

**MAHARASHTRA AUTHORITY FOR ADVANCE RULING**  
**GST Bhavan, Old Building, 1st floor, B-Wing, Room No.107, Mazgaon, Mumbai - 400010.**  
**(Constituted under Section 96 of the Maharashtra Goods and Services Tax Act, 2017)**  
**BEFORE THE BENCH OF**

(1) Shri. D. P. Gojamgunde, Joint Commissioner of State Tax, (Member)

(2) Ms. Priya Jadhav, Joint Commissioner of Central Tax, (Member)

ARA No.	AD270220033248H
GSTIN Number, if any/ User-id	27A AFFH9482E1Z4
Legal Name of Applicant	M/s. Hari Om Flexipack Industries
Registered Address/ Address provided while obtaining user id	GAT NO.399, 401, AT/POST VATHAR TURF, VADAGAON, TAL: HATKANGALE, DIST: KOLHAPUR (MS), PIN - 416122, MAHARASHTRA
Details of application	GST-ARA, Application No. 28 Dated 12.09.2020
Concerned officer	DIVISION-II, COMMISSIONERATE-KOLHAPUR
Nature of activity(s) (proposed/present) in respect of which advance ruling sought	
A Category	Factory/Manufacturing
B Description (in brief)	The Applicant is engaged in manufacturing and supplying products for water conservation and other water preserving products which are predominantly used for agricultural sector.
Issue/s on which advance ruling required	i) Classification of any goods or services or both
Question(s) on which advance ruling is required	As reproduced in para 01 of the Proceedings below

**PROCEEDINGS**

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

The present application has been filed under Section 97 of the Central Goods and Services Tax Act, 2017 and the Maharashtra Goods and Services Tax Act, 2017 [hereinafter referred to as "the CGST Act and MGST Act" respectively] by M/s. Hari Om Flexipack Industries the applicant, seeking an advance ruling in respect of the following questions.

**Classification of 'Geo-Membrane for Water Proof Lining- Type-II as per IS: 153151:2015' under Chapter Heading 5911 10 00.**

At the outset, we would like to make it clear that the provisions of both the CGST Act and the MGST Act are the same except for certain provisions. Therefore, unless a mention is specifically made to any dissimilar provisions, a reference to the CGST Act would also mean a

reference to the same provision under the MGST Act. Further hereinafter, for the purposes of this Advance Ruling, the expression 'GST Act' would mean CGST Act and MGST Act.

## **1. FACTS AND CONTENTION - AS PER THE APPLICANT**

1.1 The Applicant is engaged in manufacturing and supplying products for water conservation and other water preserving products which are pre-dominantly used for agricultural sector.

1.2 The present Application pertains to 'Geo- Membrane for Water Proof Lining- Type-II as per IS:153151:2015' manufactured by the Applicant and which is used for water proof lining of ponds, canals and other after storage places.

1.3 The aforesaid product is also referred to as Pond Liner and are specific Laminated High-Density Polyethylene ('HDPE' for short) Woven Geo-Membrane for water proof lining which is manufactured pacifically as per the Indian Standard prescribed under IS: 15351:2015 and used primarily for farming water and as liners for water ponds, canals, water pits etc. for storage of water bodies.

1.4 The raw materials used for manufacture of the said product are DPE Plastic Granules, Black Coloured Master Batch, HDPE Tape, HDPE fabric, LDPE Plastic Granules, LLDPE Plastic Granules, Black coloured Carbon Master Batch, UV Granules and Printing Film.

1.5 The manufacturing process of the said product briefly involves four stages. The first stage is the '*Tape Extrusion Process*' wherein HDPE Granules with UV Stabilized Property, with appropriate carbon black admixture are extruded through sheet die to produce solid sheet which is further uniformly slitted into number of tapes, which 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. The width of the tape is between 2.1mm to 3.7mm. HDPE Tapes / Strips are then wound on bobbins for further processing. The second stage of the manufacturing process is the '*Fabric Weaving Stage*' where the said HDPE Tapes/ Strips of width less than 5mm are taken to circular looms and are woven into HDPE Woven Fabrics. The said High Density UV Stabilized Woven Fabrics are manufactured with specific weaving pattern through circular ring on horizontal and vertical direction to impact the essential property of Geomembrane fabrics i.e. impermeable to water for the specific end use of water retention. The third stage of the manufacturing process is '*the Lamination Coating*' where the HDPE Woven Fabrics are

laminated on both sides, along with sandwich lamination, wherever required, with the suitable combination of specific thickness LDPE Film, LLDPE Bonding, UV Stabilizer, some other additives and black masterbatch for carbon content. The fourth stage of the manufacturing process is 'Cutting and Sealing' of Geomembrane Fabrics wherein two or more pieces of Geomembrane fabrics are cut to size or length and thereafter used to make the Geomembrane for pond liner by carrying out the process of sealing /joining them together by a suitable heat air blower sealing process keeping an overlap as per standard sealing process.

