
	सीमाशुल्क अग्रिम विनिर्णय प्राधिकरण Customs Authority for Advance Rulings नवीन सीमाशुल्क भवन, बेलाई इस्टेट, मुंबई - ४०० ००१ New Custom House, Ballard Estate, Mumbai - 400 001 E-MAIL: cus-advrulings.mum@gov.in	 आजादी का अमृत महोत्सव
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F.No. CAAR/CUS/APPL/36/2025-26 - O/o Commr-CAAR-Mumbai

दिनांक/Date: 21.08.2025

Ruling No. & date	CAAR/Mum/ARC/64/2025-26 dated
Issued by	Shri Prabhat K. Rameshwaram, Customs Authority for Advance Rulings, Mumbai
Name and address of the applicant	M/s Ready Network Marketing Pvt. Ltd. 1 st Floor, Plot No. B 56, Minarva Industrial Estate, BH. Tirupati Plaza, Vadod Gam, Barmoli, Surat, Gujarat 394540 Email: rnmpl2007@gmail .com, Id- kuldeepnsnara@gmail.com
Concerned Commissionerate	The Principal Commissioner of Customs, Ahmedabad 1st Floor , Custom House, Near All India Road, Income Tax Circle, Navrangpura, Ahmedabad -380009. Email: ahmedabadcustoms.gov.in, cus-ahmd-guj@nic.in

ध्यान दीजिए/ N.B.:

- सीमा शुल्क अधिनियम, 1962 की धारा 28I की उप-धारा (2) के तहत किए गए इस आदेश की एक प्रति संबंधित को निःशुल्क प्रदान की जाती है।
A copy of this order made under sub-section (2) of Section 28-I of the Customs Act, 1962 is granted to the concerned free of charge.
- इस अग्रिम विनिर्णय आदेश के खिलाफ कोई भी अपील ऐसे निर्णय या आदेश के संचार की तारीख से 60 दिनों के भीतर संबंधित क्षेत्राधिकार उच्च न्यायालय के समक्ष की जाएगी।
Any appeal against this Advance Ruling order shall lie before the jurisdictional **High Court of concerned jurisdiction**, within 60 days from the date of the communication of such ruling or order.
- धारा 28-I के तहत प्राधिकरण द्वारा सुनाया गया अग्रिम विनिर्णय तीन साल तक या कानून या तथ्यों में बदलाव होने तक, जिसके आधार पर अग्रिम विनिर्णय सुनाया गया है, वैध रहेगा, जो भी पहले हो।
The advance ruling pronounced by the Authority under Section 28 - I shall remain valid for three years or till there is a change in law or facts on the basis of which the advance ruling has been pronounced, whichever is earlier.
- जहां प्राधिकरण को पता चलता है कि आवेदक द्वारा अग्रिम विनिर्णय धोखाधड़ी या तथ्यों की गलत बयानी द्वारा प्राप्त किया गया था, उसे शुरू से ही अमान्य घोषित कर दिया जाएगा।
Where the Authority finds that the advance ruling was obtained by the applicant by fraud or misrepresentation of facts, the same shall be declared void *ab initio*.



अग्रिम विनिर्णय / Advance Ruling

M/s. Ready Network Marketing Private Limited (IEC No.: 5207017942) (hereinafter referred to as 'the Applicant') filed an application (CAAR-1) for advance ruling in the Office of Secretary, Customs Authority for Advance Ruling (CAAR) Mumbai. The said application was received in the secretariat of the CAAR, Mumbai on 17.02.2025 along with its enclosures in terms of Section 28H(1) of the Customs Act, 1962(hereinafter referred to as the 'Act also'). The Applicant is seeking advance ruling on the issue of classification of "100% Poly Vinyl Alcohol (PVA) Sheets in Roll shape" proposed to be imported under the First Schedule of the Customs Tariff Act, 1975.

