



**BEFORE THE AUTHORITY FOR ADVANCE RULING - ANDHRA PRADESH**

**Goods and Service Tax**

D.No.12-468-4, Adjacent to NH-16 Service Road, Kunchanapalli, Guntur-522501

**Present**

1. Dr.K.Ravi Sankar, Commissioner of State Tax (Member)
2. B. Lakshmi Narayana, IRS, Joint Commissioner of Central Tax (Member)

**AAR No. 12 /AP/GST/2024 dated: 07.08.2024**

1	Name and address of the applicant	M/s Tra Plast Industries Pvt Ltd.,
2	GSTIN	37AAHCT6584E1ZY
3	Date of filing of Form GST ARA-01	16.05.2024
4	Personal Hearing	19-06-2024
5	Represented by	Sai Makarandh, Advocate
6	Jurisdictional Authority - State	Assistant Commissioner(ST), Guntakal Circle, Anantapur Division
7	Clause(s) of section 97(2) of CGST/SGST Act, 2017 under which the question(s) raised	a)classification of goods and /or services or both; b) Applicability of a notification issued under the provisions of the act; e) determination of the liability to pay tax on any goods or services or both;

**ORDER**

**(Under sub-section (4) of Section 98 of Andhra Pradesh Goods and Services Tax Act, 2017 and Section 98 of Central Goods and Services Tax Act, 2017)**

**1.Preamble:**

- 1.1 At the outset we would like to make it clear that the provisions of CGST Act, 2017 and APGST Act, 2017 are in parimateria and have the same provisions in like matter and differ from each other only on a few specific provisions. Therefore, unless a mention is particularly made to such dissimilar

provisions, a reference to the CGST Act would also mean reference to the corresponding similar provisions in the APGST Act.

- 1.2 The present application has been filed u/s 97 of the Central Goods & Services Tax Act, 2017 and AP Goods & Services Tax Act, 2017 (hereinafter referred to as CGST Act and APGST Act respectively) by M/s. Tra Plast Industries Pvt Ltd., (hereinafter referred to as applicant), registered under the AP Goods & Services Tax Act, 2017.

## 2. Brief Facts of the case:

- 2.1 M/s TraPlast Industries Pvt Ltd., is a manufacturer of Natural Fiber Composite (hereinafter referred to as 'NFC') material, which is used to manufacture boards, doors and frames. The applicant uses the NFC to manufacture boards, doors and frames of different sizes and measurements. The said NFC is made of natural fibers such as rice husk, rice grass, wheat grass and coconut shell etc.,

- 2.2 The process of manufacture of the NFC boards is known as extrusion and the same is explained as follows:

The natural fibers are mixed with PVC of suspension polymer, additives like stabilizers, impact modifiers, UV resistant additives, LUBRICANTS, PROCESSING AIDS are mixed in a High speed mixer for uniform and homogeneous blend and to remove the unwanted vapours in the powder. This process continues up to 110 C centigrade and then dropped to a cooling mixture, where it is cooled and taken for the process of:

- Extrusion
- Sizing
- Traction
- Cutting

- **Extrusion:**

PVC un compounded natural fibres and resin, unlike some other thermoplastics is not suitable for direct processing. To confer the required processing and end stability, it is necessary to mix additives to the natural fibers and PVC resin. Following are some of the additives which are generally used for the manufacture of NFC Boards, Doors and Door Profiles,



- Process Stabilisers
- Fillers
- Lubricants &
- Additives

Before the extrusion operation PVC resin is to be compounded with plasticizers, stabilizers, lubricants and fillers to improve processibility and improve the endure stability. Natural fibres and PVC resin is compounded with other ingredients in a high speed mixer. The compound resin is fed to the double screw extruder where the inserts and T die body for the required boards sizes are fitted. The natural fibers and PVC compounds are then passed through a heated chamber and they get melted under the compression of the screw and temperature of the barrel.

