

LOK SABHA
UNSTARRED QUESTION NO. 3246
TO BE ANSWERED ON 13.03.2020

DEVELOPMENT OF TEXTILE SECTOR

3246. SHRI HEMANT SRIRAM PATIL:
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Will the Minister of TEXTILES वस्त्र मंत्री
be pleased to state :

- (a) whether the Government is considering to formulate any plan/programme to develop infrastructure, strengthening, modernizing the Indian textile industries and increasing their competence globally;
- (b) if so, the details thereof along with the funds allocated for this purpose during the last five years;
- (c) whether the said programme is beneficial in terms of employment, earning foreign exchange and betterment of people engaged in this trade, if so, the details thereof; and
- (d) the steps taken by the Government for providing common services and infrastructure to boost the sector and become an incredibly trustworthy brand on world map?

उत्तर

ANSWER

वस्त्र मंत्री (श्रीमती स्मृति जूबिन इरानी)

MINISTER OF TEXTILES
(SMT. SMRITI ZUBIN IRANI)

(a) to (c): With a view to boost textiles sector in the country, government has initiated two important steps which were part of Budget Announcement in Lok Sabha on 01.02.2020. These are;

- Creation of National Technical Textiles Mission with total outlay of Rs 1480 crore. Technical textiles are textiles which are used for their functional properties, rather than for aesthetics or comfort. There are a large varieties of technical textiles some of which are used in important applications such as agriculture, health and hygiene, medical applications, soil and water conservation, roads and highway, railways, airports, sea-ports, defence, protection of personnel in military, para-military, petrochemical/chemical industries, safety of fireman etc. The aim of the Mission is to position India as a major producer, consumer and exporter of technical textile products in the world map, therefore boosting its economy and technological capability.

- Abolition of anti-dumping duty on **Purified Terephthalic Acid (PTA)**, which is a critical input for

man-made textile fibre and yarns. Its easy availability and competitive pricing is desirable to unlock the immense potential in textile sector which is a significant employment generator.

In addition, Government is implementing various policy initiatives and schemes for supporting the development of textile industry. These schemes and initiatives which promote technology upgradation, creation of infrastructure, skill development and sectoral development in the textile sector, create a conducive environment and provide enabling conditions for textile manufacturing in the country and helps in boosting employment generation and earning foreign exchange directly and indirectly.

In order to support the growth and modernization of the textile industry in the country, the government has been implementing several schemes given below:

i) **Amended Technology Upgradation Fund Scheme (A-TUFS):** ATUFS is being implemented for technology upgradation of the textile industry with one time capital subsidy for eligible machinery. Segments which have higher employment and export potential such as Garmenting and Technical Textiles are eligible for capital subsidy at the rate of 15% subject to cap of Rs.30 crore. Segments such as weaving for brand new Shuttle-less Looms (including weaving preparatory and knitting), Processing, Jute, Silk and Handlooms get subsidy at the rate of 10% subject to a cap of Rs. 20 crore. A budget provision of Rs.17, 822 crore has been approved for seven years from 2015-16 to 2021-22 to meet the committed liabilities of Rs.12,671 crore for previous version of TUFS and Rs 5,151 crore for the cases under ATUFS. Year wise funds allocated under ATUFS during last five years are as follows:

Year	Budget Estimate(Rs. in Crore)	Revised Estimate(Rs. in Crore)
2014-15	2300.00	1946.02
2015-16	1520.79	1434.78
2016-17	1480.00	2621.98
2017-18	2013.00	1913.15
2018-19	2300	622.63

ii) **Schemes for the development of the Powerloom Sector(Power-Tex):** A comprehensive Scheme for the development of Powerloom and Knitting & Knitwear sectors w.e.f. 01.04.2017 to 31.03.2020 & 01.07.2019 to 31.03.2020 respectively on pan India basis. The component under the Scheme are In-situ upgradation, Group work shed Scheme, Yarn Bank Scheme, Common Facility Centre(CFC), Solar Energy Scheme, Pradhana Mantri Credit Scheme, Grant-in-Aid & Modernization / up gradation of Powerloom Service Centres, Tex Fund Venture Capital Fund and Facilitation IT, Awareness, Market Development & Publicity for Powerloom Scheme allocated and utilized for this purpose during the last five years are as under:-

Financial Year	Fund allocated (Rs. In Cr)	Fund utilized (Rs. In Cr)
2014-15	54.13	50.83
2015-16	102.58	100.17
2016-17	108.57	108.57
2017-18	115.34	107.94
2018-19	71.33	65.70

iii) **Scheme for Integrated Textile Parks (SITP):** The scheme provides support for creation of world-class infrastructure facilities for setting up of textile units, with a Government of India grant upto 40% of the project cost and Government of India grant upto 90% of the project cost for first two projects (each) in the States of Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Tripura, Sikkim, Himachal Pradesh, Uttarakhand, Union Territory of Jammu & Kashmir and Union Territory of Ladakh; with ceiling limit of Rs.40.00 crores for each textile park. Under, 22 completed textile parks all over the country, 82,112 people were employed during the last three years. The funds allocated in the last 5 years under SITP are given below:

