


GUJARAT AUTHORITY FOR ADVANCE RULING GOODS AND SERVICES TAX D/5, RAJYA KAR BHAVAN, ASHRAM ROAD, AHMEDABAD – 380 009.	
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ADVANCE RULING NO. GUJ/GAAR/R/2025/24
 (IN APPLICATION NO. Advance Ruling/SGST&CGST/2024/AR/10)

Date:-26/06/2025

Name and address of the applicant	:	Purnam Cuisines Pvt Ltd., Plot No. 170, Ground floor, Gota Vadsar Road, Ahmedabad Gujarat 380 060.
GSTIN of the applicant	:	24AAOCP5398R1Z9
Jurisdiction Office	:	Office of the Assistant Commissioner of State Tax, Unit-11, Range- 3, Division-1, Ahmedabad.
Date of application	:	02/05/2024
Clause(s) of Section 97(2) of CGST / GGST Act, 2017, under which the question(s) raised.	:	(a),(e)
Date of Personal Hearing	:	4.12.2024 and 22.5.2025
Present for the applicant	:	Shri M.H. Raval, Consultant

Brief facts:

M/s. Purnam Cuisines Pvt Ltd., Plot No. 170, Ground floor, Gota Vadsar Road, Ahmedabad, Gujarat 380 060 [for short – ‘applicant’] is engaged in the business of supply of peeled and chopped garlic. The applicant, is registered with the department and his registration number is 24AAOCP5398R1ZP.

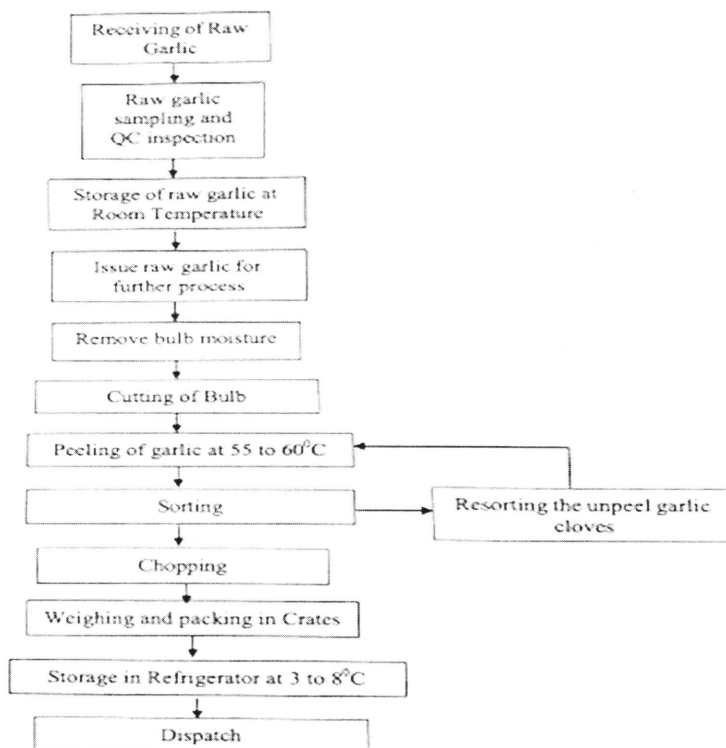
- The applicant purchases raw garlic bulbs. These garlic bulbs are thereafter subjected to quality inspection, sampling, moisture removal process, crushing of whole bulbs, peeling, sorting, chopping and packing.
- The applicant has submitted a copy of the flow chart, depicting the process adopted, which states as follows:



PURNAM CUISINES PVT.LTD

Product Name:	Chopped Garlic
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Flow Diagram



4. The applicant has also provided the list of machines used in the process, the details of which are as under:

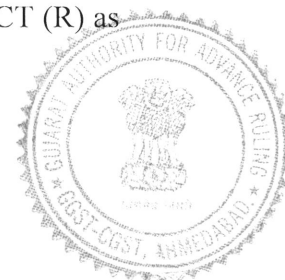
Annexure - B

List of Equipment's and Machinery

Sr. no .	Machine Name	Model no	Quantity	Power in KW
1	Garlic bulb Cutting machine	Divine make 400KGH	1	2.0
2	2Garlic Peeling machine no 1	Divine make 100KGH	1	1.5
3	3 Air compressor for M/c no 1	FS Compressor 58 CFM	1	11.0
4	Sorting conveyor for m/c no 01	Divine 15 ft x 2 ft	1	1.0
5	Hot Air dryer	Divine 400 KGH	1	7.5

