



RAJASTHAN AUTHORITY FOR ADVANCE RULING  
GOODS AND SERVICES TAX, KAR BHAWAN, AMBEDKAR  
CIRCLE, NEAR RAJASTHAN HIGHCOURT  
JAIPUR – 302005 (RAJASTHAN)



ADVANCE RULING NO. RAJ/AAR/2024-25/01

Mahipal Singh Additional Commissioner	:	Member (Central Tax)
Mahesh Kumar Gowla Additional Commissioner	:	Member (State Tax)
Name and address of the applicant	:	M/s BEBYMIL INTERNATIONAL PRIVATE LIMITED Plot No 70, Road No 8, Udyog Vihar, Near Rajasthan Hospital, Murlipura, Near Chopanki, JAIPUR - 302039, Rajasthan
GSTIN of the applicant	:	08AADCL6824D1ZM
Clause(s) of Section 97(2) of CGST/SGST Act, 2017, under which the question(s) raised	:	(a) classification of goods and services or both;
Date of Personal Hearing	:	19.02.2024
Present for the applicant	:	Mr Yashasvi Sharma, C.A.
Date of Ruling	:	09/04/2024

**Note 1:** Under Section 100 of the CGST/SGST Act, 2017, an appeal against this ruling lies before the Appellate Authority for Advance Ruling, constituted under Section 99 of CGST/SGST Act, 2017, within a period of 30 days from the date of service of this order.

**Note 2:** At the outset, we would like to make it clear that the provisions of both the CGST Act and the SGST 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 provision under the SGST Act. Further to the earlier, henceforth for the purposes of this Advance Ruling, a reference to such a similar provision under the CGST Act / SGST Act would be mentioned as being under the "GST Act".

The issue raised by M/s. BEBYMIL INTERNATIONAL PRIVATE LIMITED Plot No 70, Road No 8, Udyog Vihar, Near Rajasthan Hospital, Murlipura, Near Chopanki, JAIPUR -302039, Rajasthan (hereinafter "*the applicant*") is fit to pronounce advance ruling as it falls under the ambit of the Section 97(2)(a) given as under:

(a) classification of goods and services or both;

**A. SUBMISSION OF THE APPLICANT(in brief):-**

1. That M/s. Bebymil International Pvt. Ltd. (hereinafter referred as Applicant) is a company registered under the Companies Act, 2013 vide CIN:U15130DL2018PTC337541 effective from July 2019, having its head office at Plot No.70, Road No.8, Udyog Vihar, Near Rajasthan Hospital, Murlipura, Jaipur. The factory of the applicant is at Shade No.21, Greentech Mega Park, Bhadun Road, Roopangarh, Ajmer (Raj.). The main object of the company is to carry on the business of manufacturing, dealing, processing and trading of infant milk formula 0-24 months.
2. That the applicant is also registered under the Central/ Rajasthan Goods and Services Tax Act, 2017 (hereinafter referred as C/SGST Act, 2017) vide GSTIN: 08AADCL6824D1ZM w.e.f. 25.08.2021. The applicant also possess various trademarks for its numerous products along with other registrations as are applicable for the time being in force.

3. That the applicant is engaged in the business of manufacturing and trading of infant milk formula, infant cereals, protein supplements for children and adults, dairy whitener, whole milk powder, skimmed milk powder, fat filled powder etc. The principal/ dominant item of the applicant is manufactured in the name of "infant milk formula" which is being used as a substitute to mother's milk for the infants.

**B. INTERPRETATION AND UNDERSTANDING OF APPLICANT ON QUESTION RAISED (IN BRIEF)**

The product portfolio of the applicant contains various food items being used for infants/ children. Some of the items which are being manufactured by the applicant are mentioned hereunder for your kind perusal:

**INFANT NUTRITION**

**1. Infant Formula**

- Momylac 1 ( Upto 6 Months )
- Momylac 2 ( 6 to 12 Months )
- Momylac 3 ( 12 to 24 Months )
- Momylac Premium 1 ( Upto 6 Months )
- Momylac Premium 2 ( 6 to 12 Months )
- Momylac Premium 3 ( 12 to 24 Months )
- Momylac LBW ( Low Birth Weight ) ( 0 to 24 Months )
- L & S Free (Lactose & Sucrose Free) ( 0 to 24 Months )