Financial Year	Funds Allocated (RE) in Rs. crore
2015-16	26.32
2016-17	51.00
2017-18	40.00
2018-19	27.15
2019-20	40.00

iv) **Integrated Processing Development Scheme (IPDS):** In order to facilitate the textile industry to become globally competitive using environmentally friendly processing standard and technology. Government of India has launched IPDS to encourage the private sector to set up world class, environment – friendly and textile processing units in the textile clusters of the country, the Government of India (GoI) is giving the support in respect of IPDS to set up water treatment, Common Effluent Treatment Plant and Technology (CETP) including marine & reversing along with Zero Liquid Discharge (ZLD) will be limited to 50% of the project cost in subject to a ceiling of Rs.75 Cr. per project. The funds allocated in the last 5 years under IPDS are given below:

Financial Year	Funds Allocated (RE) in Rs. crore
2015-16	28.89
2016-17	28.00
2017-18	5.00
2018-19	3.05
2019-20	10.80

v) **Silk Samagra:** Government of India has been implementing a Central Sector Scheme “Silk Samagra” for development of sericulture in the country with components such as Research & Development, Training, Transfer of Technology and I.T Initiatives, support to seed organizations, coordination and market development and, quality certification Systems (QCS)/ Export Brand Promotion and Technology Upgradation. R&D efforts have also been initiated to evolve new products by blending silk with other fibres such as wool, coir, cotton etc., which have demand in international markets.

The implementation of above schemes benefited people to take sericulture & silk related activities and get self-employment opportunities. It is estimated that, sericulture industry provides employment to approximately 91.78 lakh persons (as of March-2019) in rural and semi-urban areas in the country. Silkworm rearing is mainly practiced in rural areas of the country providing livelihood to weaker

section of the society. Around 12,03,942 farming families and 56,013 reeler families are involved in sericulture related activities in the country. The foreign exchange earned from silk exports during 2018-19 is Rs. 2031.89 crores. Funds allocated under Silk Samagra during 2014-19 is given below:

Financial Year	Funds Allocated (in Rs. crore)
2014-15	297.58
2015-16	178.10
2016-17	154.01
2017-18	161.50
2018-19	120.00

vi) **North East Region Textiles Promotion Scheme (NERTPS):** This scheme promotes textiles industry in the North Eastern Region by providing infrastructure, capacity building and marketing support to all segments of textile industry. Funds allocated under NERTPS during 2014-19 is given below:

Financial Year	Funds Allocated (in Rs. crore)
2014-15	43.44
2015-16	150.82
2016-17	189.65
2017-18	217.72
2018-19	39.75

vii) **Handloom Sector:** The Government is implementing following schemes across the country for infrastructure development, strengthening the sector, modernizing looms & accessories and increasing competence globally: -

- 1) National Handloom Development Programme (NHDP)
- 2) Comprehensive Handloom Cluster Development Scheme (CHCDS)
- 3) Handloom Weavers' Comprehensive Welfare Scheme (HWCWS)
- 4) Yarn Supply Scheme (YSS)

Under the above schemes, financial assistance is provided for raw materials, purchase of looms and accessories, design innovation, product diversification, infrastructure development, skill upgradation, lighting units, marketing of handloom products in domestic as well as overseas markets and loan at concessional rates. Employment generation in the handloom sector is through facilitation under various Government Schemes like Hathkargha Samvardhan Sahayata (HSS), where weavers are provided looms & accessories and MUDRA loans at concessional rate. Also, Handloom workers are provided training for up-gradation of their skills. During the last five years and the current year, 55625 handloom workers have been provided training to upgrade their skill, 44571 Looms /Accessories provided under HSS and 253567 number of loans have been sanctioned to handloom weavers under the MUDRA Scheme and loan amount worth Rs. 827.40 crore has been disbursed. The Handloom Marketing Assistance component of National Handloom Development Programme provides financial assistance to eligible handloom organisations for organising participation of their members in overseas markets.

