



AEPC Circular No :- 155

AEPC/HO/R&PA/2023
February 3rd, 2023

Dear Members,

Sub: Key highlights of Union Budget 2023-24 for Apparel Sector

Key highlights of the Union Budget 2023-24 for the Apparel sector are given as follows:

ATUFS: Allocation of funds for Amended Technology Upgradation Fund Scheme (ATUFS) from Rs 650 crore in 2022-23 to Rs 900 crore in 2023-24.

PM MITRA Parks: The grant for PM MITRA parks has been increased from Rs 3 Crore to Rs. 200 Crore.

Interest equalization (subsidy) scheme: Allocation of funds for Interest equalization (subsidy) scheme from Rs 2,376 crore in 2022-23 to Rs 2,932 crore in 2023-24.

Credit Guarantee for MSMEs: The Government has proposed revamping of the credit guarantee scheme for MSMEs and announced that the revamped scheme will take effect from 1st April 2023 through infusion of Rs 9,000 crore in the corpus. Further, the cost of the credit will be reduced by about 1 per cent.

Professionals and MSMEs: Micro enterprises with turnover up to Rs. 2 crore and certain professionals with turnover of up to Rs. 50 lakh can avail the benefit of presumptive taxation. Government has enhanced limits of Rs. 3 crore and Rs. 75 lakh, respectively, to the tax-payers whose cash receipts are no more than 5 per cent. Government has proposed to allow deduction for expenditure incurred on payments made to them only when payment is actually made.

Vivad se Vishwas I - Relief for MSMEs: In cases of failure by MSMEs to execute contracts during the Covid period, 95 per cent of the forfeited amount relating to bid or performance security, will be returned to them by government and government undertakings.

MAI grants: Allocation of funds for MAI grants has been increased from Rs. 160 crores to Rs. 200 crores.

Integrated Scheme for Skill Development: Allocation of funds for ISSD has been increased from Rs. 25 crores to Rs. 115 crores.

National Technical Textile Mission: Allocation of funds for NTTM has been increased from Rs. 37 crores to Rs. 450 crores.

Textile Cluster Development Scheme: Allocation of funds for TCDS has been increased from Rs. 88 crores to Rs. 141.5 crores.

Integrated Processing Development Scheme: Allocation of funds for IPDS has been increased from Rs. 31.20 crores to Rs. 60 crores.

Raw Material Supply Scheme: Allocation of funds for RMSS has been increased from Rs. 130 crores to Rs. 160 crores.

RoSCTL: Allocation of funds for RoSCTL has been increased from Rs. 7640.60 crore to Rs. 8404.66 crore.

Enhancing productivity of cotton crop: To enhance the productivity of extra-long staple cotton, Government will adopt a cluster-based and value chain approach through Public Private Partnerships (PPP). This will mean collaboration between farmers, state and industry for input supplies, extension services, and market linkages.

Green Growth: Hon'ble Prime Minister has given a vision for "LiFE", or Lifestyle for Environment, to spur a movement of environmentally conscious lifestyle. India is moving forward firmly for the 'panchamrit' and net-zero carbon emission by 2070 to usher in green industrial and economic transition. This Budget builds on our focus on green growth.

Green Credit Programme: For encouraging behavioural change, a Green Credit Programme will be notified under the Environment (Protection) Act. This will incentivize environmentally sustainable and responsive actions by companies, individuals and local bodies, and help mobilize additional resources for such activities.

Ease of Doing Business: For enhancing ease of doing business, more than 39,000 compliances have been reduced and more than 3,400 legal provisions have been decriminalized. Budget has introduced the Jan Vishwas Bill to amend 42 Central Acts.

The budget can also be accessed here: <https://www.indiabudget.gov.in/index.php>

AEPC's Circulars are available on AEPC's Website www.aepcindia.com

This is for your information please.

With regards.

Yours sincerely,

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