



सत्यमेव जयते

Ministry of Textiles  
Government of India

# INDIA TEXTILES

## MAKE IN INDIA WEEK

13th - 18th February 2016, Mumbai, India





## India Textiles: Growth Drivers

- The textile sector contributes 10% to industrial production, 2% to India's GDP and 12% of the country's exports earnings. With over 45 million people employed directly, the industry is one of the largest sources of employment generation in the country.
- Indian textile industry accounts for about 20% of the world's spindle capacity and 10% of the global rotor capacity. India has the highest loom capacity (including handlooms) with 59% of the world's market share.
- The domestic textile and apparel industry in India is estimated to reach US \$ 100 billion by 2016-17 from US\$ 67 billion in 2013-14 and Exports in textile and apparel from India are expected to increase to US \$ 65 billion by 2016-17 from US \$ 38 billion (provisional) during 2014-15.
- A strong production base of a wide range of fibre and yarn from natural fibres like cotton, jute, silk and wool to synthetic, man-made fibres like polyester, viscos, nylon and acrylic.
- India enjoys a comparative advantage in terms of skilled manpower and cost of production over major textile producers. Abundant availability of raw materials such as cotton, wool, silk and jute and increasing demand for exports are likely to boost fibre production.
- Increased penetration of organized retail, rising per capita income, favourable demographics and a shift in preferences for branded products are expected to boost domestic demand increase and apparel production.

## Initiatives to Boost Making Textiles in India

### Infrastructure Scheme for Textile Industry

The Scheme for Integrated Textile Park (SITP) addresses infrastructural constraint of the Textile Sector on cluster basis. GOI provide assistance up to 40% of the project cost subject to a ceiling of Rs.40 cr for common infrastructure and common facilities in new manufacturing clusters promoted by SPVs set up by entrepreneurs.

22 new parks have been sanctioned in 2014-15 and 15-16. To promote industrialization in backward States, priority has been given to the proposals from less industrialized textile states in the selection process.

## Technology Upgradation Fund Scheme (TUFS)

With a view to supporting the "Make-in-India" initiative and promote employment, production and exports, the union government has launched the "Amended Technology Upgradation Fund Scheme (A-TUFS)". Under the scheme, Ministry provides one-time capital subsidy for eligible machinery in segments which have higher employment and export potential:

- Investments in Garmenting and Technical Textiles will be eligible for Capital Subsidy at the rate of 15% subject to a cap of Rs. 30 crores.
- Segments of Weaving for brand new Shuttle-less Looms (including weavlog preparatory and knitting) Processing Jute, Silk and Handlooms will get subsidy at the rate of 10% subject to a cap of Rs. 20 crores.

A budget provision of Rs. 17,822 crore has been approved for seven years from 2015-16 to 2021-22 to meet the committed liabilities of Rs. 12,671 crore and Rs. 5151 crore for new cases under ATUFS. It is expected that this scheme will attract an investment of Rs. 1,00,000 crore and generate employment of 30.51 lakhs.

## Skilling in Textile Sector

To bridge the gap of the skilled workforce in Textile sector the Ministry is implementing Integrated Skill Development Scheme (ISDS). Target is to provide 15 lakh additional skilled workers to the textile sector by 2017. The scheme has been revamped with major emphasis on employment. Minimum 70% placement has been made mandatory under the scheme. During last two years, about 2,60,000 persons have been provided employment in textile industry after training under the ISDS. Training programmes have been interfaced with an e-platform for ease of implementation and monitoring.

The thrust of the implementation strategy is to partner with industry in the skilling programme which ensures assured placement. A maximum subsidy of Rs. 10,000 per trainee is provided to the training partners under the scheme.

## Technical Textiles

### Focus Incubation Centers (FICs):

In order to help the potential investors to enter into technical textiles, Ministry of Textiles is setting up Focus Incubation Centers (FIC) in Centers of Excellence (CoEs) established under the Technology Mission on Technical Textiles (TMTT) scheme on a plug and play model. An amount of Rs.17.45 crores has been released to six CoEs namely ATIRA, DKTE, NITRA, PSG College of Tech, SASMIRA & SITRA for setting up of FICs. The FICs are entrusted with the following objectives and responsibilities:

- Industrial sheds with basic infrastructure/basic machineries may be made available to the prospective entrepreneurs for setting up their units for production on commercial scale.
- FICs may be provided to new entrepreneurs on "Plug and Play" model with mentoring by the concerned CoE for taking up the innovation on commercial scale. Once they get established they shall shift to their own facilities and the center will be made available to new entrepreneurs.
- CoEs have to establish the FICs in their area within a time period of six months. There will be separate line of equipments for each entrepreneur. FICs would be run by entrepreneurs and not the CoEs.
- The CoEs will do handholding of such new entrepreneurs and extend them necessary support and guidance.

