

**GUJARAT AUTHORITY FOR ADVANCE RULING,
GOODS AND SERVICES TAX,
D/5, RAJYA KAR BHAVAN, ASHRAM ROAD,
AHMEDABAD – 380 009.**



ADVANCE RULING NO. GUJ/GAAR/R/107/2020
(IN APPLICATION NO. Advance Ruling/SGST&CGST/2020/AR/49)
Date: 30.12.2020

Name and address of the applicant	:	M/s. Ananta Synthetic Innovations, Survey No.345, Ananda Viramgam Medaadraj road, Manipur, Kadi, Mehsana-382728.
GSTIN of the applicant	:	24ABQFA1940G1ZL
Date of application	:	20.11.2020.
Clause(s) of Section 97(2) of CGST/ GGST Act, 2017, under which the question(s) raised.	:	(a)Classification of goods and/or services or both.
Date of Personal Hearing	:	23.12.2020(Through online hearing)
Present for the applicant	:	Shri Subramanya V Rayaprol

BRIEF FACTS

The applicant M/s. Ananta Synthetic Innovations, Survey No.345, Ananda Viramgam Medaadraj road, Manipur, Kadi, Mehsana-382728 are manufacturers and suppliers of the product namely “Geo Membrane for Waterproof Lining fabrics” which is used for Water Proof Lining of Ponds, Canals and other Water storage places. The applicant has submitted that the said product is also referred to as Pond Liners and is specific Laminated High Density Polyethylene Woven Geo-membrane for water proof lining which is manufactured specifically as per Indian Standard prescribed under IS:15351:2015 and are used primarily for farming water and as liners for water ponds, canals, water pits etc., for storage of water bodies. In the States with scanty rain fall, the said pond liners are primarily used for the agricultural sector for water preservation.

2. The applicant has submitted that they, as a manufacturer of Geo Membrane for Water Proof Lining fabrics have sought classification of the same under HSN 59039090 and have submitted the brief manufacturing process for the said product as under:

- (a) Tape/Strip Extrusion: Tapes/Strips are manufactured from raffia grade HDPE granules which shall be UV stabilized by incorporating suitable carbon black, UV and Additives. Granules are then extruded through sheet die to produce solid sheet which is further uniformly slitted into number of tapes. These tapes are then passed through hot air oven for twist stretching with proper orientation to the tapes to achieve the required tape width and desired strength. Width of the tape/strip is between(4.1 mm to 4.3 mm) and the Linear Density of the tape/strip is 1500 to 2400 Denier. Tapes/strips are wound on bobbins for further processing.
- (b) Fabric weaving: HDPE woven fabrics are manufactured on Circular or Flat looms. As per design of woven fabric, Warp and Weft tapes are

loaded accordingly. These tapes are then passed through Machine Direction and Cross Direction accordingly to weave the fabric.

- (c) Film Extrusion: Film is manufactured from Polyethylene (PE) granules and required suitable UV stabilizer is added. Granules are then extruded through circular die to produce blowing film which further uniformly passed through take up roller to get the required film width & micron. Tubular film is made on surface winder and it flattens with help of guide roller.
- (d) Lamination Coating: The HDPE woven fabric is laminated on both sides with LDPE with suitable combination of LLDPE. The coating film is UV stabilized by incorporating 2.5 ± 0.5 per cent of carbon black with uniform dispersion. HDPE woven fabric is bonded with single side or both side LDPE coating. Similarly other side of the fabric is bonded together by sandwich lamination. For sandwich lamination, HDPE woven fabric is bonded with LDPE coating and LDPE liner film. The roll is ready for sealing process.
- (e) Sealing: Two or more pieces of geomembrane fabrics are used, the Geomembrane are joined/seamed together by a suitable heat air blower sealing process keeping an overlap as per standard sealing process.

Based on the above manufacturing process, the applicant also submits that the coating/impregnation/lamination can be seen with naked eye, and hence, as per chapter note 2, the manufactured goods should fall under HSN 59039090.

3. The applicant has submitted that the product Geo Membrane for Water Proof Lining fabrics would get covered under HSN 59039090 for the following reasons:

The Chapter Note 2 of the Chapter 59 reads as under:

2. Heading 5903 applies to:

(a) textile fabrics, impregnated, coated, covered or laminated with plastics, whatever the weight per square metre and whatever the nature of the plastic material (compact or cellular), other than:

(1) fabrics in which the impregnation, coating or covering cannot be seen with the naked eye (usually Chapters 50 to 55, 58 or 60); for the purpose of this provision, no account should be taken of any resulting change of colour;

(2) products which cannot, without fracturing, be bent manually around a cylinder of a diameter of 7 mm, at a temperature between 15oC and 30oC (usually Chapter 39);

(3) products in which the textile fabric is either completely embedded in plastics or entirely coated or covered on both sides with such material, provided that such coating or covering can be seen with the naked eye with no account being taken of any resulting change of colour (Chapter 39);

(4) fabrics partially coated or partially covered with plastics and bearing designs resulting from these treatments (usually Chapters 50 to 55, 58 or 60);

(5) plates, sheets or strip of cellular plastics, combined with textile fabric, where the textile fabric is present merely for reinforcing purposes (Chapter 39); or

(6) textile products of heading 5811;

(b) fabrics made from yarn, strip or the like, impregnated, coated, covered or sheathed with plastics, of heading 5604.

4. The applicant has submitted that the Chapter Note 7 of Chapter 59 reads as under:

Heading 5911 applies to the following foods, which do not fall in any other heading of Section XI:

(a) textile products in the piece, cut to length or simply cut to rectangular (including square) shape (other than those having the character of the products of headings 5908 to 5910), the following only:

(i) textile fabrics, felt and felt-lined woven fabrics, coated, covered or laminated with rubber, leather or other material, of a kind used for card clothing, and similar fabrics of a kind used for other technical purposes, including narrow fabrics made of velvet impregnated with rubber, for covering weaving spindles (weaving beams);

(ii) bolting cloth;

(iii) straining cloth of a kind used in oil presses or the like, of textile material or of human hair;

(iv) flat woven textile fabrics with multiple warp or weft, whether or not felted, impregnated or coated, of a kind used in machinery or for other technical purposes;

(v) textile fabrics reinforced with metal, of a kind used for technical purposes;

(vi) cords, braids and the like, whether or not coated, impregnated or reinforced with metal, of a kind used in industry as packing or lubricating materials;

(b) textile articles (other than those of headings 5908 to 5910) of a kind used for technical purposes [for example, textile fabrics and felts, endless or fitted with linking devices, of a kind used in paper making or similar machines (for example, for pulp or asbestos-cement), gaskets, washers, polishing discs and other machinery parts].

