

LOK SABHA  
UNSTARRED QUESTION NO. 3209  
TO BE ANSWERED ON 12.7.2019

SHARE OF STATES IN DEVELOPMENT OF TEXTILE INDUSTRY

3209. SHRIMATI RATHVA GITABEN VAJESINGBHAI:

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

- (a) whether Union Government has evaluated the share of various States including Gujarat in development of textiles industry/sector;
- (b) if so, the details thereof;
- (c) the measures taken/to be taken by the Union Government to boost textiles sector in the country and to compete globally in partnership with other international players in this regard;
- (d) whether Union Government proposes to restructure its textile policy to achieve growth target set for the sector in the coming years; and
- (e) if so, the details thereof and the steps taken in this regard?

उत्तर

ANSWER

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

**(a) to (e):** Specific study for evaluating share of various states in the development of textile industry has not been undertaken. Government has, however, been implementing various policy initiatives and programmes for development of textiles industry across the country including in Gujarat and for global competition particularly for technology upgradation, infrastructure creation and skill development. These schemes/ programmes inter-alia include:-

- (i) Government has launched a special package of Rs.6000 crore in 2016 to boost investment, employment generation of around 1.11 crore jobs and exports in the garmenting and made-ups sector with the following components viz., (i) full refund is provided under Remission of State Levies (ROSL) to the exporters for the State level taxes; (ii) production linked additional incentive of 10% is provided under the Amended Technology Up-gradation Fund Scheme (ATUFS) and (iii) full employer's contribution (12%) of the Employment Provident Fund (EPF) is provided under the Pradhan Mantri Paridhan Rozgar Protsahan Yojana (PMPRPY) for a period of three years w.e.f 1<sup>st</sup> April,2018 to employees of garment industry who are earning less than Rs. 15,000 per month for all sectors including T&A sector.

- (ii) To improve the competitiveness of value-added segments, a new Scheme for Rebate of State and Central Taxes and Levies (RoSCTL) was approved by the Government to rebate all embedded state as well as central taxes/levies up to 31<sup>st</sup> March 2020.
- (iii) Under the Amended Technology Up-gradation Fund scheme, an outlay of Rs.17,822 crore has been provided for seven years from 2015-16 to 2021-22 for upgradation of textiles machineries which is expected to attract an investment of Rs 1 lakh crore and generate 35.62 lakh employment by 2022.
- (iv) As a part of Government's focus on skill development and employment generation in the textile sector, Government is implementing the 'Samarth – Scheme for Capacity Building', to train 10 lakh youth for a period of three years from 2017-18 to 2019-20, at an estimated cost of Rs.1300 crore. The scheme aimed at providing demand driven, placement oriented National Skills Qualifications Framework (NSQF) compliant skilling programmes to incentivize and supplement the efforts of the industry in creating jobs in the organized and related sectors and to provide skilling and skill-upgradation in the traditional sector.
- (v) A comprehensive scheme-“PowerTex India”— launched on 1<sup>st</sup> April, 2017 with an outlay of Rs. 487 crore for three years for loom upgradation, infrastructure creation and access to concessional credit is much needed push to the fabric segment;
- (vi) In order to boost production in knitting and knitwear clusters at Ludhiana, Kolkata, and Tirupur which provide employment to nearly 24 lakh persons, Government has launched a separate scheme for development of Knitting and Knitwear Sector in January 2019 with an outlay of Rs.47.72 crore for a period upto 31.3.2020.
- (vii) A new scheme 'Silk Samagra' was launched for a period of 3 years upto 2019-20, with an outlay of Rs.2161.68 crore for comprehensive development of the silk sector- Custom duty on import of Silk fabric increased from 10% to 20 % during February, 2018. India entered into international collaboration with Bulgaria, Japan, China and Uzbekistan to develop high yielding varieties of silk breeds.
- (viii) To improve productivity and quality of raw jute, a pilot-project of Jute ICARE has been successfully implemented through carefully designed interventions providing additional income to the extent of Rs. 10,000 per hectare for farmers.
- (ix) An extensive anthropometric research study titled 'India Size' through NIFT under R&D scheme is undertaken to develop a comprehensive body size chart for the Indian population to standardizing garment size charts for ready to wear industry both within the country and abroad.
- (x) Apart from the above, Government has been taking various initiatives for promotion of textile manufacturing by building the best-in-class manufacturing infrastructure,

upgradation of technology, fostering innovation and enhancing skills in the textile sector. These include 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 including silk, wool and jute sectors for enhancing production and employment generation in these segments.

- (xi) To promote exports of textiles and apparel, the Government has recently approved a project on Trend Insight and Forecasting Services titled 'VisionText' for development of first ever indigenous fashion forecasting process with integrated artificial intelligence and map out micro & micro trends in style and color direction, using socio-cultural insights extracting regional accents from the country for Indian fashion and Apparel Industry.
- (xii) To increase competitiveness of textile industry, Government announced a Special Package for garments and made-ups sectors. The package offers Rebate of State Levies (RoSL), labour law reforms, additional incentives under Amended Technology Upgradation Fund Scheme ATUFS and relaxation of Section 80JJAA of Income Tax Act. The RoSL scheme has been replaced by the new RoSCTL (Rebate of State and Central Taxes and Levies) scheme w.e.f 7<sup>th</sup> March 2019 and shall remain in force up to 31.03.2020. The rates under Merchandise Exports from India Scheme (MEIS) have been enhanced from 2% to 4% for garment and made-ups, 5% to 7% for handloom and handicrafts w.e.f. 1<sup>st</sup> November 2017. Products such as fibre, yarn and fabric in the textile value chain are being strengthened and made competitive through various schemes, inter alia, Powertex for fabric segment, ATUFS for all segments except spinning, Scheme for Integrated Textile Parks (SITP) for all segments, etc. Assistance is also provided to exporters under Market Access Initiative (MAI) Scheme. Government has enhanced interest equalization rate for pre and post shipment credit for exports done by MSMEs of textile sector from 3% to 5% w.e.f. 02.11.2018. Benefits of Interest Equalization Scheme has been extended to merchant exporters from 02.01.2019 which was earlier limited to only manufacturer exporters.

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