

WEST BENGAL APPELLATE AUTHORITY FOR ADVANCE RULING
AT 14, BELIAGHATA ROAD, KOLKATA-700015

Before:

Mr. Shrawan Kumar, Member

Dr. Uma Sankar S., Member

In the matter of

Appeal Case No. 05/WBAAAR/APPEAL/2025 dated 05.05.2025

- And -

In the matter of:

An Appeal filed under Section 100 (1) of the West Bengal Goods and Services Tax Act, 2017/ Central Goods and Services Tax Act, 2017, by M/s. Aristocrat Industries Private Limited [GSTIN: 19ABACA3297R1ZX], BL-A, Ground Floor, 204, Bangur Avenue, Kolkata Kolkata 700055, against the Ruling passed by the West Bengal Advance Ruling Authority vide Order No. 28/WBAAR/2024-25 dated 27.02.2025 (ZD1902250446963 dated 27.02.2025).

Present for the Appellant: Mr. Nitin Kumar Pasari, Advocate
 Mr. Shubham Choudhary, Advocate
 Mr. Akshat Agarwal, Advocate

Present for the Respondent: Not Applicable

Matter heard on: 03.07.2025

Date of Order: 22.07.2025

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

1. This Appeal has been filed by M/s. Aristocrat Industries Private Limited (hereinafter referred to as "the appellant") on 05.05.2025 against Advance Ruling Order No. 28/WBAAR/2024-25 dated 27.02.2025, pronounced by the West Bengal Authority for Advance Ruling (hereinafter referred to as the 'WBAAR').

2. The appellant is engaged in the manufacture and supply of raincoats primarily composed of polyvinyl chloride (PVC), a synthetic polymer widely recognized for its durability and water-resistant properties, which makes it suitable for protective outerwear. The Appellant sought an advance ruling under section 97 of the West Bengal Goods and Services Tax Act, 2017 and the Central Goods and Services Tax Act, 2017, (hereinafter collectively referred to as "the GST Act") on the following questions:

Question 1: Whether PVC raincoats should be classified as plastic (HSN Code 3926) or textile (HSN Code 6201) items under GST?

Question 2: What should be the GST rate of PVC raincoat? If the price of PVC raincoat comes under Rs. 1000/- then does it attract 5% tax on it?

3. While passing the advance ruling in the instant case, the WBAAR has observed that the item manufactured by the applicant is a non-woven product as the applicant himself has submitted that it employs a fusion method, wherein the parts are thermally or chemically bonded to form a seamless, non-woven product. The WBAAR studied the process involved in the manufacturing of PVC sheet on the basis of which, the WBAAR opined that PVC sheet cannot be regarded as a woven fabric. According to the WBAAR, even in common parlance the item PVC sheet is not considered as textile materials. Therefore, the WBAAR was unable to accept the contention of the applicant that the item PVC raincoat would be classified under HSN 6201 40 10 since to qualify to be an item under chapter 62, it must be an article of textile fabric.
4. Accordingly, the WBAAR pronounced its ruling dated 27.02.2025, as under:

“Supply of PVC raincoat as manufactured by the applicant would be covered under Heading 3926 and would attract tax @ 18% vide entry no. 111 of of Schedule – III of Notification No. 01/2017-Central Tax (Rate) dated 28.06.2017 [corresponding West Bengal State Notification No.1125 F.T. dated 28.06.2017] , as amended.”

Submissions of the appellant:

5. The Appellant has filed the instant appeal against the above-mentioned Advance Ruling dated 27.02.2025 with a prayer to set aside/modify the said order; grant a personal hearing or to pass any such further or other orders as may be deemed fit and proper in the facts and circumstances of the case.
6. The appellant has submitted in the grounds of appeal that PVC raincoats, despite their synthetic composition, are appropriately classified under HSN 6201 4010, consistent with legislative provisions, judicial interpretation, and commercial practices. He further submitted that this classification aligns with the intended function, material characteristics, and the evolving definition of textile apparel, supporting a GST rate of 5% when priced below ₹1,000. The appellant, therefore, requested a ruling confirming this classification under HSN 6201 4010 for PVC raincoats to ensure compliance with the GST law.

