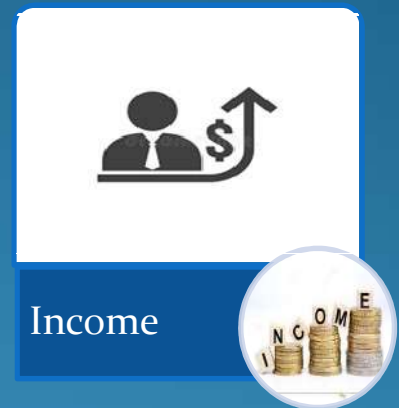
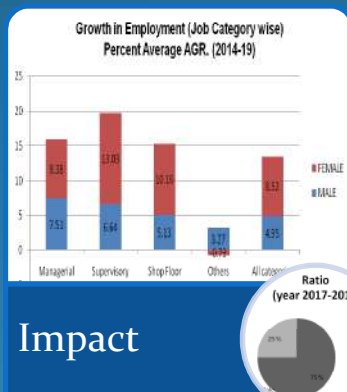


# ASSESSMENT OF IMPACT OF THE TEXTILE SECTOR INITIATIVES ON GENERATION OF EMPLOYMENT AND INCOME



**Textiles Committee,  
Ministry of Textiles, Government of India,  
Mumbai**

# **Report on**

## **Assessment of the Impact of the Textile Sector Initiatives on Generation of Employment & Income**



**Textiles Committee**  
Govt. of India, Ministry of Textiles

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Ministry of Textiles

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Published:

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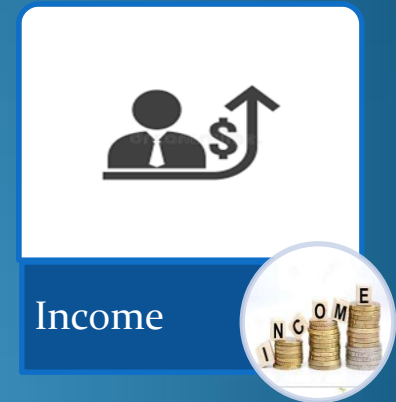
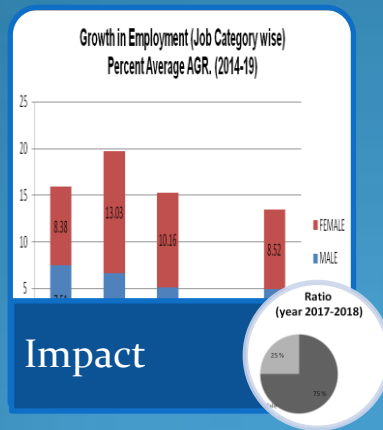
## FOREWORD

## PREFACE

# Executive Summary

## ASSESSMENT OF IMPACT OF THE TEXTILE SECTOR INITIATIVES ON GENERATION OF EMPLOYMENT AND INCOME

Textile  
sector  
Schemes





# Structure of the presentation

- ❑ Terms of Reference (ToR)
- ❑ Research Methodology.
- ❑ State of play in Textile sector.
- ❑ Assessment of growth in Employment & Income in TVC .
- ❑ Key Govt. Initiatives and its impact on Employment & Income.
- ❑ Key Findings & Recommendations.



## Terms of Reference (ToR)

1. Assess domestic production and demand pattern of textiles including contributions of key sub-sectors in enhancing income & suggesting way forward.
2. Assess impact of various initiatives in enhancing India's position as an important production & export hub
3. Assess impact of initiatives on generation of employment in the sector for further boosting it and also for income.
4. Examine contribution of the initiatives in enhancing incomes & returns of workers & stakeholders.
5. Suggest measures for further boosting income & employment in the sector.
6. TUFs and its various variants and its impact on industry modernization and actual contribution to improving employment, production, exports. (What are the outcomes and how far the outcomes are attributable to TUFs?)

Contd.....



## Terms of Reference (ToR)

7. Impact of Handloom Reservation Act on the handloom sector and on powerloom sector and in general impact of the Act, positive or negative, on overall growth and competitiveness of the textile industry.

8. Impact of the employment promotion scheme of MOT including the latest PMRPY forming part of the Textile Package. Can we expect the industry to provide MoT credible data on jobs in the sector? How many covered under EPF and other social security programme? How far the numbers have grown in different segments and to what extent these are attributable to government interventions? Very low expenditure off take under PMRPY scheme, what kind of support industry can expect from government?



# Research Methodology

## ➤ Coverage of the Study

1. Covered all segments in the TVC viz, Spinning, Weaving (including Handlooms), Knitting, Processing, RMG, Made-ups & Technical Textiles
2. Secondary Research
  - i. Data on Trade (World Integrated Trade System (WITS)/ ITC trade map)
  - ii. Analysis on Trade Intensity Index (TII), Export Similarity Index (ESI), Revealed Comparative Advantage (RCA)
  - iii. Textile Committee data on Domestic demand
  - iv. Prepared Profile for 40 clusters after Mapping **114 clusters** in **15 states**
  - v. Organised 40 Focused Group Discussions (FGD) & interacted with 1023 **stakeholders. (Segment wise details of the FGDs).**
  - vi. Detailed interaction with **134 trade and industry** associations across the country
  - vii. Collected and analysed data of EPFO and 136 listed units
3. Primary Research & analysis





# Research Methodology

## • Survey for Primary Data Collection

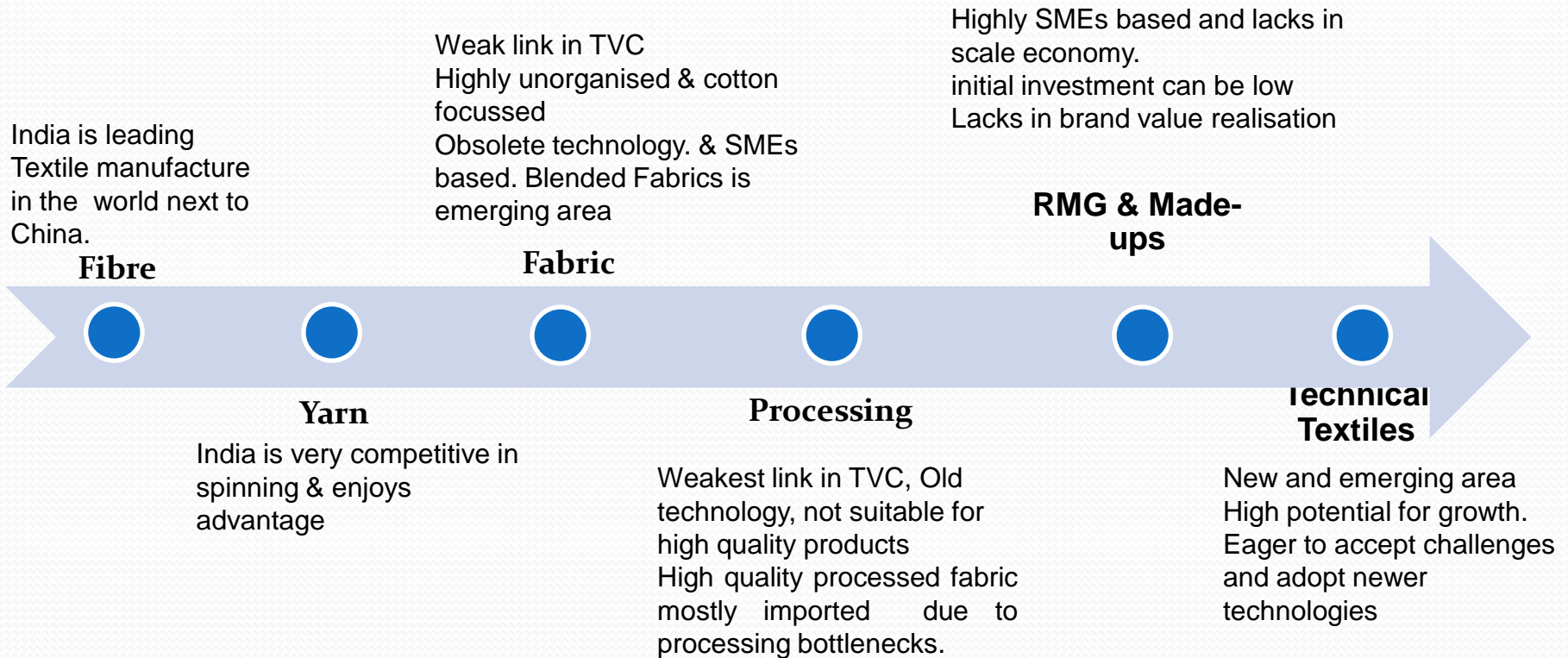
- ▶ Cluster Profile of 40 important clusters including database of manufacturers across 15 states prepared.
- ▶ Primary data collection from 887 textile manufacturing units across the TVC i.e, Spinning (158), Weaving (276), Knitting (65), Processing (86), RMG (185), Made-ups (38), Technical Textiles (37). It also includes composite (23) and Handlooms (155)
- ▶ Secondary data analyses of 136 listed units across the value chain
- ▶ State wise coverage of units

State	No	State	No
Andhra Pradesh & Telangana	68	Punjab	103
Gujarat	145	Rajasthan	41
Himachal Pradesh	9	Tamil Nadu	196
Haryana	51	Uttar Pradesh	183
Jammu & Kashmir	10	West Bengal	6
Maharashtra	34	New Delhi	8
Madhya Pradesh	6	Sub -Total	887
Odisha	24	Listed units	136
		Grand Total	1023

- ▶ Detailed State & segment wise sample size



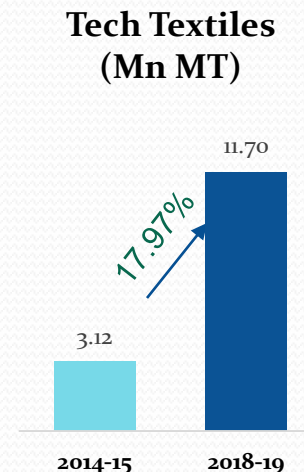
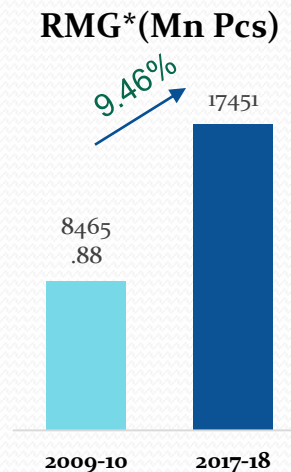
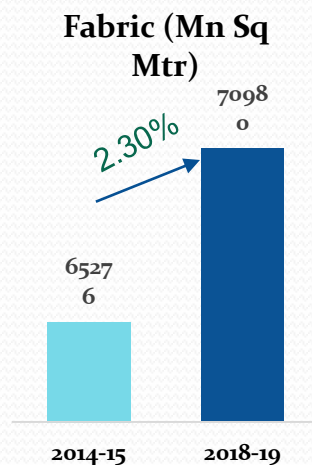
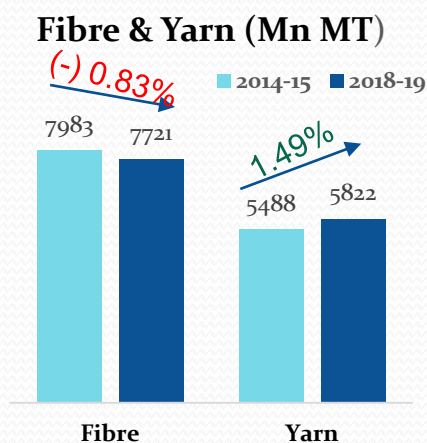
# Textile Value Chain in India





# Domestic Production & Demand Pattern

## ❖ Growth in production in the TVC (2014-19)

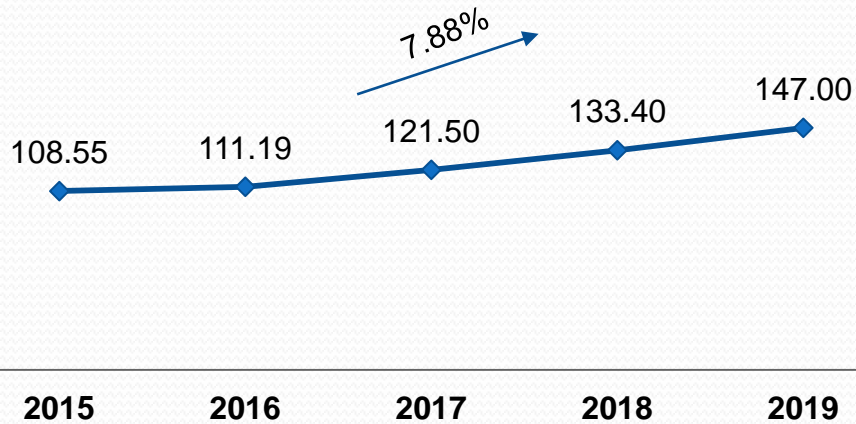


- Growth of production across the value chain is asymmetrical.
- Raw cotton & wool - Negative growth
- Manmade Fibre & Silk – Positive Growth
- Growth in Technical Textiles - 17.97%
- **Detailed break up of Fiber, Yarn, Fabric and RMG production.**

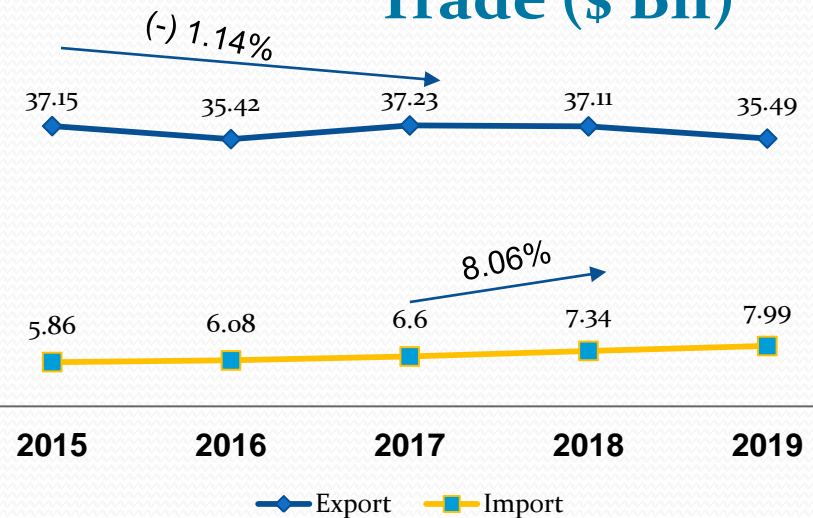


# Demand of Textiles & Apparel

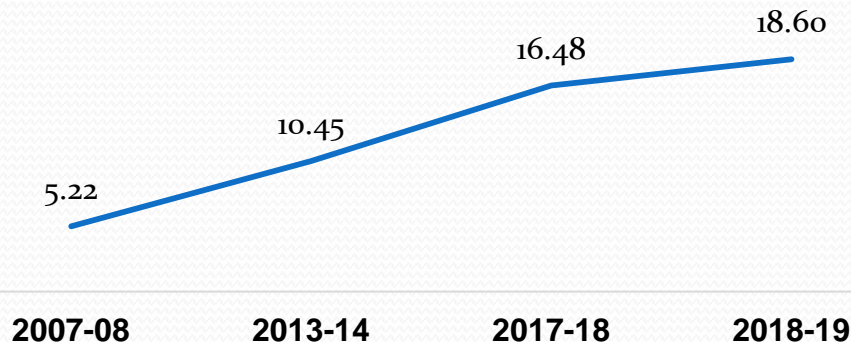
## Domestic Market Size (\$ Bn)



## Trade (\$ Bn)



## Market Size of Technical Textiles

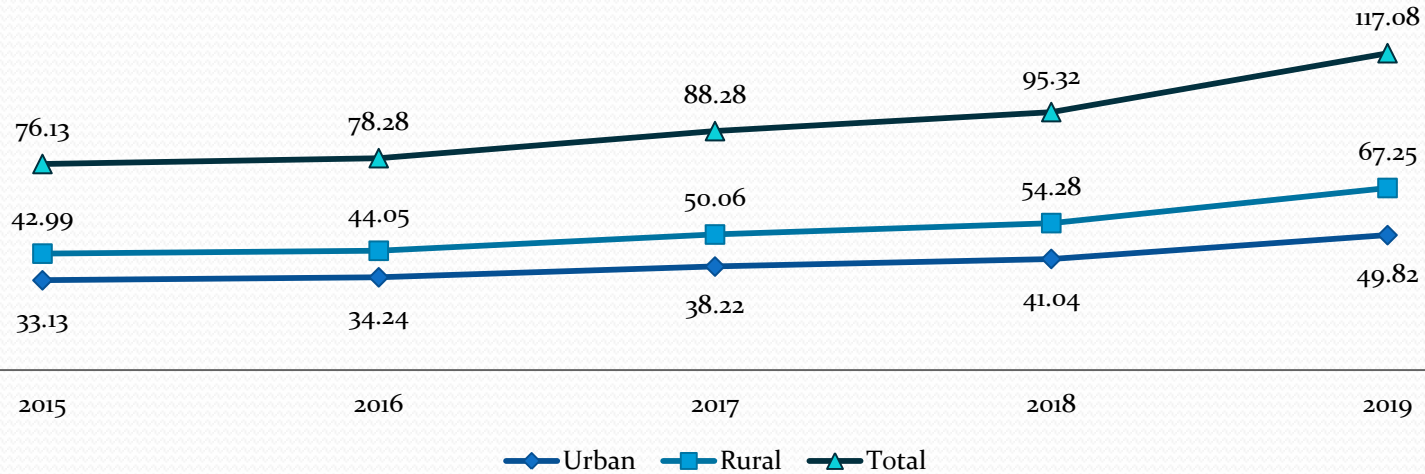


- Domestic market size experienced robust growth of 7.88% during 2015-19 periods
- Domestic market size of Technical Textiles is growing at 12.21% during 2013-19 periods.
- Export is declining by (-) 1.14%, where global exports has increased by 2.91%
- Import grew by 8.06% CAGR during 2016-19 period.



# Domestic demand of T&A

Aggregate domestic purchase by value of T&A (Bn(\$))



- Domestic Market in HH sector has increased by 11.36% during 2015-19 periods.
- Growth of demand in Rural India (11.83%) has outpaced growth in Urban India (10.73%) in terms of value.
- Per capita purchase of textiles has increased from 30.27 mtrs in 2015 to 39.58 mtrs in 2019 with a CAGR of 6.93 %



# Global Export Scenario

## Top 10 Exporters of world (Bn USD)

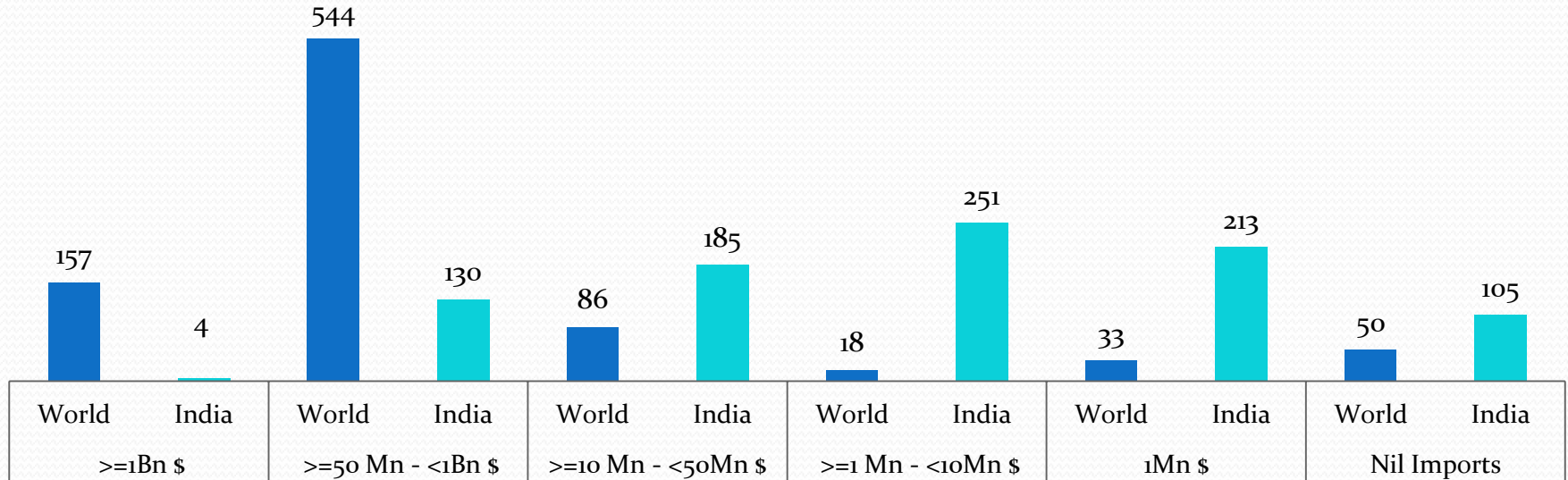
Sr. no	Exporters	2015	2018	2019	Share	CAGR (%)
1	China	274	266	261	31.8	-1.21
2	Viet Nam	27	37	42	5.1	11.63
3	Bangladesh	28	41	42	5.1	10.55
4	Germany	30	39	38	4.6	6.10
5	Italy	32	37	36	4.4	3.24
6	<b>India</b>	<b>37</b>	<b>37</b>	<b>35</b>	4.3	<b>-1.14</b>
	<b>Top 10</b>	<b>509</b>	<b>550</b>	<b>548</b>	66.7	<b>1.86</b>
	<b>World</b>	<b>770</b>	<b>835</b>	<b>821</b>	100.0	<b>1.63</b>

Source : ITC trademap and TC analysis

- Global T& A Export increased by 1.63 % CAGR (2015-19) V/s India's (-)1.14%.
- Top10 countries - 66.70% of global exports.
- India slipped from 2<sup>nd</sup> in 2015 to 6<sup>th</sup> position in 2019.
- China vacated \$13 Bn market size, India couldn't capitalize from it.
- India's share in exports declined from 4.83% in 2015 to 4.32% in 2019.
- Major beneficiaries - Viet Nam (11.63 % CAGR) & Bangladesh (10.55% CAGR)



## No. of Products India Exports Vs World Imports (6 digit level)



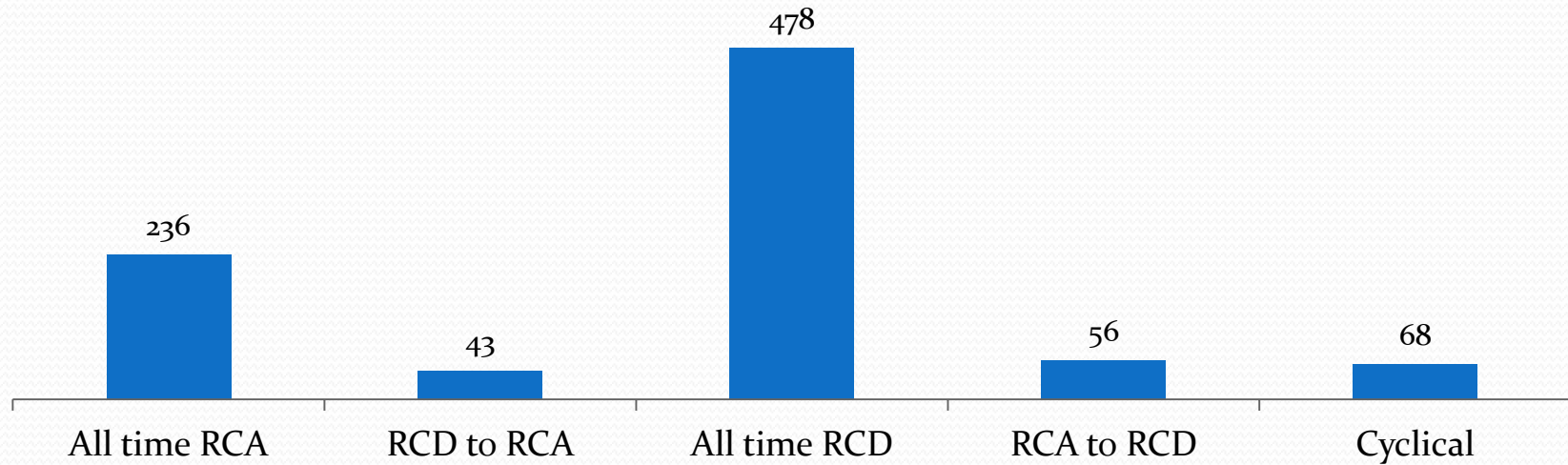
### Fibre wise no. of Products India Export

