

Cir No. 57 / G-2 / 2022

3rd January 2022

TO ALL MEMBERS OF THE ASSOCIATION :

Dear Members,

I am sure you would have been happy to learn of the deferment of the increase in GST Rates on Textiles. The new rates which were to come into effect from 1st January 2022 have now been deferred, and a fresh decision will be taken by the GOM Committee in due course.

You will be pleased to note that the CMAI Team had played a very major role in persuading the Government to review their earlier decision. Union Ministers including the Hon'ble Minister of Finance Smt. Nirmala Sitharaman, Hon'ble Minister of Textiles Shri . Piyush Goyal, Hon'ble Minister of State for Textiles Smt. Darshana Jardosh, Hon'ble State Finance Ministers of West Bengal, Kerala, Karnataka, Maharashtra, and Gujarat were met by our team members – and close to 50 representations were submitted to various Authorities and Government Agencies highlighting the dangers of going ahead with the proposed increase of rates.

TEAM CMAI also played a pivotal role in bringing together Regional and Sector Associations across the Country, and encouraging them to lodge their protests in various ways.

You will be glad to know that most of these Associations have expressed their sincere appreciation to CMAI for its drive and leadership on this issue.

I take this opportunity to thank the Government for their bold decision to withhold the implementation of the proposed increase.

Some members have expressed their worry that the news reports announcing the deferment have only mentioned Textiles in their reports and not specified Garments as such. WE WOULD LIKE TO CLARIFY THAT THE TERM TEXTILES IS A GENERIC TERM WHICH INCLUDES READYMADE GARMENTS, AND HENCE ALL GARMENTS ARE INCLUDED UNDER THE TERM TEXTILES.

ALSO, THIS IS A DEFERMENT OF THE NOTIFICATION NO.14 / 2021 –CENTRAL TAX RATE ISSUED ON 18TH NOVEMBER 2021 AND THEREFORE ALL RATES WILL CONTINUE TO REMAIN AS THEY WERE ON 31ST DECEMBER 2021 , VIDE NOTIFICATION NO 21/2021 DATED 31ST DECEMBER 2021 ISSUED BY MINISTRY OF FINANCE (DEPARTMENT OF REVENUE) GOVERNMENT OF INDIA, NEW DELHI.

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THE CLOTHING MANUFACTURERS ASSOCIATION OF INDIA

901, Naman Midtown, 'A' Wing, Behind Kamgar Kala Kendra, Senapati Bapat Marg, Prabhadevi (West),
Mumbai 400 013. • Tel : +22-2439 0909 • Email : info@cmai.in • Website : www.cmai.in

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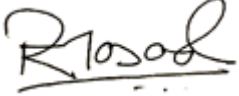
For ease of reference, the GST rates applicable are as under:

	<u>COTTON</u>	<u>MMF</u>
Fibre	5%	18%
Yarn	5%	12%
Fabric	5%	5%
Garments		
- Below Rs.1000	5%	5%
- Above Rs.1000	12%	12%

I trust this clarifies any confusion.

I take the opportunity of wishing all members a Very Happy, Prosperous, and Safe New Year.

Yours sincerely



Rajesh Masand
President

Encl : As stated above