

	KERALA AUTHORITY FOR ADVANCE RULING GOODS AND SERVICES TAX DEPARTMENT TAX TOWER, THIRUVANANTHAPURAM	
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**BEFORE THE AUTHORITY OF : Shri Jomy Jacob, IRS&
: Shri Mansur M.I.**

Legal Name of the applicant	Nata Nutrico Coconut Food Products Limited Liability Partnership
GSTIN	32AAQFN7237G1Z3
ARN	AD320725004698Y
Address	KA 582A1, Zims, Manikkakavu Road C/O Deepika Nivas, Kannukkara, Kannur, Kerala, 670012
Advance Ruling sought for	Whether the product "Nata De Coco (Coconut Jelly)" manufactured by the applicant is classifiable under HSN Code 20079990 and, if so, what is the applicable rate of Goods and Services Tax (GST) on the said product under the CGST Act, 2017?
Date of Personal Hearing	05-01-2026
Authorized Representative	Shri. Shimwas Hussain, Designated Partner, M/s. Nata Nutrico Coconut Food Products Limited Liability Partnership

ADVANCE RULING No. KER/09/2026 Dated 18/06/2026

1. The applicant, M/s. Nata Nutrico Coconut Food Products Limited Liability Partnership (hereinafter referred to as "the applicant" or "M/s. Nata Nutrico"), bearing GSTIN 32AAQFN7237G1Z3, is engaged in the manufacture of Nata De Coco, a food product manufactured using coconut water / coconut extract as the principal raw material.

2. In this Ruling, the provisions of the Central Goods and Services Tax Act, 2017 (hereinafter referred to as CGST Act) and the Kerala State Goods and Services Tax Act, 2017 (hereinafter referred to as KSGST Act) are same except for



certain provisions. Accordingly, a reference hereinafter to the provisions of the CGST Act, Rules and the Notifications issued thereunder shall include a reference to the corresponding provisions of the KSGST Act, Rules and the Notifications issued thereunder.

3. The facts of the issue: The applicant is engaged in the manufacture and sale of Nata De Coco (Coconut Jelly), a processed food product derived from coconut water and coconut milk. The manufacturing process involves filtration and cooking of coconut water and coconut milk with sugar, followed by the addition of *Acetobacter xylinum* for fermentation for a period of about 14 days. Thereafter, the product undergoes further processing such as soaking, cutting, cleaning, drying, and packing. A detailed production flow chart was furnished by the applicant. The applicant has been classifying the said product under HSN Code 20079990 and discharging Goods and Services Tax at the rate of 12%. The applicant has filed the present application seeking an advance ruling on the classification of the said product and the applicable rate of tax thereon under the GST law.

4. Submissions/contentions of the applicant:

4.1. The applicant submits that Nata De Coco (Coconut Jelly) is manufactured using coconut water and coconut milk as the principal raw materials through a process involving filtration, mixing with sugar and salt, cooking, cooling, adjustment of pH, and fermentation using *Acetobacter xylinum*. Upon completion of fermentation, a raw nata layer is formed, which is thereafter subjected to further processes such as soaking, cutting into uniform sizes, cleaning, draining, and cooking with purified water. The product is subsequently processed with water, sugar, citric acid, and permitted preservatives, and is finally packed and sealed for sale. The entire manufacturing process involves cooking and fermentation, resulting in a processed, edible, coconut-based jelly product suitable for human consumption, commonly known as Nata De Coco. It was submitted that the finished product is a processed edible preparation derived from coconut, suitable for human consumption.



4.2. The applicant contends that Nata de Coco should be classified under Chapter Heading 2007, specifically under Tariff Item 20079990 which covers "Jams, fruit jellies, marmalades, fruit or nut purée and fruit or nut pastes, obtained by cooking, whether or not containing added sugar or other sweetening matter". The applicant submits that Nata De Coco, being a coconut-based jelly obtained through cooking and fermentation with added sugar, is squarely covered under the scope of the said heading, as clarified in the HSN Explanatory Notes and relevant tariff entries. It was further submitted that, in terms of the General Rules for Interpretation of the Tariff, particularly Rule 3(a), the heading which provides the most specific description is to be preferred. Since the product is obtained by cooking and further processing of coconut water and coconut extract into a jelly form, Heading 2007 provides the most appropriate and specific classification.