Fibre	>\$1Bn		\$50 Mn - \$1 Bn	
	World	India	World	India
Man-made	89	0	203	40
Cotton	39	3	130	48
Wool	10	0	52	5
Others	27	1	150	36

- Out of 815 HS lines (6 digit), 157 are contributing \$ 583.69 Bn (71%) to global export. India - only 4 products (\$5.12 Bn).
- 544 products contributes \$163.11Bn (19.87%). India has a presence on 130 products (\$ 24.86 Bn) only.
- India exports more products in range of \$10 Mn to \$50 Mn (185 products) & \$1 Mn to \$10 Mn (251).
- India absence on major exportable products in global market adversely affects India's export potential in global market.
- **Export diversification at product level is a key constraint for India**



## RCA at HS 6 level during last 6 years



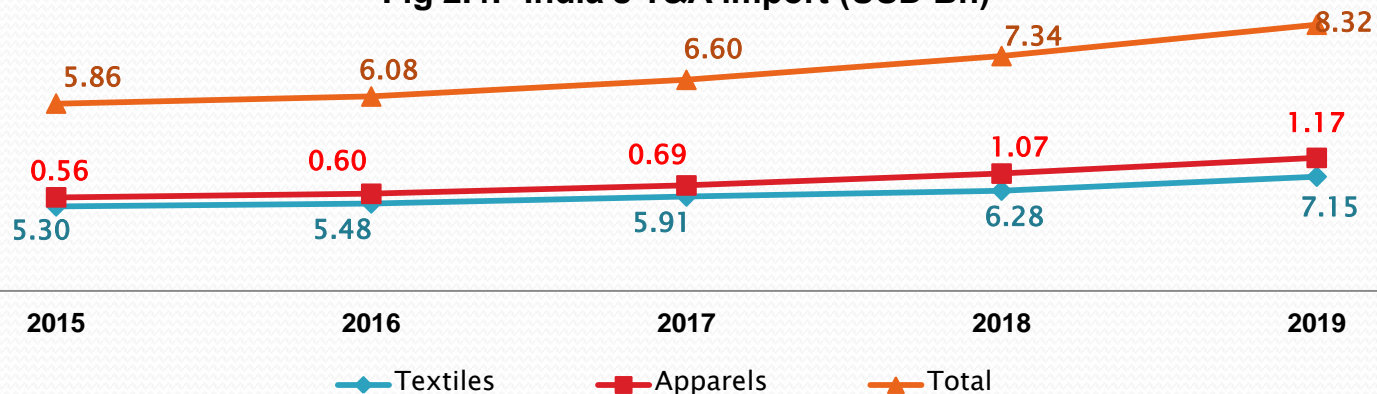
- India has lost RCA on 43 products during last 6 yrs..
- India gained RCA on 56 products during the period.
- India is on RCD on another 478 products.
- Loss of comparative advantage on more no. of products reflects lack of competitiveness.
- **There is a need to strengthen competitiveness at product level.**
- **Export similarity index / Global import**



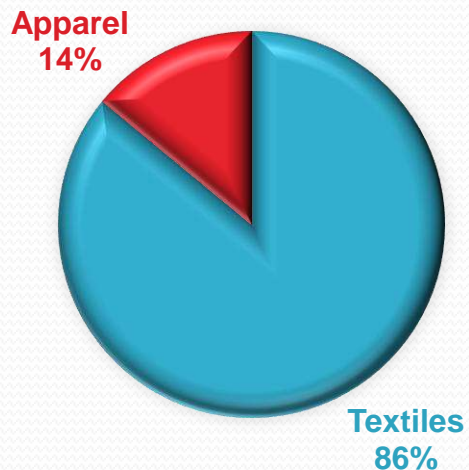


## India's Import scenario

Fig 2.4:- India's T&A import (USD Bn)



### SHARE OF T & A IN 2019 (%)



- India's T&A import increased \$5.86 Bn to \$8.32 Bn @ CAGR of 9.17% (2015-2019)
- Apparel Imports grew @ 19.55% CAGR (\$1.17 Bn)
- Most of apparels (67.58%) are imported from Bangladesh (\$399.24 Mn), China (331.68 Mn), Srilanka (\$ 63.14 Mn).

# Summary

- India's presence across TVC - major strength but falling cotton & wool production & tepid growth in Man- made fibre has potential to adversely affect **the TVC**
- **Fabric manufacturing, Processing segments are highly unorganised & weak links in the TVC.**
- **Fragmented manufacturing activities, Technological bottlenecks are major constraints**
- **Growth in domestic demand is robust but significant increase in import in value added products is a matter of concern.**
- **Less diversified export basket & limited presence in top exportable products of world.**
- **Declining export Competitiveness- major challenge (India lost comparative advantage in 53 products in last 5 years)**
- **Loss in export and increased import adversely affected 2.14 lacs employment opportunity for the sector.**



# Assessing Employment & Income Scenario in Textile sector.



# Employment & Income Scenario in Textile sector.

## ➤ Analysis:

- Analysis of EPFO data.
- Analysis of data from the listed units.
- Analysis of Primary Data from 887 units of TVC.

➤ Employment & Income Scenario in Textile sector is analyzed in below categories .



☞ Segments

☞ Statewise

☞ Gender

☞ Job Category



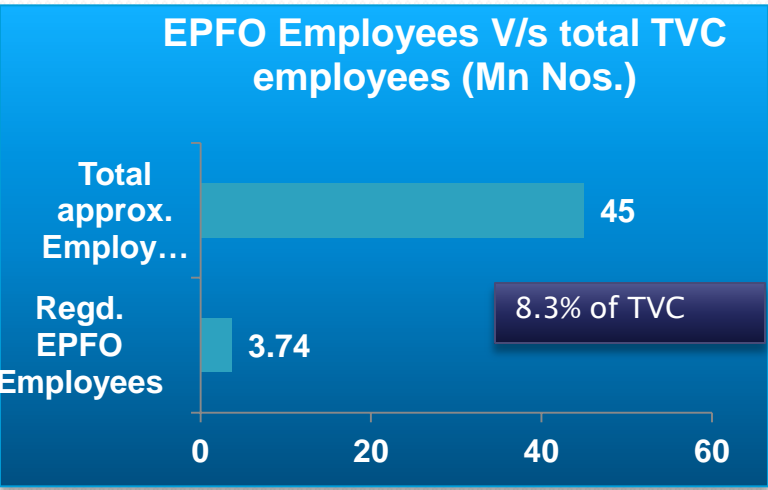
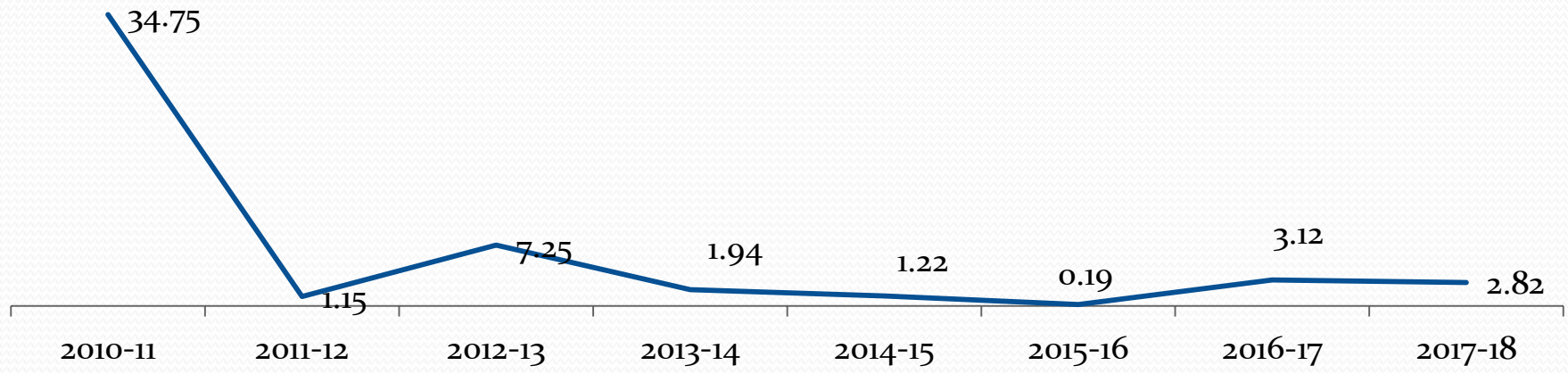
Size

ie. Micro, Small,  
Medium, Large



# No. of Manufacturing Units & share of EPFO Regd. Employees

## AGR in No. of units registered under EPFO (%)



- No. of Manufacturing Units enrolled ( 2017-18): **20,518**
- Increasing trend in enrolment in 2016-17 (3.12%) & 2017-18 (2.82%)
- Highest enrolment states - Jharkhand (35.61%), Delhi (23.25%), Odisha(22.47%)
- Declining enrolment states – Manipur (-16.34%), Goa (-10.76%), Assam (-10.13%), Meghalaya (-9.28%), Tripura (-6.21%), Chandigarh (-4.61%), Karnataka (-2.48%) & Telangana (-1.71%)



## Employment in EPFO Regd. Units

➤ State wise workforce (Mn.Nos.)

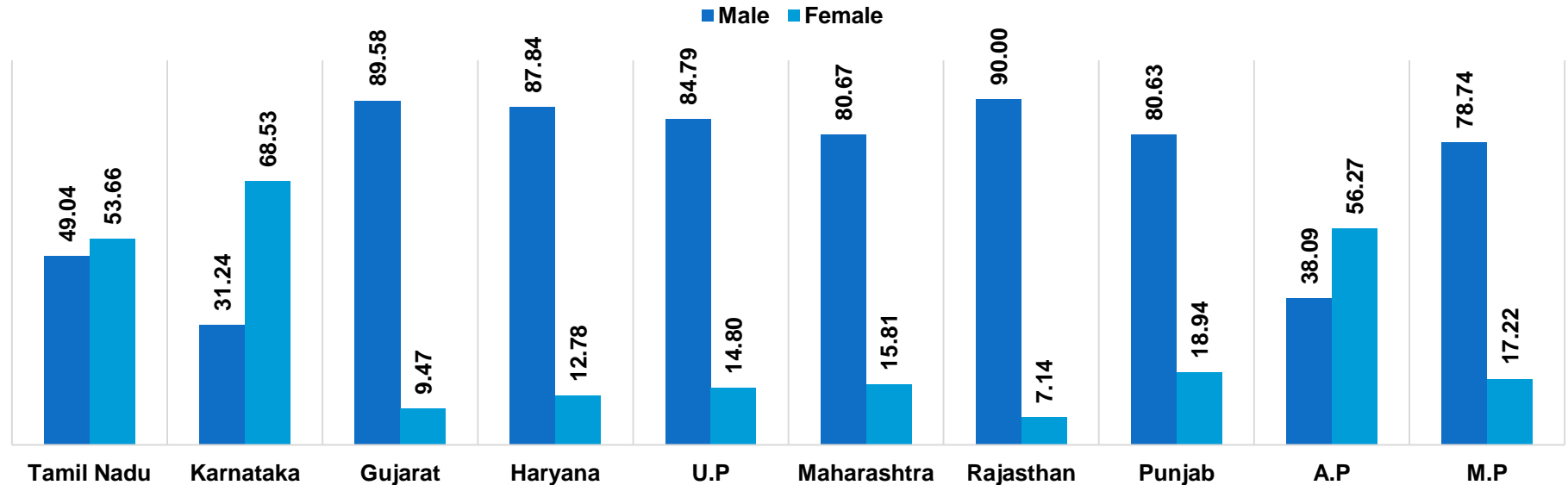
Sr. No	Name of the State	13-14	17-18	Share	AAGR (13-18)
1	<b>Tamil Nadu</b>	<b>0.80</b>	<b>1.09</b>	<b>29.2</b>	<b>8.36</b>
2	<b>Karnataka</b>	<b>0.74</b>	<b>0.67</b>	<b>17.9</b>	<b>-2.48</b>
3	<b>Gujarat</b>	0.23	0.41	11.1	<b>15.84</b>
4	Haryana	0.27	0.36	9.7	8.49
5	<b>Uttar Pradesh</b>	0.17	0.31	8.3	<b>17.18</b>
6	Maharashtra	0.14	0.18	4.8	6.99
7	Rajasthan	0.13	0.17	4.5	7.11
8	Punjab	0.14	0.16	4.3	3.93
9	Andhra Pradesh	0.06	0.08	2.1	8.75
10	Madhya Pradesh	0.06	0.07	1.8	1.42
11	<b>Top 10 states</b>	<b>2.73</b>	<b>3.50</b>	<b>93.7</b>	<b>6.44</b>
12	<b>All India</b>	<b>2.92</b>	<b>3.74</b>	<b>100.0</b>	<b>6.5</b>

Source : EPFO



# Ratio of Male & Female workforce (%)

## State wise gender share (2017-18)



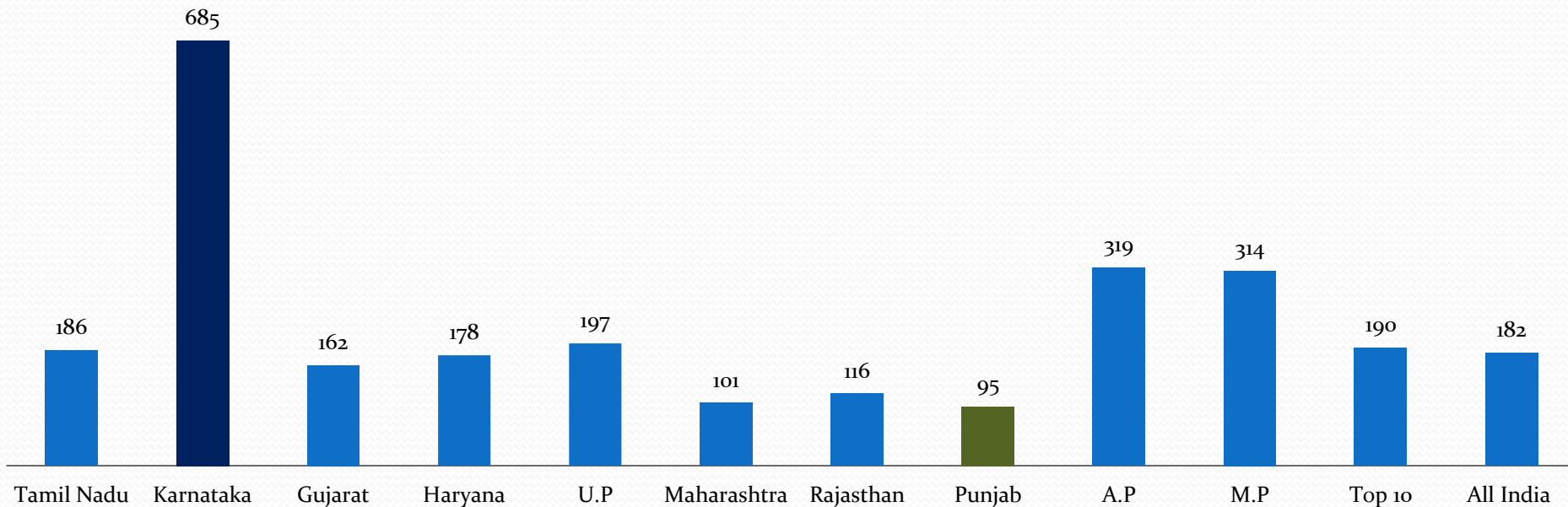
## GENDER SHARE (ALL INDIA)



- All India male female ratio is 63:37
- Female dominated - Karnataka (68.5%), Tamil Nadu (53.7%), A.P (56.27%) - mainly due to presence of RMG clusters .
- Male dominated – Rajasthan (93%), Gujarat (91%), Haryana (87%).



## Average employment per unit- State wise

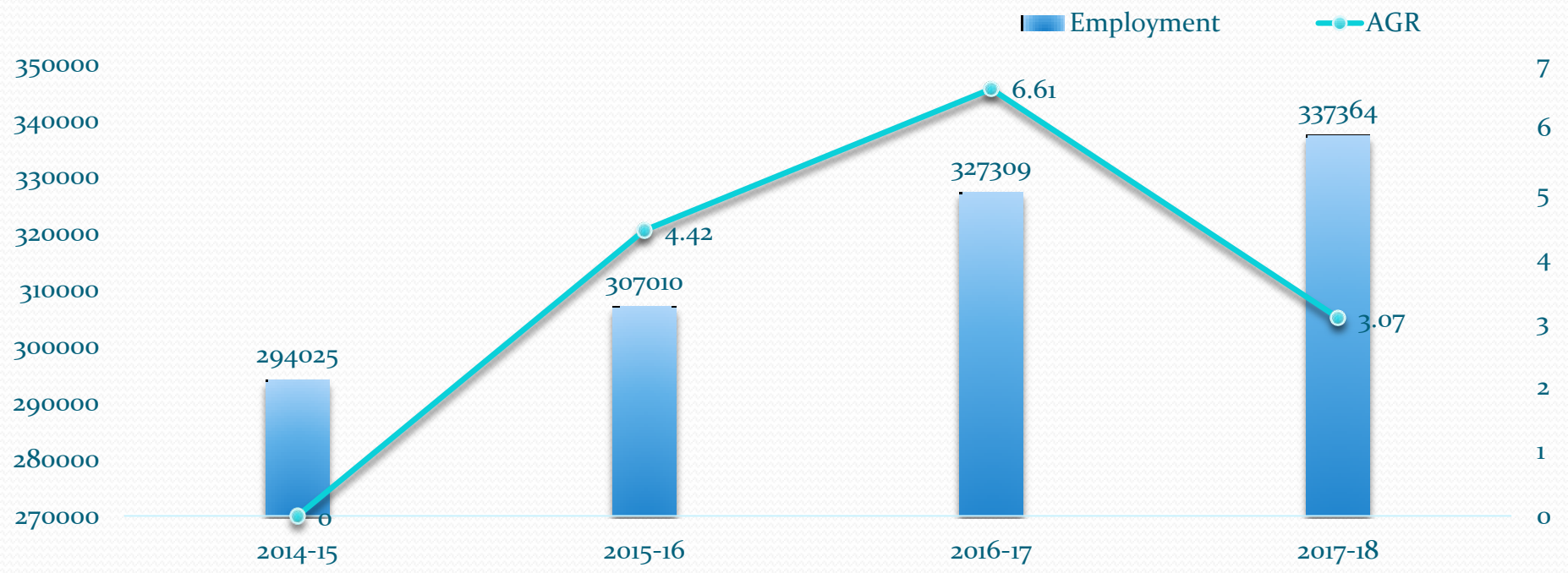


- All India per unit Employment : **182 workers.**
- Highest per unit ratio – Karnataka, A.P, M.P
- Lowest per unit ratio – Rajasthan, Maharashtra, Punjab
- Scale of Production & Turnover of units in states having more average employment is higher & better placed to absorb more employment
- Concentration of labour intensive units like RMG is high





# Growth in Employment in Listed Companies



- Employment growth during 2014-18 - **4.70% AAGR**
- Highest growth segments - Processing (17.74%), Weaving(16.98) TT (9.39%), RMG (7.53%), Made up (5.05%).
- Negative growth - **Spinning(-0.37%)**, knitting (-0.19%)

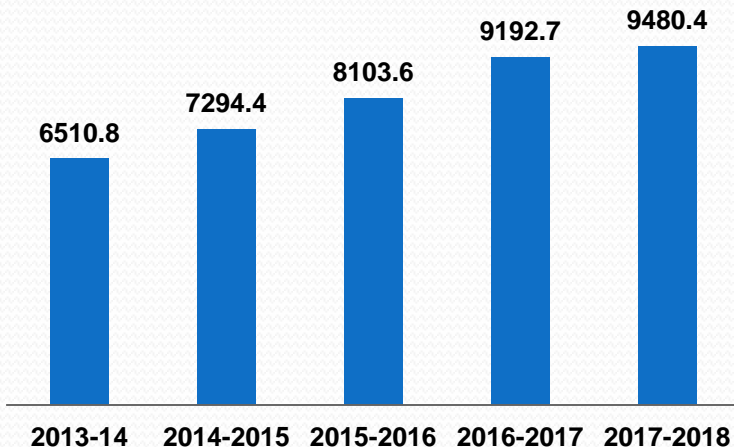


# Growth in Income of Workforce

## Segment wise growth (AGR) of increase in income

S. No.	SEGMENT	14-15	15-16	16-17	17-18	AAGR (14 18)
1	SPINNING	14.9	6.4	6.8	1.3	7.4
2	WEAVING	5.6	11.2	5.0	10.0	8.0
3	PROCESSING	43.7	16.9	11.2	12.3	21.0
4	COMPOSITE	5.5	12.2	17.4	0.03	8.8
5	MADE UPS	26.0	15.7	22.8	6.7	17.8
6	KNITTING	14.7	5.9	-3.6	14.1	7.8
8	RMG	16.2	13.4	5.3	5.8	10.2
9	TT	15.6	9.3	2.3	15.9	10.8
	<b>Total(%)</b>	<b>12.0</b>	<b>11.1</b>	<b>13.4</b>	<b>3.1</b>	<b>9.9</b>

Y o Y spending on salaries of employees by listed units ( Rs. Cr.)