5. The applicant has further submitted that in the case of Advance Ruling filed by THE RUBY MILLS LTD., cited in 2020 (38) G.S.T.L. 206 (AAR-GST-UK), before the AAR, Uttarakhand, it was held that,

“6.2 In this context, the relevant chapter note of CHAPTER 59(Impregnated, coated, covered or laminated textile fabrics; textile articles of a kind suitable for industrial use) of the GST Tariff is reproduced as under-

“2. Heading 5903 applies to:

(a) textile fabrics, impregnated, coated, covered or laminated with plastics, whatever the weight per square metre and whatever the nature of the plastic material (compact or cellular), other than:

(1) fabrics in which the impregnation, coating or covering cannot be seen with the naked eye (usually Chapters 50 to 55, 58 or 60); for the purpose of this provision, no account should be taken of any resulting change of colour;

(2) products which cannot, without fracturing, be bent manually around a cylinder of a diameter of 7 mm, at a temperature between 15oC and 30oC (usually Chapter 39);

(3) products in which the textile fabric is either completely embedded in plastics or entirely coated or covered on both sides with such material, provided that such coating or covering can be seen with the naked eye with no account being taken of any resulting change of colour (Chapter 39);

(4) fabrics partially coated or partially covered with plastics and bearing designs resulting from these treatments (usually Chapters 50 to 55, 58 or 60);

(5) plates, sheets or strip of cellular plastics, combined with textile fabric, where the textile fabric is present merely for reinforcing purposes (Chapter 39); or

(6) textile products of heading 5811;”

6.3 On perusal of the Note 2 to Chapter Heading 5903, we find that the said heading covers textile fabrics, impregnated, coated, covered or laminated with plastics. Such products are classified here whatever the weight per square meter and whatever the nature of the plastic component (compact or cellular) provided that in the case of impregnation, coating or covered fabrics, impregnation, coating or covering can be seen with the naked eye. The textile fabrics in which impregnation, coating or covering cannot be seen with the naked eye usually fall in 50 to 55, 58 or 60.

6.4 In the present case, we find that the applicant in their submission has admitted that this coating pattern can be seen with the naked eye and the same fact is also confirmed by the concerned officer of SGST-Uttarakhand in his report dated 30.01.2020, therefore the product in question merit classification under Chapter 5903 of GST Tariff Act, 2017.”

6. The applicant has submitted that they place reliance on the ration of the above judgement and also prayed to classify the said manufactured goods under HSN 59039090. They have asked the following question seeking Advance Ruling on the same:

“Whether the Geo Membrane for Water Proof Lining Fabrics which is technically “Textile Fabrics made of strips and laminated/coated/covered/sheathed with plastics of width not exceeding 5mm and such impregnation/coating/covering/lamination can be seen with naked eye”, can be classified as “Textile Fabrics, Impregnated, coated, covered or laminated with plastics” under HSN 59039090 with IGST @ 12% (CGST@6% + SGST@6%)

OR

Whether the Geo Membrane for Water Proof Lining Fabrics which is technically “Textile Fabrics made of strips and laminated/coated/covered/sheathed with plastics of width not exceeding 5mm and such impregnation/coating/ covering/lamination can be seen with naked eye”, and is put to use for technical purposes, can be classified as “Textile products and articles, for technical uses, specified in note 7 to this chapter” under HSN 59119090 with IGST@12% (CGST@6% + SGST@6%)”

DISCUSSION & FINDINGS:

7. We have considered the submissions made by the applicant in their application for advance ruling as well as the arguments/discussions made by their representative Shri Subramanya V Rayaprol at the time of personal hearing. We have also considered the issues involved on which Advance Ruling is sought by the applicant.

8. At the outset, we would like to state that the provisions of both the Central Goods and Services Tax Act, 2017 and the Gujarat Goods and Services Tax Act, 2017 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 similar provisions of the GGST Act.

9. Based on the submission of the applicant as well as the arguments/discussions made by the representative of the applicant during the course of personal hearing, we find that the issue to be decided is the classification of their product “Geo Membrane for Water Proof Lining Fabrics” manufactured and supplied by the applicant (also referred to as Pond Liner) which is used for Water Proof Lining of Ponds, Canals and other Water storage places, and the GST liability of the said product. In order to determine the tax liability on said goods, we will be required to refer to the Notification No.01/2017-Central Tax (Rate) dated 28.06.2017 containing the headings, sub-headings as well as the rates of Central Tax GST applicable to various goods which are covered under 6 schedules as under:

- (i) 2.5 per cent. in respect of goods specified in Schedule I,
- (ii) 6 per cent. in respect of goods specified in Schedule II,
- (iii) 9 per cent. in respect of goods specified in Schedule III,
- (iv) 14 per cent. in respect of goods specified in Schedule IV,
- (v) 1.5 per cent. in respect of goods specified in Schedule V, and
- (vi) 0.125 per cent. in respect of goods specified in Schedule VI

Further, Explanation (iii) and (iv) of the said Notification reads, as under:

(iii) “Tariff item”, “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 (51 of 1975).

(iv) The rules for the interpretation of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975), including the Section and Chapter Notes and the General Explanatory Notes of the First Schedule shall, so far as may be, apply to the interpretation of this notification.

10. We will therefore, be required to refer to the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) in order to find out the correct classification of the said products. Also, since the applicant in his question seeking Advance Ruling wants to know whether their product falls under 59039090 or 59119090, we find it imperative to refer to Headings 5903 and 5911 falling under Chapter 59 (Man-made filaments; strip and the like of man-made textile materials). Headings 5903 and 5911 read as under:

5903 TEXTILE FABRICS, IMPREGNATED, COATED, COVERED OR LAMINATED WITH PLASTICS, OTHER THAN THOSE OF HEADING 5902

5903 10 - With polyvinyl chloride :
5903 10 10 --- Imitation leather fabrics of cotton
5903 10 90 --- Other
5903 20 - With polyurethane :
5903 20 10 --- Imitation leather fabrics, of cotton
5903 20 90 --- Other
5903 90 - Other:
5903 90 10 --- Of cotton
5903 90 20 --- Polyethylene laminated jute fabrics
5903 90 90 --- Other