2. Applicant's Submissions:

2.1 The applicant, M/s Ready Network Marketing Private Limited, having its registered office at 1st Floor, Plot No. B-56, Minarva Industrial Estate, Bh. Tirupati Plaza, Vadod Gam, Bamroli, Surat, Gujarat-394540, stated that they proposed to import "100% Poly Vinyl Alcohol (PVA) Sheets in Roll Shape" (hereinafter referred to as the goods or "100% PVA Sheets"). They sought an advance ruling on the correct classification of the said goods under the Harmonized System of Nomenclature (HSN), particularly under tariff subheading 3920 99 12, in accordance with the relevant Section Notes, Chapter Notes, and Explanatory Notes, to avoid ambiguity and ensure correct classification.

2.2 It was explained that the product consisted entirely of polyvinyl alcohol, plain white in colour, with a plain texture, flexible in nature, thicker than paper yet non-cellular, non-reinforced, non-laminated, and not combined with any other materials. It was capable of being folded and supplied in rolls for transportation. The goods were to be imported from China, specifically from M/s Yongan Baohualin Industrial Development Co., Ltd., Fujian, and M/s Ningbo Lokfu Trading Co. Ltd., Zhejiang. The physical characteristics included being undyed, white, translucent/opaque with GSM between 20-40, dissolving in hot water at approximately 90 °C, and resembling thick paper or non-woven fabric but being neither.

2.3 The applicant described the manufacturing process, which involved production of PVA fibres by wet or dry spinning, carding of fibres into a uniform web, thermo-bonding under heat and pressure to achieve the desired strength and thickness, and final finishing. Chemical properties included being water-soluble due to hydroxyl groups, biodegradable under microbial activity, resistant to oils, greases, and solvents, and stable over a wide pH range (but sensitive to strong acids/bases). Physical properties included excellent tensile and tear strength, flexibility, thermal solubility at ~90 °C, and barrier properties against oxygen and aromas under dry conditions. The sheets had various applications, including water-soluble packaging for detergents, agrochemicals, and food products, embroidery backing, textile finishing, and medical uses like wound dressings and drug delivery systems.

2.4 Attention was invited to Chapter 39 Notes, particularly Note 4 (definition of copolymers), Note 5 (classification of chemically modified polymers with reference to the unmodified polymer), Sub-heading Note 1(a)(3) (classification of chemically



modified polymers under "Other" unless more specifically covered), and Note 10 (definition of "plates, sheets, film, foil and strip" excluding goods of Chapter 54). It was submitted that the term "sheet" was most appropriate for the subject goods, given their thickness and physical form, and that they were distinct from non-woven fabrics in both composition and manufacturing process.

2.5 On classification, the applicant submitted that polyvinyl alcohol is derived from polyvinyl acetate and is thus a polymer of vinyl acetate. In primary form, it falls under HSN 3905 30 00. Since the goods were non-cellular and non-reinforced plastic sheets derived from a Chapter 39 polymer, their classification in finished sheet form should be under Heading 3920. Subheading 3920 99 12 specifically covers flexible and plain sheets, plates, films, foils or strips of poly(vinyl acetate) and its copolymers, which, by derivation, includes PVA. The possibility of residual classification under 3920 99 19 was acknowledged, but only if the goods were found not to fit under 3920 99 12. Subheading 3920 99 11 was ruled out as it applied to rigid sheets.

2.6 The applicant relied on the General Rules for Interpretation (Rule 1) and the Supreme Court judgment in *CCE Nagpur v. Simplex Mills Co. Ltd.* [2005 (181) ELT 345 (SC)], which emphasised primacy of heading terms and Section/Chapter Notes in classification. Applying these rules, they contended that the most specific description was 3920 99 12.

2.7 They further submitted that the goods, when so classified, would qualify for the concessional Basic Customs Duty rate of 10% under Serial No. 273A of Customs Tariff Notification No. 50/2017-Cus dated 30.06.2017 (as amended). The intended port of import was JNCH, Nhava Sheva, Raigad District.

2.8 The applicant's authorised representative, Advocate Kuldeep Singh Nara, additionally clarified the distinction between PVA sheets and PVC flex films. PVA sheets were said to be water-soluble, biodegradable, plain, flexible, and non-reinforced, with melting point above 200 °C and specific gravity of 1.3 g/cm³, whereas PVC sheets/films were water-insoluble, chemically resistant, and largely non-biodegradable, made from polyvinyl chloride monomers, and often plasticised. A comparative table of material composition, solubility, biodegradability, applications, and other technical factors was provided to highlight the difference.