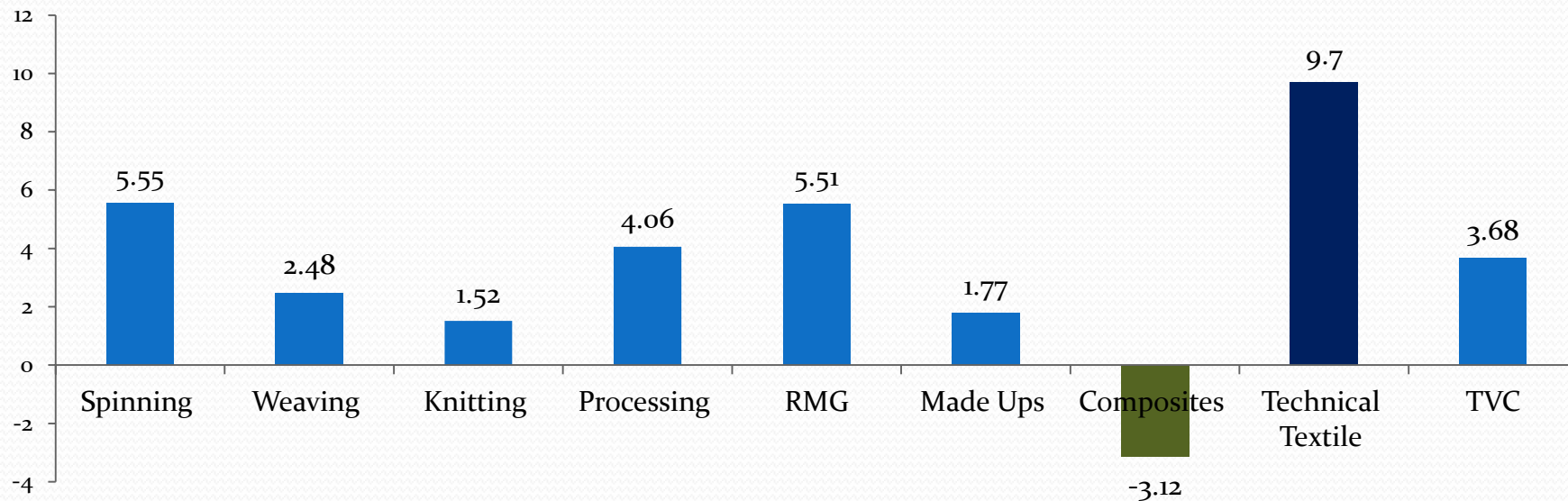
- **All India average growth - 9.9%**
- **Highest growth segments - Processing (21.0%), Made ups (17.08%), RMG (10.2%) & TT (10.8%)**

# Findings from the Primary Survey

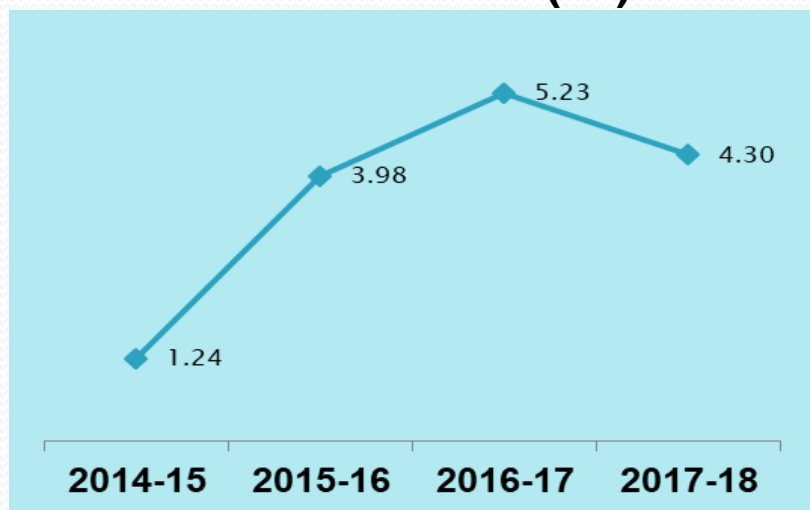


# Growth in employment in T & A

## ➤ Employment Growth (%) - Segment wise in AAGR (2014-18)



## Year wise trend (%)

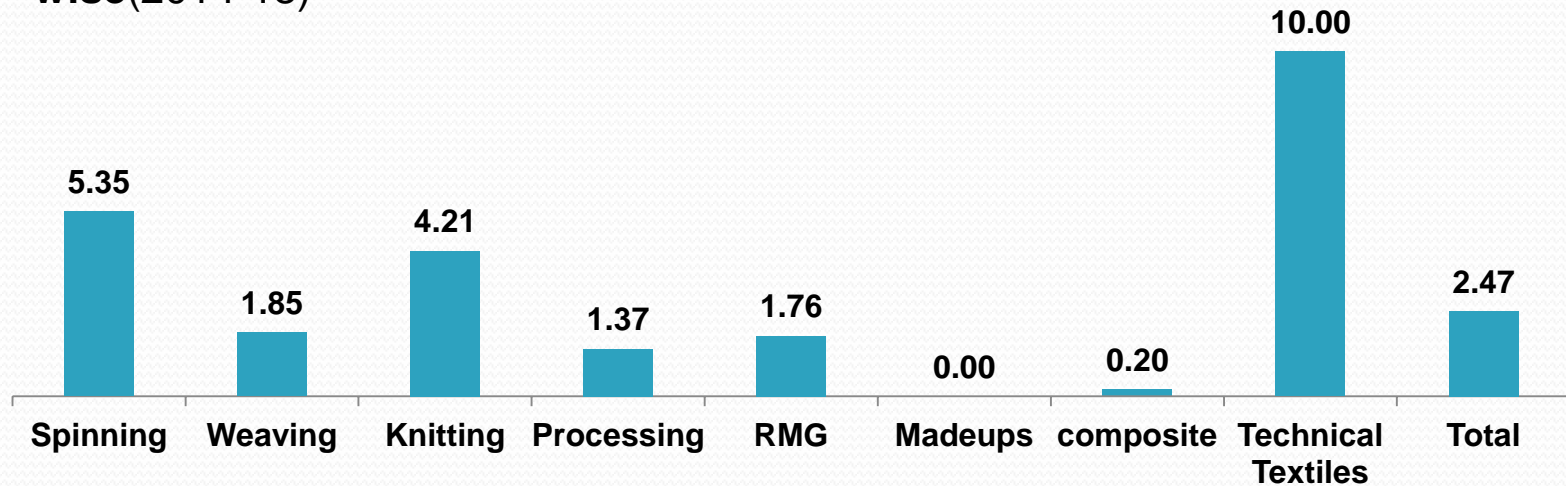


- Overall growth - 3.68%
- Highest growth segment - TT (9.70%), Spinning (5.55%), RMG (5.51%), Processing (4.06%).
- Low growth Segments - Weaving (2.48%), knitting (1.52%), Made-ups (1.77%)
- Peak Growth year - 2016-17

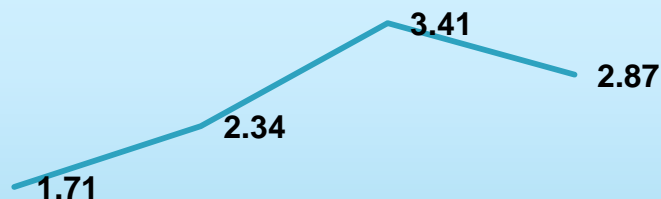


## Growth in income of workforce

### ➤ Income Growth (%) - Segment wise(2014-18)



### Trend in growth of income (14-15 to 17-18)



- Overall growth - **2.47%**.
- **Highest** growth segments – TT (10%), Spinning (5.35%), Knitting (4.21%)
- Less growth segments – Weaving (1.85 %), RMG (1.76%), Processing (1.37%), Composites (0.20%).
- Peak growth year – 16-17 in line with employment growth

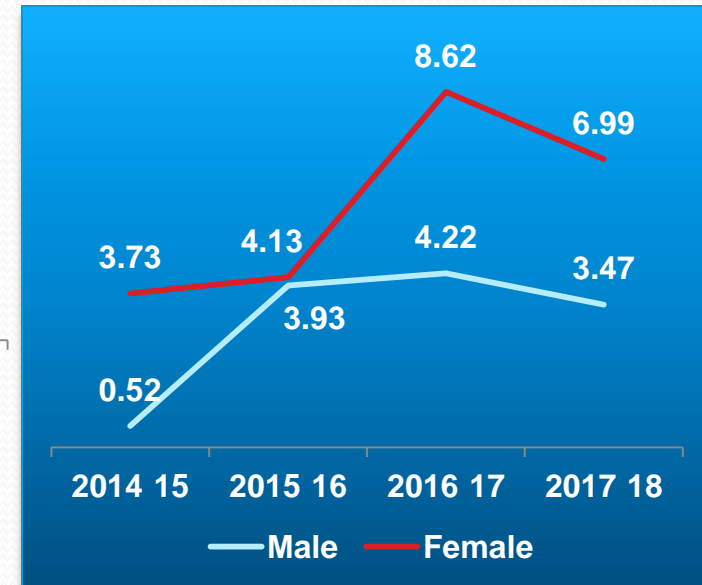
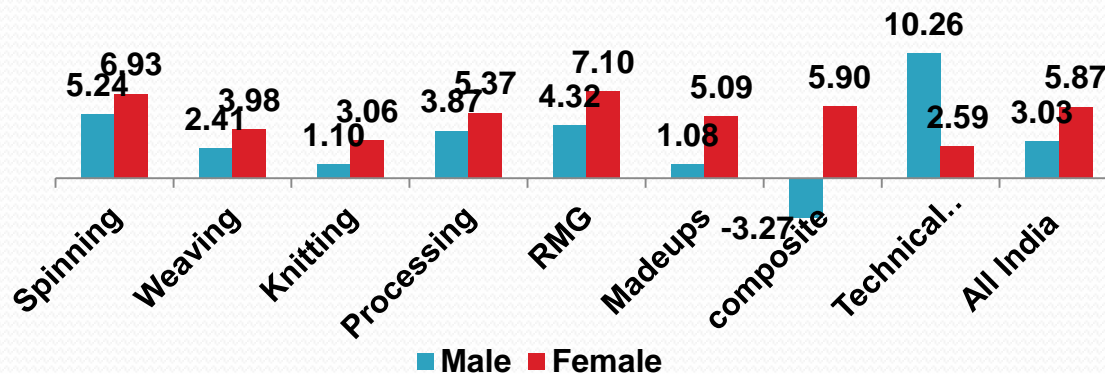
2014-15    2015-16    2016-17    2017-18



## ➤ Growth in Employment by gender

## ➤ Trend in Growth in Employment (year wise) by gender

AAGRs of Gender wise Employment in sub-segments of T&A sector

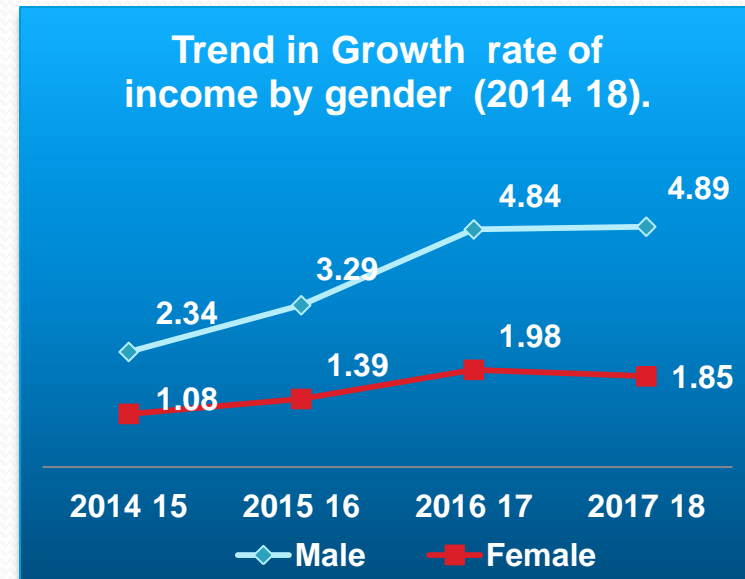
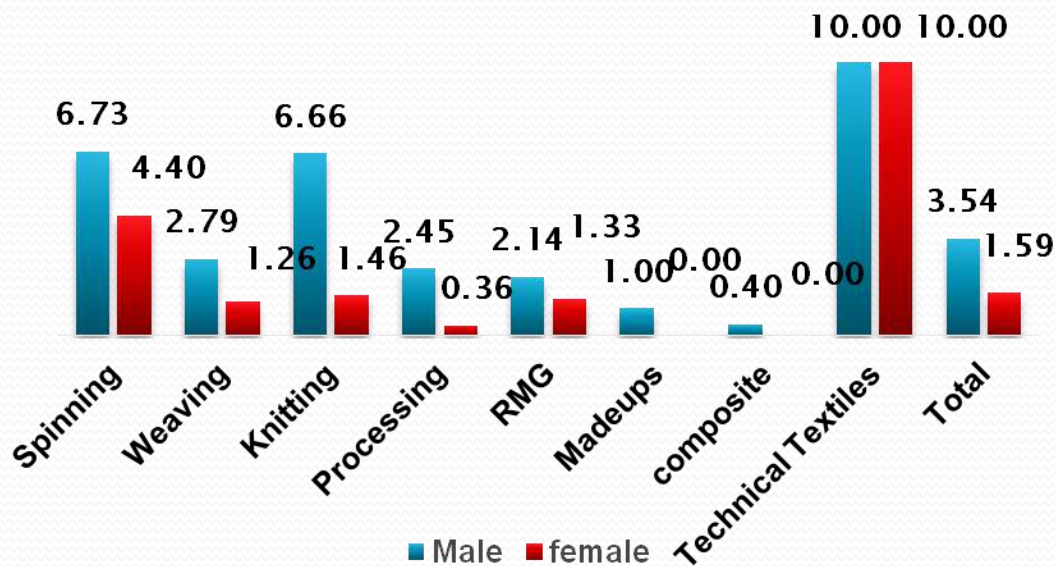


- Growth in employment of female is 5.87 % as compared to 3.03% of male during 2014-18.
- **Highest** growth in employment for **Male** is reported in TT with 10.26%
- **Highest growth in employment** for **Female** is reported in RMG with 7.10%
- Female participation across TVC is growing as compared to male accept Technical textile
- Rate of growth of employment declined by 18.9 (female) & 17.8 (male) from 16-17 to 17-18 .





## ➤ Segment & gender wise growth in income during 2014-18.

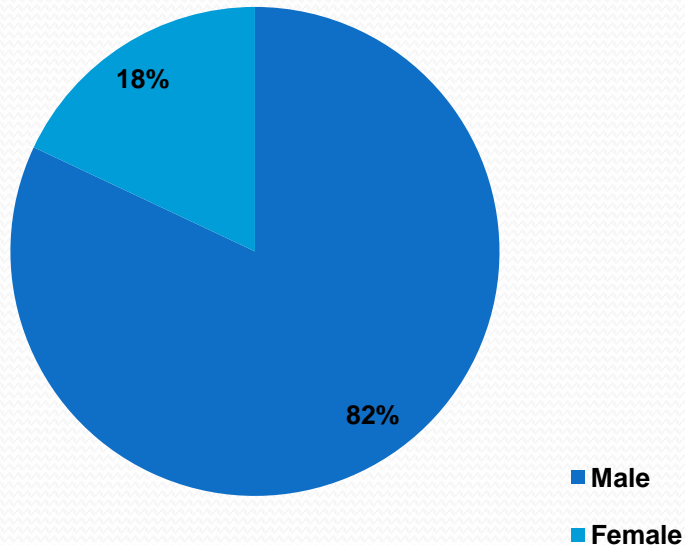


- The Average Growth rate of income for male (3.54%) is higher than that of female (1.59%).
- Highest AAGR amongst Male & female Workforce: 10% in Technical Textiles.
- RMG which is considered a **female** dominant segment recorded **less growth** in income (1.33 %) than there **male counterpart** (2.14%) .

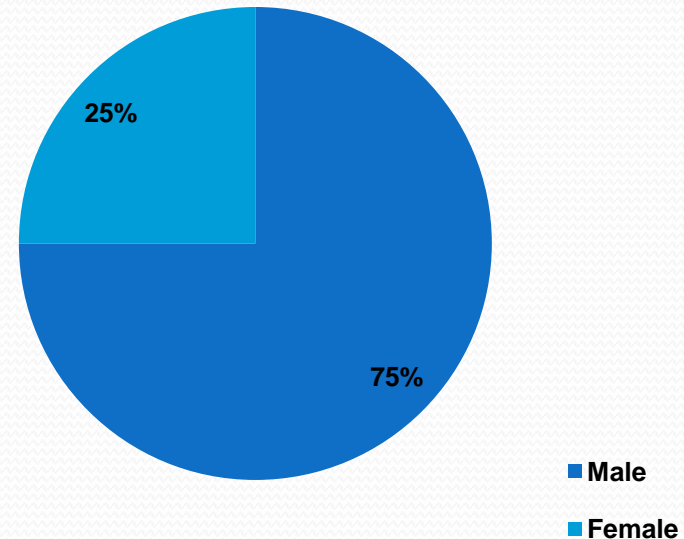


## ➤ Ratio of Male to Female workforce in 2013-14 & 2017-18

Gender wise share (2014-15)



Gender wise share (2017-18)



- Ratio of workforce: participation of female workforce increased by 7% from 2014-18 in entire TVC.
- **Share of male** workforce reduced from 82% to 75% (2014-18).
- Simultaneous increase in **share of female** workforce from 18 % to 25 %.

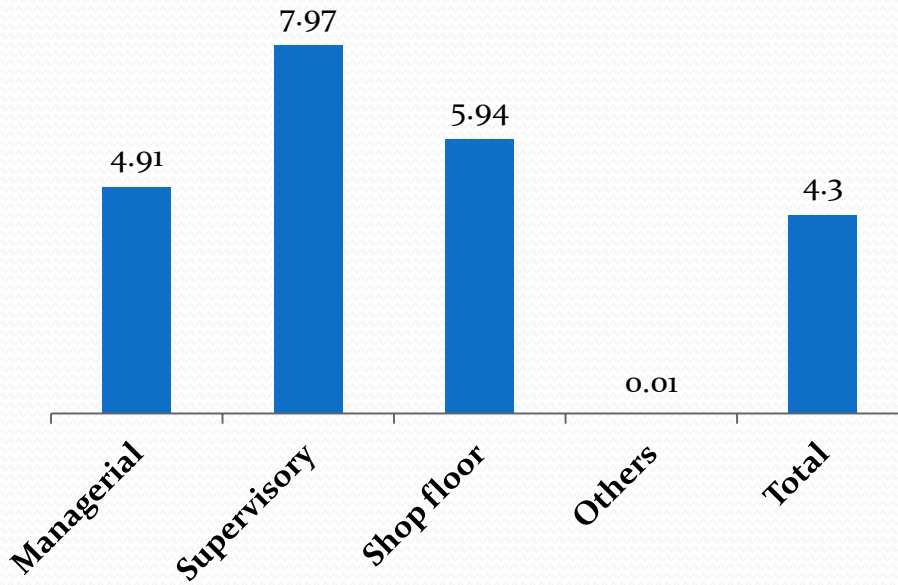




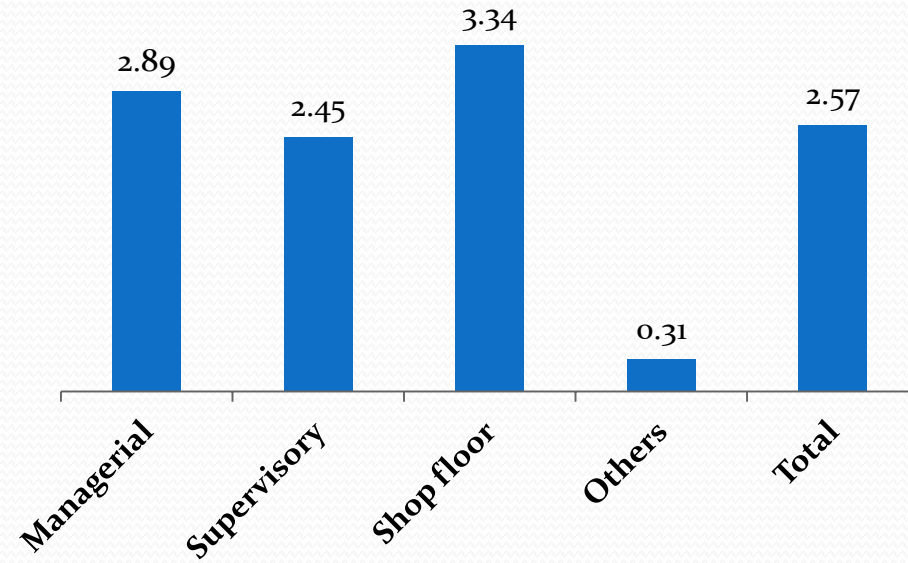


## Growth in Employment & Income by Job Category (2014-18)

Growth in employment



Growth in income



- Overall Employment growth - 4.30% (2014-18)
- Highest AAGR - Supervisory(7.97%), Shop floor (5.14%) & Managerial (4.91%)
- Overall Income growth - 2.57%
- Highest AAGR - Shop floor (3.34%), Managerial (2.89%) and Supervisory (2.45%).

**Employment Growth by size of industry (2014-18)**

<b>Growth in Employment by Industry Category(2014-18)</b>					
<b>Category</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>AAGR (2014-18)</b>
<b>Micro</b>	-0.04	-1.84	2.52	2.24	0.72
<b>Small</b>	3.36	3.98	3.57	5.10	4.00
<b>Medium</b>	5.83	7.06	7.27	7.01	<b>6.79</b>
<b>Large</b>	-0.01	3.55	5.27	3.59	3.10
<b>Total</b>	1.24	4.02	5.24	4.28	



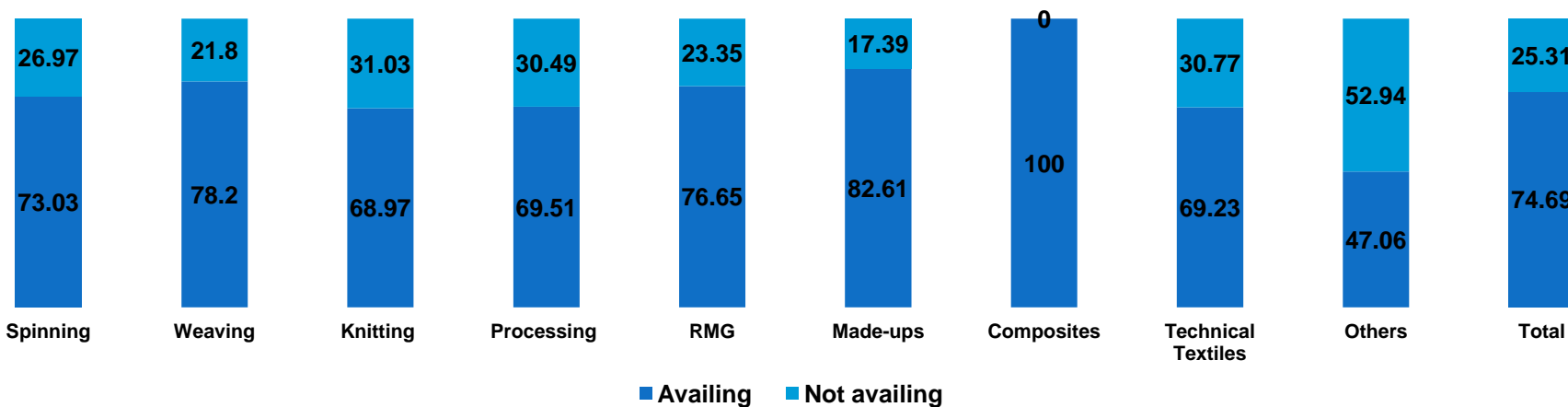
# **Govt. Initiatives & Its impact on Employment & Income**

## Initiatives of MoT

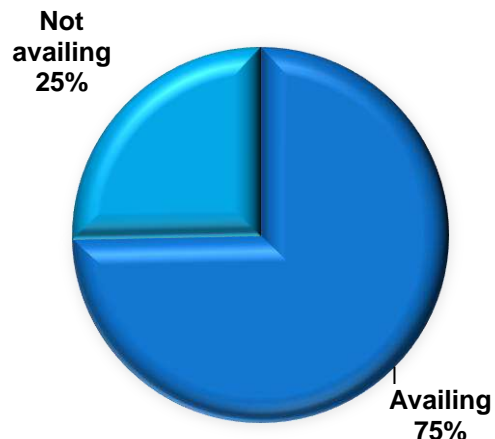
S. No	Initiatives	Purpose
1	Technology Upgradation Funds Scheme (TUFS)	Upgradation of technology
2	Scheme for Integrated Textile Parks (SITP)	Development of state of art integrated textile parks
3	Integrated Skill Development Scheme (ISDS)	Providing skilled manpower to the industry
4	Pradhan Manthri Rozgar Protsahan Yojana (PMRPY).	Enhancing income of the employees
5	Scheme for Rebate of State and Central Taxes and Levies (RoSCTL )	Enhancing export and employment
6	Integrated Processing Development Scheme (IPDS)	Strengthening processing infrastructure for better value realisation
7	National Handloom Development Programme (NHDP)	Overall development of handloom sector
8	Integrated wool development programme (IWDP).	Overall development of woolen sector
9	Power Tex India - Comprehensive Scheme for Power loom Sector	Development of powerloom sector
10	Technology Mission on Technical Textiles (TMTT)	Development of Technical Textiles sector
11	Handloom Reservation Act'1985	Providing handholding support to handloom sector



