CHAPTER IV

EXPORTS
The export of textiles and clothing registered an unprecedented growth of about 25% in 2005-06. However, during 2006-07, textiles and clothing exports were at US$ 18.73 billion, recording a growth of about 7% over the previous year, and contributed about 15% of country’s total exports earnings in 2006-07. In the current financial year, the growth of textiles and clothing exports has been slower, which is being attributed by the Textiles & Clothing Industry mainly to the appreciation of the rupee. The details of India’s textiles exports item-wise during recent times are at table 4.1.

India’s export target of US $ 55 billion by 2012 has been fixed keeping in view the following factors:

- End of quota regime, wherein lower cost of manufacturing is likely to lead to rising preference for ready to use products.
- Growing world economies, with rising per-capita income, spurring consumption.
- Increased trade in apparel, driving the demand for fibre, yarn and fabrics.
- A surge in demand for technical textiles.
- A shift from manufacturing/stitching to design-cum-manufacturing.
- Increasing penetration of high format retail stores.
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<tr>
<td>Readymade Garment</td>
<td>35358.49</td>
<td>36541.55</td>
<td>3.35%</td>
<td>21293.85</td>
<td>17957.55</td>
<td>-15.67</td>
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<tr>
<td>RMG of cotton including accessories</td>
<td>29015.48</td>
<td>30564.21</td>
<td>5.30%</td>
<td>17477.92</td>
<td>38114.99</td>
<td>174.18</td>
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<td>RMG of Manmade fibre</td>
<td>4542.21</td>
<td>3943.30</td>
<td>-13.19%</td>
<td>2682.07</td>
<td>568.89</td>
<td>-19.31</td>
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<td>RMG of other textile material</td>
<td>1800.60</td>
<td>2044.04</td>
<td>13.51%</td>
<td>1133.86</td>
<td>247.27</td>
<td>-129.36</td>
</tr>
<tr>
<td>Cotton Textiles</td>
<td>20369.27</td>
<td>24819.54</td>
<td>21.85%</td>
<td>12917.52</td>
<td>2816.26</td>
<td>-11.30</td>
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<tr>
<td>Cotton raw including waste</td>
<td>2904.35</td>
<td>6101.84</td>
<td>110.09%</td>
<td>1707.82</td>
<td>372.43</td>
<td>-11.22</td>
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<tr>
<td>Cotton yarn, fabrics &amp; madeups</td>
<td>17464.92</td>
<td>18717.70</td>
<td>7.17%</td>
<td>11200.70</td>
<td>2444.55</td>
<td>-7.80</td>
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<td>Man-made textiles</td>
<td>9029.91</td>
<td>10684.16</td>
<td>18.32%</td>
<td>6092.12</td>
<td>1328.54</td>
<td>-15.79</td>
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<tr>
<td>Manmade staple fibres</td>
<td>361.97</td>
<td>869.37</td>
<td>145.70%</td>
<td>434.79</td>
<td>94.82</td>
<td>-11.46</td>
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<tr>
<td>Manmade yarn, fabrics &amp; madeups</td>
<td>8667.94</td>
<td>9794.79</td>
<td>13.00%</td>
<td>6657.33</td>
<td>2133.72</td>
<td>-43.19</td>
</tr>
<tr>
<td>Wool &amp; Woollen textiles</td>
<td>2018.52</td>
