

**GOVERNMENT OF INDIA  
TEXTILES  
LOK SABHA**

UNSTARRED QUESTION NO:2057

ANSWERED ON:27.07.2017

Textile Industry

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**Will the Minister of TEXTILES be pleased to state:**

- (a) whether it is a perception that India's economic growth has been a jobless growth;
- (b) if so, whether textile and clothing industry is an industry where good jobs can be created with relatively limited investment and if so, the details thereof;
- (c) whether textiles and clothing industry is being given less importance by the Union Government and if so, the reasons therefor;
- (d) whether there is a need to modernise the machines and to add state-of-the-art facilities to help the industry and if so, the steps taken by the Union Government in this regard; and
- (e) the details of various schemes launched to upgrade technology, to extend financial aid and to create more jobs in the textiles industry?

**Answer**

MINISTER OF STATE FOR TEXTILES  
(SHRI AJAY TAMTA)

(a) & (b): As per latest available Annual Survey of Industries data, employment in formal sector for the whole country has shown an upward trend as shown below:-

Years	2010-11	2011-12	2012-13	2013-14	2014-15
Employment	12694853	13430483	12950025	13538114	13881386
Growth Rate	7.7%	5.8%	-3.6%	4.5%	2.5%

More good jobs were created in textile and clothing industry with relatively less investment as the Labour-Capital Ratio for Textiles is much higher than the average Labour-capital Ratio for all factory sectors as may be seen from the table below:

Years	2010-11	2011-12	2012-13	2013-14	2014-15
Labour-Capital Ratio (Textiles and Apparels)	0.12	0.12	0.11	0.08	0.11
Labour-Capital Ratio (All factory sector)	0.05	0.05	0.04	0.04	0.04

Note: Labour-Capital ratio= No of people engaged divided by Invested capital in Rs lac

(c) to (e): The textile industry being one of the largest sources of employment generation in the country, the Government's central focus has been on increasing textile manufacturing through provision of manufacturing infrastructure, upgradation of technology, supporting innovation, enhancing skills and traditional strengths in the textile sector.

With a view to modernizing the machines and to add state-of-the-art facilities in textile industry, Union Government is implementing 'Amended Technology Upgradation Fund Scheme (ATUFS)' to facilitate the modernization and upgradation of the textiles industry. The scheme has been amended with effect from 13.01.2016. Under ATUFS, there is a provision of one time capital subsidy for eligible benchmarked machinery i.e. at the rate of 15% for garmenting and technical textiles segments with a cap of Rs. 30 crore and at the rate of 10% for weaving, processing, jute, silk and handloom segments with a cap of Rs. 20 crore.

Also the Union Government implements other schemes like Special package for Garment and Made-ups segment, Scheme for Integrated Textile Parks (SITP), Scheme for Integrated Textile Processing Development (IPDS), (v) Technology Mission on Technical Textiles (TMTT), Comprehensive Scheme for Development of Powerloom Sector etc. All these schemes help in upgrading technology and creating more jobs in the textiles industry.

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