## Segment wise units availing Govt. schemes (2014-18)



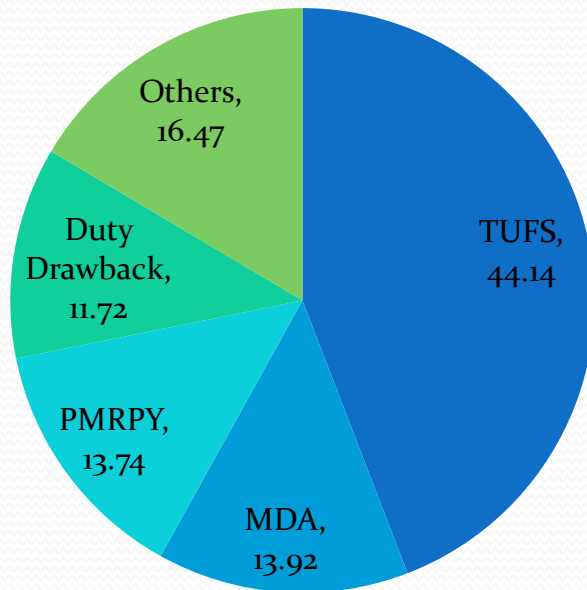
Share of units availing schemes



- Un availed users – 25%; scope for further penetration of the schemes.
- Segment wise top users – Composite (100%), Made-ups (82.61%), Weaving (78.2 %), RMG (76.65%), Spinning (73.03 %).
- Processing & T T units availed minimal scheme benefits



## Schemes availed by Industry



Other Schemes include

Schemes	%
Power Subsidy	4.76
EPCG	4.03
MEIS	2.2
RoSL	0.73
MAI	0.92
EPF	0.55
ISDS	0.55
Interest Subvention	0.55
GIS	0.37
TEQ UP	0.37
In Situ Upgradation	0.18
Powertex CFC	0.18
ESI	0.18
TEX Venture Fund	0.18
PMKVY	0.18
New Entrepreneur Development Scheme	0.18
PMMY	0.18
MSME Scheme	0.18

- Schemes availed – TUFS (44.14%), MDA(13.92%), PMRPY(13.74%), Duty drawback(11.72%) etc.
- Other schemes has less penetration among the industries



## Impact of Govt Initiatives on Investment (2013-18)

### Average investment per unit of Scheme availing units vs non availing (Rs. Cr.)

Type of unit	Segments									
	Spinning	Weaving	Knitting	Processing	RMG	Madeups	composite	TT	Others	Total
Availing	165.92	34.27	19.73	32.44	8.4	21.36	1293.64	55.87	388.98	55
Non Availing	33.25	5.05	1.71	11.16	1.52	1.4	NA	10.98	4.14	8.6

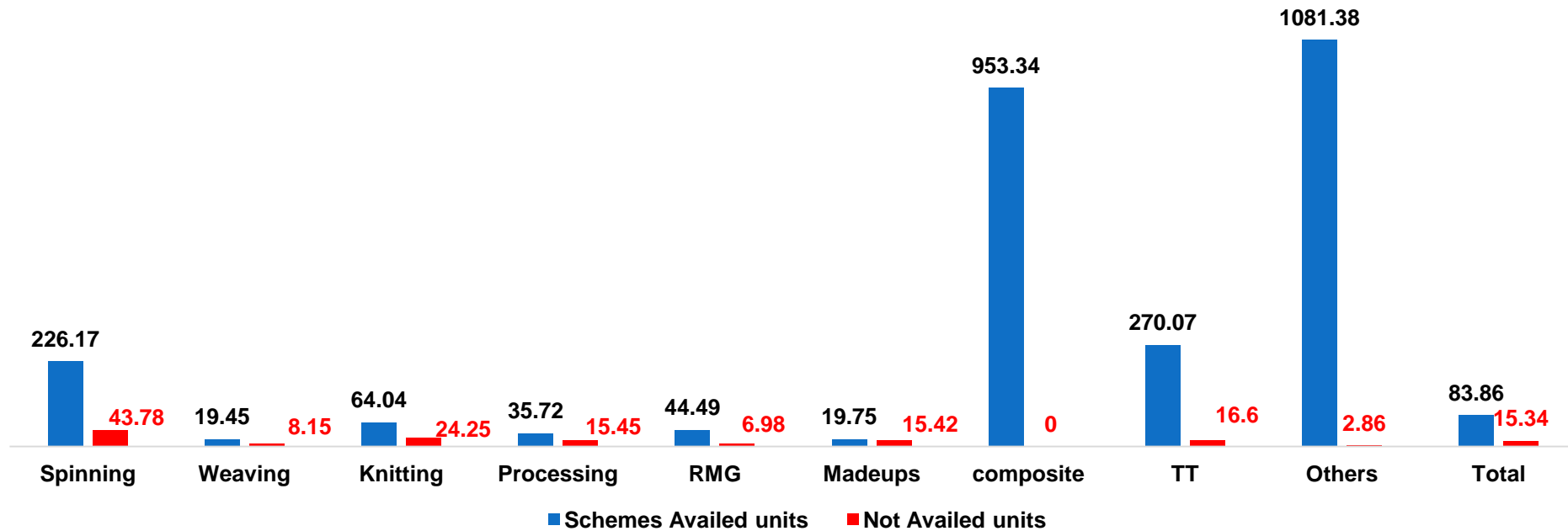
Source: Analysis from Primary survey

- Survey clearly establishes direct relationship between interventions and investments.
- Average Investments – Rs 55 Cr (availing units), Rs 8.6 Cr (non availing units)
- Highest investments availing Segment - Composite (Rs 1294 Cr), Spinning (Rs 166 Cr), TT (Rs 56 Cr)
- **Govt initiatives has positive impact on attracting investments in sector.**



## Impact on Production (Availing v/s Non-availing)

Average production per unit of Scheme availing units vis-a-vis not availing units (Rs.Cr.)



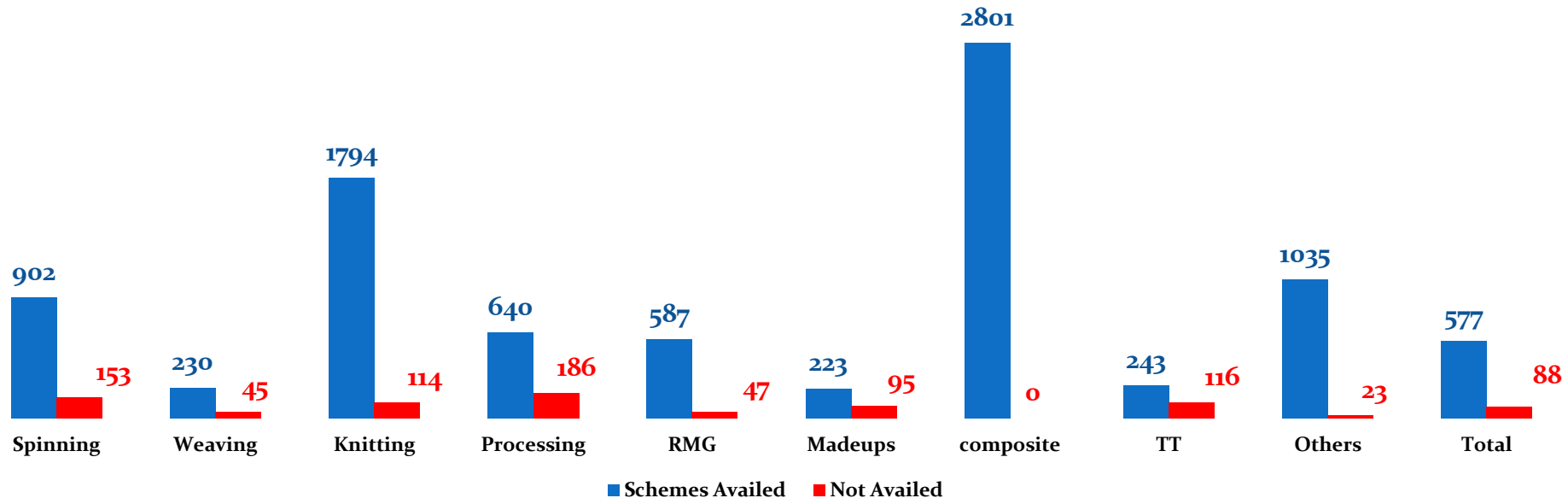
- Avg Production per unit – Rs 84 Cr (availing) Vs Rs 15.34 Cr (non availing)
- Highest production in scheme availing segment – Others (finishing, embroidery, etc) (1081.38 Cr), Composite (Rs 953 Cr), TT (Rs 270 Cr) & Spinning (Rs 226 Cr)
- **Govt initiatives has positive impact on increasing production per unit in sector**





## Impact on employment (Availing v/s Non-availing)

Average employment per unit (No.)

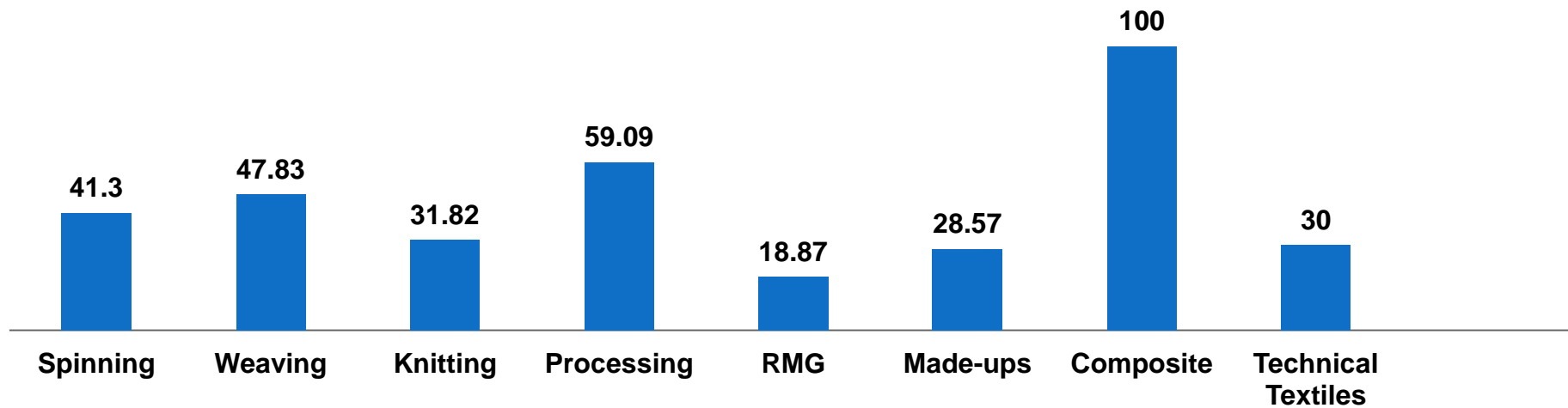


- ❑ Average employment – 577 (availing units) V/s 88 (non availing units)
- ❑ Highest employment segment (Scheme availing) - Composite (2801 persons)
- ❑ Lowest segment - Weaving (230).
- ❑ Highest employment segment (Scheme not availing) – Processing (186)
- ❑ Lowest segment – Other (23)
- ❑ Units not availing schemes have employment growth but their employment per unit is 5.4 times less than units availing schemes

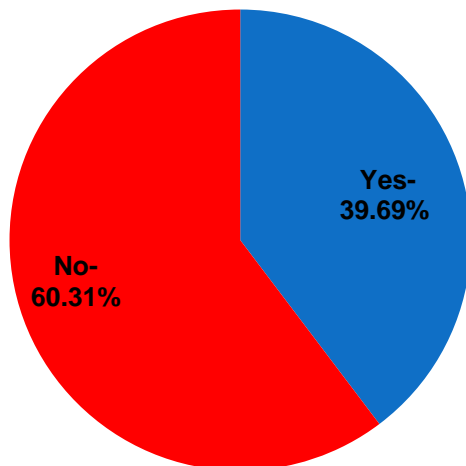


# Industry perception on impact of Schemes on income

Schemes have helped increase in income (%)



Opinion on schemes helping to increase income



- Overall 39.69% of respondents opined influence of schemes on increase of Employee income.
- Highest attribution in Composite (100%), Processing (59.09%), Weaving (47.83)
- Least influence in Made ups (28.57%), RMG (18.87%)

# Major Initiatives & objectives

## TUFS

- Boost “Make in India” & “Zero effect & Zero defect” in manufacturing in textiles sector & employment generation & exports.
- Augmenting investment, productivity, quality, employment, exports along with import substitution.

## PMRPY

- Incentivise employers registered with EPFO & wages less than 15000 p.m to create jobs.
- Payment of 12% (8.33% employees EPS & 3.67% to EPF) for eligible employers of new employees.

## Handloom Reservation act

- Establishing Enforcement Machinery in States to ensure that powerloom and mill sector do not violate provisions of Handlooms Reservation Act, 1985.
- Encourage & assist State Govts/ UTs to set up State level Enforcement Machinery & to strengthen existing infrastructure for effective enforcement.



# TUFS and its Impact

## Overview of TUFS

Sr. no	Name of the TUFS Schemes	Budget allocated (Rs. Cr.)	Project cost
1	<b>TUFS</b>	1270	<b>104115</b>
2	Modified TUFS ( MTUFS)	NA	103235
3	Restructured TUFS (RTUFS)	1972	24761
4	Revised Restructured TUFS (RRTUFS)	11952.8	36562
5	<b>Amended TUFS (A-TUFS)</b>	<b>17,822</b>	<b>54833.32</b>
	<b>Total</b>	<b>33,017</b>	<b>323506.32</b>

- TUFS has attracted investments to the tune of Rs 3.24 Lakh Cr
- A total of Rs 26828.79 Cr subsidy has been released.
- Average subsidy released against Project cost is around 8%



## Employment generated against Investment in TUFS

- Employment generated per Rs 1 Cr. of investment

Sr. no	Segment	Project Cost (in Rs Cr)	New Employment (13.01.16 31.03.20)	New Employment Per Cr. Investment
1	<b>RMG</b>	2451.2	79772	32.5
2	<b>Handloom</b>	69.12	457	6.6
3	<b>Jute</b>	10.56	2448	231.8
4	<b>Multi activity</b>	19060	133451	7
5	<b>Processing</b>	4157.6	21917	5.3
6	<b>Silk</b>	48.7	407	8.4
7	<b>T T</b>	2237.6	5263	2.4
8	<b>Weaving</b>	12805	46246	3.6
	<b>Total</b>	<b>40840</b>	<b>289961</b>	<b>7.1</b>

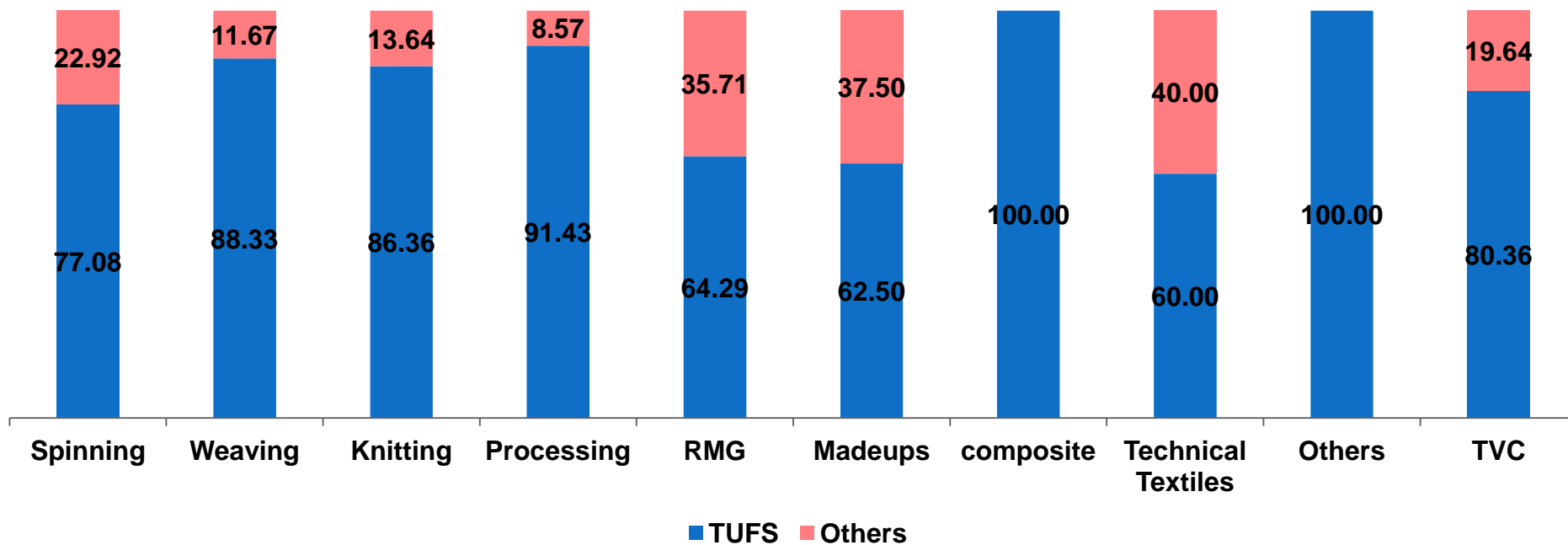
Source:- Annual report Ministry of Textiles 2019-20 (data from ATUFS) & TC analysis.

Note:- Till 31.03.20

- One Cr of investment generated **new employment** for 7.1 persons in TVC. In RMG it is 33 persons
- With an investment of 7.05%, RMG generated 37.93% of employment in TVC



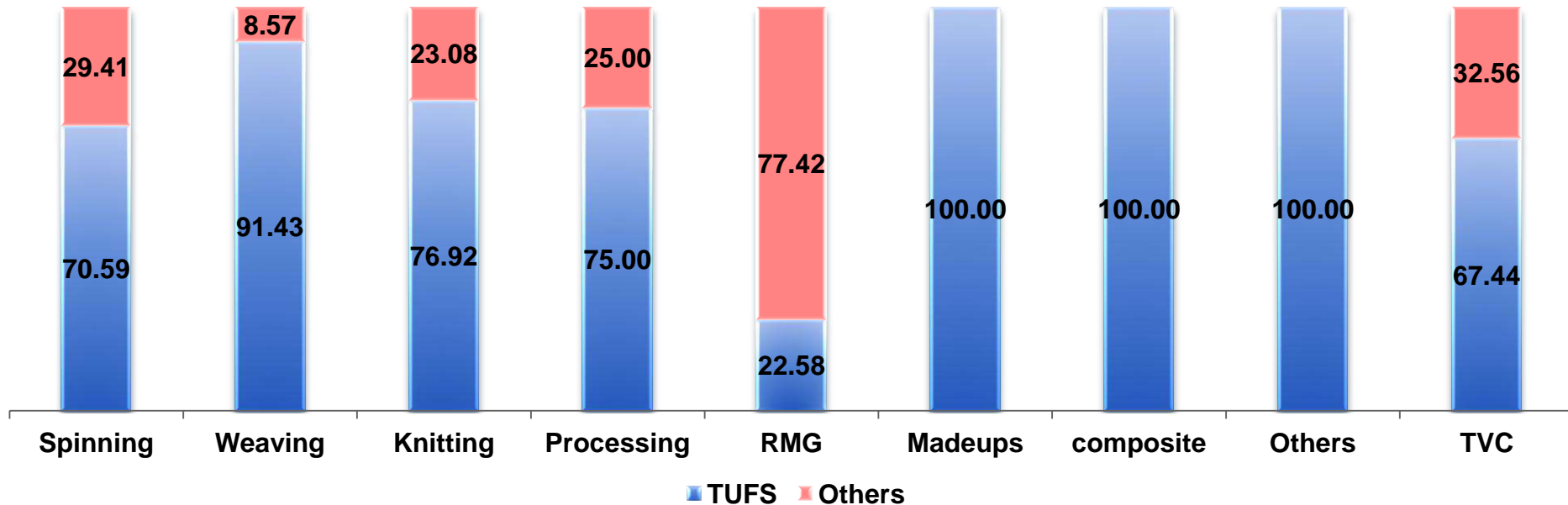
## Impact of TUFS on Production



- Influence in enhanced production – TUFS (80.36%), Others like embroidery, etc (19.64%)
- TUFS benefited Segments – Composite (100%), Others (100%), Processing (91.43%), Weaving (88.33%), Knitting (86.36%)



## Industry viewpoint on TUFS in generating employment

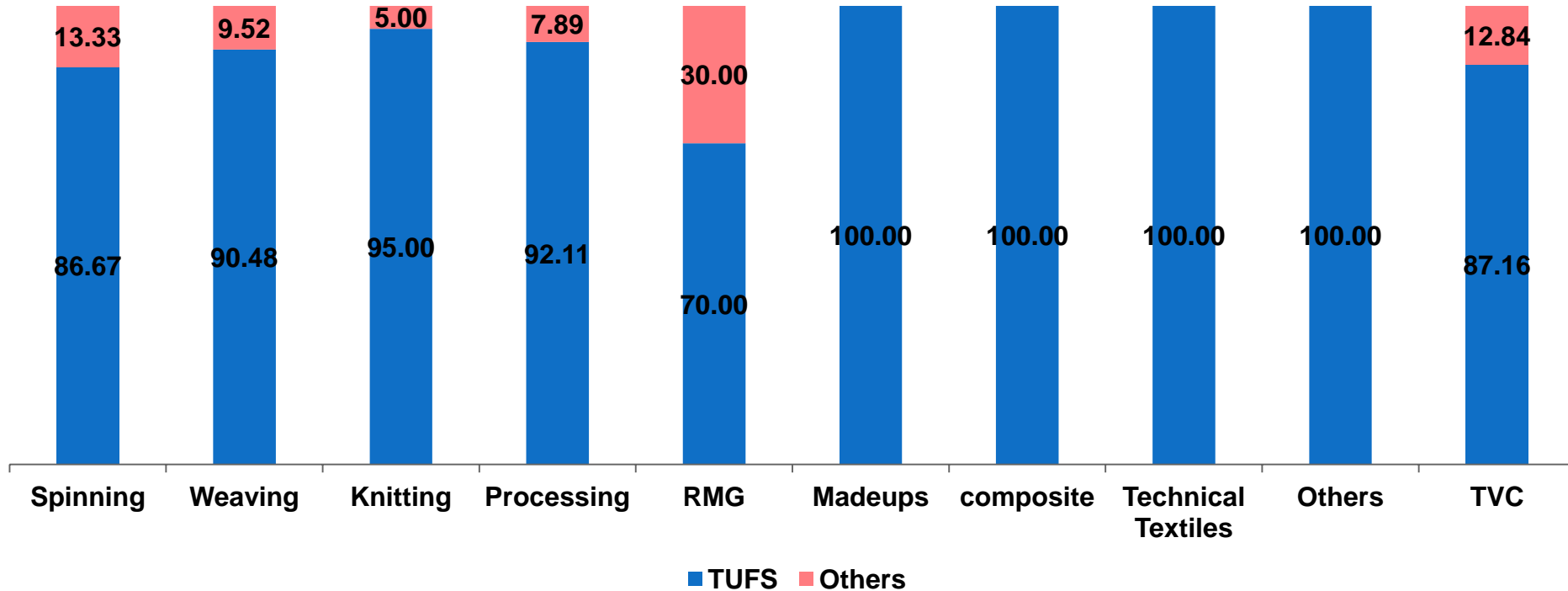


- TUFS has generated additional employment of 4.76 Mn during its implementation
- Influence in generation of employment – TUFS (67.44%), Others (32.56%)
- TUFS benefited Segments – Composite (100%), Made-ups (100%), Others (100%), Weaving (91.43%), Knitting (76.92%)
- 77.42% of RMG segments units opined Other schemes influence on generating employment.





