

**AUTHORITY FOR ADVANCE RULING
GOODS AND SERVICE TAX
UTTAR PRADESH
4, Vibhuti Khand, Gomti Nagar, Lucknow-**

ADVANCE RULING NO. UP ADRG 12/2025 Dated. 28.1.2025

PRESENT:

1. **Shri Amit Kumar, I.R.S.**
Additional Commissioner, Central Goods and Service Tax
Commissionerate, LucknowMember (Central Tax)
2. **Shri Harilal Prajapati**
Joint Commissioner, State Goods and Service TaxMember (State Tax)

1.	Name of the Applicant	M/s V.M. Technocoatings, E-81, Site-IV, UPSIDC, Surajpur IND. Area. Gautambudh Nagar, Greater Noida, Uttar Pradesh-201206
2.	GSTIN or User ID	09ADBPJ1040R1ZG
3.	Date of filing of Form GST ARA-01	29.08.2023 (received on 04.11.2024)
4.	Represented by	Mr. Harsh Garg (C.A. & Authorized representative)
5.	Jurisdictional Authority-Centre	Range-5, Div.-Division-I Gautam Budh Nagar, Commissionerate – Gautam Budh Nagar.
6.	Jurisdictional Authority-State	Sector – Sector 2 Gautam Budh Nagar, Range- Gautambudha Nagar (B), Zone- Gautambudha Nagar State –Uttar Pradesh
7.	Whether the payment of fees discharged and if yes, the CIN	Yes, IBKL24080900557294

**ORDER UNDER SECTION 98(4) OF THE CGST ACT, 2017 & UNDER SECTION 98
(4) OF THE UPGST ACT, 2017**

1. Vikas Jain, a proprietor, is registered with GST vide 09ADBPJ1040R1ZG under trade name M/s V.M. Technocoatings bearing principal address at E-81, Site-IV, UPSIDC, Surajpur Industrial Area, Greater Noida, Gautam Buddha Nagar, Uttar Pradesh-201206 (hereinafter referred as "the applicant") is an individual undertaking is undertaking to sell eco-friendly expandable paper wrap (replacement of bubble wrap) and different vendors dealing in this are charging GST at different rates on supply of this impugned product.

2. The applicant has submitted application for Advance Ruling 29.08.2023 (received on 04.11.2024) enclosing dully filled Form ARA-01 (the application form for Advance Ruling) along with annexure and attachments. The applicant in his application has sought advance ruling on following question-

“Whether the HSN applicable to Paper Honeycomb sheet and Paper edge protector is 48089000 or 48236900?”

3. The question is about applicable GST rate under the provisions of CGST Act and liability to pay GST, hence is admissible under Section 97(2)(a) of the CGST Act 2017. Further, as per declaration given by the applicant in Form ARA-01, the issue raised by the applicant is neither pending nor decided in any proceedings under any of the provisions of the Act, against the applicant.
4. The applicant has submitted statement of relevant facts as under:-
 - a. The applicant manufactures paper honeycomb boards and paper edge protectors which are generally used in the packaging industry for cushioning and protecting goods.
 - b. The Paper Honeycomb boards are made from layers of paper formed into a hexagonal structure, similar to a honeycomb, and are used as a core material in various packaging applications. This structure provides strength and stability to the packaging material, making it ideal for use as a core in different packaging applications.
 - c. The paper edge protectors are made from paper and are used to protect the edges of goods during transportation and storage. We are seeking Advance Ruling to determine the correct classification of these products under the GST regime, specifically under which HSN code they should be classified.
5. The applicant has submitted their interpretation of law as under-
 1. In trade parlance, paper is the main raw material to make paper honeycomb board and paper edge protector and as stated in the supra facts that this impugned product comprises 80-90% of paper and the rest of the other things are consumable items.
 2. Paper edge protectors and paper honeycomb board are manufactured primarily from paper, they align closely with the description under HSN code 4808. This code specifically covers "paper and paperboard," which is a key material characteristic of these products.
 3. The process of making paper edge protectors often involves cutting, shaping, and sometimes crinkling or embossing the paper to provide additional strength and protection. These processes are directly covered under HSN 4808, which includes paper that has been crinkled, creped, or otherwise modified. The specific end-use of protecting the edges of goods during shipping and storage involves utilizing the strength and durability provided by corrugated paperboard, which is exactly what HSN 4808 is meant to cover.
 4. Material Composition and Characteristics- The primary purpose of paper honeycomb boards is to provide structural strength and protection in various applications, including packaging, furniture, and construction. The functionality of paperboard as described under HSN 4808 is to offer strength and reinforcement, which is the same functional purpose served by paper honeycomb boards. HSN 4808

includes all forms of paper, which means that the specific shape or form of the corrugation (like a honeycomb pattern) does not exclude it from this classification.