5. The applicant has further stated viz

- that the processing of raw garlic bulb results in emergence of a new product having no different character but a distinct name – ‘chopped garlic’; that its use varies; that according to them the process carried out amounts to manufacture;
- that chopped garlic is not fresh having undergone various processes like quality inspection, sampling, moisture removal process, crushing of whole bulb of garlic, peeling, sorting, chopping and packing;
- that Rule 3 of the General Rules of Interpretation is applicable;
- that the chopped garlic so obtained, falls under Tariff heading 20.05, attracting GST @ 12% in terms of serial no. 37 of schedule II of notification No. 1/2017-CT (R) as the garlic is subject to certain process, but is not frozen.



6. In view of the foregoing, the applicant has sought advance ruling, in respect of following questions:

“(a) Whether the activity of peeling, chopping & packing of garlic amounts to manufacture?”

“(b) Whether classification of peeled, chopped & packed garlic falls under heading 07032000 or 20055900?”

“(c) Whether the applicant is required to discharge GST or not?”

7. Personal hearing was granted on 04.12.2024, wherein the Shri M.H. Raval, Consultant appeared on behalf of the applicant. He reiterated the submission already made in the application.

7.1 In pursuance to transfer of Member (Centre), fresh personal hearing was held on 22.5.2025, wherein Shri M.H.Raval, Consultant, appeared on behalf of the applicant and reiterated the submission. Consequent to the personal hearing, the applicant vide their letter dated 4.6.2025 submitted a flow chart, wastage ratio of the products and a video depicting the production process. The wastage ratio, as provided by the applicant is as under:

Raw Material	Finished Goods	Yield	Wastage
Raw Material (kg)	Finished Product (kg)	Yield (%)	Wastage (%)
1000	750-800	75-80%	20-25%

Discussion and findings

8. At the outset, we would like to state that the provisions of both the CGST Act and the GGST 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 provisions under the GGST Act.

9. We have considered the submissions made by the applicant in their application for advance ruling as well as the submissions made during the course of personal hearing. We have also considered the issue involved, the



relevant facts & the applicant's submission/interpretation of law in respect of question on which the advance ruling is sought.

10. Before dwelling on to the questions on which the applicant has sought ruling, it would be prudent to reproduce the relevant sections, extracts of CTH and HSN explanatory notes, etc. for ease of understanding viz

• **CENTRAL GOODS AND SERVICES TAX ACT, 2017**

Section 97. Application for advance ruling [relevant extract]

- (1)
- (2) *The question on which the advance ruling is sought under this Act, shall be in respect of,-*
- (a) *classification of any goods or services or both;*
 - (b) *applicability of a notification issued under the provisions of this Act;*
 - (c) *determination of time and value of supply of goods or services or both;*
 - (d) *admissibility of input tax credit of tax paid or deemed to have been paid;*
 - (e) *determination of the liability to pay tax on any goods or services or both;*
 - (f) *whether applicant is required to be registered;*
 - (g) *whether any particular thing done by the applicant with respect to any goods or services or both amounts to or results in a supply of goods or services or both, within the meaning of that term.*

• **Customs Tariff Chapter 07**

Tariff Item	Description of goods	Unit
(1)	(2)	(3)
0703	ONIONS, SHALLOTS, GARLIC, LEEKS AND OTHER ALLIACEOUS VEGETABLES, FRESH OR CHILLED	
0703 10	- Onions and shallots:	
0703 10 10	--- Onions	kg.
0703 10 20	--- Shallots	kg.
0703 20 00	- Garlic	kg.
0703 90 00	- Leeks and other alliaceous vegetables	kg.



• **Customs Tariff Chapter 20**

2005	OTHER VEGETABLES PREPARED OR PRESERVED OTHERWISE THAN BY VINEGAR OR ACETIC ACID, NOT FROZEN, OTHER THAN PRODUCTS OF HEADING 2006	
2005 10 00	- Homogenised vegetables	kg.
2005 20 00	- Potatoes	kg.
2005 40 00	- Peas (<i>pisum, sativum</i>)	kg.
	- Beans (<i>Vigna spp. Phaseolus spp.</i>)	
2005 51 00	-- Beans, shelled	kg.
2005 59 00	-- Other	kg.
2005 60 00	- Asparagus	kg.
2005 70 00	- Olives	kg.
2005 80 00	- Sweet corn (<i>Zea mays var. saccharata</i>)	kg.
	- Other vegetables and mixtures of vegetables:	
2005 91 00	-- Bamboo shoots	kg.
2005 99 00	-- Other	kg.

