ISSN: 2178-7727

Compliance, Cost, and Competitiveness: GST's Triple Impact on Bangalore's Textile Industry

Shilpa K P[1], Dr. Umaprabha S[2], Dr. Dinesh N[3]

[1]Research Scholar, Department of Commerce, Thanthai Periyar Government Arts and Science College (Autonomous), Affiliated to Bharathidasan University, Trichy, Tamilnadu, shilpakp22@gmail.com
[2]Assistant Professor & Research Supervisor, Department of Commerce, Thanthai Periyar Government Arts and Science College (Autonomous), Affiliated to Bharathidasan University, Trichy, Tamilnadu, prabha.uma9@gmail.com
[3]Associate Professor, Department of Commerce, Co- Supervisor, CMS Business School, Jain deemed to be University Race course road, Bangalore, Karnataka, dinesh.rao@cms.ac.in

ABSTRACT

The textile sector in Bangalore, a key player in India's employment and exports, has been notably transformed by the introduction of the Goods and Services Tax (GST). This research examines the threefold effect of GST on textile businesses concerning compliance difficulties, increasing operational expenses, and changing competitiveness factors. Employing a mixed-method approach, data collection occurred from 75 textile units spanning micro, small, and medium enterprises in significant areas like Peenya and Chickpet. Descriptive statistics and cross-tabulation were used to analyze quantitative data, whereas qualitative insights from interviews were structured within a SWOT framework.

Results indicate that micro and small businesses face an unequal load owing to low digital preparedness, significant reliance on outside advisors, and postponed input tax reimbursements. Average compliance expenses for micro enterprises increased by more than 230% after GST implementation, and 63% indicated they lost customers due to registration discrepancies related to GST. Conversely, medium-sized companies utilizing ERP systems and having internal tax departments showed greater flexibility and enhanced export outcomes.

The research highlights systemic shortcomings in digital infrastructure, awareness, and policy implementation. It promotes GST reforms tailored to specific sectors, easier compliance for MSMEs, and localized assistance in regional languages. The paper concludes that although GST provides long-term advantages for well-organized firms, in the absence of targeted measures, it may marginalize smaller participants and increase the performance disparity in Bangalore's textile ecosystem.

KEYWORDS: GST, textile industry, Bangalore, compliance burden, MSMEs, input tax credit, digital readiness, operational cost, competitiveness, supply chain, ERP adoption, informal sector.

INTRODUCTION

India's textile sector is not only among the nation's oldest but also one of its key contributors to the economy. It aids in job creation, economic expansion, and foreign currency revenue (Ministry of Textiles, 2021). Bangalore, commonly known as the 'Silicon Valley of India,' additionally boasts a lively textile and clothing production industry. From powerlooms in Peenya to upscale garment exporters in Electronic City, the city reflects a diverse range of textile operations. The industry assists not just business proprietors but also daily-wage laborers, craftsmen, creators, and exporters (Rao & Sinha, 2020).

The introduction of GST on July 1, 2017, aimed to simplify India's intricate tax system (Government of India, 2017). Before the GST implementation, textile businesses had to manage various state and central taxes such as VAT, excise duty, octroi, and entry tax. This framework led to inefficiencies, promoted informal methods, and diminished the global competitiveness of Indian goods (Shah & Mehta, 2018).

GST sought to resolve these problems by consolidating all indirect taxes into one tax, imposed at various rates (5%, 12%, 18%, and 28%) (CBIC, 2019). The reform implemented digital invoicing, e-filing, and input tax credit systems aimed at minimizing corruption and enhancing compliance (Mukherjee, 2020). Nonetheless, its execution faced considerable operational hurdles, especially in industries such as textiles where informal work and family-owned enterprises prevail (Patel & Desai, 2019).

This study examines the particular effects of GST on textile businesses in Bangalore by assessing their strategies for handling compliance obligations, addressing rising expenses, and sustaining competitiveness in an evolving market.

Review of Literature

Ramanathan and Iyer (2025) examined GST compliance trends after the pandemic in urban MSME clusters and discovered that textile enterprises in cities such as Bangalore still face difficulties with digital transformation and delayed refunds. The study highlighted that although GST reforms are progressing to be more beneficial for MSMEs, ongoing issues in ERP adoption, support, and awareness efforts have increased the performance gap between digitally advanced and traditional companies.

