THE CLOTHING MANUFACTURERS ASSOCIATION OF INDIA

CMAI Welcomes GST Reforms, Urges Uniform Rates for All Garments

Clothing Manufacturers Association of India (CMAI) wholeheartedly welcomes the latest changes made in the GST Rates, especially relating to the Textile Industry.

The Government has accepted two major requests of the Industry – the removal of the Inverted Duty Structure by making the entire Value Chain from Fibre onwards charged at one rate – 5% - and adopting a fiber-neutral policy, by equating the MMF and Cotton fiber chains.

The increase of the 5% limit from Rs.1000 to Rs.2500 is also an extremely positive move.

CMAI has only one request to the GST Council. In the entire Value Chain from Fiber to Garment, garments above Rs.2500 are the only products which are not at 5%. We earnestly request the Council to remove this anomaly, and either place all Garments, irrespective of the price, at 5%, or fix a more reasonable and realistic price level.

Garments above the price of Rs.2,500 are also consumed in large numbers by the common man and middle class, especially woolen clothing, occasion wear, Indian Traditional clothing, Handlooms, embroidered clothes produced by artisans and traditional weavers are all priced above this limit of Rs.2,500 – all of which will see a significant price increase due to this change of GST Rate.

CMAI thus strongly urges the GST Council and Government to review this aspect.