

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



ADVANCE RULING(APPEAL) NO. **GUJ/GAAAR/APPEAL/2026/03**
(IN APPLICATION NO. Advance Ruling/SGST&CGST/2023/AR/01)

Date : **02/04/2026**

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| Name and address of the appellant | : Deputy Commissioner, Central GST, Division-IV, Ahmedabad-South Commissionerate 5 th Floor, GST Bhawan, Revenue Marg, Ambawadi, Ahmedabad-380015 |
| Name and address of the respondent | : M/s. Shree Ambica Geotex Pvt. Ltd. 15, Saijpur Shahwadi Road, Saijpur Gopalpur, Narol, Ahmedabad, Gujarat-382405 |
| GSTIN of the respondent | : 24AALCS5822J1Z4 |
| Advance Ruling No. and Date | : GUJ/GAAR/R/2022/46, dated 18.10.2022 |
| Date of appeal | : 19.01.2023 |
| Date of Personal Hearing | : 21.01.2026 |
| Present for the appellant and respondent | : (a). Shri Balchandra Pillai, Assistant Commissioner, CGST, Ahmedabad-South for the appellant. (b). Shri Amal Paresh Dave, Advocate and Shri Parth P. Rachchh, Advocate for the respondent. |

At the outset we would like to make it clear that the provisions of the Central Goods and Services Tax Act, 2017 and Gujarat Goods and Services Tax Act, 2017 (for short - 'CGST Act, 2017' and the 'GGST Act, 2017') are *pari materia* and have the same provisions in like matter and differ from each other only on a few specific provisions. Therefore, unless a mention is particularly made to such dissimilar provisions, a reference to the CGST Act, 2017 would also mean reference to the corresponding similar provisions in the GGST Act, 2017.

2. The present appeal has been filed under Section 100 of the CGST Act, 2017 and the GGST Act, 2017 by the Deputy Commissioner, CGST, Division-IV, Ahmedabad South Commissionerate (for short - 'appellant-Department') against the Advance Ruling No. GUJ/GAAR/R/2022/46, dated 18.10.2022 passed in the case of M/s. Shree Ambica Geotex Pvt. Ltd. 15, Saijpur Shahwadi Road, Saijpur Gopalpur, Narol, Ahmedabad, Gujarat-382405 (for short-'respondent').

3. Briefly, the respondent is engaged in the manufacture and sale of textile products and articles like Geomembranes. They also produce intermediate products like



Tapes/Strips, but almost the entire quantity is used within the factory for the manufacture of their final products viz. Geomembranes. The respondent is licensed by the Bureau of Indian Standards (BIS) for the manufacture of the Geomembranes in accordance with IS 15351:2015 and IS 7903 :2017. The IS 15351:2015 is for '*Agro Textiles-Laminated HDPE Woven Geomembranes for water proof lining*'.

3.1 The Manufacturing process as submitted by the respondent in their application is as under:-

(a) The basic raw materials for manufacturing Geomembrane is High Density Polythene Granules (HDPE Granules) and Master Batch containing carbon black. These raw materials are melted in Extruder by applying heat and friction, and they are extruded in form of thin sheet, in molten form. Such thin sheet in molten stage is passed through a quenching tank containing water, to form a solid thin sheet, which is then slit into tapes/strips. Such slit tapes/strips are passed through hot plate for orientation process so as to impart strength. The width of such tapes/strips is below 5 mm, and they are wound on metal pipes for producing bobbins.

(b) These tapes/strips are then loaded on circular looms or flat looms for weaving purpose. By employing weft and warp method of weaving, woven fabrics are produced by using the tapes/strips of width below 5 mm. These are uncoated woven fabrics of plastic; and such fabrics in rolls are further processed for producing coated/laminated fabrics on extrusion lamination machine within the applicant factory.

(c) Rolls of uncoated fabrics loaded on extrusion lamination machine are drawn for feeding into the laminating unit. Mix of Low Density Polythene (LDPE), LLDPE and colour/black master batch is fed into the extruder through a Hopper, and melted by applying heat and friction, for forming a thin film in a molten state. Uncoated fabric is thus coated/laminated on one side by this molten mix, and passed over a chill roll containing chilled water. Edges of coated/laminated fabrics are trimmed and then wound on steel pipes on a winder.