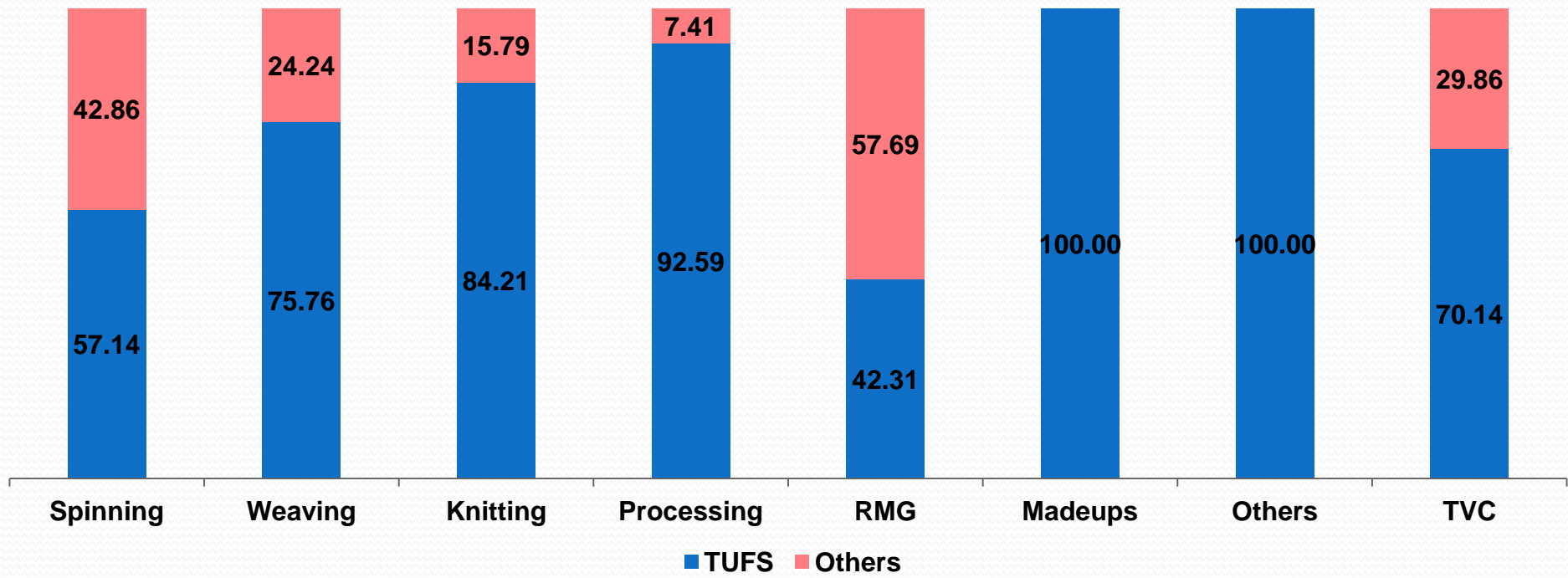
# Impact of TUFS on technology up-gradation.



- Influence on Technology Upgradation – TUFS (87.16%), Others (12.84%)
- TUFS benefited Segments – Composite (100%), Made-ups (100%), T T (100%), Others (100%), Knitting (95.00%), Processing (92.11%), Weaving (90.48%)



# Impact of TUFS on Skill upgradation.



- Influence in Upgradation of Skills – TUFS (70.14%), Others (29.86%)
- TUFS benefited Segments – Made-ups (100%), Others (100%), Processing (92.59%)
- Other schemes influence – RMG (57.69%), Spinning (42.86%)



# Key Findings on PMRPY

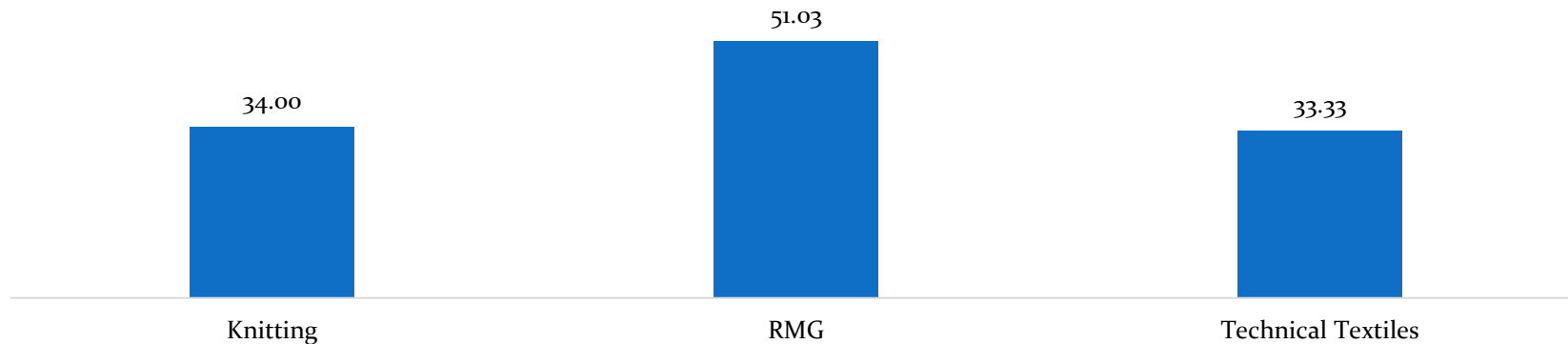
## Pradhan Mantri Rozgar Protsahan Yojana (PMRPY)

- Scheme launched in 2016 with outlay of Rs 1,000 Cr for textile sector
- To incentivise those employers who are registered with EPFO & wages less than 15000/month in order to create jobs.
- Payment of 8.33% EPS and 3.67% EPF by the Government will be made after the employer has credited the 12% EPF contribution of the employees with EPFO for the eligible employers of new employees.
- 802 establishments have availed scheme till 1.07.2019.
- Enrolled 2,69,044 employees under scheme till 1.07.2019

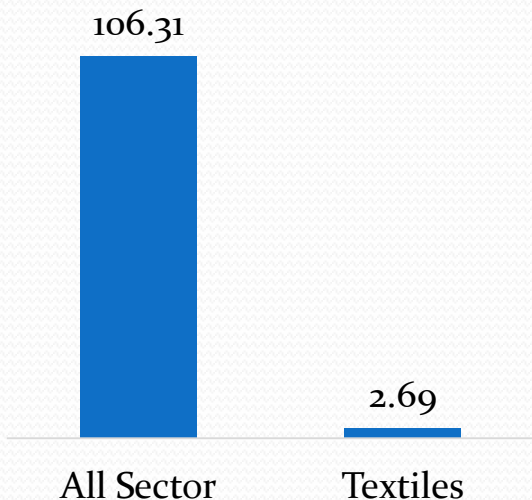


# Segment wise enrolment under PMRPY

## Segment wise enrolment (%) under PMRPY



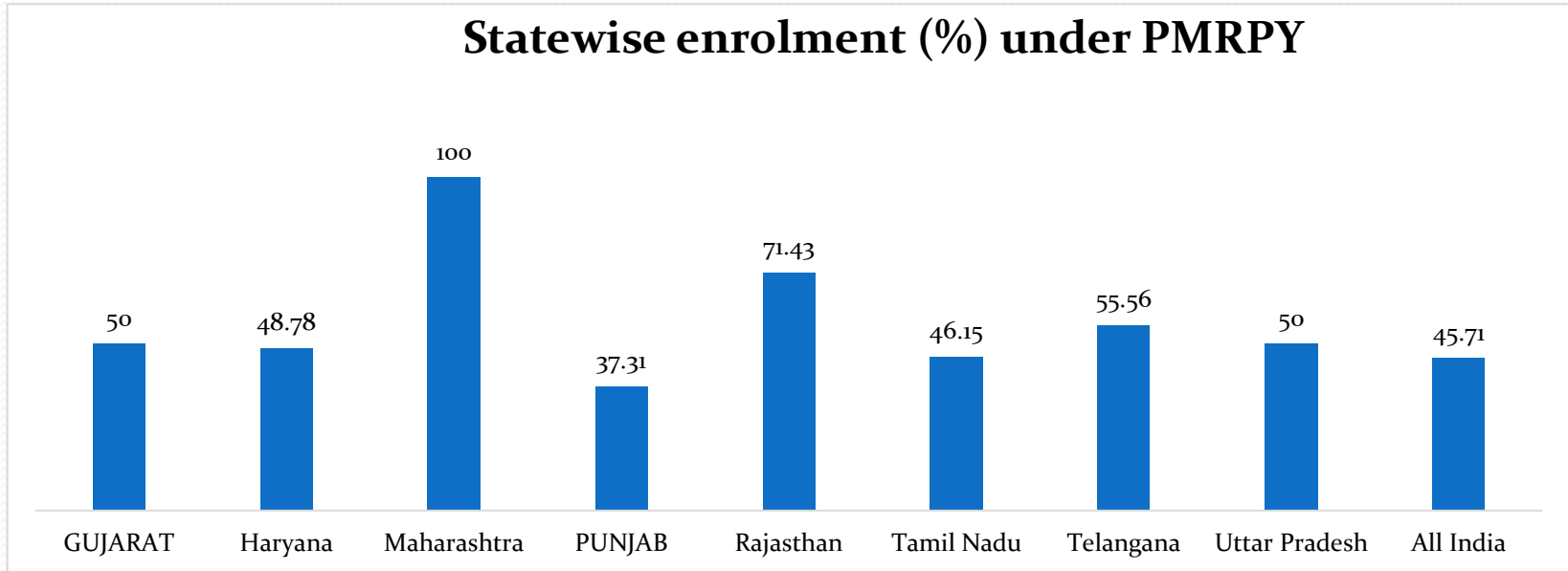
## Progress under PMRPY enrollment



- Total enrolments (all sectors) - 106.31 lakh
- Textile sector enrolments - 2.69 lakh (2.53%) out of targeted 1.0 crore
- Overall units availing PMRPY as applicable segments : 45.7% of the units surveyed.
- Highest availed segment – RMG (51.03%), Knitting (34%) & Technical Textiles (33.33%).



## State wise availing PMRPY scheme

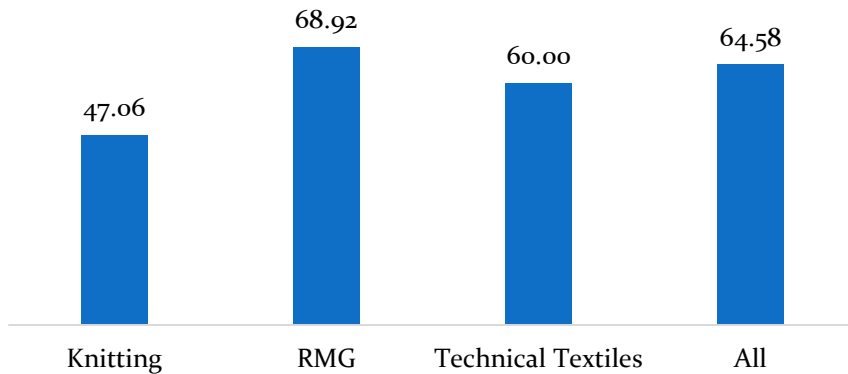


- Highest states : Maharashtra(100%), Rajasthan(71.43), Telangana(55.56), and Gujarat & Uttar-Pradesh 50 percent each.
- While all other states are availing in range of 37% - 50%

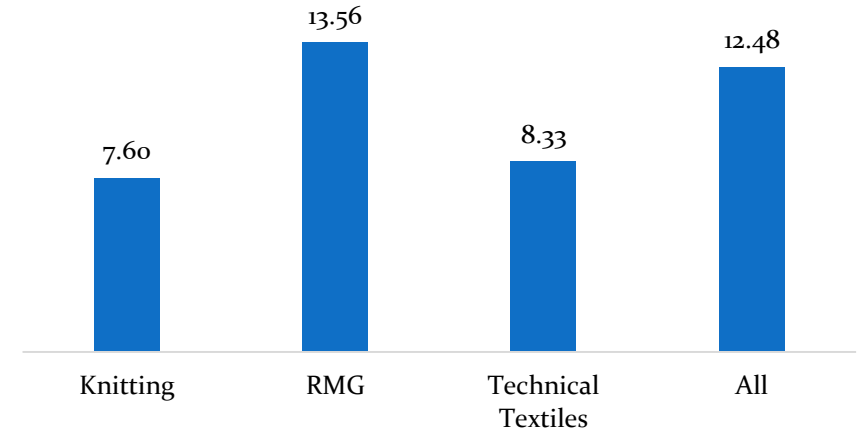


## Perception of availing industry towards PMRPY

### PMRPY on Generating Employment



### PMRPY on Enhancing Income



- Influence of PMRPY – Opinion on generating employment (64.58%)
- Overall income growth of employees of units availing PMRPY: About (12.48%)
- Enhanced income generation – RMG (13.56%), Knitting (7.60%)

# Handloom Reservation Act & its impact



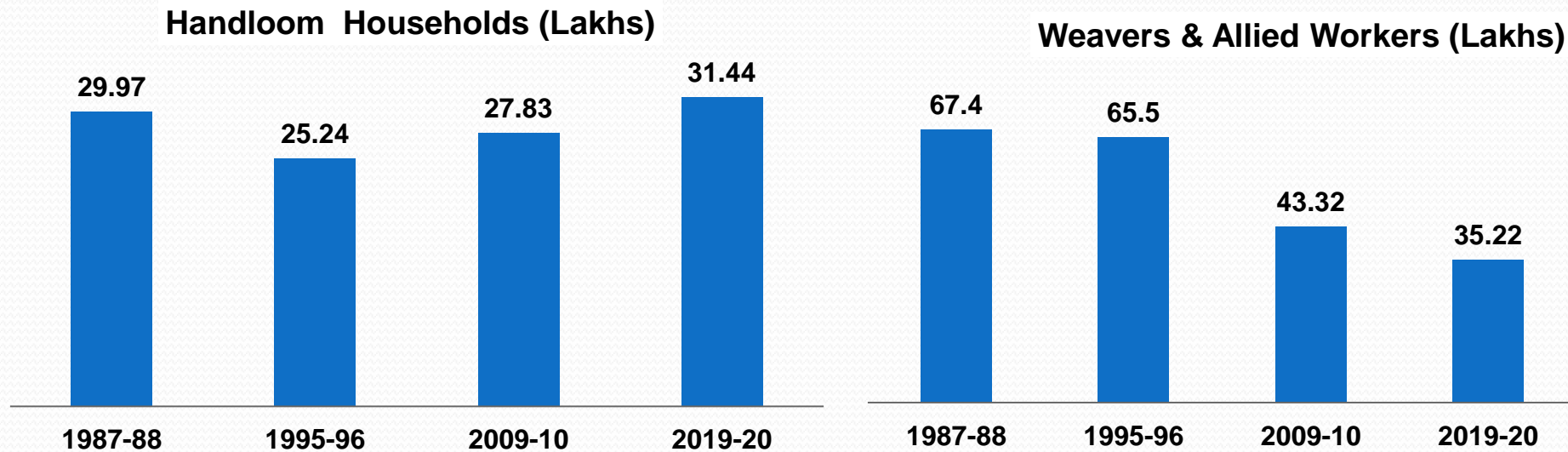
## Brief history of Handloom Reservation Act.

Sr. No	Year	Items under Act
1	1986	Act came into force on 31 <sup>st</sup> March 1986. 22 textile articles reserved for production in Handlooms.
2	1996	Advisory Committee reviewed 22 reserved items & recommended for reducing them to 11 items (removed kota doria saree, shirting, crepe fabrics, table cloth, duster, basta, bukram cloth from list).
3	2008	11 products reserved viz (1) Saree, (2) Dhoti, (3) Towel & gamcha and angavastram, (4) Lungi, (5) Khes, bedsheets, counterpane, Bedcover, (6) Jamakkalam Durry or durreet (7) Dress material, (8) Barrack blankets, (9) Shawl, Loi, muffler, etc. (10) Woollen Tweed and (11) Chadder / phanek .

O/o DC(Handlooms) implements & enforces Handloom Reservation Act



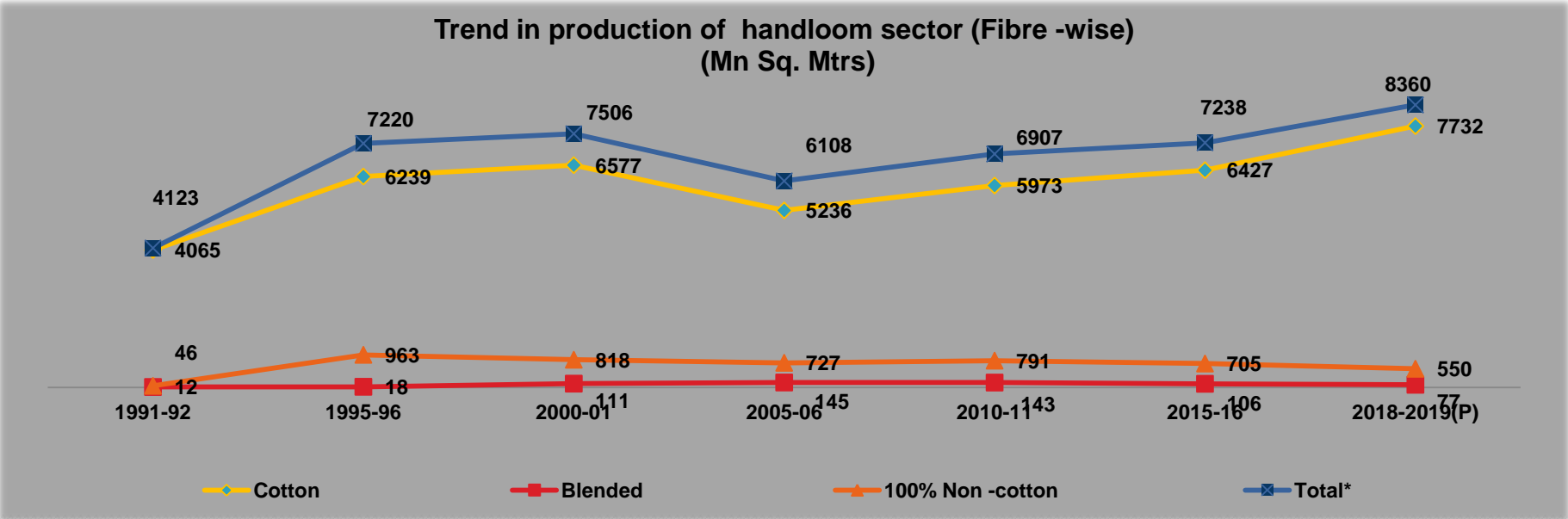
## Performance of Handlooms since implementation of Handloom Reservation Act (HRA)



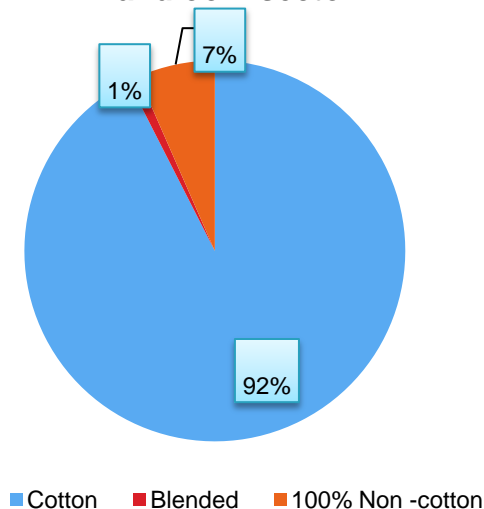
- Handloom worker HHs – Grew at CAGR of 0.20% from 29.97 lacs in 87-88 to 31.44 lacs in 19-20.
- Weavers & allied workers – Declined at a CAGR of (-) 2.91% from 67 lacs in 87-88 to 35 lacs in 19-20
- Handlooms – Declined at a CAGR of (-) 1.10% from 37.8 lacs in 87-88 to 28.2 lacs in 19-20
- Production – Grew at CAGR of 2.65% from 3109 Mn. Sq. Mt in 87-88 to 8007 Mn. Sq. Mt in 19-20



# Production scenario of Handloom sector (fibre wise)



% Fibre wise Production Share of handloom sector



- Cloth production – increased from 4123 Mn Sq.mts in 91-92 to 8359 Mn Sq.mts in 2018-19
- Positive trend in last 9 years : Cotton fibre 5973 in 2010-11 to 7732 Mn Sq. Mtrs in 2018-19
- Blended & other fibres are in negative trend mainly after 2010-11



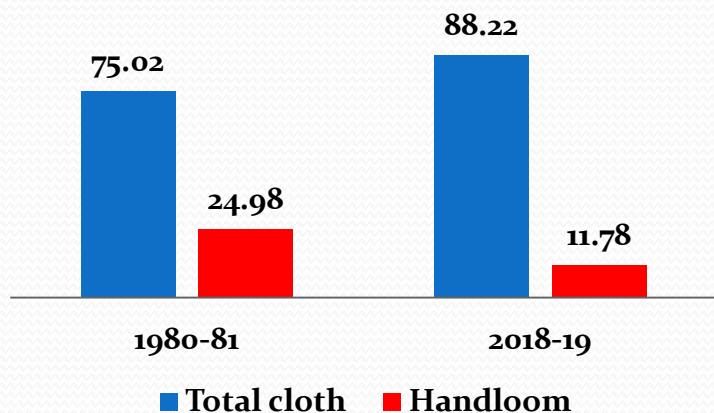
# Impact of HRA on handloom on production

## Growth in Production of Handloom Cloth

Year	1980-81	1990-91	2000-01	2009-10	2014-15	2015-16	2016-17	2017-18	2018-19(P)
HL Cloth (Mn Sq. Mtr)	3109	4295	7472	6806	7203	7638	8007	8080	8360
Total* Cloth	12444	22928	40333	45819	64332	64584	63480	67779	70980
Share of HL Cloth* (%)	24.98	18.73	18.53	14.85	11.19	11.82	12.61	11.92	11.78
CAGR of HL Prod'n	2.65				3.79				

Source: - Handbook of statistics(ASFI).\* Contains all Mill, Hosiery, khadi, wool, silk & Power loom Production.

Share of Handloom against power loom before & after implementation of act (1980-81 to 2018-19)



- Consistent decline in share of HL production :24% (80-81) to 11.78% (18-19) due to 5 fold growth in Powerloom/ Mill cloth production
- Efficacy of HRA on enhancing employment, income & production need to be reviewed by MoT/DC(HL).



