

LOK SABHA  
UNSTARRED QUESTION NO. 4258  
TO BE ANSWERED ON 13/12/2019

TEXTILE SECTOR

4258. SHRIMATI SHARDABEN ANILBHAI PATEL:

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

- (a) the steps taken by the Government to encourage textile sector in the country;
- (b) the details of the funds and other incentives being accorded to textile industries; and
- (c) the details of the employment avenues likely to be generated through the textile sector?

उत्तर

ANSWER

वस्त्र मंत्री (श्रीमती स्मृति जूबिन इरानी)

MINISTER OF TEXTILES  
(SMT. SMRITI ZUBIN IRANI)

**(a) to (c):** In order to achieve growth and to boost textiles sector in the country thereby increasing the productivity and employment, the Union Government has taken a large number of initiatives. Some of the major policy measures and schemes implemented by the Government are given below:-

- i. **Rebate of State and Central Taxes and Levies (ROSCTL) :** With effect from 07.03.2019, the Central Government has launched a new scheme viz. Rebate of State and Central Taxes and Levies (ROSCTL) on Export of Garments/Made-ups. The ROSCTL Scheme provides rebate of State and Central Taxes and Levies in addition to the Duty Drawback Scheme, through the Scheme on Export of Garments/Made-ups at notified rates and value caps and will remain in force upto 31.01.2020.
- ii. **Enhanced Customs Duty to boost domestic manufacturing:** To boost indigenous production and Make in India, Government has increased Basic Customs Duty from 10% to 20% on 501 textile products.
- iii. **Special Package for Textile and Apparel sector:** Rs 6000 crores package was launched in June 2016 to boost employment and export potential in the apparel and made up segments. This package consists of Remission of State Levies for

garmenting and made-ups; additional production and employment linked subsidy of 10% under ATUFS for garmenting; assistance for the entire 12% employers' contribution towards EPF; fixed term employment in garmenting, increasing overtime caps; and income tax concessions under section 80JJAA for the garmenting sector.

- iv. **Enhanced Duty Drawback Coverage / Rebate of State Levies (ROSL)** on Export of Garments/Made-ups: This scheme is in operation from 20th September 2016 for a period of three (3) years. In accordance with the recognized economic principle of zero rating of export products and in recognition of the fact that only Central Levies are rebated by way of the drawback scheme, the Central Government has decided to provide remission of State Levies in addition to the Duty Drawback Scheme through the Scheme for Rebate of State Levies on Export of Garments on an average basis only.
- v. **Amended Technology Up-gradation Fund Scheme (ATUFS):** The amended Scheme was launched in January 2016 with an outlay of Rs 17822 Crores for technology upgradation of textiles industry with one time capital subsidy for eligible machinery. The scheme has been designed to mobilize new investment of about Rs. 95 000 cr and employment for 35 lakh persons by the year 2022.
- vi. **SAMARTH- The Scheme for Capacity Building in Textile Sector (SCBTS)** for the entire value chain of textile sector, excluding Spinning and Weaving in the organized sector, for a period of three years from 2017-18 to 2019-20 with an outlay of Rs. 1300 crore. The objectives of the scheme inter alia include 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 organised textile and related sectors and to provide skilling and skill-upgradation in the traditional sectors. 10.00 lakh persons will be trained under the scheme by March, 2020.
- vii. **PowerTex India:** A comprehensive scheme for development of Powerloom sector has been launched w.e.f 01.04.2017 to 31.03.2020 with components like Insitu-upgradation of plain Powerlooms, Group Work Shed Scheme, Yarn Bank Scheme, Common Facility Centre (CFC), Solar Energy Scheme, Pradhan Mantri Credit Scheme, etc.
- viii. **National Handloom Development Programme and National Handicrafts Development Programme :** These programmes aim at holistic development of handloom and handicrafts clusters through integrated approach. The strategic interventions under the programme include financial assistance for new upgraded looms and accessories, design innovation, product and infrastructure development, skill upgradation, training, setting up of Mega clusters for increasing manufacturing

and exports, easy access to working capital through customized Mudra loans for weavers and artisans and direct marketing support to weavers and artisans.