7. In this context, the appellant has also filed an application for condonation of delay in filing the instant appeal beyond the stipulated time limit of thirty days from the communication of the relevant ruling as per sub-section (2) of section 100 of the GST Act on grounds that the ruling consisted of complex interpretational disputes and research work which was quite time taking and voluminous in nature.

Submission of the Revenue:

8. The Assistant Commissioner, CGST & CX, Burrabazar Division, representing the revenue side has mailed his submission on 17.03.2025 where he has opined to refrain from filing any appeal against the aforesaid ruling of the WBAAR on agreement of the views of the WBAAR.

Personal Hearing:

9. During the course of hearing, the Ld. Advocates representing the appellant's authorised representative presented their written submission to the Appellate Authority, which in addition to the contents of their appeal, primarily articulates the following:
 - i. That on the basis of facts and the circumstances of the case, the WBAAR while inter alia holding that PVC raincoat manufactured by the appellant would be covered under heading 3926 and would attract tax @18% vide entry no. 111 of Schedule – III of Notification No. 01/2027-Central Tax (Rate) dated 28.06.2017 [(corresponding West Bengal Notification No. 1125 F.T. dated 28.06.2017) as amended], has not justified the dictum merely because the article manufactured is primarily composed of Polyvinylchloride (PVC). Rather, the Learned WBAAR has entered into the issue of process of manufacture, although the requirement for classification as an apparel and its indented use could not have been brushed aside as has been held by the Hon'ble Supreme Court in the matter of India Waterproofing & Dying Works reported in 1996 (87) ELT 340 (SC).
 - ii. That on the basis of facts and the circumstances of the case, the WBAAR failed to take into consideration that the issue of classification has already been dealt with before the Hon'ble Supreme Court in the matter of CCE Shillong v/s Wood Craft Products Limited reported in (1993) 3 SCC 454, wherein, in authoritative judgment, the Hon'ble Supreme Court affirmed that the HSN Explanatory Notes provide authoritative guidance for classification under the Customs Tariff Act, particularly concerning Chapter 62.01. This chapter pertains to garments such as men's or boys' overcoats, car-coats, capes, cloaks, anoraks, wind-cheaters, and similar articles. This chapter's classification includes subheadings such as 6201.11 for wool or fine animal hair, 6201.12 for cotton, 6201.13 for man-made fibers, and 6201.19 for other textile materials.
 - iii. That on the basis of facts and the circumstances of the case, the Learned WBAAR failed to take into consideration that the Hon'ble Supreme Court

in *Porritts & Spencer (Asia) Ltd.* 1983 (13) E.L.T 1607 (S.C.), articulated that the term “textiles” is derived from the Latin word “texere”, meaning “to weave”, and encompasses any woven fabric. The Hon’ble Supreme Court recognized that despite advancements in technology that have introduced new materials and techniques, woven fabrics continue to be classified as textiles, regardless of the material, technique, or intended use. Notably, plastics are acknowledged as a textile material, enabling the production of various yarns and fabrics, including Teflon, polyester, nylon, acrylic, texturised, and silicone yarns.

- iv. That on the basis of facts and the circumstances of the case, the WBAAR has not distinguished the aforesaid judicial pronouncements and has rather gone into the issue of the manufacturing process and the raw materials used, without giving any edge to the end use and the ultimate article produced. The primary objective of the Act is to raise revenue, resort should not be had, for purpose of classification, to scientific and technical meaning of the terms and expression invested therein, but to their popular meaning that is to say the meaning attached to the terms by those using the product. The burden of proof that a product is classifiable under a particular tariff head is on the revenue and must be discharged by proving that it is so understood by the consumer of product in common parlance. The aforesaid has been held by the Hon’ble Supreme Court in the case of *Vico Laboratory* reported in 2005 (179) ELT 17 (SC).
- v. That on the basis of facts and the circumstances of the case, the Learned WBAAR failed to appreciate that a word in the statute should be construed in its popular sense and not in the strict or technical sense. Popular sense means that which people converse with the subject matter with which the statute is dealing would be tribute to it, which has been so observed by the Hon’ble Supreme Court in the matter of *Wockhardt Life Science* reported in (2012) 5 SCC 585, *Uni-Products India* [2020 (372) ELT 465 (SC)]. It is humbly submitted that while classifying the foremost consideration – the statutory definition, in the absence of which, any guideline provided by HS Explanatory Notes the cardinal principle would be the way goods are known in common parlance.
- vi. That on plain perusal of the HSN Explanatory notes, it is evident that overcoats, raincoats, wind-cheaters, wind jackets and similar articles which are used for protection against weather would be classified under chapter 62.01. Therefore, even going by the HSN Explanatory notes, the subject product would be classifiable under chapter heading 6201. Chapter heading 6201 specifically covers raincoats. It is well settled that specific heading would prevail over general. Even in terms of Rule 3(a) of the General Rules of Interpretation of the Customs Tariff Act, 1975, the heading which provides the most specific description shall be preferred to headings providing a more general description. This view has been endorsed by the Hon’ble Supreme Court in the case of *Commercial Tax Officer vs. Binani Cement Limited* reported in 2014 (3) SCR 1.

