

LOK SABHA
UNSTARRED QUESTION NO.816
TO BE ANSWERED ON 07.02.2019

Contribution of Textile Sector

816. SHRI DHANANJAY MAHADIK:
DR. HEENA VIJAYKUMNAR GAVIT:
SHRI MOHITE PATIL VIJAYSINH SHANKARRAO:
SHRI SATAV RAJEEV:
DR. J. JAYAVARDHAN:
SHRIMATI SUPRIYA SULE:

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

- (a) the contribution of textile industry in GDP in terms of percentage of industrial production and employment generation during the last three year and the current year along with efforts made by the Government to increase the employment in the textile industry;
- (b) the steps taken by the Government to increase investment/expansion of textile industry including modernization of weaving and processing sector;
- (c) whether the textile industry is facing problems due to global slowdown and growth of the sector has declined during the last two years and the current year;
- (d) if so, the details thereof along with the steps being taken by the Government to increase the shares of Indian textile products globally and success achieved by the Government so far; and
- (e) the contribution of Indian textile industry in terms of global textile production along with the steps taken by the Government to enhance the production and competitiveness of Indian textile industry?

उत्तर

ANSWER

वस्त्र राज्य मंत्री (श्री अजय टम्टा)

THE MINISTER OF STATE FOR TEXTILES
(SHRI AJAY TAMTA)

(a) The share of textiles sector and manufacturing sector to GDP during 2013-14 to 2016-17 as well as share of employment generation in the textiles and wearing apparel sector to the total manufacturing sector are given below:-

Year	Share of Textiles and total manufacturing to GDP at GVA		Share of textiles to total manufacturing at GVA
	Textiles	Manufacturing	
2013-14	2.16%	18.08%	11.92%
2014-15	2.33%	17.14%	13.60%
2015-16	2.22%	17.84%	12.43%
2016-17	2.36%	18.21%	12.65%

Source: National Accounts Statistics, 2015, 2016, 2017 & 2018.

Year	Number of persons employed in		% age of employment in Textile Sector to total employment in manufacturing Sector
	Textiles and Wearing Apparel Sector	Total Manufacturing sector	
2013-14	24,74,903	1,35,38,114	18.28%
2014-15	25,26,610	1,38,81,386	18.20%
2015-16	26,48,238	1,42,99,710	18.52%
2016-17	26,94,280	1,49,09,052	18.07%

Source: Annual Survey of Industries.

Textile industry being one of the largest sources of employment generation in the country, the Government has been taking multi-pronged efforts for increasing investment/expansion of textile industry including modernization of weaving and processing sector. A special package has been launched in 2016 to boost investment, employment and exports in the garmenting and made-ups sector. Under the special package, Government is providing additional production linked incentive of 10% under the Amended Technology Upgradation Fund Scheme (ATUFS) for generating additional employment in garment and made-up segments; Pradhan Mantri Paridhan Rojgar Protsahan Yojana (PMRPY) has been designed to incentivize employers in the apparel sector for generation of new employment. Apart from the above, the Government has been implementing skill development programme for enhancing employment potential of textile workers. Under the Integrated Skill Development Scheme (ISDS) which has been implemented from 2010-11 to 2017-18, 11.14 lakh persons were trained in various textiles value chain and out of them, 8.43 lakh persons were given placement in the textile sector. Further, the scheme which has been restructured as “SAMARTH” and introduced from 2018 with an outlay of Rs.1,300 crore for a period of three years upto 2019-20 for providing skill training to youth in the textiles value chain (except spinning and weaving in the organized sector).

(b) Government has been taking various initiatives for increasing textile manufacturing by building the best-in-class manufacturing infrastructure, upgradation of technology, fostering innovation and enhancing skills in the textile sector. These include Amended Technology Upgradation Funds Scheme (ATUFS), PowerTex India Scheme for Powerloom Sector Development, Scheme of Integrated Textile Parks, SAMARTH- the Scheme for Capacity Building in textile sector, Silk Samagra- the integrated silk development scheme, Integrated Processing Development Scheme (IPDS), North Eastern Region Textile Promotion Scheme (NERTPS), Incentive Scheme for Acquisition of Plants and Machinery (ISAPM) for Jute Industry and Jute Diversified Products Manufacturing Units, innovation and expansion under Technology Mission on Technical Textiles- for Promoting Usage of Agro textiles, Focus Incubation Centre, etc.

Furthermore, Government has been encouraging and supporting the traditional handloom and handicraft sectors by implementing key programmes. For development of handloom sector, the Government is implementing National Handloom Development Programme (NHDP), Handloom Weavers’ Comprehensive Welfare Scheme (HWCWS), Comprehensive Handloom Cluster Development Scheme (CHCDS) and Yarn Supply Scheme (YSS) for basic inputs, looms and accessories, design development, infrastructure development, marketing of handloom products etc. For the development of the Handicrafts sector, Government is implementing the National Handicraft Development Programme (NHDP) and the Comprehensive Handicrafts Cluster Development Scheme (CHCDS) for providing support on design, technology upgradation, infrastructure development, research and development, market support etc. to handicrafts clusters in the country. These schemes include subsidies and incentives for the growth of the textile sector.