1.6 Pictorial representation of the manufacturing process was submitted.

1.7 The applicant is currently classifying 'Geo- Membrane for Water Proof Lining- Type-II as per IS: 153151:2015' under Chapter Heading 3926 90 99. However, by this Application, applicant is seeking classification of the same under Chapter Heading 5911 10 00.

**2. STATEMENT CONTAINING APPLICANT'S INTERPRETATION OF LAW AND/OR FACTS**

2.1 The Applicant submits that Chapter Heading 5911 10 00 relates to 'Textile Fabrics Coated, Covered or Laminated with Plastics, of a Kind Used for Technical Purposes'.

2.2 The Applicant submits that the aforesaid products is being manufactured as per IS specification as 'Laminated High Density Poly Ethylene HDPE Woven Geomembrane for Water Proof Lining Type-II, IS; 1531:2015' and it is known in the market as agro textiles and are covered in the family of Geomembrane used for water proof lining. The said laminated HDPE Woven Geomembrane is a textile fabric used exclusively for the technical purpose of water proof lining.

2.3 The Applicant refers to the Notification No. 54/2015-2020 dated 15.01.2019 issued by the Directorate General of Foreign Trade, Department of Commerce, Ministry of Commerce and Industry, GOI, as per the power conferred under Section 5 of the FT (D&R) Act, 1992 read with Para 1.02 and 2.01 of the FTP, 2015-2020, wherein a list of 207 items had been incorporated list of 207 items as technical textiles. The product in question is recognized by DGFT as Technical Textiles. The Applicant craves leave to produce, rely upon and refer to the said Notification dated 15.01.2019 during the course of personal hearing.

2.4 The Applicant further refers to a Publication made by the Ministry of Textiles, Government of India, titled as 'Government of India's Initiatives in Technical Textile'.

The said publication recognizes Technical Textile Segment of Geotech and it covers Geomembrane as part of textile segment. The Applicant craves leave to produce, rely upon and refer to the said publication during the course of personal hearing.

2.5 The Applicant further states it receives test reports of the product in question being manufactured by it from certain institutions / organizations from time to time, which recognize the said product as a technical textile. The Applicant craves leave to produce, rely upon and refer to the said certificates during the course of personal hearing.

2.6 The Applicant submits that the product in question is in common parlance known as 'Agro Textiles' and it is essentially HDPE Woven Fabrics made from Synthetic Textile Material and coated with LDPE. A bare analysis of the manufacturing process of the product in question, as enumerated above and explained in Annexure 'A' thereof, shows that the main product around which the whole process revolves is HDPE Woven Fabrics and covered under the scope of Chapter Heading 5911 and not within the scope of Chapter Heading 3926.

2.7 The Applicant submits that the Chapter Heading 3926 90 99 refers to Other Plastic Articles. On perusal of the Chapter Heading 3926, it clearly emerges that it covers the goods and articles of plastics or of materials covered under Heading 3901 to 3914. Further, from a bare reading of the Chapter Note 1 to Chapter 39, which defines the scope of the term 'Plastic', it clearly comes out that HDPE Tapes and Fabrics are excluded from its scope and covered under the Section XI of the Tariff Act.

2.8 Further, the Applicant submits that Note 1(g) to Section XI of the Tariff Act states that the Section of Textile and Textile Articles covering Chapters 50 to 63 does not include, "Monofilament of which any cross-sectional dimension exceeds 1 mm or *strip or the like (for example, artificial straw) of an apparent width exceeding 5 mm*, of plastics (chapter 39), or plaits or fabrics or other basket-ware or wickerwork of such monofilament or strip (chapter 46)".

2.9 The Applicant submits that the first product which comes into existence during the course of manufacturing of the product in question is HDPE Tapes Less than 5mm in width and the same is categorically covered under Chapter Heading 5404 90 20 inasmuch as Section XI covers Textiles & Textile Articles and the aforesaid Note 1(g) excludes only strips of plastic where the width is exceeding 5mm. The explanatory Notes to the HSN also



categorically state that HDPE Tapes and strips less than 5mm are covered under the Heading 5404.