- **Sizing:**

The compounded NFC that is coming out from the extruder & T DIE is cooled in the sizing operation by sending it to the calibration table.

- **Traction:**

The next operation needed after sizing is traction. The traction unit is required for continuous haulage of the NFC boards being extruded by the extruder.

- **Cutting:**

The last operation needed is cutting. After the traction unit there will be a continuous running saw blade which will cut the board or profile after the board or profile reached the required length. After the cutting the boards or profiles are now finished products and the same are packed and ready for dispatch.

- In view of the above, it is respectfully submitted that the applicant manufactures NFC boards which are in the form of:
  - NFC Boards
  - NFC Doors
  - NFC Frames



### 3. Questions raised before the authority:

The applicant sought advance ruling on the following:

- 3.1 Whether Natural Fibre Composite board manufactured by the applicant comprising of Natural Fibre, Calcium carbonate, recycling waste and other processing aid as well as PVC resin, wherein PVC acts only as a bonding agent would remain classified as wood and Articles of Wood under Chapter 44 and attract 12% rate of GST.
- 3.2 In view of the above, the applicant wishes for an advance ruling by this Hon'ble Advance Ruling Authority as to the appropriate rate and classification of GST to be charged.

### 4. Proceedings if any pending:

- 4.1 On Verification of basic information of the applicant, it is observed that the applicant is under State Administrative jurisdiction i.e, Guntakal Circle, Ananthapur Division. Accordingly, the application has been forwarded to the jurisdictional State Tax authorities to offer their remarks as per Sec. 98(1) of CGST /APGST Act 2017.
- 4.2 In response, remarks are received from the State jurisdictional officer concerned stating that no proceedings lying pending with the issue, for which the advance ruling sought by the applicant.

### 5. Admissibility of the application:

The question raised as above appeared to fall under section 97(2) (a), (b) and (e) of CGST/SGST Act, 2017, as no proceedings on the same is pending, the application, as advance ruling is admitted and applicant has paid fee through Electronic Cash Ledger (debited CGST 5000/- & SGST 5000/-) vide reference no. DC3705240043071.

### 6. Applicant's Interpretation of Law:

- 6.1 The applicant is into the manufacture of NFC boards, doors and frames. NFC boards are made from agricultural raw materials particularly any cellulose material from the agricultural product or by product with fiber content are herein referred as Natural Fibres [e.g. Rice Husk, Rice Grass, wheat grass, coconut



shell etc.] and have a natural wood-like appearance. They can be used as an alternative to wood and wood-based panels for interior and exterior furnishing and joinery. NFC boards are termite-proof, anti-bacterial, flame retardant, and waterproof. They can be painted, stained, and varnished.

6.2 In this context reference is invited to Notification 01/2017- (CT Rate) dated 28.06.2017, wherein the rate of GST had been bifurcated into 6 schedules and the notified GST rates are as follows:

Schedule	Rate of GST
I	2.5%
II	6%
III	9%
IV	14%
V	1.5%
VI	0.125%

The rate of GST mentioned in the above table must be levied on intra-State supplies of goods, the description of which is specified in the corresponding entry in column (3) of the said Schedules, falling under the tariff item, sub-heading, heading or Chapter, as the case may be, as specified in the corresponding entry in column (2) of the said Schedules.

6.3 The rate of GST for goods falling under Schedule II of the said Notification is subject to 6% CGST & 6% SGST. As per Serial No 92 of the Schedule, specified goods falling under Chapter 44 or any other Chapter are subject to 6% CGST & 6% SGST and the Fiber Board is specifically mentioned under the said serial no. 92 (h).