• **Explanatory notes of chapter 07 [relevant extracts]**

GENERAL

This Chapter covers vegetables, including the products listed in Note 2 to the Chapter, whether fresh, chilled, frozen (uncooked or cooked by steaming or boiling in water), provisionally preserved or dried (including dehydrated, evaporated or freeze-dried). It should be noted that some of these products when dried and powdered are sometimes used as flavouring materials but nevertheless remain classified in heading 07.12.

The term "chilled" means that the temperature of a product has been reduced, generally to around 0 °C, without the product being frozen. However, some products, such as potatoes, may be considered to be chilled when their temperature has been reduced to and maintained at + 10 °C.

The expression "frozen" means that the product has been cooled to below the product's freezing point until it is frozen throughout.

Unless the context otherwise requires, vegetables of this Chapter may be whole, sliced, chopped, shredded, pulped, grated, peeled or shelled.

The Chapter also includes certain tubers and roots with a high starch or inulin content, fresh, chilled, frozen or dried, whether or not sliced or in the form of pellets.

Vegetables not presented in a state covered by any heading of this Chapter are classified in Chapter 11 or Section IV. For example, flour, meal and powder of dried leguminous vegetables and flour, meal, powder, flakes, granules and pellets of potatoes are classified in Chapter 11, and vegetables prepared or preserved by any process not provided for in this Chapter fall in Chapter 20.

However, it should be noted that homogenisation, by itself, does not qualify a product of this Chapter for classification as a preparation of Chapter 20.

It should also be noted that vegetables of this Chapter remain classified here even if put up in airtight containers (e.g., onion flour in cans). In most cases, however, products put up in these packings have been prepared or preserved otherwise than as provided for in the headings of this Chapter, and are therefore excluded (Chapter 20).

Similarly, products of this Chapter remain classified here (e.g., fresh or chilled vegetables) when subjected to packaging by means of a Modified Atmospheric Packaging (MAP) process. In a MAP process the atmosphere surrounding the product is altered or controlled (e.g., by removing or reducing the oxygen content and replacing it with or increasing the nitrogen or carbon dioxide content).

Fresh or dried vegetables fall in this Chapter whether intended for use as food, for sowing or for planting (e.g., potatoes, onions, shallots, garlic, leguminous vegetables). However, the Chapter does not cover seedling vegetables in a condition for replanting (heading 06.02).

In addition to the exclusions mentioned above and in the Chapter Notes, this Chapter does not include :

- Chicory plants or chicory roots (heading 06.01 or 12.12).
- Certain vegetable products used as raw materials in the food industries e.g., cereals (Chapter 10) and sugar beet and sugar cane (heading 12.12).
- Flour, meal and powder of roots or tubers of heading 07.14 (heading 11.06).
- Certain plants and parts of plants, although sometimes used for culinary purposes, e.g., basil, borage, hyssop, all species of mint, rosemary, rue, sage and dried roots of burdock (*Arctium lappa*) (heading 12.11).
- Edible seaweeds and other algae (heading 12.12).
- Swedes, mangolds, fodder roots, hay, lucerne (alfalfa), clover, sainfoin, forage kale, lupines, vetches and similar forage products (heading 12.14).
- Beet or carrot tops (heading 23.08).



• **Explanatory notes of chapter 20 [relevant extracts]**

Chapter 20

Preparations of vegetables, fruit, nuts or other parts of plants

Notes.

- 1.- This Chapter does not cover :
 - (a) Vegetables, fruit or nuts, prepared or preserved by the processes specified in Chapter 7, 8 or 11;
 - (b) Food preparations containing more than 20 % by weight of sausage, meat, meat offal, blood, fish or crustaceans, molluscs or other aquatic invertebrates, or any combination thereof (Chapter 16);
 - (c) Bakers' wares and other products of heading 19.05; or
 - (d) Homogenised composite food preparations of heading 21.04.
- 2.- Headings 20.07 and 20.08 do not apply to fruit jellies, fruit pastes, sugar-coated almonds or the like in the form of sugar confectionery (heading 17.04) or chocolate confectionery (heading 18.06).
- 3.- Headings 20.01, 20.04 and 20.05 cover, as the case may be, only those products of Chapter 7 or of heading 11.05 or 11.06 (other than flour, meal and powder of the products of Chapter 8) which have been prepared or preserved by processes other than those referred to in Note 1 (a).
- 4.- Tomato juice the dry weight content of which is 7 % or more is to be classified in heading 20.02.
- 5.- For the purposes of heading 20.07, the expression "obtained by cooking" means obtained by heat treatment at atmospheric pressure or under reduced pressure to increase the viscosity of a product through reduction of water content or other means.
- 6.- For the purposes of heading 20.09, the expression "juices, unfermented and not containing added spirit" means juices of an alcoholic strength by volume (see Note 2 to Chapter 22) not exceeding 0.5 % vol.

