

 सत्यमेव जयते	<b>RAJASTHAN AUTHORITY FOR ADVANCE RULING GOODS AND SERVICES TAX</b>  <b>NCR BUILDING, STATUE CIRCLE, C-SCHEME JAIPUR – 302005 (RAJASTHAN)</b>	
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ADVANCE RULING NO.RAJ/AAR/2018-19/27

J.P.Meena Additional Commissioner	:	Member(Central Tax)	
Hemant Jain Joint Commissioner	:	Member(State Tax)	
Name and address of the applicant	:	M/s Bella Casa Fashion & Retail limited, E-102-103, RIICO EPIP Sitapura Industrial Area Jaipur, Rajasthan 302022	
GSTIN of the applicant	:	08AAACG8747R1ZR	
Clause(s) of Section 97(2) of CGST / SGST Act, 2017, under which the question(s) raised	:	a. classification of any goods or services or both;	
Date of Personal Hearing	:	The applicant withdrew the application before personal hearing scheduled on 04.01.2019.	
Present for the applicant	:	N/A	
Date of Ruling	:	04.01.2019	

**Note:** Under Section 100 of the CGST/RGST Act 2017, an appeal against this ruling lies before the Appellate Authority for Advance Ruling constituted under section 99 of CGST/RGST Act 2017, within a period of 30 days from the date of service of this order.

The Issue raised by M/s Bella Casa Fashion & Retail limited, E-102-103, RIICO EPIP Sitapura Industrial Area Jaipur, Rajasthan 302022 {hereinafter the applicant} is fit to pronounce advance ruling as it falls under ambit of the Section 97(2) (a) and it is given as under:

- a. classification of any goods or services or both;

Further, the applicant being a registered person, GSTIN is 08AAACG8747R1ZR, as per the declaration given by him in Form ARA-01, the issue raised by the applicant is neither pending for proceedings nor proceedings were passed by any authority. Based on the above observations, the application is 'admitted' to pronounce advance ruling.

1. **SUBMISSION OF THE APPLICANT:**

- a. The applicant is a listed company on BSE Limited. The company is engaged in manufacturing and sales of fabrics, home furnishings (including quilts) and apparels.
- b. The applicant manufactures quilts for which the advance ruling is sought for classification of the same. Before moving forward, it is imperative to understand the manufacturing process of quilts which is given below:



- The fabric (normal fabric) and lining material are cut according to the size of the quilts.
- Cut fabric & lining material are stitched together from three sides and converted into cover of the quilts.
- Then fiber sheet (according to the size) is inserted in cover.
- Then by the multi-needle stitching machine, quilt cover along with fiber sheet are stitched in the horizontal, vertical or cross manner.
- Then the open side (4th side) is stitched and process of quilt is complete.

c. In GST the classification of quilt is made in the following schedules:

Schedule	Sr.no.	Chapter heading	Description of goods	GST Rate (CGST & SGST)
I	257A	9404	Cotton quilts of sale value not exceeding Rs. 1000 per piece	5%
11	224A	9404	Cotton quilts of sale value exceeding Rs.1000 per piece	12%
II	224	9404	Products wholly made of quilted textile materials	12%
III	438	9404	Mattress supports; articles of bedding and similar furnishing (for example, mattresses, quilts, eiderdowns, cushions, pouffes and pillows) fitted with springs or stuffed or internally fitted with any material or of cellular rubber or plastics, whether or not covered [other than coir products (except coir mattresses), products wholly made of quilted textile material and cotton quilts]	18%

- d. The applicant is classifying the cotton quilts as per value of the quilt as mentioned in Schedule No. I and II above. For other quilts (other than cotton quilts) the classification is being made under Sr. No. 224 of Schedule II applying GST @12% considering it as the 'Products wholly made of quilted textile materials'.
- e. It may be noted that File No. 60/1/2012-CX-1 (copy enclosed) dated 18 September 2013, issued by the Ministry of Finance, Government of India clarified that quilt classifiable under heading 9404 is covered by the description "Product wholly made of quilted textile material" and benefit of exemption notification No. 1/2011-CE dated 1 March 2011 is available.
- f. The term 'products wholly made of quilted textile materials' was introduced under Entry 123 of Notification No. 1/ 2011-CE dated 1 March 2011 ('exemption notification'). In this context, the term 'wholly made of quilted textile materials' was clarified in File No.