2.10 Further, the aforesaid HDPE Tapes less than 5mm are woven into HDPE fabrics and are covered under Heading 5407. The said Woven HDPE Fabric is subjected to lamination coating with LDPE film on sides and sandwich lamination, wherever required, and brings into existence a new product namely Geomembrane Pond Linings. The said Geomembrane Pond Linings are supplied in piece form or are cut to length as per the specification of the customer and is correctly classifiable under Chapter Heading 5911.

2.11 The Applicant submits that on a perusal of Chapter Not 7 of the Chapter 59 of the HSN which provides the scope of Textile Fabrics as also the Chapter Heading 5911 itself, it emerges that Laminated High Density Poly Ethylene HDPE Woven Geomembrane for water proof lining - ISL 15351:2015 are made from HDPE Tapes / Strips of Less than 5mm which are specifically covered under Heading 5404 as Synthetic Textile Material and the specially woven fabric from the said HDPE Tapes are covered under Heading 5407 20. It is the said HDPE Woven Fabrics which are referred as Woven Fabrics made from Synthetic Textile Material which subjected to LDPE Coating and Lamination. The said Laminated Coated Fabrics is used for technical purpose and is specifically covered under the scope of Heading 5911 10 00.

2.12 The Applicant further submits that Note 1(h) to Section XI of the Tariff Act states that the Section of Textile and Textile Articles covering Chapters 50 to 63 does not include, "Woven, knitted or crocheted fabrics, felt or nonwovens, impregnated, coated, covered or laminated with plastics, or articles thereof, of chapter 39"

2.13 The Applicant further places reliance on the Order No. V/AR-01/Emmbi/DMN/2019-2020 dated 02.08.2019 passed by the AAR, Daman & Diu in the case of EMMBI Industries. It is submitted that the said decision covers the Applicants case in all fours and is identical on facts and questions of law.

2.14 The Applicant, therefore, prays for classification of product in question under Chapter heading 59110100.

2.15 It is further prayed to grant personal hearing before taking a final decision in the matter.

2.16 The applicant craves leave to add, alter, amend and/or modify the grounds taken herein as also produce further documents, as may be required, in support of its case.



### 03. CONTENTION – AS PER THE CONCERNED OFFICER:

#### OFFICER SUBMISSION DATED 11.10.2021:

##### **Brief of Case: -**

3.1 The Applicant, M/s. Hari Om Flexipack Industries, a partnership firm, having its factory premises at Gat No.399, 401, At/Post Vathar Turf, Vadagaon, Tal: Hatkangale, Dist. Kolhapur-416122, State-Maharashtra, is registered with the Central Goods and Services Tax Department with GSTIN-27A AFFH9482E1Z4. The Applicant is engaged in manufacturing and supplying products/goods viz. *“Uncoated paper and paperboard, of a kind used for writing, printing or other graphic purposes, and non-perforated punch card and punch tape paper, in rolls or rectangular (including square) sheets of any size, other than paper of heading 4801 or 4803; hand-made paper and paperboard hand-made paper and paperboard : paper”* falling under HSN-48021010 and supplying of services viz. *“Business Auxiliary Services”* falling under HSN-00440225.

3.2 The present Application pertains to the product ‘Geomembrane for Water Proof Lining-Type-II as per IS:153151:2015’, which is used for water proof lining of ponds, canals and other water storage either whether classified under HSN-39269099 or under HSN-59111000.

3.3 The manufacturing process as mentioned at Para 15 (3) of the application, the disputed product is also referred to as Pond Liner and are specific Laminated High Density Polyethylene (‘HDPE’ for short) Woven Geo-Membrane for water proof lining which is manufactured specifically as per the Indian Standard prescribed under IS:15351:2015 and as per Para 15(4) of the application, the main raw materials used for manufacture of the said product are HDPE Plastic Granules, Black Coloured Master Batch, HDPE Tape, HDPE Fabric, LDPE Plastic Granules, LLDPE Plastic Granules, Black Coloured Carbon Master Batch, UV Granules and Printing Film.

3.4 The High-Density PolyEthylene (HDPE) is thermoplastic polymer produced from the monomer ethylene. The HDPE is made under controlled conditions by applying intense heat to petroleum products. The HDPE is mainly used to manufacture plastics goods and articles thereof falling under chapter/HSN-39. Further, the product in dispute is manufactured from the HDPE Plastic Granules, Black Coloured Master Batch, HDPE



Tape, HDPE Fabric, LDPE Plastic Granules, LLDPE Plastic Granules, Black Coloured Carbon Master Batch, UV Granules and Printing Film.