5911 TEXTILE PRODUCTS AND ARTICLES, FOR TECHNICAL USES, SPECIFIED IN NOTE 7 TO THIS CHAPTER

5911 10 00 - Textile fabrics, felt and felt-lined woven fabrics, coated, covered or laminated with rubber, leather or other material, of a kind used for card clothing, and similar fabrics of a kind used for other technical purposes, including narrow fabrics made of velvet impregnated with rubber, for covering weaving spindles (weaving beams)

5911 20 00 - Bolting cloth, whether or not made up-
- Textile fabrics and felts, endless or fitted with linking devices, of a kind used in papermaking or similar machines (for example, for pulp or asbestos-cement) :

5911 31 -- Weighing less than 650 g/m² :
5911 31 10 --- Felt for cotton textile industries, woven kg. 10% -
5911 31 20 --- Woven textiles felt, whether or not impregnated or coated, of a kind commonly used in other machines
5911 31 30 --- Cotton fabrics and articles used in machinery and plant
5911 31 40 --- Jute fabrics and articles used in machinery or plant
5911 31 50 --- Textile fabrics of metalised yarn of a kind commonly used in paper making or other machinery
5911 31 90 --- Other
5911 32 -- Weighing 650 g/m² or more:
5911 32 10 --- Felt for cotton textile industries, woven
5911 32 20 --- Woven textiles felt, whether or not impregnated or coated, of a kind commonly used in other machines
5911 32 30 --- Cotton fabrics and articles used in machinery and plant
5911 32 40 --- Jute fabrics and articles used in machinery or plant
5911 32 50 --- Textile fabrics of metalised yarn of a kind commonly used in paper making or other machinery
5911 32 90 --- Other
5911 40 00 - Straining cloth of a kind used in oil presses or the like, including that of human hair
5911 90 - Other :
5911 90 10 --- Paper maker's felt, woven
5911 90 20 --- Gaskets, washers, polishing discs and other machinery parts of textile articles
5911 90 90 --- Other

11. Relevant portion of the Chapter notes of Chapter 59 with respect to Headings 5903 and 5911 read as under:

“2. Heading 5903 applies to:

(a) textile fabrics, impregnated, coated, covered or laminated with plastics, whatever the weight per square metre and whatever the nature of the plastic material (compact or cellular), other than:

(1) fabrics in which the impregnation, coating or covering cannot be seen with the naked eye (usually Chapters 50 to 55, 58 or 60); for the purpose of this provision, no account should be taken of any resulting change of colour;

(2) products which cannot, without fracturing, be bent manually around a cylinder of a diameter of 7 mm, at a temperature between 15oC and 30oC (usually Chapter 39);

(3) products in which the textile fabric is either completely embedded in plastics or entirely coated or covered on both sides with such material, provided that such coating or covering can be seen with the naked eye with no account being taken of any resulting change of colour (Chapter 39);

(4) fabrics partially coated or partially covered with plastics and bearing designs resulting from these treatments (usually Chapters 50 to 55, 58 or 60);

(5) plates, sheets or strip of cellular plastics, combined with textile fabric, where the textile fabric is present merely for reinforcing purposes (Chapter 39); or

(6) textile products of heading 5811;

(b) fabrics made from yarn, strip or the like, impregnated, coated, covered or sheathed with plastics, of heading 5604.

7. *Heading 5911 applies to the following goods, which do not fall in any other heading of Section XI:*

(a) textile products in the piece, cut to length or simply cut to rectangular (including square) shape (other than those having the character of the products of headings 5908 to 5910), the following only:

(i) textile fabrics, felt and felt-lined woven fabrics, coated, covered or laminated with rubber, leather or other material, of a kind used for card clothing, and similar fabrics of a kind used for other technical purposes, including narrow fabrics made of velvet impregnated with rubber, for covering weaving spindles (weaving beams);

(ii) bolting cloth;

(iii) straining cloth of a kind used in oil presses or the like, of textile material or of human hair;

(iv) flat woven textile fabrics with multiple warp or weft, whether or not felted, impregnated or coated, of a kind used in machinery or for other technical purposes;

(v) textile fabrics reinforced with metal, of a kind used for technical purposes;

(vi) cords, braids and the like, whether or not coated, impregnated or reinforced with metal, of a kind used in industry as packing or lubricating materials;

(b) textile articles (other than those of headings 5908 to 5910) of a kind used for technical purposes [for example, textile fabrics and felts, endless or fitted with linking devices, of a kind used in paper making or similar machines (for example, for pulp or asbestos-cement), gaskets, washers, polishing discs and other machinery parts].

12. As per the submission of the applicant, the manufacturing process of Geo Membrane for Water Proof Lining fabrics is as under:

(a) Tape/Strip Extrusion: Tapes/Strips are manufactured from raffia grade HDPE granules which shall be UV stabilized by incorporating suitable carbon black, UV and Additives. Granules are then extruded through sheet die to produce solid sheet which is further uniformly slitted into number of tapes. These tapes are then passed through hot air oven for twist stretching with proper orientation to the tapes to achieve the required tape width and desired strength. Width of the tape/strip is between 4.1 mm to 4.3 mm and the Linear Density of the tape/strip is 1500 to 2400 Denier. Tapes/strips are wound on bobbins for further processing.

(b) Fabric weaving: HDPE woven fabrics are manufactured on Circular or Flat looms. As per design of woven fabric, Warp and Weft tapes are loaded accordingly. These tapes are then passed through Machine Direction and Cross Direction accordingly to weave the fabric.

- (c) Film Extrusion: Film is manufactured from Polyethylene (PE) granules and required suitable UV stabilizer is added. Granules are then extruded through circular die to produce blowing film which is further uniformly passed through take up roller to get the required film width & micron. Tubular film is made on surface winder and it flattens with help of guide roller.
- (d) Lamination Coating: The HDPE woven fabric is laminated on both sides with LDPE with suitable combination of LLDPE. The coating film is UV stabilized by incorporating 2.5 ± 0.5 per cent of carbon black with uniform dispersion. HDPE woven fabric is bonded with single side or both side LDPE coating. Similarly other side of the fabric is bonded together by sandwich lamination. For sandwich lamination, HDPE woven fabric is bonded with LDPE coating and LDPE liner film. The roll is ready for sealing process.
- (e) Sealing: Two or more pieces of geomembrane fabrics are used, the Geomembrane are joined/seamed together by a suitable heat air blower sealing process keeping an overlap as per standard sealing process.