92.	44 or any Chapter	The following goods, namely: - a. Cement Bonded Particle Board; b. Jute Particle Board; c. Rice Husk Board; d. Glass-fibre Reinforced Gypsum Board (GRG) e. Sisal-fibre Boards; f. Bagasse Board; and g. Cotton Stalk Particle Board h. Particle/fibre board manufactured from agricultural crop residues
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- 6.4 The applicant wish to submit that, Wood and Articles of Wood, etc., is classified under Chapter 44 and Particle board, Oriented Strand Board (OSB) and similar board (for example, wafer board) of wood or other ligneous materials, whether or not agglomerated with resins or other organic binding substances, other than specified boards, exclusively falls under Heading 44.10. Chapter 44 of the Customs tariff is enclosed.
- 6.5 The applicant wishes to submit that, on examination of the explanatory notes to HSN, it is observed that the product in question falls under Heading 44.10 for the reasons explained below.
- 6.6 Particle board is a flat product manufactured in various lengths, widths and thicknesses by pressing or extrusion. It is usually made from wood chips or particles obtained by the mechanical reduction of round wood or wood residues. It may also be produced from other ligneous materials such as fragments obtained from bagasse, bamboo, cereal straw or from flax or hemp shives. Particle board is normally agglomerated by means of an added organic binder, usually thermosetting resin, which generally does not exceed 15% of the weight of the board.
- 6.7 The chips, particles or other fragments constituting the particle boards of this heading are usually recognizable at the edges of the board with the naked eye. However, in some cases, microscopic examination may be required to distinguish the particles and fragments from the ligno-cellulosic fibers characterizing the fiberboard of heading 44.11.
- 6.8 The particle boards are usually sanded. Moreover, they may be impregnated with one or more substances not essential for the agglomeration of their constituent materials but which confer on the board an additional property, e.g., impermeability to water, resistance to rot, insect attack, fire or the spread of flame, chemical agencies or electricity, greater density. In the last instance, the impregnating substances attain an important proportion.
- 6.9 Oriented strand board, which is made from layers of thin strands of wood which are at least twice as long as they are wide. These strands are mixed with



binders (usually waterproof) such as isocyanate or phenolic resins, interleaved together and laid down in layers forming a thick mat in which the strands are generally oriented lengthwise in the surface layers and generally cross oriented or laid down randomly in the inner layers in order to give the board improved elastomechanical properties. The mat is subjected to heat and pressure producing a solid, uniform, rigid structural board.

6.10 Wafer board, which is made from thin wafers of wood which are less than twice as long as they are wide. These wafers are mixed with binders (usually waterproof) such as isocyanate or phenolic resins, interleaved together and laid down randomly, thus forming a thick mat. The mat is subjected to heat and pressure producing a solid, uniform, structural board having high strength and water resistance

6.11 With regards to other ligneous material whether or not agglomerated with resins or other organic binding substance (other than specified boards), the Hon'ble Tribunal, Bangalore in **M/S. Padmavathy Panel Boards ... vs The Commissioner Of Central [2001 (132) ELT 36 Tri Bang]** held that:

*We have heard both sides and considered the submissions and find-*  
 (a) HSN Note relating to particle boards prescribed "it may also be produced from other ligneous materials such as fragments obtained from Bagasse, Bamboo, Cereal Straw or from flax or hemp shieves." We therefore cannot concur with the submission that boards manufactured out of Rice Husk would be excluded from the purview of particle boards following under Chapter Heading 47.06 as HSN Note did not limit the items, but only gives the example. Tariff Entry 44.06 is very clear, it reads as "Particle Board and similar board of wood or other ligneous materials whether or not agglomerated with resins or other organic binding substances." The word 'lignin' as explained in 'NEW WEBSTERS' Dictionary of English, indicates the same to mean a (sic) Botanical origin, it covers an organic substance associated with cellulose in the cell walls specially of the xylem on wood of many plants. This meaning of 'lignin' would indicate that the word 'ligneous' used in the Entry 44.06, would cover a particle board, made up by using any part of plant material with Resin. **'Rice Husk' is part of Rice Plant being**



***other cover of the Rice grain, which is used in this case, along with Resin/Glue, Bamboo, Cereal Straw, flax or hemp shieves and the resultant 'boards' would be thus covered by heading 44.06.***