3.5 As stated in manufacturing process [Para 15(5)], in second stage viz. "*Fabric Weaving Stage*", where the said HDPE Tapes/ Strips are taken to circular looms and are woven into HDPE Woven Fabrics. The said High Density UV Stabilized Woven Fabrics are manufactured with specific weaving pattern through circular ring on horizontal and vertical direction to impart the essential property of Geo-membrane fabrics. In this regard, it is submitted that the plastic/geo-membrane sheets are made out from HDPE plastic granules only which is major contains of raw material. These HDPE tapes/sheets are manufactured from HDPE Granules which are mixed with additives and then extruded through sheet die to produce solid sheet which is further uniformly silted into number of tapes. The HDPE granules i.e. High-Density Polyethylene (HDPE) granules or High-Density Polyethylene (HDPE) tapes/sheets are actually nothing but plastics and are covered under Chapter/HSN 39. However, the product is an article of plastic and would be covered under Chapter 39 only. Further, the HDPE Woven Fabrics are using as "Lamination Coating" where the HDPE Woven Fabrics are laminated on both sides of the plastic/geo-membrane sheets, which helps to increase shell life of HDPE/plastic/geo-membrane sheets and also protect from radioactive degradation, biological degradation, chemical degradation, oxidative degradation, Ultraviolet rays, etc.

3.6 The applicant has submitted in their submission that their product "Geo Membrane for Waterproof Lining" (also referred to as Pond Liners) the same is commonly known as "Agro Textiles", 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 and 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.

3.7 Further, it is submitted that the product in dispute is not covered under any of the Headings/HSN 3901 to 3925 of Chapter 39 as there is no specific mention of any of these products under any of the aforementioned headings; as the heading/HSN 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 are not covered in any of the



headings from 3901 to 3925, would be covered under heading/HSN 3926 which is a residual entry. The HSN 3926 covers articles, not elsewhere specified or included, of plastics or of other materials of headings 39.01 to 39.14. However, the product namely "Geo Membrane for Waterproof Lining fabrics (also referred to as Pond Liner) would invariably be covered under heading 3926.

3.8 Now, in order to find out the tax liability of the products in dispute, it is submitted that the classification of the product namely "Geo Membrane for Waterproof Lining fabrics" earlier 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 i.e. upto 14.11.2017, the said product was liable to GST at 28% (14% SGST + 14% CGST). However, Entry No.45 of Schedule-IV of Notification No.1/2017-Central Tax(Rate) read as "PVC Belt Conveyor, Plastic Tarpaulin" is substituted with effect from 15.11.2017 vide Notification No.41/2017-Central Tax(Rate) dated 14.11.2017 and the same is placed at Entry No.111 of Schedule-III of Notification No.1/2017-Central Tax(Rate) 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]". Accordingly, the product in dispute 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).

3.9 Further, the Applicant is relied upon the Order No. V/AR-01/Emmbi/DMN/2019-2020 dated 02.08.2019 passed by the AAR, Daman & Diu in the case of M/s. EMMBI Industries as against we would like to rely on the decision of the Advance Ruling Authority, Gujarat in the case of M/s. Ananta Synthetics Innovations, Ahmedabad decided vide Advance Ruling No. GUJ/GAAR/R/107/2020 dated 30.12.2020 which is latest judgment. In said decision, the Gujarat AR has classified the product namely "Geo Membrane for Waterproof Lining fabrics (also referred to as Pond Liner)" under Sub-heading 3926.



3.10 In view of the above facts, it prays that the product in dispute i.e. "Geo Membrane for Waterproof Lining fabrics (also referred to as Pond Liner)" may be classified under HSN 39269099 and apply GST @18%.

#### 04. HEARING

Preliminary e-hearing in the matter held on 27.07.2021. Mr. Nikhil Rungta, Advocate, appeared, and requested for admission of the application. Jurisdictional Officer is not available.

The application was admitted and called for final e-hearing on 06.02.2025. Mr. Amal P. Dave, Advocate, Authorized Representative, appeared made oral and written submissions. Jurisdictional Officer Ms. Ranjana Patil, Superintendent of CGST appeared. We heard both the sides.

#### 05. OBSERVATIONS AND FINDINGS:

5.1 We have gone through the application, the submissions made by the applicant at the time of the personal hearing and the submissions made by the concerned jurisdictional officer vide letter dated 11.10.2021.