13. We have gone through the relevant Headings 5903 and 5911 as well as the Chapter Notes pertaining to these headings detailed in paras-10 and 11 above and find that heading 5903 covers textile fabrics, impregnated, coated, covered or laminated with plastics whereas heading 5911 covers textile products and articles of textiles. We have also gone through the manufacturing process of the product of the applicant namely 'Geo Membrane for Water Proof Lining fabrics' described in para-12 above. On going through the aforementioned manufacturing process provided by the applicant and comparing the same to the issue in hand, we find that the HDPE fabrics manufactured by the applicant are made by weaving the HDPE tapes into a fabric. These HDPE tapes are manufactured from HDPE Granules which are mixed with additives and then extruded through sheet die to produce solid sheet which is further uniformly slitted into number of tapes. We find that the HDPE granules i.e. High Density Polyethelene(HDPE) granules or High Density Polyethelene (HDPE) tapes are actually nothing but plastics and are covered under Chapter 39 of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975). Further, Chapters 50 to 63 of the said schedule covers Textile and Textile articles only. So for the products manufactured by the applicant, to be included under the sub-headings 5903 or 5911, they need to be textile material. In this context, we would like to refer a judgement of the Hon'ble High Court of Madhya Pradesh wherein a similar issue with regard to the classification of PP/HDPE Bags or sacks, made of HDPE tapes and fabrics, has been dealt with at length by the Hon'ble High Court of Madhya Pradesh in case of *M/s. Raj Packwell Ltd. v. UOI* [1990 (50) E.L.T. 201 (M.P.)]. The petitioners in this petition are manufacturing HDPE woven sacks and for that purpose they have installed HDPE tape plants for manufacture of oriented tape (plastic tape). The petitioners made representations to the Assistant Collector, Central Excise, Indore Division, to the effect that the HDPE woven sacks are articles of plastic and are thus classifiable under Chapter 39 of the [Central Excise Tariff Act, 1985](#). The contention of the petitioners was not accepted by the Assistant Collector, Central Excise, Division Indore and he passed an order dated 11-1-1988 wherein it was held that the HDPE strips of an apparent width of 5 mm are classifiable under sub-head No.5406.11, of Polypropylene under Chapter sub-head 5406.90 and fabrics thereof under Chapter heading 5408.00. Relevant portions of the said judgement of the Hon'ble High Court are reproduced hereunder:

"16. Similarly the CEGAT Special Bench in the case of [Shree Radhe Industries, Kalol v. Collector of Customs and Central Excise, Ahmedabad](#) (1983 ELT 379) has held that since the HDPE tapes are neither man-made filament yarn nor cellulosic spun yarn, therefore, they do not fit into any category of Item 18 of CET. HDPE is a well known

plastic raw material, therefore, tapes made from this material would be covered as articles made of plastics. This decision of the CEGAT was taken to the Supreme Court by the Union of India, but the appeal was dismissed on merits in C.A. No. 8369 of 83 dated 21-10-1983. Thereafter the Government of India issued Circular 32/85 - A.U. dated 20th November, 1985. In the Circular it was said that the Board had decided that HDPE woven sacks should be considered as articles of plastic and that the Tribunal's decision in *Shellya Industries v. Collector, Central Excise* (supra) can be accepted. This circular further said that in view of the dismissal of Government's appeal against CEGAT's order dated 30-12-1982 in *M/s. Shree Radhe Industries v. Collector of Customs and Central Excise* (supra) wherein the CEGAT has held that the HDPE tape is a plastic material, the tape shall fall in Tariff Item 15A(2) and not under Tariff Item No. 18. Therefore, in view of the aforesaid decisions on facts by the two Tribunals as confirmed by the Supreme Court and accepted by the Department there is no dispute that the HDPE woven sacks are articles of plastic. The learned Assistant Collector Central Excise, and the Collector Appeals have not given any reason as to why the articles of plastic should be treated as articles made of textile material or that the HDPE tapes are textile material. They have simply refused to go into the aforesaid decisions in view of the fact that under the new *Tariff Act* there is different classification and it has got a synthetic basis after research.

19. Now, textile material has not been defined in the *Tariff Act*. However, in the Textiles Committee Act, 1963 (Act 41 of 63) the word "fibre" has been defined in Section 2(a) as under :-

"fibre" means man-made fibre including regenerated cellulose rayon, nylon and the like."

"Textiles" has been defined in Section 2(g) as under :- "Textiles" means any fabric or cloth, or yarn or garment or any other articles made wholly or in part of -

- (i) Cotton; or
- (ii) Wool; or
- (iii) Silk; or
- (iv) Artificial silk or other fibre, and includes fibre".

Therefore, according to the above definition, any fabric or cloth or yarn or garment if made wholly or in part of cotton, wool, silk, artificial silk or other fibre shall be called textiles. The definition of 'fibre' includes the regenerated cellulose, rayon, nylon and the like. **Nowhere in the aforesaid definition of 'fibre' or 'textiles' plastic has been mentioned as a commodity to be included in the definition of 'fibre' or 'textiles'.** Now in *Shree Radhe Industries* case (supra) and the *Shellya Industries* case (supra) irrespective of the entries in the tariff as prevailing then, it has been held that the HDPE sacks are articles made of plastic; they are made of high density polyethylene which is a plastic raw material and it has further been held that they are not man-made, filament yarn but are articles of plastic. **The circular of the Central Board of Direct Taxes dated 20-1-1985 also clearly says that the Board has decided that so long as the finished articles of plastic is made out of plastic material falling under Tariff No. 15A(i), even if at the intermediate stage articles classifiable under Item No. 15A(ii) if any tariff item emerges, the said product would be considered to have been produced out of plastic material falling under Tariff Item No. 15A(i) and, therefore, the HDPE woven sacks should be considered as articles of plastic and that the Tribunal's decision be accepted.** In common parlance also the HDPE woven sacks are known as plastic woven sacks industry as is apparent from the annexures filed with the petition and the authenticity of which has not been disputed. The Dy. Director of the Ministry of Textile, Office of Textile Commissioner has, vide letter dated 2-3-1989 informed one of the petitioners that the HDPE/PP weaving activity on regular looms as well as circular looms manufacturing fall under the purview of DGTD and no installation permission or registration of circular looms is required under Textile (Control) Order, 1986. **Therefore, the petitioner was advised to approach DGTD. The D.G.T.D. certificate is Annexure P-18 which has registered the Company of one of the petitioners for weaving HDPE woven sacks. As such the woven sacks are not treated as an item of textile by the Commissioner of Textiles and the DGTD (Plastic and Polymer Directorates) has registered it as an Industry producing HDPE woven sacks. The raw material used for the production of the HDPE strips is covered under Chapter 39 and in absence of anything on the record to show that the HDPE**

strips are synthetic textile material the only fact that their width is less than 5 mm would not automatically put that item under entry No. 54.06 of Chapter 54 of the Central Excise Tariff of India. What the learned Asst. Collector, C. Excise and the Collector Appeals, Central Excise have done is that they have considered only the width of the strip and have come to the conclusion that since the strip is of less than 5 mm, therefore, it falls within 54.06 ignoring the fact that in addition to this there should be something to arrive at a conclusion that the aforesaid strip is of synthetic textile material. If the strip is a strip of plastic only and not a synthetic textile material and is also known in the common parlance as a commodity of plastic, and the finished goods i.e. the HDPE woven sacks are also known in the common parlance as plastic woven sacks, then it cannot be held that the strips with which such bags are woven are the strips of synthetic textile material.