This component provides platform to the handloom agencies to sell their products directly to the overseas buyers and earn better earnings without middlemen. Details of funds allocated in the last five years and the current year is at **Annexure**.

viii) **Scheme for Incubation in Apparel Manufacturing (SIAM)** which was launched on pilot basis in January 2014. The Scheme is a demand driven. The objective of the Scheme is to promote entrepreneurs in apparel manufacturing by providing them an integrated workspace and linkages based entrepreneurial ecosystem with plug and play facility which help them in reducing operational and financial cost for establishing and growing a new business. The scheme envisages promoting entrepreneurship in apparel manufacturing, creating additional manufacturing capacity and generating additional employment opportunities. The funds allocated in the last 5 years under SIAM are given below:

Financial Year	Funds Allocated (RE) in Rs. crore
2015-16	0.62
2016-17	4.00
2017-18	4.00
2018-19	1.00
2019-20	6.20

ix) **Scheme for Textile Industry Worker Hostel (STIWA)** was launched in 2014 on Pilot basis for establishment of Worker hostels at textile parks. Two projects were approved under the scheme one in the State of Tamil Nadu and one in Gujarat. Both the projects have now been completed under the extant scheme guidelines. The funds allocated in the last 5 years under STIWA are given below:

Financial Year	Funds Allocated (RE) in Rs. crore
2015-16	0.30
2016-17	3.00
2017-18	1.00
2018-19	0.76
2019-20	1.00

x) The Government had also approved a special package for textile sector with an outlay of Rs. 6000 crores to boost employment generation and exports particularly in Garmenting and Made-ups.

(d) Steps taken by the Government for providing common services and infrastructure to boost the Textile sector are as under:

- **Powerloom Service Centres;** There are 47 Powerloom Service Centres functioning at various Powerloom clusters of the country providing services to the decentralized powerloom sector like testing, training, design development, consultancy & trouble shooting and conducting various awareness programs, seminar/workshops and other need based services.

- **Common Facility Centres;** One of the components under PowerTex India providing financial assistance for setting-up of Common Facility Centres such as design centre/studio, testing facilities, training centre, information cum trade centre and common raw material/ yarn / sales depot, water treatment plant for industrial use, dormitory, workers residential space, common pre-weaving facilities viz. yarn dyeing, warping & sizing, twisting etc., and post weaving facilities viz. processing, etc.

➤ Pre-weaving, post-weaving, design studio, testing facilities, training centre, information cum trade centre and common raw material / yarn / sales depot, water treatment plant for industrial use, dormitory & workers' residential space etc.

Max. Government of India subsidy Rs.2 cr. for machineries and Rs. 0.40 crore for building.

- **Comprehensive Powerloom Cluster Development Scheme:-** Government of India is providing financial assistance for setting up Powerloom Mega Cluster to create world-class infrastructure to integrate the production chain by filling the gaps to fulfill the felt needs of the existing powerloom clusters and to increase production & exports and provide better living conditions under Comprehensive Powerloom Cluster Development Scheme (CPCDS).

Government grant/equity would be provided with the expectation of matching investment by the industry in the ratio of 60:40: Government: Private. The Government of India assistance will be limited to Rs.50 Crores.

- **“INDIA HANDLOOM” BRAND-** During the celebration of 7th August 2015 as National Handloom Day, ‘India Handloom’ Brand was launched by Hon’ble Prime Minister for branding of high quality handloom products. It promotes production of niche handloom products with high quality, authentic traditional designs with zero defect and zero effect on environment. Since its launch, 1333 registrations have been issued under 184 product categories and sale of Rs. 861.93 crore has been generated. Initiatives with various leading brands has been undertaken to bring out a separate range of handloom garments in their brand.

For Silk Sector:

- To produce import substitute Bivoltine silk in the country, Research & Development has been focused to evolve productive bivoltine hybrids and package of practices for production.

- For production of 3A-4A grade raw Silk from the bivoltine cocoons, Automatic Reeling Machines (ARM)/Units have been established in the country.

- The basic customs duty of 10% & 20% is levied on raw silk and silk fabric import respectively. This makes the domestic silk weaving market segment stronger and also makes Indian silk export sector highly competitive.

- Thrust provided on product development & diversification with focus on silk blends & popularizing Vanya silk products in the export business.

- Support extended for the establishment of Common Facility Centres (CFCs) to the States for providing common services and infrastructure.

Annexure referred to in reply to part (a) to (c) of Lok Sabha Unstarred Question No. 3246

for 13/03/2020

Scheme-wise funds allocated in the last five years and current year							
SN	Name of Scheme	2014-15 (Rs. In crore)	2015-16 (Rs. In crore)	2016-17 (Rs. In crore)	2017-18 (Rs. In crore)	2018-19 (Rs. In crore)	2019-20 (Rs. In crore)
		Funds allocated (RE)	Funds allocated (RE)	Funds allocated (RE)	Funds allocated (RE)	Funds allocated (RE)	Funds allocated BE
1	National Handloom Development Programme (NHDP)	292.00	135.83	167.53	140.24	138.53	135.00
2	Comprehensive Handloom Cluster Development Scheme (CHCDS)	18.00	37.31	50.00	32.50	21.50	40.00
3	Handloom Weavers Comprehensive Welfare Scheme (HWCWS)	57.50	18.91	26.56	25.00	10.05	20.00
4	Yarn Supply Scheme (YSS)	130.00	321.96	261.50	200.00	155.41	195.00
	Total	497.50	514.01	505.59	397.74	325.49	390.00
