

**AUTHORITY FOR ADVANCE RULING, TAMILNADU**  
**INTEGRATED COMMERCIAL TAXES OFFICE COMPLEX, DOOR NO.32,**  
**5<sup>TH</sup> FLOOR, ROOM NO. 503, ELEPHANT GATE BRIDGE ROAD,**  
**CHENNAI - 600 003.**

**PROCEEDINGS OF THE AUTHORITY FOR ADVANCE RULING U/s.98 OF THE**  
**GOODS AND SERVICES TAX ACT 2017.**

**Members present:**

1. Ms. Manasa Gangotri Kata, IRS, Additional Commissioner/Member,  
Office of the Commissioner of GST & Central Excise, Chennai 34  
and
2. Thiru. KurinjiSelvaan.V.S., M.Sc.,(Agri.),M.B.A.,  
Joint Commissioner (ST)/Member  
Office of the Authority for Advance Ruling, Tamil Nadu, Chennai-600 003.

**ORDER No. 17/ARA/2020 Dated 20.04.2020**

GSTIN Number, if any / User id	33AAECG4315R1ZE
Legal Name of Applicant	Global Textile Alliance India Pvt Ltd
Trade Name of the Applicant	Textile Alliance India Pvt Ltd
Registered Address / Address provided while obtaining user id	149,Chennappa Chetty Pudur Post, Padhuvampalli Village, Coimbatore - 641659
Details of Application	Form GST ARA - 001 Application SI.No:01/2019 Dated: 18.01.2019
Concerned Officer	State:The Assistant Commissioner(ST) Tiruppur (Rural) Assessment Circle. Centre: Coimbatore Commissionerate, Division: Coimbatore III
Nature of activity(s) (proposed / present) in respect of which advance ruling sought for	
A Category	Manufacturer
B Description (in brief)	
Issue/s on which advance ruling required	Classification of goods
Question(s) on which advance ruling is required	1. What is the correct classification and rate of GST applicable on supply of the following Goods: Knitted Fabrics; Woven Fabrics; Woven Fabric bonded with Non-woven Fabric; Covers for pillow, latex block, mattresses; Foot Runner; Pillow Sheet; Chenille Yarn; Poly Propylene Extrusion Yarn; Poly Propylene Texturized Yarn; Polyester Texturized Yarn.

**Note:** Any appeal against this Advance Ruling order shall lie before the Tamil Nadu State Appellate Authority for Advance Rulings, Chennai as under Sub-Section (1) of CGST Act / TNGST Act 2017, within 30 days from the date on the ruling sought to be appealed is communicated.

At the outset, we would like to make it clear that the provisions of both the Central Goods and Service Tax Act and the Tamil Nadu Goods and Service Tax Act are the same except for certain provisions. Therefore, unless a mention is specifically made to such dissimilar provisions, a reference to the same provisions under the Tamil Nadu Goods and Service Tax Act.

M/s. Global Textile Alliance India Pvt Ltd , 149,Chennappa Chetty Pudur Post, Padhuvampalli Village, Coimbatore - 641659 , (hereinafter referred to the 'Applicant'), is engaged in manufacture and supply of fabrics of different types. The applicant is registered under the GST Act with GSTIN. 33AAECG4315R1ZE. They have sought Advance Ruling on the following question:

What is the correct classification and rate of GST applicable on supply of the following Goods?

Knitted Fabrics; Woven Fabrics; Woven Fabric bonded with Non-woven Fabric; Covers for pillow, latex block, mattresses; Foot Runner; Pillow Sheet; Chenille Yarn; Poly Propylene Extrusion Yarn; Poly Propylene Texturized Yarn; Polyester Texturized Yarn.

The Applicant has submitted the copy of application in Form GST ARA - 01 and also copy of Challan evidencing payment of application fees of Rs.5,000/- each under sub-rule (1) of Rule 104 of CGST Rules 2017 and SGST Rules 2017.

2.1 The applicant has stated that they are a private limited company and engaged in manufacturing and supply of the following Goods:

Knitted Fabrics; Woven Fabrics; Woven Fabric bonded with Non-woven Fabric; Covers for pillow, latex block, mattresses; Foot Runner; Pillow Sheet; Chenille Yarn; Poly Propylene Extrusion Yarn; Poly Propylene Texturized Yarn; Polyester Texturized Yarn

2.2 The manufacturing process involved in the above cited goods are as follows:

**a. Knitted Fabric:** Knitting is interloping of yarns through loop formation in Jacquard knitting machine. The raw material used is Yarn - Polyester, Cotton, Poly Propylene Yarn which are sourced from various mills. They have Jacquard Knitting

Machines in which the knitting process is carried out. The knitted fabric emerged out of this process will have some rough feel and in order to make it soft, finishing activity is carried out in the Stenter machine. The knitted fabric will be in tubular form, which will be slit opened and will be taken to finishing process. Here, softening chemical i.e. (Ultratex ttk, Ultra fresh DM 30, Flovan CON, Invatex AC) is applied on the padder of the stenter machine, in between the nip the knitted fabric is run through. Thereafter the fabric undergoes drying process in the stenter machine, at 145 Deg Celsius. After completing finishing process, online inspection is done and the fabrics will be dispatched to the Customers.

**b. Woven Fabric:** Weaving is interlacement of yarns in longitudinal and latitude direction. Woven fabrics emerges after Warping and Weaving. The raw material used is Yarn - Polyester, POY, chenille, which are sourced from various mills. The yarn sourced from various spinning mills, warped at first and then weaving is done in the Jacquard machines. After weaving, to make the fabric softened where the fabric is pierced through bunch of sharp needles (NEEDLE PUNCHING) to get the effect. Finally, fabric will be inspected and dispatched to the Customers.

**c. Woven Fabric backing with Non-Woven Fabric:** Weaving is interlacement of yarns in longitudinal and latitude direction. Woven fabrics emerge after Warping and Weaving. The raw material used is Yarn - Polyester, POY, chenille, which are sourced from various mills. The yarns sourced from various spinning mills, warped at first and then weaving is done in the Jacquard machines. The woven fabrics as such will not be good enough to withstand the wear and tear required for end use applications by the customers. Hence Poly Propylene non-woven fabric falling under CH 5603 will be bonded with the woven fabric, at the back side. The bonding process will be done with the use of heated licocene Glue (PP glue). After this the Woven fabric will be subjected to inspection to ensure the quality also strength testing and dispatched to the customer.

**d. Covers for Pillow, Latex Block and Mattress.:** Different types of knitted and woven fabrics are involved in the process of making the above items. The fabrics are manufactured in-house. Once the fabric finishing is done, the fabric is taken to cutting table for cutting into bits and panels according to the specifications given for making covers for Pillow, latex and Mattress. After cutting process is over, the panels and bits are checked for quality and measurement and the same is sent for sewing. Apart from this part, the other materials and accessories involved are zippers, pullers, labels, brand tags and packing materials like polybags and carton

boxes. In sewing, the above said fabric and zippers and other cut parts are joined in stitching and finished cover is the final product. The finished cover once again sent for checking against quality defects, stains or any other damages. Once it is passed for quality, it will be packed and dispatched to the customer.