5. The production of paper honeycomb boards involves techniques similar to those used in the manufacturing of corrugated paperboard. This includes forming paper into a corrugated pattern, albeit in a honeycomb design, which aligns with the processes intended to be covered under HSN 4808.

6. Applicant would also like to take reference of intended use of these two paperboards in various industries which primarily involves usage in the packaging industry due to its lightweight and strong properties. It is ideal for creating protective packaging for fragile items, where it provides excellent cushioning and shock absorption during transportation. This makes it a cost-effective and sustainable alternative to other packaging materials.

7. Reliance is being placed on recent pronouncement of the Hon'ble Advance Ruling Authority (GST) of Karnataka in the matters of M/s LSQUARE ECO PRODUCTS PVT. LTD. [2020 (37) GSTL 394 (AAR-GST-Kar.) and the relevant extract is reproduced below for instant reference:

"Paperboards Paper honeycomb boards made using kraft paper, paper honeycomb core and adhesives - Product consisting of 80% to 90% of kraft paper and rest being paper to paper adhesive and used in primary packing of goods as cushioning material, separators or edge protector, for making shipping cartons of goods and as pallets and pallet boxes Similar to corrugated paperboard (listed under HSN Code 4808 10 00), only difference being paper honeycomb board consists of honeycomb like structure core material at centre and on either side of this one or more layer of kraft paper glued by using adhesive with fluting direction being perpendicular to corrugated boards - Honeycomb paperboard classified under HSN Code 4808 90 00 as "other" instead 48081000 as "Corrugated paper and paperboard, whether or not perforated". Hence this honeycomb paperboard classified under the Heading 4808 90 00 as other instead 4808 10 00."

8. In this pronouncement, question before the Hon'ble Authority was to determine the classification of honeycomb boards made up of kraft paper and hence the authority was convinced that correct classification is 4808-9000 which is right now 12% GST as per prevailing law on the filing this application. Paper honeycomb boards should be classified under HSN 4808 due to their structural characteristics and use.

9. Relevant extract of this chapter heading is reproduced below for instant reference:

4808 PAPER AND PAPERBOARD, CORRUGATED (WITH OR WITHOUT GLUED FLAT SURFACE SHEETS), CREPED, CRINKLED, EMBOSSSED OR PERFORATED, IN ROLLS OR SHEETS, OTHER THAN PAPER OF THE KIND DESCRIBED IN HEADING 4803

4808 10 00 - Corrugated paper and paperboard, whether or not perforated

4808 40 - Kraft paper, creped or crinkled, whether or not embossed or perforated:

- 4808 40 10 -Sack kraft paper, creped or crinkled, whether or not or perforated
- 4808 40 90 kraft paper, creped or crinkled, whether or not embossed or perforated
- 4808 90 00 Other

10. Considering the facts of the case, the essential element is that both these products are classifiable as paperboard in which 80-90% raw material is paper hence appropriate chapter heading will be 4808 to charge GST on this.

11. Contrary to this, chapter heading 4823 is more towards the residual paper, or other residual articles of paper pulp, paper, etc. and relevant extract is reproduced below:

4823 OTHER PAPER, PAPERBOARD, CELLULOSE WADDING AND WEBS OF CELLULOSE. FIBERS, CUT TO SIZE OR SHAPE OTHER ARTICLES OF PAPER PULP, PAPER, PAPERBOARD, CELLULOSE WADDING OR WEBS OF CELLULOSE FIBERS

12. Accordingly, the specific classification for paperboard will be 4808 and not 4823 since the latter category is for residual paper and its articles which are not falling under any specific heads. And specifically, 48089000 will be apt classification to cover honeycomb sheet and paper edge protector and consequently, GST rate will be 12% as per prevailing rate on the date of filing this application.