6.12 The applicant submitted that as per the decision of the Hon'ble CESTAT in the above case, any product which has a botanical origin and covers an organic substance associated with cellulose in the cell walls specially of the xylem would fall under the category of "*other ligneous material whether or not agglomerated with resins or other organic binding substance (other than specified boards).*" The term ligneous as per the New Webster's Dictionary of English, means "*of or resembling wood.*" Therefore, the organic material used by the applicant are the hard-protecting coverings of grains of rice/ natural coils/ agricultural products, which comes out of a plant and moreover, the natural fiber board manufactured by the applicant resembles the wood. Hence, based on the ratio of the Hon'ble CESTAT, Bangalore, the NFC board of the applicant would very well fall under the said category and would come under the erstwhile classification under Heading 44.06, which is presently classified under heading 44.10.

6.13 The applicant further submits that, as per the general explanation note to HSN under Chapter 44, any panel which consists of layers of wood and plastic can be classified under the said Chapter, provided if the later has a subsidiary insulation function in the making of the final product. The note has been reproduced below;

*As a general rule, building panels composed of layers of wood and plastic are classified under this Chapter. Classification of these panels depends upon their external surface or surfaces which normally give them their essential characters in terms of their intended uses. Thus, for example, a building panel used as a structural element in roofing, wall or floor applications and consisting of a external layer of particle board and layer of insulating material of plastics, is classified in heading 44.10, whatever the thickness of layer of plastics, since it is rigid, strong, wood portion which allows the panel to be used as a structural element, the plastics having a subsidiary insulation function. On the other hand, a panel in which a wood backing serves, merely as a support for an exterior surface of plastic is, in most cases, classified in Chapter 39.*



6.14 Thus, the sole purpose of using PVC by the applicant is to bind the rice organic material, fillers and other additives in order to get the desired output i.e the NFC board. PVC has a very minimal dominance in the making of the NFC board. Hence, the NFC will fall under Heading 44.10 as per the above explanation of the HSN Note.

6.15 The applicant submits that the heading 44.10 does not cover the following:

- a) Plates or strips of plastics containing wood flour as filler (Chapter 39).
- b) Veneered particle board and similar board (for example, oriented strand board and wafer board), whether or not with holes running internally from end to end (heading 44.12).
- c) Cellular wood panels of which both faces are particle board (heading 44.18).
- d) Boards of ligneous materials agglomerated with cement, plaster or with other mineral binding substances (heading 68.08).

Also excluded from this heading are goods having the character of articles or parts of articles more specifically covered elsewhere, whether obtained directly by pressing, extrusion or moulding or by other processes.

6.16 The PVC used by the applicant has a supplementary function of holding together the ingredients for manufacturing the NFC board and since the PVC is not the dominant ingredient, the said board would fall under Chapter 44. Thus, the exclusion mentioned above especially under point "a" is not all applicable.

6.17 In view of the foregoing the applicant wishes to submit that as per the manufacturing process explained above, it is evident that the major proportion of raw material used is the natural fiber which is nothing but rice husk and coconut shell powder. The other materials such as recycled material & processing additive and PVC resin are comparatively less in proportion as compared to the natural fiber. The PVC resin, acts as a binding agent of all the other raw materials used. Thus, the major proportion of raw material used for manufacturing the NFC board is the natural fibre i.e. the rice husk and coconut shell powder.

The applicant further wish to submit that, based on the HSN explanatory notes and the ratio of the Hon'ble Tribunal (Bangalore), the NFC Board of the applicant would appropriately falls under Chapter 44 and Heading 44.10 of the GST Tariff.



As per Sl. No 92 of the Notification 01/2017- (CT Rate) dated 28.06.2017 Schedule 2, specified goods falling under Chapter 44 or any other Chapter are subject to 6% CGST & 6% SGST and the fibre board is specifically mentioned under the said Sl.No.92 Moreover, the applicant also wish to submit that as long as the product satisfies the description "Fibre Board" irrespective of its classification, GST at the rate of 12 % would apply as per the above notification.

