

AUTHORITY FOR ADVANCE RULING –UTTAR PRADESH

4, Vibhuti Khand, Gomti Nagar, Lucknow

**PROCEEDING OF THE AUTHORITY FOR ADVANCE RULING U/S.
98 OF THE GOODS AND SERVICES TAX ACT, 2017**

Sub:- GST ACT, 2017 – Advance Ruling U/s 98 – liability to tax under GST Act in respect to application dated 05.12.2019 from M/s Rishabh Garg Raghav Garg HUF (6X), 14C, Panki Industrial Area, Site No. 1, Kanpur Nagar, Kanpur, Uttar Pradesh – 208 022- Order- Reg.

1) M/s Rishabh Garg Raghav Garg HUF (6X), 14C, Panki Industrial Area, Site No. 1, Kanpur Nagar, Kanpur, Uttar Pradesh – 208 022 (here in after called the applicant) is a registered assessee under GST having GSTN: 09AAPHR8123N1ZB.

2) The applicant is registered for manufacture and supply of various articles of textile and other articles in the form of stuffed material. The applicant is applying of tender floated by the Directorate General National Disaster Response Force (NDRF in short) for supply of sleeping bags. Further, as per the specification of sleeping bag, provided by the applicant, the sleeping bag should have insulation of non allergic synthetic fill, outer shell should be of 100% polyester and treated with a durable water repellant (DWR) finish, inside shell should be of anti-carcinogen, anti-allergic material, 50% cotton. Certain other additional specifications were also prescribed.

3). As per applicant, quilting is used for providing insulation and support through stuffing to keep the layers intact which is the basic requirement of the tender and their sleeping bag is quilted with other textile material which does not include filling with “Feathers or down”.

4). Accordingly, the applicant has sought an advance ruling regarding classification of their products as to whether it would qualify as “Other Sleeping Bag, filled and/or quilted with other textile material (excluding filling of Feathers or down)” falling under Chapter Heading 94043090 and attract GST at the rate of 12% Adv. (6% CGST & 6% SGST).

5). The applicant has further submitted that quilting is a synonymies terms which is used for providing insulation and keeping the layers intact which is a



basic requirement of the tender and it is to be noted that in the product in question the quilting is of other textile material which does not include filling with "Feathers or down". The said feathers and down, are related to the product obtained from flying birds and in no manner the same can be classified as a textile material, behoving that the sleeping bags which are filled with Feather or down are excluded from the effective rate of GST Tariff, as provided in the Notification.

Citing the judgment of Hon'ble Supreme Court in the case of M/s Moorco India Vs UOI, the applicant further submitted that his product may be allowed to classify under the Chapter Heading 94043090 as "Other Sleeping Bags" attracting GST @ 12% (6% CGST and 6% SGST).

6). As per declaration given by the applicant in Form ARA-01, the issue raised by the applicant is neither pending in any proceedings nor decided in any proceedings in the applicant's case, under any of the provisions of the ACT.

7) The application for advance ruling was forwarded to the Jurisdictional GST Officer to offer his comments/views/verification report on the matter, which was received in this office vide letter C. No. 63/Classification of sleeping bag/R-II/D-I/19 dated 17.01.2020, wherein he has reported that *"As the product in question is not made of feather/down so it cannot be properly classified under CSH 94043010 rather may be classified under CSH 94043090 at 18% tax rate"*. Further it is also reported that *"In view of the above, it is clear that Notf. No. 01/2017-Central Tax rate dated 28.06.2017 is applicable on CSH 9404 having products wholly made of quilted textile materials. But it is not clear whether the product, under reference may be classified under 94043090, covers under this notification or not."* It has also been reported by the Jurisdictional GST officer that no proceeding or question raised is pending or decided by his office on the subject issue as per the records available.

8). The applicant was granted a personal hearing on 04.02.2020. Shri Rishabh Garg, Proprietor, Sh. Ambuj Agarwal, General Manager and Sh. Amit Awasthi, Advocate/ Authorized representatives of the applicant appeared for hearing. During the course of personal hearing, they reiterated the submission already made vide their application for advance ruling. They also submitted certain literature regarding specification of sleeping bag etc and referred to the Judgment of Hon'ble Supreme Court in the case of M/s Moorco India Vs

Collector of Customs, Madras, to vindicate their stand. They have nothing more to add.

DISCUSSION AND FINDING

9). At the outset, we would like to make it clear that the provisions of both the CGST Act and the UPGST Act are the same except for certain provisions. Therefore, unless a mention is specifically made to such dissimilar provisions, a reference to the CGST Act would also mean a reference to the same provision under the UPGST Act. Further to the earlier, henceforth for the purposes of this Advance Ruling, a reference to such a similar provision under the CGST Act / UPGST Act would be mentioned as being under the 'CGST Act'.

10). We have gone through the submissions made by the applicant and have examined the explanation submitted by them. At the outset, we find that the issue raised in the application is squarely covered under Section 97(2)(a) of the CGST Act 2017 being a matter related to classification of any goods or service or both. We therefore, admit the application for consideration on merits.

11) We observe that the applicant has sought classification and rate of GST on their product "sleeping bag". As per the description provided by the applicant and as per the "Specification of sleeping bag" of tender notice of NDRF, the sleeping bag should have insulation of non allergic synthetic fill, outer shell should be of 100% polyester and treated with a durable water repellant finish, inside shell should be of anti-carcinogen, anti-allergic material, containing 50% cotton. Further as per the description provided by the applicant the inner fill is quilted in order to keep the layer intact. In view of this, we observe that the sleeping bag in question is made up of textile material, does not have fill of feather or down and quilted to keep the layer intact.