**2. Infant Cereals**

- Shishulac Rice ( 6 to 24 Months )
- Shishulac Wheat Apple ( 6 to 24 Months )
- Shishulac Wheat Apple Cherry ( 8 to 24 Months )
- Shishulac Rice – Wheat ( Apple & Strawberry ) ( 10 to 24 Months )
- Shishulac Rice – Wheat – Moong Dal ( Carrot – Spinach ) ( 12 to 24 Months )
- Shishumil Rice – Moong Dal ( 6 to 24 Months )

**CHILDREN PROTEIN SUPPLYMENT**

- Bebymil Junior Chocolate ( 2 Years and Above )
- Bebymil Junior Vanilla ( 2 Years and Above )

**METERNAL & LACTATING WOMEN PROTEIN SUPPLYMENT**

- Mommypro Chocolate
- Mommypro Vanilla

This is the complete range of products which are manufactured at the factory of the applicant at Roopangarh, Ajmer, Rajasthan and from there these products are dispatched throughout the country via it's dealer network.

4. That applicant is submitted this advance ruling to seek clarity on tax rate on it's principal/ dominant item "infant milk formula" commercially known as "Momylac". The exact description and other related information of the principal/ dominant item are mentioned hereunder for ready reference :

**A. MOMYLAC PREMIUM**

- a. Momylac Premium provides gut health with good ratio of Whey & Casein.
- b. Momylac Premium provides Bone development with Ca : P in 2:1.
- c. Momylac Premium provides Brain Development with DHA : ARA in 1:1.
- d. Momylac Premium is easy to digest with Lactose and provide Catch up growth with Optimum amount of protein.

- e. Momylac premium provides **GOS FOS ratio 9:1** which is closer to breast milk, its promotes immunity through gut.

**B. MOMYLAC LBW**

- a. Momylac LBW is a **LOW BIRTH WEIGHT & PRETERM INFANT MILK FORMULA**.
- b. Momylac LBW provides catch up growth with high energy levels **79 Kcal** in 100ML of milk and **2.1 gm** of protein.
- c. Momylac LBW provides Bone developments with **Ca:P ratio 2:1** and Vitamin D3.
- d. Momylac LBW provides Immune development with, Zinc and vit - C ,vit – B2 and vitamin B12.
- e. Momylac LBW provides GI health with **60 : 40** whey casein ratio, dual component of carbohydrate such as lactose and dextrose.
- f. Momylac LBW provides Brain development with **DHA : ARA** in 1:1 and Iron & folic acids.