4.3. In support of the proposed classification, the applicant also relied on the Coconut Development Boards journal of December 2017, which explicitly categorises Nata De Coco under HSN 20079990. The applicant further submitted that, as per Notification No. 09/2025-Central Tax (Rate), goods falling under Heading 2007 are covered under Schedule I and attract GST at the rate of 2.5% CGST and 2.5% SGST (total 5%), or such rate as may be prescribed from time to time.

5. Comments of the Jurisdictional Officer

The application was forwarded to the jurisdictional officer as per provisions of section 98 (1) of the CGST Act. The Jurisdictional officer (State Tax Officer) Taxpayer Services Circle, Kannur South) submitted specific remarks regarding classification of the product. However the officer has not reported any pending or completed proceedings against the applicant in that office regarding the subject case.

6. Personal Hearing:

The applicant was granted an opportunity for personal hearing on 05.01.2026. Shri.Shimwas Hussain, Designated Partner of M/s. Nata Nutrico, appeared on behalf of the applicant and represented the case. During the hearing, he explained the nature of the activities undertaken by the applicant and reiterated the submissions and contentions made in the written application.



7. Discussion and Findings:

7.1. On review of the application, facts, and hearing submissions, it is found that the questions fall under Section 97(2) (a) and (e) of the CGST Act, relating to classification of goods and tax liability determination. The application is therefore admitted for consideration on merits.

7.2. We have carefully examined the facts of the case, the manufacturing process of "Nata De Coco", the submissions made by the applicant, and the applicable provisions of the GST Tariff read with the General Rules for the Interpretation thereof. The issue for consideration is whether the classification claimed by the applicant under Heading 2007 is in conformity with the description of the said heading or whether the product is more appropriately classifiable under any other tariff heading, having regard to the nature, composition, and essential character of the product.

7.3. Chapter 20 of the GST Tariff covers preparations of vegetables, fruit, nuts, or other parts of plants. Heading 2007 covers jams, fruit jellies, marmalades, fruit or nut puree, and fruit or nut pastes obtained by cooking, whether or not containing added sugar or other sweetening matter.

7.4. The relevant tariff entry under Heading 2007 of the GST Tariff is reproduced below:

"Jams, Fruit Jellies, Marmalades, Fruit or Nut Puree and Fruit or Nut pastes, obtained by cooking, whether or not containing added sugar or other sweetening matter.

20071000 -Homogenised preparations

-Other:

20079100 ---Citrusfruit

200799 --Other

20079910 ---Mango

20079920 ---Guava

20079930 ---PineApple

20079940 ---Apple

20079990 --- Other"



From the HSN Explanatory Notes, it is seen that fruit jellies falling under Heading 2007 are preparations obtained by boiling fruit juices, whether expressed from raw or cooked fruit, with sugar until the product sets on cooling. Such products are essentially fruit preparations, where the character of the fruit juice or fruit pulp remains the basis of the finished goods. Therefore, for a product to fall under Heading 2007 as "fruit jelly", it must not merely possess a jelly-like appearance or texture; it must answer to the description of a fruit jelly obtained by the cooking/concentration of fruit juice or fruit pulp with sugar or other sweetening matter.

In the present case, Nata De Coco is not obtained by boiling or concentrating coconut juice, coconut pulp or fruit pulp so as to form a jelly on cooling. The declared manufacturing process shows that coconut water and coconut milk are filtered, mixed with sugar and salt, cooked, cooled, subjected to pH adjustment and thereafter inoculated with *Acetobacter xylinum* for fermentation. During fermentation, a gelatinous layer is formed, which is thereafter dipped, cut, cleaned, drained, cooked again with water/sugar/citric acid/preservative and finally packed. Thus, the jelly-like product is not the result of the conventional cooking and setting process contemplated under Heading 2007, but is the result of microbial fermentation and subsequent processing.

Further, the expression "fruit jellies" in Heading 2007 has to be read ejusdem generis with the other products mentioned in the heading, namely jams, marmalades, fruit or nut purées and fruit or nut pastes. These products are preparations where the fruit or nut remains the essential ingredient and gives the product its essential character. In Nata De Coco, coconut water/milk is used as a medium/substrate in the fermentation process, and the final product is a distinct fermented edible preparation. It is not marketed or consumed as a jam, marmalade, fruit purée, nut purée, fruit paste or nut paste. Therefore, the product does not satisfy the description of goods covered under Heading 2007.