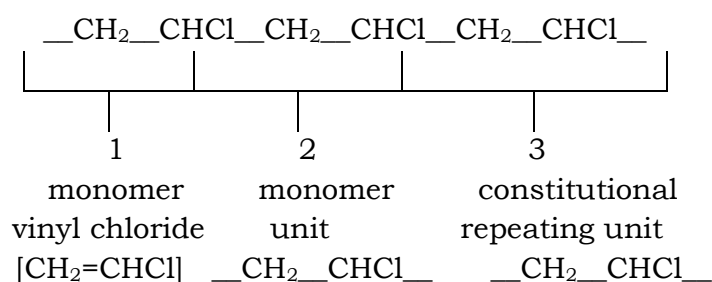
- vii. That on the basis of facts and the circumstances of the case, although the advance ruling with regard to other assessee is not binding on the other assessee, however, the same has a persuasive value and the same ought to be specifically dealt with by the Advance Ruling Authority as to why a different view as that of the view taken by the other authority is not acceptable. Before the Learned WBAAR, the Appellant had duly submitted an advance ruling in the case of Re: NZ Seasonal Wear Pvt. Ltd. wherein the Customs Authority for Advance Ruling (CAAR) had duly classified PVC raincoats under HSN Code 6201, recognizing them as textile garments due to their composition and intended use. The Learned WBAAR overlooked the reference of such advance ruling and its finding which is arbitrary.
- viii. That appellant has also submitted that there is a specific entry relating to raincoats in Chapter 62 dealing with “Overcoats, raincoats, car-coats, capes, cloaks and similar articles” (HSN Code: 62014010), where raincoats have not been segregated from overcoats, car-coats, capes, cloaks and other similar articles. The entry in sl. No. 111 of Schedule III of CGST Rate Notification No. 1/2017-Central Tax (Rate), dated 28-06-2017, read with corresponding WBGST Rate Notification No. 1125-F.T., dated 28-06-2017, being “Other articles of plastics and articles of other materials of heading 3901 to 3914 (other than plastic bangles, plastic beads and feeding bottles) was substituted through Notification No. 2019-F.T. dated 15.11.2017, thereby removing “plastic raincoat” from tariff heading 3901. It is a well accepted principle that an explicit entry shall over rule any other entry which demands interpretations. As raincoats are explicitly covered under Chapter 62 and thus under entry in sl. No. 223 of Schedule I of CGST Rate Notification No. 1/2017-Central Tax (Rate), dated 28-06-2017, read with corresponding WBGST Rate Notification No. 1125-F.T., dated 28-06-2017, the same in this case should be classified as textiles (HSN Code 6201) instead of items made of plastic (HSN Code 3926) and thus the tax rate thereof should be guided by the entry in sl. No. 223 of Schedule I of CGST Rate Notification No. 1/2017-Central Tax (Rate), dated 28-06-2017, read with corresponding WBGST Rate Notification No. 1125-F.T., dated 28-06-2017.
10. The Advocates on record of the appellant reiterated the points in their grounds of appeal as per the written submission during the personal hearing, as previously mentioned.