**C. L & S FREE**

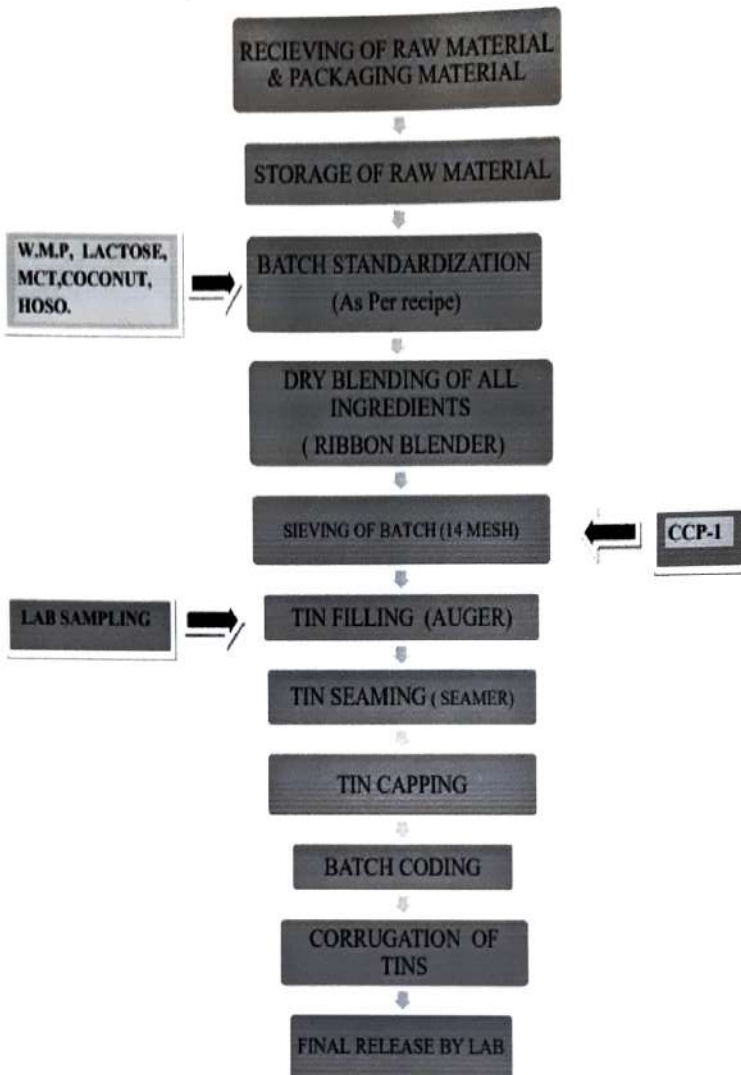
- a. L&S Free Is lactose and sucrose free infant milk formula.
- b. When baby gets uneasiness because of:
- c. Lactose & sucrose intolerance
- d. Diarrhea
- e. Abdominal discomforts
- f. Persistence diarrhea
- g. L&S Free is a milk protein formula , which is **CASEIN** protein in it.
- h. L&S Free is available with **ZINC** which reduces the episodes of diarrhea.
- i. L&S Free is available with **MCT** which **improves** digestibility & Palatability.
- j. L&S Free is available with **LA : ALA** which helps in brain development.
- k. L&S Free is good in taste better acceptance over soya.

Literature of the product is enclosed with the application in Annexure-C. Sample of the product may be presented at the time of personal hearing.

The above description of product clearly reflects that these are baby milk formulas for different infants and different conditions of the infants.

5. That the production process of the product is also mentioned hereunder for kind perusal :

**BEBYMIL INTERNATIONAL PVT. LTD.**  
**PROCESS FLOW CHART OF INFANT MILK SUBSTITUTE**



6. That the applicant, under the influence of one segment of competitors, was forced to charge 9% tax under CGST Act and 9% under the RGST Act and/ or 18% under the Integrated Goods and Services Tax (hereinafter referred as IGST) on Milk for babies under HSN – 1901 1090 under the heading "Other". Whereas the confusion over the rate being created by the other segment of competitors who are charging 2.5% tax under CGST Act and 2.5% under the RGST Act and/ or 5% under IGST Act on these articles under HSN – 4022 2920.

C. QUESTIONS ON WHICH THE ADVANCE RULING IS SOUGHT:-

Q. The applicant is supplying "Milk food for babies" and "Milk for babies" under the trade name of "Momylac". The rate of tax being charged on these products by the applicant is 18% (9% CGST & 9% SGST/ 18% IGST) under HSN 19011090. Whereas, it appears that the above items fall under the HSN 04021020 and 04022920, respectively, which are taxable @ 5% (2.5% CGST & 2.5% SGST/ 5% IGST). Kindly clarify the rate of tax on these items whether these should be taxed at 5% or 18%?

**D. PERSONAL HEARING**

In the matter, personal hearing was granted to the applicant on 21.02.2024. Mr Yashasvi Sharma, C.A. Authorized Representative appeared for personal hearing. He reiterated the submission already made by them.