**e. Foot Runner and Pillow Sheet :** Fabric involved in producing Foot runner and pillow sheet are

- . Woven Fabric [Omega 901 and 298]
- . Omega-298 - Woven Fabric and
- . Paper silk fabric.

The woven fabric i.e., Omega — 901 and 298 is manufactured in-house whereas Paper Silk is outsourced. Then on the Omega Fabric customer Logo Embroidery is done through Computerized Embroidery machine at outsource. Thereafter, fabrics are cut into bits based on the specification and measurements provided. The bits are checked for any defects and distributed to sewing machine operators for stitching. Cut bits are stitched with sewing machines to get finished Pillow sheets and Foot runner. Covers will be trimmed and checked for quality, measurement and passed for packing. As per the customer requirement Pillow sheet -2 Nos and Foot runner — 1 no. is packed inside a poly bag with a photo insert card provided by the customer. The packages are then packed in a master carton.

**f. Chenille yarn:** The Applicant buys Raw materials of chenille yarn like core and pile yarns from outside and it will subject to following process.

**Creeling:** 1<sup>st</sup> step of chenille process is creeling. The core and effect yarns will be placed in creel zone for feeding the respective yarn to chenille machine.

**Yarn formation:** Next step is pile yarn pass through rotor section to reach Caliber then Rotary blade where the pile yarns are cut in to 1 to 2 mm piles. Same time core yarns passed through calibre and hold piles then pile and core yarns are twisted together to get chenille effect.

**Chenille cops:** After cutting section, chenille yarn is passes through yarn guides to wind on empty cops. This process output is called as chenille cops. Each cops will weigh around 300 grams.

**Yarn winding section:** The Small cops weighing about 300 grams, which is very small for further process, and it has faults like thick, very thin, bad yarn. The small cops will be feed in to winding machine to make big bobbins weighing around 2kg and winding sensors detect the yarn faults.

**After winding:** For 9Nm and 5Nm - The label will be pasted on every bobbin and send to dye house for dyeing. After dyeing process, the dyed yarn will be subjected to yarn quality test like shades, appearance etc. & after quality checking we will rewind the dye package to get big bobbins weighing around 4 kg bobbins for getting better efficiency in fabric production. Small package leads frequent bobbin changes in feeding section of rapier loom but big package will eliminate frequent changes. For 4Nm - 4Nm yarn is coloured yarn because raw material itself dyed yarn and this yarn will not be sent to dye house. The yarn is captively used in their weaving section for fabric production.

**g. Poly Propylene Extrusion Yarn :** The raw material Poly Propylene white chips and colored Poly Propylene granules are procured from outside. The PP white chips will be fed into extrusion machine along colored granules through colortronics system in the required ratio. The chips and granules are churned, grinded and melted in screw and barrel. The semi solid liquid (melt) will flow through the pipes in pressure, which are heated by chemical vapour. The melt will be metered through pump to get the desired denier and it will be squeezed out in filament from packs. Then it will be cooled by cool air as well as by natural cooling. After cooling, spinfoil oil is applied to cohesing the multi-filaments into single yarn form. Air is applied to distribute spinfoil (1.1kg/Cm<sup>2</sup>). Thereafter, stretching through the number of godets and intermingled points are applied through air (5 kg/Cm<sup>2</sup>). Finally wound on a paper cone in winder machine to get the final bobbin weighing around 7.5Kg, which will be subject to testing for all properties and the required norms. This yarn is captively used in the manufacture of fabric. In future, may go for commercial sales also.

**h. Polypropylene Texturized Yarn:** Harmolan 100D - 2 ply - The raw material Polypropylene fully drawn yarn (450D/144F). The yarn will be creeled on trolley (Two Bobbin as core only), which will be threading to the godets through water jets, where water treatment is given and through air jet, where air jet is blown at 10kg/Cm<sup>2</sup>. Again threading to the godets is carried out. Then it is wound on paper cone to get the final bobbin weighing around 4 Kg, which will be subject to testing for all properties and the required norms. Then it will be graded and packed in boxes and exported. This yarn is captively used in the manufacture of fabric also.

**i. Polyester Texturized Yarn:** Taslan 1100D - 4 ply - The raw material Polyester Partially Oriented Yarn (350D/96F) from outside. The yarn will be creeled on trolley (Two Bobbin as core and two bobbins as effect), which will be threading to the godets. The core yarn will be passed through water jets, where water treatment is given and through air jet, where air is blown at 10kg/Cm<sup>2</sup>. The effect will be passed through air jet, where air is blown at 10kg/Cm<sup>2</sup>. All 4 plyed yarn will pass through heater (220°). Again, it will be threaded through godets. Then it is wound on paper cone to get the final bobbin weighing around 4 Kg, which will be subject to testing for all properties and the required norms. Then it will be graded and packed in boxes and exported. This yarn is captively used in the manufacture of fabric also.

2.3 - The applicant referring the General Rules for Interpretation of Import Tariff has interpreted the goods merits classification as under:

**Knitted Fabric:** It is not impregnated, coated, covered or laminated textile fabrics and it will not fall under CH5903, as per Chapter Note 2 as well as under 5907 as per chapter note no 5 of Chapter 59. The correct classification is under Chapter 60 only. Therefore, it will attract 5% GST as per Sl.No.221 of Schedule I of Notification No.1/2017 CT(R)

**Woven Fabrics :** It will fall under 5407 and attracts 5% GST as per Sl.No.217 Schedule I of Notification No.1/2017 CT(R) dated 28.07.2017 as amended.

**Woven fabric bonded with Non- woven fabric:** The final product consists of two textile material i.e., woven fabric and non-woven fabric, the goods sold in market is woven fabric as it is the base material. Hence the correct classification is 5407, as it is the most specific entry and it will attract 5% as per Sl.No. 217 of Schedule I of Notification No. 1/2017-C.T.(Rate) dated 28.06.2017 as amended

**Covers for (a) Pillow, (b) Latex Block and , (c) Mattress:** These goods are nothing but made ups. As per Note 7 of Section XI Textile and Textile article of the Customs Tariff Act 1975, \* made up means goods cut otherwise than into square or rectangles, produces in finished state, ready for use. Hence the goods are classifiable under CH6304 and will attract 5% GST as per Sl.No224 of Schedule I of Notification No.1/2017 CT(R) incase if Selling price is less than Rs.1000/- and will attract 12% GST if selling price is more than Rs.1000/- as per Sl.No.171 of Schedule II of Notification No.1/2017 CT(R)

**Foot Runner & Pillow Sheet:** These goods are also made up goods. They are classifiable under CH6302 and will attract 5% GST as per Sl.No224 of Schedule I of Notification No.1/2017 CT(R) in case if Selling price is less than Rs.1000/- and will attract 12% GST if selling price is more than Rs.1000/- as per Sl.No.171 of Schedule II of Notification No.1/2017 CT(R).

