

LOK SABHA
UNSTARRED QUESTION NO. 3063
TO BE ANSWERED ON 06.08.2021

FDI IN TEXTILE SECTOR

3063. SHRIMATI POONAM MAHAJAN:
SHRI MANSUKHBHAI DHANJIBHAI VASAVA:

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

- (a) the total amount received as Foreign Direct Investment (FDI) in textile sector during the last five years, sector-wise and country-wise;
- (b) the details of the country which has invested the maximum amount as FDI in textile sector indicating the amount invested;
- (c) the details of the new jobs, if any, created through the FDI inflow during the said period, State-wise;
- (d) the impact of the FDI on the overall growth of the sector; and
- (e) the efforts made by the Government to ensure maximum utilization of funds received through FDI and to protect the interest of Artisans, Weavers and Labourers in Textile Sector, etc.?

उत्तर

ANSWER

वस्त्र राज्य मंत्री (श्रीमती दर्शना जरदोश)

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES
(SMT. DARSHANA JARDOSH)

- (a):** A statement on Financial Year wise overall FDI equity inflows and Country-wise FDI equity inflows from April 2016 to March'2021 of Textiles sector(including dyed, printed) is given at **Annexure-I**.
- (b):** Japan has invested the maximum amount US\$ 381.47 million as FDI in textiles sector.
- (c):** As per Government FDI Policy for Textiles Sector, Textiles is open to FDI under automatic route. Nearly 80% of textiles units in India are MSME resulting in fragmented nature of industry. Therefore, the data on jobs created is not centrally maintained.
- (d):** FDI inflows serve to augment domestic capital and help to promote industrial development thereby increase its production capacity, export competitiveness, employment opportunities across textiles sector. Such investments bring international best practices and latest technologies in various sectors leading to overall economic growth and development in the country.
- (e):** There are no FDI specific incentives for artisans, weavers and labourers provided by the Government, however, a statement on overall efforts made by the Government to protect interest of Artisans, Weavers and Labourers in textiles sector is at **Annexure-II**.

**STATEMENT ON FINANCIAL YEAR WISE FDI EQUITY INFLOWS
FROM APRIL 2016 TO MARCH 2021
Sector TEXTILES (INCLUDING DYED, PRINTED)**

Sl No	Financial Year	FDI Equity inflow in US\$ million
1	2016-17	618.95
2	2017-18	454.45
3	2018-19	198.14
4	2019-20	323.52
5	2020-21	298.67
	Grand Total	1,893.73

**STATEMENT ON FINANCIAL YEAR WISE FDI EQUITY INFLOWS
FROM APRIL 2016 TO MARCH 2021
Sector TEXTILES (INCLUDING DYED,PRINTED)**

Sl No	Country	2016-17 Apr-Mar	2017-18 Apr-Mar	2018-19 Apr-Mar	2019-20 Apr-Mar	2020-21 Apr-Mar	Total
		FDI in US\$ million	FDI in US\$ million	FDI in US\$ million	FDI in US\$ million	FDI in US\$ million	
1	Australia	0.87	2.18	0.01	0.04	0.00	3.10
2	Austria	0.05	0.12	0.09	0.10	0.09	0.46
3	Belgium	5.22	0.00	0.02	0.01	20.20	25.46
4	Canada	0.57	80.79	0.05	0.88	0.14	82.44
5	China	0.39	0.00	0.69	6.59	1.65	9.32
6	Cyprus	0.00	101.46	17.54	103.21	0.00	222.20
7	Denmark	0.00	0.00	0.00	0.01	0.00	0.01
8	France	2.19	0.13	0.07	0.02	0.26	2.66
9	Germany	23.13	5.53	4.66	2.57	1.00	36.90
10	HongKong	0.39	0.77	1.74	1.62	1.58	6.11
11	Hungary	0.00	0.00	0.00	3.22	0.00	3.22
12	Israel	1.72	1.52	0.94	0.00	3.26	7.44
13	Italy	11.67	0.28	14.13	12.16	24.53	62.78
14	Japan	49.98	50.75	0.41	71.77	208.56	381.47
15	Lebanon	0.00	0.00	0.10	0.00	0.01	0.11
16	South Korea	0.66	0.00	21.32	0.38	0.30	22.67
17	Kuwait	0.00	0.00	0.00	0.00	0.00	0.00
18	Luxembourg	0.00	0.00	6.35	0.00	0.00	6.35
19	Malaysia	0.00	0.02	0.00	0.00	0.00	0.02