2.9 It was reiterated that PVA sheets were plastics of Chapter 39, not textiles or paper, and, being derivatives of polyvinyl acetate, were squarely covered under Heading 3920, specifically subheading 3920 99 12. Only in the alternative would 3920 99 19 apply. The classification under 3920 99 12 would also ensure the benefit of concessional BCD under the above-mentioned notification.

2.10 The applicant submitted that the "100% Poly Vinyl Alcohol (PVA) Sheets in Roll Shape" fulfil all legal, technical, and tariff-note requirements for classification under CTH/HSN 3920 99 12 and therefore requested the Authority to issue an advance ruling confirming this classification and recognising the applicability of the relevant customs duty exemption.



3. Details of Hearing

A personal hearing in the matter was held on 16.06.2025 at 11:30 AM, during which Shri Kuldeep Singh Nara, representing the applicant, appeared online. He submitted that the subject import goods are 100% PVA Sheet (and not film) in Roll shape. He contended that it is non-cellular and non-reinforced plastic sheet driven from a Chapter 39 polymer making them suitable for classification under tariff heading 3920 and more specifically under 39209912/ 9919. That the product will not fall under paper in as much as these don't contain cellulose or pulp materials, etc. Rather these are polymer of PVA chemically modified. He argued that as per Chapter Note 1 to the Chapter 39, the product falls under CTH 3905 in primary form i.e. 39053000 as Poly Vinyl Alcohol (PVA) as raw material. That they also seek exemption under Notification 50/2007 dated 30.06.2007.

Nobody appeared for the personal hearing from the department side.

4. DISCUSSION AND FINDINGS

4.1 After careful examination of the submissions, technical documents, and legal references furnished by the applicant, M/s Ready Network Marketing Private Limited, together with the clarifications provided during the course of the personal hearing, I proceed to deliver this ruling on the basis of the material available on record and the applicable legal framework. The determination is made with reference to the provisions of the First Schedule to the Customs Tariff Act, 1975, its corresponding Chapter Notes, Supplementary Notes, and the relevant HSN Explanatory Notes that guide interpretation.

4.2 The matter concerns the classification of 100% Polyvinyl Alcohol (PVA) Sheets in Roll Form proposed to be imported by the applicant from China. The issue falls squarely within the ambit of Section 28H(2) of the Customs Act, 1962, as it directly pertains to the classification of goods under the Customs Tariff. Before arriving at the appropriate classification, it is necessary to examine the applicant's submissions in detail, particularly the nature, composition, and intended use of the product.

4.3 The product in question is described as plain-textured, white, flexible, non-reinforced, non-laminated, and not combined with any other material. It is water-soluble in hot water, biodegradable, and possesses mechanical strength and barrier properties under dry conditions, with a GSM range of 20–40. As stated by the applicant, the product is manufactured from PVA polymer fibres derived from polyvinyl acetate through hydrolysis, and subsequently processed into sheet rolls by carding and thermo-bonding techniques. Chemically, it is a water-soluble synthetic plastic film, rather than paper, textile, or a composite.

4.4 The product is frequently marketed as "Hot Water Soluble Paper/Fabric" or "Hot Water Soluble Backing Fabric," owing to its resemblance to thick paper and its appearance similar to non-woven fabric. Nevertheless, notwithstanding this resemblance, the product's essential character is that of a plastic film, as established



by its chemical composition and performance characteristics. Such versatility confirms its commercial recognition as a specialised flexible plastic sheet.

4.5 The sheets are designed for diverse applications, including water-soluble packaging for detergents, agrochemicals, and food products; embroidery backing and textile finishing in the garment industry; and medical uses such as wound dressings and drug delivery systems. In light of these attributes, the product must be classified under a tariff heading that most accurately reflects its composition, physical form, and functional properties.

4.6 The classification of goods under the Customs Tariff is governed by the General Rules for the Interpretation of the Harmonized System (GRI), read with the relevant Section and Chapter Notes and further clarified by the Explanatory Notes to the Harmonized System (HSEN), which serve as an internationally recognised guide to interpretation.

