

Ashit Shah

19 Classification and GST Rate on PVC Raincoats: Facts of the matter: The applicant, a trade association of manufacturers and traders of waterproof products, sought an advance ruling on the classification and GST rate applicable to PVC raincoats made from polyvinyl chloride (PVC) sheetings. The raincoats are produced by cutting PVC sheets, heat-sealing seams, and adding accessories like zippers, cords, and buttons before final packing. The applicant contended that since PVC is a man-made fibre, raincoats made thereof should be classified under Chapter 62 (HSN 6201/6202) as articles of apparel and taxed at 5% or 12%, depending on the sale value. Observation by the Authority: The Authority examined the manufacturing process of PVC sheetings, which involves polymerization of vinyl chloride monomers to form PVC resin, followed by extrusion into sheets — no fibre.....