

TEXPROCIL

PRESS RELEASE

- **5% GST rates for cotton textiles very progressive and growth oriented - Chairman , TEXPROCIL**
- **TEXPROCIL welcomes rate of 5% for yarn & cotton fabrics and thanks Hon'ble Minister of Finance for accepting the Council's Suggestion**

Mumbai, 3rd June 2017: The GST Council, in its meeting held on June 3, 2017, has classified yarn and cotton fabrics under 5% category of GST. "The rate of 5% for cotton textiles is very progressive and will lead to the growth and development of the entire value chain", said Shri Ujwal Lahoti, Chairman of The Cotton Textiles Export Promotion Council (TEXPROCIL).

Texprocil welcomes the rate of 5% for yarn & FABRICS and thanks the Honb'le MINISTER for Finance for accepting the Council's suggestion for keeping the rates low in order to ensure compliance & encourage the farmers to grow more COTTON. He also thanked the HONB'LE MINISTER OF TEXTILES for extending her unstinted support to get low rate of 5% for the COTTON TEXTILES SECTOR.

These low rates will not cast any additional burden on the sector & will ensure that INDIA regains it's competitiveness in the TEXTILES SECTOR IN World markets.

Shri Ujwal Lahoti Chairman Texprocil also requested the Government to announce DRAW BACK RATES to take into account the unrebated Duties under GST & continue the ROSL SCHEME for Made UPS & also extend it to Fabrics & Yarn .

The GST rate for textiles will eliminate the cascading effect of duty/taxes which will reduce the costs and improve the competitiveness of the textiles exports, according to the Chairman, TEXPROCIL.

Shri Lahoti urged the Government to ensure speedy refund of Input Tax Credits on exports so that exporter's funds does not get blocked.