20	Mauritius	33.30	153.08	81.00	38.02	28.58	333.97
21	Netherland	223.04	1.10	1.16	53.23	5.78	284.30
22	Norway	0.52	0.00	0.00	0.00	0.00	0.52
23	Oman	0.00	0.25	2.09	0.00	0.00	2.33
24	Poland	0.00	0.19	0.15	10.57	0.06	10.97
25	Qatar	0.00	0.00	0.05	0.00	0.00	0.05
26	Russia	0.00	0.00	0.12	0.00	0.00	0.13
27	Saudi Arabia	0.00	0.00	0.00	0.00	0.00	0.00
28	Singapore	190.51	0.70	6.93	9.00	0.23	207.37
29	Spain	5.67	0.00	1.82	0.00	0.06	7.55
30	Sri Lanka	0.11	0.96	0.00	0.00	0.00	1.07
31	Sweden	0.00	0.00	0.11	0.00	0.00	0.11
32	Switzerland	0.00	0.88	0.03	0.03	0.00	0.94
33	Taiwan	0.23	0.00	0.00	0.00	0.00	0.23
34	Thailand	0.09	0.17	0.00	0.00	0.00	0.25
35	Turkey	0.05	0.00	7.11	0.00	0.00	7.16
36	UAE	3.07	8.15	9.04	2.29	0.54	23.09
37	United Kingdom	0.16	0.94	0.99	0.43	0.10	2.61
38	U.S.A	64.94	43.28	14.22	4.99	1.02	128.45
39	British Virginia	0.00	0.00	0.05	2.38	0.71	3.13
40	Vietnam	0.00	0.00	0.00	0.00	0.00	0.00
41	Kenya	0.00	0.00	0.00	0.00	0.00	0.00
42	Egypt	0.43	0.74	0.16	0.00	0.00	1.32
43	Virgin Islands(US)	0.00	0.47	0.00	0.00	0.00	0.47
44	Seychelles	0.00	0.00	0.00	0.00	0.00	0.00
45	SAMOA ISLANDS	0.00	0.00	4.98	0.00	0.00	4.98
46	Niue Island	0.00	0.00	0.01	0.00	0.00	0.01

Efforts made by the Government to protect interest of Artisans, Weavers and Labourers in textiles sector

1. National Handloom Development Programme and National Handicrafts Development Programme aim at holistic development of artisans/weavers through integrated approach.

2. Under various schematic interventions for handloom workers, financial assistance is provided to the eligible handloom agencies/weavers for raw materials, purchase of upgraded looms & accessories, design innovation & product diversification, infrastructure development, marketing of handloom products in domestic as well as overseas markets, Mudra loans at concessional rates, etc. Further, to overcome the challenges being faced by the workers, the Government has taken following steps for their welfare and to promote handlooms across the country:

- (i) To support the handloom sector and to enable wider market for handloom weavers, steps have been taken to on-board weavers on Government e-Market place (GeM) to enable them to sell their products directly to various Government Departments and organizations. So far about 1.50 Lakh weavers have been on-boarded on the GeM portal.
- (ii) To enhance productivity, marketing capabilities and ensure better incomes, 125 Handloom Producer companies have been formed in different States.
- (iii) Under Concessional Credit/Weaver MUDRA Scheme, margin money assistance at 20% of the loan amount subject to a maximum of Rs. 10,000/- per weaver, interest subvention upto 7% and credit guarantee fees on loans for a period of three (3) years are given.
- (iv) Design Resource Centres (DRCs) have been set up in Weavers' Service Centres (WSCs) at Delhi, Mumbai, Varanasi, Ahmedabad, Jaipur, Bhubaneswar and Guwahati, through NIFT with the objective to build and create design-oriented excellence in the Handloom Sector and to facilitate weavers, exporters, manufacturers and designers access design repositories for sample/product improvisation and development.
- (v) To promote marketing of handloom products, Handloom Export Promotion Council (HEPC) has been organizing International Fairs in virtual mode. During the year 2020-21, 12 handloom fairs were organized in virtual mode. Besides, domestic marketing events were also organized in different parts of the country for the weavers to market and sell their products.

3. Under "National Handicraft Development Programme [NHDP]" and Handicrafts Cluster Development Scheme [CHCDS], artisans of handicraft sector are provided sustainable livelihood opportunities. to the artisans throughout the country

NHDP has following components:

- (i) Base Line Survey & Mobilization of Artisans under Ambedkar Hastshilp Vikas Yojana,
- (ii) Design & Technology Up gradation,
- (iii) Human Resource Development ,
- (iv) Direct Benefit to Artisans,+
- (v) Infrastructure and Technology Support,
- (vi) Research and Development,
- (vii) Marketing Support & Services.

The CHCDS has following components:

- (i) Mega Cluster,
- (ii) Special projects under Integrated Development and Promotion of Handicraft (IDPH).