20. Thus, the view of the Textile Commissioner as discussed above, the registration by the DGTD of the factory of the petitioner, the definition of 'textile' and 'fibre' as discussed above, the process of the manufacture of the HDPE tapes, the earlier judgments of the CEGAT approved by the Supreme Court and accepted by the Department, all clearly go to show that the HDPE bags are the bags woven by the plastic strips and they, therefore, are goods of plastic and the material used for weaving those bags being the strips of plastic made from plastic granules, the strips of plastic used for weaving the aforesaid HDPE woven sacks has to be classified as an Item under entry 39.20 of Chapter 39 and not under entry 54.06 of Chapter 54. Accordingly the entries of the finished goods have also to be made under the proper Chapter of the Tariff Act treating them as the finished goods made of plastic strips.

In the result we hold that HDPE strips or tapes fall under the Heading 3920, Sub-heading 3920.32 of the Central Excise Tariff Act and not under heading 5406, sub-heading 5406.90. Similarly HDPE Sacks fall into Heading 3923, Sub-heading 3923.90...."

14. In the above decision Hon'ble High Court of Madhya Pradesh has discussed what is textile according to Section 2(g) of *Textiles Committee Act, 1963* (Act 41 of 63) and **according to the above definition, any fabric or cloth or yarn or garment if made wholly or in part of cotton, wool, silk, artificial silk or other fibre shall be called textiles, nowhere in the aforesaid definition of 'fibre' or 'textiles' plastic has been mentioned as a commodity to be included in the definition of 'fibre' or 'textiles'**. Further the Hon'ble High Court has also mentioned that the Central Excise Authorities had erred in concluding that since the strip is of less than 5 mm, therefore, it falls within 54.06 ignoring the fact that in addition to this there should be something to arrive at a conclusion that the aforesaid strip is of synthetic textile material, that if the strip is a strip of plastic only and not a synthetic textile material and is also known in the common parlance as a commodity of plastic, and the finished goods i.e. the HDPE woven sacks are also known in the common parlance as plastic woven sacks, then it cannot be held that the strips with which such bags are woven are the strips of synthetic textile material. Therefore it can be concluded that HDPE fabrics manufactured by the weaving of High Density Polyethelene (HDPE) tapes cannot be considered as "textile" material irrespective of the fact as to whether it is obtained by weaving method using power looms or hot pressed or is made from HDPE strip of width less than or more than 5 mm. Chapter No.59 of the First Schedule to the Customs Tariff Act, 1975(51 of 1975) **covers textile and textile articles** only, whereas applicant's product is not manufactured from textile material as discussed above but from HDPE tapes which are plastic material. Hence applicant's proposed claim that their product namely 'Geo Membrane for Water Proof Lining fabrics' i.e. Pondliner should get covered either under Chapter Headings No.5903 or 5911 does not hold water as their product manufactured from HDPE tapes is an article of plastic only and is therefore undoubtedly classifiable under Chapter 39 of the First Schedule to the Customs Tariff Act, 1975(51 of 1975) only.

15. We also find that the applicant has relied on the case of Advance Ruling filed by THE RUBY MILLS LTD., cited in 2020 (38) G.S.T.L. 206 (AAR-GST-UK), before the AAR, Uttarakhand to support their contention. We have gone

through the aforementioned case and find that the issue involved in the said case is completely different from the issue in hand. The question involving Advance Ruling in the said case was whether the cotton fabrics manufactured by M/s. Ruby Mills Ltd. which was coated or laminated with plastics would be covered under Chapter 52 or Heading 5903 of Chapter 59 of the First Schedule to the Customs Tariff Act, 1975(51 of 1975) or otherwise, whereas in the issue in hand, we find that the product of the applicant is not made from cotton but from plastic material i.e. HDPE Granules/HDPE tapes (which is not a textile fabric as discussed earlier) and is thereafter coated or laminated with plastics, which the applicant claims, merits classification either under Heading 5903 or Heading 5911. In view of the above, we find that the decision cited by the applicant is not applicable to the issue in hand. Even otherwise, decisions of Advance Ruling Authorities cannot be relied upon by the applicant, since, as per the provisions of Section 103 of the CGST Act, 2017, the Advance Ruling pronounced by the Advance Ruling Authority or the Appellate Authority shall be binding only on the applicant who had sought it in respect of any matter referred to in sub-section(2) of Section 97 for Advance Ruling and the concerned officer or the jurisdictional officer in respect of the applicant.

16. Now, having concluded that the product manufactured by the applicant is an article of plastic which falls under Chapter 39 only, we find it necessary to go through the details of the product as well as their uses (available online) in order to decide about the classification of this product. The applicant have submitted in their submission that their product “Geo Membrane for Waterproof Lining fabrics”(also referred to as Pond Liners), which is used for the Waterproof lining of Ponds, Canals and other Water storage places are specific Laminated High Density Polyethylene Woven Geo-membrane for water proof lining which is manufactured specifically as per Indian Standard prescribed under IS:15351:2015 and are used primarily for farming water and as liners for water ponds, canals, water pits etc., for storage of water bodies. Since the applicant themselves have submitted that the product manufactured by them is also referred to as a ‘Pondliner’, we will refer to the definition of ‘Pondliner’ and it’s uses (details available online) which is as under:

“A pond liner is an impermeable geomembrane used for retention of liquids, including the lining of reservoirs, retention basins, hazardous and nonhazardous surface impoundments, garden ponds and artificial streams in parks and gardens.”