- ix. **'India Handloom Brand'** Scheme has been launched by the Government in 2015 to enhance the quality in weaving, designing and defect free handloom products for safeguarding the interest of the buyers in the domestic and international markets. It will promote production of niche handloom products with high quality, authentic traditional designs with zero defect and zero effect on environment. Since its launch, 1232 registrations have been issued under 122 product categories and sale of Rs. 689.72 crore as reported on 31-03-2019.
- x. **Silk Samagra:** Government of India has been implementing a Central Sector Scheme “Silk Samagra” for development of sericulture in the country with components such as Research & Development, Training, Transfer of Technology and I.T Initiatives, support to seed organisations, coordination and market development and, quality certification Systems (QCS)/ Export Brand Promotion and Technology Upgradation. R&D efforts have also been initiated to evolve new products by blending silk with other fibres such as wool, coir, cotton etc., which have demand in international markets.
- xi. **Scheme for Integrated Textile Park (SITP):** This scheme is implemented in Public Private Partnership mode to attract private investments in developing new clusters of textiles manufacturing. Government of India provides financial assistance up to 40% of the project within a ceiling of Rs 40 crores. 59 projects are sanctioned under this scheme. Out of these 22 textile park are completed and remaining are at various stages of construction.
- xii. **Scheme for Additional Grant for Apparel Manufacturing Units under SITP (SAGAM) :** Under the Scheme, the Govt. provides additional grant of Rs 10 cr to Integrated Textile Parks under SITP to set up new /additional apparel units in the park. One project under the scheme has been sanctioned to Palladam Hi-Tech Weaving Park, Tamilnadu. This project is expected to provide employment to 2500 persons once completed.
- xiii. **Integrated Processing Development Scheme (IPDS):** The objectives of the Scheme is to enable the textile processing sector in meeting environmental standards through appropriate technology including marine, riverine and Zero Liquid Discharge (ZLD). Scheme is revised upto March, 2020 with an outlay of Rs. 500.00 crores. Currently, 7 projects are sanctioned under the scheme.
- xiv. **North East Region Textile Promotion Scheme (NERTPS):** This scheme promotes textiles industry in the North Eastern Region by providing infrastructure, capacity building and marketing support to all segments of textile industry. The scheme has an outlay of Rs. 500 crores during 2017-18 to 2019-20.

- xv. **Integrated Wool Development Programme (IWDP):** Government of India has recently approved IWDP for implementation during 2017-18 to 2019-20 after integrating and rationalization of various schemes for holistic growth of wool sector by providing support to entire chain of wool sector from wool rearer to end consumer to increase the wool production as well as its quality.
- xvi. **Jute (ICARE):** A project Jute ICARE (Improved Cultivation and Advanced Retting Exercise) was introduced in 2015 for improving productivity and quality of raw jute through carefully designed interventions. The project has benefitted more than 1.9 lakhs farmers in various states in the country.
- xvii. **JUTE -SMART :** The Office of the Jute Commissioner has developed an end-to-end web-based platform for procurement, inspection and dispatch of jute bags which is transparent, rule based, simple to use and real time.
- xviii. **Incentive Scheme for Acquisition of Plant & Machinery (ISAPM):** To increase the productivity of the jute machinery and make them efficient by replacing the old machines by new and technologically advanced machines, Government has been implementing the scheme for modernization of jute industry. The scheme has been instrumental in bringing new investment to the industry. The ISAPM scheme has been launched in 2013 with an incentive @20% of the cost of machineries to Jute mills and 30% to the MSME –Jute Diversified Product (JDP) units During 2014-15 to 2018-19, capital subsidy amounting to Rs. 4971.19 lakhs to jute mills and JDP units has been released.
- xix. **The Export Promotion Councils (EPCs)** work in close co-operation with various organizations of the Government to promote the growth and export of their respective sectors viz. readymade garments, cotton, silk, jute, powerloom, handloom, handicrafts and carpets, in global markets. EPCs participate and organize fairs and exhibitions and standalone shows in India & overseas markets to enhance exports and access new markets.
- xx. **Enhancement of rates under Merchandise Exports from India Scheme (MEIS):** To further boost exports of apparel & made-up sectors, interest rates under Merchandise Exports from India Scheme (MEIS) has been enhanced from 2% to 4% for apparel, 5% to 7% for made-ups, handloom and handicrafts w.e.f. 1st November, 2017.
- xxi. **Market Access Initiative (MAI):** The objective of scheme is to promote India's exports on a sustained basis. The scheme is formulated on product-focus country approach to evolve specific market and specific product through market

