

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

STARRED QUESTION NO:445

ANSWERED ON:05.09.2011

TEXTILE INDUSTRY

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Will the Minister of TEXTILES be pleased to state:

- (a) the details of the potential of the textile sector and the recent capacity expansion by various textile mills in the country;
- (b) whether the share of Indian textile industry in the domestic and international markets has decreased over a period of time;
- (c) if so, the details thereof alongwith the reasons therefor; and
- (d) the corrective steps taken by the Union Government in this regard?

Answer

MINISTER OF TEXTILES (SHRI ANAND SHARMA)

(a) to (d): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF THE LOK SABHA STARRED QUESTION NO.445 TO BE ANSWERED ON 05.09.2011.

(a): Textile sector exports were projected to reach USD 52 billion and the Domestic textile sector was expected to reach USD 65 billion in the 11th Five Year Plan by 2011-12. During the year 2010-11 the textile sector achieved an export figure of USD 26.82 billion. An exports target of USD 32.35 billion has been prescribed for textiles and clothing sector for 2011-12. In terms of capacity addition, 9 million additional spindles were established during the 11th Plan taking total spindlage in the country to 48 million spindles till March 2011. Cotton yarn production has increased from 2948 million kgs in 2007-08 to 3510 million kgs in 2010-11. Fabric production has increased from 55257 million sq meters in 2007-08 to 61057 million sq meters in 2010-11.

(b) & (c): The Textiles industry accounts for 14% of India's industrial production which is about 4% of the GDP. India's exports of textiles and clothing have grown steadily from USD 21.23 billion in 2008-09 to USD 22.41 billion in 2009-10 and USD 26.82 billion in 2010-11. However, as a percentage share of textiles and clothing exports in India's export basket the share of textiles and clothing has decreased from 11.46% in 2008-09 to 10.63% in 2010-11. As per the latest available data published by the WTO Secretariat, the percentage share of India's textiles and clothing in world's total exports of T&C for the calendar year 2007 was 3.36%, which increased to 3.91% in 2009.

(d): To enhance the share of Indian textile industry in the domestic and international market Government has taken several steps, including (i) allocation under the Technology Upgradation Fund Scheme was enhanced from Rs. 8000 crore to Rs. 15404 crore for the 11th Five Year Plan;(ii) allocation of Rs.400 crore for setting up of new Integrated Textile Parks; (iii) additional allocation of Rs.5000 crore over and above 11th Plan allocation of Rs.14000 crore for promotion and upgradation of Indian textile sector and (iv) the Government has constituted a Working Group under the chairmanship of Commerce Secretary for boosting India's manufacturing exports, including textiles exports in the 12th Five Year Plan.