Classification under the tariff is to be determined in terms of the heading description read with the relevant Section Notes, Chapter Notes, HSN Explanatory Notes and the General Rules for Interpretation. Commercial description such as "Coconut Jelly" or mere resemblance to jelly cannot override the specific scope of



Heading 2007. Since the product is neither a fruit jelly obtained by cooking fruit juice/pulp with sugar nor any other preparation specifically enumerated under Heading 2007, classification under Tariff Item 20079990 cannot be sustained.

No direct binding classification ruling or judicial precedent has been brought to notice in respect of the precise product manufactured by the applicant. It is also observed that Nata De Coco based products may appear in trade in different forms, such as beverages, confectionery/jelly cups, preserved preparations or other edible preparations, and the classification of each such product would depend upon its ingredients, form, presentation, use and essential character. Therefore, the classification in the present case has to be determined on the basis of the manufacturing process and product description placed on record by the applicant, read with the relevant tariff headings, Section Notes, Chapter Notes, HSN Explanatory Notes and the General Rules for Interpretation of the Tariff.

7.5. Having held that the product is not classifiable under Heading 2007, it is necessary to examine whether it is classifiable under any other heading of Chapter 20. Heading 2008 covers "fruit, nuts and other edible parts of plants, otherwise prepared or preserved". The relevant tariff entry under Heading 2008 of the GST Tariff is reproduced below:

"Fruit, nuts and other edible parts of plants, otherwise prepared or preserved, whether or not

containing added sugar or other sweetening matter or spirit, not elsewhere specified or included"

-Nuts, ground-nuts and other seeds, whether or not mixed together:

20081100 --Groundnuts

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20089999 ---Other"

Heading 2008 covers "fruit, nuts and other edible parts of plants, otherwise prepared or preserved". The scope of the heading, as seen from the heading description and HSN Explanatory Notes, is confined to fruit, nuts or other edible plant parts which, though prepared or preserved, continue to retain their identity and essential character as such. Typical examples falling under this heading



include fruits preserved in syrup, roasted nuts, or other plant parts which, though processed, retain their essential plant character.

In the present case, the declared manufacturing process does not show that coconut kernel, coconut pulp, coconut pieces, coconut milk or coconut water are merely prepared or preserved as such. Coconut water and coconut milk are used only as the initial substrate/medium, which is subjected to cooking, pH adjustment and microbial fermentation by addition of *Acetobacter xylinum*, resulting in the formation of raw Nata De Coco, followed by further processing, cutting, cleaning, cooking and packing. The finished product is therefore not an identifiable fruit, nut or edible part of a plant prepared or preserved as such, but a distinct fermented edible preparation obtained through microbial action. In these circumstances, the essential condition for classification under Heading 2008 is not satisfied, and therefore classification of Nata De Coco under Chapter 20 cannot be sustained.

7.6. No more specific heading has been brought to notice or is found applicable on the facts placed before us. Accordingly, the residual heading 2106 is attracted. Chapter 21 of the GST Tariff covers miscellaneous edible preparations. Heading 2106 is a residual heading covering "food preparations not elsewhere specified or included".

7.7. The relevant tariff entry under Heading 2106 of the GST Tariff is reproduced below:

"Food preparations not elsewhere specified or included.

21061000 - Protein concentrates and textured protein substances

210690 - Other:

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21069099 ---- Other"

The HSN Explanatory Notes clarify that Heading 2106 covers edible preparations which are not classifiable under any other heading of the Tariff. In the present case, Nata De Coco is an edible product intended for human consumption, but it is not classifiable under Heading 2007, 2008, or any other heading of Chapter 20,



nor under any other Chapter of the GST Tariff. The product is a distinct food substance obtained through microbial fermentation, and is marketed and consumed as such. Therefore, by application of Rule 1 of the General Rules for the Interpretation of the Tariff, Nata De Coco is appropriately classifiable under Heading 2106. Under Heading 2106, Tariff Item 21069099 covers "Other" food preparations not elsewhere specified or included. Since Nata De Coco is not covered under any specific sub-heading of Heading 2106, it is correctly classifiable under Tariff Item 21069099 of the GST Tariff.

