

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:2003
ANSWERED ON:05.08.2010
LOOK EAST POLICY
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Will the Minister of TEXTILES be pleased to state:

- (a) whether the Government is expanding the scope of the Textile Sector by adopting 'Look East' policy;
- (b) if so, the details thereof; and
- (c) the details of measures being conceived to modernise different segments of the Textile industry in this regard?

Answer

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

(a) & (b) : In order to diversify the textiles exports and reduce dependence on EU and USA, the Government is promoting an export policy regime which covers all the potential markets including the nations of East and South East Asia. The policy envisages not only search for new markets but also attracting direct foreign investment. The Government is promoting Textiles Mega Shows in focused countries with assured market potential to showcase the entire textiles value addition chain as well as all facets of India's textiles and clothing industry. All the Textiles Export Promotion Councils shall be taking part in these Mega Shows to showcase 'Made-in-India' image in unison. Several such mega events have already been organized during 2008, 2009 and in the current year.

(c) : A variety of measures including various policy initiatives have been taken by the Government to ensure modernization and sustained growth of Indian textiles and clothing sector, which, inter-alia include the following:-

- i) To improve productivity and quality of cotton for manufacture and export of competitive downstream textile products, Government has launched the Technology Mission on Cotton (TMC) in 2000.
- ii) To facilitate the modernization and upgradation of the textile industry both in the organised and unorganized sector, the Technology Upgradation Fund Scheme (TUFS) was launched in 1999. The Scheme has been further fine tuned to increase the rapid investments in the targeted sub-sectors of the textile industry.
- iii) To equip the textiles industry with world-class infrastructure, a Public-Private Partnership (PPP) based Scheme known as the "Scheme for Integrated Textile Park (SITP)" was introduced in August 2005.
- iv) The fiscal duty structure has been generally rationalized to achieve growth and maximum value addition within the country in successive Budgets from 2004-05 onwards.
- v) Government has allowed 100% Foreign Direct Investment in the textile sector under automatic route.
- vi) Government has de-reserved the readymade garments, hosiery and knitwear from SSI sector so that large scale investments may be encouraged in these sectors.
- vii) National Institute of Fashion Technology (NIFT) has been set up to provide a leadership role in sensitizing the Industry to the concept of value addition by inducting trained professionals to manage the industry. This has resulted in an increased demand for trained professionals in various sectors servicing the industry.
- viii) An 'Integrated Skill Development Scheme' has been conceived to provide training at various levels, in different sub-sectors of the T&C Industry.

The Government has continuously been monitoring the implementation of various schemes and requisite modifications are incorporated whenever required. TUFS and SITP Scheme have been continued in the 11th Five Year Plan.