

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

STARRED QUESTION NO:463
ANSWERED ON:29.04.2013
EXPORT OF TEXTILES
Lal Shri Kirodi ;Semmalai Shri S.

Will the Minister of TEXTILES be pleased to state:

- (a) the details of the targets fixed and achieved regarding export of textiles during the last three years, sector and item-wise;
- (b) whether the Government has explored new markets for exports in view of the recent slowdown in the United States of America, European and other countries and if so, the details thereof and the steps taken by the Government in this regard;
- (c) the details of the share of other major textile exporting countries of the world during the last three years, country-wise and the steps taken by the Government to augment the share of Indian textile exports;
- (d) whether the textile workers are facing problems due to global and domestic recession; and
- (e) if so, the details thereof along with the steps taken by the Government to protect them from the recent slowdown?

Answer

(MINISTER OF TEXTILES) (SHRI ANAND SHARMA)

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

STATEMENT REFERRED TO IN REPLY TO LOK SABHA STARRED QUESTION NO.463 'EXPORT OF TEXTILES' BY DR. KIRODI LAL MEENA, MP AND SHRI S. SEMMALAI, MP TO BE ANSWERED ON 29.04.2013 BY SHRIANAND SHARMA, TEXTILES MINISTER.

(a): Textiles exports increased from USD 22.4 billion during 2009-10 to USD 27.7 billion in 2010-11 to USD 33.31 billion in 2011-12. The 2012-13 export performance for the April-February period stands at USD 28.4 billion. The details of exports targets fixed and achieved during the last three years and current year, sector and item-wise including apparel, man-made and cotton textiles are at Annexure-I.

(b): Yes Madam, Government has explored new markets for textiles exports in Japan, Australia, Israel, Latin America, Africa, South East Asia and Middle East countries. Government under the Foreign Trade Policy has announced a series of measures in the last 3 years for enhancing textiles sector exports. The measures announced are (a) financial support under MAI/ MDA for hosting textiles trade shows in Japan, Australia, Israel, Latin America, Malaysia and Africa (b) 2 % interest subvention scheme on RMGs, Handlooms, Carpets and Handicrafts

(c) addition of new markets under Focus Market Scheme and Special Focus Market Scheme

(d) addition of new products under the Focus Product Scheme (e) continuation zero duty EPCG scheme and TUFs beneficiaries to be eligible for benefits of zero duty EPCG scheme and

(f) incremental export incentive scheme.

(c): India's share in global textiles exports was 3.87% in 2009, 3.98% in 2010 and 4.10% in 2011. The shares of other major textiles exporting countries are at Annexure-II. The steps taken by Government to boost textiles exports are

(i) 2% interest subvention scheme on Handicrafts, Handlooms, Carpets and Readymade Garments extended up to March, 2014 (ii) Inclusion of items covered under Chapter 63 of ITC (HS) i.e. other made up textile articles, sets, rags in the 2% interest subvention scheme (iii) Additional incentives for incremental exports to the Asian countries (iv) Additional duty credit of 2% of FOB value on export of certain knitwear apparels for the year 2013-14 (v) Inclusion of new Markets such as New Zealand, Cayman Islands, Latvia, Lithuania and Bulgaria under Focus Market Scheme (vi) Use of Focus Market Scheme, Focus Product Scheme, status holder incentive scrip and MLFPS for payment of excise duty for domestic procurement and (vii) Harmonization of Zero Duty EPCG and 3% EPCG Scheme into one scheme which will be a Zero Duty EPCG Scheme covering all sectors etc.

(d): The Labour Bureau under the Ministry of Labour and Employment conducts periodical surveys to assess the changes in employment in selected sectors of the economy including textiles and apparels. As per the half yearly report (latest available) for the period July-December 2012, at the industry level, increase in employment is observed in the textiles (including apparels) where it has

increased by 0.5 lac workers compared to the previous half year (upto June 2012).

(e): An assessment report of the stress in the Textiles industry undertaken by Government in 2012 revealed that textiles industry faced a debt exposure of Rs.171,351 crores and was generating deficit cash flows on principal repayments due to volatility in raw material prices, steep increase in power tariffs, low capacity utilization and global recession. To address the temporary slowdown, Government announced a Rs.35,000 crores debt restructuring package for textiles industry to be taken up on a case by case basis in accordance with the Reserve Bank of India's prudential guidelines. By last quarter of 2012-13, textiles industry witnessed positive growth rates.