<td>2163.54</td>
<td>-0.27%</td>
<td>1015.81</td>
<td>221.52</td>
<td>-21.52</td>
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<tr>
<td>RMG of Wool</td>
<td>1640.33</td>
<td>1538.54</td>
<td>-0.13%</td>
<td>782.81</td>
<td>161.92</td>
<td>-19.31</td>
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<tr>
<td>Woolen yarn, fabrics &amp; madeups</td>
<td>377.55</td>
<td>379.28</td>
<td>0.45%</td>
<td>228.13</td>
<td>49.75</td>
<td>-13.90</td>
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<tr>
<td>Silk</td>
<td>3069.39</td>
<td>3120.43</td>
<td>1.66%</td>
<td>1812.96</td>
<td>395.36</td>
<td>-13.65</td>
</tr>
<tr>
<td>RMG of Silk</td>
<td>1154.31</td>
<td>1164.81</td>
<td>0.91%</td>
<td>645.15</td>
<td>140.69</td>
<td>-24.04</td>
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<tr>
<td>Natural silk yarn, fabrics &amp; madeups</td>
<td>1895.17</td>
<td>1933.52</td>
<td>2.02%</td>
<td>1154.44</td>
<td>251.75</td>
<td>-14.39</td>
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<td>Silk waste</td>
<td>19.91</td>
<td>22.10</td>
<td>11.00%</td>
<td>13.37</td>
<td>2.92</td>
<td>-14.17</td>
</tr>
<tr>
<td>Total Textiles</td>
<td>69845.58</td>
<td>77181.50</td>
<td>10.50%</td>
<td>43360.39</td>
<td>9455.79</td>
<td>-9.15</td>
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<tr>
<td>Handicrafts</td>
<td>5819.89</td>
<td>6506.37</td>
<td>-17.76%</td>
<td>3663.63</td>
<td>759.10</td>
<td>-24.47</td>
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<tr>
<td>Handicrafts (excluding handmade carpets)</td>
<td>2045.34</td>
<td>1692.14</td>
<td>-17.45%</td>
<td>1263.63</td>
<td>275.57</td>
<td>-23.97</td>
</tr>
<tr>
<td>Carpets (excluding silk) handmade</td>
<td>3671.99</td>
<td>3891.48</td>
<td>-6.00%</td>
<td>2357.82</td>
<td>514.16</td>
<td>-27.27</td>
</tr>
<tr>
<td>Jute &amp; Jute manufactures</td>
<td>103.35</td>
<td>124.01</td>
<td>19.98%</td>
<td>64.47</td>
<td>14.06</td>
<td>-23.46</td>
</tr>
<tr>
<td>Coir &amp; Coir Manufacturers</td>
<td>590.37</td>
<td>707.61</td>
<td>18.86%</td>
<td>368.98</td>
<td>80.47</td>
<td>-23.72</td>
</tr>
<tr>
<td>Jute carpet</td>
<td>1311.63</td>
<td>1165.27</td>
<td>-11.16%</td>
<td>808.88</td>
<td>176.60</td>
<td>-32.50</td>
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<tr>
<td>Jute &amp; Jute manufactures</td>
<td>338.08</td>
<td>297.46</td>
<td>-11.99%</td>
<td>150.54</td>
<td>41.54</td>
<td>-12.86</td>
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<tr>
<td>Jute carpet</td>
<td>252.55</td>
<td>260.85</td>
<td>3.29%</td>
<td>170.24</td>
<td>37.12</td>
<td>-19.47</td>
</tr>
<tr>
<td>Jute carpet</td>
<td>230.18</td>
<td>242.27</td>
<td>5.25%</td>
<td>176.56</td>
<td>35.15</td>
<td>-28.64</td>
</tr>
<tr>
<td>Jute carpet</td>
<td>490.90</td>
<td>364.69</td>
<td>-25.71%</td>
<td>271.52</td>
<td>59.21</td>
<td>-26.84</td>
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<tr>
<td>Total Textiles Exports</td>
<td>77567.47</td>
<td>81279.93</td>
<td>9.26%</td>
<td>48224.17</td>
<td>10516.46</td>
<td>-9.96</td>
</tr>
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</table>