**Chenille Yarn:** This yarn is classifiable under Chapter 5606 of Customs tariff act 1975. Hence it will attract 12% GST as per Sl.No138 of Schedule II of Notification No.1/2017 CT(R) dated 28.06.2017 as amended.

**Poly Propylene Extrusion Yarn, Polypropylene Texturized Yarn & Polyester**

**Texturized Yarn :** These goods are classifiable under CH 5402 and it will attract GST at 12% as per Sl.No.132B of Schedule II of Notification No.1/2017 No.1/2017 CT(R) dated 28.06.2017 as amended.

3.1 The applicant was given an opportunity to be personally heard on 10.04.2019. The authorized representative of the applicant appeared and stated that they export and also locally supply yarn, fabrics both knitted and woven and also made up articles such as covers for pillow, latex block, mattress, foot & pillow runner. They use PPP chips as raw material for PPP yarn. For all other fabrics, they use yarn locally sourced. They also stated that they will submit for each product the purchase orders, copies of sale invoice, test reports, export invoices and export shipping bills and requested to be heard again.

3.2 The applicant was personally heard again on 21.05.2019. They submitted the test reports, sale/export invoice, purchase order. They stated that for made up covers for pillows, latex block, mattresses, foot runner, pillow sheet the material is knitted fabric or woven (with and without non-woven bonded with glue behind) or woven with needle punch process. They also manufacture yarn of different composition Poly Propylene extrusion yarn, poly propylene texturized yarn 2 ply and polyester texturized yarn 4 ply. They also stated that they will submit purchase invoice for raw materials for each, photographs of made ups, production process for different kinds of yarns. They mainly purchase dyed yarn for fabric manufacture. They undertook to submit details of how much decitex each variety of yarn. The applicant submitted Original test reports for Knitted Fabrics, Woven Fabrics, Non-Woven Fabrics, Chenille Yarn, Poly Propylene Extrusion Yarn, Poly Propylene Texturized Yarn, Polyester Texturized Yarn; sample export documents; sample sale invoice along with purchase order

- 3.3 Further, on 11.06.2019 they submitted the following documents:
- i. Raw Materials details along with sample raw material purchase invoices for all the products
  - ii. The Test Report of Regional Laboratory Textiles Committee in respect of the products for which classification is sought
  - iii. Photographs of made ups( latex block covers, pillow cover, mattress cover, foot runner & pillow sheet)
  - iv. Production process photographs of Poly Propylene Extrusion Yarn, Poly Propylene Texturized Yarn, Polyester Texturized Yarn
  - v Note on Decitex

They had also furnished the classification and rate of tax as per their understanding as below:

Knitted Fabrics -CTH 6006; Woven Fabrics - CTH 5407; Woven Fabrics bonded with Non-woven Fabric - CTH 5407; Covers for Pillow, Latex Block, Mattresses - CTH 6304; Foot Runner, Pillow Sheet - 6302; Chenille Yarn - 5606; PP Extrusion yarn-5402; PP Texturized Yarn - 5402; Polyester Texturized Yarn - 5402

4. The jurisdictional authority- Commissioner of Central GST & Central Excise, Coimbatore has furnished the comments on the questions raised by the applicant which is reproduced below verbatim:

The views/comments of the Commissionerate, item wise, are furnished hereunder:

**(a)Knitted Fabrics/(b)Woven Fabrics/(c)Woven Fabrics bonded with Non-Woven Fabrics:**

- Ⓑ All woven fabrics irrespective of their constituent materials i.e., Cotton (100%) or 100% of Polyester/Viscose/Rayon/Nylon, attracts 5% rate with ITC facility under GST and respectively classifiable under Chapters 52, 54 & 55;
- Ⓑ All blended woven fabrics also attract 5% GST with ITC facility under GST and are respectively classifiable under Chapters 52, 54 & 55 based on their predominant nature of textile materials, [As per Note 2(A) of Section XI, Goods classifiable in Chapters 50 to 55 or in heading 5809 or 5902 and of a mixture of two or more textile materials are to be classified as if consisting wholly of that one textile materials which predominates by weight over any other single textile material];



- ⊞ Note 9 of Section XI of the Central Excise Tariff Act, 1985 reads as "The woven fabrics of Chapters 50 to 55 include fabrics consisting of layers of parallel textile yarns superimposed on each other at acute or right angles. These layers are bonded at the intersections of the yarns by an adhesive or by thermal bonding;
- ⊞ As per the exclusion clause of Chapter Notes 2(a)(1) & 5(a) of Chapter 59, the textile fabrics, which are subjected to some special treatment by way of impregnation/ lamination / covering/coating and the effect of such change cannot be seen with naked eye, are not classifiable under Chapter 5903 & 5907 respectively. Accordingly, such fabrics wherein the very nature of fabrics is lost and turns into a different identifiable product of a kind suitable for industrial use. **E.g. Imitation leather fabrics, Painting canvas, Tracing cloth, Book binding cloth, Floor covering, Textile wall covering, Conveyor belt etc.,** are classifiable under Chapter 59 and thereby attracting 12% GST Rate. However, when the texture of fabrics does not change after the processes of impregnation/ lamination/ covering /coating and the effect of such change in texture cannot be seen with the naked eye, the products are respectively classifiable under Chapter 52, 54, 55 or 60 and 5% GST is chargeable.
- ⊞ All knitted fabrics, irrespective of their constituent materials i.e., Cotton (100%) or 100% of Polyester/Viscose/Rayon/Nylon or blended of any nature, attracts 5% rate with ITC facility under GST and classifiable under Tariff Heading from 60.

By applying the above facts to the present case, the deciding factor to find the exact classification of the above fabrics is whether they undergone any significant change in texture or not, after impregnation/lamination/ covering/coating. The products are classifiable under their respective Chapters of their constituent textile materials and leviable at 5% GST rate, when the fabrics do not undergo any significant change in texture. Otherwise, are classifiable under 5903/5907, which attract 12% GST rate.

**(e) Covers of Pillow, Latex Block, Mattresses:** As per the write up given by the applicant, the products are very much identifiable in the respective Chapter sub-heading 6304 as other made up articles of textiles, which attracts GST of 5% when it is sold for <Rs.1000/- & 12% when the selling price is >Rs.1000/-.

**(f) Foot Runner and Pillow Sheet:** As per the write up given by the applicant, the products are very much identifiable in the respective Chapter sub-heading 6302 as other made up articles of textiles, which attracts GST of 5% when it is sold for <Rs.1000/- & 12% when the selling price is >Rs.1000/-.

**(g) Chenille Yarn:** As per the write up given by the applicant, the products are very much identifiable in the respective Chapter sub-heading 5606 as "Chenille Yarn", which attracts GST rate of 12%.

**(h) Poly Propylene Extrusion Yarn / (i) Poly Propylene Texturized Yarn / (j) Polyester Texturized Yarn:** These are all "Synthetic Filament Yarns" and clearly identifiable in the respective Chapter Sub-heading 5402, which attracts GST rate of 12%.