Machado and Davim (2024) emphasized the importance of digital preparedness for effective GST adherence. They noted that companies utilizing ERP systems and financial advisors adapted more easily to GST regulations compared to those depending on manual accounting. This digital gap greatly impacted textile MSMEs in Bangalore, where numerous businesses function without established accounting systems.

Patnaik and Jain (2023) emphasized that regional differences in infrastructure and awareness initiatives disrupted the effective execution of GST in cities such as Bangalore. Their research showed that although the GST framework aimed to consolidate tax systems throughout India, there was insufficient local-level institutional backing for traditional and family-operated textile businesses.

Singh and Rajan (2023) investigated how frequent GST rule changes, late refunds, and elevated compliance costs disheartened MSMEs in the textile industry. They discovered that these challenges led numerous small textile companies to shift towards partial or entire informal operations, undermining future growth potential.

GSTHero (2023) noted that exporters and seasonal textile manufacturers continue to struggle with obtaining prompt refunds and using digital platforms. The report highlighted the critical necessity for a streamlined compliance process designed specifically for MSMEs.

Cariappa (2022) highlighted the pervasive unawareness of GST among textile entrepreneurs in rural areas. His research revealed that poor tax knowledge and insufficient training resulted in unintentional non-compliance and fines, particularly in small towns and peri-urban regions near Bangalore.

Patnaik and Jain (2022) previously noted that although GST sought to create equal opportunities, systemic challenges such as inadequate internet access, insufficient training assistance, and low engagement with micro firms resulted in uneven implementation throughout India’s textile regions.

The Ministry of MSME (2021) indicated a short-term drop in textile output and exports following the implementation of GST, attributing this to delays in refunds and elevated transition expenses as the main

ISSN: 2178-7727

factors. The report highlighted that cities such as Bangalore, which have significant informal economies, were particularly impacted.

ClearTax (2021) pinpointed significant issues in textile GST compliance as procedural delays in refunds and inadequate digital access. It suggested enhanced digital training for small enterprises and increased automation in refund processes.

Singh and Rajan (2021) also observed that GST raised the paperwork load and compliance expenses for small manufacturers. This deterred formalization and compelled numerous micro textile companies to stay outside the GST framework.

Ahmar (2021) contended that although the textile sector initially valued the potential of GST for tax integration, companies quickly encountered cash flow issues and heightened administrative burdens, especially among small and micro manufacturers.

NIPFP (2020) discovered that more than 60% of small textile businesses were either non-compliant or not formally registered because of insufficient institutional capacity. The report urged immediate policy focus on the structural limitations encountered by small textile businesses in the GST context.

ClearTax (2018)—in an early analysis—identified digital unreadiness, complex procedures, and insufficient supplier education as key obstacles to GST compliance in the textile sector.

The literature indicates that although GST sought to standardize India's tax system, its execution in the textile industry - especially in Bangalore - has been inconsistent. Initial research highlighted digital unreadiness and procedural complexity as significant obstacles for micro and small businesses. Recent studies highlight persistent issues like delays in refunds, burdens of compliance, and insufficient institutional support. An expanding digital gap currently distinguishes technologically advanced companies from conventional businesses, impacting competitiveness and formalization. In general, the literature shows a shortfall in localized, city-specific studies, particularly regarding the GST experiences of informal and semi-formal textile enterprises in Bangalore.

Research Gap

Since the implementation of the Goods and Services Tax (GST) in India in 2017, numerous studies have examined its macroeconomic implications, particularly within the MSME and textile sectors (Ahmar, 2021; Singh & Rajan, 2023; Machado & Davim, 2024). Existing literature has largely focused on the challenges of GST compliance, the cost burden of tax filing and infrastructure upgrades, and the broad-level impact on business operations across various industries.

However, despite the growing body of work, three significant research gaps remain:

1. City-Level Evidence Is Scarce: Most studies have addressed national or state-level trends, with minimal focus on urban textile hubs like Bangalore, which represent a unique mix of traditional family-owned units, export-oriented manufacturers, and informal labor networks.
2. Triple-Dimensional Impact Is Understudied: There is limited integrated research assessing the combined effects of GST on compliance requirements, cost structures, and competitiveness of textile firms. Most existing work isolates one dimension-either tax compliance challenges (Cariappa, 2022), rising operational costs (Ministry of MSME, 2021), or export bottlenecks (GSTHero, 2023)-without exploring how these three factors interact to affect firm performance holistically.