Source: Monthly Foreign Trade Statistics of India (PC&C), DGCIS, Kolkata

(P) - Provisional
India’s position in the global trade in textiles and clothing

As per the latest available WTO data, India’s percentage share in global textiles and clothing trade was 4.3% in textiles, and 3.3% in clothing during the year 2006. India’s rank in world trade has been 7th in textiles and 5th in clothing.

Liberalized trading regime and emerging opportunities

The liberalized trading regime will lead to expansion in world trade, thereby providing greater export opportunities. It will also expose the Indian textiles industry to the threat of import penetration.

Various international studies have forecast gains for India in the quota free regime. These studies have predicted major gains would accrue to China and India, and India would emerge as an alternate source to China in the region.

Country-wise analysis

The United States of America (USA)

- India’s exports to USA during the calendar year 2004 were US $ 4119 million, and rose to US $ 5131 million in 2005, and to US$ 5582 million in 2006.
- Currently, India ranks as the third biggest supplier of textiles to USA with sales of US $ 5181 million achieved in January-November, 2007.
- There has been a growth of only 1.2% during the period January-November 2007 over the corresponding period of previous year. However, the percentage change in US imports of textiles and clothing items from all countries during this period has been 3.3%.

The European Union (EU)

- India’s textiles exports to EU were 5899 million Euros in 2006, up from Euro 5158 million in 2005, denoting a percentage change of 14.37%. However, market share at 7.31% in 2006 was only 0.23% higher than in 2005.
- During the same period, the neighbouring countries viz. Pakistan, Bangladesh, Sri Lanka and then Vietnam achieved percentage growth of 13%, 30%, 21% and 46.60% respectively.
- Indian T&C exports, excluding those to USA and EU, recorded a decline of 7.6% in USD terms during April-May, 2007; the combined share of Indian T&C exports to EU and USA declined from 58.37% to 56.48%.

Emergence of new buyers and suppliers

India has emerged as a major sourcing destination for new buyers. As a measure to grow interest in the Indian Textiles and the Apparel sector, a number of buyers opened their sourcing/liaison offices in India.

IMPACT OF THE APPRECIATING RUPEE ON INDIAN TEXTILES EXPORTS

In the post-quota period, India has emerged as a major sourcing destination for new buyers. As a measure of growing interest in the Indian textiles and clothing sector, a number of buyers opened their sourcing/liaison offices in India. Commercially, buoyant retailers across the world are looking for options to increase their sourcing from Indian markets. Indian manufacturers are also pro-actively working to enhance their capacities to fulfill this increased
India’s textiles & clothing (T&C) export registered robust growth of 25% in 2005-06, recording a rise of US$ 3.5 billion in value terms thereby reaching US$ 17.52 billion. During 2006-07, T&C exports were US$18.73 billion recording a growth of about 7% over the previous year, and contributed to 15% of country’s total exports earning.

In the current financial year, various export promotion councils and trade bodies have been representing to the Government that textiles exports have been adversely affected by the appreciation of the rupee vis-a-vis the US dollar. As per the DGCIS data, textiles & clothing exports during the 1st half of current financial year amounted to US$ 9.14 billion, as against US$ 9.23 billion in the corresponding period of the previous year, recording a negative growth of about 1%. All major commodities of textiles have recorded negative growth except man-made textiles, which has recorded a growth of about 26%. Handicrafts items, cotton textiles and readymade garments, major textiles commodities, have recorded negative growth of 18%, 3.25% and 6.6%, respectively.

To support and strengthen the textiles industry to meet these challenges, the Government is implementing several measures. As a part of these measures, the Government has already announced certain concessions to the textiles industry. These include an increase in Duty Entitlement Pass Book and Duty Drawback rates, exemption from service tax on select services, reduction in interest rates of pre-shipment and post-shipment credit, and faster clearance of arrears of terminal excise duties and Central Sales Tax, etc. In addition, the Ministry of Textiles has decided to continue TUFS and SiTP to equip the textiles industry with latest technology and world class infrastructure.

**Import Scenario**

Total textiles imports were of the order of Rs.12,857 crores. 51% of this was on account of the import of yarn and fabrics, and 44% on account of import of raw material and semi-raw-material. Imports have increased by a little over 6% since 2005-06. However, the import of textiles as a percentage of total imports has been going down steadily, and comprised only 1.49% in 2006-07.

**Restructuring Export Promotion Councils**

With the phasing out of the Multi Fibre Agreement (MFA) regime from 1st January 2005, measures have been taken to restructure the industry in order to prepare it for the quota free regime. The role of the textiles Export Promotion Councils (EPCs) has been completely reorganized. Steps are being taken to tap the new and existing markets by organizing Buyer-Seller Meets (BSMs), Exhibitions, Road Shows, Fashion Shows, and visits of Textiles Delegations abroad as a part of exports promotion activities.

**Tariff Rate Quota (TRQ) – MoU between India and Sri Lanka**

Sri Lanka is one of the countries with which India has a Free Trade Agreement (FTA). A major step for realizing the objectives of the FTA was taken when an MoU was signed between India and Sri Lanka whereby Sri Lanka would be allowed to export three million pieces of apparel items to India in one calendar year duty-free and without any condition on outsourcing of fabric from India or any restriction on port of entry for such exports. The MoU was signed on October 5, 2007.
EXPERIMENTAL LITHOGRAPHIC COUNCILS

Apparel Export Promotion Council (AEPC)

The Apparel Export Promotion Council (AEPC) was sponsored on February 22, 1978 to promote exports of readymade garments from India. The Council was administering the exports entitlements quota in respect of readymade garment items, which were subject to restraint in USA, European Union and Canada. Besides its headquarters at New Delhi, the Council has Regional Offices at New Delhi, Jaipur (Rajasthan), Ludhiana (Punjab), Mumbai (Maharashtra), Chennai and Tirupur (Tamilnadu), Bangalore (Karnataka) and Kolkata (West Bengal).