- 6.19 In this regard, the applicant would also like to place reliance on the decision of the Hon'ble Tamil Nadu Advance Ruling Authority in the case of **IN RE: M/s. Papaka Herbs and Spices Private Ltd.**, reported in **2020 (2) TMI 32** wherein it was held as follows:

*From the above, it is seen that Fibreboard manufactured by bonding fibres extracted from wood chips or other lingo-cellulose material. They are bonded together by adding thermosetting resins and find application such as furniture, interior decoration and in building are classified under this heading. The product in hand is a 'Natural Fibre Composite Board' with density of ranging from 0.65 - 0.8g/Cm3(as given in the brochure) and finds application in furniture, interior decoration, building, etc. In this case as per the manufacturing process, fibres are extracted from the rice husk and then mixed with lime powder (calcium carbonate), processing additives such as lubricants, foaming agents, foam regulators, heat stabilizers, etc. PVC resin is used as a binding agent. Hence, the product is a Fibreboard and is more aptly classifiable under CTH 441193 as 'Others' as it is not a Medium Density Fibreboard. Further classification will depend on the individual properties of the product*

*Having decided that the NFC Board manufactured by the applicant with main content as Rice husk, will more appropriately be classified under CTH 441193, the applicable rate of GST is taken up for consideration. The rate of CGST is notified vide Notification No. 01/2017-C.T.(Rate) dated 28.06.2017 as amended in respect of goods and that of SGST is notified vide Notification No. vide G.O. (Ms) No. 62 dated 29.06.2017 as amended. As per Sl. No 92 of Schedule-II of the Notifications, specifies the following goods falling under Chapter 44 or any other Chapter are subject to 6% CGST. The said entry is as follows:*



92.	44 or any Chapter	<p>The following goods, namely :-</p> <p>a. Cement Bonded Particle Board;</p> <p>b. Jute Particle Board;</p> <p>c. Rice Husk Board;</p> <p>d. Glass-fibre Reinforced Gypsum Board (GRG)</p> <p>e. Sisal-fibre Boards;</p> <p>f. Bagasse Board; and</p> <p>g. Cotton Stalk Particle Board</p> <p>h. Particle/fibre board manufactured from agricultural crop residues</p>
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From the above, it may be observed that Rice Husk Board or fibre board manufactured from agricultural crop residues, irrespective of the Chapter under which the same are classified, are subjected to CGST @ 6% and 6 % SGST.

### 7. Personal Hearing:

A personal hearing was conducted on 19.06.2024, which was attended by the authorized representative, Sai Makarandh, Advocate, who has filed Vakalat for authorization on dated 10.04.2024 and reiterated the submissions made in the application and further directed to submit additional information.

### 8. Additional submission made:

8.1 The applicant was requested to submit the additional information, which were eventually provided on 24th June, 2024, regarding the composition of the NFC boards manufactured and further submitted the samples of the NFC boards.

8.2 M/s. TraPlast Industries Private Limited (GSTIN: 37AAHCT6584E1ZY) regarding the question whether the Natural Fibre Composites manufactured by classify as "wood or articles of wood" and thereby attract GST @ 12% under Sl. No. 92 of Schedule II of the GST Tariff.

S. No	Chapter/ Heading/S ub- heading/T ariff item	Description of Goods	CGST Rate (%)	SGST/U TGST Rate (%)	IGST Rate (%)	Com pens ation Cess



92	44 or any Chapter	The following goods, namely: — a. Cement Bonded Particle Board; b. Jute Particle Board; c. Rice Husk Board; d. Glass fibre Reinforced Gypsum Board (GRG) e. Sisal- <b>fibre Boards</b> ; f. Bagasse Board; and g. Cotton Stalk Particle Board h. Particle/fibre board manufactured from agricultural crop residues	6 %	6%	12%	
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In this regard, the applicant has submitted the composition of the NFC boards manufactured along with the samples of the NFC boards for further examination.