Subheading Notes.

- 1.- For the purposes of subheading 2005.10, the expression "homogenised vegetables" means preparations of vegetables, finely homogenised, put up for retail sale as infant food or for dietetic purposes, in containers of a net weight content not exceeding 250 g. For the application of this definition no account is to be taken of small quantities of any ingredients which may have been added to the preparation for seasoning, preservation or other purposes. These preparations may contain a small quantity of visible pieces of vegetables. Subheading 2005.10 takes precedence over all other subheadings of heading 20.05.
- 2.- For the purposes of subheading 2007.10, the expression "homogenised preparations" means preparations of fruit, finely homogenised, put up for retail sale as infant food or for dietetic purposes, in containers of a net weight content not exceeding 250 g. For the application of this definition no account is to be taken of small quantities of any ingredients which may have been added to the preparation for seasoning, preservation or other purposes. These preparations may contain a small quantity of visible pieces of fruit. Subheading 2007.10 takes precedence over all other subheadings of heading 20.07.
- 3.- For the purposes of subheadings 2009.12, 2009.21, 2009.31, 2009.41, 2009.61 and 2009.71, the expression "Brix value" means the direct reading of degrees Brix obtained from a Brix hydrometer or of refractive index expressed in terms of percentage sucrose content obtained from a refractometer, at a temperature of 20 °C or corrected for 20 °C if the reading is made at a different temperature.

GENERAL

This Chapter includes :

- (1) Vegetables, fruit, nuts and other edible parts of plants prepared or preserved by vinegar or acetic acid.
- (2) Vegetables, fruit, nuts, fruit-peel and other parts of plants preserved by sugar.
- (3) Jams, fruit jellies, marmalades, fruit or nut purées, fruit or nut pastes, obtained by cooking.
- (4) Homogenised prepared or preserved vegetables and fruit.
- (5) Fruit or vegetable juices, neither fermented nor containing added alcohol, or of an alcoholic strength by volume not exceeding 0.5 % vol.
- (6) Vegetables, fruit, nuts and other edible parts of plants prepared or preserved by other processes not provided for in Chapter 7, 8 or 11 or elsewhere in the Nomenclature.
- (7) Products of heading 07.14, 11.05 or 11.06 (other than flour, meal and powder of the products of Chapter 8), which have been prepared or preserved by processes other than those specified in Chapter 7 or 11.
- (8) Fruit preserved by osmotic dehydration.

These products may be whole, in pieces or crushed.

The Chapter does not cover :

- (a) Food preparations containing more than 20 % by weight of sausage, meat, meat offal, blood, fish or crustaceans, molluscs or other aquatic invertebrates, or any combination thereof (Chapter 16).
- (b) Products such as fruit tarts, prepared with pastry (heading 19.05).
- (c) Soups and broths and preparations therefor and homogenised composite food preparations of heading 21.04.
- (d) Fruit or vegetable juices of an alcoholic strength by volume exceeding 0.5 % vol (Chapter 22).



11. To recapitulate, the applicant is engaged in the supply of peeled & chopped garlic. It is the applicant's case that the fresh garlic falls under HSN 0703, while the peeled & chopped garlic, having undergone the process [as mentioned in the flow chart *supra*] through the machines, as listed above, would fall under HSN 2005.

12. Moving on to the questions on which the applicant has sought ruling, we find that the first question posed before the authority is whether the activity of peeling, chopping and packing of garlic amounts to manufacture?

13. In terms of section 95(a) of the CGST Act, 2017, 'advance ruling' means **a decision provided by the Authority for Advance Ruling, to an applicant on matters or on questions specified in section 97(2)**, reproduced *supra*, in relation to the supply of goods or services or both being undertaken or proposed to be undertaken by an applicant. The question as to whether a particular process undertaken/proposed to be undertaken would amount to manufacture, does not find a mention under the seven matters listed at 97(2)(a), *ibid.* We, thus refrain from answering the said question.

14. The second question, is whether classification of peeled, chopped & packed garlic could fall under tariff heading 07032000 or 20055900?

