

SMEDA briefs TMA members about 1000 ISUs Project



KARACHI: The Towel Manufacturers Association (TMA) organised a productive Zoom meeting with the Small and Medium Enterprises Development Authority (SMEDA) regarding the 1000 Industrial Stitching Units (ISUs) Project, aimed at facilitating TMA members belonging to the SME sector, promoting export-oriented units, and supporting the expansion and modernisation of the textile sector.

Chairman TMA, Ather Bari, expressed his sincere appreciation to SMEDA for launching this important initiative for SME exporters. He appreciated SMEDA's continuous efforts for the development of export-

oriented industries, SME growth, and industrial modernisation, which will ultimately contribute toward increasing Pakistan's exports.

During the meeting, Wazir H Solangi, Head of SMEDA Sindh, delivered a detailed presentation and briefed TMA members on the project structure, financial support, eligibility criteria, and application procedure. TMA members appreciated the efforts and cooperation of Wazir H Solangi and the SMEDA team for their guidance and support to the towel industry.

SMEDA informed that under this project, a grant of up to PKR 5 million will be provided on 60:40 cost-sharing basis to SMEs. The total project cost may be up to PKR 8 million (PKR 5 million by SMEDA and PKR 3 million by the beneficiary) for business expansion and onboarding of new exporters.

It was further informed that all required documents must be submitted to the SMEDA Head Office, Lahore, through TCS, under intimation to TMA. SMEs are defined as entities having an annual turnover of up to PKR 800 million, as per SBP definition.

TMA recommended that participating members should be allowed flexibility in selecting machinery brands of their choice. Wazir H Solangi assured that this proposal would be shared with the SMEDA Head Office for consideration and final decision. Chairman TMA also thanked SMEDA for extending the application submission deadline until 15 April 2026 on TMA's request.

Wazir H Solangi also highlighted that beneficiaries will be required to submit quarterly export growth reports and facilitate SMEDA visits as part of the project requirements. The installation of machinery is expected to be completed by 30th June 2026.

The chairman of TMA also requested the SMEDA officials to review the current financing limit under the project. He highlighted that the textile industry is now moving towards automation, modernisation, and improved productivity; therefore, the existing financing limit of Rs 5 million is not sufficient for meaningful technological upgradation. TMA strongly recommended that the financing limit should be enhanced from Rs 5 million to Rs 15 million so that SMEs in the towel sector can invest in modern machinery, automation systems, and capacity expansion. This increase would enable SMEs to improve efficiency, reduce production costs, enhance product quality, and ultimately increase Pakistan's textile exports.

The TMA Secretariat will extend full facilitation to members; however, approval of applications will remain solely at the discretion of SMEDA. For further facilitation, members may contact the TMA Secretariat.

The chairman TMA once again thanked SMEDA and Wazir H Solangi for their valuable support to the export sector and SME exporters, stating that such initiatives will help increase exports, generate employment, promote industrial modernisation, support economic growth, and further strengthen Pakistan's textile sector.