

ACHIEVEMENTS OF TEXTILE SECTOR

4784. SHRI ADHALRAO PATIL SHIVAJIRAO:
SHRI VINAYAK BHAURAO RAUT:
SHRI SHRIRANG APPA BARNE:
SHRI DHARMENDRA YADAV:
SHRI ANANDRAO ADSUL:
DR. SHRIKANT EKNATH SHINDE:

Will the Minister of TEXTILES वस्त्र मंत्री
be pleased to state:

- (a) whether a report released by the Ministry of Textiles has stated that the Central Value Added Tax (CENVAT) route will prepare the textile and apparel industry for Goods and Services Tax (GST) when it comes into force and if so, the facts of the matter reported therein;
- (b) the percentage of textile sector in total manufacturing, Gross Domestic Product (GDP) and export earnings of the country along with its rank as employment provider in the country;
- (c) whether the Union Government has released reports on achievements made in the textile sector under Make in India initiative and if so, the achievements and contribution of textile sector thereon;
- (d) whether the textiles industry is facing hardships due to demonetization and if so, whether the textile mills have urged the Union Government to provide a one year moratorium of repayment of loans and interests and if so, the response of the Union Government thereto; and
- (e) whether the Government is providing incentives to encourage textile manufacturers and farmers for raw material and if so, the details thereof?

उत्तर

ANSWER

वस्त्र मंत्री (श्रीमती स्मृति जूबिन इरानी)
MINISTER OF TEXTILES
(SMT. SMRITI ZUBIN IRANI)

- (a):** Government commissioned a study on 'Implication of GST for Indian Sector'. The report recommends that one of the taxes to be subsumed into GST may be CENVAT.
- (b):** Textile sector contributes to 2% of India's GDP. The share of export of textile items in total exports from India in 2015-16 was 15% (in value terms US \$). The textile is the second largest provider of employment after agriculture. 45 million people are directly employed in the textile industry.
- (c):** Union Government has released report on achievements made in the textiles sector under Make in India initiative on 24th November, 2016. Some of the major achievements and contribution of textiles sector are at Annexure.
- (d):** Government has received representations from the Textile Industry to provide one year moratorium for repayment of loans and interests. To respond to the situation, Government has launched a campaign to promote digital payment in the mission mode.
- (e):** In order to increase the production of raw materials in the country, Government is implementing various policy initiatives and schemes. The Cotton Development Programme focuses on cropping system approach under National Food Security Mission (NFSM) in 15 major cotton growing states with an aim to increase production & productivity. Government announces Minimum Support Price (MSP) to protect the interest of cotton and jute farmers to avoid distress sales. The Cotton Corporation of India and the Jute Corporation of India conduct procurement of cotton and jute from farmers respectively whenever prices fall below the MSP. Government implements various schemes to promote production of all the raw materials for textile industry which includes promotion of R&D, technology upgradation, skill upgradation, infrastructure support towards rearing sheds, testing labs, etc. Government is also providing support for the production of raw jute under I-CARE project.

- i. **FDI Inflow:** Between March, 2014 and March, 2016, the FDI equity inflow in the textiles sector added upto US Dollar 427.55 million. FDI equity inflow grew by 16% in financial year 2015-16.
- ii. **Exports:** In 2015-16 the share of textiles and apparel in total exports increased to 15% from 13% in 2013-14.
- iii. More than 5.3 lakh persons trained in last two years under Integrated Skill Development Scheme out of which 81% have been placed including 79% of the trained women.
- iv. 19 new Textiles Park have been sanctioned over last two years with potential to facilitate investment upto Rs. 300 crores and employment to 60,000 people.
- v. 200 new production units have been set up in existing textile parks in last two years with the fresh investment of Rs. 1500 crores and additional employment generation of 11,000 persons.
- vi. Sanction of seven new Common Effluent Treatment Plants with Zero Liquid Discharge technology in last two years covering 3000 SME units.
- vii. Eight Apparel and Garment making Centers set up in all NER States and Sikkim for promoting garment manufacturing in NER.
- viii. Launch of Indian Handloom Brand for providing brand value for handloom products.
- ix. Launch of Indian Handloom Website as a one stop platform for all services to consumers, bulk buyers and handloom producers.
- x. A Special Package of Rs. 6,000 crores was launched for garmenting sector with the aim of creating one crore jobs in next three years and to attract investment worth US Dollar 11 billion.
