Union Budget 2023-24 aims at strong and stable economic growth -SIMA

The NOA Government led by the Hon'ble Prime Minister, Shri Narendra Modi, has been taking several path breaking and proactive policy initiatives to make India as one of the strongest top economies in the world. The country could achieve the envisaged results despite around two years of lockdown challenges posed by COVID-19 and prolonged Ukraine-Russia war that have impacted most of the countries in the world. The Government has been very aggressive in addressing the structural and fundamental issues that can yield sustainable growth apart from addressing short term and medium-term issues. The Indian textiles and clothing industry, the second largest employment provider next only to agriculture, has been given major thrust in almost all the policies and majority of the demands have already been met by the Government. Though unforeseen demand recession has temporarily stalled the performance of the textile industry, especially on the export front, taking advantage of various policy initiatives the industry, itself is gearing up to revive from the crisis and become vibrant soon.



Mr.Ravi Sam, Chairman, The Southern India Mills' Association (SIMA) has appreciated the Hon'ble Prime Minister, Hon'ble Finance Minister and Hon'ble Textile Minister for giving thrust for inclusive growth, infrastructure and investment green growth, skill development, etc., that would greatly help the highly labour, power and capital intensive textile industry. SIMA Chairman has thanked the Government for considering the proposal submitted by the Association and announcing a Scheme for increasing the production of Extra Long Staple Cotton in the country under Cluster Development Initiative through PPP mode. Mr.Ravi Sam has said that the Association can match with the international Extra Long Staple cotton varieties and would take initiatives to increase the production under the said scheme. He has said that after introduction of Bt technology only for Long Staple Cotton, the industry started facing shortage of ELS cotton. He has added that the industry's requirement of ELS cotton is around 20 lakh bales while the country produces only 5 lakh bales and heavily depends on imports of superior quality ELS cotton. He has said that this is an initiative towards the Aatmanirbar Bharat benefit for the whole textile value chain including the cotton farmers.

SIMA Chief has thanked the Government for allocating Rs.9,000 crores for ECLGS for MSMEs, as the textile industry would be the major beneficiary out of the scheme since more than 80°/o of the

textile units come under the MSME category. He has appreciated the Government for the increased allocation of Rs.900 crores when compared to Rs.650 crores made last year for the ATUF Scheme, which would benefit the industry.

He has also appreciated the Government for introducing separate HS codes for different staple length of cotton including Extra Long Staple cotton, when imported from other countries. While appreciating various features of Union Budget 2023-24, Mr.Ravi Sam has said that the Government could have avoided the increase in the Basic Customs Duty on textile machinery from 5°/o to 7.5°/o as the country is not even producing 20o/o of the machinery requirement. He has said that this will have some impact on the global competitiveness and also the recently announced Production Linked Incentive Scheme and PM MITRA Scheme in the absence of Technology Upgradation Fund Scheme which was in vogue from 1st April 1999 to 31st March 2022.