

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:193

ANSWERED ON:05.08.2013

TEXTILE EXPORTS

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Will the Minister of TEXTILES be pleased to state:

(a) the details of the export of textile products, item-wise including readymade garments, handicrafts, handloom, cotton textiles, man-made fibres filament yarn and others, country/value- wise during the last three years and the current year including number of incentives/schemes formulated by the Government to boost and encourage exports of said items to meet the rising demand in the international markets;

(b) whether Indian exports of the above items have declined during the above period and if so, the details thereof and the reasons therefor along with the steps taken in this regard;

(c) the details of the targets fixed and achieved regarding export of textiles during the above period, sector and item-wise;

(d) whether the textile industry/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 STATE IN THE MINISTRY OF TEXTILES (SMT. PANABAACA LAKSHMI)

(a): The details of the export of textile products, item-wise including readymade garments, handicrafts, handlooms, cotton textiles, man-made fibre filament yarn and others during the last three years and the current year is at Annexure-I. The details of country-wise exports of Textiles & Clothing items during the last three calendar years and the current year is at Annexure-II. Government under the Foreign Trade Policy has announced a series of measures in the last 3 years for enhancing textiles sector exports. Government has explored new markets for textiles exports in Japan, Australia, Israel, Latin America, Africa, South East Asia and Middle East countries. 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.

(b): As per Foreign Trade Statistics of India (Principal Commodities), Textiles and Clothing exports increased from USD 27.74 billion in 2010-11 to USD 33.37 billion in 2011-12. The 2012-13 export performance stands at USD 31.71 billion. As per the provisional figures, during the first quarter of current year (2013-14) India's Textiles and Clothing exports have increased from 7.76 billion to 7.79 billion over the same period of the year 2012-13. The volatility in the major markets including EU and USA during the calendar year 2012 affected severely India's T&C exports. The EU textiles market witnessed a negative growth of 13% during the calendar year 2012, resulting in a 2.3 billion shortfall of India's T&C exports to EU during the Calendar year 2012 over 2011. The United States of America's textiles market also witnessed a negative growth of 0.41% during the calendar year 2012 over 2011. The steps taken by Government to boost textiles exports are:

(i) 2% interest subvention scheme on Handicrafts, Handlooms, Carpets, 6 tariff lines in Chapter 63 of ITC(HS) (textiles made ups) and Readymade Garments extended up to March, 2014. It has now been decided by the Government to increase the rate of Interest Subvention from the existing 2% to 3%.

(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

(ii) Additional incentives for incremental exports to the Asian countries

(iii) Additional duty credit of 2% of FOB value on export of certain knitwear apparels for the year 2013-14

(iv) Inclusion of new Markets such as New Zealand, Cayman Islands, Latvia, Lithuania and Bulgaria under Focus Market Scheme

(v) Use of Focus Market Scheme, Focus Product Scheme, status holder incentive scrip and MLFPS for payment of excise duty for domestic procurement and

(vi) Harmonization of Zero Duty EPCG and 3% EPCG Scheme into one scheme which will be a Zero Duty EPCG Scheme covering all sectors etc.

(c): 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-III.

(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 latest available quarterly report on changes in employment in selected sectors (Jan'13 to Mar'13) the maximum increase in employment has been reported in the textiles including apparel sector by 40 thousand during the quarter ended March, 2013 over December, 2012. The overall increase in employment in all sectors was 107 thousand in the same period.

(e): Does not arise.