

IMPROVING TEXTILE EXPORTS

2873. SMT. RACHNA BANERJEE:

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

- (a) the specific steps taken by the Government to address the decline in the competitiveness of India's textile industry especially in terms of global market share;
- (b) the manner in which the Government is working with textile manufactures to overcome issues related to rising raw material costs especially for cotton and the volatility in the global market;
- (c) the strategies that are being put in place to improve India's textile exports especially in light of the ongoing trade barriers and competition from countries like China and Bangladesh;
- (d) the manner in which the Government facilitating innovation in the textile sector particularly in areas like textile waste recycling, bio-based fibers and sustainable garment production; and
- (e) the plans that are in place to strengthen the domestic market for textile products especially in light of challenges posed by cheaper imports and changing consumer preferences?

उत्तर

ANSWER

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THE MINISTER OF STATE FOR TEXTILES
(SHRI PABITRA MARGHERITA)

(a): India is ranked among the top textile exporting countries in the world with a share of approx. 4% of global textiles and apparel exports. The export of Textile & Apparel including Handicrafts has increased by 7% in April-December 2024 with respect to same period previous year. Major textile and apparel export destinations for India are USA, EU and UK with around 53% share in total textile and apparel exports in FY 2023-24.

The Government is implementing various schemes/initiatives to promote Indian textiles. The major schemes/initiatives include PM Mega Integrated Textile Regions and Apparel (PM MITRA) Parks Scheme to create a modern, integrated, world class textile infrastructure; Production Linked Incentive (PLI) Scheme focusing on MMF Fabric, MMF Apparel and Technical Textiles to boost large scale manufacturing and enhancing competitiveness; National Technical Textiles Mission focusing on Research Innovation & Development, Promotion and Market Development; SAMARTH – Scheme for Capacity Building in Textile Sector with the objective providing demand driven, placement oriented, skilling program; Silk Samagra-2 for comprehensive development of sericulture value chain; National Handloom Development Program for end to end support for handloom sector. Ministry of Textiles is also implementing National Handicrafts Development Programme and Comprehensive Handicrafts Cluster Development Scheme for promotion of handicrafts.

(b): The Indian textiles industry is one of the largest in the world with a large raw material base of natural fibre including cotton, silk, wool, jute as well as manmade fibre and manufacturing strength across the value chain from fibre to fabric to garments.

With a view to ensure a consistent supply of cotton in the country and have a sustained interest of farmers in cotton cultivation, Government of India is declaring Minimum Support Price (MSP) of cotton every year. This mechanism ensures that farmers receive a fair remunerative price for their produce in

the event market prices of cotton falls below the MSP rates and also facilitates the availability of cotton at competitive prices.

With effect from 20th February 2024, the custom duty on Extra-Long Staple (ELS) Cotton has been reduced to NIL. Under the India-Australia ECTA, 51,000 tonnes of duty free ELS Cotton can be imported since Dec 29, 2022.

(c): In order to increase the export potential, India has so far signed 14 Free Trade Agreements (FTAs) including recently concluded agreement with UAE, Australia and TEPA with EFTA countries comprising Switzerland, Iceland, Norway & Liechtenstein; and 6 Preferential Trade Agreements (PTAs) with various trading partners.

The Government is also implementing Rebate of State and Central Taxes and Levies (RoSCTL) scheme for Apparel/Garments and Made-ups in order to enhance competitiveness by adopting principle of zero rated exports. Further, textiles products not covered under the RoSCTL scheme are covered under Remissions of Duties and Taxes on Exported Products (RoDTEP) along with other products. In addition, Government provides financial support to various Export Promotion Councils and Trade Bodies under Market Access Initiative Scheme implemented by Department of Commerce for organising and participating in trade fairs, exhibitions, buyer-seller meets etc at national and international levels to boost export.

(d): With a view to boost technical textiles sector in the country, National Technical Textiles Mission (NTTM) was launched for a period from 2020-21 to 2025-26. The mission focusses on fundamental research in thrust areas of speciality fibre like Carbon Fibre, Aramid Fibre, Nylon Fibre, and Composites & application-based research in geotextiles, agro-textiles, medical textiles, mobile textiles and sports textiles and development of biodegradable technical textiles. For research in sustainable & biodegradable technical textiles, projects have been approved for research in non-conventional natural fibres like, Milk Weed, Bamboo Fibre, etc.

As far as innovation in textiles sector is concerned, Ministry of Textiles has conducted an Innovation Challenges in collaboration with Startup India & DPIIT. In this challenge, 9 winners were recognised and awarded and Incubation opportunity to 6 awardees were given through this Atal Innovation Mission (AIM). Apart from this, 3 separate innovations challenges were conducted by nature fibre boards on their respective problem statements i.e.

- NJB Technological Innovation Grand Challenge in which 3 winners were recognised and awarded out of 125 applicants.
- CSB Start-up Grand Challenge in which 4 winners were recognised and awarded out of 58 applicants.
- CWDB Wool Innovation Challenge in which 3 winners were recognised and awarded out of 24 applicants.

17 of the above-mentioned winners are directly engage activities such as textile waste recycling, bio-based fibres or sustainable garment production.

(e): The Government is regularly monitoring exports and imports and engaging with the industry in this regard. The Government has imposed Minimum Import Price of USD 3.50 per kg on Harmonized System of Nomenclature (HSN) codes under the heading 6,006, in order to control import of low rate and low-quality knitted fabrics. In the budget announcement, custom duty was revised on HSN under heading 6,006. Various QCOs have been imposed to curb imports of low-quality non-standard goods which allows protection to domestic producers.
