

**GOVERNMENT OF WEST BENGAL
DIRECTORATE OF COMMERCIAL TAXES
14, BELIAGHATA ROAD, KOLKATA-700015**

TRADE CIRCULAR No. 16/2018 (*Circular No. 13/13/2017-GST*)

DATED: 17.09.2018

Subject: Clarification on Unstitched Salwar Suits.

Doubts have been raised regarding the classification of Cut pieces of Fabrics under GST.

2. It has been represented that before becoming readymade articles or an apparel, the fabric is cut from bundles or thans and sold in that unstitched state. The consumers buy these sets or pieces and get it stitched to their shape and size.
3. Fabrics are classifiable under chapters 50 to 55 of the First Schedule to the Customs Tariff Act, 1975 on the basis of their constituent materials and attract a uniform GST rate of 5% with no refund of the unutilized input tax credit.
4. Mere cutting and packing of fabrics into pieces of different lengths from bundles or thans, will not change the nature of these goods and such pieces of fabrics would continue to be classifiable under the respective heading as the fabric and attract the 5% GST rate.
5. Difficulty if any, in the implementation of the circular should be brought to the notice of the Commissioner.
6. This Circular shall be deemed to have come into force with effect from 27.10.2017.

Sd/-
(Smaraki Mahapatra)
Commissioner, State Tax,
West Bengal

Memo. 376 CT/PRO
3C/PRO/2018

Date: 18.09.2018

Copy forwarded to the Additional CST/ISD for information and for uploading it on the official website of the Directorate for information of all concerned.

Sd/-
(Adesh Kumar)
Special CST & PRO