## Impact of HRA on Exports (2009-18)

Export Trend of Handloom Products during 2009 18 (\$Mn)

Products	2009	2011	2013	2014	2016	2018	Share	CAGR (%)
Sarees	0.8	0.3	1.0	0.4	0.4	0.8	0.25	1.09
Dhoti	0.9	0.7	0.3	0.2	0.5	0.5	0.16	-7.25
Lungi	0.2	0.3	1.1	1.4	4.0	1.3	0.41	21.67
Woven fabrics of silk & Wool	9.2	12.7	6.4	10.8	23.3	21.7	6.83	9.97
Handkerchiefs	1.3	2.7	1.3	1.3	0.1	0.0	0.00	-44.76
Carpets and other TFCs	8.3	79.3	169.0	141.5	131.4	117.8	37.09	34.36
Made-ups	161.6	437.8	231.8	173.7	166.6	175.6	55.29	0.93
<b>Total</b>	<b>182</b>	<b>534</b>	<b>411</b>	<b>329</b>	<b>327</b>	<b>317.6</b>	<b>100.00</b>	<b>6.37</b>

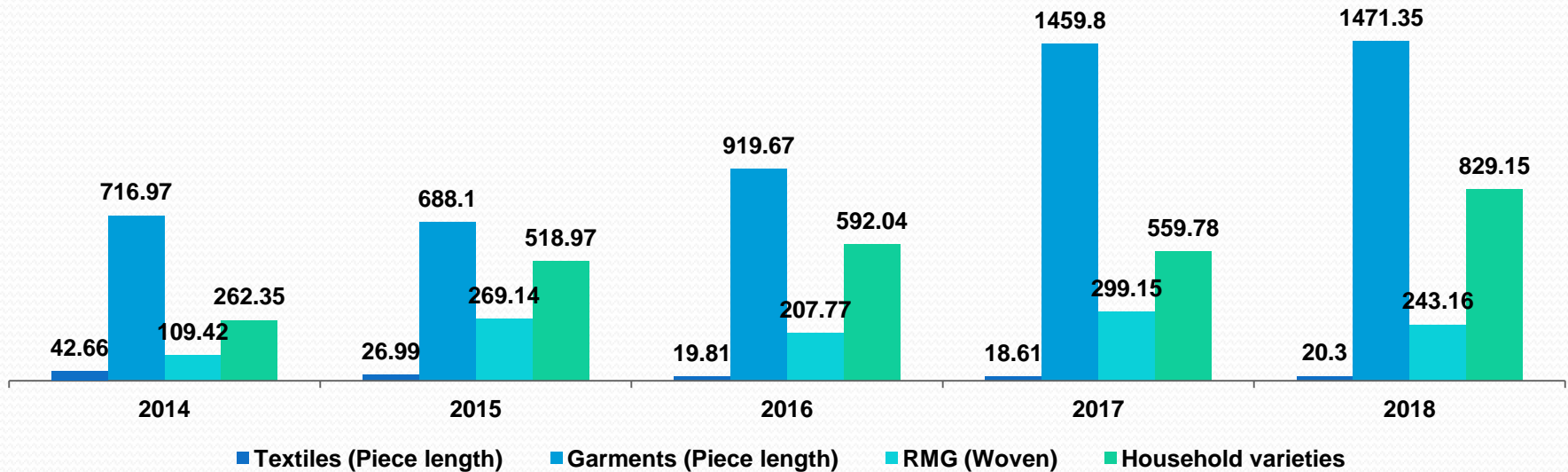
Source : ITC trade maps and TC analysis

- India's Exports - US\$ 317.6 Mn (2018); CAGR of 6.37% (2009-18)
- Top products - Made-ups (55.29%), Carpets (37.09%), Woven silk & wool fabrics (6.83%)
- Highest CAGR : Carpets (34.36%) & Lungi (21.67%)
- Lowest CAGR : Handkerchief (-44.76%) & Dhoti (-7.25%)

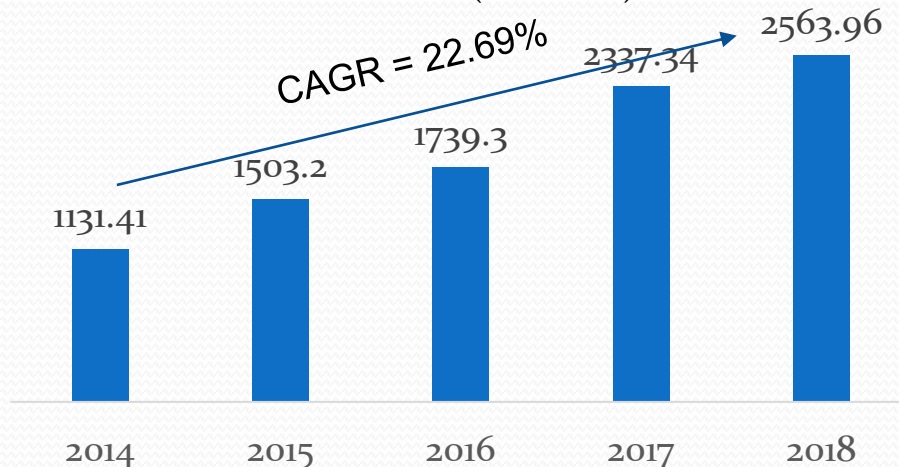


# Domestic consumption of handloom (by quantity)

## Domestic Consumption of Handloom products (2014-18)



### Domestic HH Consumption of Handloom Products (Mn Mtrs)



- Domestic HH consumption of HL products grew from 1131.41 (14) to 2563.96 Mn.mtrs (18) @ CAGR 22.69%.
- Highest CAGR - HH varieties (33.33%), RMG (22.10%), Garments in piece length (19.69%).
- Textiles in Piece length declined @ CAGR of (-) 16.94% during 14-18.
- Consumption of reserved products increased 2 fold from 964 Mn.Mtrs (14) to 2095 Mn.Mtrs (18) v/s PL growth from 30085 Mn. Mtrs (14) to 37236 Mn. Mtrs(18)



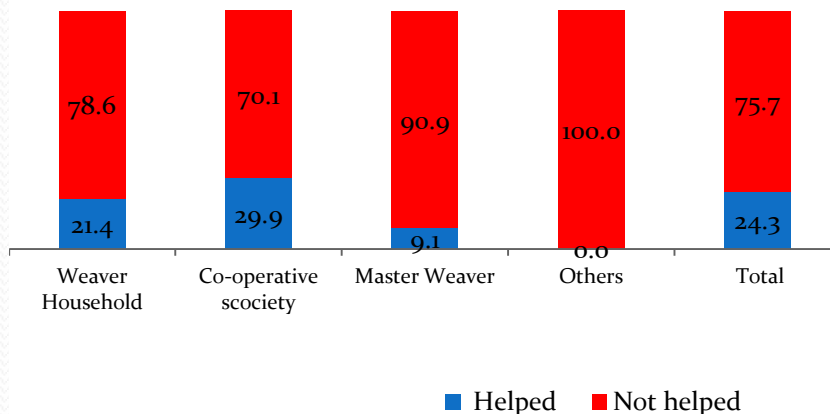
## Enforcement Mechanism under Handloom reservation act

### Details of FIR Lodged

Sr. No	Physical Progress	12 - 13	13 - 14	14 - 15	15 - 16	16 - 17	17 - 18 (upto Dec 17)
1	Targets of power loom inspections	272013	290420	308888	321452	334468	351572
2	No. of Power loom inspected	276011	290773	309817	332327	347468	217450
3	No. of FIR Lodged	97	113	88	140	64	65
4	Convictions	39	37	66	120	25	58

Source – Annual report (Ministry of Textiles)

### Perception about effective enforcement under the act.

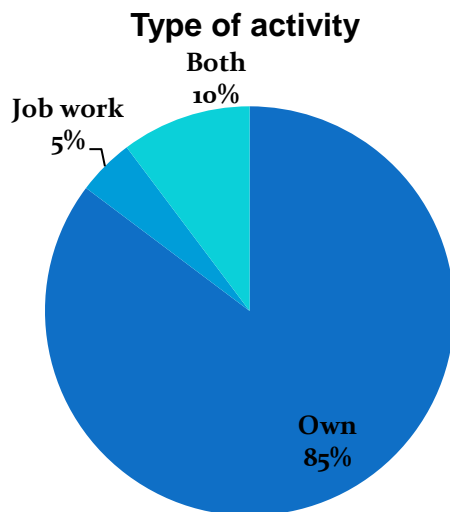
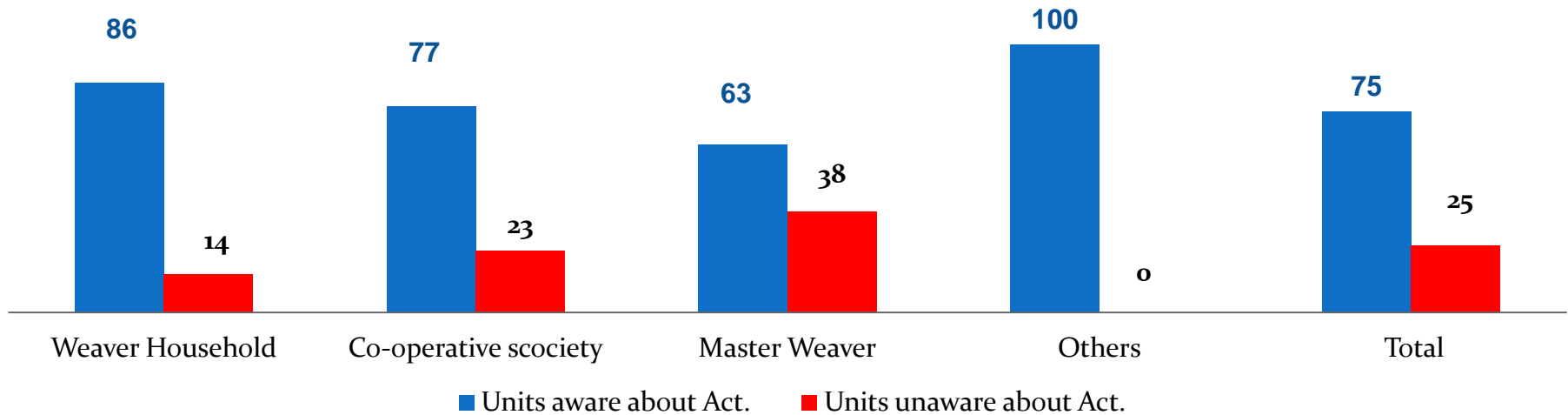


- 61% of the FIR Lodged since 2012-13 are convicted
- Convictions are increasing YoY suggesting non-compliance by power looms units
- Only 24.3 % units have positive perception about successful enforcement of the act.
- 91% master weavers & 79% Weaver Households did not agree with effectiveness of enforcement mechanism under act
- Need to strengthen enforcement mechanism for benefit of segment



# Awareness about HRA of units producing reserved products

Awareness about Handloom reserved act(HRA)

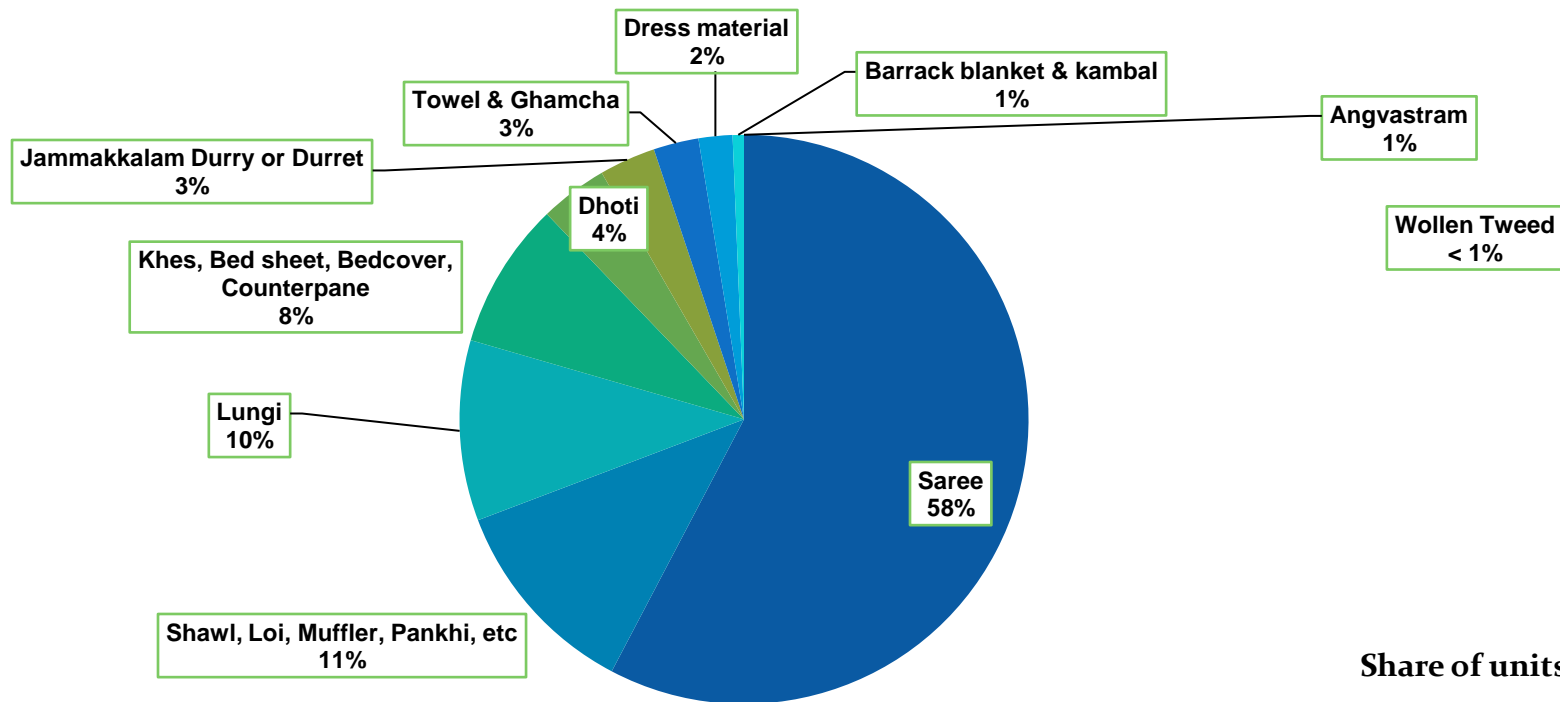


- Overall awareness of HRA : 75 %
- Type of Activity – Own (85%)





# Share of units producing handloom reserved products



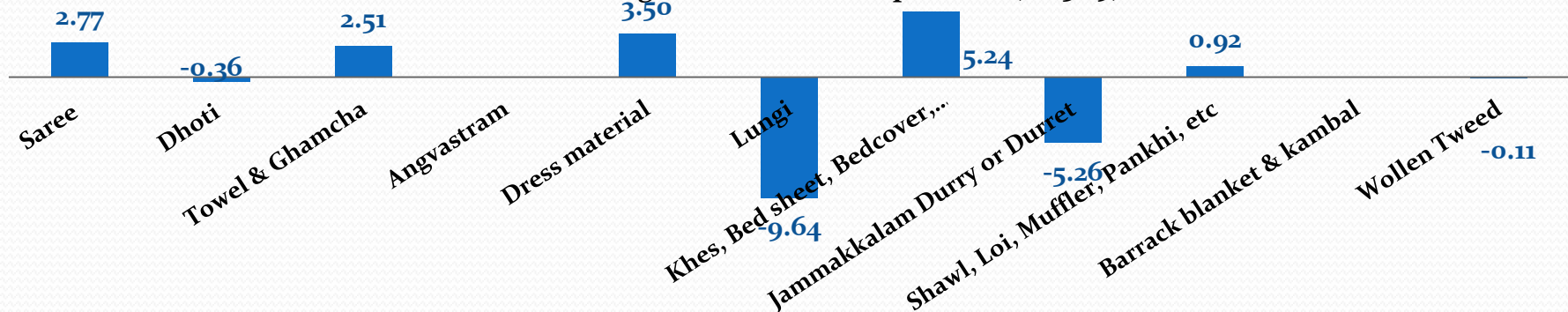
Share of units(2018-19)

- Products produced: Saree (58%) & Shawl, Loi, Muffler, Pankhi (11%), Khes, Bedsheet, Bedcover, Counter pane (8%), Lungi (10%) with a combined **share of 87%**
- Amongst remaining 7 products top 3 products like Dhoti (4 %), Jamakkalam Durry or Durret (3%), Towel & Gamcha (3%) have combined share of 10%
- Dress material(2%), Barrack blanket(1%), Angvastram(1%), Wollen tweed(<1%)

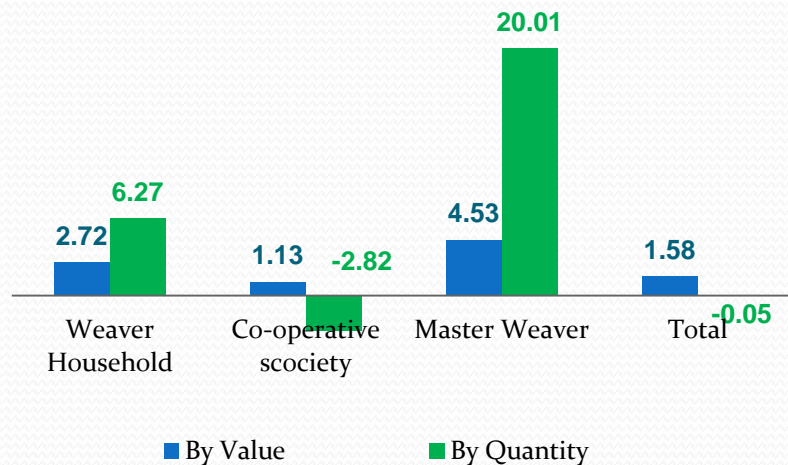


# Production scenario of Handlooms reserved products

### Production growth of reserved products(2015-19)



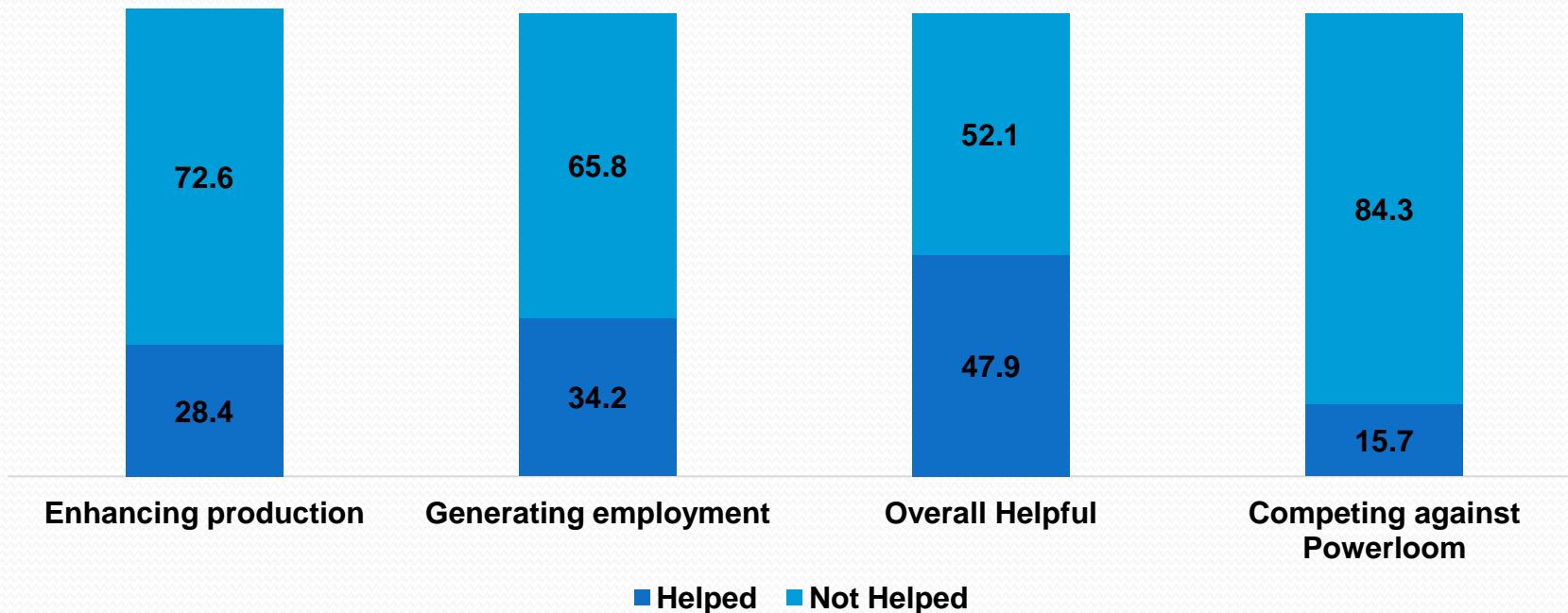
### Comparative growth rate by value & quantity



- Highest growth: Khes, Bedsheet, Bedcover, Counterpane (5.24%), Saree (2.77%), Towel & gamcha (2.51%), Dress material (3.50%), shawl, Loi, Muffler (0.92%)
- Lowest growth: Lungi (-9.64%), Jamakkalam durry (-5.26%), Dhoti (0.36%), woollen Tweed (0.11%)
- Highest growth by unit category : Master Weaver(4.53% by value) & (20.01% by Qty.) while Co-operative society (1.13% by value) & (-2.82% by Qty.)



# Perception on Handloom reservation act



- Helped in enhancing production – 28%.
- Helped in generating employment - 34%.
- Overall helpful for the segment – 48%
- Helped in competing with powerlooms – 16%



# Key Findings & Recommendation



# Recommendations

## **Domestic Production Activities**

- ◆ Fibre production - highly skewed in favour of Cotton (India) v/s MMF (world).
- ◆ Production growth is negative for cotton, wool & minimal for MMF & Silk.
- ◆ Capacity utilisation – a constraint for MMF sector.

## **Recommendation:**

- 1 Due emphasis on enhancing fibre production focussed on MMF & wool as cotton has its limitations for growth.**
- 2 Improving realisation on cotton fibre through quality interventions, branding (Kasturi brand of Cotton ) etc.**



# Recommendations

- **Domestic Production Activities (Contd...)**
  - ◆ Domestic TVC - loosely integrated.
  - ◆ Technology Up-gradation - major bottleneck in Weaving & Processing (>85% units are using traditional technology)
  - ◆ Except spinning other segments are mostly SME based & lack economies of scale in production.
  - ◆ Fragmented & unorganized nature of industry – adversely affecting production leading to less competitiveness at product level.

## Recommendation:

**3. Policy intervention for technology up-gradation in Weaving, knitting, Processing in Mission Mode is required.**

**4. Value Chain integration at cluster level through mega cluster integration initiatives within & intra-clusters is necessary for close integration of TVC.**



# Recommendations

## • India as Export Hub

(a) Global export - \$ 821 Bn – 815 products (6 digit) of which 71% (i.e., \$585 Bn) by 157 products ( $\geq$  \$1Bn).

**Indian export basket - only 4 products ( $\geq$  \$1Bn) with \$5.12 Bn (14.46% of export)**

(b) Out of 544 products having export \$50M to \$1Bn contributes \$163.11 Bn (19.87% of global export). **India has a presence in 130 products with \$24.86 Bn (70.22% of total export).**

World Export & India				
	$\geq$ \$1Bn		\$50 Mn - \$1 Bn	
	World	India	World	India
<b>Products</b>	157	4	544	130
<b>Value (\$ Bn)</b>	585	5.12	163.11	24.86

India has potential to increase export by \$11.22 Bn (MMF textiles by \$6.52 Bn, Wool-\$3.47 Bn & Jute-\$132Mn) to global market (Major Markets are USA, Vietnam, China, UK, B'desh)

## Recommendation:

1. Focus on production & export of \$1 Bn+ lines for establishing India as export hub.
2. Scope of PLI Scheme should be expanded by including product list of (a) & selective products of (b) above for increasing footprint.
3. Product & destination specific policy interventions to realise export potential already mapped by Textiles Committee in its study on MMF, Wool and JUTE done recently.



# Recommendations

- Cost benchmarking with countries like Bangladesh, Brazil, China, Egypt, Indonesia, Italy, Korea, rep, Pakistan, Turkey, USA & Vietnam indicates that India has been losing cost competitiveness due to followings:
  - Spinning – Pakistan (Less wastage, cheap labour/power, capital, raw material)
  - Texturing – China (Cheap power, capital, raw material)
  - Weaving – Brazil, Indonesia & Pakistan (Cheap power, capital, auxiliary material, raw material)
  - Knitting (Rotor/Ring yarn) – Pakistan (Less wastage, cheap labour/power, capital, raw material)
  - Knitting (Textured yarn) – China (Cheap power, auxiliary material, raw material)
  - Finishing (Woven/Knit) – Pakistan, Viet Nam (Cheap Power, capital, auxiliary material)

## Suggestions

- **Strengthening cost competitiveness of TVC by bringing cost of above factors (power, cost to capital & R.M prices) at par with Peer countries.**
- **Availability of more working capital for MSMEs**





# Recommendations

## • **India as Export Hub (Contd...)**

- ◆ Cost & Quality Competitiveness are two important factors affecting competitiveness at product level.
- ◆ Growing incidence of Non-Tariff Barriers (NTBs) & its compliance costs are increasingly affecting competitiveness of the product.
- ◆ Sector lacks institutional mechanism to address emerging issues like NTBs, Quality & Compliance, Private standard, Labelling and Marking requirements etc, who could provide handholding support to trade & industry.

