

LOK SABHA  
UNSTARRED QUESTION NO. 2465  
TO BE ANSWERED ON 16.03.2017

**EMPLOYMENT IN TEXTILE SECTOR**

2465. SHRMATI PRATIMA MONDAL:

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

- (a) whether the Government has launched any special scheme for creating employment opportunities in the textile sector and if so, the details thereof and the steps taken by the Government to publicise the said scheme; and
- (b) whether the Government proposes to allocate more funds for current year for strengthening this special scheme and if so, the details thereof, State-wise including West Bengal?

उत्तर

ANSWER

वस्त्र राज्य मंत्री (श्री अजय टम्टा)

MINISTER OF STATE FOR TEXTILES  
(SHRI AJAY TAMTA)

(a): Yes, Madam. Government has announced a special package for boosting employment generation and export potential of the Textile and Apparel Sector. The details of the package are at Annexure-I. The package was publicised through different modes of media.

(b): Funds allocated under the special package for the financial year 2017-18 are:-

S. No.	Scheme(s)	BE 2017-18 (Rs. Crore)
1	Pradhan Mantri Rojgar Protsahan Yojana (PMRPY)	200.00
2	Remission of States Levies (ROSL)	1555.00

## Annexure-I

The Government has announced a special package of Rs 6,000 crores for boosting the employment generation and export potential of the Textile and Apparel Sector. Salient features of the package are:-

### 1. Labour Law Reforms

- Government to bear 3.67% of employer's Employee Provident Fund (EPF) contribution for new workmen in addition to existing reimbursement of 8.33% employer contribution under Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) for 3 years.
- EPF will be made optional for employees earning less than Rs. 15,000 per month; thus, leaving more money in the hands of the workers.
- Overtime cap will be raised from 50 hours per quarter to 100 hours per quarter leading to increased earnings of workers.
- Considering the seasonal nature of the industry, fixed term employment will be introduced for the garment sector. A fixed term workman will be considered at par with permanent workman in terms of working hours, wages, allowances and other statutory dues.

### 2. Additional incentives under ATUFS

- The subsidy provided to garmenting units, under Amended-TUFS, is being increased from 15% to 25%, providing a boost to employment generation.
- The package breaks new ground in moving from input-based to outcome-based incentives; a unique feature of the scheme will be to disburse subsidy only after expected jobs have been created.

### 3. Enhanced duty drawback coverage

- In a first-of-its-kind move, a new scheme will be introduced to refund the state levies which were not refunded so far.
- This move will greatly boost the competitiveness of Indian exports in foreign markets
- Drawback at All Industries Rate will be given for domestic duty paid inputs even when fabrics are imported under Advance Authorization Scheme.

### 4. Enhancing scope of Section 80JJAA of Income Tax Act

- Looking at the seasonal nature of garment industry, the provision of 240 days under Section 80JJAA of Income Tax Act would be relaxed to 150 days for garment industry.

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