## Integrated Processing Development Scheme (IPDS)

Textile processing clusters, dominated by SMEs and Job work units were facing closure under court/ NGT orders for environmental degradation issues. Ministry of textiles, under the Integrated Processing Development Scheme, provides assistance to the industry cluster up to 50% of the project cost subject to a ceiling of Rs.75 crores for Common Effluent Treatment Plants with Zero liquid Discharge technology.

Ministry is collaborating with the govts of affected states and promoting formation of SPVs to seek assistance under the scheme. Five projects are sanctioned in 2015-16, providing relief to about 800 SMF units and promoting zero defect in textiles processing. Ministry has taken initiative to document the best available technological options for effluent treatment and promoting R&D for cleaner processing to find out commercially viable and environmentally sustainable technologies for the processing sector.

## Handlooms



**India Handloom Brand:** With a view to promote handloom industry on a sustainable basis "India Handloom" Brand was launched by Hon'ble Prime Minister on 7th August, 2015, the first National Handloom Day, to endorse the quality of handloom products in terms of raw material, processing, embellishment, weaving, design and other parameters besides social and environment compliance. The main objective of launching the brand is to promote the production of quality products with new designs for winning the trust and confidence of customers by giving particular attention to the defect free, hand woven, authentic niche products with zero defect and zero impact on environment.

**Block Level Cluster Approach:** A new block level cluster approach for supporting the handloom weavers was initiated in 9 blocks of the Varanasi. In these blocks, 9 Common Facility Centres (CFCs) have been set up having yarn depot, office with internet, pre-loom facilities like winding/ warping/ dyeing and work shed training for the weavers etc. It is supported by a full time technically qualified staff. Design support is provided by the Weavers' Service Centre, Varanasi and also, through a reputed private designers. This model has now been incorporated in programme guidelines of National Handloom Development Programme, and Mega Cluster Programme. 108 block level clusters have been sanctioned and an amount of Rs. 50 crores has been released under revised guidelines upto 25th January, 2016.

The details of the schemes implemented to support handloom sector are available at [www.handlooms.nic.in](http://www.handlooms.nic.in).

## Making of Jute Products

In order to promote manufacturing of jute products, Ministry of Textiles and the National Jute Board have taken several initiatives including the statutory support on mandatory jute packing, Incentive Scheme for Acquisition of Plant and Machinery, Setting up of Common Facility Centres for manufacturing of Jute Diversified Products (JDPs) through Women Self Help Groups (WSHG), Market Development Assistance, setting of a Jute Design Cell at National Institute of Design, Ahmedabad, Supply Chain support for JDP clusters, etc. The details of the support given to jute sector can be accessed at [www.jute.com](http://www.jute.com).

## Making of Woollen Textiles

Ministry of Textiles and the Central Wool Development Board (CWDB) have initiated several programmes and schemes for the development and promotion of wool sector. These include, the Pashmina promotion programme implemented in the Ladakh region through Ladakh Autonomous Hill Development Council for improvement in quality pashmina wool through interventions for ensuring higher productivity per goat, arranging training for nomads and providing common facility centres including labs for wool testing, etc. CWDB is also implementing schemes such as development of indigenous shearing machines (through a project with IIT, Delhi) for improving quality processing of wool, marketing of raw wool etc. The details can be accessed on [woolboard.nic.in](http://woolboard.nic.in).



## Handicrafts

Under the "Linking Textiles with Tourism" programme major tourist places are being linked with Handicrafts Clusters and Infrastructure Support combined with soft interventions is provided to create awareness, value-proposition for handicraft items and also create demand in domestic market. Government of India implements seven central sector schemes --Baba Saheb Ambedkar Hastshilp Vikas Yojana, Design and Technology up-gradation Scheme, Marketing Support and Services Scheme, Research and Development Scheme, Human and Resource Development Scheme, Handicrafts Artisans Comprehensive Welfare Scheme and the Infrastructure & Technology Development Scheme -- for holistic growth and development of handicrafts sector in the country. The details of the schemes are available at [www.handicrafts.nic.in](http://www.handicrafts.nic.in).

