

GOVERNMENT OF NAGALAND
OFFICE OF THE COMMISSIONER OF STATE TAXES
NAGALAND: DIMAPUR

Dated Dimapur, the 27th October, 2017

CIRCULAR-11/13/2017-GST

Ref-CBIC Circular No.13/13/2017-GST dated 27-10-2017

Subject: **Clarification on Unstitched Salwar Suits - regarding.**

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. This Circular is clarificatory in nature and not meant for any interpretation of provisions of the Act and Rules.
6. Difficulty if any, in the implementation of the circular should be brought to the notice of the Commissioner at an early date.

Sd/-

(Y. MHATHUNG MURRY)

Commissioner of State Taxes

Nagaland: Dimapur

Dated Dimapur, the 27th October, 2017

NO.CT/LEG/CR-GST/36/17/72
Copy to:-

1. The Finance Commissioner to the Government of Nagaland Finance Department (Revenue Branch) for information.
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2. All Additional Commissioner of State Taxes/ Joint Commissioner of State Taxes, Nagaland, Dimapur for information and necessary action.
3. All Deputy Commissioner of State Taxes/ Superintendent of State Taxes/Inspectors of State Taxes, Nagaland for information and necessary action.
4. Programme Officer for uploading it in the Official Website for information to all concerned.
5. Guard file.

W. A. 27/10/17
Commissioner of State Taxes
Nagaland: Dimapur