Discussion and Findings:

11. The appellant has filed an application for condonation of delay in filing the instant appeal beyond the stipulated time limit of thirty days from the communication of the relevant ruling as per sub-section (2) of section 100 of the GST Act. In this context, we are satisfied that the appellant was prevented by a sufficient cause from presenting the appeal within the said period of thirty days and thus condone such delay as per the proviso to sub-section (2) of section 100 of the GST Act.

12. In the matter of this case, we have considered the rival submissions carefully. The documents and the citations submitted by both the appellant and the revenue were also taken on record. We find that since both tariff items 6201 and 3926 cover “raincoats”, the classification rests upon the material from which the raincoat is made.
13. This is to be mentioned in this context that the entire GST rate system of goods is based on HSN. It is the HSN classification of a particular item under the category ‘goods’ which determines the GST rate which should be applicable on such goods. In this case, thus it is necessary to identify whether the raincoats in question fall under HSN Chapter 39 or 62.
14. The term HSN, which is the basis of classification of goods and thereby the tax rate in GST, stands for 'Harmonized System Nomenclature'. The World Customs Organization (WCO) developed it as a multipurpose international product nomenclature that first came into effect in 1988 with the vision of facilitating the classification of goods all over the World in a systematic manner.
15. The Explanatory Notes to Chapter 62 pertaining to “Articles of apparel and clothing accessories, not knitted or crocheted” of the Harmonized Commodity Description and Coding System (Seventh Edition, 2022), Volume 3, Sections IX-XIII Chapters 44-70 published by the WCO specifies that “*The Chapter also excludes (a) Articles of apparel and clothing accessories of heading 39.26, 40.15, 42.03 or 68.12.*”
16. Also, the said Explanatory Note specifies ‘Men’s or boy’s overcoats, car-coats, capes, cloaks, anoraks (including ski-jackets), wind-cheaters, wind-jackets and similar articles, other than those of heading 62.03’ under HSN: 62.01 to be comprised of the following:
 - 6201.20 – Of wool or fine animal hair
 - 6201.30 – Of cotton
 - 6201.40 – Of man-made fibres
 - 6201.90 – Of other textile materials
17. Moreover, HSN Note No. 1 of Chapter 62 of the afore-said document states that: “*This Chapter applies only to made up articles of any textile fabric other than wadding, excluding knitted or crocheted (other than those of heading 6212)*”. It is, therefore, clear that Chapter 62 refers to textile materials only.
18. This indicates that any article which will fall under the HSN category of 39.26, i.e. articles of plastic shall not be treated as an article under HSN: 62.01.
19. So, the moot question in this regard is whether the PVC raincoats in question are articles of plastic or not.
20. The Explanatory Notes to Chapter 39 pertaining to “Plastics and articles thereof” of the Harmonized Commodity Description and Coding System (Seventh Edition, 2022), Volume 2, Sections VI-VIII Chapters 29-43 published

by the WCO specifies the various forms of Plastic which include Polymers. Polymers consist of molecules which are characterised by the repetition of one or more types of monomer units. One example of such polymer is Poly-vinyl Chloride (PVC) which is explained as a type of 'other synthetic polymer'. The structure of PVC is as follows:



Thus, it is obvious that PVC is nothing but a synthetically prepared plastic.

21. Moreover, the afore-mentioned Explanatory Notes to Chapter 39 specifies that 'Other articles of plastics and articles of other materials of headings 39.01 to 39.14' under HSN: 39.26 comprise of the following:

3926.10 – Office or school supplies

3926.20 – Articles of apparel and clothing accessories (including gloves, mittens and mitts)

3926.30 – Fittings for furniture, coachwork or the like

3926.40 – Statuettes and other ornamental articles

3926.90 – Other

The said Explanatory Note also specifies that the aforesaid heading covers articles including