5. We have carefully examined the oral and written submissions made by the Applicant and also comments furnished by the Jurisdictional authority, the Commissioner, Coimbatore Commissionerate. The question raised seeking ruling and is to be decided is:

What is the correct classification and rate of GST applicable on supply of the following Goods?

Knitted Fabrics; Woven Fabrics; Woven Fabric bonded with Non-woven Fabric; Covers for pillow, latex block, mattresses; Foot Runner; Pillow Sheet; Chenille Yarn; Poly Propylene Extrusion Yarn; Poly Propylene Texturized Yarn; Polyester Texturized Yarn.

6.1 The applicant is a Private Limited Company and are into manufacturing Knitted Fabric, Woven Fabric, woven Fabric bonded with Non -woven Fabric, made-ups, Chenille Yarn, PP Extrusion Yarn, PP Texturized Yarn and Polyester Texturized Yarn. They have sought the classification and the rate of GST applicable on the goods manufactured and supplied by them. The applicant has furnished the manufacturing process of each goods and the classification applicable to their goods as per their interpretation.

6.2 In terms of explanation (iii) and (iv) to Notification No. 1/2017 - Central Tax (Rate) dt. 28-06-2017, tariff heading, sub-heading, heading and chapter shall mean respectively a tariff item, sub-heading, heading and chapter as specified in the First Schedule to the Customs Tariff Act, 1975 and the rules for the interpretation of the First Schedule to the Customs Tariff Act, 1975, including the Section and Chapter

Notes and the General Explanatory Notes of the First Schedule shall be applied for the interpretation and classification of goods. Further HSN being a reliable source based on which Customs Tariff is structured, gives a detailed description of the products classified under a particular heading. Considering all the submissions, we take up the classification of the products.

7.1 **Knitted Fabrics:** The raw material used is Yarn-Polyester, Cotton, Poly Propylene Yarn. The manufacturing process involves interloping of yarns through loop formation in Jacquard Knitting Machine, which is softened using chemicals applied on the padder of the stenter machine, through which the fabric is run. After process, inspection is done and the fabrics are supplied. The applicant has opined that the product is classifiable under CTH 60. The test report 298/2019-20 of the Regional Laboratory, Textiles Committee states that the sample described as 'Knitted Fabric', is of Polyester (100%), Weft Knit Fabrics of yarns of different colours and the applicable HS code 6006.33- Other knitted fabrics, of synthetic fibers', of yarns of different Colours. . In the submissions, it is stated as raw material used is yarn- Polyester, cotton, Polypropylene Yarn. From the input purchase invoice, it is seen that they procure 1200 Denier Yarn, 600 Denier Yarn, 900 Denier Yarn 20s Polyester Yarn, 30s Polyester Yarn, 150 Dyed Yarn.

Chapter Notes to Chapter 60 is as follows:

#### CHAPTER 60

##### *Knitted or crocheted fabrics*

##### NOTES :

1. This Chapter does not cover :

- (a) *crochet lace of heading 5804 ;*
- (b) *labels, badges or similar articles, knitted or crocheted, of heading 5807 ; or*
- (c) *knitted or crocheted fabrics, impregnated, coated, covered or laminated, of Chapter 59. However, knitted or crocheted pile fabrics, impregnated, coated, covered or laminated, remain classified in heading 6001.*

Chapter 60 covers all types of knitted Fabrics except excluded vide the above chapter note. In the case at hand, from the manufacturing process and the test report furnished, it is seen that the product is 'knitted fabric' not covered under the exclusions of Chapter 60 and therefore will not fall under Chapter 59 and is classifiable under Chapter 60.

Explanatory Notes to chapter 60 states:

The headings of this Chapter cover knitted or crocheted fabrics, **regardless of which of the textiles of Section XI** are used to make the goods and whether or not they incorporate elastomeric yarn or rubber thread. It also includes knitted or crocheted fabrics made from **fine metallic threads provided** that such fabrics are clearly of a kind used for clothing, furnishing or similar purposes.

Therefore, all knitted fabrics regardless of the raw materials of cotton, polyester etc. used to make them will be classified under chapter 60.

Knitted fabrics are further classified as follows in Chapter 60:

*6001 - PILE FABRICS, INCLUDING "LONG PILE" FABRICS AND TERRY FABRICS, KNITTED OR CROCHETED*

*6002 - KNITTED OR CROCHETED FABRICS OF A WIDTH NOT EXCEEDING 30 CM, CONTAINING BY WEIGHT 5% OR MORE OF ELASTOMERIC YARN OR RUBBER THREAD, OTHER THAN THOSE OF HEADING 6001*

*6003 - KNITTED OR CROCHETED FABRICS OF A WIDTH NOT EXCEEDING 30 CM, OTHER THAN THOSE OF HEADING 6001 OR 6002*

*6004 - KNITTED OR CROCHETED FABRICS OF A WIDTH EXCEEDING 30 CM, CONTAINING BY WEIGHT 5% OR MORE OF ELASTOMERIC YARN OR RUBBER THREAD, OTHER THAN THOSE OF HEADING 6001*

*6005 - WARP KNIT FABRICS (INCLUDING THOSE MADE ON GALLOON KNITTING MACHINES), OTHER THAN THOSE OF HEADINGS 6001 TO 6004*

*6006 - OTHER KNITTED OR CROCHETED FABRICS*

Further classification is possible only when further details such as dimensions, weight etc. are provided.

Further, as per the rate notification under GST, we find that the applicable rate of knitted fabrics is a single rate irrespective of their constituent materials, i.e., Cotton(100%) or 100% of Polyester/Viscose/ Rayon/Nylon or blended of any nature. The applicable rate is 2.5% CGST provided vide Sl.No.221 of Schedule I of Notification 1/2017 CT( R) dated 28.06.2017 as amended and 2.5% SGST provided vide S.No. 221 of Schedule I of Notification No. II(2)/CTR/532(d-4)/2017 vide G.O. (Ms) No. 62 dated 29.06.2017.

**7.2 Woven fabrics :** The raw material used is Yarn-Polyester, POY, Chenille sourced from various mills. The applicant has stated that the yarn is warped at first and weaving is done in the jacquard machines. After weaving, the fabric is softened by Needle Punching, then on inspection the fabric is supplied. The applicant has opined that the product will fall under CTH 5407. The Test report 300/2019-20

describes the sample as Fabric(N and the test result states that Fabric I – both directions Polyester with composition 100% polyester and Fabric-II Non-Woven is of uni-directional polypropylene. The report describes the product as '100% Polyester Woven Filament Yarn Fabrics of yarns of different colours assembled in layers with 100% Polypropylene Non-Woven' and the applicable HS code 5407.53-Woven Fabrics, of synthetic filament yarn, other woven fabric, containing 85% or more by weight of Textured polyester filaments, of yarns of different colours'.

As seen in the test report and the manufacturing process and the raw materials which is yarns of polyester, the woven fabrics are made of synthetic filament yarn.