7.8. The reliance placed by the applicant on an industry publication of the Coconut Development Board is noted. However, such publications are not statutory in nature and cannot override the classification determined in accordance with the GST Tariff, the General Rules for Interpretation, and the HSN Explanatory Notes.

7.9. In view of the foregoing, we find that Nata De Coco does not possess the essential characteristics of jams, fruit jellies, purées, or pastes contemplated under Heading 2007, nor does it qualify as an edible part of a plant otherwise prepared under Chapter 20. The product is an edible preparation not elsewhere specified or included. Accordingly, Nata De Coco is correctly classifiable under Tariff Item 21069099 of the GST Tariff.

7.10. In so far as the applicable rate of Goods and Services Tax is concerned, it is observed that during the period from 01.07.2017 up to 21.09.2025, the applicable rates are determined by Notification No. 1/2017-Central Tax (Rate), as amended from time to time and from 22.09.2025, the applicable rates are determined by Notification No. 9/2025-Central Tax (Rate) dated 17.09.2025, which superseded Notification No. 1/2017-Central Tax (Rate) dated 28.06.2017.

7.11. "Nata de Coco" is an edible food product obtained through microbial fermentation, resulting in a bacterial cellulose matrix intended for human consumption. As discussed in the findings, the product is classifiable under Heading 2106 as a food preparation not elsewhere specified or included. On examining Notification No. 1/2017-Central Tax (Rate), dated 28.06.2017, as



amended from time to time, it is observed that goods falling under Heading 2106 are covered under different entries attracting different rates of tax.

At first glance, Sl. No. 9 of Schedule IV appears to merit consideration, as it covers "Food preparations not elsewhere specified or included", which is also the description of Heading 2106. However, the entry does not merely adopt the tariff heading; it further restricts its scope by specifying "i.e. Protein concentrates and textured protein substances, Sugar-syrups containing added flavouring or colouring matter, not elsewhere specified or included; lactose syrup; glucose syrup and maltodextrine syrup; Compound preparations for making non-alcoholic beverages; Food flavouring material; Churna for pan; Custard powder." Thus, the applicability of the entry has to be determined by reading the heading together with the complete description of goods contained therein. The product in question is neither a protein concentrate or textured protein substance, nor any form of flavoured sugar syrup, lactose syrup, glucose syrup or maltodextrine syrup. It is also not a compound preparation for making non-alcoholic beverages, food flavouring material, churna for pan or custard powder. Accordingly, the product does not answer the description of goods covered under Sl. No. 9 of Schedule IV.

The remaining entries under Heading 2106 include, inter alia:

- *Sl. No. 99A of Schedule I – Khakhra, plain chapatti or roti;*
- *Sl. No. 100A of Schedule I – Roasted gram, idli/dosa batter and chutney powder;*
- *Sl. No. 101 of Schedule I – Sweetmeats;*
- *Sl. No. 101A of Schedule I and Sl. No. 46 of Schedule II – Namkeens, bhujia, mixture, chabena and similar edible preparations;*
- *Sl. No. 45 of Schedule II – Texturised vegetable proteins (soya bari), bari made of pulses including mungodi and batters;*
- *Sl. No. 46A of Schedule II – Diabetic foods; and*
- *Sl. No. 23 of Schedule III – All kinds of food mixes including instant food mixes, soft drink concentrates, Sharbat, Betel nut product known as "Supari", Sterilized or pasteurized milk, ready to eat packaged food and milk containing edible nuts with sugar or other ingredients, Diabetic foods; [other than*



Namkeens, bhujia, mixture, chabena and similar edible preparations in ready for consumption form].

The product in question is not khakhra, plain chapatti or roti, roasted gram, idli/dosa batter, chutney powder, sweetmeats, namkeens, bhujia, mixture, chabena or similar edible preparation, texturised vegetable proteins (soya bari), bari made of pulses including mungodi and batters, or diabetic foods. Thus, among the entries relating to Heading 2106, only Sl. No. 23 of Schedule III requires further examination.