(d) Same way, the other side of the fabric is also coated/laminated to form a waterproof fabric. For increasing thickness of such fabric, one side coated/laminated fabrics are sandwiched laminated with a film and then laminated again with one more layer of fabric to form a coated/laminated fabric of higher thickness. Trimming of edges is undertaken, and such coated/laminated fabric in



rolls is subjected to inspection, where defects, if any, are removed, and the ends of the fabrics are rejoined by heat sealing. After inspection of such coated/laminated fabric rolls, they are sent for overlap sealing to increase the width of the coated/laminated fabric, and then they are cut in required length to obtain the required size of Geomembranes. These final products i.e. products or articles of textile fabrics are packed, and are ready for sale and supply.

4. The respondent posed the below mentioned question before the Advance Ruling Authority, viz.

"Whether the product namely, geomembranes merits classification under heading 5911, sub-heading 59111000 or sub heading 59119090 as textile products, coated, covered or laminated with plastic, used for technical purposes?"

5. The Advance Ruling Authority, post admittance & personal hearing, pronounced its impugned ruling vide Advance Ruling No. GUJ/GAAR/R/2022/46, dated 18.10.2022, wherein it was held that: -

"Geomembrane merits classification at HSN 5911, tariff item 59111000."

6. The below mentioned findings, led the Advance Ruling Authority to arrive at the aforementioned ruling, viz.

- (a).** that the first product which comes into existence is HDPE tape/strips less than 5mm in width; that note 1(g) of Section XI (TTA) excludes only strips of plastic where the width exceeds 5mm; that plastic strip of width less than 5mm is covered under section XI; that section XI covers chapters 50 to 63 of the HSN.
- (b).** that uncoated fabric is manufactured by weaving the tape/strips by wrap and waft method;
- (c).** that this uncoated fabric is thereafter laminated with LDPE, LLDPE UV on both sides; that this is therefore covered under HSN 5404 9020;
- (d).** that the woven fabric from HDPE strip of less than 5mm of heading 5404, will be covered under HSN 5407 20;
- (e).** that this woven fabric is subjected to sandwich lamination of plastic and brings into existence a new product viz geomembranes pond lining fabrics.



(f). that geomembrane, though coated with plastic but used for technical purposes falls under HSN 5911, for the dual reason that the phrase 'other materials' used in Chapter Note 7(1)(a) to Chapter 59 is vast to include plastics also, coupled with technical use of geomembrane;

(g). the geomembranes have purely technical use as it is used in aquaculture ponds, teamed with Biofloc technology which is a highly beneficial bacterial colony based culture, which keeps diseases at bay making it an ecologically sustainable symbiotic system; the ponds lined with geomembranes insulate the animals from diseases.

(h). further, on the basis of the technical use of geomembrane, it's passing of the test of section note XI(1)(g) to section XI and also satisfying the test of chapter 59, note 7(1)(a), they are of the view that the product is a textile article.

(i). the view that the geomembrane is a textile article is in compliance with the view of the Supreme Court in *Porritts & Spencer (Asia) Ltd.* [1983 (13) ELT 1607 (SC)]; that the Authority of Advance ruling of Daman, Diu & DNH in the case of *EMMBI Industries Ltd.* and the Gujarat Authority for Advance Ruling in the case of *M/s Texel Industries Ltd.* has ruled that Geomembranes are classified under HSN 59111000.

7. Aggrieved, the appellant-Department is before this Appellate Authority, against the impugned ruling dated 18.10.2022, raising the following averments, viz.

(a). the advance ruling authority, in advance ruling no. GUJ/GAAR/R/107/2020, dtd. 30.12.2020 in the case of *M/s Ananta Synthetic Innovations*, in respect of the same/identical product i.e. Geomembrane for waterproof lining fabrics (also referred to as Pond Liner) has held that the said product is classifiable under sub-heading no. 3926 90 99 by relying upon the Madhya Pradesh High Court judgement in the case of *M/s Raj Packwell Ltd. Vs UOI* - [1990(50) ELT 201 (MP)].

(b). The Customs Authority for Advance Ruling in the case of *M/s Harmony Plastics Pvt Ltd.* in respect of similar products have classified it under 3926 90 99.