Export Promotion Activities

During the 2007-2008, AEPC participated in overseas exhibitions/fairs, organization of Buyer-Seller-Meets abroad, sponsoring trade delegations for consolidating the existing markets and exploring new markets.

The Handlooms Export Promotion Council

The Handlooms Export Promotion Council, registered under the Companies Act, 1956, was constituted in 1965, by the Government of India as the nodal agency for export promotion efforts. The Handlooms Export Promotion Council provides a wide range of services which include dissemination of trade information & intelligence; Publicity abroad for Indian handlooms products; Organization of business missions/buyer seller meets and participation in International trade events; Consultancy and guidance services for handloom exporters; Liaison with the Government of India on all procedural and policy matters relevant to the handlooms export trade.

Apparel International Mart (AIM)

AEPC has constructed an Apparel International Mart (AIM) at Gurgaon in Haryana with a covered area of 3.5 lakhs sq. ft., where International buyers can have coverage at one single source to access their requirements and conduct on-the-spot business. The Mart has centrally air-conditioned showrooms (about 250) which will be given either on lease or on licence basis to the established garment exporters. These will provide a world class facility to the apparel exporters to showcase their products and serve as one shop for reputed international buyers. As on date 175 showrooms have been booked in a total against 229 showrooms. The completion certificate of the building has been obtained from Haryan Urban Development Authority (HUDA), and conveyance deed of building has been executed with the concerned authority. The Apparel House has become as important landmark in Gurgaon, and houses facilities like an Auditorium, Exhibition Hall, Art Gallery, Cafeteria, and Plaza & Amphitheatre.

Apparel Training & Design Centre (ATDCs)

ATDCs, set up by the Apparel Export Promotion Council in 1991, provide solutions to fast growing garment industry to increase productivity & technological enhancement through adequate human resources training. Thirty-nine (39) ATDC centres are currently functioning all over India and a few more will come-up very soon. These centres have trained over 30000 personnel. As part of
its social commitment, the ATDCs trains physically challenged youth under the Tailors Training Programme. ATDC also imparts professional training on state-of-the-art machinery & equipment being currently used in garment manufacturing units.

ADMINISTRATION OF EXPORT ENTITLEMENTS (QUOTA)

The international trade in textiles and clothing was regulated by special arrangements for forty years outside the rules of General Agreement on Tariff and Trade (GATT). The framework of this Multi-Fibre Arrangement (MFA) applied to international trade in textiles and clothing from 1974 to 1994. India entered into bilateral agreements with USA, Canada, EU, etc. Exports to these countries accounted for a major share of total exports of Indian textiles. Consequent upon the establishment of the World Trade Organisation (WTO) with effect from January 1, 1995, the quantitative restrictions in the bilateral agreements under the MFA were governed by the Agreement on Textiles and Clothing (ATC) contained in the final Act of Uruguay Round negotiations. The quota regime in the textile sectors was completely phased out by December 31, 2004.

Prior to January 1, 2005, the exports of textiles and clothing (including knitwear), subject to quantitative restrictions, were regulated by means of the Export Entitlements (Quota) Policies (for garments and textiles respectively) formulated by the Government. With the dismantling of the Quota Regime, there is no Quota Policy in operation since January 1, 2005. However certain provisions of the Quota Policy have been extended upto December 31, 2008 to deal with the situations arising out of the residuary operations of the Policy.

EXPORT PROMOTION, INFRASTRUCTURE AND TECHNOLOGY UPGRADE MEASURES

APPAREL PARK FOR EXPORTS SCHEME (APES)

The Government had launched the Apparel Park for Exports Scheme (APES) in 2002, a centrally sponsored scheme with the objective of imparting a focused thrust to set up apparel units of international standards and to give a fillip to exports, Twelve Project Proposals were sanctioned to set-up Apparel Parks at Tronica City and Kanpur (Uttar Pradesh), Surat (Gujarat), Thiruvananthapuram (Kerala), Visakhapatnam (Andhra Pradesh), Ludhiana (Punjab), Bangalore (Karnataka), Tirupur and Kancheepuram (Tamil Nadu), SEZ, Indore (Madhya Pradesh), Mahal (Jaipur, Rajasthan) and Butibori-Nagpur (Maharashtra).

TEXTILES CENTRE INFRASTRUCTURE DEVELOPMENT SCHEME (TCIDS)

Development of infrastructure facilities in pre-dominantly textiles/apparel sector areas was one of the thrust areas of the National Textiles Policy 2000 (NTxP-2000). To attain this objective, the Textiles Centre Infrastructure Development Scheme (TCIDS) was launched in December 2002, for upgrading infrastructure facilities at important textiles centers. Eighteen projects were approved under the TCIDS.

