

Interim Budget 2019-2020 and Gujarat Textile Policy given new hope to textile industrialist

“ Don't tell me what you value, show me your budget, and I'll tell you what you value.— ”

— Joe Biden



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The Gujarat Textile policy has been announced before Vibrant Gujarat 2019 to attract the investors and before the Financial Union Budget of the country. Policy made to encourage the raw material manufacturer to move to forward integration like weaving and processing, which will fulfill the missing gap from spinning (TUFS) to Garment policy in Gujarat. Though few policies still not understood by the industry's MSME sector but is properly utilized by corporate sector and few government employees.

In Interim Budget of 2019-2020, Textile Industry got Rs. 5831.48 crores which has been lower to last year revised budget fund of Rs 6943.26 crores. Textile being 80% MSME sector, 2% interest subvention for Micro, Small and Medium Enterprises (MSMEs) loans with a ticket size of 1 crore will boost employment and economic growth of T&C industry contributors. TUFS & ROSL budget decreased due to low usage and long period of disbursement amount. To support our raw material cotton producer "Farmer" more budget allocated under the price support scheme. Budget for Silk industry has been increased.

The budget is expected to give major textile and apparel consumption by increasing the purchasing power of middle class and farmers. Inflation rate is expected to go down to 4.6% with income tax relaxations upto 5 to 6.5 lac annual salary.

New government stability may take 6 months, few new investors waiting for new government moves.

Job creation, Skill Development, growth of industry, infrastructure is always the agenda for the government, which is partially fulfilled and more expected by next government.

Wish you Fruitful budgeting season...!!!