5.2 The issue to be decided is whether the product manufactured by the applicant i.e. 'Geomembrane for Water Proof Lining- Type-II as per IS:153151:2015' is classifiable under Chapter 39 or Chapter 59 of the GST Tariff. In order to decide the classification of the said product, it is imperative to understand the manufacturing process and use of the said product. The applicant has submitted detailed manufacturing process of the product manufactured by them. We find that the first stage of manufacturing is the '*Tape Extrusion Process*' wherein HDPE Granules with UV Stabilized property, with appropriate carbon black admixture are extruded through sheet die to produce solid sheet which is further uniformly slit into number of tapes, which 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. The width of the tape is between 2.1mm to 3.7mm. HDPE Tapes / Strips are then wound on bobbins for further processing. The second stage of the manufacturing process is the '*Fabric Weaving Stage*' where the said HDPE Tapes/ Strips of width less than 5mm are taken to circular looms and are woven into HDPE Woven Fabrics. The said High Density UV Stabilized Woven Fabrics are manufactured with specific weaving pattern through circular ring on horizontal and



vertical direction to impact the essential property of Geomembrane fabrics i.e. impermeable to water for the specific end use of water retention. The third stage of the manufacturing process is '*the Lamination Coating*' where the HDPE Woven Fabrics are laminated on both sides, along with sandwich lamination, wherever required, with the suitable combination of specific thickness LDPE Film, LLDPE Bonding, UV Stabilizer, some other additives and black masterbatch for carbon content. The fourth stage of the manufacturing process is '*Cutting and Sealing*' of Geomembrane Fabrics wherein two or more pieces of Geomembrane fabrics are cut to size or length and thereafter used to make the Geomembrane for pond liner by carrying out the process of sealing /joining them together by a suitable heat air blower sealing process keeping an overlap as per standard sealing process.

5.3 We find that the constituent raw materials used for the manufacture of the product by the applicant is nothing but plastics falling under chapter 39 of the GST Tariff. During the process of manufacture, the plastic strips of less than 5mm thickness are woven together to form a woven fabric. This woven fabric is then laminated on both sides to ensure that a water impermeable membrane is created so that the end objective of the product i.e. water retention is achieved.

5.4 In order to determine the classification and 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).

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.

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. Further, since the applicant in his question seeking Advance Ruling wants to know whether their product falls under Chapter Heading 39269090 or 59119090, we find it imperative to refer to the said headings also.

5.5 Chapter 5911 and Chapter 39 of the Customs Tariff and the relevant Section Notes and Chapter Notes as enumerated hereinbelow: -

5.5.1 **Chapter 5911:-** Textile products and articles, for technical uses, specified in Note 7 to this Chapter; such as 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); Bolting cloth, whether or Not made up; Felt for cotton textile industries, woven; Woven textiles felt, whether or not impregnated or coated, of a kind commonly used in other machines, Cotton fabrics and articles used in machinery and plant, Jute fabrics and articles used in machinery or plant, Textile fabrics of metalised yarn of a kind commonly used in paper making or other machinery, Straining cloth of a kind used in oil presses or the like, including that of human hair, Paper maker's felt, woven, Gaskets, washers, polishing discs and other machinery parts of textile articles.

5.5.2 59111000: 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).

5.5.3 Note 7 to Chapter 59 reads as under: -

**Note 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).

5.5.4 The HSN Explanatory notes also states that the Chapter Heading 5911 covers textile fabrics, felt and felt lined woven fabrics, coated, covered or laminated with rubber, leather or other materials (eg. Plastics), 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). Thus, textile fabrics, coated, covered or laminated with plastics are also covered under Chapter Heading 5911.



5.5.5 Chapter 3926:

Other articles of plastics and articles of other materials of Heading 3901 to 3914 (other than bangles of plastics, plastic beads and feeding bottles)

5.5.6 Chapter Note 1 to Chapter 39 reads as under:-

- Throughout this schedule, the expression "Plastics" means those material of Heading 3901 to 3914 which are or have been capable, either at the movement of polymerization or at some subsequent stage, of being formed under external influence (usually heat and pressure, if necessary with a solvent or plasticizer) by moulding, casting, extruding, rolling or other process in to shapes which are retained on the removal of the external influence. Throughout the schedule, any reference to "plastics" also includes vulcanized fibre. The expression however, does not apply to materials regarded as textile material of Section XI.

5.5.7 In this regard Section Note 1(g) and (h) of Section XI, pertaining to Textile and Textile articles is also relevant and reads as under: -

1. This Section (Textile Section) does not cover:

- (g) Monofilament of which any cross-sectional dimension exceeds 1 mm or strip or the like (for example, artificial straw) of an apparent width exceeding 5mm, of plastics (Chapter 39) or plaits or fabrics or other basket ware or wickerwork of such monofilament or strip (chapter (46).
- (h) Woven, knitted or crocheted fabric, felt or non-wovens, impregnated, coated, covered or laminated with plastic, or articles thereof, of Chapter 39.

