

M/s Sharda Timber

Authority for Advance Ruling — Uttarakhand

Ruling No-12/2018-19 dated 03.12.2018

Q Questions Before the Authority

- Whether the commodity of Eucalyptus/Polar Wood Waste in Logs having length of 30 cm to 200 cm and Girth of approx. 10 cm to 60 cm is covered under HSN 4401
- Whether the commodity of Eucalyptus/Polar Wood Waste in Logs having length of 30 cm to 200 cm and Girth of approx. 10 cm to 60 cm is chargeable to tax under Uttarakhand State GST @ 2.5% and CGST @ 2.5%

F Facts

The applicant is engaged in the trade of Eucalyptus and Poplar wood waste in logs. They sought an advance ruling to classify these specific logs under HSN 4401 and confirm the applicability of a 5% total GST rate. The applicant specifically defined the logs by their length and girth dimensions.

H Ruling

Classification under HSN 4401	No	The specified dimensions are not criteria for HSN 4401 classification
Applicability of 5% GST rate	No	The goods do not qualify for the 5% rate under HSN 4401

The authority ruled in the negative, stating that the wood waste in logs as described does not fall under HSN 4401. Consequently, the requested tax rate of 5% is not applicable to the goods in question.

R Reasoning

The authority examined the Customs Tariff and GST Tariff and found that neither mentions length or girth as criteria for classifying wood waste in logs. It noted that HSN 4403, which covers wood in the rough, attracts a higher rate of 18%. Because the applicant failed to correctly frame the classification based on the actual nature of the goods rather than arbitrary dimensions, the authority rejected the application. The decision turned on the interpretation of the scope of HSN 4401 versus HSN 4403.

P Provisions Relied On

Section 97(1) of the CGST/SGST Act, 2017

Section 100(1) of the CGST/SGST Act, 2017

Chapter 44 of the Customs Tariff



For the Practitioner

This ruling serves as a warning that applicants cannot force a classification by imposing arbitrary physical dimensions like length and girth if they are not recognized by the tariff. It clarifies that wood in the rough generally falls under HSN 4403 rather than the lower-taxed HSN 4401. Practitioners should note that this order **does not determine the correct HSN** for the applicant's goods, but merely rejects the specific classification sought.

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 -> [utrakhand 13-2018-19 sharda timber.pdf](#)

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