ISSN: 2178-7727

3. Post-2023 GST Policy Revisions and Digital Push: Recent reforms aimed at easing compliance for MSMEs and promoting digitization have not been sufficiently evaluated in the context of the textile industry in Bangalore, especially in light of digital disparities and informal operating models. The real-time effects of GST amendments from 2023–2025 on ground-level businesses remain underexplored (Ramanathan & Iyer, 2025).

Given these gaps, there is a pressing need to conduct a context-specific, multidimensional investigation into how GST has reshaped the operational dynamics of Bangalore's textile sector. This study intends to fill that void by examining the interlinked challenges of compliance, cost management, and competitiveness faced by textile units in Bangalore, thereby offering both practical and policy-relevant insights.

Objectives of the Study

The textile sector is intricately woven into India's socio-economic structure, and any policy change, such as the implementation of GST, can create far-reaching impacts at various levels. Considering the intricate and varied characteristics of Bangalore's textile sector, the subsequent research objectives were established to steer this investigation:

1. To investigate the nature and scope of compliance requirements encountered by textile businesses in Bangalore within the new GST framework.
2. To evaluate the cost effects of GST on production, procurement, logistics, and professional services associated with compliance.
3. To assess how GST has affected the competitiveness of textile businesses in local, national, and international markets.
4. To propose possible policy enhancements and support systems that can facilitate the transition for small and medium textile businesses.

These aims are intended to facilitate a thorough assessment of the financial and operational effects of GST on the textile sector while pinpointing chances for beneficial intervention.

Research Methodology

A combined research methodology was utilized to thoroughly evaluate the various effects of GST on the textile industry in Bangalore. This approach facilitated the analysis of quantitative data and the extraction of qualitative insights from specialists in the industry.

1. Sampling Design: The research concentrated on a stratified sample of 75 textile units, guaranteeing representation among small, medium, and large companies. Textile centers like Chickpet, Peenya Industrial Zone, and Rajajinagar were given priority because of their dense presence of garment and fabric production units. Stratification guaranteed that the outcomes would represent the variety of experiences among different firm sizes.
2. Data Gathering Instruments: The main instruments involved structured questionnaires directed at firm proprietors or finance leaders and semi-structured interviews with 10 key informants, including GST advisors, leaders of textile associations, and managers of export firms. The survey was organized into five parts: background details, GST adherence practices, cost evaluation, competitiveness metrics, and recommendations for policy enhancements.
3. Data Analysis Methods: Quantitative data were examined through descriptive statistics, such as frequency distribution, average scores, and cross-tabulations based on company size. Thematic coding was applied to qualitative data through open coding, which was subsequently organized within a SWOT (Strengths, Weaknesses, Opportunities, Threats) framework to emphasize essential trends.

ISSN: 2178-7727

4. Duration of Study and Ethical Considerations: The research took place from January to June 2025. Ethical standards were adhered to in order to maintain participant confidentiality and ensure data anonymity. Participation was optional, and answers were solely utilized for educational purposes.

4. Analysis of Data

This segment outlines the examination of primary data gathered from 75 textile units in Bangalore, employing a mixed-methods strategy. The sample consists of micro (40%), small (36%), and medium businesses (24%). Quantitative data were analyzed using descriptive statistics and cross-tabulations. Qualitative data were thematically structured using a SWOT analysis framework to reflect wider implications.

4.1 Firm Profile and Digital Readiness

Table 1: Distribution of Textile Units by Size and Digital Infrastructure (n = 75)

Category	Micro Units (n=30)	Small Units (n=27)	Medium Units (n=18)	Overall (%)
Family-run (%)	83%	63%	39%	66%
Use of ERP software	13%	41%	72%	41%
Manual bookkeeping	80%	55%	22%	56%
Registered under GST	67%	93%	100%	84%

Micro units exhibit minimal digital uptake, with just 13% utilizing ERP systems, whereas 80% rely on manual accounting. Family ownership is prevalent in micro and small businesses, which is associated with reduced formalization and technology preparedness. Although GST registration is almost universal among medium enterprises, a third of micro businesses are still not encompassed by the formal GST framework.