60/1/2012-CX-1 (copy enclosed) dated 18 September 2013, as under:

- Eligibility for the exemption Notification under reference is not dependent on the process of manufacture but on the character of the finished product i.e. whether "wholly made of quilted textile materials". The notification does not impose the condition that quilted textile material should be the raw material for the manufacturing process or quilted textile material should come into existence at an intermediate stage, for the finished goods to be eligible to the exemption notification. Therefore, such condition cannot be read into the notification.
  - To avail the benefit of the notification it would be sufficient if the quilts under consideration are classifiable under the heading 9404 and are covered by the description "Products wholly made of quilted textile material". Any other interpretation such as exemption being dependent on the process of manufacture would make the notification unworkable, as it may not be possible to ascertain the manufacturing process from the examination of the finished product.
- g. In GST vide Notification no. 41/2017-Centra Tax (Rate) dated 14.11.2017 entry at Sr. No. 438 was substituted in Schedule III as under:
- In. S.No. 438 for entry in column (3), the entry "Mattress supports; articles of bedding and similar furnishing (for example, mattresses, quilts eiderdowns, cushions, pouffes and pillows) fitted with springs or stuffed or internally fitted with any material or of cellular rubber or plastics, whether or not covered [other than coir products (except coir mattresses), products wholly made of quilted textile material and cotton quilts]" shall be substituted;



Thus, from above it is clear that quilts are 'products wholly made of quilted textile material' and the same is excluded from Sr. No. 438 in Schedule III. Thus it would be appropriately classifiable under Schedule II at Sr. No. 224 attracting GST @ 12%.

## 2. QUESTIONS ON WHICH THE ADVANCE RULING IS SOUGHT

Applicant has sought ruling to be pronounced under section 97(2) (d) of the CGST Act 2017, on the following questions:

- What would be the proper classification of quilt (other than cotton quilt)? Whether it would be classified under sr. no. 224 of schedule II under chapter heading 9404 described as “products wholly made of quilted textile material” attracting GST@12% or under sr. no. 438 of schedule III under chapter heading 9404 attracting GST@18.

## 3. PERSONAL HEARING (PH)

In the matter, the applicant was asked to appear before authority for personal hearing on 04.01.2019 at 11.00AM.

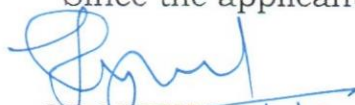
## 4. FINDINGS, ANALYSIS & CONCLUSION:

- a. The Applicant has not submitted requisite fee for advance ruling. In follow-up, e-mail dated 27.11.2018 was send to the applicant requesting them to deposit the requisite fee.
- b. The applicant made a request through letter dated 02.01.2019 which was received in this office on 03.01.2019 and also by an e-mail dated 03.01.2019 for withdrawal of their advance ruling application, even prior to personal hearing which was fixed on 04.01.2019.


5. Keeping in view of the request made by the applicant, the authority passed the following order:

**RULING**

Since the applicant withdrew the application, therefore no ruling is given.

  
J.P. MEENA 4/1/19  
Member  
(Central Tax)



  
HEMANT JAIN 4/1/19  
Member  
(State Tax)

**SPEED-POST**

M/s Bella Casa Fashion & Retail limited,  
E-102-103, RIICO EPIP,  
Sitapura Industrial Area,  
Jaipur, Rajasthan 302022

d/c  
(SAST)

F.No. IV (4)30/AAR/RAJ/2018-19/

Dated:- 04.01.19

Copy to:-

The Deputy/Assistant Commissioner, CGST Division-F, CGST Jaipur,  
Commissionerate, Vidhyadhar Nagar, Jaipur.

  
Superintendent