8.3 The applicant submitted that their NFC boards are primarily made out of coconut husk or rice husk powder. Detailed composition of our NFC is provided hereunder:

Items	Qty ( in % )
Coconut Shell or Rice Husk, Powder (Natural Fibre)	30
Calcium Carbonate (Lime powder)	13
Recycling waste	15
PVC Resin	29
Processing aids such as thermos-coupling agents, etc.	8
Lubricant	5
<b>Total</b>	<b>100</b>

With respect to the presence of PVC resin in the NFC, it is respectfully submitted and as explained in our submissions in the application, PVC is only used as a binding agent and the primary characteristic and usage of our boards are still that of wood profiles. In this regard, please find sample pieces enclosed with the present letter that will conclusively establish the same.



## 9. Discussion and Findings:

We have carefully gone through the submissions made by the applicant in the advance ruling application, it is seen that the applicant M/s TraPlast Industries Pvt Ltd., Anantapur, Andhra Pradesh registered under GST Act with registration 37AAHCT6584E1ZY, under administrative control of "State" and on the rolls of Guntakal Circle, Anantapur Division.

The applicant is a manufacturer of Natural Fibre Composite (hereinafter referred to as 'NFC') material, which is used to manufacture boards, doors and frames of different sizes and measurements. The said NFC is made of natural fibres such as rice husk, rice grass, wheat grass and coconut shell etc., As per the applicant, it is a material composed of natural fibres (coconut shell husk) and offers a range of advantages, including exceptional durability, low maintenance requirements and is resistant to moisture and heat.

The process of manufacture of the NFC boards is known as extrusion and the same is explained as follows:

The Natural fibres are mixed with PVC of suspension polymer, additives like stabilizers, impact modifiers, UV resistant additives, LUBRICANTS, PROCESSING AIDS are mixed in a High speed mixer for uniform and homogeneous blend and to remove the unwanted vapours in the powder. This process continuous up to 110 C centigrade and then dropped to a cooling mixture, where it is cooled and taken for the process of:

- Extrusion
- Sizing
- Traction
- Cutting

In terms of explanation (iii) and (iv) to Notification No. 1/2017 - Central Tax (Rate) dt. 28-06-2017, tariff heading, 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 and the rules for the interpretation of the First Schedule to the Customs Tariff Act, 1975, including



the Section and Chapter Notes and the General Explanatory Notes of the First Schedule shall be applied for the interpretation and classification of goods.

The applicant has submitted that the product under consideration is a Natural Fibre Composite (NFC) Board made of Natural Fibre, are primarily made out of coconut husk or rice husk powder. Detailed composition of NFC is provided hereunder:

Items	Qty ( in % )
Coconut Shell or Rice Husk, Powder (Natural Fibre)	30
Calcium Carbonate (Lime powder)	13
Recycling waste	15
PVC Resin	29
Processing aids such as thermos-coupling agents, etc.	8
Lubricant	5
<b>Total</b>	<b>100</b>

The applicant further submitted that PVC is only used as a binding agent and the primary characteristic and usage of our boards are still that of wood profiles. In this regard, please find sample pieces enclosed with the present letter that will conclusively establish the same.

From the above, it is seen that Fibreboard manufactured by bonding fibres extracted from wood chips or other lingo-cellulose material. They are bonded together by adding thermosetting resins and find application such as furniture, interior decoration and in building are classified under this heading. The product in hand is a 'Natural Fibre Composite Board' and finds application in furniture, interior decoration, building, etc. In this case as per the manufacturing process, fibres are extracted from the rice husk and then mixed with lime powder (calcium carbonate), processing additives such as lubricants, foaming agents, foam regulators, heat stabilizers, etc. PVC resin is used as a binding agent. Hence, the product is a Fibreboard and is more aptly classifiable under CTH 441193 as 'Others' as it is not a Medium Density Fibreboard. Further classification will depend on the individual properties of the product