5.6. From the process of manufacture, as described by the applicant, it is apparent that after the process of extrusion and slitting, HDPE Tapes/ Strips of width less than 5mm are taken to circular looms and are woven into HDPE Woven Fabrics. The said High Density UV Stabilized Woven Fabrics are manufactured with specific weaving pattern through circular ring on horizontal and vertical direction to impact the essential property of Geomembrane fabrics i.e. impermeable to water for the specific end use of water retention. The said HDPE Tapes/Strips of width less than 5mm in width are appropriately classifiable under Heading 5404. Further Section Note 1(g) of Section XI excludes only strips of plastic where the width is exceeding 5mm.



5.6.1 At this stage, it would be relevant to refer to Chapter Heading 5404

5404: - Synthetic Monofilament of 67 decitex or more and of which no cross-section dimension exceeds 1mm; Strip and the like (for example artificial straw) of Synthetic Textile materials of an apparent width not exceeding 5mm"

5.6.2 The explanatory Notes to the HSN also confirms that the said HDPE tapes and strips less than 5mm are covered under Heading 5404 and the said strips which are woven into fabrics shall be covered under Heading 5407.

The relevant portion of the explanatory notes for Chapter 5404 reads as under: -

"(2) Strips and the like, of synthetic textile materials. The strips of this heading are flat, of a width not exceeding 5mm, either produced as such by extrusion or cut from wider strips or from sheets."

The relevant portion of the explanatory notes for Chapter 5407 reads as under: -

"5407.20 Woven fabrics obtained from strips or like"

"This heading covers woven fabrics (as described in Part (I)(C) of the General Explanatory Note to Section XI) made of synthetic filament yarn or monofilament or strip of heading 5404"

5.6.4 Heading 5407 reads as under: -

"5407- Woven fabrics of synthetic Filament Yarn, including woven fabrics obtained from materials of Heading 5404"

"5407 20- Woven fabrics obtained from strip or the like"

5.7 From the manufacturing process as detailed here-in-above and on perusal of the tariff headings, it is clear that the strips of plastic, of less than 5 mm width would be appropriately classifiable under Tariff Heading 5404 and the fabric woven out of the said strips would be appropriately classifiable under Tariff Heading 5407 20. Such fabrics would also be considered as a textile fabric. In this regard, we find that the Apex Court in the case of *M/s. Porritts and Spencer (Asia) Limited, reported in 1983 (13) ELT 1607 (SC) = 2002-TIOL-2707-SC-CT* has held that when yarn, whether cotton, silk, woollen, rayon, nylon or of any other description or made out of any other material, is woven into fabric, what comes out is a textile. It has been further held in the said case



that whatever be the mode of weaving employed, the woven fabric would be "textile". It is further held that the use to which it may be put is also immaterial and does not bear on its character as a textile. Paragraph 6 of the said decision is as under: -

*"There can, therefore, be no doubt that the word 'textiles' in Item 30 of Schedule 'B' must be interpreted according to its popular sense, meaning 'that sense which people conversant with the subject-matter with which the statute is dealing would attribute to it'. There we are in complete agreement with the Judges who held in favour of the Revenue and against the assessee. But the question is: What result does the application of this test yield? Are 'dryer felts' not 'textiles' within the ordinary accepted meaning of that word? The word 'textiles' is derived from the Latin 'texere' which means 'to weave' and it means any woven fabric. When yarn, whether cotton, silk, woolen, rayon, nylon or of any other description or made out of any other material is woven into a fabric, what comes into being is a 'textile' and it is known as such. It may be cotton textile, silk textile, woolen textile, rayon textile, nylon textile or any other kind of textile. The method of weaving adopted may be the warp and woof pattern as is generally the case in most of the textiles, or it may be any other process or technique. There is such phenomenal advance in science and technology, so wondrous is the variety of fabrics manufactured from materials hitherto unknown or unthought of and so many are the new techniques invented for making fabric out of yarn that it would be most unwise to confine the weaving process to the warp and woof pattern. Whatever be the mode of weaving employed, woven fabric would be 'textiles'. What is necessary is no more than weaving of yarn and weaving would mean binding or putting together by some process so as to form a fabric. Moreover a textile need not be of any particular size or strength or weight. It may be in small pieces or in big rolls; it may be weak or strong, light or heavy, bleached or dyed, according to the requirement of the purchaser. The use to which it may be put is also immaterial and does not bear on its character as a textile. It may be used for making wearing apparel, or it may be used as a covering or bedsheet or it may be used as tapestry or upholstery or as duster for cleaning or as towel for drying the body. A textile may have diverse uses and it is not the use which determines its character as textile. It is, therefore, no argument against the assessee that 'dryer felts' are used only as absorbents of moisture in the process of manufacture in a paper manufacturing unit. That cannot militate against 'dryer felts' falling within the category of 'textiles', if otherwise they satisfy the description of 'textiles'."*