6. The application for advance ruling was forwarded to the Jurisdictional GST Officer to offer their comments/views/verification report on the matter. The Assistant Commissioner, CGST & Central Excise Division I, Gautam Budh Nagar vide his letter C.No 20-CGST/R-5/D-1/GBN/RR/VM Techno/23/2022-23/1002 dated 16.12.2024 submitted that impugned paper honeycomb boards and paper edge protectors is classifiable under Chapter Sub-heading No. 48236900. He has submitted following facts in the support of the above:

The paper Honeycomb boards are made from layers of paper formed into a hexagonal structure, similar to a honeycomb, and are used as a core material in various packaging applications. This structure provides strength and stability to the packing material, making it ideal for use as a core in different packing applications. The paper edge protectors are made from paper and are used to protect the edges of goods during transportation and storage. Paper Honeycomb sheet and Paper edge protector, which is primarily used as packing material, may be correctly classifiable under HSN 48236900 not in 48089000. HSN 48089000 is related to other related to Paper and paperboard, corrugated, creped, crinkled, embossed or perforated, in rolls or sheets, other than paper of the kind described in heading 4803.

7. The applicant was granted a personal hearing on 15.01.2025 which was attended by Mr. Harsh Garg, Authorized Representative during which he reiterated the submissions made in the application of advance ruling.

DISCUSSION AND FINDING

8. At the outset, we would like to make it clear that the provisions of both the CGST Act and the UPGST Act are the same except for certain provisions. Therefore, unless a mention is specifically made to such dissimilar provisions, a reference to the CGST Act would also mean a reference to the same provision under the UPGST Act. Further to the earlier, henceforth for the purposes of this Advance Ruling, a reference to such a similar provision under the CGST Act / UPGST Act would be mentioned as being under the 'CGST Act'.

9. We have gone through the submissions made by the applicant in their application for advance ruling as well as the submissions made by the representative during the personal hearing. We also considered the issues involved, on which advance ruling is sought by the applicant, relevant facts of the case and applicant's interpretation of law. At the outset, we find that the issue raised in the application is squarely covered under Section 97(2)(a) of the CGST Act 2017 being a matter related to classification of goods. We therefore, admit the application for consideration on merits.

10. The applicant is undertaking a process to prepare Paper edge protectors and paper honeycomb board are manufactured primarily from paper and to sell the same in open market. The applicant has sought advance ruling as to "*Whether the HSN applicable to Paper Honeycomb sheet and Paper edge protector is 48089000 or 48236900?*"

11. At the outset we must understand what is meant by paper-

The word not having been defined either in the CGST Act or UPGST Act or the Rules made there under, it has to be understood according to well established canon of construction in the sense in which persons dealing in and using the article understand it. It is, therefore, necessary to know what is paper as commonly or generally understood.

11.1 The said word is explained in The Shorter Oxford Dictionary [Volume 2 (Third Edition)] as- "*a substance composed of fibres interlaced into a compact web, made from linen and cotton rags, straw, wood, certain grasses, etc. which are messed into a pulp, and pressed; it is used for writing, printing, or drawing on, wrapping things in, for covering the interior or walls, etc.*"

Encyclopaedia Britannica says - "*Paper, the general name for the substance commonly used for writing upon or for wrapping things in.*"

In Unabridged Edition of the Random House Dictionary of the English Language the word "paper" has been defined as "*a substance made from rags, straw, wood or other fibrous material, usually in thin sheets, used to bear writing or printing on or for wrapping things, decorating walls etc.*"

As per Webster's Dictionary- "*Paper, a thin flexible material made in leaves or sheets from the pulp of rags, straw, wood or other fibrous material and used for writing or printing upon or for wrapping and various other purposes.*"

11.2 From the above definitions it is clear that in popular parlance the word "paper" is understood as meaning a substance which is used for bearing writing or printing, or for packing

or for drawing on, or for decorating, or covering walls. [**State of Uttar Pradesh v. Kores India Limited, 1977 UPTC 46: (1977) 39 STC 8**].

12. The applicant has submitted that the process of making paper edge protectors often involves cutting, shaping, and sometimes crinkling or embossing the paper to provide additional strength and protection. Further applicant has submitted that the specific end-use of protecting the edges of goods during shipping and storage involves utilizing the strength and durability provided by corrugated paperboard and The primary purpose of paper honeycomb boards is to provide structural strength and protection in various applications, including packaging, furniture, and construction. The functionality of paperboard as described under HSN 4808 is to offer strength and reinforcement, which is the same functional purpose served by paper honeycomb boards. HSN 4808 includes all forms of paper, which means that the specific shape or form of the corrugation (like a honeycomb pattern) does not exclude it from this classification.

