

Kerala High Court rules Malabar 'Parota' to be treated as bread at 5% GST

The Kerala High Court's decision on 'Malabar Parota' contradicts the previous rulings of the Authority for Advance Ruling (AAR) and Appellate Authority for Advance Ruling (AAAR).



By Timsy Jaipuria ✕

April 16, 2024, 10:02:27 PM IST (Updated)

🕒 5 Min Read



However, rate rationalisation remains the key, and the industry will closely watch how this is done in the months ahead, Rastogi said.

Yogesh Kale, Executive Director, Nangia Andersen India said, “The Karnataka AAR had also ruled in 2020 that Whole Wheat Parota and Malabar Parota were classifiable under HSN code 2106 (the AAR ruling was held to be void-ab-initio by the AAAR due to suppression of facts by the taxpayer). The Kerala High Court ruling puts an end to the controversy over classification of Malabar Parotas, highlighting time and again the need for accurate classification, importance of the Explanatory Notes to the headings and that in case of doubt, the products must be classified under the heading to which they are most akin. The principle would also serve as a guidance in classification of other products.”