Thus, prima facie, it appears that the fabrics woven out of the HDPE tapes and strips of less than 5mm width, are textile fabrics.

- 5.8 These textile fabrics are then subjected to lamination, as mentioned by the applicant, where the HDPE Woven Fabrics are laminated on both sides, along with sandwich lamination, wherever required, with the suitable combination of specific thickness LDPE



Film, LLDPE Bonding, UV Stabilizer, some other additives and black masterbatch for carbon content.

5.9 Be that as it may, we find that in terms of Section Note 1(h) of Section XI, even woven fabrics which are laminated with plastics or articles thereof of Chapter 39 are excluded from the said Section. Section XI covers Chapters 50 to Chapter 63 of the Customs Tariff. Therefore, even if during the course of manufacture of the said product, any woven fabric emerges and even if the said woven fabric is classified under Chapter 57 as a textile fabric, if the said goods are laminated with plastic and can be classified under chapter 39, the same will go out of the purview of Section XI and consequently out of the purview of Chapter 50 to Chapter 63.

5.10 In this regard, it is necessary to examine the General Rules of Interpretation of the Tariff. It is a well-established tenet of interpretation of the tariff that an heading which provides the most specific description shall be preferred to headings providing a more general description. According to rule 3(a) of the General Rules of Interpretation of Tariff, a heading which provides the most specific description shall be preferred to a heading providing a more general description. This view is supported by the decision of the Hon'ble CESTAT in the case of Collector Vs. Metrowood Engineering Works reported in 1989(43) ELT 660 (Trib). Further, it has been held by then Hon'ble Supreme Court that when an article has by all standards, a reasonable claim to be classified under an enumerated item in the CET, it will be against the very principle to deny it the parentage and consign it to be an orphanage of the residuary clause (Dunlop India Ltd Vs. UOI 1983 (13) ELT 1566 (SC)).

5.11 On going through the method of manufacture and the main use of the product 'geomembrane', it is seen that the said product is a textile fabric, laminated on both sides with plastic and is made according to prescribed IS Standards. It is basically used as pond liners. The products falling under Chapter 5911 has been declared as a technical textile under the Notification issued by the Directorate General of Foreign Trade. We also find that the Ministry of Textile vide Notification No.12015/03/2020 IT dated 24.9.2021 implemented a production linked incentive scheme for textiles in order to provide incentives to the textile manufacturers. In Annexure III to the Notification, at Sr.No.1, Geo Textiles, including geomembranes are listed under the category of technical

textile products. Further, we find that the product geomembrane is manufactured as per the standards laid down under IS : 153151 : 2015 and are used primarily for farming water and as liners for water ponds, canals, water pits etc., for storage of water bodies. The process of manufacture provides the essential character of abrasion resistance, high impermeability, extremely high puncture and tear resistance, long UV stability etc. As per the Bureau of Indian Standards, the said standard 15351 : 2015 relates to Agro Textiles- Laminated High Density Polyethylene woven geo membrane for water proof lining and is classified under the Group of Textile, textile products and machinery and sub grouped under Textile for special use. This again highlights the fact that the product has been manufactured meeting certain standards which render the product capable of being used for a special purpose and hence it can be safely concluded that said product is manufactured for a specific use and can be termed as a textile fabric for technical use. We also find that the use of Geomembrane in Biofloc Ponds is well documented. Biofloc technology ensures minimal water exchange and keeps the pH levels steady by feeding on nitrogen produced by the fish and shrimps. In conventional farming where Biofloc technology is not used, nitrogen is flushed out through water exchange every 25 to 30 days to keep the aquatic animals, disease free. The Biofloc uses up the nitrogen and convert it into proteins for the animals. For Biofloc technology to be used, geomembrane lined ponds are a necessity and ponds lined with reinforced geomembranes insulate the animals from diseases. Thus, use of geomembrane in aqua culture ponds using Biofloc technology brings big benefits to aquaculture farmers. It is a well settled principle in classification that the wordings of the Section Notes, Chapter Notes and then heading itself, will have precedence and it is only in case of ambiguity that the commercial understanding or trade parlance will be taken into consideration for the purpose of classification. The use of the product being classified will not have any bearing on the classification, unless it is so mandated in the wording of the tariff heading. In the instant case, Chapter Heading 5911 clearly envisages the use/functionality test for determination of classification of products under this heading in as much as the tariff heading itself mentions that textile products and articles, for technical uses, will be classified under the said heading. We find that the product manufactured by the applicant i.e. Geo Membrane for Water Proof Lining – Type-II as per IS 153151:2015 is



