

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:693

ANSWERED ON:04.03.2005

IMPORT OF READYMADE GARMENTS .

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Will the Minister of TEXTILES be pleased to state:

- (a) the names of the countries which are importing Readymade Garments from India at present;
- (b) the total value of the export of Readymade Garments including knitwear and shawls to those countries during last three years;
- (c) whether Government has explored any possibility to increase the export of the Readymade Garments;
- (d) if so, the details thereof; and
- (e) the achievements made thereon?

Answer

MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA)

(a) India's readymade garments are exported to more than hundred countries of the world. However, the USA, EU Member States, U.A.E., Japan, Saudi Arabia, Canada, Hong Kong, Switzerland, Australia etc. have been the major importing countries of our readymade garments.

(b) As per available Directorate General of Commerce Intelligence & Statistics (DGCI&S) data, the readymade garments exports during the last three years i.e. 2001-02, 2002-03 and 2003-04 has been as given below:-

(Value in US\$ Million)

Year Readymade garment including knitwears Handicrafts including shawls

April 2001-March 2002	4618.7	1059.2
April 2002-March 2003	5334.3	1317.9
April 2003-March 2004	5625.8	1011.8

(c)&(d) Government has been taking a number of steps from time to time to boost exports of textiles, including readymade garments, from the country. Some of the important initiatives taken are:

- i) The Government has de-reserved the woven segment of readymade garment from the SSI sector. It has also raised the SSI investment limit for knitted segment to Rs. 5 crores. In the Union Budget 2005-06, an announcement has been made for de-reservation of 30 hosiery items from the SSI.
- ii) National Institute for Fashion Technology (NIFT), its six branches and Apparel Training & Design Centres (ATDCs) are running various courses/programmes to meet skilled manpower requirements of textile industry especially apparel in the field of design, merchandising and marketing.
- iii) Facilities by way of eco-testing laboratories have been created to enable exporters to get the garments/textiles pre-tested for conforming to the requirements of importing countries.

iv) The Government has launched a centrally sponsored scheme titled "Apparel Park for Export Scheme" for imparting focused thrust for setting up of apparel manufacturing units of international standards at potential growth centres to give fillip to exports.

v) The imports of specified textiles and garment machinery items has been allowed at concessional rate of customs duty to encourage investments and to make our textile products competitive in the global market. The cost of machinery has also been reduced through fiscal policy measures.

vi) Duty-free imports of 21 items of trimmings and embellishment items are allowed to the garment exporters, upto 3% of their actual export performance during the previous year.

vii) The Technology Upgradation Fund Scheme (TUFS) has been made operational from 1-4-1999 to facilitate the modernisation and upgradation of the sector.

viii) To improve the productivity and quality of cotton, Government has launched Technology Mission on Cotton (TMC). The mission comprises four mini-missions, which are being jointly implemented by the Ministry of Agriculture and Ministry of Textiles. One of the important ingredients of the Mission is to cotton processing facilities by upgrading/modernizing the existing ginning and pressing facilities and setting up of new market yards/improvement of existing market yards.

ix) For upgrading infrastructure facilities at important textile centres, a scheme titled "Textile Centre Infrastructure Development Scheme" (TCIDS) has been launched.

x) The fiscal duty structure has been generally rationalised to achieve growth and maximum value addition. Except for mandatory excise duty on polyester filament yarn, synthetic and artificial fibres and synthetic and artificial filament yarns, the whole value addition chain including cotton textile and cotton clothing items have been given excise exemption option. Additional Excise Duty on Textiles & Textile Articles (AT&T) and Additional Excise Duty (Goods of Special Importance) Act have been abolished.

xi) The Export Promotion Councils have been undertaking export promotion events like participation in overseas exhibitions/fairs, organizing BSMS abroad, sponsoring trade delegations in consultation with Indian Mission at abroad.

(e) As per available DGCI&S data, readymade garment exports during the period April-October, 2004, have amounted to US\$ 3119.8 million as compared to export of US\$ 2994.3 million during the corresponding period of 2003.