SCHEME FOR INTEGRATED TEXTILES PARKS (SITP)

To provide the industry with world-class infrastructure facilities for setting up
their textiles units, the Government launched the ‘Scheme for Integrated Textile Parks (SITP)’ on July 25, 2005, by merging the ‘Apparel Parks for Exports Scheme (APES)’ and ‘Textiles Centre Infrastructure Development Scheme (TCIDS)’. Industry Associations/ Group of Entrepreneurs are the main promoters of the Integrated Textiles Parks (ITP).

**Scope of the Scheme**

The scheme targets industrial clusters/locations with high growth potential, which require strategic interventions by way of providing world-class infrastructure support. The project cost covers common infrastructure and buildings for production/support activities, depending on the needs of the ITP. The components of an ITP are:

- **Group A** - Land.
- **Group B** – Common Infrastructure like compound wall, roads, drainage, water supply, electricity supply including captive power plant, effluent treatment, telecommunication lines, etc.
- **Group C** – Buildings for common facilities like testing laboratory, design center, training center, trade center/display center, ware housing facility/raw material depot, crèche, canteen, workers hostel, offices of service providers, labour rest and recreation facilities, etc.
- **Group D** – Factory buildings for production purposes.
- **Group E**- Plant & machinery.

The total Project Cost for the purpose of this Scheme includes the cost on account of components of ITP, as listed under Groups A, B, C and D above, provided the ownership of the factory buildings vests with the Special Purpose Vehicle (SPV). SPV, however, has the option of seeking financial support from Government for components under Groups B and C only, if factory buildings are individually owned.

**Funding Pattern**

The total project cost, as indicated above, is funded through a mix of Equity/Grant – from the Government of India, State Government, State Industrial Development Corporation, Industry & Project Management Consultant and Loan – from Banks/ Financial Institutions.

The GOI support under the Scheme by way of Grant or Equity is limited to 40% of the project cost subject to a ceiling of Rs. 40.00 crores. This could be given as grant or equity to the Special Purpose Vehicle (SPV). However, the combined equity stake of GOI/State Government/State Industrial Development Corporation, if any, should not exceed 49%.

**Progress**

As per the target for the Xth Five Year Plan, 30 projects were approved by the Government of India. State-wise details of sanctioned project are - Andhra Pradesh (4), Gujarat (7), Karnataka (1), Maharashtra (6), Punjab (1) Rajasthan (4), Tamil Nadu (6), and West Bengal (1). These Parks would have facilities for spinning, sizing, texturising, weaving, processing, apparels, etc. The estimated project cost (for common infrastructure and common facilities) is Rs. 2,893.42 crores, of which Government of India assistance under the scheme would be Rs. 1,054.76 crores. Upto December 2007, Rs. 238.77 crores has been disbursed for implementation of these projects. Total disbursement, upto March 2008, is estimated at Rs. 325.00 crores. 2,186 entrepreneurs will put up their
units in these parks covering an area of 3,206 Acre. The projected investment in these parks is Rs. 15,258 crores and estimated annual production is Rs 24,024 crores. When fully operational, these parks would generate employment for 5.45 lakh persons (2.02 lakh direct & 3.43 indirect). These parks are expected to be developed by March 2009.

NATIONAL MANUFACTURING COMPETITIVENESS COUNCIL (NMCC)

Globally, the manufacturing activities are now acquiring a new dimension. The trend is to source products from low-cost countries (LCCs). This is gaining momentum. India with its past experience, large pool of skilled manpower, established raw material and supply base and growing domestic volumes has the potential to emerge as major manufacturing hub for the global market. To harness the opportunities and the potential, appropriate sector specific interventions with special focus is the need of the hour. Textiles Sector is one such sector which offers immediate opportunities to garner a major share of the global market.

Attaining competitive edge in 'manufacturing' depends critically on mitigating constraints; both the general constraints such as inadequate infrastructure, high transaction costs, higher interest, power and regulatory issues as well as sector specific constraints such as technology upgradation, market access, duty structure, managerial practices and competitive scales, etc. Resolution of these constraints necessitates focused attention and action involving not only inter-Ministerial/Departmental co-ordination but also closer interaction amongst stakeholders viz; industry, input providers, financial institutions, education, research and management institutions.

In the above background and in line with the priorities laid down in the National Common Minimum Programme, the Government has set up the National Manufacturing Competitiveness Council (NMCC). This is an interdisciplinary and autonomous body at the highest level to serve as a policy forum for credible and coherent policy initiatives in manufacturing sector.