17. We have gone through the above given definition of the product of the applicant as well as their uses. We have also gone through the entire Chapter 39 of the First Schedule to the Customs Tariff Act, 1975(51 of 1975) including the chapter notes as well as the above details and find that the aforementioned product is not covered under any of the Headings 3901 to 3925 of Chapter 39 as there is no specific mention of any of these products under any of the aforementioned headings. Further, since heading 3926 reads as ‘*Other articles of plastics and articles of other materials of headings 3901 to 3914*’, it implies that articles of plastics or articles of other materials not covered in any of the headings from 3901 to 3925 would be covered under heading 3926 which is a residual entry. As per the explanatory notes to HSN with regard to heading 3926, the heading 3926 covers articles, not elsewhere specified or included, of plastics or of other materials of headings 39.01 to 39.14. We, therefore, reach the conclusion that the product namely “Geo Membrane for Waterproof Lining fabrics(also referred to as Pond Liner) would invariably be covered under heading 3926 of the First Schedule to the Customs Tariff Act, 1975(51 of 1975). Heading 3926 as appearing in the First Schedule to the Customs Tariff Act, 1975 reads as under:

3926 OTHER ARTICLES OF PLASTICS AND ARTICLES OF OTHER MATERIALS OF HEADINGS 3901 TO 3914

3926 10 - Office or school supplies :

--- Office supplies of a kind classified as stationery other than pins, clips, and writing instruments :

3926 10 11 ---- Of polyurethane foam

3926 10 19 ---- Other

--- Other :

3926 10 91 ---- Of polyurethane foam

3926 10 99 ---- Other

3926 20 - Articles of apparel and clothing accessories(including gloves, mittens and mitts) :

--- Gloves :

3926 20 11 ---- Disposable

3926 20 19 ---- Non-disposable

--- Aprons :

3926 20 21 ---- Of polyurethane foam

3926 20 29 ---- Other

--- Plastic stickers for garments :

3926 20 31 ---- Of polyurethane foam

3926 20 39 ---- Other

--- Collar stays, patties, butterfly, shoulder-pads and other stays :

3926 20 41 ---- Of polyurethane foam

3926 20 49 ----

--- Other :

3926 20 91 ---- Of polyurethane foam

3926 20 99 ---- Other

3926 30 - Fittings for furniture, coach work or the like :

3926 30 10--- Of polyurethane foam

3926 30 90 --- Other

3926 40 - Statuettes and other ornamental articles :

--- Bangles :

3926 40 11 ---- Of polyurethane foam

3926 40 19 ---- Other

--- Beads :

3926 40 21 ---- Of polyurethane foam

3926 40 29 ---- Other kg. 10% -

--- Statuettes :

3926 40 31 ---- Of polyurethane foam

3926 40 39 ---- Other

--- Table and other household articles (including hotel and restaurant) for decoration :

3926 40 41 ---- Of polyurethane foam

3926 40 49 ---- Other

--- Decorative sheets :

3926 40 51 ---- Of polyurethane foam

3926 40 59 ---- Other
3926 40 60--- Sequine

--- Other :
3926 40 91 ---- Of polyurethane foam
3926 40 99 ---- Other
3926 90 - Other :
3926 90 10--- PVC belt conveyor

--- Couplers, packing rings, O rings and the like:
3926 90 21 ---- Of polyurethane foam
3926 90 29 ---- Other

--- Lasts, with or without steel hinges ; EVA and grape sheets for soles and heels;
welts:
3926 90 31 ---- Of polyurethane foam
3926 90 39 ---- Other kg.

--- Rings, buckles, tacks, washers and other decorative fittings made of plastic
used as trimmings and embellishments for leather products; patterns for leather
foot wear, leather garments and leather goods :

3926 90 41 ---- Of polyurethane foam
3926 90 49 ---- Other

--- Retroreflective sheeting of other than of heading 3920 :

3926 90 51 ---- Of polyurethane foam
3926 90 59 ---- Other

--- Hangers :
3926 90 61 ---- Of polyurethane foam
3926 90 69 ---- Other

--- Plastic or nylon tipped hammers; insulating liner of nylon , HDPE :
3926 90 71 ---- Of polyurethane foam
3926 90 79 ---- Other
3926 90 80 ---- Polypropylene articles, not elsewhere specified or included
--- Other:
3926 90 91 ---- Of polyurethane foam
3926 90 99 ---- Other

18. Chapter notes to Chapter 39 read as under:

1. Throughout this Schedule, the expression “plastics” means those materials of headings 3901 to 3914 which are or have been capable, either at the moment of polymerisation or at some subsequent stage, of being formed under external influence (usually heat and pressure, if necessary with a solvent or lasticiser) by moulding, casting, extruding, rolling or other process into shapes which are retained on the removal of the external influence.

Throughout this Schedule any reference to “plastics” also includes vulcanised fibre. The expression, however, does not apply to materials regarded as textile materials of Section XI.

2. This Chapter does not cover:

- (a) lubricating preparations of heading 2710 or 3403;
- (b) waxes of heading 2712 or 3404;
- (c) separate chemically defined organic compounds (Chapter 29);
- (d) heparin or its salts (heading 3001);
- (e) solutions (other than collodions) consisting of any of the products specified in headings 3901 to 3913 in volatile organic solvents when the weight of the solvent exceeds 50% of the weight of the solution (heading 3208); stamping foils of heading 3212;
- (f) organic surface-active agents or preparation of heading 3402;

- (g) run gums or ester gums (heading 3806);*
- (h) prepared additives for mineral oils (including gasoline) or for other liquids used for the same purposes as mineral oils (heading 3811);*
- (ij) prepared hydraulic fluids based on polyglycols, silicones or other polymers of Chapter 39 (heading 3819);*
- (k) diagnostic or laboratory reagents on a backing of plastics (heading 3822);*
- (l) synthetic rubber, as defined for the purpose of Chapter 40, or articles thereof;*
- (m) saddlery or harness (heading 4201) or trunks, suit-cases, hand-bags or other containers of heading 4202;*
- (n) plaits, wickerwork or other articles of Chapter 46;*
- (o) wall coverings of heading 4814;*
- (p) goods of Section XI (textiles and textile articles);*
- (q) articles of Section XII (for example, footwear, headgear, umbrellas, sun umbrellas, walking sticks, whips, riding-crops or parts thereof);*
- (r) imitation jewellery of heading 7117;*
- (s) articles of Section XVI (machines and mechanical or electrical appliances);*
- (t) parts of aircraft or vehicles of Section XVII;*
- (u) articles of Chapter 90 (for example, optical elements, spectacle frames, drawing instruments);*
- (v) articles of Chapter 91 (for example, clock or watch cases);*
- (w) articles of Chapter 92 (for example, musical instruments or parts thereof);*
- (x) articles of Chapter 94 (for example, furniture, lamps and lighting fittings, illuminated signs, prefabricated buildings);*
- (y) articles of Chapter 95 (for example, toys, games, sports requisites); or*
- (z) articles of Chapter 96 (for example, brushes, buttons, slide fasteners, combs, mouth-pieces or stems for smoking pipes, cigarette-holders or the like, parts of vacuum flasks or the like, pens, propelling pencils).*