- (1) Articles of apparel and clothing accessories (other than toys) made by **sewing or sealing sheets of plastics** e.g., aprons, belts, babies' bibs, **raincoats**, dress shields, etc. **Detachable plastic hoods remain classified in this heading if presented with the plastic raincoats to which they belong.** [emphasis added]
22. It has already been discussed above that PVC is nothing but plastic. Further, the findings of the WBAAR—based on a study of the process involved in the manufacture of PVC sheets—that the PVC raincoats manufactured by appellant is a non-woven product as it employs a fusion method, wherein the parts are thermally or chemically bonded to form a seamless, non-woven product clearly suggest that PVC raincoats are made by **sealing sheets of plastics**.
23. Thus, the Explanatory Notes of both Chapters 39 and 62 as mentioned above categorizing goods under such HSNs being mutually exclusive clearly indicate that plastic raincoats under Chapter 39 are not to be treated as raincoats covered under chapter 62.
24. Furthermore, the WBAAR has cited the judgment of the Hon'ble Supreme Court in case of Porritts & Spencer (Asia) Ltd. vs State of Haryana dated

06.09.1978 in which the apex court observed that: *“The word ‘textiles is derived from the Latin ‘texere’ which means ‘to weave’ and it means any woven fabric. When yarn, whether cotton, silk, woollen, rayon, nylon or of any other description as 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, woollen 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...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 weft 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.”* Thus, in the apex court’s view, an article must be “woven” to qualify as “textile”.

25. In light of the aforementioned discussions, it is evident that PVC is correctly classified as a synthetic polymer of plastic and not a woven textile. Hence, classification of PVC raincoats as textile apparel under HSN Code 6201 would be erroneous insofar as PVC is not a woven textile.
26. We concur with the findings of the WBAAR—based on a study of the process involved in the manufacture of PVC sheets—that the PVC raincoats manufactured by appellant is a non-woven product as it employs a fusion method, wherein the parts are thermally or chemically bonded to form a seamless, non-woven product.
27. We have also found that the manufacture of PVC sheets does not involve extrusion weaving, which in the context of textiles refers to a process where synthetic yarns, often made from polypropylene or polyester, are produced through extrusion and then woven into fabrics.
28. It is once again reiterated that the entire GST rate system of goods is based on HSN.
29. The entry in sl. No. 223 of Schedule I of CGST Rate Notification No. 1/2017-Central Tax (Rate), dated 28-06-2017, read with corresponding WBGST Rate Notification No. 1125-F.T., dated 28-06-2017, being “Articles of clothing accessories, not knitted or crocheted, of sale value not exceeding Rs. 1000 per piece” attracting GST @5% is specifically relating to items under HSN Chapter Code: 62 whereas the entry in sl. No. 111 of Schedule III of CGST Rate Notification No. 1/2017-Central Tax (Rate), dated 28-06-2017, read with corresponding WBGST Rate Notification No. 1125-F.T., dated 28-06-2017, “Other articles of plastics and articles of other materials of heading 3901 to 3914 (other than plastic bangles, plastic beads and feeding bottles)” attracting GST @ 18% pertains to HSN Code: 39.26.

30. It is already clear that PVC raincoats are articles made by sealing sheets of plastics and hence are to be classified under HSN Code: 39.26. Chapters 39 and 62 as mentioned above categorizing goods under such HSNs being mutually exclusive, thus clearly indicate that plastic raincoats under Chapter 39 cannot be treated as raincoats covered under chapter 62.
31. We, therefore, conclude that the item PVC raincoat, being apparel which is primarily composed of polyvinyl chloride (PVC), would be classified under HSN Code 3926 and not under HSN Code 6201.
32. Thus, in view of the foregoing, we pronounce our ruling as under:

Ruling:

Supply of PVC raincoat as manufactured by the appellant would be covered under HSN Code 3926 and attract tax @ 18% vide entry no. 111 of Schedule – III of CGST Rate Notification No. 1/2017-Central Tax (Rate), dated 28-06-2017, read with corresponding WBGST Rate Notification No. 1125-F.T., dated 28-06-2017, as amended from time to time.

The WBAAR Ruling No. 28/WBAAR/2024-25 dated 27.02.2025 thus stands confirmed.

Send a copy of this order to the Appellant and the Respondent for information.

Sd/-
(Dr. Uma Sankar S.)

Member, West Bengal Appellate
Authority for Advance Ruling

Sd/-
(Mr. Shrawan Kumar)

Member, West Bengal Appellate
Authority for Advance Ruling