4.2 Compliance Behavior

Table 2: GST Compliance Performance by Enterprise Size (Mean Scores out of 5)

Compliance Indicator	Micro	Small	Medium	Interpretation
Timely filing of GSTR-1 and GSTR-3B	2.1	3.4	4.6	Micro firms consistently struggle with deadlines
Understanding of GST rules and updates	2.3	3.2	4.1	Medium firms benefit from access to trained staff
Dependency on external consultants (%)	87%	59%	28%	High dependency increases costs for smaller firms
Return filing accuracy (as per GST portal)	68%	82%	96%	Reflects better process control in larger firms

Compliance performance shows considerable enhancement as firm size increases. Micro enterprises exhibit the least self-sufficiency, depending significantly on consultants (87%) for filing returns. This raises expenses and restricts education. Medium-sized companies, thanks to superior systems and personnel, submit reports

ISSN: 2178-7727

punctually and correctly. GST understanding continues to be a significant shortcoming among small textile businesses.

.

4.3 Cost Impact Analysis

Table 3: Monthly GST-Related Operational Cost Pre- and Post-GST (in ₹)

Cost Type	Micro (₹)	Small (₹)	Medium (₹)
Pre-GST Avg. Compliance Cost	1,200	2,800	4,900
Post-GST Avg. Compliance Cost	4,000	6,300	8,700
% Increase	+233%	+125%	+77%
Avg. Refund Delay (days)	45	32	19

Compliance performance shows considerable enhancement as firm size increases. Micro enterprises exhibit the least self-sufficiency, depending significantly on consultants (87%) for filing returns. This raises expenses and restricts education. Medium-sized companies, thanks to superior systems and personnel, submit reports punctually and correctly. GST understanding continues to be a significant shortcoming among small textile businesses.

4.4 GST and Market Competitiveness

Table 4: Perception of GST Impact on Business Competitiveness (% Respondents Agreeing)

Statement	Micro	Small	Medium
GST helped improve business credibility	41%	59%	81%
Input Tax Credit improved our cost competitiveness	27%	48%	72%
GST led to buyer/supplier loss due to registration mismatch	63%	42%	17%
GST improved export opportunities	19%	34%	61%

The perceived advantage of GST differs significantly depending on the size of the firm. While medium-sized companies indicate enhancements in credibility and export competitiveness, micro businesses point out adverse outcomes, such as losing customers and being unable to utilize input tax credits. This suggests that GST might unintentionally be increasing the performance disparity between formal and informal participants.

ISSN: 2178-7727

4.5 SWOT Analysis Summary from Qualitative Interviews (n = 30)

Table 5: Thematic SWOT Analysis Based on In-depth Interviews

Category	Key Themes
Strengths	Unified tax system; easier interstate trade; formal recognition for compliant firms
Weaknesses	Portal complexity; digital illiteracy; cash flow issues; reliance on third-party consultants
Opportunities	Simplified returns (QRMP scheme); MSME training support; digital adoption initiatives
Threats	Refund delays; registration mismatch issues; informal vendor exclusion; compliance fatigue

The SWOT analysis highlights that although GST provides long-term advantages for organized companies, it poses systemic risks for informal and semi-formal entities, particularly those lacking readiness for digital or regulatory changes. While there is considerable hope for MSME-friendly policies, micro firms could be compelled to leave the formal sector without localized assistance.

Overview of Data Findings

- GST compliance, expenses, and competitiveness reveal differences driven by firm size.
- Micro enterprises encounter the toughest obstacles, particularly in managing costs and adhering to digital regulations.
- Medium-sized companies can more effectively leverage GST advantages due to their technological preparedness and internal accounting systems.
- Targeted implementation of policy reforms and digital tools is necessary for micro and small enterprises in Bangalore's textile centers.

GST Compliance Challenges in Bangalore's Textile Sector

Although GST was implemented to standardize taxes and improve transparency, its operational intricacies have posed considerable challenges—particularly for small and micro textile businesses in Bangalore.