## **Recommendation:**

- 1. Creation of an Institutional Mechanism to address these emerging issues through policy support and research.**
- 2. A mission on Quality & Compliance to international quality norms/standards to address quality competitiveness is need of the hour.**



## Recommendations

- **Rationalisation of Import of T&A**

- ◆ Import of apparel and made-ups has increased by 19.55% CAGR during 2015-19. Import surge is mostly from China, Bangladesh and Sri-Lanka. Possibility of import of cheap & low quality value added products to Indian market is a major concern & has potential to create distortion in domestic market.

### **Recommendation:**

- i. India should evolve an **Non-Tariff Measure (NTMs) eco-system** on import of fabrics, apparels & made-ups through product level regulations, quality control, etc., for textiles.
- ii. Major markets like EU have implemented robust labeling regulation. **Labeling regulation for apparels and made ups is need of the hour to control import of value added products**



# Recommendations

## Employment & Income of Workforce

- ◆ Employment has experienced positive growth during 2014-18. Segments i.e. apparels has contributed substantially for growth of employment. But relative growth rate declined during the period.
- ◆ Growth in income of workforce experienced positive growth. But growth in Income of female workforce relatively lower than male counterparts.
- ◆ Segments like RMG, Jute Value chain has high employment potential viz Rs.1 cr investment in RMG creates 33 new employments

## Recommendation

- 1. Focussed policy support to high employment intensive segments to spur more investments and production and export.**
2. Participation of female workforce in labour intensive sector may be promoted with focus on training & placement.
3. Participation of female workforce in supervisory & above categories should be promoted as it is highly skewed in favour of male.
4. Special incentive for employing women at higher levels, focussed skilling of women in RMG, Made-ups & Knitting segments



# Recommendations

## Enrolment on EPFO

- Only 8.30 % workforce have enrolled under EPFO. Another estimated 91.7 % workforce are from decentralized segment and not a part of social security measures.
- 5 states i.e. Tamilnadu, Karnataka, Gujarat, Haryana & UP contributes 81% of enrolment under EPFO.
- Enrolment in some major RMG producing states like Karnataka, Delhi is declining indicating more stress in labour intensive sectors.

## Recommendation:

- Study to understand root cause for non organised structure in the Textile Sector.
- Dedicated Policy mechanism for enhancing workforce participation in EPFO may strengthen social security measure for workforce & help in bringing structural changes.
- Higher penetration of PMRPY Scheme would be beneficial for sectoral employment growth



# Recommendations

## • Income of Units

- Performance of units in-terms of growth in turnover and gross revenue is positively co-related with employment & income. But relative growth rate adversely affected during 2017-18.
- Shortage of funds including working capital is experienced across industry categories ( Micro, Small, Medium and large) as reported by industries.

## Recommendation:

- Easy flow of working capital to the industry would be helpful.
- New investment through PPP on critical segments like TT may be helpful.



# Recommendations

## • Investment and New Employment

- ◆ The sector has attracted \$3.9 Bn FDI during last 15 years.
- ◆ Sector has also attracted \$68.5 Bn of domestic investment during the period
- ◆ But relative rate of growth of investment is either stagnant /declining during last two years.

## Recommendation

- RMG has high employment intensity viz Rs. 1 cr investment creates 33 new employment opportunities. More investments..
- Facilitating Foreign Direct Investment (FDI) to critical sectors like **TT, Processing, RMG & Made ups** is need of the hour.
- Special emphasis should be given on destinations like Japan, Korea, Germany and UK for attracting FDI.
- Collaborations with international leaders in TT would improve market share.



# Recommendations

- **TUFS**

- ◆ Scheme has helped in generating additional employment in addition to the technology up-gradation.
- ◆ Scheme has successfully attracted 90% of domestic investment to the sector.
- ◆ But penetration of scheme among Micro, Small categories is less as compared to medium & large industries.

## **Recommendation**

- Strengthening TUFs Scheme with focus on micro & small industries
- Technology is highly correlated with employment. Skill initiatives like Samarth need to be linked to technology & upgradation of technology for enhancing effectiveness.
- Long term impact of long term interventions like TUF are very positive.
- Need for more practical and outcome oriented scheme guidelines



# Recommendations

- **PMRPY Scheme**

- ◆ Performance of the scheme is better in south India as compared to other parts of country.
- ◆ Most of the respondents expressed lack of awareness about scheme as major factors for not availing benefits of the scheme.
- ◆ Coverage of Scheme is also limited to few NIC codes of T&A sector (NIC Code -12)

- **Recommendation:**

- **Efforts should be made to create awareness among stakeholders for enhancing success rate & reaching out maximum number of industries.**
- **Entire TVC should be included in PMRPY Scheme for better effectiveness.**





# Recommendations

- **PMRPY Scheme (Contd...)**
- ◆ Implementation difficulties need to be addressed by facilitation of the stakeholders/industry in the process.
- ◆ PMRPY scheme is linked with EPFO registered units and only 20,518 units are registered with EPFO against 6.92 lacs units in the TVC, which is one of the reasons for low enrolment in PMRPY scheme.

## Recommendation:

- Efforts may be initiated to encourage registration of units in EPFO so that more and more workforce could be made beneficiaries of scheme.
- Need to devise schemes in sync with Industry structures or by keeping in mind existing structures.
- Need for a look at other regulatory oversight mechanisms preventing units from increasing no of employees on its own rolls v/s outsourcing..



# Recommendations

## ● **Handloom Reservation Act**

- Existing 11 products protected under act have a good domestic consumption. Products are protected on the basis of technical specifications, which is main impediment in implementing enforcement mechanism effectively.
- Export of reserved products is not showing promising trend.
- Most of the respondents informed about inadequacy of enforcement mechanism
- **Recommendation:**
- Enforcement mechanism of HRA need to strengthened.
- Effective Branding, adequate market linkage would be more beneficial as reported by informants.
- **Protection & promotion of products through GI & Post-GI initiatives is need of hour.**
- **Universal adoption of India Handloom Brand (IHB) Scheme should be highly beneficial as it ensures quality, social accountability & eco-friendliness of product.**



# Recommendations

## ➤ **General**

- ◆ TVC Information on production, demand, employment & trade is scantily available & has potential to affect policy decision
- ◆ Study prepared cluster profile of T&A major clusters but it needs regular updation & analyses
- ◆ Mechanism for stakeholders interaction is also absence & industries emphasized the need for it.

## **Recommendation**

- **Strengthening Market Intelligence in Textiles (MIT)**
- **Cluster level Baseline survey**
- **Focus market studies to strengthen export of T&A**
- **Easy availability of Working capital as put forth by industry**
- **Identification & addressing impediments in converting unorganised sector to organised industry.**

# Chapter 1

## Introduction and Research Methodology

### 1.1 Overview of Indian Textile and Apparel Industry

The Indian Textile industry ranks next only to agriculture in terms of employment and is one of the largest industry in the world with abundant raw material base and manufacturing strength across the value chain. The uniqueness of Indian textile industry lies in its strength both in labour intensive unorganised as well as capital intensive organized sector. The textile industry, with a direct employment of over 45 million people, is one of the largest sources of employment generation in the country. It has a formidable presence in the national economy as it contributes 7 percent to industry output (value terms); 2 percent to GDP; 12 percent to export earnings; 14 percent of manufacturing value-addition and accounts for around one-third of our gross export earnings.

The Indian Textile and Apparel (T&A) trade has also increased its footprint in the global market with a share of 4.72 percent in 2017 as compared to 2.94 percent in 2001. Though the export growth was significant with 7.56 percent CAGR during the initial years of post-quota regime (2008-13), it experienced a cyclical growth during 2014-16. The export has further been increasing from 2017 onwards and has already reached more than \$ 38 billion during 2018. The growth of export in the first three quarters in 2019 is promising and has created a conducive atmosphere for the overall growth of T&A industry of the country. The cyclical trend in export is further accompanied by continuous growth of domestic demand in the household sector, which has increased from US \$ 73.70 Bn in 2014 to US \$ 78.28 Bn in 2016 and \$ 117.08 Bn in 2019. Hence, the increased domestic demand has also helped in strengthening the manufacturing base during the period.

With growth in domestic demand for textiles and good performance in export, the textile manufacturing is expected to strengthen its position across the Textile Value Chain (TVC). Being a labour intensive sector having good manufacturing base aided with growing market size, it is expected to create more and more employment in the country. Further, government has also formulated various policies to support the growth of T&A manufacturing base in the country through interventions like skill development, TUFS, PMRPY, etc.

This study has tried to analyse the performance of the sector and contribution of the different schemes of government in strengthening the growth potential.

## **1.2 Context, Objectives, Scope and Methodology**

Increasing exports coupled with the rising domestic market for T&A has attributed to the growth in textile manufacturing base of the country. This in turn has created a favorable condition for increase in employment and income of the sector.

However, there is a need to ascertain and quantify the position of Indian T&A sector in global market and its contribution to Indian economy in terms of increased employment and enhanced income for the stakeholders. There is also a need to assess the contribution of different initiatives taken up by Government in this endeavor and what needs to be done to further strengthen the manufacturing and production base of T&A in India.

In order to ascertain these key takeaways, the Textiles Committee has organised this study on “Assessment of the Impact of the Textile Sector Initiatives on Generation of Employment & Income” assigned by Ministry of Textiles, Government of India. The Terms of Reference (ToR) of the study is as follows:

### **1.2.1 Terms of Reference (ToR)**

- i. Assess the domestic production and demand pattern of textiles including contributions of the key sub-sectors in enhancing income and suggesting way forward.
- ii. Assess the impact of the various initiatives in enhancing India’s position as an important production and export hub.
- iii. Assess the impact of initiatives on generation of employment in the sector for further boosting it and also for the income.
- iv. Examine the contribution of the initiatives in enhancing incomes & returns of the workers & stakeholders.
- v. Suggest measures for further boosting income and employment in the sector.
- vi. TUFs and its various variants and its impact on industry modernization and actual contribution to improving employment, production, exports. (What are the outcomes and how far the outcomes are attributable to TUFs?)
- vii. The impact of Handloom Reservation Act on the handloom sector and on the powerloom sector and in general the impact of the Act, positive or negative, on the overall growth and competitiveness of the textile industry.
- viii. Impact of the employment promotion scheme of MoT including the latest PMRPY forming part of the Textile Package. Can we expect the industry to

provide MoT credible data on jobs in the sector? How many covered under EPF and other social security programme? How far the numbers have grown in different segments and to what extent these are attributable to government interventions? Very low expenditure off take under PMRPY scheme, what kind of support industry can expect from government?

## 1.2.2 Methodology & Sampling Plan

Keeping the objectives of the study in mind, the methodology adopted is as follows:

A. Coverage of the Study: All segments in the TVC of the industry have been covered under this study. The segments identified for the purpose are Spinning, Weaving, Knitting, Processing, Composite, Garmenting, Made-ups and Technical Textiles.

B. Identification of prominent Production Centres: As the production centres of the textile industry are mostly cluster based, an attempt was made to identify segment wise production centres for collection of primary data. The Textiles Committee has identified 114 major production centres of different segments in 18 States and UT for data collection from the manufacturing units. The identified production centres are given below:

Text Box 1.1 Identified Production Centres			
S. No	State/UT	Production Centers	Segments
1	Tamil Nadu	Chennai, Tirupur, Salem, Madurai, Karur, Erode, Coimbatore / Avinashi, Somanur, Palladam	Spinning, Weaving, Knitting, Processing, RMG, Made ups, Technical Textiles
2	Karnataka	Bangalore, Bellary, Doddaballapur, Gulbarga, Belgaum, Bagalkot, Gadag, Vijayapur	Spinning, Weaving, Knitting, Processing, RMG, Made ups, Technical Textiles
3	Kerala	Trivandrum, Ernakulam / Kochi, Kannur	Spinning, Weaving, RMG, Made ups
4	Andhra Pradesh	Vizag, Raidurg, Sircilla, Nagari, Hindupur, Nalgonda, Katedan	Spinning, Weaving, Processing, RMG, Made ups,
5	Telangana	Hyderabad	RMG
6	Maharashtra	Mumbai, Nagpur, Bhiwandi, Thane, Dombivili, Tarapur, Solapur, Ichalkaranji, Kolhapur, Malegaon, Sangli, Dhule, Ulhasnagar	Spinning, Weaving, Knitting, Processing, RMG, Made ups, Carpets, Technical Textiles

7	Gujarat	Rajkot, Anjar, Jamnagar, Ahmedabad & Gandhinagar, Gandhidham, Surat, Sachin, Pandesara, Jetpur, Vapi, Valshad	Spinning, Weaving, Knitting, Processing, RMG, Made ups, Technical Textiles
8	Daman & Diu	Silvassa	Spinning, Weaving and Technical Textiles
9	Rajasthan	Jaipur, Ajmer, Jodhpur, Pali, Balotra, Bhilwara, Kishangarh, Banswada, Alwar, Tonk, Bikaner	Spinning, Weaving, Knitting, Processing, RMG, Made ups, Carpets
10	Madhya Pradesh	Indore, Jabalpur, Katni, Gwalior, Burhanpur, Ujjain, Niwari, Mandsaur	Spinning, Weaving, Knitting, Processing, RMG, Made ups, Carpets
11	Haryana	Faridabad, Gurgaon, Manesar, Panipat, Sonipat	Spinning, Weaving, Knitting, Processing, RMG, Made ups, Carpets
12	Punjab	Ludhiana, Amritsar, Jalandhar	Spinning, Weaving, Knitting, Processing, RMG, Made ups, Technical Textiles
13	Himachal Pradesh	Baddi	Spinning & Garmenting
14	Delhi (NCR)	Delhi (NCR) (Gandhinagar, Zafarbad, Seelampur, Govindpuri, Tank Road, Karolbagh, Shahadara Road, Tughlakabad, Khanpur, Okhla, Naraina, Mayapuri, Sitapuri Patparganj regions)	RMG, Made ups, Technical Textiles
15	Uttar Pradesh	Noida, Kanpur, Hathras, Ghaziabad, Lucknow, Varanasi, Meerut, Bhadoi, Mirzapur	Spinning, Weaving Knitting, Processing, RMG, Made ups, Carpets, Technical Textiles
16	West Bengal	Kolkata, Howrah, Hoogly, Pargana	Spinning, Weaving, Knitting, Processing, RMG, Made ups
17	Jharkhand	Ranchi	Weaving and RMG
18	Odisha	Bhubaneswar, Khurda	Weaving and RMG

In addition, 10 prominent handloom production centres namely Varanasi, Kanchipuram, Yeola, Nuapatna, Pochampally, Shantipur, Balaramapuram, Sonapur, Kannur, Panipat etc have also been covered under the study.

### 1.2.3 Secondary Research

A database comprising manufacturers of different segments of the T&A industry viz. Spinning, Weaving (both Handlooms and Power looms), Processing, Garmenting, Knitting, Made-ups, Carpets and Technical Textiles are compiled from different available sources including trade & industry associations. The information collected from secondary sources has helped in preparation of the framework for organizing the study. Based on the desk research, the states/clusters are categorized in the total textile sector for data collection. The states/clusters with high concentration of textile manufacturing units have been given proportionate representation in the sample for primary data collection.

Secondary data on trade i.e. export, import and domestic trade has been collected from different databases to analyse the time series data and emerging trends of T&A trade in domestic and international arena so that it can be linked to the key aspects of the study like income and employment generation in the sector.

The database of World Integrated Trade Solution (WITS)/ ITC trade map, Directorate General of Foreign Trade (DGFT)/Directorate General of Commercial Intelligence & Statistics (DGCIIS) and domestic data available with Central Statistical Organization (CSO)/ Economic Survey/ NITI Aayog, Employees Provident Funds Organisation (EPFO), O/o. Textile Commissioner, Indian Institute of Foreign Trade (IIFT), Annual reports of listed textile companies etc. pertaining to T&A sector have been collected and used for the purpose.

The production, domestic demand, trade scenario of some of the products/segments of T&A industry prepared through secondary data. Some of the other issues/parameters compiled from the secondary survey are:

- Production of Textiles & Apparels during last ten years.
- Domestic demand of textiles during last ten years.
- Destination and product wise India's trade in textiles.
- Employment and income scenario in the sector from the available sources.
- Government initiatives for development of the sector.
- Other sector specific information as required for the study.



### 1.2.4 Primary Research

Though the textile industry in India is scattered across the country, it is concentrated in many clusters. Some states and clusters specialize in production of certain specific products. The state wise distribution and share in the sector is highly uneven in the aggregate production and trade. The states of Maharashtra, Gujarat, Tamil Nadu and Punjab have relatively higher contribution and share in the overall manufacturing activity. On the other hand, states like Bihar and Madhya Pradesh do not have well-developed textile industry base. Among the clusters, Surat in Gujarat is known for polyester fabrics, gaining from the proximity of large polyester yarn manufacturing base. The clusters in the south, including the Salem-Erode (Tamil Nadu) are hubs for cotton fabric. In apparel sector, Ludhiana, Tirupur, Delhi, Bengaluru, Mumbai and Chennai are contributing significantly and are dynamic in nature. Similarly, Tirupur in Tamil Nadu draws its strength from cotton knitwear, while Ludhiana in Punjab uniquely placed for woolen, man-made textile, knitwear. Delhi, leading export centre for apparel in volume and value, leads in design and merchandising skills, with smaller and flexible production quantities. Chennai, on the other hand, is more geared towards large and well-established factories producing large quantities of basic products and Bengaluru on the other hand became famous for apparel products.

Further, clusters encompass an array of linked industries and other entities important to competition. They include, for example, suppliers of specialized inputs and accessories such as components, machinery and services, and providers of specialized infrastructure. A cluster also allows companies to operate more productively in sourcing the inputs; accessing information, technology and needed institutions; coordinating with related companies; and measuring and motivating improvement.

Due to the diverse and complex nature of the textile sector, the cluster approach has been followed for organizing the primary study. A specific percentage of units are covered for the primary survey.

A. Sampling Technique: The sampling technique applied for the purpose is based on the stratification of the textile manufacturing units belonging to the above mentioned segments on the basis of investments in plant and machinery of the units such as Micro, Small, Medium and Large units according to the definitions as given below:

Text Box 1.2 Manufacturing Enterprises – Investment in Plant & Machinery	
Description	INR
Micro	Up to Rs.25 lakhs
Small	More than Rs. 25 lakhs but less than Rs. 5 crores
Medium	More than Rs. 5 Crores but less than Rs. 10 crores
Large	More than Rs 10 Crores
Note: The Micro, Small and Medium units are coming under the MSME category and the Large units are coming under Non-MSME category	

B. Sample Size: The sample size for the study was drawn as a proportion to total available units in each of the segments. The state wise approximate number of units by segments is as follows:

Table 1.2 State Wise Approximate Number of Units in Different Segments								
State	Spinning	Weaving	Knitting	Processing	RMG	Made-ups	Carpets	Technical Textiles
Haryana	73	1602	31	221	398	730	65	45
West Bengal	29	3516	301	600	10870	1	0	44
Rajasthan	70	957	3	1595	455	140	3076	73
Madhya Pradesh	51	8360	6	259	969	7	26	39
Punjab	136	1171	528	283	4754	390	0	19
Gujarat	216	35012	53	1682	2376	89	0	295
Maharashtra	191	149649	23	447	13999	4032	58	99
Karnataka	38	18569	25	226	1636	2	0	15
Kerala	23	1030	0	0	35	55	0	5
Tamil Nadu	1738	89493	835	1173	8554	551	0	40
Andhra Pradesh	155	12637	0	247	653	90	0	22
Uttar Pradesh	25	59047	56	2901	3272	92	24377	42
Delhi NCR	0	0	2	195	23155	21	0	3
Total	2745	381043	1863	9829	71126	6200	27602	741
Source: Baseline Survey, Office of the Textile Commissioner, Ministry of Textiles, Government of India								

C. Sample Size per segment: The samples drawn in primary survey on the basis of the selected segments is as follows:

**Table 1.3**  
**Segment and state wise sample size of surveyed units**

State	Spinning	Weaving	Knitting	Processing	RMG	Made-ups	Composite	Technical Textiles	Handloom	Total
Andhra Pradesh	1	0	0	0	0	0	0	0	21	1
Gujarat	25	56	0	48	0	0	2	13	0	144
Himachal Pradesh									9	
Haryana	5	1	2	0	40	1	0	2		51
Jammu & Kashmir									10	
Maharashtra	1	28	1	2	0	0	1	1	0	34
Madhya Pradesh	4	0	0	1	0	1	0	0	0	6
Odisha									24	
Punjab	14	1	20	7	50	9	0	2		103
Rajasthan	6	27	0	2	0	3	0	3		41
Tamil Nadu	42	17	26	18	43	9	0	2	39	157
Telangana	4	8	1	4	13	0	0	0	16	30
Uttar Pradesh	3	128	3	0	14	0	0	3	32	151
West Bengal	1	0	5	0	0	0	0	0	0	6
New Delhi	0	0	0	0	7	0	0	0	1	7
Dadra Nagar Haveli	1	0	0	0	0	0	0	0		1
Sub -Total	107	266	58	82	167	23	3	26	155	887
Listed units	51	10	7	4	18	15	20	11		136
Grand Total	158	276	65	86	185	38	23	37	155	1023

The primary survey has taken into consideration both (i) the units already availed the benefits from different schemes of Ministry of Textiles of the Government of India and (ii) the units that have not availed the schemes. While the focus is to ascertain the impact of the schemes on strengthening the functioning of the units as well as providing better employment opportunity and higher income, the overall health of the sector has also been evaluated by enumerating the selected units.

The data collection has been organised from the units through structured questionnaire developed for the purpose. The questionnaire has been pre-tested and further modified as per the requirement before carrying out the data collection. The time series data was collected on various parameters of textile manufacturing from 732 textile manufacturing units in 14 States and 1 Union Territory across the TVC covering all segments and 155 handloom units spread in 6 States and 2 Union Territories.

The data collection from various stakeholders of the industry has been effected by using three structured questionnaires developed for the purpose namely:

- i. For enumeration of the selected units from the identified segments of the textile industry.
- ii. Recording/enumerating profile of the identified clusters including macro overview of the clusters/products in terms of production, technology, employment and income scenario, etc.
- iii. Organising Focused Group Discussion (FGDs) with key stakeholders of the industry viz., segment specific Trade & Industry Association, Export Promotion Councils (EPCs), Chamber of Commerce & Industry, State Government Agencies associated with the sector, etc.

The structured questionnaire used for data collection from Textile units is annexed at **Annexure–1** and that for Handloom units is at **Annexure–2**. The quality of data is ensured by officials of the Textiles Committee through active participation in the data collection and its supervision. In addition, two questionnaires; one for collecting cluster specific information and the other for organising FGD were developed.

E. Study coverage: The study focused on all the prominent segments of the T&A sector. A suitable size of sample of such units from each of the stakeholder viz., manufacturers, exporters, importers, traders, etc has been selected from the sampling frame. The questionnaire devised for the purpose has been pre-tested and modified as per the requirement for carrying out data collection. Simple random sampling technique has been deployed to select the units in the State/Cluster.

The coverage of the study is the major textile producing and exporting clusters of the country as mentioned in the list of cluster/production centres. The statewise clusters are at **Annexure–3**.

Based on the approach as mentioned above, a total of 732 units (excluding handloom units) have been covered under the study along with 136 listed companies. State wise coverage along with the size of the units' viz Micro, Small, Medium & Large segments is as given below:

Table 1.4  
State Wise Number of Units in Different segments

State	Micro	Small	Medium	Large	Total
Andhra Pradesh	0	0	0	1	1
Gujarat	3	57	61	23	144
Haryana	4	40	6	1	51
Maharashtra	6	13	7	8	34
Madhya Pradesh	0	0	1	5	6
Punjab	12	38	34	19	103
Rajasthan	0	13	13	15	41

State	Micro	Small	Medium	Large	Total
Tamil Nadu	16	65	40	36	157
Telangana	1	17	4	8	30
Uttar Pradesh	23	111	11	6	151
West Bengal	0	0	1	5	6
Delhi (NCR)	0	6	1	0	7
Dadra Nagar Haveli	0	1	0	0	1
Major units listed at BSE.					136
<b>Total</b>	<b>65</b>	<b>361</b>	<b>179</b>	<b>127</b>	<b>868</b>

Besides, primary data is collected from exporters, importers, Chamber of Commerce, EPCs, Trade & Industry Associations, etc. from the above-mentioned states. In addition, developmental agencies working for development of the sector have also been taken into consideration in the process of study.

