

**“Budget 2015-16 is Positive & Growth oriented – Shri R.K.Dalmia, Chairman,
TEXPROCIL**

The Government has announced the Union Budget for 2015-16 in the parliament today.

“Overall the budget is a fair budget, pragmatic, wide ranging and inclusive” said Shri R.K.Dalmia, Chairman, TEXPROCIL. Shri Dalmia welcomed the reduction in corporate tax from 30% to 25% over a period of four years.

The announcement of the much awaited GST will be implemented from April 1, 2016. GST will make manufacturing more competitive and thereby support the “Make in India” campaign, according to the Chairman TEXPROCIL.

On Ease of Doing Business certain measures have been announced. The time limit for taking Cenvat Credit on inputs has been increased from 6 months to one year , online central excise registration will be done in two working days and central excise /Service tax assesses will be allowed to use digitally signed invoices and maintain record electronically . Shri Dalmia welcomed these measures which will lead to simplification of procedures.

A project development company to facilitate setting up manufacturing hubs in Cambodia, Myanmar, Laos and Vietnam will be established. According to Shri Dalmia this is a positive move in the Budget.

The budget has increased the Service Tax rate to 14%. This will increase overall costs according to the Chairman, TEXPROCIL. However, he urged the Govt to initiate steps for speedy refund of service tax on export related services.

According to Economic Survey 2014-15, textiles sector has generated the highest employment. The sector is among the top seven categories of export products. However, the Budget has not addressed all the issues faced by the textile industry. SAD has been reduced on import of certain inputs and raw materials. However, textiles has not been included under the purview of SAD exemption. We had represented for an increase in the duty free import entitlement of trimmings & embellishments from 1% to 5% at par with Garments which has not been accepted by the Govt , pointed out Shri Dalmia . The textile industry was expecting higher allocation under the TUF Scheme which has not been considered by the Govt pointed out the Chairman, TEXPROCIL.

The Chairman also stated that it would have been excellent if the Budget had taken into account “Take from India”. It would have enabled “Make in India’ to be more efficient and effective.