7.12. Sl. No. 23 of Schedule III, inter alia, covers "ready to eat packaged food". The material available on record establishes that Nata De Coco is a finished edible preparation intended for human consumption and is supplied in packed form. The applicant has also submitted that the product is a processed edible preparation suitable for human consumption. However, the submissions and documents placed on record do not clearly establish whether the product, in the form in which it is supplied by the applicant, is a ready-to-eat packaged food intended for direct consumption without requiring any further preparation. In the absence of sufficient material in this regard, no conclusive finding can be recorded as to whether the product answers the description of "ready to eat packaged food" occurring in Sl. No. 23 of Schedule III.

7.13. Nevertheless, if the product is supplied as a ready-to-eat packaged food, it would appropriately fall under Sl. No. 23 of Schedule III. If, on the other hand, the product is not supplied as a ready-to-eat packaged food, it would fall under the residual entry at Sl. No. 453 of Schedule III, namely, "Any Chapter – Goods which are not specified in Schedule I, II, IV, V or VI." Since both Sl. No. 23 and Sl. No. 453 of Schedule III attract GST at the rate of 18%, the applicable rate of GST on Nata De Coco for the period from 01.07.2017 to 21.09.2025 remains 18%, i.e., 9% CGST and 9% SGST.

7.14. With effect from 22.09.2025, Notification No. 9/2025–Central Tax (Rate), dated 17.09.2025, came into force in supersession of Notification No. 1/2017–Central Tax (Rate), dated 28.06.2017. Under the amended notification, Sl. No. 145 of Schedule I covers "Food preparations not elsewhere specified or included." As



already held, Nata De Coco is classifiable under Heading 2106 as a food preparation not elsewhere specified or included. On examination of the entries relating to Heading 2106 under the amended notification, no other entry more specifically describing the product is found to be applicable. Accordingly, Nata De Coco is appropriately classifiable under Sl. No. 145 of Schedule I to Notification No. 9/2025-Central Tax (Rate), dated 17.09.2025, with effect from 22.09.2025. Accordingly, with effect from 22.09.2025, the applicable rate of GST on the product shall be 5%, comprising 2.5% CGST and 2.5% SGST

8. In the light of the facts and legal position as stated above, the following ruling is issued:

RULING

Question - Whether the product "Nata De Coco (Coconut Jelly)" manufactured by the applicant is classifiable under HSN Code 20079990 and, if so, what is the applicable rate of Goods and Services Tax (GST) on the said product under the CGST Act, 2017 and the KGST Act, 2017?

Ruling-The product "Nata De Coco" manufactured by the applicant is not classifiable under Heading 2007 of the GST Tariff. The said product is correctly classifiable under Heading 2106, specifically under Tariff Item 21069099.

The applicable rate of GST on the said product, for the reasons recorded in paragraphs 7.11 to 7.14 above, shall be as follows:

(a) For the period from 01.07.2017 to 21.09.2025: 18%, comprising 9% CGST and 9% SGST.

(b) With effect from 22.09.2025: 5%, comprising 2.5% CGST and 2.5% SGST


Jomy Jacob, IRS

**Addl. Commissioner of Central Tax
Member**



Mansur M.I.
**Joint Commissioner of State Tax
Member**



To

Nata Nutrico Coconut Food Products Limited Liability Partnership,
KA 582A1, Zims, Manikkakavu Road C/O Deepika Nivas, Kannukkara,
Kannur, Kerala, 670012.

Copy submitted to:-

1. The Chief Commissioner of Central Tax and Central Excise,
Thiruvananthapuram Zone, C.R. Building, I.S. Press Road, Cochin-
682018. [E-mail ID: cccchin@nic.in; ccu-cexcok@nic.in]
2. The Commissioner of State Goods and Services Tax Department,
Tax Towers, Karamana, Thiruvananthapuram – 695002.
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3. The Commissioner of Central Tax and Central Excise, Kochin
Commissionerate.
4. The Commissioner of Central Tax and Central Excise,
Thiruvananthapuram Commissionerate, GST Bhavan, Statue,
Thiruvananthapuram.
5. The Commissioner of Central Tax and Central Excise,
Calicut Commissionerate.

Copy to :

1. The Additional Commissioner, TPS, HQ, Thiruvananthapuram.
2. The Deputy Commissioner, ITMD, Thiruvananthapuram.
3. The Assistant Commissioner/State Tax Officer, Tax payer services Circle,
Kannur South.
4. The Superintendent, Central Tax, Thiruvallam Kannur-I Range.