(c). The Tribunal in the case of *M/s Gujarat Raffia Industries Ltd. Vs CCE Ahmedabad* - [2003(153) ELT 336 (Tri-Del)] has, in the case of similar product i.e. Tarpaulin made out of HDPE/Plastic Strip/yarn, by relying on the High Court judgement of *M/s Raj Packwell Ltd.*, classified it under Heading 39.26 of CETA.



(d). The High Court of Rajasthan in the case of *M/s Rajasthan Synthetic Industries Ltd. Vs UOI* - [2008 (223) ELT 44 (Raj)] has held that the HDPE/PP fabrics and HDPE/Woven sacks are appropriately classified under Chapter 39.

(e). The judgement of the Supreme Court in the case of *Porrits & Spener*, relied upon by the advance ruling authority, has been distinguished by the Tribunal in *M/s Gujarat Raffia Industries* by holding that the Supreme Court was not considering whether fabric made out of HDPE Strips/yarn would be covered by the term 'textile and textile articles' as mentioned in Section XI of the Schedule to the Central Excise Tariff Act.

(f). In view of the above, it is contended that Geomembranes manufactured from HDPE strips is rightly classifiable under HSN 3926 and not under HSN 5911, as held by the advance ruling authority.

8. The respondents have submitted written submissions as under: -

(a). None of the grounds raised by the appellant are sustainable inasmuch as the case of *M/s Ananta Synthetic Innovations* in Advance Ruling No. GUJ/GAAR/R/107/2020, dated 10.12.2020 was carried on in writ jurisdiction before the Gujarat High Court and the High Court, vide its decision reported at 2024 (89) GSTL 107 (Guj), held that Geomembranes are textile products and articles for technical uses of Heading 5911. Thus, the appeal is without any merits.

(b). The Supreme Court in *Porrits & Spencer (Asia) Ltd*, while laying down the law that any woven fabrics were 'textiles' irrespective of the materials used, technique of weaving adopted and the end use of the product, has held that phenomenal advancement in science and technology has resulted in a large variety of fabrics manufactured from materials till then unknown or unthought of and new techniques have been invented for making fabric out of yarn.

(c). The Gujarat High Court, in the case of *CTM Technical Textiles Ltd. Vs UOI*, after considering the judgement of the Supreme Court in the case of *Porrits & Spencer (Asia) Ltd.*, has considered the dispute of classification of two products namely, Geo-grid fabrics and Agro Shed net. The Revenue's stand, that these were articles of plastic as it was made of HDPE tapes, was not accepted.

(d). The Gujarat High Court, in *CTM Technical Textiles Ltd.*, also did not accept the Madhya Pradesh High Court's judgement in the case of *Rajwell Packwell Ltd.* and held that it was a case where classification of fabric of plastic was considered.



(e). Thus, the fabrics produced by weaving technique were 'textiles' and it means any woven fabrics, and weaving adopted may be simple warp and weft pattern or it could be any other process technique. They were to be treated as textile fabrics even for the purpose of taxing statute. Heading 5911 specifically refers to "textile products and articles, for technical uses, specified in Note-7 to this Chapter".

(f). The broad description of the goods therein makes it clear that the goods classified under Heading 5911 of the Tariff are not textile fabrics, that is to say, products brought into existence by mere weaving, but the goods classified thereunder are textile products and articles, which are produced upon subjecting textile fabrics to further operations or processes.

(g). The HSN explanatory notes to heading 5911 in Note A(1) gives an example that the term 'any other material' used for lamination can be a material like plastics. Therefore, the HSN explanatory notes read with the text of heading make it clear that textiles like Geomembranes, which are laminated with plastic, would also be included in heading 5911.

9. Personal hearing in the matter was held on 21.01.2026, wherein Shri Balchandra Pillai, Assistant Commissioner, CGST, Ahmedabad South appeared on behalf of the appellant-Department and Shri Amal Paresh Dave, Advocate and Shri Parth P Rachchh, Advocate for the respondent. Shri Pillai reiterated the submissions made in the appeal. He also fairly submitted that the matter has been decided by the Gujarat High Court in the case of *M/s Ananta Synthetic Innovations* and the Department has not gone into appeal before the Supreme Court against the said judgement of the High Court. Shri Dave submitted that the issue has been decided in *M/s Ananta Synthetic Innovations* and *M/s CTM Technical Textiles Ltd* by the Gujarat High Court, wherein the Geomembranes have been classified under HSN 5911.