NMCC has identified Textiles & Garments (T&G) as one of the priority sectors having high growth potential and higher multiplier effects for employment generation. Timely policy intervention can boost the competitiveness of this sector manifold, as the growth impetus prevailing in the sector is vibrant. Textiles and Clothing industry plays a dominant role in the country’s economy and has a prominent position in the textiles world. It has a total market size of US $52 billion and accounts for 26% of the manufacturing sector, 20% of industrial production and 18% of industrial employment. It contributes 15% to gross export earnings and 4% to national GDP. It provides direct employment to about 35 million persons. Besides, another 50 million people are engaged in allied activities. Market size potential for the industry is envisaged at USD 115 bn. by 2012. This would create 12 million job opportunities - 5 million direct jobs in textile industry and 7 million jobs in allied sectors. In order to achieve the vision, investments to the tune of Rs. 1,50,600 crores would be required.
Initiatives in textiles sector

Tex-Summit 2007

The Ministry organized a “TEX SUMMIT”, which was a conference to deliberate on areas of concern for the Textiles Sector, boost productivity and export, and harness the potential of the sector to the advantage of the economy, and generate employment. The Summit was structured on the workshops approach and addressed major challenges like the availability of raw material, appropriate technology, investment climate and opportunities, emerging trade barriers. The two day Summit was held from August 31-September 1, 2007.

Prime Minister’s Valedictory Address at the Summit – New Initiatives:

Setting agenda for the growth path, Dr. Manmohan Singh, Hon’ble Prime Minister, inter-alia, announced following new initiatives:

(i) To set up a Technology Mission on Technical Textiles to take policy initiatives and to encourage new investment.

(ii) To launch Investment Regions for the Textile Sector to consolidate the phenomenon of agglomeration, visible in textiles to further reduce transaction costs and enhance competitiveness. Concentrated, contiguous investment and production regions with high quality infrastructure and covering the entire value chain can help obviate, to an extent, the burden imposed by multiple levies, high power costs, bottlenecks in shipment and delays in legal clearances.

(iii) Immediate finalization of the proposal of Ministry of Textiles for Manpower
and Skill Development through the scheme of Neighborhood Apparel and Textiles Training Institutes for Job Assurances (NATIJA) to train 4 million workers.

(iv) To develop a focused strategy for market expansion and product diversification to facilitate better market access and greater value realization for products.

(v) To revitalize Handloom Cooperatives on the pattern of agricultural cooperatives.

**Fiscal Reforms**

- The fiscal duty structure has been generally rationalized to achieve growth and maximum value addition within the country.

- Except for mandatory excise duty on man-made filament yarns and man-made staple fibres, the whole value addition chain has been given an option of excise exemption. For those opting to pay the duty and thereby avail of duty credit, the applicable rate of excise duty is 4% for cotton textile items (i.e. yarns, fabrics, garments and made-ups) and 8% in respect of all other textile goods.

- The import of a number of textile machinery items of spinning, weaving, processing and readymade garment sectors has been allowed at concessional customs duty of 5% and 10% as against normal customs duty of 12.5%.

- Service Tax exemption on a number of services/ Refunds for exports extentended.

**TECHNOLOGY MISSION ON TECHNICAL TEXTILES**

During the “TexSummit 2007”, the Prime Minister announced the “Mission on Technical Textiles” during the XIth Five Year Plan. To start with, the Government has approved the new scheme “Development and Growth of Technical Textiles” during the XIth Five Year Plan, with a budgetary allocation of Rs. 48.00 crores. Under the scheme, four Centers of Excellence (CoE) will be set-up for the key segments of the technical textiles of Meditech, Geotech, Agritech, and Buildtech.

**NATIONAL INSTITUTE OF FASHION TECHNOLOGY (NIFT)**

The National Institute of Fashion Technology was set up in 1986 as an autonomous Society in collaboration with the Fashion Technology (FIT), New York, to train professionals to meet the requirements of the textiles industry. The Institute has pioneered the evolution of fashion business education across the country through its network of seven centres at New Delhi, Bangalore, Chennai, Gandhinagar, Hyderabad, Kolkata and Mumbai. A Centre at Rae Bareli has been added from academic year 2007-08. NIFT, besides conducting regular professional undergraduate and postgraduate programmes in Design, Management and Technology, also offers short duration part-time courses under its Continuing Education (CE) Programme. The Institute, which admitted 30 students in 1987, now admits around 1352 students every year, which excludes 15% supernumerary seats reserved for NRI/SAARC/Foreign nationals.