3. Headings 3901 to 3911 apply only to goods of a kind produced by chemical synthesis, falling in the following categories:

- (a) liquid synthetic polyolefins of which less than 60% by volume distils at 3000C, after conversion to 1,013 millibars when a reduced pressure distillation method is used (headings 3901 and 3902);*
- (b) resins, not highly polymerised, of the coumarone-indene type (heading 3911);*
- (c) other synthetic polymers with an average of at least 5 monomer units;*
- (d) silicones (heading 3910);*
- (e) resols (heading 3909) and other prepolymers.*

4. The expressions “copolymers” covers all polymers in which no single monomer unit contributes 95% or more by weight to the total polymer content. For the purposes of this Chapter, except where the context otherwise requires, copolymers (including co-polycondensates, co-polyaddition products, block copolymers and graft copolymers) and polymer blends are to be classified in the heading covering polymers of that comonomer unit which predominates by weight over every other single comonomer unit. For the purposes of this Note, constituent comonomer units of polymers falling in the same heading shall be taken together. If no single comonomer unit predominates, copolymers or polymer blends, as the case may be, are to be classified in the heading which occurs last in numerical order among those which equally merit consideration.

5. Chemically modified polymers, that is those in which only appendages to the main polymer chain have been changed by chemical reaction, are to be classified in the heading appropriate to the unmodified polymer. This provision does not apply to graft copolymers.

6. In headings 3901 to 3914, the expression “primary forms” applies only to the following forms:

- (a) liquids and pastes, including dispersions (emulsions and suspensions) and solutions;*

(b) blocks of irregular shape, lumps, powders (including moulding powders), granules, flakes and similar bulk forms.

7. Heading 3915 does not apply to waste, parings and scrap of a single thermoplastic material, transformed into primary forms (headings 3901 to 3914).

8. For the purposes of heading 3917, the expression “tubes, pipes and hoses” means hollow products, whether semi-manufactures or finished products, of a kind generally used for conveying, conducting or distributing gases or liquids (for example, ribbed garden hose, perforated tubes). This expression also includes sausage casings and other lay-flat tubing. However, except for the last-mentioned, those having an internal cross-section other than round, oval, rectangular (in which the length does not exceed 1.5 times the width) or in the shape of a regular polygon are not to be regarded as tubes, pipes and hoses but as profile shapes.

9. For the purposes of heading 3918, the expression “wall or ceiling coverings of plastics” applies to products in rolls, of a width not less than 45 cm, suitable for wall or ceiling decoration, consisting of plastics fixed permanently on a backing of any material other than paper, the layer of plastics (on the face side) being grained, embossed, coloured, design-printed or otherwise decorated.

10. In headings 3920 and 3921, the expression “plates, sheets, film foil and strip” applies only to plates, sheets, film, foil and strip (other than those of Chapter 54) and to blocks of regular geometric shape, whether or not printed or otherwise surface-worked, uncut or cut into rectangles (including squares) but not further worked (even if when so cut they become articles ready for use).

11. Heading 3925 applies only to the following articles, not being products covered by any of the earlier headings of sub-Chapter II:

(a) reservoirs, tanks (including septic tanks), vats and similar containers, of a capacity exceeding 300 l;

(b) structural elements used, for example, in floors, walls or partitions, ceilings or roofs;

(c) gutters and fittings thereof;

(d) doors, windows and their frames and thresholds for doors;

(e) balconies, balustrades, fencing, gates and similar barriers ;

(f) shutters, blinds (including Venetian blinds) and similar articles and parts and fittings thereof;

(g) large scale shelving for assembly and permanent installation, for example, in shops, workshops, warehouses;

(h) ornamental architectural features, for example, flutings, cupolas, dovecotes; and

(ij) fittings and mountings intended for permanent installation in or on doors, windows, staircases, walls or other parts of buildings, for example, knobs, handles, hooks, brackets, towel rails, switchplates and other protective plates.

SUB-HEADING NOTES :

1. Within any one heading of this Chapter, polymers (including copolymers) and chemically modified polymers are to be classified according to the following provisions:

(a) where there is a sub-heading named “Other” in the same series:

(1) the designation in a sub-heading of a polymer by the prefix “poly” (for example polyethylene and polyamide –6,6) means that the constituent monomer unit or monomer units of the named polymer taken together must contribute 95% or more by weight of the total polymer content;

(2) the copolymers named in sub-headings 3901 30, 3903 20, 3903 30 and 3904 30 are to be classified in those sub-headings, provided that the comonomer units of the named copolymers contribute 95% or more by weight of the total polymer content;

(3) chemically modified polymer are to be classified in the sub-heading named “Other”, provided that the chemically modified polymers are not more specifically covered by an other sub-heading;

(4) polymers not meeting (1), (2) or (3) above, are to be classified in the sub-heading, among the remaining sub-headings in the series, covering polymers of that monomer unit which predominates by weight over every other single comonomer unit. For this purpose, constituent monomer units of polymers falling in the same sub-heading shall be taken together. Only the constituent comonomer units of the polymers in the series of sub-headings under consideration are to be compared;

(b) where there is no sub-heading named “Other” in the same series:

(1) polymers are to be classified in the sub-heading covering polymers of that monomer unit which predominates by weight over every other single comonomer unit. For this purpose, constituent monomer units of polymers falling in the same sub-heading shall be taken together. Only the constituent comonomer units of the polymers in the series under consideration are to be compared;

(2) chemically modified polymers are to be classified in the sub-heading appropriate to the unmodified polymer.

Polymer blends are to be classified in the same sub-heading as polymers of the same monomer units in the same proportions.

2. For the purposes of sub-heading 3920 43, the term “plasticisers” includes secondary plasticisers.

19. On going through the above, we find that the product of the applicant namely “Geo Membrane for Waterproof Lining fabrics (also referred to as Pond Liner) is classifiable under Sub-heading No.39269099 of Chapter 39 of the First Schedule to the Customs Tariff Act, 1975(51 of 1975) since we do not find the specific mention of this product in any of the other sub-headings of Heading 3926.

