



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 S.V. Kasi Visweswara Rao, Additional Commissioner (State Taxes)
Sri Sahil Inamdar, Additional Commissioner (Central Taxes)

A.R.Com/16/2023

Date:07.02.2024

TSAAR Order No.03/2024

[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.]

1. M/s. Stanex Drugs & Chemicals Private Limited, 16-140/1, Street No 3 Prashanthi, Nagar, Uppal, Hyderabad, Telangana- 500039 (36AAICS7104A1ZQ) 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/- under SGST and Rs. 5,000/- under CGST towards the fee for Advance Ruling. The Applicant has declared that the questions raised in the application have neither been decided nor are pending before any authority under any provisions of the CGST/TGST Act'2017. The application is, therefore, admitted after examining it and the records called for and after hearing the applicant as per section 98(2) of TGST Act'2017.

4. BRIEF FACTS OF THE CASE:

- 4.1 M/s. Stanex Drugs and Chemicals Private Limited [Herein after called SDCPL] Rep. by K Bhagavan Reddy, Managing Director, Registered office of the D.NO:16-140/1, Street No 3 Prashanthi Nagar, Uppal, Hyderabad, TS-500 039, and Manufacturing place of the Plot No m112, IDS Phase 3, Cherlapally , Hyderabad 500051, and registered under the Goods and service tax Act 2017, and having the following details

S.NO	AUTHORITY ISSUED	PARTICULARS
01	GST No.	36AAICS7104A1ZQ
02	ROC CIN NO	U24239TG2004PTC044988
03	GMP / DRUG LICENCE NO	28/RR/AP/2009/F/R
04	UDYAM NO TS-02-0085479	TS-02-0085479

- 4.2 M/s. SDCPL GST No. 36AAICS7104A1ZQ, is one of the fastest growing pharmaceuticals in India, It was established in the year 2004 and has seen phenomenal growth and is active in developing, Manufacturing & Marketing of Domestic and Export comprehensive range of pharmaceutical formulation such as

small value parental. M/s. SDCPL valid manufacturing automation issued by the relevant competitive authorities manufacturing license and issuing authority director of drugs control administration Gove of Telangana State. M/s. SDCPL is one of the unique infrastructures in India for the manufacture of parental dosage forms. They are in the ceaseless pursuit of versatile and sophisticate product range also the M/s. SDCPL Manufactured products are exported to many of the countries. The M/s. SDCPL types of products currently manufactured on small value parental like liquid indictable (Vials) Pre-filled syringes and lyophilized products.

5. QUESTIONS RAISED:

Determination and of the liability to pay tax on any goods or services or both

S.No	Product Name
1.	Teicoplanin
2.	Caspofungin

M/s. SDCPL the manufacturing of the above products are taxable @ 5% by virtue of entry No.180 (List -1 Entry No 103) 181 , 181A Schedule - 1 of the Notification 01/2017 Central Tax Rate dated 28-06.2017 Drugs and medicines , formulations and Medicaments comes under HSN code 3002 and 3004, respectfully submit that seeking the clarification of the above products are comes under 5% or 12%.

6. PERSONAL HEARING:

The Authorized representatives of the unit namely Smt. Nitya Kamireddy, Director and Sri M.V.L. Narasimha Rao, Advocate & AR attended the personal hearing held on 06.08.2023. The authorized representatives reiterated their averments in the application. Further, the Authorised Representative/Applicant M/s. Stanex Drugs and Chemicals Private Limited, reiterated that their case /Similar Case is not pending in any proceedings in the applicant’s case under any of the provision of the Act and have not already decided in any proceedings in the applicant’s case under any of the provisions of the Act.

7. DISCUSSION & FINDINGS:

The Applicant is a manufacturer of parental dosage forms i.e., Drugs & Medicines. They have applied for Advance ruling in order to obtain clarification regarding rate of tax under CGST & SGST Acts for the following commodities:

1. Teicoplannin
2. Caspofungin

The item Drugs or Medicines is enumerated in Schedule-I of Notification 1/2017 dt:28.06.2017 as follows:

S. No.	Chapter / Heading / Sub-heading / Tariff item	Description of Goods
180.	30	Drugs or medicines including their salts and esters and diagnostic test kits, specified in List 1 appended to this Schedule
181.	30	Formulations manufactured from the bulk drugs specified in List 2 appended to this Schedule or pharmacopoeia]
181A	30	Medicaments (including those used in Ayurvedic, Unani, Siddha, Homeopathic or Bio chemic systems), manufactured exclusively in accordance with the formulae described in the authoritative books specified in the First Schedule to the Drugs and Cosmetics Act, 1940 (23 of

		1940) or Homeopathic Pharmacopoeia of India or the United States of America or the United Kingdom or the German Homeopathic Pharmacopoeia, as the case may be, and sold under the name as specified in such books or pharmacopoeia]
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These goods are taxable at the rate of 2.5% CGST & 2.5% of SGST further the commodity name is enumerated in the lists appended to this schedule. The commodities regarding which the clarification sort are enumerated in this list as follows:

Sl.No. in List – 1 to Schedule-I	Item
103	Capsosungin acetate
216	Teicoplanin

In the view of the above discussion it is clarified that the above two (2) commodities are taxable at the rate of 2.5% CGST & 2.5% of SGST.

8. In view of the foregoing, we rule as follows:

In view of the above discussion, the questions raised by the applicant are clarified as below:

Questions	Ruling
1. What is the rate of tax on Capsosungin acetate ?	The rate of 2.5% CGST & 2.5% of SGST.
2. What is the rate of tax on Teicoplanin ?	The rate of 2.5% CGST & 2.5% of SGST.


(S.V. KASI VISWESWARA RAO)
(ADDL. COMMISSIONER (STATE TAXES))


(SAHIL INAMDAR)
(ADDL. COMMISSIONER (CENTRAL TAXES))

[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. Stanex Drugs & Chemicals Private Limited,
16-140/1, Street No 3 Prashanthi, Nagar, Uppal,
Hyderabad, Telangana- 500 039.

Copy submitted to :

1. The Commissioner (State Taxes) for information.
2. The Commissioner (Central Taxes), Secunderabad Commissionerate, 4th Floor, GST Bhavan, Basheerbagh, Hyderabad, Telangana - 500004.

Copy to:

3. The Superintendent (Central Taxes) Uppal Range.