



24th August, 2021 / ૨૦૨૧

Shri Vijaybhai Rupani,
Hon'ble Chief Minister,
Government of Gujarat
Swarnim Sankul 1, 3rd Floor,
New Sachivalya, Sector 10,
Gandhinagar - 382010

Sub: Relief to Textile Sector in Gujarat affected due to Covid19 Pandemic.

Respected Sir,

Greetings from Gujarat Chamber of Commerce and Industry.

Gujarat Chamber of Commerce and Industry (GCCI), founded in the year 1949, is the apex trade and industry body in the state of Gujarat representing all cross sections and segments of industry and trade across the state of Gujarat. GCCI has more than 4000 direct members and 200,000 indirect members through various Regional Chambers & Associations affiliated with us.

1. We would like to appreciate Government of Gujarat for their efforts to assuage the impact due to Covid-19 Pandemic. The State Government acknowledged as સંવેદનશીલ સરકાર has declared support to the industry through its આત્મનિર્ભર ગુજરાત પેકેજ of nearly 14,000 Crores.
2. The textile sector today is the second largest employer after agriculture in the country with an estimated 45 million people directly employed. It is also estimated that the domestic textile industry contributes nearly 13% of the total exports in value by India. It is emblematic of the dual capacity of the textile sector with its potential to generate exports as well as employment for the country.
3. The textile sector also boasts of an inimitable linkage with the stressed agriculture sector creating a direct market for the cotton growers of the State. **Gujarat is the largest producer of cotton in India, with a share of over one-third of the total cotton production.** Therefore, textile

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Sachin K. Patel
Hon. Treasurer



manufacturing, and especially the cotton-based sector should be considered as an 'agriculture allied sector' on account of the close linkages and hence, deserves to be treated at par with the agriculture sector in terms of policy support.

4. Government of Gujarat notified Gujarat Textile Policy (2012) with an objective for integrated approach to strengthen the value chain, Farm-Fiber-Fabric-Fashion (Garment) to Foreign (Export). Being the largest cotton producer in the nation, Government of Gujarat understood the vitality of cotton cultivation and textile sector have in the development of Gujarat.
5. Policy makers from the State have been able to achieve multiple objectives because of Gujarat Textile Policy – 2012. The focus accorded to the sector has not only benefitted the Industry but also to a large number of cotton growers of the State and also helped the country to earn precious foreign exchange.
6. The country has faced two waves of the Pandemic, disrupting the entire Industrial Production during the last 14 Months. The resilience of the Entrepreneurs of the State also needs to be acknowledged that the Industrial production is moving towards normalcy.
7. Textile Sector of the State has also participated in Govt. efforts for their fight against the Covid19 pandemic. They have made modification in their process and started manufacturing several products like Surgical Masks, N95 Masks, and PPE Kits for the Health Professionals.
8. The Textile Policy -2012 has provision for SGST reimbursement for a period of 12 Years with a cap on the Eligible Investment. Since nearly 12 Months, the production has been disrupted and most of the Textile Units eligible under the Policy will not be able to completely utilize the limits available to them, which could have been possible under Business-as-Usual Condition (BaU Condition).

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We, therefore request the Government of Gujarat to support this Employment Generating Textile Sector by making not so major amendments in Textile Policy-2012 by increasing the time limit for claiming the SGST on all the products manufactured by the Company for additional 12 Months for the Units eligible under Textile Policy-2012.

There would be no additional financial implication to the Government since the cap for maximum eligible Investment continues to remain the same.

We hope that you will consider our request favorably.

Thanking you and with best regards,

Yours faithfully,

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Copy to:

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2. Shri Rajiv Kumar Gupta, IAS, Principal Secretary, Industries and Mines Department, Government of Gujarat.
3. Dr. Rahul Gupta, IAS, Industries Commissioner, Government of Gujarat.