

M/s Aman Traders

Authority for Advance Ruling — Uttar Pradesh

Order No. 11

Dated 14.06.2018

Q Questions Before the Authority

- Whether debark/bark Eucalyptus wood waste, debark/bark Subabool wood waste, and debark/bark Poplar wood waste (length about 2 meters and girth between 15 to 60 cm) supplied to paper mills for pulping fall under HSN 4401 taxable at 5% GST?

F Facts

The applicant is engaged in the supply of debarked/bark Eucalyptus, Subabool, and Poplar wood waste to paper mills strictly for pulping. The commercial tax department intercepted transit vehicles and sought to demand tax at 18% treating the items as timber under HSN 4403 instead of 5% under HSN 4401. The applicant sought an advance ruling to clarify the correct HSN classification and applicable GST rate.

H Ruling

Classification and GST rate for Eucalyptus, Subabool, and Poplar wood waste supplied for pulping	HSN 4401, 5% GST (2.5% CGST + 2.5% SGST)	Applicable provided the wood cannot be used as structural timber, poles, veneer, or matchsticks
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The Authority held that logs or heaps of wood that cannot be used as timber, utility poles, ballies, matchsticks, veneer, or woodware qualify as **wood waste and scrap**. Such supplies fall under HSN 4401, covered under S. No. 198 of Schedule-I of Notification No. 1/2017-Central Tax (Rate), and are taxable at **5% GST** (2.5% CGST + 2.5% SGST).

R Reasoning

The Authority referred to HSN Explanatory Notes for Chapter 44, which define wood waste and scrap as materials unusable as timber, used particularly for pulping in paper manufacturing or as fuel. In contrast, Heading 4403 covers wood in the rough intended for sawmilling, poles, or veneer sheets. Because the applicant's wood logs are hollow, irregular, and unfit for timber or poles, they qualify as **wood waste under HSN 4401**. Consequently, they attract 5% GST under S. No. 198 of Schedule-I of Notification No. 1/2017-Central Tax (Rate).

P Provisions Relied On

Notification No. 1/2017-Central Tax (Rate) dated 28.06.2017 (Schedule-I, S. No. 198)

U.P. Notification No. KA.NI.-2-836/XI-9(47)/17-U.P. Act-1-2017-Order-(06)-2017 dated 30.06.2017

HSN Heading 4401

HSN Heading 4403



For the Practitioner

This ruling establishes that irregular or hollow wood logs supplied exclusively for pulping in paper mills qualify as **wood waste under HSN 4401** taxable at 5% GST. Tax practitioners can use this precedent to resist reclassification under HSN 4403 (18% GST) where the wood is demonstrably unsuitable for use as structural timber, poles, or veneer.

Source

Summary prepared from the published order, which is a scanned document. It is a reading aid and not the authority: where the two differ, the order governs. Verify every provision against the original before relying on it.

Original order: www.gstcouncil.gov.in -> up aar 11 14.06.2018 sat.pdf

Prepared 19-10-2026.

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