

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:110
ANSWERED ON:02.07.2009
PROMOTION OF TEXTILES EXPORTS
M.Thambidurai Dr.

Will the Minister of TEXTILES be pleased to state:

- (a) the quantum and value of textiles produced and exported during each of the last three years and the current year, State-wise;
- (b) the fund allocated, released and utilized by the Government for promotion of textiles exports, State-wise;
- (c) the details of schemes launched by the Government to encourage export of textiles during the said period;
- (d) whether the Government has recently evaluated the working of such schemes; and
- (e) if so, the outcome thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF TEXTILES(SMT. PANABAACA LAKSHMI)

(a): The quantum and value of textiles produced are compiled on the basis of production of the mills sector,handloom sector,de-centralized powerloom sector, de-centralized hosiery sector as well as khadi,wool and silk.The combined production figures and the value of textiles and clothing exported during 2006-07,2007-08 and 2008-09 are as follows:-

Year	Production (cloth in Million Square Meters)	Export (in US\$ Billion)
------	--	-----------------------------

2006-07	52665	19.15
---------	-------	-------

2007-08	55257	22.13
---------	-------	-------

2008-09	54198	18.52
---------	-------	-------

(Apr-Feb)

(b): The Government is not allocating any fund for promotion of textiles exports,per-se.

(c) to (e): The Focus Market Scheme (FMS) was launched in April, 2006 as part of the Foreign Trade Policy-2004-09 (FTP-2004-09) under which 83 foreign markets were notified as focus markets. Exports of all textiles products to these markets are eligible for duty credit scrip at 2.5% of FOB value of exports. Similarly, the Focus Product Scheme (FPS) was launched in April, 2006 as part of the FTP-2004-09 in terms of which silk yarn is being given incentive at 1.25% of exports since 1.4.2008. Hand-made carpets and other textiles floor coverings have also been included under this scheme with incentive of 5% on exports since 23.2.2009. The Market Linked Focus Product Scheme was introduced on 1.4.2008 and exports of garments to Australia, Japan and Brazil are given incentive of 2.5% on exports w.e.f. 1.1.2009. In addition, Garments exported to EU-27 and USA are eligible for incentive of 2% of exports on FOB value from 1.4.2009 to 30.9.2009.Other incentives provided by the Government for exports of textiles, during the period in question, covers 71 items of handicraft under the Vishesh Krishi and Gramin Udyog Yojana (VKGUY) Scheme, which is a scheme designed for export promotion of agro, marine, forestry and rural origin products.Exports of raw cotton have also been provided incentives under the VKGUY Scheme for the period 1.4.2008 to 30.6.2009. The Government has evaluated the above schemes in the light of the existing global economic situation, with a view to incorporate enhancement of coverage in the upcoming FTP document for the period 2009-14.