

**GOVERNMENT OF INDIA  
TEXTILES  
LOK SABHA**

UNSTARRED QUESTION NO:4125

ANSWERED ON:30.04.2012

APPAREL MARKETS

Adhalrao Patil Shri Shivaji; Annayyagari Shri Sai Prathap; Chang Shri C. M.; Chavan Shri Harischandra Deoram; Dharmshi Shri Babar Gajanan; Dubey Shri Nishikant ; Yadav Shri Dharmendra

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

- (a) whether the Indian apparel markets are facing stiff competition from many Asian countries like Bangladesh, Indonesia and Vietnam due to tough competition;
- (b) if so, whether India is apparently lagging behind from its competitors and if so, the details thereof and the reasons therefor;
- (c) whether the Indian apparel/garments exports has been much lower as compared to its competitors;
- (d) if so, the steps taken by the Government to strengthen its position and get the higher shares of the export in the markets of America and European countries; and
- (e) the details of textiles export targets set and achieved during the last three years alongwith steps taken by the Government to improve the textiles export during the next year?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SMT. PANABAACA LAKSHMI)

- (a): Yes Madam. India's apparel exports are facing stiff competition from the Asian countries like Bangladesh, Indonesia and Vietnam.
- (b) & (c): As per latest available statistics published by WTO, India ranked as the 6th largest exporter of apparel with a global market share of 3.25 percent, after China (36.9%), EU-27(28.1%), Hongkong (6.84%), Bangladesh (4.5%) and Turkey (3.6%). Vietnam was the 7th largest exporter with share of 3.1% followed by Indonesia with share of 1.9%. In US markets India ranked as the 6th largest exporter, trailing China, Vietnam, Indonesia, Bangladesh and Mexico. In EU-27 markets, India ranked as the 4th largest exporter after China, Turkey and Bangladesh, during the calendar year 2011. The absence of price competitiveness of India exports compared to other Asian countries is due to higher input costs and high tariff structure.
- (d): In order to strengthen export of textile items including apparel and garments and get higher market share in America and European countries, the Government has granted incentives under various provisions of the Foreign Trade Policy 2009-14.
- (e): The details of exports targets and achievements of the last three financial years are tabulated below:

Year    Targets US\$ Mn.    Achievement US\$ Mn.

2009-10    Not Set#    22,418

2010-11    25,485    26,826

2011-12\$    32,350    23,785\$

#Not Set due to Global Recession

(\$April-December Provisional)

Government has introduced several provisions in the Foreign Trade Policy 2009-14, supplemented in August,2011, for providing incentives/ concessions to the Textiles & Clothing sector exports. This includes incentives for exports to focus markets and exports of focus products, extension Duty Entitlement Passbook Scheme; interest subvention on preshipment credit, duty free import of trimmings etc. required by garmenting industry and duty free import of tools by the handicraft industry. This apart, financial assistance is being provided to the exporters under the Market Development Assistance Scheme and the market Access Initiative Scheme for enhancing share in existing markets and for exploring new markets. Steps taken by Government to improve the textiles export during the next year include easing infrastructural bottlenecks for export promotion, improving competitiveness of Indian textiles export, region specific approaches for export promotion and creating facilities for social and environmental compliance for the exports sector.