Section note 9 to section XI states

- 9.- The woven fabrics of Chapters 50 to 55 include fabrics consisting of layers of parallel textile yarns superimposed on each other at acute or right angles. These layers are bonded at the intersections of the yarns by an adhesive or by thermal bonding.

Part (I)(C) of general explanatory notes to section XI states

(C) Woven fabrics.

The woven fabrics of Chapters 50 to 55 are products obtained by interlacing textile yarns (whether of the kinds classified in Chapters 50 to 55 or those regarded as twist, cordage, etc., of heading 56.07), rovings, monofilament or strip and the like of Chapter 54, loop wale-yarn, narrow ribbons, braids or narrow fabrics (consisting of warp without weft assembled by means of an adhesive, etc.), on warp and weft looms. Certain woven fabrics are, however, **excluded**, for example

- (a) Carpets and other floor coverings (Chapter 57)
- (b) Pile fabrics or chenille fabrics of heading 58.01, terry towelling and similar woven terry fabrics of heading 58.02, gauze of heading 58.03, tapestries of heading 58.05, narrow woven fabrics of heading 58.06 and woven fabrics of metal thread or metallised yarn of heading 58.09
- (c) Coated, impregnated, etc., fabrics of headings 59.01 and 59.03 to 59.07; tyre cord fabrics of heading 59.02 or textile fabrics for technical uses of heading 59.11
- (d) Goods which have been made up within the meaning of Note 7 to Section XI (see Part (II) of this General Explanatory Note)

The woven fabrics of Chapters 50 to 55 may be unbleached, scoured, bleached, dyed, made from yarns of different colours, printed, clouded, mercerised, glazed, moiré, raised (napped), goffered, fulled, gassed (singed), etc. They include unfigured and figured fabrics, and broche fabrics in which designs are produced by additional warp or weft threads introduced during weaving. These fabrics are not regarded as embroidered fabrics.

Chapter note to chapter 54 states

CHAPTER 54

*Man-made filaments; strip and the like  
of man-made textile materials*

NOTES:

1. Throughout this Schedule, the term 'man made fibres' means staple fibres and filaments of organic polymers produced by manufacturing processes either:

(a) by polymerisation of organic monomers to produce polymers such as polyamides, polyesters, polyolefins or polyurethanes, or by chemical modification of polymers produced by this process (for example, poly(vinyl alcohol prepared by the hydrolysis of poly(vinyl acetate)), or

(b) by dissolution or chemical treatment of natural organic polymers (for example, cellulose) to produce polymers such as cuprammonium rayon (cupro) or viscose rayon, or by chemical modification of natural organic polymers (for example, cellulose, casein and other proteins, or alginic acid), to produce polymers such as cellulose acetate or alginate.

The terms "synthetic" and "artificial", used in relation to fibres, mean: synthetic: fibres as defined at (a); artificial: fibres as defined at (b). Strip and the like of heading 5404 or 5405 are not considered to be man-made fibres.

Chapter heading 5407 states:

**5407**

**WOVEN FABRICS OF SYNTHETIC FILAMENT YARN,  
INCLUDING WOVEN FABRICS OBTAINED FROM  
MATERIALS OF HEADING 5404**

Explanatory notes to chapter 5407 states

This heading covers woven fabrics (as described in Part (I) (C) of the General Explanatory Note to Section XI) made of synthetic filament yarn or of monofilament or strip of heading 5404; it includes a very large variety of dress fabrics, linings, curtain materials, furnishing fabrics, tent fabrics, parachute fabrics, etc.

From the submissions, it is clear that the fabric is woven and is made of synthetic filament yarn (man-made filaments). Man-made Filament; Strip and the like of Man-made Textile materials are classified under Chapter 54 of the Customs Tariff and 'CTH 5407- Woven Fabrics of Synthetic Filament Yarn, including Woven Fabrics obtained from material of Heading 5404', covers all Woven Fabrics of Synthetic Filament Yarn. Applying the above, it is evident that the 'Woven Fabric' manufactured from Synthetic Yarn are classifiable under CTH 5407.

Further classification is possible only when further details such as dimensions, weight etc. are provided.

The rate schedule under Sl.No. 217 of Schedule I of Notification No. 01/2017-C.T.(R) dated 28.06.2017, provides the rate for 'Woven Fabric for man-made textile fabrics' falling under CTH 5407, 5408.

The applicable rate is 2.5% CGST provided vide Sl.No.217 of Schedule I of Notification 1/2017 CT@ dated 28.06.2017 as amended and 2.5% SGST provided vide S.No. 217 of Schedule I of Notification No. II(2)/CTR/532(d-4)/2017 vide G.O. (Ms) No. 62 dated 29.06.2017

**7.3 woven Fabrics Bonded with Non- Woven Fabric:** The raw material used is Yarn-Polyester, POY, Chenille sourced from various mills. The applicant has stated that the yarn is warped at first and weaving is done in the jacquard machines. After weaving, Poly Propylene non-woven fabric falling under CTH 5603 is bonded with the woven fabric at the back side, using heated licocene Glue (PP glue). Then on inspection the fabric is supplied. The applicant has opined that the product will fall under CTH 5407. The Test report 299/2019-20 describes the sample as Woven Fabric with back end(Non-Woven) and the test result states that woven – one direction Polypropylene, other direction Polyester with composition 60% polyester and 40% Polypropylene and Non-Woven portion – one direction polypropylene with 100% Polypropylene composition. The report describes the product as '60% Polyester 40% Polypropylene Woven Filament Yarn Fabrics of yarns of different colours assembled in layers with 100% Polypropylene Non-Woven' and the applicable HS code 5407.73-Woven Fabrics, of synthetic filament yarn, other woven fabric, containing 85% or more by weight of synthetic filaments of yarns of different colours'.

It is observed that the final product consists of two textile material i.e. woven & Non-Woven fabric, the goods are sold in market is woven fabric as it is the base material. As per the General Rules of Interpretation for HSN the classification of goods consisting of more than one material or substance shall be according to the principles of Rule 3. **Rule 3a states that**

*The heading which provides the most specific description shall be preferred to headings providing a more general description. However, when two or more headings each refer to part only of the materials or substances contained in*

*mixed or composite goods or to part only of the items in a set put up for retail sale, those headings are to be regarded as equally specific in relation to those goods, even if one of them gives a more complete or precise description of the goods.*

Also, Section XI Note 2 A of Customs Tariff Act states that Goods classifiable in Chapters 50 to 55 or in heading 5809 or 5902 and of a mixture of two or more textile materials are to be classified as if consisting wholly of that one textile materials which predominates by weight over any other single textile material.