**E. COMMENTS OF THE JURISDICTIONAL OFFICER:-**

Comments received from the Deputy commissioner Circle-B, Jaipur-IV vide letter 377 /बी/संस्था/2023/1059 dated-19.02.2024 are as under: -

उपरोक्त विषयान्तर्गत निवेदन है कि करदाता द्वारा राज्य एवं राज्य के बाहर से पंजीकृत करदाताओं से Milk Powder, Soya fat powder, oil, sunflowers fat powder, apple Juice powder SD, Carrot Powder इत्यादि की खरीद की जाती है। करदाता द्वारा स्वयं के ब्राण्ड नाम से अलग-अलग पैकिंग तैयार की जाती है। करदाता द्वारा की गई खरीद का एक आनुपातिक Formula से Mixer तैयार किया जाता है। Mixer को मशीन द्वारा मिक्स करके अलग-अलग ब्राण्ड तैयार किये जाते हैं। जिनका विवरण निम्नानुसार है।

Item Name (Brand Name)	INGREDIENTS
MOMYLAC 1	Whole Milk Powder, Dextrose Monohydrate, De-Mineralized Whey ( 12% ),Lactose, Soyabean Fat, Coconut Fat, Medium Chain Triglycerides Fat, Whey Protein Concentrate ( 1 % ), Minerals: Potassium Chloride, Calcium Carbonate, Di Calcium Phosphate, Sodium Bicarbonate, Magnesium Oxide, Ferrous Bisglycinate, Zinc Sulphate, Copper Gluconate, Potassium Iodide, Manganese Chloride, Sodium Selenate. Vitamins Choline Bitartrate, Sodium Ascorbate, Nicotinamide, D alpha Tocopheryl Acetate, Pantothenic Acid, Riboflavin, Retinol Equivalent, Thiamine Mononitrate, Pyridoxine Hydrochloride, Dictary Folate Equivalent, Phylloquinone, Biotin, Ergocalciferol, Cyanocobalamin. Galacto-Oligosaccharides, Fructo-Oligosaccharides. Contains: Milk & Soyabean.
MOMYLAC PREMIUM 1	Whole Milk Powder,De-Mineralized Whey ( 14.2% ), Dextrose Monohydrate, Soyabean Fat, Lactose, Whey Protein Concentrate ( 1.7%), Medium Chain Triglycerides Fat, Coconut Fat, Minerals : Potassium Chloride, Calcium Carbonate, Di Calcium Phosphate, Di Calcium Phosphate, Sodium Bicarbonate, Magnesium Oxide, Ferrous Bisglycinate, Zinc Sulphate, Copper Gluconate, Potassium Iodide, Manganese Selenate, Vitamins : Choline Ascorbate, Nicotinamide, D alpha Tocopheryl Acetate, Pantothenic Hydrochloride, Dietary Chloride, Sodium Bitartrate, Sodium Acid, Riboflavin, Retinol Folate Equivalent, Thiamine Mononitrate, Pyridoxine Equivalent, Phylloquinone, Biotin, Ergocalciferol, Cyanocobalamin, GalactoOligosaccharides, Fructo-Oligosaccharides, Docosahexaenoic Acid,