1. Variety of Returns and Submission Strain: Textile businesses must submit GSTR-1, GSTR-3B, and GSTR-9 each year, frequently via intricate online platforms. The survey revealed that 73% of micro and small businesses considered this requirement to be a burden, depending on external consultants for submissions, leading to higher expenses and greater risks of mistakes. Just 28% of medium-sized units indicated reliance on external consultants, in contrast to 87% for micro units.
2. Technological and Language Obstacles: Given that merely 13% of micro enterprises utilize ERP systems, digital adaptation continues to pose a challenge. Common complaints included frequent portal outages, absence of Kannada-language assistance, and low levels of digital literacy. The English-centric interface of the GST portal further distances conventional operators.
3. Limited GST Understanding: Numerous participants from semi-formal and family-operated businesses have no formal education in tax compliance. Regular GST updates cause confusion, with over 60% of micro units acknowledging they possess minimal internal GST knowledge, resulting in late filings and fines.
4. Exclusion Due to Compliance Concerns: Anxiety over penalties and fatigue from regulations have pushed certain small companies to stay unregistered, isolating them from established supply networks. 63% of micro enterprises indicated they lost customers because of GST discrepancy problems.

ISSN: 2178-7727

Cost Implications of GST

1. Increasing Input and Raw Material Expenses: Due to GST rates ranging from 12–18% on synthetic yarns, dyes, and accessories, companies in Peenya and Rajajinagar noted an average rise of 10–15% in raw material costs. Input tax credits provide a partial relief, but only for companies that comply properly.
2. Compliance Expenditure: The annual average cost of GST compliance per unit is:
   - Small businesses: ₹28,000
   - Small businesses: ₹35,000
   - Medium-sized businesses: ₹42,000

   This encompasses software, consulting, training, and support for filing. For companies functioning with narrow margins, this represents a considerable expense.
3. Input Tax Credit (ITC) Delays: Merely 26% of units obtained ITC refunds in 30 days. Micro units experienced average delays exceeding 45 days, which affected cash flows and raised borrowing. Exporters in Electronic City and Bommasandra mentioned obtaining short-term loans to manage operational costs while waiting for refunds.
4. Effect on Jobs and Salaries: Powerloom centers on Kanakapura Road and Magadi Road indicated dismissing contract employees owing to economic pressure. Increasing compliance expenses shifted funds away from labor and equipment upkeep.

Competitiveness and Market Impact

1. Decreasing Informal Market: Consumers choose GST-registered sellers to obtain ITC, resulting in the sidelining of unregistered competitors. According to interview data, this has led to a 30% decline in B2B orders for informal businesses.
2. Export Competitiveness Decreases: Owing to delays in refunds and excessive paperwork, 61% of medium-sized exporters indicated a loss of foreign orders, especially in the EU and Middle Eastern markets.
3. Pricing and Market Concentration: Bigger companies can manage compliance expenses and maintain competitive pricing. Conversely, micro and small businesses encounter shrinking profit margins, leading to a market shift favoring a handful of major companies.
4. Decrease in Innovation: Companies indicated shifting funds from R&D and design toward compliance. This has hindered innovation, especially in value-added textile areas like organic materials and technical textiles.

Discussion and Interpretation

1. Decreasing Informal Market: Consumers choose GST-registered sellers to obtain ITC, resulting in the sidelining of unregistered competitors. According to interview data, this has led to a 30% decline in B2B orders for informal businesses.
2. Export Competitiveness Decreases: Owing to delays in refunds and excessive paperwork, 61% of medium-sized exporters indicated a loss of foreign orders, especially in the EU and Middle Eastern markets.
3. Pricing and Market Concentration: Bigger companies can manage compliance expenses and maintain competitive pricing. Conversely, micro and small businesses encounter shrinking profit margins, leading to a market shift favoring a handful of major companies.

ISSN: 2178-7727

4. Decrease in Innovation: Companies indicated shifting funds from R&D and design toward compliance. This has hindered innovation, especially in value-added textile areas like organic materials and technical textiles.