In the case of the product at discussion, the woven fabric made of synthetic filament yarn is the predominant material and the Non-woven fabric is bonded to strengthen the product, woven fabric. Applying the Section Note 2 A above, Woven fabric being predominant, the product is classifiable as 'Woven Fabric' under CTH 5407. As already stated in Para 7.2, the classification is restricted to four-digit level and accordingly concluded that the product 'Woven Fabric backing with Non-Woven Fabric falls under CTH 5407. The applicable rate is 2.5% CGST provided vide Sl.No.217 of Schedule I of Notification 1/2017 CT® dated 28.06.2017 as amended and 2.5% SGST provided vide S.No. 217 of Schedule I of Notification No. II(2)/CTR/532(d-4)/2017 vide G.O. (Ms) No. 62 dated 29.06.2017

#### **7.4 Covers of Pillow, Latex Block, Mattresses:**

The applicant has stated that different types of knitted or woven fabrics are involved in the process of making the above items. Once the fabrics, manufactured in-house is done the fabric is taken to cutting table for cutting into bits and panels according to the specifications given for making covers for (a) pillow (b) Latex & (c) Mattress. After cutting, the panels and bits are checked for quality and measurement and the same are sent for sewing, where other materials and accessories such as zippers, pullers, labels, brand tags are joined in stitching and finished cover, the final product is checked for quality, packed and dispatched to the customers. The test reports have been furnished in respect of the Upholstery fabric and not the final products. The applicant claims classification as knitted fabric under CTH 6006.

As examined under Para 7.1 above, only fabrics are classifiable under CTH 6006. The products under discussion are not plain fabrics but covers for Pillow, Latex Block and Mattress, which are made as per the specifications of the customers. They



are better identified as made up articles as defined under Section Note 7 of Section XI. For ease of reference, the said section Note is given below:

*7. For the purposes of this Section, the expression "made up" means:*

*(a) cut otherwise than into squares or rectangles;*

*(b) produced in the finished state, ready for use (or merely needing separation by cutting dividing threads) without sewing or other working (for example, certain dusters, towels, table cloths, scarf squares; blankets);*

*(c) Cut to size and with at least one heat-sealed edge with a visibly tapered or compressed border and the other edges treated as described in any other sub-clause of this Note, but excluding fabrics the cut edges of which have been prevented from unravelling by hot cutting or by other simple means;*

*(d) hemmed or with rolled edges, or with a knotted fringe at any of the edges, but excluding fabrics the cut edges of which have been prevented from unraveling by whipping or by other simple means;*

*(e) cut to size and having undergone a process of drawn thread work;*

*(f) assembled by sewing, gumming or otherwise (other than piece goods consisting of two or more lengths of identical material joined end to end and piece goods composed of two or more textiles assembled in layers, whether or not padded);*

*(g) knitted or crocheted to shape, whether presented as separate items or in the form of a number of items in the length.*

Further 'Other made up textile articles' are classified in Chapter 63 of the Customs Tariff and Heading 6304 specifically mentions Bed covers, Pillow Covers, etc. For ease of reference, the same is extracted under:

<b>6304</b>	<b>OTHER FURNISHING ARTICLES, EXCLUDING THOSE OF HEADING 9404</b>
	- <i>Bedspreads</i>
6304 11 00	-- Knitted or crocheted
6304 19	-- <i>other</i> :
6304 19 10	--- Bedsheets and bedcovers, of cotton
6304 19 20	--- Bedspreads of silk
6304 19 30	--- Bedsheets and bedcovers of man-made fibres
6304 19 40	--- Bed sheets and Bed covers of cotton, Handloom
6304 19 90	--- Other
6304 20 00	- Bed nets, of warp knit fabrics specified in Sub- heading Note 1 to this Chapter
	- <i>Other</i> :
6304 91	-- <i>Knitted or crocheted</i> :
6304 91 10	--- Silkbelt
6304 91 20	--- Woollen cushion cover
6304 91 90	--- Other
6304 92	-- <i>Not knitted or crocheted, of cotton</i> :
	--- Counterpanes
6304 92 11	---- Of Handloom
6304 92 19	---- Other
	--- Napkins
6304 92 21	---- Of Handloom
6304 92 29	---- Other
	--- Pillow cases and pillow slips
6304 92 31	---- Of Handloom
6304 92 39	---- Other
	--- Table cloth and Table Covers
6304 92 41	---- of Handloom
6304 92 49	---- Other
6304 92 50	--- Terry towel
6304 92 60	--- Towels, other than terry towel
6304 92 70	--- Mosquito nets
	--- Cushion covers
6304 92 81	---- Of Handloom
6304 92 89	---- Other
	--- Other furnishing articles
6304 92 91	---- Of Handloom
6304 92 99	---- Other
6304 93 00	-- Not knitted or crocheted, of synthetic fibres
6304 99	-- <i>Not knitted or crocheted, of other textile material</i> :
6304 99 10	--- Silk cushion covers
	--- Other
6304 99 91	---- Of silk, Handloom
6304 99 92	---- Of wool, Handloom
6304 99 99	---- Other

As per Rule 1 of the General Rules of Interpretation, specific chapter heading is to be preferred than generic. Therefore, the covers for Pillow, Latex Block and Mattress are classified under CTH 6304. Covers for pillows made of knitted or woven fabrics are classifiable under CTH 63049239. Covers for latex blocks made of knitted or

woven fabrics are classifiable under CTH 63049289 . Cover for mattress made of knitted or woven fabrics are classifiable under CTH 63041990.

The Goods classifiable under CTH 63 will attract CGST @ 2.5% in case selling price is less than Rs.1000/piece as per Sl.No.224 of Schedule I of Notification 1/2017 CT(R) dated 28.06.2017 as amended and SGST @2.5% in case selling price is less than Rs. 1000/ piece as per Sl.No. 224 of Schedule I of Notification No. II(2)/CTR/532(d-4)/2017 vide G.O. (Ms) No. 62 dated 29.06.2017 and in case of selling price more than Rs.1000/piece then it will attract 6% CGST as per S.No. 171 of Schedule II of Notification 1/2017 CT(R) dated 28.06.2017 as amended and SGST @6% as per S.No. 171 of Schedule II of Notification No. II(2)/CTR/532(d-4)/2017 vide G.O. (Ms) No. 62 dated 29.06.2017

**7.5 Foot Runner & Pillow Sheet:** The fabric involved in producing Foot runner and Pillow Sheet are Woven Fabric(manufactured in-house) and Paper silk Fabric(outsourced). The manufacturing process involves making the customer logo embroidery on the Omega Fabric through Computerized Embroidery machine at outsource, cut the fabrics to specification and stitched to get finished Pillow Sheets and Foot runners, which are quality checked, packed and supplied. The applicant claims classification under CTH 6302. Runner is generally used for upholstering and foot runner is nothing but fabric placed on the bed at the leg portion which is similar to bed linen. Similarly, Pillow Sheets are also nothing but made up equivalent to Bed linen used as sheets that is put on bed or pillow. These are made up articles as defined in Section Note 7 of Section XI and are classifiable in Chapter 63-Other made up articles of textiles. Specifically, CTH 6302 classifies Bed linen which is reproduced below for reference,