FINDINGS

10. We have carefully gone through and considered the appeal papers, written submissions filed by the appellant-Department and the respondent, submissions made at the time of personal hearing, the Advance Ruling given by the GAAR and other materials available on record.

11. The issue involved is the classification of geomembranes, which is manufactured by the respondent. The claim of the appellant-Department is that the product



geomembranes manufactured from HDPE strips is rightly classifiable under HSN 3926 (Tariff item 3926 90 99) whereas the claim of the respondent is that it would more appropriately fall under HSN 5911 (Tariff Item 5911 10 00). The advance ruling authority has also held that geomembranes would merit classification under HSN 5911 (Tariff Item 5911 10 00).

12. The main contention of the appellant-Department is that in an earlier ruling in the case of *M/s Ananta Synthetic Innovations*, for identical goods i.e. Geomembrane for waterproof lining fabrics, the advance ruling authority has classified the goods under Tariff item 3926 90 99. We find that in the case of *M/s Ananta Synthetic Innovations*, the applicant had filed a writ application before the Gujarat High Court against the order of the advance ruling authority and the High Court has, while allowing the writ, held that the product manufactured by the petitioner i.e. Geomembrane is classifiable under Chapter 59 and not under Chapter 39, as held by the advance ruling authority. The jurisdictional CGST Commissionerate, i.e. CGST Gandhinagar, has informed vide email, dtd. 19.12.2025 that no SLP has been filed in the said matter before the Supreme Court. Therefore, the issue has attained finality.

13. On going through the manufacturing process, including weaving, of the product in question manufactured by the respondent, which has been reproduced in para 3.1 supra, we find that the manufacturing process is identical to the products manufactured by *M/s Ananta Synthetic Innovations*. Therefore, there is no dispute that the products manufactured by the respondent and that manufactured by *M/s Ananta Synthetic Innovations* are similar. Thus, the judgment of the High Court in the case of *M/s Ananta Synthetic Innovations* would apply on all fours to the present case.

14. The appellant-Department has also relied upon the judgement of the Madhya Pradesh High Court in the case of *M/s Raj Packwell Ltd.* The Gujarat High Court, in the case of *M/s Ananta Synthetic Innovations*, has relied upon its own judgement in the case of *M/s CTM Technical Textiles Ltd.* - [2020 (12) TMI 1100- Gujarat High Court], which dealt with a similar product. The High Court, in *CTM Technical Textiles Ltd.*, has distinguished the judgement of *M/s Raj Packwell Ltd.* as under:-

" 58. The judgment in *Raj Pack Well Ltd.* (supra) relied upon on behalf of the respondents has nothing to do with the HDPE fabric, but it relates to the HDPE




strips/tapes/sacks. The question whether fabric woven out of strips or tapes are textile products or not, was not involved in this judgment. The contention raised by the writ-applicants is that the woven fabric would be 'textile' irrespective of the method of weaving through any technique and the materials used for weaving may also be anything like cotton, silk, rayon, nylon or any other description or made out of any other material; but when any such material is woven into fabric, what comes into existence is a "textile".


Therefore, the said judgement cannot be applied to the facts of the present case.

15. The Appellant-Department has further relied upon the ruling of the Customs Authority for Advance Ruling in the case of *M/s Harmony Plastics Pvt Ltd.*, the judgement of the High Court of Rajasthan in the case of *M/s Rajasthan Synthetic Industries* and the order of the Tribunal in the case of *M/s Gujarat Raffia Industries Ltd. Vs CCE Ahmedabad*. Since, the jurisdictional High Court in the case of *M/s Ananta Synthetic Innovations* has held that the product in question is classifiable under Chapter 59 and not under Chapter 39, we are bound to follow the same.

16. In view of the foregoing, since the matter is finally settled by the Gujarat High Court in the case of *M/s Ananta Synthetic Innovations*, we concur with the findings of the advance ruling authority and hence uphold the impugned ruling, dated 18.10.2022.

17. In view thereof, we reject the appeal filed by the appellant-Department against the Advance Ruling No. GUJ/GAAR/R/2022/46, dated 18.10.2022.


(Arti Kanwar)
Member (SGST)


(Sunil Kumar Mall)
Member (CGST)

Place: Ahmedabad
Date : 02/09/2026