Under "Linking Textiles with Tourism" programme, Bhubaneswar in Odisha has been taken up for over-all development with a sanctioned amount of Rs. 10.00 Crores with release of 3.00 cores under this programme during 2014-15. Other initiatives during the current year include sanction of Urban Haats at Mammallapuram (Chennai), Eluru (Andhra Pradesh) and support to 19000 artisans in Tamilnadu , 22600 artisans in Jharkhand and 22600 artisans in Uttarakhand.

## Promotion of Textiles in the North Eastern Region

Under the North East Region Textile Promotion Scheme (NERIPS), the Apparel & garment making centers in North Eastern States are the first efforts of the government to bring modern garment industry in NER. The project was launched by the Hon'ble Prime Minister on 1st December 2014 at in Nagaland.

Under the project, one such apparel & garment making centers consisting three units of 100 automatic stitching and other garmenting machines, have been sanctioned to each of the eight NER States with a total cost of Rs 145.44 cr @ 18.18 cr per center. The facilities will be made available to entrepreneurs/export houses having background in textiles/ fashion to run their unit in a 'Plug and Play' mode. Each center is estimated to generate 1200 direct employment.

## Initiatives in the Silk Sector

Several new initiatives have been launched in the Sericulture sector including promotion of import-substitute Bivoltine silk production, focus on quality silk worm, seed production through development of improved breeds, promotion of best cocoon technology innovations and promotion of vanya silk as an eco-friendly organic silk to boost exports. Government of India is implementing an umbrella scheme viz., Integrated Scheme for Development of Sericulture with the following components through Central Silk Board for the development of sericulture in the country: Research & Development, Training & IT initiatives, Seed Organization, Coordination & Market Development, Quality Certification Systems, Export/Brand Promotion and Technology up gradation. The details of the schemes are available at [www.csb.gov.in](http://www.csb.gov.in).



## Promotion of Exports

There are 11 Textiles Export Promotion Councils representing all segments of the textile and the clothing sector, including readymade garments, cotton, silk, jute, Powerlooms, Handlooms, Handicrafts and carpets. These Councils work to promote the growth of their respective segments in the global export market. Textile Sector exports are also supported through export promotion schemes available for Textile Sector Firms in India, such as Merchandise Export from India Scheme (MEIS) under which duty reward on eligible textile and apparel category are provided to the extent of 2.5% of FOB value; Interest Equalization Scheme, the Duty Draw Back Scheme, Market Access Initiative Scheme (MAIS) and the Market Development Assistant Scheme. The details of these Schemes are available on the Ministry of Textiles' website: [texmin.nic.in](http://texmin.nic.in).

## Ease of doing Business

In order to Speed up Market/Transit times and document process Ministry of Textiles has taken following steps for 'Ease of doing business':

- Officers have been nominated by the Textile Committee (an establishment under Ministry of Textiles to ensure the quality of textiles and textile machinery both for internal consumption and export purposes) in the Custom Clearance Facilitation Committee (CCFC) as requested by customs.
- DGFT has issued a fresh notification No.19/2015-2020 dated 04.09.2015 by which testing for a number of countries where azo dyes are banned has been done away with and mandatory testing for countries where azo dyes have not been banned has been brought down to 25% from 100%.
- Risk Management System: The feasibility of integrating the EDI software of customs with the Textile Committee System is being examined so that online test reports can be generated and communicated to the stakeholders.
- Standard Operating System (SOP) has been communicated to the Department of Revenue reducing the time for testing samples from 4 days to 2 days online.
- A proposal for setting up a new Textile Laboratory of Textile Committee at Cochin Port has been approved. As a first instalment, Rs. 97.20 lakhs have been sanctioned to Textile Committee.
- Setting up of a new Textile Lab of Textiles Committee at JNPT has been sanctioned.

## Impetus to Powerloom sector

In-Situ Upgradation of Plain Powerlooms: This scheme has been designed for upgrading existing plain looms with certain additional attachments and to enable powerloom weavers to face the competition in domestic and international markets. Financial assistance is provided to the extent of 50% of the cost of the upgradation attachments / kits, dobby and jacquard subject to maximum subsidy of Rs. 15,000/- per powerloom limited to eight powerlooms per unit. The overall outlay for implementation of the scheme on pilot basis is Rs.150 crore. A total of 27 clusters have been approved for implementation under this scheme. During the Financial Year 2015-16 (upto 08.01.2016), 34,226 looms have been upgraded and Rs.34.18 crore has been released. The details of the support provided to powerloom sector under the above scheme as well as other schemes may be obtained at [www.bxcindia.gov.in](http://www.bxcindia.gov.in).

For more information on the schemes :  
Please visit the Website : [www.ministryoftextiles.gov.in](http://www.ministryoftextiles.gov.in)  
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