The National Institute of Fashion Technology Act, 2006 came into force on July 14, 2006 and comes into effect from April 1, 2007. The Act provides statutory status to the Institute and formally recognizes its leadership in fashion technology sector, and empowers NIFT to award degrees to its students. NIFT
is the first institute in the world to award degrees in fashion education.

NIFT has been instrumental in bringing about a paradigm shift in the perception of ‘fashion’ in India, with its connotation extending beyond the conventional apparel industry, by integrating with every aspect of the lifestyle industry. Fashion today encompasses popular trend or a lifestyle, specially in styles of dressing ornaments or manners of behaviour or the business of creating, promoting or studying styles in vogue or the designing, production and marketing of new styles of goods such as, clothing, accessories, craft and cosmetics, thus adding tremendous value to the industry and businesses.

NIFT has pioneered major changes in the industry in terms of strategy, approach, technology upgradation, design intervention and management practices, in this era of liberalization and globalization of the economy.

Statutory Status

NIFT Act 2006 has accorded statutory status for the promotion and development of Education & Research in Fashion Technology with the President of India as the Visitor. The Act signifies public confidence in NIFT as a thought leader, with ‘fashion’ (defined in a much wider context) as a business strategy for value addition.

NIFT is supported by the Ministry of Textiles and governed by the Board of Governors (BOG) and its Chairperson nominated under NIFT Act, 2006. The Director General is the Chief Executive Officer of the Institute with Head Office and a network of eight Centres.

Thought leadership in fashion technology education

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NIFT have pioneered major changes in the industry in strategy, approach, technology upgradation, design intervention and management practices, in the face of liberalization and globalization of the economy.

Curriculum restructuring with international benchmarking

The new internationally benchmarked curriculum is aimed at providing education in a 10+2+4 pattern, consonant with global professional education system. Highlights of the curriculum include a common one-year foundation programme, craft experience, industry internships and a choice of intra- and inter- departmental electives, along with options for Twinning Programmes with international institutions. Close to 1559 (including NRI/ sponsored) were admitted in 2007-08 to the following programmes:

4-year Undergraduate Programmes

Bachelor of Fashion Technology In:

- Fashion Design
- Leather Design
- Textile Design
- Knitwear Design
- Accessory Design
- Communication Design
- Apparel Production
2-year Postgraduate Programmes

- Master of Fashion Technology in:
  - Management
  - Apparel Production
  - Design Space

Industry Linkages

Industry Linkages of NIFT are symbiotic, with industry experts contributing to the curriculum development and delivery, internships, projects, placements and training. A series of pre placement Industry Conventions organized in NIFT Centres and a few major cities is its attempt to reach out to the industry to present the holistic capabilities of our graduating students and forge meaningful partnerships.

NIFT conducts Continuing Education Programmes to improve the professional competence and awareness of the industry professionals. So far, over 12,500 industry professional have benefited from these programs.

International Linkages

NIFT has signed MOUs with more than 24 leading Fashion Schools of the world for Twinning, student exchange and faculty secondments.

Students participate in international competitions, exposing them to the professional world and orienting them to the global industry adding to the country's talent pool in design, management and technology.

The International Fashion Technology Forum (IFTF) was to a great extent successful in synergizing the design, management and technology issues associated with fashion industry by providing a common forum to the stakeholders for harnessing the comparative advantage and ways of adding value in supply chain network.

Cluster Development Initiatives

NIFT has made concerted efforts to mainstream the craft tradition of the country as an integral component of the curriculum of all programmes. It focuses on training, design intervention, technology up-gradation, establishing market linkages and promotion. To facilitate this Initiative, Rural Development Enterprise Centres at the cluster hubs and Shares Resource Technology and Support Centres at the sub-cluster level, have been established across the country. In all 10,000 artisans living below the poverty line in the States of Karnataka, Madhya Pradesh, Gujarat, Kerala and West Bengal will be benefited by this initiative.

Inauguration of NIFT Emporium in Rajiv Gandhi Bhavan in New Delhi by the Hon. Minister of Rural Development and the HMOT is a part of our Cluster Development initiative is a logical step towards establishing market linkages for the artisans of the clusters to provide them a platform to showcase their products for attracting buyers in the domestic and global markets.

NIFT has translated its vision of 'concern for social and human values' into a workable proposition by imparting knowledge to many NGOs to strengthen their capabilities through classroom and other projects. Integration of craft cluster project into academic curriculum provides entrepreneurial experience, holistic learning, and real life care studies to students and faculty.

