

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

STARRED QUESTION NO:598

ANSWERED ON:06.05.2005

DECLINE IN TEXTILE EXPORT

Purandeswari Smt. Daggubati;Singh Shri Rajiv Ranjan (Lalan)

Will the Minister of TEXTILES be pleased to state:

- (a) whether export of textiles from India has registered steep decline in the period after the abolition of quota system;
- (b) if not, the break up of export of cotton and ready made clothes in terms of rupee in the said period;
- (c) the country-wise quantum of textiles exports made;
- (d) the value of imports of clothes in terms of rupee made during the above period; and
- (e) the steps taken by the Government to boost the textile export?

Answer

MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA)

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

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO. 598 FOR 06-05-2005

(a)&(b) Yes, Sir. As per available Directorate General of Commerce Intelligence & Statistics (DGCI&S) data, textile and clothing exports during the period January-February 2005 have amounted to Rs.9,767 crores as compared to the exports of Rs. 12,019 crores during the corresponding period of 2004, showing a decline of 18.7%.

(c) India's textiles & clothing products are exported to more than hundred countries of the world. However, the USA and EU Member States account for more than 50% of India's textile exports. A statement showing India's textiles and clothing exports to various countries during January, 2005 is annexed.

(d) As per available DGCI&S data, textile and clothing imports into the country during the period of January-February 2005 have amounted to Rs.1534 crores.

(e) Government has been taking a number of steps from time to time to boost the textile exports from the country. Some of the important initiatives taken are:

- i) The Technology Upgradation Fund Scheme (TUFS) has been made operational from 1-4-1999 to facilitate the modernisation and upgradation of the sector.
- ii) To improve the productivity and quality of cotton, Government has launched Technology Mission on Cotton (TMC). The mission comprises four mini-missions, which are being jointly implemented by the Ministry of Agriculture and Ministry of Textiles. One of the important ingredients of the Mission is to improve cotton processing facilities by upgrading/modernizing the existing ginning and pressing facilities and setting up of new market yards/improvement of existing market yards.
- iii) The Government has launched a centrally sponsored scheme titled "Apparel Park for Export Scheme" for imparting focused thrust for setting up of apparel manufacturing units of international standards at potential growth centres to give fillip to exports.
- iv) For upgrading infrastructure facilities at important textile centres, a scheme titled "Textile Centre Infrastructure Development Scheme" (TCIDS) has been launched.
- v) The fiscal duty structure has been generally rationalised to achieve growth and maximum value addition within the country. Except for mandatory excise duty on man-made filament yarns and man-made staple fibres, the whole value addition chain has been given excise exemption option.
- vi) The import of specified textiles and garment machinery items has been allowed at concessional rate of customs duty to encourage investments and to make our textile products competitive in the global market. The cost of machinery has also been reduced through fiscal policy measures.
- vii) Duty-free imports of 21 items of trimmings and embellishment items are allowed to the garment exporters, upto 3% of their actual export performance during the previous year.
- viii) National Institute for Fashion Technology (NIFT), its seven branches and Apparel Training &

Design Centres (ATDCs) are running various courses/programmes to meet skilled manpower requirements of textile industry especially apparel in the field of design, merchandising and marketing.

ix) Facilities by way of eco-testing laboratories have been created to enable exporters to get the garments/textiles pre-tested for conforming to the requirements of importing countries.

x) The Government has de-reserved the readymade garments, hosiery and knitwear from the SSI sector.

Annexure

COUNTRY WISE EXPORT OF TEXTILES & CLOTHING

(Value in Million Rs.)

Country	Jan-05
United State of America	12765.27
United Arab Emirates	3291.01
United Kingdom.	3157.94
France	2380.45
Italy	2325.92
Germany	2043.19
Spain	1941.10
Canada	1078.97
Saudi Arabia	958.55
Netherlands	923.21
Belgium	855.15
Japan	735.17
Turkey	701.57
Korea Republic	668.85
Bangladesh	543.19
Malaysia	531.41
Sri Lanka	404.45
Singapore	230.80
Other Countries	9782.28

Total 45318.48

Source: Foreign Trade Statistics of India (Principal Commodities & Countries)