an article of textile, laminated with plastic, of a kind used for technical purposes. This product is can be classified under Tariff Item 59111000. We find that when a classification based on the specification and use of any product is possible, it would not be proper to classify it in the general and residuary entry of 'Other articles of plastic and articles of other materials of Heading 3901 to 3914'. It is also for this very reason that the provisions of Section Note 1(h) of Section XI would also not be applicable to the goods in the instant case as the goods in the instant case i.e. geo membrane does not find mention under any of the tariff items under Chapter 39 and when they can be correctly classified under Tariff Item 59111000, it would not be proper to consign it to the orphanage of a residuary entry as other articles of plastic under Chapter 3926.

5.12 We find that the concerned officer has relied upon the decision of the Advance Ruling Authority, Gujarat in the case of M/s. Ananta Synthetics Innovations, Ahmedabad decided vide Advance Ruling No. GUJ/GAAR/R/107/2020 dated 30.12.2020. We find that a Writ Petition was filed by the applicant against the decision of the AAR in the said case before the Hon'ble Gujarat High Court. The Hon'ble Gujarat High Court vide its order dated 11.7.2024 reported in (2024) 165 Taxmann.com 130 (Gujarat) has set aside the aforesaid order of the AAR and has categorically held in para 23 of the Order that Geo Membrane is classifiable under Chapter 59 and not under Chapter 39. The Hon'ble High Court relied upon the decision of the Gujarat High Court in the case of CTM Technical Textiles Ltd., which had distinguished the decision of the Hon'ble Madhya Pradesh High Court in the case of M/s. Raj Packwell Ltd., reported in 1990 (50) ELT 201 (MP) on the ground that the said decision was not in relation to the fabrics woven out of HDPE Tapes but was in relation to the classification of sacks/strips/tapes. The Hon'ble Court held that the question whether fabric woven out of strips or tapes are textile products or not, was not involved in that judgement. We further find that in the case of Shree Ambika Geotex Pvt. Ltd., the Advance Ruling Authority in Ruling No. GUJ/GAAR/R/2002/46 dated 18.10.2022 has held that the product Geo Membrane is classifiable under Chapter 59111000. A similar decision has been given by the Authority for Advance Ruling in Ruling No. GUJ/GAAR/R/2022/11 dated 7.3.2022. In view of the above, we find that the product Geo Membrane for Water Proof Lining - Type-II as per IS 153151:2015 is rightly classifiable under Tariff Item 5911 1000.



6. In view of the extensive deliberations as held hereinabove, we pass an order as follows:

**ORDER**

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

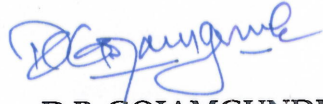
NO.GST-ARA- 28/2020-21/B- 153 Mumbai, dt. 26/03/2025

For reasons as discussed in the body of the order, the questions are answered thus -

**Question: - Classification of 'Geo-Membrane for Water Proof Lining- Type-II as per IS: 153151:2015' under Chapter Heading 5911 10 00.**

**Answer: - The product Geo Membrane for Water Proof Lining - Type-II as per IS 153151:2015 is classifiable under Tariff item 59111000.**



  
**D.P. GOJAMGUNDE**  
(MEMBER)

  
**PRIYA JADHAV**  
(MEMBER)

Copy to: -

1. The applicant
2. The concerned Central / State officer
3. The Commissioner of State Tax, Maharashtra State, Mumbai
4. The Pr. Chief Commissioner of Central Tax, Churchgate, Mumbai
5. The Joint commissioner of State Tax, Mahavikas for Website.

**Note: -**An Appeal against this advance ruling order shall be made before The Maharashtra Appellate Authority for Advance Ruling for Goods and Services Tax, 15<sup>th</sup> floor, Air India Building, Nariman Point, Mumbai - 400021. Online facility is available on [gst.gov.in](http://gst.gov.in) for online appeal application against order passed by Advance Ruling Authority.