Technical Support

Over the years, NIFT has provided technical support and guidance to
institution catering to the industry at the managerial, supervisory, and shop floor levels as well as to institutions in the sub-continent. Over 75 Fashion Institutes, Schools, Education Boards and organizations have benefited from NIFT’s expertise in developing fashion education programmes, training for trainers, infrastructure development, and systems management.

Governance

NIFT has commissioned Information & Communication Technology (ICT) enabled Enterprise Resource Planning (ERP) across NIFT Centres for online monitoring and evaluation of performance through Balanced Score Card linking it to the scheme of rewards and incentives.

To leverage on NIFT’s unique feature of being multifarious, multi dimensional and multi dimensional, a system of Wide Area Network (WAN) is being introduced which will help in sharing of resources and competency available across NIFT Centres in most effective manner.

New Programmes

Launching of 2 years Master Programme in Design in Fashion Space from academic session 2006-07 which has been mainstreamed from 2007-08.

Launching of 18 month Post Graduate Programme in Enterprise Management for Fashion Professionals from 2006-07, conceived in response to industry needs for mid career as well as family owned businesses.

Research

Strengthening of research capabilities by setting up Research and Technology (R&T) Labs in seven NIFT Centres to take up serious application oriented research in synergy with the industry.

New Initiatives

As a part of our Research Initiative, NIFT has conceived two major research projects at “All India Level” namely, (i) Size India and 2) Design Intelligence for Fashion Industry, two areas of critical contemporary relevance to the Fashion Industry, with Academic and Industry Collaborators. The findings of the research are expected to have far reaching impact on the fashion sensibilities of Indian population not without influencing the international fashion.

SARDAR VALLABHBHAI PATEL INSTITUTE OF TEXTILE MANAGEMENT COIMBATORE.

Management Development Programmes

The institute had conducted the following Short-term / Management Development Programmes for the academic year 2007-08:

a) Programme on Industry Expectations from the Budding Technocrats in the Global Free Trade Environment organized under the banner of NCUTE on June 9, 2007, at the Institute.


c) Two days Programme on HR and Textiles Technology organized for the officers and staff of the National Textiles Corporation (Southern Region) on November 22-23, 2007, at the Institute.

Memorandum of Understanding with Textiles Committee

The Institute had signed a MoU with Textiles Committee to implement a project on “Strategies and Preparedness for
Trade and Globalisation in India". The project intends to facilitate trade related capacity building of the stakeholders of the textiles and clothing sector. Ministry of Commerce, United Nations Conference on Trade and Development (UNCTAD) and DFID, UK are supporting the project. The project will span for a period of three and a half years.

Memorandum of Understanding with EDI, Gujarat

The Institute had signed MoU with Entrepreneurship Development Institute of India (EDI), Gujarat for establishment of a Centre for conducting the Open Learning Diploma in Business Entrepreneurship. The two batches of OLPE successfully completed.

Upgradation of long-term course

During the year under report, the Institute had upgraded the one-year Post Graduate Diploma in Apparel Management (PGDAM) into two year programme from the academic year 2007-08. With the modification, following courses are offered by the Institute presently.

a. Two-year Post Graduate Diploma in Textile Management (PGDTM)
b. Two-year Post Graduate Diploma in Apparel Management (PGDAM)
c. One-year Post Diploma in Home Textile Management (PDHTM)

Placement Cell

A Placement Cell with the coordination of two faculty members has been established at the Institute. The Coordinators are having regular contacts with the leading players in the textiles industry and inviting the companies for campus placements programme. The Institute had achieved 90% placement to the students of all the three long-term programmes. Some of the leading companies which participated in the placement programmes for the year 2006-07 are:

1) Pantaloons
2) Vardhman Textiles Ltd.
3) AF ARvind Brands Pvt. Ltd., Bangalore
4) Madura Garments, Bangalore
5) Raymonds Ltd., Mumbai
6) Tata International, dewas
7) Resil Chemicals, Bangalore
8) Orient Craft Ltd., Bangalore
9) Himatsingka Seide Ltd., Bangalore
10) Celebrity Fashions Ltd., Chennai
11) Eastman, Tirupur
12) Vishal Mega Mart, Delhi
13) Royal Classic Mills, Tirupur
14) KOB Medical Textiles (P) Ltd.
15) K.G. Fabriks Ltd., Coimbatore
16) Gangotri Textiles Ltd., Coimbatore
17) Shopper’s Stop.