Having decided that the NFC Board manufactured by the applicant with main content as Rice husk, will more appropriately be classified under CTH 441193, the applicable rate of GST is taken up for consideration. The rate of CGST is



notified vide Notification No. 01/2017-C.T.(Rate) dated 28.06.2017 as amended in respect of goods and that is notified vide Notification No. vide G.O. (Ms) No. 62 dated 29.06.2017 as amended. As per Sl. No 92 of Schedule-II of the Notifications, specifies the following goods falling under Chapter 44 or any other Chapter are subject to 6% CGST. The said entry is as follows:

92.	44 or any Chapter	<p>The following goods, namely :-</p> <ul style="list-style-type: none"> <li>a. Cement Bonded Particle Board;</li> <li>b. Jute Particle Board;</li> <li>c. Rice Husk Board;</li> <li>d. Glass-fibre Reinforced Gypsum Board (GRG)</li> <li>e. Sisal-fibre Boards;</li> <li>f. Bagasse Board; and</li> <li>g. Cotton Stalk Particle Board</li> <li>h. Particle/fibre board manufactured from agricultural crop residues</li> </ul>
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From the above, it may be observed that Rice Husk Board or fibre board manufactured from agricultural crop residues, irrespective of the Chapter under which the same are classified, are subjected to CGST @ 6% and 6 % SGST.

In view of the above discussions, we Rule as under:

"Natural Fibre Composite (NFC) Board" manufactured by the applicant merits classification under Chapter 441193 of the Customs Tariff and attracts 6 % CGST as per S.No. 92 of Schedule II under Notification 1/2017-Central Tax (Rate) Dt. 28.06.2017 and 6 % SGST under Notification No. II(2)/CTR/532(d-4)/2017 vide G.o. (Ms) No. 62 dated 29.06.2017 as amended

In view of the above discussions, we pass an order as follows:



**RULING****(Under Section 98 of Central Goods and Services Tax Act, 2017 and the Andhra Pradesh Goods and Services Tax Act, 2017)**

Question: Whether Natural Fibre Composite board manufactured by the applicant comprising of Natural Fibre, Calcium carbonate, recycling waste and other processing aid as well as PVC resin, wherein PVC acts only as a bonding agent would remain classified as wood and Articles of Wood under Chapter 44 and attract 12% rate of GST.

Answer : Affirmative Subject to the description given and composition submitted by the applicant and as per the provisions of Law.

Question: In view of the above, the applicant wishes for an advance ruling by this Hon'ble Advance Ruling Authority as to the appropriate rate and classification of GST to be charged.

Answer : Ruled as above.

**Sd/- K. Ravi Sankar**  
Member

//t.c.f.b.o//

**Sd/-B. Lakshmi Narayana**  
Member

  
Deputy Commissioner (ST)  
Registrar  
Authority for Advance Ruling  
O/o. Chief Commissioner (State Tax)  
Andhra Pradesh, Vijayawada

**To**

M/s. Tra Plast Industries Private Limited, Plot No. A4, Industrial Development Area, Gooty Road, Guntakal, Anantapur, Andhra Pradesh- 515803 **(By Registered Post and Mail)**

**Copy to**

1. The Assistant Commissioner (ST), Guntakal Circle, Anantapur Division (through mail) with a direction to communicate the copy to the Central Tax authorities.
2. The Joint Commissioner (ST), Anantapur Division (through mail) with a direction to inform the Central Tax authorities.
3. The Superintendent (CT), Tadipatri Range, Anantapur Division (through mail).

**Copy submitted to**

1. The Chief Commissioner (State Tax), O/o Chief Commissioner of State Tax, Kunchanapalli, Guntur District, (A.P)
2. The Principal Chief Commissioner (Central Tax), O/o Principal Chief Commissioner of Central Tax & Customs, Visakhapatnam Zone, GST Bhavan, Port area, Visakhapatnam-530035. A.P. (through mail)

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