabad-500001.**  
**(Constituted under Section 96(1) of TGST Act, 2017)**

**Present:**

**Sri B. Raghu Kiran, IRS, Additional Commissioner (Central Tax)**

**Sri S.V. Kasi Visweswara Rao, Additional Commissioner (State Tax)**

**A.R.Com/13/2020**

**Date:17.01.2022**

**TSAAR Order No.02/2022**

**[ORDER UNDER SECTION 98(4) OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 AND UNDER SECTION 98(4) OF THE TEALANGANA GOODS AND SERVICES TAX ACT, 2017.]**

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1. M/s. Hylasco Bio-technology Private Limited, Plot No. 4B, Alexandria Knowledge Park, Turkapally Village, Shameerpet Mandal, Telangana, Hyderabad-500078 (36AACCH9043H1ZJ) has filed an application in **FORM GST ARA-01** under Section 97(1) of TGST Act, 2017 read with Rule 104 of CGST/TGST Rules.
2. At the outset, it is made clear that the provisions of both the CGST Act and the TGST Act are the same except for certain provisions. Therefore, unless a mention is specifically made to any dissimilar provisions, a reference to the CGST Act would also mean a reference to the same provision under the TGST Act. Further, for the purposes of this Advance Ruling, the expression 'GST Act' would be a common reference to both CGST Act and TGST Act.
3. It is observed that the queries raised by the applicant fall within the ambit of Section 97 of the GST ACT. The Applicant enclosed copies of challans as proof of payment of Rs. 5,000/- for SGST and Rs. 5,000/- for CGST towards the fee for Advance Ruling. The Applicant has declared that the questions raised in the application have neither been decided by nor are pending before any authority under any provisions of the GST Act.

**4. Brief facts of the case:**

M/s. Hylasco Bio-technology Private Limited are importing rat feed and paying GST on the same under HSN 23099010. The Government of India vide Notification No. 02/2017 dated: 28.06.2017 has exempted certain categories of aquatic, poultry and cattle feed falling under HSN chapter 2302, 2304, 2305, 2306, 2308 & 2309 from tax under GST. The applicant is of the opinion that rate feed falls under Sl.No.102 of the said notification and seeks clarification regarding the exemption applicable to them. Hence this application.

**5. Questions raised:**

1. Whether the product Rodent Feed can be classified under the HSN 2309 90 10 or not?
2. If No, HSN applicable for the specified product?
3. As HSN 2309 is exempt under the Serial Number 102 of Notification no. 02/2017, whether the product Rodent Feed which falls under the same group is also exempt, if not the taxability of the same?

**6. Personal Hearing:**

The Authorised representatives of the unit namely K.V. Suresh Babu, CA attended the personal hearing held on 25-11-2021. The authorized representatives reiterated their averments in the application submitted and contended as follows:

1. That, they are importing rodent feed under HSN 23099010 and paying customs on the same HSN.
2. That, they are also paying IGST against the same HSN.
3. That, under Notification No.2/2017 at Sl.No.102 the HSN 2309 is made exempted.

4. That, they seek clarification regarding the classification of the said commodity.

7. **Discussion & Findings:**

The applicant is in the business of importing rodent feed for captive farming of rodents used in scientific research. They are also selling the product for the organizations involved in similar business. They have filed this application for clarifying their claim of exemption under Sl.No.102 of Notification No. 02/2017 for exempting certain goods dated: 28.06.2017. The contents of the relevant portion of the notification are abstracted below:

Sl.No	Tariff item	Description
102	2302, 2304, 2305, 2306, 2308, 2309	Aquatic feed including shrimp feed and prawn feed, poultry feed & cattle feed, including grass, hay & straw, supplement & husk of pulses, concentrates & additives, wheat bran & de-oiled cake

This exemption notification has grouped various tariff items under a single Serial no. 102 and has given an inclusive description for the same. Further neither the specific word 'rodent feed' nor the general words such as 'animal feed' are used. In this connection a reference need to be made to the law declared by the Hon'ble Supreme Court of India in the case of NDP Namboodripad Vs UOI (2007) 4 SCC 502 wherein it has been held that the word 'includes' can be used to connote a specific meaning i.e., as in "means and includes or comprises or consists of". Therefore the description is exhaustive, and no further extension of the words used in the Notification can be made to include any other word.

The Hon'ble Apex Court of India in the case of State of Gujarat v. Essar Oil Ltd., held that the principle that in case of ambiguity, a taxing statute should be construed in favour of the assessee, does not apply to the construction of an exception or an exempting provision, which must be construed strictly, and in case of any doubt or ambiguity, the benefit must go to the State (State of Gujarat v. Essar Oil Ltd & Anr., (2012) 3 SCC 522). The general rule is strict interpretation of exemptions (Commissioner of Customs Vs M. Ambalal & Company, (2011) 2 SCC 74).

The Hon'ble Apex court of India in the case of Commissioner of Central Excise, Surat-I Vs Favourite Industries, (2012) 7 SCC 153 held that an exemption notification must be interpreted in light of the words employed by it and not on any other basis and there cannot be any addition or subtraction from the words used in the exemption notification as it requires strict interpretation by the Courts. The wordings of the exemption notification have to be given its natural meaning when the wordings are simple, clear and unambiguous.

Therefore in the absence of any specific reference to other animal feed or rodent feed, this exemption notification cannot be extended to the commodity dealt by the applicant.

8. **In view of the observations stated above, The ruling is given as below :**

**Advance Ruling**

Questions	Ruling
1. Whether the product Rodent Feed can be classified under the HSN 2309 90 10 or not?	Yes. But not covered under the exemption notification.
2. If No, HSN applicable for the specified product?	Please refer above.
3. As HSN 2309 is exempt under the Serial Number 102 of Notification no. 02/2017, whether the product Rodent Feed which falls under the same group is also exempt, if not the taxability of the same?	Description to Sl.No.102 does not include rodent feed and hence taxable under Sl.No.453 of Schedule III of Notification No. 01/2017 dated: 28.06.2017 at the rate of 9% CGST & SGST each.

(S.V. KASI VISWESHWAR RAO)  
ADDL. COMMISSIONER (State Tax)

(B. RAGHU KIRAN)  
ADDL. COMMISSIONER (Central Tax)

**[Under Section 100(1) of the CGST/TGST Act, 2017, any person aggrieved by this order can prefer an appeal before the Telangana State Appellate Authority for Advance Ruling, Hyderabad, within 30 days from the date of receipt of this Order]**

To  
M/s. Hylasco Bio-technology Private Limited,  
Plot No. 4B, Alexandria Knowledge Park,  
Turkapally Village, Shameerpet Mandal,  
Telangana, Hyderabad-500078

Copy submitted to :

1. The Commissioner (State Tax) for information.
2. The Commissioner (Central Tax), Hyderabad Commissionerate, Room No. 813, GST Bhavan, L.B. Stadium Road, Basheerbagh, Hyderabad 500 004.

Copy to:

1. The Assistant Commissioner(State Tax), Punjagutta circle.  
//t.c.f.b.o//

Superintendent (Grade-I)