studies/survey. The following activities are eligible for financial assistance under the scheme:

- Marketing Projects Abroad
- Capacity Building
- Support for Statutory Compliances
- Studies
- Project Development
- Developing Foreign Trade Facilitation web Portal
- To support Cottage and handicrafts units

**xxii. Textiles India 2017:** The Ministry of Textiles organized a 3 day mega textile exhibition namely, Textiles India 2017 from 30<sup>th</sup> June to 2<sup>nd</sup> July 2017 at Gujarat. The Principal objective of organizing the said mega event was to bring all segments of the Textiles sector under one umbrella trade event and showcase the strength of the Indian Textiles sector to the world. This event witnessed participation of buyers from 105 countries, international delegates and representatives and artisans and weavers.

**xxiii. Technical Textile:** To promote Technical Textile sector, Government has notified 207 HSN (Harmonized System Nomenclature) Codes as Technical Textiles, and has issued order under the Public Procurement (Preference to Make in India) Order, 2017, prescribing Minimum Local Purchase Content for Technical Textiles items in 10 segments for government procurement.

The above initiatives/ schemes are also aimed at setting up of new units as well as expansion of the existing units which have potential for generating large employment opportunities.

Details of Funds allocated and Expenditure under various Textile Sector Schemes is at **Annexure**.



**Details of Funds allocated and Expenditure under various Textile Sector Schemes**

(Rs. in crores)

<b>Textile Sector</b>	<b>2016-17</b>			<b>2017-18</b>			<b>2018-19</b>			<b>2019-20</b>	
<b>Name of the Scheme/ Project/ Programme</b>	<b>BE</b>	<b>RE</b>	<b>Exp</b>	<b>BE</b>	<b>RE</b>	<b>Exp</b>	<b>BE</b>	<b>RE</b>	<b>Exp</b>	<b>BE</b>	<b>Exp on 10.12.2019</b>
<b>Handloom</b>	770.00	826.00	786.35	654.00	528.72	532.16	441.49	477.35	287.58	456.80	250.97
<b>Handicrafts</b>	375.00	341.00	294.27	289.70	229.82	217.06	198.42	240.61	104.75	286.17	165.21
<b>Wool</b>	32.01	20.00	21.85	32.00	25.00	29.14	11.45	5.30	2.43	29.00	2.00
<b>Silk</b>	507.50	507.50	496.51	575.00	600.00	542.50	510.61	600.61	427.16	740.00	582.16
<b>Powerloom</b>	121.03	121.03	124.57	161.76	115.50	114.91	112.15	106.18	82.21	159.08	23.96
<b>Jute</b>	121.45	120.93	118.50	108.52	145.86	158.22	39.14	39.04	29.35	34.55	34.04
<b>Remission of State Leveis(ROSL)</b>	0.00	400.00	400.00	1555.00	1855.00	1830.57	2163.85	3663.85	2622.30	0.00	0.00
<b>Consumer Industries(Misc.)</b>	2614.15	3944.41	3937.25	2602.00	2695.27	2453.30	3616.06	1768.53	843.10	3125.88	2178.87
<b>TUFS, SITP, NIFT, R&amp;D, ISDS, Technical Textiles, IPDS, NERTPS, etc.</b>											
<b>Total</b>	4541.14	6280.87	6179.3	5977.98	6195.17	5877.86	7093.17	6901.47	4398.88	4831.48	3237.21

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