



BEFORE THE AUTHORITY FOR ADVANCE RULING - ANDHRA PRADESH
Goods and Service Tax

D. No. 5-56, Block-B, R.K. Spring Valley Apartments, Eedupugallu, Vijayawada-521151

Present

1. Sri. D. Ramesh, Commissioner of State Tax (Member)
2. Sri. A. Syam Sundar, Additional Commissioner of Central Tax (Member)

AAR No.19/AP/GST/2021 dated:15.07.2021

1	Name and address of the applicant	M/s. Mother India Natural Stones, Plot No Ab-2, Industrial Estate, Markapur, Prakasam District-523316, Andhra Pradesh.
2	GSTIN	37BERPC1363J1ZB
3	Date of filing of Form GST ARA-01	30.01.2021
4	Personal Hearing	12.02.2021
5	Represented by	Sri Ch. Sujuth, Advocate
6	Jurisdictional Authority - Centre	Superintendent, Markapur Range CGST Nellore Division.
7	Clause(s) of section 97(2) of CGST/SGST Act, 2017 under which the question(s) raised	a) classification of any goods or services or both

ORDER

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

1. At the outset we would like to make it clear that the provisions of CGST Act, 2017 and SGST Act, 2017 are in pari materia 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.
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 CGST Act and APGST Act respectively) by M/s. Mother India Natural Stones (hereinafter referred to as applicant), registered under the AP Goods & Services Tax Act, 2017.

3. Brief Facts of the case:

The applicant, M/s. Mother India Natural Stones procures raw material from mine owners and processes the raw material by cutting/sawing into different sizes starting from 30CM X 30CM to 60CM X 90CM based on requirements of the customers and finally the product is used mainly for flooring in foreign countries. The applicant approached this authority regarding the classification of the product.

Whether the product in question is classified under the **HSN code 25140000** "*Slate, Whether Or Not Roughly Trimmed Or Merely Cut, By Sawing Or Otherwise, Into Blocks Or Slabs Of A Rectangular (Including Square) Shape*" or under the **HSN code 6803000** "*Worked Slate and articles of slate or of agglomerated slate (excluding slate granules, chippings and powder, mosaic cubes and the like, slate pencils and ready to use slates or boards with writing or drawing surfaces*".

4. Question raised before the authority:

1. Whether the Product can be classified under HSN code 25140000 or 68030000?

On Verification of basic information of the applicant, it is observed that the applicant falls under Central jurisdiction, i.e. Superintendent of CGST Markapur Range, Nellore Division. Accordingly, the application has been forwarded to the jurisdictional officer and a copy marked to the State Tax authorities to offer their remarks as per Sec. 98(1) of CGST /APGST Act 2017.

Remarks were received from the State Tax authorities concerned on the issue, stating that no proceedings were pending against the applicant for which the Advance Ruling sought.

5. Applicant's Interpretation of Law:

The applicant claims that their final product fits into the category of Slate, whether or not roughly trimmed or merely cut, by sawing or otherwise, into blocks or slabs of a rectangular (including square) shape, as they do sawing of random slate into squares/rectangles based on customer requirement.

6. Personal Hearing:

The authorised representative of the applicant, Sri Ch. Sujuth, appeared for Personal Hearing on 12.02.2021 and they reiterated the submissions already made in the application.

7. Discussion and Findings:

We have examined the issues raised in the application. The taxability of the goods and services supplied or to be supplied, as governed under the provisions of respective GST Acts are examined to decide the question involved in the present Ruling.

The issue at hand is to decide the classification of the product whether it can be classified under the HSN code 25140000 i.e., "*Slate, Whether Or Not Roughly Trimmed Or Merely Cut, By Sawing Or Otherwise, Into Blocks Or Slabs Of A Rectangular (Including Square) Shape*" or under the HSN code 6803000 i.e., "*Worked Slate and articles of slate or of agglomerated slate (excluding slate granules, chippings and powder, mosaic cubes and the like, slate pencils and ready to use slates or boards with writing or drawing surfaces*".

Basing on the applicant's description of the product and processes that it under goes, it is evident that the goods under dispute are slate stone that is trimmed and cut into sizes as per the requirement of the clients. After going through the photographic evidences submitted by the applicant, it is observed that there is no workmanship involved at any stage of the entire process of the making of the final product. The

activity under taken by the applicant is just cutting/ sawing the slate stone into different sizes. Apart from cutting of the stone into standard pre determined sizes the applicant does not take up any other special activity.

Taking note of the factual position, it has been considered that the product under goes only 'processing' and retains its original character. At any point of time in the entire process it had neither under gone any 'manufacturing' activity involving workmanship nor had been transformed into a different commodity.

Hence, the said product can be classified under Sl.No. 122 of Chapter / Heading / Sub-heading / Tariff item of 2514 "*Slate, whether or not roughly trimmed or merely cut, by sawing or otherwise, into blocks or slabs of a rectangular (including square) shape*" vide notification no 1/20107-Central Tax (Rate)dt:28.06.2017. Moreover the Notes to Chapter 68 "*Articles of stones, plaster, cement, asbestos, mica of similar materials*" reads as follows,

"1. This chapter does not cover:

(a) Goods of Chapter 25;".

It clarifies that, once any entry that finds its place in chapter 25 will not be covered under Chapter 68.

With the foregoing, we rule as under.

RULING

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

Question: Product HSN code classification whether 25140000 or 68030000?

Answer : The product is classified under Sl.No. 122 of Chapter / Heading / Sub-heading / Tariff item of 2514 "*Slate, whether or not roughly trimmed or merely cut, by sawing or otherwise, into blocks or slabs of a rectangular (including square) shape*" attracting tax rate of 5%, vide Notification no 1/2017- Central Tax (Rate) dt: 28.06.2017 as amended from time to time.

Sd/-D. Ramesh
(MEMBER)

Sd/- A. Syam Sundar
(MEMBER)

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




Deputy Commissioner (ST)
Registrar, AAR

DEPUTY COMMISSIONER (ST)
O/o. Chief Commissioner of State Tax,
Government of A.P. Vijaya

To

1. M/s. Mother India Natural Stones, Plot No Ab-2, Industrial Estate, Markapur, Prakasam District-523316, Andhra Pradesh. **(By Registered Post)**
2. M/s. Mother India Natural Stones, DR.No.7-352-A-A-1, Ganesh Nagar, Nehru Bazar, Markapur, Prakasam District, Andhra Pradesh. **(By Registered Post)**

Copy to

1. The Assistant Commissioner of State Tax, Markapur Circle, Nellore Division.
(By Registered Post)

2. The Superintendent, Central Tax, CGST Markapur Range, Nellore Division.
(By Registered Post)

Copy submitted to

1. The Chief Commissioner (State Tax), O/o Chief Commissioner of State Tax,
Eedupugallu, Vijayawada, (A.P)

2. The Chief Commissioner (Central Tax), O/o Chief Commissioner of Central Tax
& Customs, Visakhapatnam Zone, GST Bhavan, Port area, Visakhapatnam-
530035.A.P. (By Registered Post)

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.

DEPUTY COMMISSIONER (ST)
O/o Chief Commissioner of State Tax
Government of A.P. Vijayawada