(c) to (e): Textile Sector has been steadily growing during the period from 2015-16 to 2017-18 as per details of production of major textiles items and exports of textiles given at Annexure-I and Annexure-II respectively. The share of textiles and clothing (T&C) in India’s total exports stands at 13.05 % in 2017-18. India has a share of 5% of the global trade in textiles and Apparel. Apart from above mentioned various initiatives of the Government for modernization of textile industry to make it globally competitive, Government has been encouraging/taking steps for market access initiatives such as organizing and participation of mega textile exhibition and various outreach programmes, Buyer Seller Meets, etc. Under the special package, production and exports of garments and made-ups are promoted with the following components:

- a. Production incentives through A-TUFS with an additional subsidy on additional production and employment;
- b. PM ParidhanRozgarProtsahanYojana(PM PRPY) for providing additional 3.67% share of employer contribution in addition to PM RozgarProtsahanYojana(PMRPY) for all new employees enrolling in EPFO for the first three years;
- c. Rebate on State Levies for enhanced Duty Drawback on exports;
- d. Duty Drawback under All India Rate in Garmenting Sector under the Special Advance Authorisation Scheme
- e. Simplification of labour laws: Permissible 100 hrs of overtime per quarter, EPF contribution optional for employees earning less than Rs 15000 pm. Fixed term employment was introduced;
- f. Enhanced scope of section 80JJAA on Income Tax Act: Provision of 240 days reduced to 150 days

To promote domestic manufacturing, Government has recently increased the basic custom duty from 10% to 20% on import of MMF fabric, silk fabric, carpets, apparel and made-ups. Furthermore, the rates under Merchandise Exports from India Scheme (MEIS) have been enhanced from 2% to 4% for apparel, 5% to 7% for made-ups, handloom and handicrafts w.e.f. 1st November 2017.

Annexure-I

Referred to part (a) of Lok Sabha USQ No.816 for answer on 7.2.2019 regarding “Contribution of Textile Sector”

Production of Man-made Fibre, Filament Yarn, Spun Yarn and Cloth (Figures in Millions)								
	Product\Period	Units	2015-16	2016-17	2017-18	2018-19(p) (apr-Nov.)	2017-18(p)(Apr.-Nov.)	% Variation (Apr.-Nov.) 2018-19 over (Apr.-Nov.2017-19)
1	Man-made Fibre	Kg	1347	1364	1319	961	903	6.4
2	Man-Made Filament Yarn	Kg	1164	1159	1187	764	795	-3.9
3	Cotton Yarn	Kg	4138	4055	4064	2821	2699	4.2
4	Blended & 100% Non-Cotton Yarn	Kg	1527	1604	1616	1122	1085	3.4
5	Total(Spun Yarn)[3+4]	Kg	5665	5659	5680	3934	3784	4.0
6	Cloth(Mill Sector)	Sq.mtr	2315	2264	2157	1359	1454	-6.5
7	Cloth(Decentralized Sector)	Sq.mtr	62269	61216	64688	44292	42695	3.7
8	Total(Exc. Khadi, Wool, Silk)[6+7]	Sq.mtr	64584	63480	66845	45651	44149	3.4

Source.TXC,Mumbai. P. Provisional

Annexure-II

Referred to part (a) of Lok Sabha USQ No.816 for answer on 7.2.2019 regarding “Contribution of Textile Sector”

India's Exports in Textiles and Apparel (T&A) in US million dollars					
Sl.No.	Item	2014-15	2015-16	2016-17	2017-18
1	Readymade Garment	16221.61	16457.80	17012.00	16379.74
2	Cotton Textiles	11753.61	11148.64	10429.00	11202.39
3	Man-made textiles	5826.62	5162.04	5152.00	5413.17
4	Wool & Woolen textiles	509.64	459.25	389.20	355.85
5	Silk	446.91	342.07	219.10	226.42
6	Handloom Product	369.56	368.52	360.00	355.92
7	Carpets	1360.79	1440.20	1491.00	1429.77
8	Jute	366.90	312.53	321.00	349.89
9	Coir and Coir Manufacturers	285.15	261.59	265.00	325.77
10	Total Textile & Clothing	37140.79	35952.64	35638.30	36038.92
11	Handicrafts (Excl.Handmade Carpets)	3233.00	3292.75	3639.00	3555.40
12	Total T&C including Handicrafts	40373.79	39245.39	39277.30	39594.32
13	% Textile Export	13.01%	14.96%	14.24%	13.05%
14	India's overall Export	310338.48	262290.13	275851.70	303376.22

Source: DG CIS