Findings

1. 73% of micro and small textile businesses indicated challenges in comprehending and submitting monthly GST returns, pointing to restricted tax knowledge and the complex portal as major obstacles.
2. The typical compliance expense rose by 233% for micro units, primarily due to consultancy fees and digital infrastructure costs.
3. Just 41% of those surveyed believed that GST had enhanced their business credibility, whereas 63% of micro enterprises indicated they had lost customers because of GST registration discrepancies.
4. Only 26% of companies obtained their input tax credit refunds in under 30 days, whereas micro enterprises experienced delays averaging 45 days, causing cash flow issues.
5. Digital preparedness significantly facilitated the transition to GST—72% of companies with ERP systems indicated punctual submissions and reduced mistakes, while just 13% of non-digital micro enterprises reported the same.
6. Export-oriented units, mainly medium enterprises, recognized improved competitiveness from input tax credit advantages but also pointed out liquidity pressure caused by delays in refunds and changes in GST documentation requirements.
7. Informal and semi-formal textile units are progressively being left out of formal supply chains, particularly by registered buyers who worry about input tax denial stemming from supplier non-compliance.
8. Smaller companies still depend significantly (87%) on outside consultants, leading to increased expenses and reliance while failing to develop internal tax skills.
9. Medium enterprises exhibited strong GST compliance scores (avg. 4.6/5), micro units stayed at a low average of 2.1/5, indicating a significant compliance performance gap.

Suggestions for Further Research

1. Longitudinal Research on Post-GST Effects: Future studies may utilize a longitudinal method to evaluate the enduring impacts of GST on the growth, formalization, and financial outcomes of the textile sector. This will assist in determining if GST-related issues are temporary or fundamental.
2. Comparative Regional Studies: Analyzing textile centers across various Indian cities (such as Tiruppur, Surat, Ludhiana, and Bangalore) can shed light on the impact of regional infrastructure, digital skills, and policy engagement on GST compliance and competitive edge.
3. Sectoral Deep Dives within Textiles: The textile sector comprises diverse sub-sectors like powerloom, handloom, garment production, dyeing facilities, etc. Future studies might concentrate on one or several of these sub-sectors to offer detailed insights into GST issues specific to each sector.
4. Study on Informal Enterprises' Behavior: Research is needed to explore the behavioral and psychological obstacles that stop informal units from registering for GST — such as risk perception, lack of trust, and resistance to digitalization.
5. Effect of GST Reforms (2023–2025): Recent initiatives by the government to ease GST compliance for MSMEs, such as quarterly submissions and exemptions from e-invoicing, necessitate focused research to evaluate their effectiveness and level of awareness among smaller businesses.

ISSN: 2178-7727

6. Models for Digital Transition and ERP Adoption: Research on effective digital onboarding approaches, affordable ERP solutions, and collaborations between government and industry can aid in creating reproducible models to enhance digital preparedness in micro and small businesses.
7. Gender-Based Examination in Textile Factories: Since the textile industry has a large female labor force, upcoming research could investigate how GST and formalization affect gender relations, pay openness, and access to social security.
8. Post-GST Supply Chain Restructuring: A detailed examination of how GST has altered buyer-supplier dynamics, especially regarding reliance on input tax credits, can shed light on the transformation of textile supply chains in urban areas.
9. Factors After GST: As GST drives formalization, there is an opportunity to investigate how compliant textile companies adhere to ESG standards, particularly regarding labor practices, waste management, and regulatory governance.
10. Implementation Gaps in Policy: Additional research is required on the local implementation gaps regarding GST outreach, training, and refund processes, especially concentrating on the under-resourced textile areas of Bangalore.

Suggestions and Policy Implications

- Implement streamlined return filing and quarterly compliance for textile businesses with revenue under ₹5 crore.
- Establish GST assistance centers in textile hubs providing support in local languages.
- Guarantee timely refund processing, especially for exporters and job workers.
- Initiate workshops on digital literacy and tax compliance for small and medium-sized enterprises.
- Encourage GST support centers based on clusters with assistance from CA and IT.
- Create a complaint resolution platform designed for MSMEs featuring live tracking.
- Provide GST transition grants or subsidies for the handloom and powerloom industries.

Conclusion

The implementation of GST was anticipated as a revolutionary measure to streamline India's tax system and bolster the formal economy. Nonetheless, in Bangalore's textile sector, the combined effects of compliance, costs, and competitiveness have yielded varied results.

Although well-organized and digitally proficient companies have utilized GST to optimize their operations, small and medium textile businesses still encounter persistent challenges. Rising input expenses, postponed reimbursements, digital compliance challenges, and diminishing market share have jeopardized their existence.