	<p>Arachidonic          Contains: Milk &amp; Soyabean.</p>
MOMYLAC 2	<p>Whole Milk Powder, De-Mineralized Whey (12 %), Dextrose Monohydrate, Soyabean Fat, Lactose, Whey Protein Concentrate (3 %), Coconut fat, Medium Chain Triglycerides fat. Minerals Calcium Carbonate, Potassium Chloride, Di Calcium Phosphate, Potassium Chloride, Sodium Bicarbonate, Magnesium Oxide, Ferrous Bisglycinate, Zinc Sulphate, Copper Gluconate, Potassium Selenate. Vitamins : Choline Bitartrate, Sodium Ascorbate, Myoinositol, Nicotinamide, D alpha Tocopheryl Acetate, Pantothenic Acid, Riboflavin, Retinol Iodide, Manganese Chloride, Sodium Mononitrate, Pyridoxine Hydrochloride, Dietary Folate Acid. Equivalent, Thiamine Equivalent, Phylloquinone, Biotin, Ergocalciferol, Cyanocobalamin.          Contains Milk &amp; Soyabean.</p>
MOMYLAC PREMIUM 2	<p>Whole Milk Powder, De-Mineralized Whey (13%), Dextrose Monohydrate, Soyabean Fat, Lactose, Whey Protein Concentrate (3 %), Medium Chain Triglycerides fat, Coconut fat. Minerals : Calcium Carbonate, Potassium Chloride, Potassium Chloride, Di Calcium Phosphate, Sodium Bicarbonate, Magnesium Oxide, Ferrous Bisglycinate, Zinc Sulphate, Copper Gluconate, Potassium Iodide, Manganese Chloride, Sodium Selenate. Vitamins : Choline Bitartrate, Sodium Ascorbate, Myoinositol, Nicotinamide, D alpha Tocopheryl Acetate, Pantothenic Acid, Riboflavin, Retinol Equivalent, Thiamine Mononitrate, Pyridoxine Hydrochloride, Dietary Folate Equivalent, Phylloquinone, Biotin, Ergocalciferol, Cyanocobalamin. Docosahexaenoic Acid, Arachidonic          Contains: Milk &amp; Soyabean.</p>
MOMYLAC 3	<p>Whole Milk Powder, De-Mineralized Whey (12 %), Dextrose Monohydrate, Soyabean Fat, Lactose, Whey Protein Concentrate (3%), Coconut fat, Medium Chain Triglycerides fat. Minerals : Calcium Carbonate, Potassium Chloride, Potassium Chloride, Di Calcium Phosphate, Sodium Bicarbonate, Magnesium Oxide, Ferrous Bisglycinate, Zinc Sulphate, Copper Gluconate, Potassium Iodide, Manganese Chloride, Sodium Selenate. Vitamins : Choline Bitartrate, Sodium Ascorbate, Myoinositol, Nicotinamide, D alpha Tocopheryl Acetate, Pantothenic Acid, Riboflavin, Retinol Hydrochloride, Dietary Folate Equivalent, Thiamine Mononitrate, Pyridoxine Equivalent, Phylloquinone, Biotin, Ergocalciferol, Cyanocobalamin.          Contains: Milk &amp; Soyabean</p>
MOMYLAC PREMIUM 3	<p>Whole Milk Powder, De-Mineralized Whey (15%), Soyabean Fat, Dextrose Monohydrate, Lactose, Whey Protein Concentrate (3.5 %), Medium Chain Triglycerides fat, Coconut fat. Minerals Calcium Carbonate, Potassium Bicarbonate, Magnesium Oxide, Ferrous Iodide, Manganese Chloride, Sodium Ascorbate, Myoinositol, Nicotinamide, D alpha Tocopheryl Acetate, Pantothenic Acid, Riboflavin, Retinol Chloride,</p>