13. We observe that the applicant is a manufacturer of paper honeycomb boards or paper honeycomb boards using the paper, paper honeycomb core and adhesives. This paper honeycomb boards consists of 80 to 90% of paper and rest is paper to paper adhesive which is used in the primary packing of goods as a cushioning material, separators or edge protector, for making shipping cartons of goods and as pallets and pallet boxes. With this in background applicant has sought advance ruling on the question as mentioned above.

14. We find that the applicant has rightly admitted that paper honeycomb boards or paper honeycomb boards mainly consists of paper up to the extent of 80 to 90% and remaining is paper to paper adhesive. Further applicant has mentioned that the paper honeycomb boards or paper honeycomb boards is classified under the heading 4808. The description of Chapter subheading of 4808 of the first schedule to the Customs Tariff Act, 1975 is as under-

Tariff Item	Description of goods
4808	PAPER AND PAPERBOARD, CORRUGATED (WITH OR WITHOUT GLUED FLAT SURFACE SHEETS), CREPED, CRINKLED, EMBOSSSED OR PERFORATED, IN ROLLS OR SHEETS, OTHER THAN PAPER OF THE KIND DESCRIBED IN HEADING 4803
4808 10 00	Corrugated paper and paper board, whether or not perforated
4808 40	Kraft paper, creped or crinkled, whether or not embossed or Perforated
4808 40 10	Sack kraft paper, creped or crinkled, whether or not or perforated
4808 40 90	Other kraft paper, creped or crinkled, whether or not embossed or perforated
4808 90 00	Other

15. Therefore, we find after verification of the structure and purpose for which paper honeycomb board or paper honeycomb board used are similar to the corrugated paper board (listed under 48081000), only difference is that this paper honeycomb board consists of honey comb like structure core material at the centre and on either side of this one or more layer of

paper is glued by using adhesive with fluting direction being perpendicular to corrugated boards. Hence this Paper Honeycomb sheet and Paper edge protector is *classified* under the heading 48089000 instead of 48236900.

16. Hence the Paper Honeycomb sheet and Paper edge protector merits to be classified under heading 48089000.

In view of the above discussions, we, both the members unanimously rule as under;

RULING

17. **Ques.** “Whether the HSN applicable to Paper Honeycomb sheet and Paper edge protector is 48089000 or 48236900 ?”

Answer- The HSN code of the impugned is 48089000.

18. This ruling is valid only within the jurisdiction of Authority for Advance Ruling Uttar Pradesh and subject to the provisions under Section 103(2) of the CGST Act, 2017 until and unless declared void under Section 104(1) of the Act.



(Harilal Prajapati)
Member of Authority for Advance
Ruling



(Amit Kumar)
Member of Authority for Advance
Ruling

To,

M/s V.M. Technocoatings
E-81, Site-IV, UPSIDC, Surajpur Industrial Area,
Greater Noida, Gautam Buddha Nagar,
Uttar Pradesh-201206 21,

AUTHORITY FOR ADVANCE RULING –UTTAR PRADESH

Copy to –

1. The Chief Commissioner, CGST & Central Excise, Lucknow, Member, Appellate Authority of Advance Ruling.
2. The Commissioner, Commercial Tax, Uttar Pradesh, Member, Appellate Authority of Advance Ruling.
3. The Commissioner, CGST & C. Ex, GB Nagar, Wegmans Business Park, KP-III, Greater Noida-201306.
4. The Deputy/Assistant Commissioner, CGST & Central Excise Division-I, GB Nagar, Wegmans Business Park, KP-III, Greater Noida-201306
5. Through the Additional Commissioner, Gr-I, Commercial Tax, ZONE- NOIDA, Uttar Pradesh to jurisdictional tax assessing officers.

Note: An Appeal against this advance ruling order lies before the Uttar Pradesh Appellate Authority for Advance Ruling for Goods and Service Tax, 4, Vibhuti Khnad, Gomti Nagar, Lucknow-226010, within 30 days from the date of service of this order.