4.7 In the present case, the product is 100% Polyvinyl Alcohol (PVA) Sheet in roll form, which is chemically a synthetic polymer derived from polyvinyl acetate. By virtue of its essential character, composition, and function, it falls squarely within the ambit of Section VII of the Tariff, which covers *Plastics and Articles thereof; Rubber and Articles thereof*. More specifically, Chapter 39 is applicable, as it deals with *Plastics and Articles thereof*.

4.8 Within Chapter 39, Heading 3920 is dedicated to "Other plates, sheets, film, foil and strip, of plastics, non-cellular and not reinforced, laminated, supported or similarly combined with other materials." The subject goods, namely 100% Polyvinyl Alcohol (PVA) sheets in roll form, fully satisfy these conditions as they are non-cellular (not expanded or foamed), non-reinforced, non-laminated, and not combined with any other material, being composed entirely of PVA polymer. The HS Explanatory Notes to Heading 3920 further clarify that this heading covers plastic sheets, films, plates, and strips presented in rolls, provided they are of non-cellular plastics and not otherwise combined with other materials. The subject PVA sheets precisely meet this description, both in their physical form (flat sheets in roll shape of uniform thickness) and in their material composition (pure synthetic polymer). At the subheading level, the correct classification lies under 3920 99, which covers "Other" plastic sheets not specifically enumerated under named polymers such as PVC, polyethylene, or polypropylene. Scientifically, polyvinyl alcohol (PVA) is a derivative of polyvinyl acetate (PVAc), obtained through hydrolysis of the acetate groups in PVAc, wherein the ester groups are replaced with hydroxyl groups while retaining the vinyl backbone. This derivation is well-recognised in polymer chemistry and tariff practice, and Chapter 3905 expressly covers "Polymers of vinyl acetate or other vinyl esters, in primary forms," with subheading 390530 specifically enumerating polyvinyl alcohol. The HS Explanatory Notes to Heading 3905 confirm this position by stating that "*Poly(vinyl alcohol), obtained by hydrolysis of poly(vinyl acetate), is covered under subheading 3905 30.*" Judicial authority in *Sun Export Corporation, Bombay v. Collector of Customs, Bombay* (1986 (26) E.L.T. 1042 – CEGAT) likewise affirmed that Poly Vinyl Alcohol is a derivative of Poly Vinyl Acetate. Accordingly, while polyvinyl alcohol in its primary forms (powder, granules, resins) falls under 3905 30, once processed into sheets, films, or strips of uniform thickness, it ceases to remain in primary form and instead falls for classification under 3920.



4.9 At the subheading level, the Customs Tariff specifically provides for PVA under 3920 99 12, which reads: "Of other plastics – Flexible – Of Polyvinyl Alcohol (PVA)." The goods, by their very chemical composition (polyvinyl alcohol) and physical presentation (flexible sheet/film in rolls), conform reasonably to the scope of this subheading.

4.10 Furthermore, the functional versatility of the product supports its recognition as a flexible plastic sheet under this heading. The sheets find diverse applications, including water-soluble packaging for detergents, agrochemicals, and food products; embroidery backing and textile finishing in the garment industry; and medical applications such as wound dressings and drug delivery systems. These uses confirm that the goods are commercially understood and traded as specialised flexible PVA sheets/films, in line with the tariff entry.

4.11 Accordingly, applying the GRI 1 (classification according to the terms of the headings and any relevant Section or Chapter Notes) and on the basis of the wording of Heading 3920, the definition laid down in Chapter Note 10, the clarification provided in the HS Explanatory Notes, and the terms of subheading 3920.99.12, I find that the subject goods, namely 100% Polyvinyl Alcohol (PVA) sheets in roll form, are classifiable under Tariff Item 3920 99 12 – 'Of other plastics – Flexible – Of Polyvinyl Alcohol (PVA).' This classification fully reflects their composition, physical characteristics, and functional applications.

5. In light of the aforementioned facts, observations and discussions made I am of the considered view that the appropriate eight-digit classification for 100% Poly Vinyl Alcohol Sheet in roll shape, is 3920 99 12.

6. I rule accordingly.

Prabhat K Rameshwaram
21/8/25

(Prabhat K Rameshwaram)
Customs Authority for Advance Rulings,
Mumbai



This copy is certified to be a true copy of the ruling and is sent to:

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