<b>6302</b>	<b>BED LINES, TABLE LINES, TOILET LINES AND KITCHEN LINES</b>
6302 10	- <i>Bed linen, knitted or crocheted</i>
6302 10 10	--- Of cotton
6302 10 90	--- Other
	- <i>Other bed linen, printed</i>
6302 21	-- Of cotton
6302 21 10	--- Handloom
6302 21 90	--- Other

6302 22 00	-- Of man-made fibres
6302 29 00	-- Of other textile materials
	- <i>Other bed linen</i>
6302 31 00	-- Of cotton
6302 32 00	-- Of man-made fibres
6302 39 00	-- Of other textile materials

Applying the above, we conclude that the Foot runners, pillow sheet made of knitted or woven fabrics are classifiable under CTH 63021090. Articles Of chapter 63 will attract CGST @ 2.5% in case selling price is less than Rs.1000/piece as per Sl.No.224 of Schedule I of Notification 1/2017 CT(R) dated 28.06.2017 as amended and SGST @2.5% in case selling price is less than Rs. 1000/- piece as per Sl.No. 224 of Schedule I of Notification No. II(2)/CTR/532(d-4)/2017 vide G.O. (Ms) No. 62 dated 29.06.2017 and in case of selling price more than Rs.1000/piece then it will attract 6% CGST as per S.No. 171 of Schedule II of Notification 1/2017 CT(R) dated 28.06.2017 as amended and SGST @6% as per S.No. 171 of Schedule II of Notification Ms. No. II(2)/CTR/532(d-4)/2017 vide G.O. (Ms) No. 62 dated 29.06.2017

**7.6 Chenille Yarn:** The applicant has stated that they buy Raw materials like core and pile yarn from outside which are subjected to creeling, twisting and then wound on empty cops to form chenille cops weighing 300 gms. These cops are fed to winding machine to make big bobbins weighing around 2 kg. After winding, labels are pasted and sent to dye house, which is checked for quality and used in the weaving section for fabric production. The applicant has stated that the yarn is captively used but they may go for commercial sales. The test report No. 303/2019-20 is furnished wherein the customer sample reference is quoted as 'Chenille yarn'. The test results states that the yarn is polyester with 100% composition of Polyester with the description 'Polyester Chenille yarn' and HS code 5606. From the submissions, it is evident that the product is a type of special yarn obtained by a specified process and the composition of the yarn at hand is man-made filament. The product is classifiable in chapter 56 of the Customs Tariff- 'Wadding, felt and nonwovens; Special yarns; twine, cordage, ropes and cables and articles thereof;' and more specifically under Heading 5606. For ease of reference, the said heading is given below:

<b>5606</b>	<b>GIMPED YARN, AND STRIP AND THE LIKE OF HEADING 5404 OR 5405, GIMPED (OTHER THAN THOSE OF HEADING 5605 AND GIMPED HORSEHAIR YARN); CHENILLE YARN (INCLUDING FLOCK CHENILLE YARN); LOOP WALE-YARN</b>
5606 00	<i>- Gimped yarn, and strip and the like of heading 5404 or 5405, gimped (other than those of heading 5605 and gimped horsehair yarn); chenille yarn (including</i>
	<i>flock chenille yarn); loop wale-yarn :</i>
5606 00 10	--- Trimmings, of cotton
5606 00 20	--- Trimmings, of man-made fibres
5606 00 30	--- Trimmings, of zari
5606 00 90	--- Other

And as per the Explanatory Notes(HSN), Chenille yarn is defined as under:

**(B) CHENILLE YARN (INCLUDING FLOCK CHENILLE YARN)**

Chenille yarn consists generally of two or more strands of textile yarn twisted together and gripping short ends of textile yarn that may be practically perpendicular to them, the strands are sometimes maintained in loops formed on a hosiery loom. In all cases, it looks like yarn tufted with pile threads throughout its length. It is usually manufactured directly on special looms (ring twister and Raschel knitting machines, for example) or by cutting up special leno fabric; in the latter process, after the fabric has been cut along either side of each group of warp threads, it is these warp threads (ground and crossing threads) which serve as support in the chenille yarn, and the weft which forms the pile.

The Product under consideration is a special yarn made from core and pile yarn and made in a similar fashion as explained in the HSN and therefore, the chenille yarn made of Polyester is classifiable under CTH 56060020

The applicable rate of CGST is 6% as per Sl.No.138 of Schedule II of Notification 1/2017 CT(R) dated 28.06.2017 as amended and SGST -6% as per S.No. 138 of Schedule II of Notification No. II(2)/CTR/532(d-4)/2017 vide G.O. (Ms) No. 62 dated 29.06.2017

**7.7 Poly Propylene Extrusion Yarn :** The raw material Polypropylene white chips and colored Poly Propylene granules are procured from outside and fed into extrusion machine through colortronics system in the required ratio. The chips and granules are churned, grinded and melted in screw and barrel and the melt will be metered through pump to get the required denier and will be squeezed out in filament from packs. After certain process, the yarn is wound on a paper cone which will be subject to testing and is captively used for manufacture of fabric. The applicant has stated that they may go for commercial sales. The test report

furnished by the applicant No. 304/2019-20 states the description of the yarn as '100% Poly Propylene Filament Yarn' falling under HS code 5402.

**Poly Propylene Texturized Yarn:** The raw material Polypropylene fully drawn yarn will be creeled on trolley, which will be threading to the godets through water jets, where water treatment is given and through air, where air jet is blown at 10 kg/cm<sup>2</sup>. Again threading to godets is carried out and then wound on paper cone. After testing packed in boxes for export and is also captively used. The test report No. 305/2019-20 describes the product as '100% Poly Propylene Filament Yarn(Textured)' falling under HS code 5402.

**Polyester Texturized Yarn:** The raw material polyester partially Oriented yarn from outside is creeled on trolley, which will be threading to the godets through water jets, where water treatment is given and through air, where air jet is blown at 10 kg/cm<sup>2</sup>. Again, threading to godets is carried out and then wound on paper cone. After testing packed in boxes for export and is also captively used. The test report No. 306/2019-20 describes the product as '100% Polyester Filament Yarn(Textured)' falling under HS code 5402.

All the three yarns above are synthetic yarns and are clearly classifiable under CTH 5402 when not put up for retail sale and under CTH 5406 when put up for retail sale. For ease of reference, the relevant tariff entries are given below:

**5402**                      **SYNTHETIC FILAMENT YARN (OTHER THAN SEWING THREAD), NOT PUT UP FOR RETAIL SALE, INCLUDING SYNTHETIC MONOFILAMENT OF LESS THAN 67 DECTEX**

.....

	- <i>Textured yarn :</i>
5402 31 00	-- Of nylon or other polyamides, measuring per single yarn not more than 50 tex
5402 32 00	-- Of nylon or other polyamides, measuring per single yarn more than 50 tex
5402 33 00	-- Of polyesters
5402 34 00	-- Of polypropylene
5402 39	-- <i>Other :</i>
5402 39 10	--- Polypropylene filament yarn
5402 39 20	--- Acrylic filament yarn
5402 39 90	--- Other

.....