	Potassium Chloride, Di Calcium Phosphate, Sodium Bisglycinate, Zinc Sulphate, Copper Gluconate, Potassium Selenate. Vitamins : Choline Bitartrate, Sodium Equivalent, Thiamine Mononitrate, Pyridoxine Hydrochloride, Dietary Folate Equivalent, Phylloquinone, Biotin, Ergocalciferol, Cyanocobalamin. Docosahexaenoic, Acid, Arachidonic
MOMYLAC LBW	Whole Milk Powder, De-Mineralized Whey ( 10% ), Soyabean Fat, Whey Protein Concentrate (5% ), Medium Chain Triglycerides fat, Coconut fat, Lactose, Dextrose Monohydrate. Minerals : Calcium Carbonate, Potassium Chloride, Di Calcium Phosphate, Sodium Bicarbonate, Magnesium Oxide, Ferrous Bisglycinate, Zinc Sulphate, Copper Gluconate, Potassium Iodide, Chromium sulphate, Sodium Selenate, Manganese Chloride, Sodium molybdate. Vitamins : Sodium Ascorbate, Choline Bitartrate, Myoinositol, D alpha Tocopheryl Acetate, Nicotinamide, Pantothenic Acid, Retinol Equivalent, Riboflavin, Thiamine Mononitrate, Pyridoxine Hydrochloride, Dietary Folate Equivalent, Phylloquinone, Ergocalciferol, Biotin, Cyanocobalamin. Acid, Arachidonic Docosahexaenoic Contains Milk & Soyabean.
LACTOSE & SUCROSE FREE	Dextrose Monohydrate, Milk Protein Concentrate ( 15% ), Soyabean fat, Coconut fat, HOSO fat, Medium Chain Triglycerides fat. Minerals Potassium, Chloride, Calcium, Phosphorus, Sodium, Iron, Zinc, Copper, Iodine, Manganese, Selenium. Vitamins : Choline, Vitamin C, Niacin, Vitamin E, Pantothenic Acid, Riboflavin, Vitamin A, Thiamine, Vitamin B6, Folic Acid, Vitamin K, Biotin, Vitamin D, Vitamin B12.
SHISHUMIL (RICE MOONG DAL)	Moong Dal Flour, Rice Flour, High Oleic Sunflower Fat, Sugar. Minerals Calcium Carbonate, Calcium Vitamins Di-Basic, Myoinositol, Iron, Zinc, Selenium. Phosphate Sodium Ascorbate, Choline Bitartrate, Niacin Equivalent, Pantothenic Acid, Riboflavin, Thiamine Mononitrate, Retinol Equivalent, Pyridoxine Hydrochloride, Dietary Folate Equivalent, Biotin, Ergocalciferol, Cyanocobalamin.
( SHISHULAC RICE )	Rice Flour, Whole Milk Powder, Skimmed Milk Powder, Sugar, High Oleic Sunflower Fat. Minerals: Calcium Carbonate, Calcium Phosphate Di-Basic, Zinc Sulphate, Ferrous Bisglycinate. Vitamins: Sodium Ascorbate, Nicotinamide, Riboflavin, Thiamine Mononitrate, Retinol. Equivalent, Dietary Folate Equivalent, Ergocalciferol. Contains: Milk.
(SHISHULAC WHEAT APPLE)	Wheat Flour, Whole Milk Powder, Skimmed Milk Powder, Sugar, Apple Powder, Coconut Fat, High Oleic Sunflower Fat. Minerals: Calcium Carbonate, Calcium Phosphate Di-Basic, Zinc Sulphate, Ferrous Bisglycinate. Vitamins Sodium Ascorbate, Nicotinamide, Riboflavin, Thiamine Mononitrate, Retinol Equivalent, Dietary Folate Equivalent, Ergocalciferol. Contains: Milk & Wheat.
(SHISHULAC WHEAT APPLE CHERRY)	Wheat Flour, Whole Milk Powder, Skimmed Milk Powder, Coconut Fat, High Oleic Sunflower Fat, Sugar,

	Apple Powder, Cherry Powder. Minerals Calcium Carbonate, Calcium Phosphate DiSulphate, Ferrous Bisglycinate. Basic, Zinc Ascorbate, Nicotinamide, Riboflavin, Thiamine Vitamins Sodium Mononitrate, Retinol Equivalent, Dietary Folate Equivalent, Ergocalciferol. Contains Milk & Wheat.
(SHISHULAC WHEAT RICE MIX FRUITS)	Wheat Flour, Whole Milk Powder, Skimmed Milk Powder, Sugar, Rice Flour, High Oleic Sunflower Fat, Coconut Fat, Apple Powder, Strawberry Powder. Minerals: Calcium Carbonate, Calcium Phosphate Di-Basic, Zinc Sulphate, Ferrous Ascorbate, Nicotinamide, Riboflavin, Thiamine : Sodium Equivalent, Dietary Folate Equivalent, Ergocalciferol. Contains: Milk & Wheat.
(SHISHULAC RICE WHEAT MOONG DAL MIX VEGETABLES)	Wheat Flour, Whole Milk Powder, Skimmed Milk Powder, Rice Flour, Sugar, Coconut Fat, Moong Dal, Carrot Powder, Spinach Powder. Minerals Calcium Carbonate, Calcium Phosphate Di-Basic, Zinc Sulphate, Ferrous Bisglycinate. Vitamins : Sodium Ascorbate, Nicotinamide, Riboflavin, Thiamine Mononitrate, Retinol Equivalent, Ergocalciferol. Equivalent, Dietary Folate Contains: Milk & Wheat.

