

GOVERNMENT OF TAMIL NADU
COMMERCIAL TAXES DEPARTMENT
OFFICE OF THE COMMISSIONER OF COMMERCIAL TAXES
EZHILAGAM, CHENNAI- 600 005
PRESENT: Thiru M.A. SIDDIQUE I.A.S ,
PRINCIPAL SECRETARY/ COMMISSIONER OF STATE TAX

Circular No: 1/2021 – TNGST
(PP6/35622/2020)

Date:27.01.2021

Sub:	Clarification on Unstitched Salwar Suits – reg.
Ref:	Circular no 13/13/2017-GST, dated 27-10-2017 issued by Tax Research Unit, Department of Revenue, Ministry of Finance , Government of India, New Delhi

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.

Sd/- M.A.Siddique
Commissioner of State Tax
Tamil Nadu

To

All the Joint Commissioners (ST) (Territorial) in the state including LTU

Copy to:

1. The Principal Secretary to Government, CT & R Department, Chennai - 600 009.
2. All Additional Commissioners, O/o the CCT, Ezhilagam, Chennai - 600 005.
3. The Joint Commissioner (CS) to host in the departmental website
4. The Director, Commercial Tax Staff Training Institute, Chennai-6
5. The Secretary, TNSTAT, Chennai 600 104.
6. All the Joint Commissioners (ST) (Intelligence) in the state
7. All the Deputy Commissioners (ST) in the State including intelligence
8. All the heads of assessment circles
9. Stock file.

//forwarded/by order//


Assistant Commissioner