12) Now coming to the classification of the product, we observe that the Chapter heading 9404 of Custom Tariff Act, 1975 covers following articles "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".

Further, the tariff heading 9404 30 reads as under:-



Tariff Item	Description of Goods	Unit	Rate of Duty	
			Standard	Preferential Areas
(1)	(2)	(3)	(4)	(5)
9404 30	-sleeping bags:			
9404 30 10	--- Filled with feathers or down	u	20%	
9404 30 90	--- Other...	u	20%	

The exclusion clause under the Chapter 94 of the Customs Tariff Act, 1975, is as follows:

- (a) *pneumatic or water mattresses, pillows or cushions, of Chapter 39, 40 or 63;*
- (b) *mirrors designed for placing on the floor or ground [for example, cheval-glasses (swingmirrors)] of heading 7009;*
- (c) *articles of Chapter 71;*
- (d) *parts of general use as defined in Note 2 to Section XV, of base metal (Section XV), or similar goods of plastics (Chapter 39), or safes of heading 8303;*
- (e) *furniture specially designed as parts of refrigerating or freezing equipment of heading 8418; furniture specially designed for sewing machines (heading 8452);*
- (f) *lamps and lighting fittings of Chapter 85;*
- (g) *furniture specially designed as parts of apparatus of heading 8518 (heading 8518), of headings 8519 or 8521 (heading 8522) or of headings 8525 to 8528 (heading 8529);*
- (h) *articles of heading 8714;*
- (ij) *dentists' chairs incorporating dental appliances of heading 9018 or dentists' spittoons (heading 9018); (k) articles of Chapter 91 (for example, clocks and clock cases);*
- (l) *toy furniture or toy lamps or lighting fittings (heading 9503), billiard tables or other furniture specially constructed for games (heading 9504), furniture for conjuring tricks or decorations (other than electric garlands) such as Chinese lanterns (heading 9505) or.*
- (m) *monopods, bipods, tripods and similar articles (heading 9620).*

13) As per Notification No. 1/2017-Integrated Tax (Rate), dated 28.06.2017 (as amended), quilt is made in the following schedules:



Sched ule	Sr. No	Chapter heading	Description of goods	GST Rate (CGST & SGST)
I	257 A	9404	Cotton quilts of sale value not exceeding Rs. 1000 per piece	5%
II	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 furnish (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 materials and cotton quilts]	18%

14) We further observe that as per the Rule 3a of the Rules of Interpretation, as applicable to the Customs Tariff, the heading which provides the most specific description shall be preferred to heading having more general description. Further Hon'ble Supreme Court, in the case of M/s Moorco India Vs Collector of Customs, Madras, has observed that *"Where the class of goods manufactured by an assessee falls say in more than one heading one of which may be specific, other more specific, third most specific and fourth general. The rule requires the authorities to classify the goods in the heading which satisfies most specific description."*

15). In view of above discussion, we observe that in view of the application of the applicant the impugned product falls under the category of quilted textile material and accordingly liable to be classified under Chapter Heading 9404 30 90 and accordingly attracts to such GST rate as prescribed under Notification No. 01/2017-Central Tax (Rate) dated 28.06.2017 (as amended)



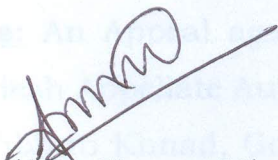
In view of the above discussions, we, both the members unanimously rule as under;

RULING

16). The advance Ruling on question posed before the Authority is answered as under:

16.1) The product 'Sleeping bag' as described in the application will merit classification under Chapter Heading 9404 30 90 of the GST Tariff and would be chargeable to GST at applicable rate under the said tariff entry, presently read with Notification No. 01/2017-Central tax (Rate) dated 28.06.2017 (as amended) (Sl. No. 224 of Schedule-II).

17). This ruling is valid only within the jurisdiction of Authority for Advance Ruling Uttar Pradesh and subject to the provisions under Section 103(2) of the CGST Act, 2017 until and unless declared void under Section 104(1) of the Act.


(Ajay Kumar Misra)

Member of Authority for Advance
Ruling



(Dinesh Kumar Verma)

Member of Authority for Advance
Ruling

To,

M/s Rishabh Garg Raghav Garg HUF (6X),
14C, Panki Industrial Area,
Site No. 1, Kanpur Nagar,
Kanpur- 208 022.
Uttar Pradesh.



AUTHORITY FOR ADVANCE RULING -UTTAR PRADESH

Order No. 55

Date: 11-02-2020

Copy to –

1. The Chief Commissioner, CGST & Central Excise, Lucknow, Member, Appellate Authority of Advance Ruling.
- ✓ 2. The Commissioner, Commercial Tax, Uttar Pradesh, Member, Appellate Authority of Advance Ruling.
3. The Commissioner, CGST & C. Ex, Kanpur, Uttar Pradesh.
4. The Assistant Commissioner, CGST & Central Excise, Division-I, 117/7, Sarvodaya Nagar, Kanpur, Uttar Pradesh;
5. Through the Additional Commissioner, Gr-I, Zone-I, Commercial Tax, Kanpur, Uttar Pradesh to jurisdictional tax assessing officers.

Note: An Appeal against this advance ruling order lies before the Uttar Pradesh Appellate Authority for Advance Ruling for Goods and Service Tax, 4, Vibhuti Khnad, Gomti Nagar, Lucknow – 226010, within 30 days from the date of service of this order.