करदाता द्वारा उपरोक्त ब्रांड में Minerals और Vitamins Premix Format में बाजार से खरीद कर मिलाए जाते हैं। उपरोक्त ब्रांड बच्चों के Bone, Brain, health, growth, promotes immunity through gut, immune development के लिए प्रयोग किये जाते हैं।

Brand Name	Remark
Bebymil Junior Chocolate	Meternal & Lactating women protein supplyment
Bebymil Junior Vanilla	Meternal & Lactating women protein supplyment Protein, iron, DHA, Calcium.
Mommy pro Chocolate	Meternal & Lactating women protein supplement
Mommypro Vanilla	Meternal & Lactating women protein supplement
Momylac Premium	Meternal & Lactating women protein supplement
Momylac LBW	Meternal & Lactating women protein supplement
L&S Free	Meternal & Lactating women protein supplement

उपरोक्त ब्रांड करदाता द्वारा बाजार में Protein, iron, DHA, calcium, nutritional supplement रूप में बेचे जाते हैं। करदाता द्वारा उपरोक्त सभी आईटम में Milk powder के साथ Health improvement, protein supplement, vitamins and minerals मिलाकर तैयार किये जाते हैं। जो कि HSN Code-40222920 Milk and cream, Concentrated or containing added sugar or other sweetening matter milk for babies के तहत Cover नहीं होता है।

#### F. FINDINGS, ANALYSIS & CONCLUSION:

- 1) We have carefully examined the statement of facts, supporting documents filed by the applicant along with the application, oral and written submissions made at the time of hearing and the comments of the Jurisdictional Authority. We have also considered the issues involved, on which advance ruling is sought by the applicant, and relevant facts.
- 2) The applicant is engaged in the business of manufacturing and trading of infant milk formula, infant cereals, protein supplements for children and adults, dairy whitener, whole milk powder, skimmed milk powder, fat filled powder etc. The principal/



dominant item of the applicant is manufactured in the name of "infant milk formula" which is being used as a substitute to mother's milk for the infants.

- 3) Presently the applicant is paying GST @18% (IGST) and (9% CGST and 9% SGST) on the aforesaid products manufactured by them but they have sought clarification whether the GST payable is 18% (IGST) and (9% CGST and 9% SGST) or 5% (IGST) and (2.5% CGST and 2.5% SGST).
- 4) So in the present case we have to decide the classification and applicable rate of GST on the product "Milk food for babies" and "Milk for babies"
- 5) Before we delve deep to decide the case, it would be proper in the fitment of justice to discuss the relevant provisions of the statute which are as under-
- 6) Under GST, the applicable rates of CGST are notified by Notification No. 1/2017-C.T. (Rate), dated 28-6-2017 and in terms of explanation (iii) and (iv) to the said Notification,
  - (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.
- 7) Thus for the purposes of classification under GST, the First Schedule to Customs Tariff Act is only applicable. Further the first schedule to the Customs Tariff Act, 1975, and the Rules of interpretation therein are to be followed for classifying a product, in terms of Explanation 1 and 2 to Notification No.1/2017-Compensation Cess (Rate), dated 28-6-2017.
- 8) First let us examine the chapter 4 of first schedule of Customs Tariff Act,1975 which is as under-

Tariff Item	Description of goods	Unit	Rate of duty	
			Standard	Preferential Areas
(1)	(2)	(3)	(4)	(5)
0402	MILK AND CREAM, CONCENTRATED OR CONTAINING ADDED SUGAR OR OTHER SWEETENING MATTER			
0402 10	- In powder, granules or other solid forms, of a fat content, by weight not exceeding 1.5% :			
0402 10 10	--- Skimmed Milk	kg.	60%	-
0402 10 20	--- Milk food for babies	kg.	60%	-
0402 10 90	--- Other			
	- In powder, granules or other solid forms, of a fat content, by weight exceeding 1.5% :			
0402 21 00	-- Not containing added sugar or other	kg.	60%	-

On going through the chapter 4 we find that it is about Milk and Cream, concentrated or containing added Sugar or other sweetening matter.