15. Customs Tariff Act, 1975, has been made applicable to GST in terms of notification No. 1/2017-Central Tax (Rate) date 28.6.2017, viz

(iii) "Tariff item", "sub-heading" "heading" and "Chapter" shall mean respectively a tariff item, sub-heading, heading and chapter as specified in the First Schedule to the Customs Tariff Act, 1975 (51 of 1975).

(iv) The rules for the interpretation of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975), including the Section and Chapter Notes and the General Explanatory Notes of the First Schedule shall, so far as may be, apply to the interpretation of this notification.

16. Chapter heading 0703, relates to 'Onions, shallots, garlic, leeks and other alliaceous vegetables, fresh or chilled'. However, ongoing through the explanatory notes in respect of the said HSN, it is forthcoming that the heading covers fresh or chilled alliaceous vegetables, of which *garlic* is one amongst them. The general notes of the said chapter clearly states that vegetables of the



chapter may be *whole, sliced, chopped, shredded, pulped, grated, peeled or shelled*, wherein the term 'chilled', means that the temperature has been reduced, generally to around 0°C, without the product being frozen. It further states that vegetables remain classified in the chapter even if put up in airtight containers. However, the product put up in the packing have been prepared or preserved otherwise than as provided for in the headings of this chapter are **excluded**.

17. Likewise, chapter heading 2005, relates to 'other vegetables prepared or preserved otherwise than by vinegar or acetic acid, not frozen, other than products of heading 2006'. On going through the explanatory notes in respect of the HSN, what is forth coming is that the term 'vegetables' is limited to the product referred to in note 3; that these vegetables [other than the one prepared or preserved by vinegar or acetic acid, frozen vegetables and vegetables preserved by sugar] are classified in the heading when they have been prepared or preserved by process not provided for in chapter 7 or 11.

18. It is the applicant's claim that the garlic consequent to the process like quality inspection, sampling, moisture removal process, crushing of whole bulb of garlic, peeling, sorting, chopping and packing, does not remain fresh; that it is processed garlic & should hence fall under chapter 20 which deals with preparation of vegetables, fruits, etc..

19. No laboratory report, has been submitted by the applicant to substantiate the averment that the garlic, consequent to undergoing the process as shown in the flow diagram, does not remain fresh. However, contrary to the claim we find that the explanatory notes of chapter 07 states that the chapter covers vegetables, whether fresh chilled, frozen (uncooked or cooked by steaming or boiling in water) provisionally preserved or dried (including dehydrated, evaporated or freeze dried); that the vegetables of this chapter may be whole, sliced, chopped, shredded, pulped, grated, peeled or shelled. The chapter note, includes peeled, chopped, sliced vegetable. We find that the product of the applicant which is peeled and chopped garlic consequent to undergoing the process would therefore fall in 0703 only.



20. Moving on to the third question raised by the applicant, as to whether the applicant is required to discharge GST or not? The HSN of 0703 states as under viz

CHAPTER 7		GST Tariff – Goods				128
Chapter/ Heading/ Sub-heading/ Tariff Item	Description of goods	Unit	GST Rates ^a			
			Central CGST	State/UT SGST/ UTGST	Inter-State IGST ⁺	Compen- sation Cess
(1)	(2)	(3)	(4)	(5)	(6)	(7)
0703 10	- Onions and shallots :		2/2017-C.T. (Rate) & 2/2017-I.T. (Rate), dated 28-6-2017 and SGST/ UTGST Exemptions.			
	--- Onions:					
0703 10 11	---- Rose onion	kg.	Nil	Nil	Nil	Nil
0703 10 19	---- Other	kg.	Nil	Nil	Nil	Nil
0703 10 20	--- Shallots	kg.	Nil	Nil	Nil	Nil
0703 20 00	- Garlic	kg.	Nil	Nil	Nil	Nil
0703 90 00	- Leeks and other alliaceous vegetables	kg.	Nil	Nil	Nil	Nil

Thus, the product of the applicant falling under 0703 is leviable to **nil** GST.

21. In view of above, we rule as under:

RULING

- The ruling as to whether the activity of peeling, chopping & packing of garlic amounts to manufacture is not answered in terms of paragraph 13.
- Peeled, chopped & packed garlic falls under HSN 07032000.
- The applicant is not required to discharge GST since Peeled, chopped & packed garlic falls under HSN 07032000.

(Kamal Shukla)

Member (SGST)

Place: Ahmedabad

Date: 26.06.2025

(Vishal Malani)

Member (CGST)