20. Now, in order to find out the tax liability of the aforementioned products, we will be required to refer to Notification No.01/2017-Central Tax (Rate) dated 28.06.2017 which contains the headings, sub-headings as well as the rates of Central Tax GST applicable to various goods which are covered under 6 schedules as under:

- (i) 2.5 per cent. in respect of goods specified in Schedule I,
- (ii) 6 per cent. in respect of goods specified in Schedule II,
- (iii) 9 per cent. in respect of goods specified in Schedule III,
- (iv) 14 per cent. in respect of goods specified in Schedule IV,
- (v) 1.5 per cent. in respect of goods specified in Schedule V, and
- (vi) 0.125 per cent. in respect of goods specified in Schedule VI

On going through the aforementioned notification, we find that Sub-heading 3926 appears at Entry No.111 in Schedule-III of the said notification (wherein GST rate is 18% (9% SGST + 9% CGST). The same reads as under:

Sr.No.	Chapter / Heading / Sub-heading / Tariff item	Description of goods
111.	3926	PVC Belt Conveyor, Plastic Tarpaulin.

It is found that there is another entry No.45 in Schedule-IV of the said notification (wherein GST rate is 28%(14% SGST + 14% CGST) which reads as under:

Sr.No.	Chapter / Heading / Sub-heading / Tariff item	Description of goods
45.	3926 [other than 3926 40 11, 3926 90 10]	Other articles of plastics and articles of other materials of headings 3901 to 3914 [other than bangles of plastic, PVC Belt Conveyor, plastic beads and plastic tarpaulins].

20.1 Notification No.01/2017-Central Tax(Rate) dated 28.06.2017 has been amended vide Notification No.27/2017-Central Tax(Rate) dated 22.09.2017 wherein the following amendments have been made:

In Schedule-III

(ii) in S. No. 111, in column (3), for the words “Plastic Tarpaulin”, the words, “Plastic Tarpaulin, Medical grade sterile disposable gloves, Plastic raincoats”, shall be substituted;

In Schedule-IV

(ii) in S. No. 45, in column (3), for the words, “ plastic tarpaulins”, the words “plastic tarpaulins, medical grade sterile disposable gloves, plastic raincoats”, shall be substituted;

20.2 Notification No.01/2017-Central Tax(Rate) dated 28.06.2017 has been further amended vide Notification No.41/2017-Central Tax(Rate) dated 14.11.2017 wherein the following amendments have been made:

In Schedule-III

(xxxvi) in S. No. 111, for the entry in column (3), the entry “Other articles of plastics and articles of other materials of headings 3901 to 3914 [other than bangles of plastic, plastic beads and feeding bottles]” shall be substituted;

In Schedule-IV

(i) S. Nos. 2, 3, 4, 5, 6, 7, 8, 9, 11, 16, 17, 19, 23, 25, 26, 27, 28, 29, 30, 31 32, 33, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, **45** and the entries relating thereto, shall be omitted;

20.3 In view of the above, we find that the classification of the product namely “Geo Membrane for Waterproof Lining fabrics(also referred to as Pond Liner) manufactured and supplied by the applicant was covered under Entry No.45 of Schedule-IV of Notification No.01/2017-Central Tax(Rate) dated 28.06.2017 (upto 14.11.2017) which read as “Other articles of plastics and articles of other materials of headings 3901 to 3914 [other than bangles of plastic, PVC Belt Conveyor, plastic beads and plastic tarpaulins] and during this period, the said product was liable to GST at 28% (14% SGST + 14% CGST) . However, Entry No.45 of Schedule-IV was omitted with effect from 15.11.2017 and Entry No.111 of Schedule-III of Notification No.01/2017-Central Tax(Rate) dated 28.06.2017 which read earlier as “PVC Belt Conveyor, Plastic Tarpaulin” was amended with effect from 15.11.2017 to read as “Other articles of plastics and articles of other materials of headings 3901 to 3914 [other than bangles of plastic, plastic beads and feeding bottles]”. Hence, we conclude that the aforementioned product of the applicant would be covered under the Entry No.111 of Schedule-III of Notification No.01/2017-Central Tax(Rate) dated 28.06.2017(as amended) with effect from 15.11.2017 liable to GST at 18% (9% SGST + 9% CGST). In view of the facts mentioned above, the classification of the product manufactured and supplied by the applicant as well as the corresponding rate of GST is as mentioned in the table below:

Sr. No.	Name of the product	Classification as per the First Schedule to the Customs Tariff Act, 1975 (51 of 1975)	Rate of tax(GST)
01.	“Geo Membrane for Waterproof Lining fabrics (also referred to as Pond Liner)	39269099	(i)28%(14% SGST + 14% CGST) upto 14.11.2017. (ii) 18%(9% SGST + 9% CGST) from 15.11.2017 onwards.

21. Further, we would also like to rely on the decision of the Advance Ruling Authority, Gujarat in the case of M/s. Gujarat Raffia Industries, Ahmedabad decided vide Advance Ruling No.GUJ/GAAR/R/ 87/2020 dated 17.09.2020. In the said decision, a similar product manufactured and supplied by M/s. Gujarat Raffia Industries, namely ‘Pondliner’, was classified under Sub-heading 39269099 of the First Schedule to the Customs Tariff Act, 1975(51 of 1975) on similar grounds.

22. In the light of the above, we rule as under :

RULING

The classification of the product manufactured and supplied by the applicant M/s. Ananta Synthetic Innovations, Survey No.345, Ananda Viramgam Medaadraj road, Manipur, Kadi, Mehsana-382728 (as per the First Schedule to the Customs Tariff Act, 1975(51 of 1975)) as well as the corresponding rate of GST (as per Notification No.01/2017-Central Tax(Rate)) dated 28.06.2017 (as amended from time to time) is as detailed in the table below:

Sr. No.	Name of the product	Classification as per the First Schedule to the Customs Tariff Act, 1975 (51 of 1975)	Rate of tax(GST)
01.	“Geo Membrane for Waterproof Lining fabrics (also referred to as Pond Liner)	39269099	(i)28%(14% SGST + 14% CGST) upto 14.11.2017. (ii) 18%(9% SGST + 9% CGST) from 15.11.2017 onwards.

(SANJAY SAXENA)

(MOHIT AGRAWAL)

MEMBER

MEMBER

Place: Ahmedabad

Date: 30.12.2020.