10) Chapter 19 of first schedule of Customs Tariff Act, 1975 which is as under-

Tariff Item	Description of goods	Unit	Rate of duty	
			Standard Areas	Preferential
(1)	(2)	(3)	(4)	(5)
<b>1901</b>	<b>MALT EXTRACT; FOOD PREPARATIONS OF FLOUR, GROATS, MEAL, STARCH OR MALT EXTRACT, NOT CONTAINING COCOA OR CONTAINING LESS THAN 40% BY WEIGHT OF COCOA CALCULATED ON A TOTALLY DEFATTED BASIS, NOT ELSEWHERE SPECIFIED OR INCLUDED; FOOD PREPARATIONS OF GOODS OF HEADINGS 0401 TO 0404, NOT CONTAINING COCOA OR CONTAINING LESS THAN 5% BY WEIGHT OF COCOA CALCULATED ON A TOTALLY DEFATTED BASIS, NOT ELSEWHERE SPECIFIED OR INCLUDED</b>			
1901 10	- Preparations suitable for infants or young children, put up for retail sale:			
1901 10 10	--- Malted milk (including powder)	kg.	50%	-
1901 10 90	--- Other	kg.	50%	-
1901 20 00	- Mixes and doughs for the preparation of bakers' wares of heading 1905	kg.	30%	-
1901 90	- Other :			
1901 90 10	--- Malt extract	kg.	30%	-
1901 90 90	--- Other	kg.	30%	-

- 11) On going through this chapter (chapter 19), we find that it deals with Preparations of cereals, flour, starch or milk; pastry cooks' product.
- 12) Consequent upon the examination of manufacturing process of product manufactured by the applicant, we find that under chapter 19 it is described that milk product is one of the constituent of the final product whereas Chapter 4 deals with the milk product only. The Principle/dominant item of the applicant is manufacturing of infant milk formula containing cereals, protein supplement etc. which is a substitute to mother's milk for the infants. Therefore, it is more appropriate to classify the manufactured product by the applicant under HSN 19011090.
- 13) Since, it is established that the final product manufactured by the applicant is classifiable under 19011090, the rate of GST payable by them in term of Notification No.01/2017 (Central Rate) dated 28.06.2017 is as under-

SCHEDULE III-9%

S.No.	Chapter / Heading / Sub-heading / Tariff	Description of Goods
13	1901	Preparations suitable for infants or young children, put up for retail sale

- 14) In view of the above, we find that Applicant is required to pay GST 18% (9% CGST & 9% SGST/ 18% IGST) under HSN 19011090 for supply of "Milk food for babies" and "Milk for babies".

In view of the above discussion, we rule as under:-

**RULING**

Question- The applicant is supplying "Milk food for babies" and "Milk for babies" under the trade name of "Momylac". The rate of tax being charged on these products by the applicant is 18% (9% CGST & 9% SGST/ 18% IGST) under HSN 19011090. Whereas it appears that the above items fall under the HSN 04021020 and 04022920 respectively which are taxable @ 5% (2.5% CGST & 2.5% SGST/ 5% IGST). Kindly clarify the rate of tax on these items whether these should be taxed at 5% or 18%?

Ans- The rate of GST payable by the Applicant for supply of "Milk food for babies" and "Milk for babies" is 18% (9% CGST & 9% SGST/ 18% IGST) under HSN 19011090.

M  
09/04/2024  
(Mahipal Singh)  
MEMBER  
CENTRAL TAX



W  
09/04/2024  
(Mahesh Kumar Gowla)  
MEMBER  
STATE TAX

F. No. AAR/SF/2024-28/02-06

Date: 09/04/2024

#### SPEED POST

To,

M/s. BEBYMIL INTERNATIONAL PRIVATE LIMITED  
Plot No 70, Road No 8, Udyog Vihar, Near Rajasthan Hospital,  
Murlipura, Near Chopanki, JAIPUR -302039, RAJASTHAN

Copy to: -

1. The Chief Commissioner, CGST and Central Excise (Jaipur Zone), NCRB, Statue Circle, Jaipur, Rajasthan-302005;
2. The Chief Commissioner, State Tax, Kar Bhawan, Bhawani Singh Road, Ambedkar Circle, C-Scheme, Jaipur-302005;
3. The Pr.Commissioner, CGST and Central Excise Commissionerate JAIPUR, Rajasthan;
4. Deputy Commissioner Deputy commissioner Circle-B, Jaipur-IV, Jaipur, Rajasthan.

o/c