5406 00	-	<i>Man-made filament yarn (other than sewing thread), put up for retail sale</i>
5406 00 10	---	Synthetic filament yarn
5406 00 20	---	Artificial filament yarn

It is observed that the rate notification provides the rate based on the four-digit level classification of these yarns. This yarn is captively used in the manufacture of fabric. In future, may go for commercial sales also. Therefore, the classification will vary depending on whether it is put up for retail sale or not.

It is further noticed that whether the yarns are put up for retail sale or otherwise i.e., 'All Synthetic filament yarn such as nylon, polyester, acrylic, etc. falling under CTH or Group '5402,5404,5406' is leviable to CGST @9% vide S.No. 159 of Schedule III of Notification 1/2017 CT(R) dated 28.06.2017 and SGST @ 9% vide S.No. 159 of Schedule III of Notification No. II(2)/CTR/532(d-4)/2017 vide G.O. (Ms) No. 62 dated 29.06.2017 up to 12<sup>th</sup> October 2017 and thereafter leviable to CGST @ 6% as per Sl. No. 132B of Schedule -II of Notification No. 01/2017-C.T.( R) dated 28.06.2017 as amended by Notfn. No. 34/2017-C.T. ( R) dated 13<sup>th</sup> October 2017 and SGST @ 6% as per Sl. No. 132B of Schedule -II of Notification No. II(2)/CTR/532(d-4)/2017 vide G.O. (Ms) No. 62 dated 29.06.2017 as amended

8. In view of the above , we rule as under

**RULING**

1. 'Knitted Fabrics' manufactured and Supplied by the applicant is classifiable under CTH 60. Further classification is not possible as only further technical details are not provided. The applicable rate is 2.5% CGST provided vide Sl.No.221 of Schedule I of Notification 1/2017 CT(R) dated 28.06.2017 as amended and 2.5% SGST provided vide S.No. 221 of Schedule I of Notification No. II(2)/CTR/532(d-4)/2017 vide G.O. (Ms) No. 62 dated 29.06.2017
2. 'Woven fabric' manufactured and supplied by the applicant is classified under CTH 5407. Further classification is not possible as only further technical details are not provided The applicable rate is 2.5% CGST provided vide Sl.No.217 of Schedule I of Notification 1/2017 CT( R) dated 28.06.2017 as amended and 2.5% SGST provided vide S.No. 217 of Schedule I of Notification No. II(2)/CTR/532(d-4)/2017 vide G.O. (Ms) No. 62 dated 29.06.2017

3. Woven Fabric backing with Non-woven Fabric falls under CTH 5407. Further classification is not possible as only further technical details are not provided. The applicable rate is 2.5% CGST provided vide Sl.No.217 of Schedule I of Notification 1/2017 CT(R) dated 28.06.2017 as amended and 2.5% SGST provided vide S.No. 217 of Schedule I of Notification No. II(2)/CTR/532(d-4)/2017 vide G.O. (Ms) No. 62 dated 29.06.2017
4. Covers for pillows made of knitted or woven fabrics are classifiable under CTH 63049239. Covers for latex blocks made of knitted or woven fabrics are classifiable under CTH 63049289 . Cover for mattress made of knitted or woven fabrics are classifiable under CTH 63041990. The Goods attract CGST @ 2.5% in case selling price is less than Rs.1000/piece as per Sl.No.224 of Schedule I of Notification 1/2017 CT(R) dated 28.06.2017 as amended and SGST @2.5% in case selling price is less than Rs. 1000/ piece as per Sl.No. 224 of Schedule I of Notification No. II(2)/CTR/532(d-4)/2017 vide G.O. (Ms) No. 62 dated 29.06.2017 and in case of selling price more than Rs.1000/piece then it will attract 6% CGST as per S.No. 171 of Schedule II of Notification 1/2017 CT(R) dated 28.06.2017 as amended and SGST @6% as per S.No. 171 of Schedule II of Notification No. II(2)/CTR/532(d-4)/2017 vide G.O. (Ms) No. 62 dated 29.06.2017
5. Foot runners, pillow sheet made of knitted or woven fabrics are classifiable under CTH 63021090. They will attract CGST @ 2.5% in case selling price is less than Rs.1000/piece as per Sl.No.224 of Schedule I of Notification 1/2017 CT(R) dated 28.06.2017 as amended and SGST @2.5% in case selling price is less than Rs. 1000/ piece as per Sl.No. 224 of Schedule I of Notification No. II(2)/CTR/532(d-4)/2017 vide G.O. (Ms) No. 62 dated 29.06.2017 and in case of selling price more than Rs.1000/piece then it will attract 6% CGST as per S.No. 171 of Schedule II of Notification 1/2017 CT(R) dated 28.06.2017 as amended and SGST @6% as per S.No. 171 of Schedule II of Notification Ms. No. II(2)/CTR/532(d-4)/2017 vide G.O. (Ms) No. 62 dated 29.06.2017
6. Chenille yarn made of Polyester is classifiable under CTH 56060020. The applicable rate of CGST is 6% as per Sl.No.138 of Schedule II of Notification 1/2017 CT(R) dated 28.06.2017 as amended and SGST -6% as per S.No. 138 of Schedule II of Notification No. II(2)/CTR/532(d-4)/2017 vide G.O. (Ms) No. 62 dated 29.06.2017



7. Poly Propylene Extrusion Yarn; Poly Propylene Texturized Yarn; Polyester Texturized Yarn are synthetic yarns classifiable under CTH 5402 when not put up for retail sale and under CTH 5406 when put up for retail sale. The applicable rate of tax is CGST @9% vide S.No. 159 of Schedule III of Notification 1/2017 CT(R) dated 28.06.2017 and SGST @ 9% vide S.No. 159 of Schedule III of Notification No. II(2)/CTR/532(d-4)/2017 vide G.O. (Ms) No. 62 dated 29.06.2017 up to 12<sup>th</sup> October 2017 and thereafter leviable to CGST @ 6% as per Sl. No. 132B of Schedule -II of Notification No. 01/2017-C.T.( R) dated 28.06.2017 as amended by Notfn. No. 34/2017-C.T. ( R) dated 13<sup>th</sup> October 2017 and SGST @ 6% as per Sl. No. 132B of Schedule -II of Notification No. II(2)/CTR/532(d-4)/2017 vide G.O. (Ms) No. 62 dated 29.06.2017 as amended



Ms. Manasa Gangotri Kata, IRS  
Member, CGST



Shri Kurinji Selvaan,  
Member, TNGST

To

M/s Global textile Alliance Pvt Ltd  
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// By SPAD//

Copy submitted to :-

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2nd Floor, Ezhilagam, Chepauk, Chennai - 600 005.
2. The Principal Chief Commissioner of CGST & Central Excise,  
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Copy to:

3. The Commissioner of GST & Central Excise, Coimbatore Commissionerate,  
6/7, A.T.D. Street, Race Course, Coimbatore - 641 018.
4. The Assistant Commissioner(ST),  
Tiruppur (Rural) Assessment Circle,

5. Master/Spare.