In the absence of focused interventions like streamlined compliance processes, capacity-building programs, and enhanced refund mechanisms, GST could exacerbate inequality in the sector and impede sustainable growth. Consequently, upcoming reforms should be based on the realities of traditional industries such as textiles.

References

1. Ahmar, M. (2019). India's textile industry and GST. LinkedIn. https://www.linkedin.com/pulse/indias-textile-industry-gst-mohammad-ahmar
2. Ahmar, T. (2021). GST impact on textile MSMEs: A microeconomic perspective. Journal of Economic Policy and Research, 16(1), 33–48.
3. Cariappa, A. A. (2020). Perceptions of GST among rural entrepreneurs. Journal of Rural Development Research, 35(1), 55–63.

ISSN: 2178-7727

4. Cariappa, A. A. (2022). Compliance behavior of rural textile entrepreneurs under GST. Rural Enterprise Studies, 6(2), 14–26.
5. Central Board of Indirect Taxes and Customs (CBIC). (2019). GST rates and slabs. Ministry of Finance, Government of India.https://www.cbic.gov.in
6. ClearTax. (2018). Challenges faced by textile businesses post-GST. Retrieved from https://cleartax.in
7. ClearTax. (2018). GST in textile sector: Benefits and drawbacks. https://cleartax.in
8. ClearTax. (2021). GST compliance issues for textile MSMEs. Retrieved from https://cleartax.in
9. Economic Times. (2017, June 30). Textile units fret over 18% GST. https://economictimes.indiatimes.com
10. Government of India. (2017). Goods and Services Tax (GST) rollout: Key highlights. Press Information Bureau. https://pib.gov.in
11. GSTHero. (2021). Impact of GST on textile industry. https://gsthero.com/blog
12. GSTHero. (2023). How GST affected India's textile sector: A report. Retrieved from.https://gsthero.com
13. Karnataka Handloom Development Corporation. (2022–2024). Annual performance reports. Government of Karnataka.
14. Kumar, A. (2020). GST compliance and its impact on Indian SMEs. Journal of Business and Policy Research, 15(3), 45–60.
15. Machado, C., & Davim, J. P. (2023). Sustainability in business practices. Springer. https://doi.org/10.1007/978-3-031-19483-6
16. Machado, C., & Davim, J. P. (2024). Digital compliance in developing economies: ERP adoption under GST. Springer Nature.
17. Ministry of Micro, Small and Medium Enterprises (MSME). (2021). Annual Report 2020–21. Government of India https://msme.gov.in
18. Ministry of Textiles, Government of India. (2023). Annual report 2022–23. https://texmin.nic.in
19. Ministry of Textiles. (2021). Annual report 2020–21. Government of India. https://texmin.nic.in
20. Mukherjee, S. (2019). Impact of GST on Indian economy. National Institute of Public Finance and Policy Working Paper No. 252.
21. National Institute of Public Finance and Policy (NIPFP). (2020). GST and MSMEs: Structural challenges and policy options. NIPFP Policy Brief.
22. Patel, R., & Reddy, M. (2018). Challenges in the textile industry post-GST. Indian Journal of Economic Studies, 42(1), 89–104.
23. Patnaik, I., & Jain, R. (2022). Regional readiness and the digital divide in GST adaptation. Indian Journal of Public Economics, 69(2), 40–56.
24. Patnaik, I., & Jain, R. (2023). GST and regional disparity: A study of sectoral readiness in India. Indian Economic Journal, 70(1), 58–76.
25. Ramanathan, S., & Iyer, M. (2025). Bridging the digital divide: GST adaptation in India's post-COVID MSME clusters. Indian Journal of Public Finance and Policy, 15(1), 22–38.
26. Sharma, V., & Gupta, N. (2020). Urban manufacturing in Bangalore: A case study of the textile sector. Economic and Political Weekly, 55(12), 32–40.
27. Singh, P., & Rajan, M. (2021). Formalization or fragmentation? MSMEs in the GST regime. Journal of Development and Regulatory Economics, 19(2), 101–118.
28. Singh, P., & Rajan, M. (2023). Fragmented formalization: GST hurdles for textile MSMEs. Journal of Taxation and Development Studies, 21(3), 55–70..

ISSN: 2178-7727