### 1.2.5 Focus Group Discussions (FGDs)

In addition to primary and secondary data collection, FGDs have also been organised in prominent centres/ clusters with the industry associations, prominent industrialists, importers, exporters and other stakeholders of the industry to gauge the impact of different textile sector initiatives on the sector besides ascertaining the extent of development required for strengthening the sector. The FGDs with producers, traders and exporters and their associations have helped in understanding their perceptions and constraints including the technological/ infrastructural bottlenecks in terms of availability of modern technology and resources for manufacturing the T&A products and assessing the competitiveness of the industry/ products in the different selected segments of textile sector. The details of the FGDs conducted are given below:

Text Box 1.5 Coverage under FGDs		
Sr. No	Segment	Clusters Covered
1	Spinning	Coimbatore, Surat
2	Weaving	Bhilwara, Bhiwandi, Erode, Surat
3	Knitting	Tirupur, Ludhiana
4	Processing	Tirupur, Surat, Tarapur, Vapi
5	Readymade Garments (RMG)	Gurgaon, Ludhiana, Solapur, Umbergaon and Tirupur
6	Weaving, Made-ups	Tarapur, Umbergaon, Bhadhoi
7	Technical Textiles	Mumbai, Surat
8	Handlooms	Andhra Pradesh, New Delhi, Tamil Nadu, Uttar Pradesh, Odisha

### **1.2.6 Data Analysis**

The analysis is based on data collected from identified key stakeholders through primary and secondary survey. The product-level import/export data classified as per HS 2017 nomenclature at 6/8-digit level have also been collected and analysed for the purpose.

The findings of the survey are linked to the policy initiatives of the government for development of the industry and also tried to assess the influence of these initiatives to each of the segments of the industry in particular and textile sector as a whole in general. Also, suitable statistical/ econometric tools like Regression Analysis, forecasting models etc are used for achieving the desired objectives. Further, the data on export and import are collated and appropriate statistical tools like Trade Intensity Index (TII), Export Similarity Index (ESI), Revealed Comparative Advantage (RCA) are deployed to ascertain the competitiveness of the textile products including export potential of products/ markets aimed in the global trade so as to effectively link it to the domestic production base including employment generation and enhanced income of the stakeholders.

## Chapter 2

### Current State of Play in the Textile Industry

The Indian textile sector has strong presence across the entire value chain right from production of natural and man-made fibre to that of end products of apparel and home furnishings. In the Indian Textiles & Apparel (T&A) sector, weaving, processing and garmenting segments are highly fragmented and lack requisite scale for success in global markets. Most of the manufacturing units in these segments are from SMEs.

#### 2.1 Global Production

Textiles being one of the basic needs of the humankind, the industry supplying the products have evolved over time and we find manmade fibre textiles in vogue vis-à-vis natural fibre based textiles. The production of various textile fibres in the world is as given below:

**Table 2.1**  
**Global Production of Textile Fibres**

('000 M Tonnes)

Sr. No	Type	2015	2016	2017	2018	2019	CAGR (%)
1	Manmade Fibre	69753	70434	71876	74695	76532	2.35
2	Raw Cotton	23600	24100	26932	25853	25986	2.44
3	Raw Wool	1157	1160	1100	1089	1090	-1.48
4	Raw Silk	184	193	178	164	164	-2.84
	<b>Total</b>	<b>94945</b>	<b>95887</b>	<b>100086</b>	<b>101801</b>	<b>103608</b>	<b>2.21</b>

The global production of fibres was 103.61 million tons in 2019. The manmade fibre contributes 73.87 percent, cotton accounts for 25.08 percent and wool contributes 1.05 percent (Table 2.1 and Figure 2.3) of total production of fibre. Of the MMF production, the share of synthetic fibres (such as polyester, polyamide, acrylic etc.) was 90.84 percent and cellulosic fibre was 9.16 percent. In last 5 years, the growth trend of production indicates that the global production of all fibres has grown with a CAGR of 2.21 percent. Cotton fibre has grown at a CAGR of 2.44 percent and that of MMF has grown at 2.35 percent during 2015-19 periods. Marginal increase in the share of Cotton as well as MMF in total global fibre production is witnessed during the last five years.

As evidenced above, the MMF fibre and raw cotton are the two important fibres in the entire textile value chain. The details of these two are as given below:

### 2.1.1 Man Made Fibre

Among different manmade staple fibres, the global production of the synthetic fibre with a share of 90.84 percent is dominating followed by cellulosic (9.16%) in 2019. The global production of synthetic fibres, (yarn + staple), has increased from 64.49 Mn tons in 2015 to 69.52 Mn tons in 2019 at a CAGR of 1.90 percent at the same time the production of cellulosic (yarn + staple) has increased from 5.26 Mn tons in 2015 to 7.01 Mn tons in 2019 at a CAGR of 7.40 percent. The details of the production of manmade staple fibres are as given below:

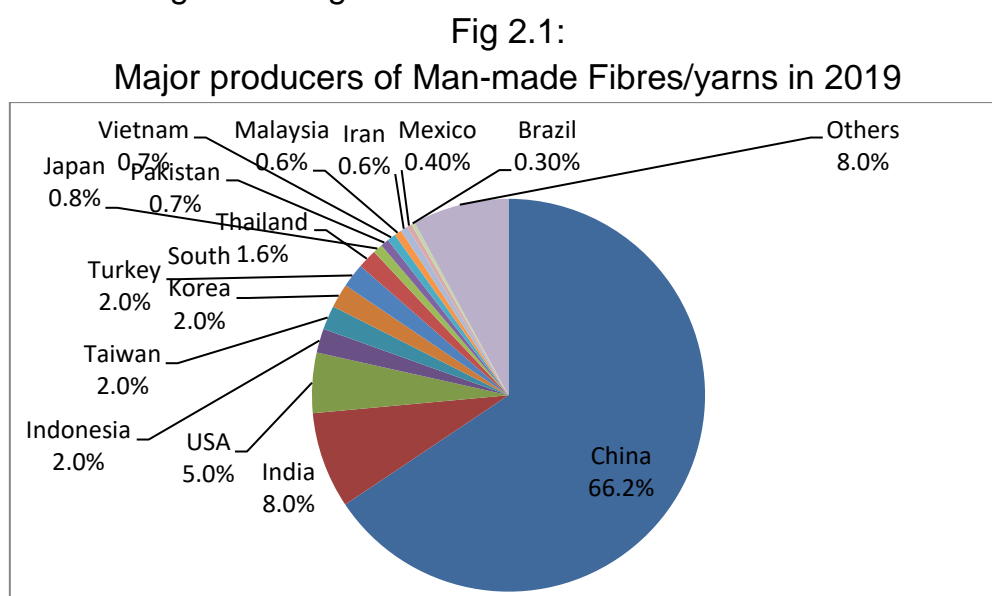
**Table 2.2**  
**Global Production of Manmade Fibres**

Type	2015	2016	2017	2018	2019	Share 2019	CAGR (%)
<b>Cellulosic</b>	<b>5268</b>	<b>5256</b>	<b>6423</b>	<b>6899</b>	<b>7010</b>	<b>9.16</b>	<b>7.40</b>
Yarn	350	339	325	355	359	<b>0.47</b>	0.64
Staple	4918	4917	6098	6544	6651	<b>8.69</b>	7.84
<b>Synthetic</b>	<b>64485</b>	<b>65178</b>	<b>65453</b>	<b>67796</b>	<b>69522</b>	<b>90.84</b>	<b>1.90</b>
Yarn	45684	47426	46439	48361	49844	<b>65.13</b>	2.20
Staple	18801	17752	19014	19435	19678	<b>25.71</b>	1.15
<b>Total</b>	<b>69753</b>	<b>70434</b>	<b>71876</b>	<b>74695</b>	<b>76532</b>	<b>100.00</b>	<b>2.35</b>

('000 M Tonnes)

*Source: Handbook of Statistics 2019-20, ASFI & Textiles Committee analysis*

China with a share of 66.2 percent is the top producer of manmade fibre/yarns in 2019 followed by India (8.0%), USA (5.0%), Indonesia (2.0%), Taiwan (2.0%), South Korea (2.0%), Turkey (2.0%), etc. The details are as given in Fig 2.1.





## 2.1.2 Raw Cotton

Cotton is considered a very important crop, as it is the major source of clothing to the world. Besides, it is used in various industrial applications also. Hence, it is ranked among the most cultivated and traded commodities on the planet. Cotton is basically produced in the areas having tropical climatic conditions. China is the largest producer of cotton in the world followed by India and United States of America.

**Table 2.3**  
**Global Production of Raw Cotton**

('000 M Tonnes)

Country	2016/17	2017/18	2018/19	2019/20	2020/21	Share 2019	CAGR (%)
India	5879	6314	5617	6423	6532	25.84	2.67
China	4953	5987	6042	5933	5987	23.68	4.85
USA	3738	4555	3999	4336	3721	14.72	-0.11
Brazil	1528	2007	2830	3000	2613	10.34	14.35
Pakistan	1676	1785	1655	1350	1089	4.31	-10.22
Uzbekistan	697	840	713	726	751	2.97	1.88
Turkey	811	871	816	751	640	2.53	-5.75
Others	3943	4628	4145	4042	3978	15.74	0.22
<b>Total</b>	<b>23226</b>	<b>26989</b>	<b>25818</b>	<b>26597</b>	<b>25281</b>	<b>100.00</b>	<b>2.14</b>

*Source: Handbook of Statistics 2019-20, ASFI & Textiles Committee analysis*

India with a share of 25.84 percent is the top producer of raw cotton in 2020/21 followed by China (23.68%), USA (14.72%), Brazil (10.34%), etc. The details are as given in Table 2.3.

## 2.2 Global Trade Scenario of T&A and India

The global export of T&A was US\$ 821.35 Bn in 2019 and has been growing at a Compound Annual Growth Rate (CAGR) of 1.63 percent during 2015-19 periods. China with a share of 31.73 percent is the top exporter of T&A in the world in 2019 followed by Viet Nam (5.16%), Bangladesh (5.15%), Germany (4.66%), Italy (4.38%), India (4.32%), etc. Barring India and China, the exports from all other top 10 countries have recorded a positive CAGR.

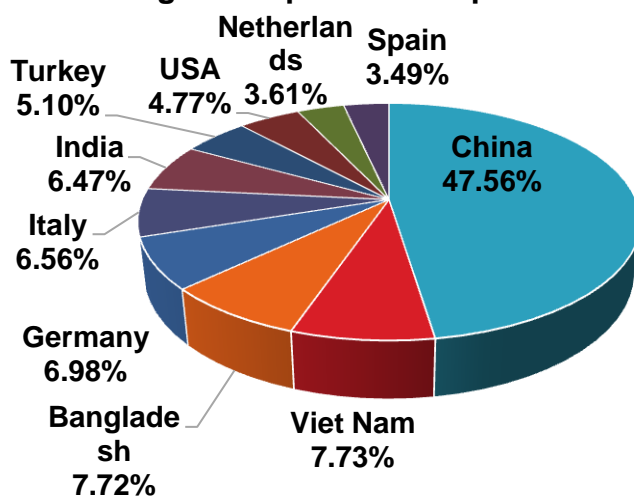
Table 2.4  
Top 10 Exporters of T&A in World (Bn USD)

Sr. No	Exporters	2015	2016	2017	2018	2019	CAGR (%)
1	China	273.57	255.07	257.82	266.42	260.57	-1.21
2	Viet Nam	27.27	28.7	31.81	36.66	42.34	11.63

3	Bangladesh	28.33	35.6	37.24	41.49	42.32	10.55
4	Germany	30.22	30.71	35.08	38.89	38.3	6.10
5	Italy	31.66	32.23	34.04	36.74	35.97	3.24
6	India	37.15	35.42	37.23	37.11	35.49	-1.14
7	Turkey	26.34	26.22	26.81	27.88	27.9	1.45
8	USA	24.92	23.61	25.88	27.17	26.12	1.18
9	Netherlands	14.3	15.01	16.69	18.95	19.76	8.41
10	Spain	15.27	16.56	18.59	19.17	19.10	5.77
11	Top 10	509.03	499.16	521.19	550.49	547.88	1.86
12	World	769.87	753.67	788.68	834.75	821.35	1.63

Source : ITC Trademap and TC analysis

**Fig 2.2: Top 10 T&A Exporters in World**



The exports from China declined from US\$ 273.57 Bn in 2015 to US\$ 260 Bn in 2019 recording a CAGR of (-) 1.21 percent and that of India declined from US\$ 37.15 Bn in 2015 to US\$ 35.49 Bn in 2019 recording a

CAGR of (-) 1.14 percent during 2015-19 periods. The exports from Viet Nam, Bangladesh, Netherlands, Germany and Spain registered more than 5 percent CAGR during the 2015-19 periods. The exports from these top 10 countries contribute around 67 percent of the total T&A exports. The details of trade, growth rate and share of top countries are as shown in table 2.1 and fig 2.2.

It is pertinent to mention here that the share of exports from China which was 36.6 percent in 2010 has declined to 31.73 percent in 2019. The space vacated by China has been occupied by countries like Vietnam and Bangladesh. Moreover countries like Turkey, Morocco and Tunisia have emerged as key exporters to EU market.

Sr. No	Importers	2015	2016	2017	2018	2019	CAGR (%)
1	USA	119.61	113.47	113.94	119.37	119.76	0.03
2	Germany	47.83	49.02	52.22	55.25	53.28	2.73
3	Japan	35.35	34.77	35.05	37.77	37.13	1.23

4	UK	34.76	32.08	31.91	32.9	32.54	-1.63
5	China	32.35	28.38	31.05	34.16	32.18	-0.13
6	France	28.43	28.52	29.76	31.91	31.16	2.31
7	Viet Nam	15.45	16.07	17.97	20.47	26.54	14.49
8	Italy	23.81	24.02	25.09	27.08	26.04	2.26
9	Spain	20.25	21.76	23	24.5	24.43	4.8
10	Netherlands	19.29	19.8	20.91	23.47	23.75	5.34
11	Top 10	377.14	367.89	380.9	406.89	406.8	1.91
12	World	685.15	672.86	706.82	757.69	755.1	2.46

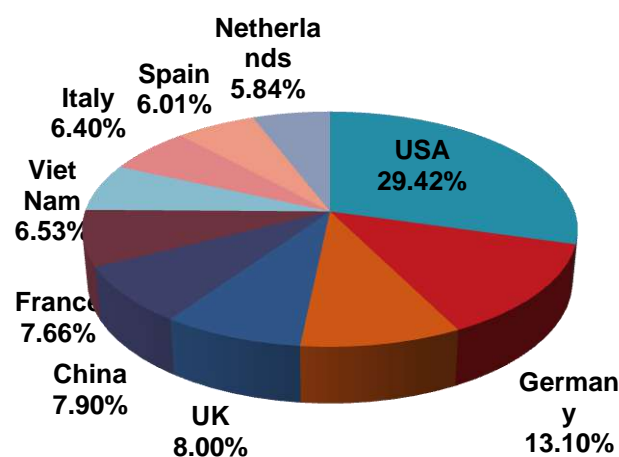
Source : ITC Trademap and TC analysis

As far as importers are concerned, United States of America (USA) and European Union (EU) are the world's largest T&A importers contributing 48.6 percent of the total imports. T&A imports of USA increased from US\$ 119.61 Bn in 2015 to US\$ 119.80 Bn in 2019 recording a CAGR of 0.03 percent during the 2015-19 periods and that of EU increased from US\$ 206.17 Bn in 2015 to US\$ 241.45 Bn in 2019 with a CAGR of 4.03 percent during the same period. Japan with a share of 4.99 percent is the other largest importer followed by China (4.33%), etc.

The T&A imports of Viet Nam increased from US\$ 15.45 Bn in 2015 to US\$ 26.54 Bn in 2019 recording a CAGR of 14.49 percent during 2015-19 periods. The countries which recorded more CAGR than that of global average are Netherlands (5.34%) and Germany (2.73%). The top 10 countries contribute around 54 percent of total

T&A imports of the world in 2019. It is also important to note that China and Vietnam have both high exports and imports indicating high product exchange other than final product consumption within the TVC.

Fig 2.3. Top 10 Importers



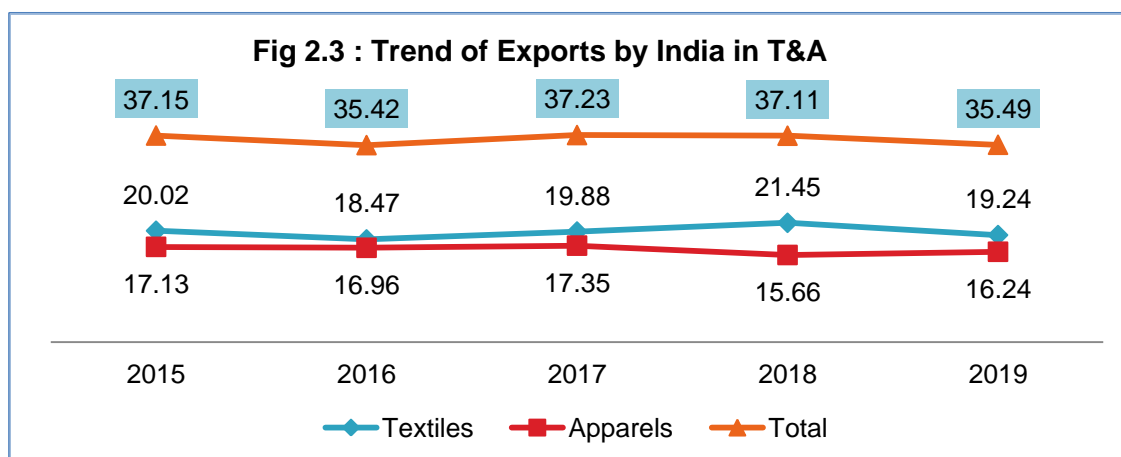
## 2.3 India's scenario in global trade

### 2.3.1 Indian T&A Exports

Indian T&A export steadily increased in the post-quota period and had reached its peak in 2013 with US\$ 40.19 Bn, but subsequently receding year after year and stood at US\$ 37.12 Bn in the year 2018 and US\$

35.49 Bn in the year 2019 registering a CAGR of 4.91 percent during 2008-2019. However, T&A export has declined from US\$ 37.15 Bn in 2015 to US\$ 35.49 Bn in 2019 with a CAGR of (-) 1.14 percent.

Amongst the product categories, India's exports are slightly tilted towards textile products, including made-ups (HS Chapter 50 to 60 and Chapter 63) than that of apparels (HS Chapter 61 & 62). Textile



products have a share of 54 percent while Apparels have a share of 46 percent in India's T&A exports to world in 2019. The export of textile and apparel products in 2019 was US\$ 19.24 Bn and US\$ 16.24 Bn respectively and both these products have registered negative CAGR of 0.99 percent and 1.32 percent respectively during 2015-19 periods. The trend of India's export of both Textiles and Apparels is steady with a slight decline in 2019. The product category wise details are as given in Table 2.6.

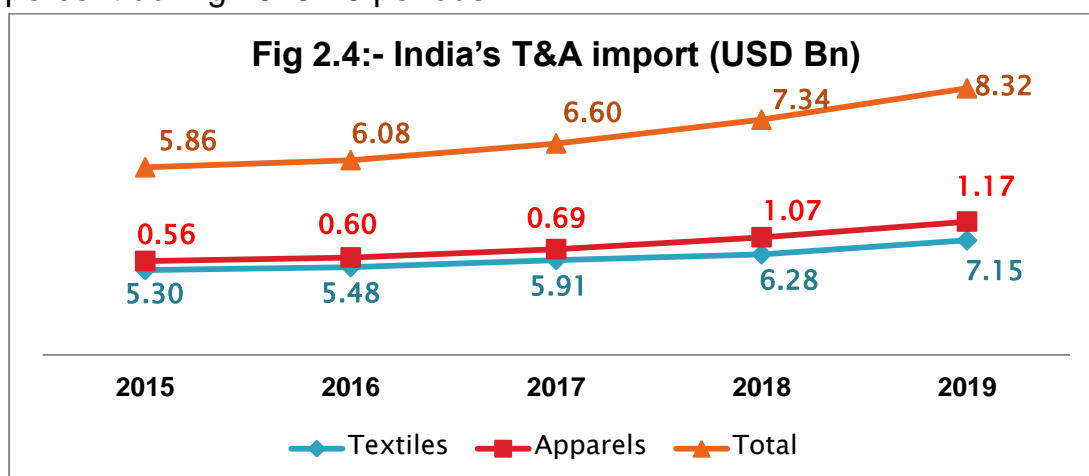
Category	2015	2016	2017	2018	2019	CAGR (%)
Textiles	20.02	18.47	19.88	21.45	19.24	-0.99
Apparels	17.13	16.96	17.35	15.66	16.24	-1.32
T&A	37.15	35.42	37.23	37.11	35.49	-1.14

*Source : ITC Trademap and TC analysis*

USA with a share of 23.82 percent is the major export destination for India's T&A products followed by EU (19.36%), United Arab Emirates (6.88%), United Kingdom, (6.07%), Bangladesh (5.80%), China (3.95%), etc. The top 10 markets collectively contribute around 60 percent of India's T&A exports to the world. Barring USA, Spain and Netherlands, India's T&A exports have registered negative CAGR in other top 10 markets during 2015-19 periods. The exports grew at a CAGR of 4.37 percent in Netherlands, 3.26 percent in USA and 2.34 percent in Spain during 2015-19 periods.

### 2.3.2 India's T & A Imports

India's T& A imports have increased from US\$ 5.86 Bn in 2015 to US\$ 8.32 Bn in 2019 recording a CAGR of 9.17 percent during 2015-19 periods. In 2019, majority of the imports, to the tune of 86 percent, are from textile products category, mostly raw materials used by the industry for manufacturing of value added products for consumption both in domestic as well as international market. At the same time, the import of apparel products has recorded an astounding CAGR of 20.27 percent during 2015-19 periods.



China with a share of 35.17 percent is the top importing partner of India in 2019 followed by USA (9.86%), Bangladesh (8.59%), Viet Nam (4.31%), Indonesia (3.23%), Hong Kong (2.79%), Korea Rep (2.49%), Thailand (2.24%), etc. The top 10 suppliers collectively contribute around 73 percent of India's T&A imports. Barring Australia, India's T&A imports have registered positive CAGR from other top 10 suppliers during 2015-19 periods. The imports grew at a CAGR of 27.83 percent from USA, 23.16 percent from Viet Nam, 18.54 percent from Bangladesh, 14.46 percent from Indonesia and 10.30 percent from Hong Kong during 2015-19 periods.

## 2.4 India's position by product scenario

### 2.4.1 Top T&A exported products of India

An analysis of India's top exported T&A products with export value of \$ 100 Mn and more reveals that there are only 79 products (HS6 digit) which contribute around US\$ 26.02 Bn (73.34%) to T&A products export basket in 2019. Of these 79 products, 37 are from apparels, 14 from Fabrics, 12 from Made-ups and 10 from yarn product category.

Category	T&A Exports			Top Products Exports		
	Products	2010	2019	Products	2010	2019
Fibre	48	3.64	2.00	4	3.41	1.81
Yarn	139	4.49	5.02	10	2.66	3.50
Fabric	262	3.89	4.74	14	1.82	2.51
Garments	218	10.60	16.24	37	7.94	12.64
Made ups	67	4.00	6.08	12	2.95	4.75
Technical Textiles	41	0.38	1.18	2	0.22	0.81
Others	8	0.13	0.22	0	0.00	0.00
Total	783	27.13	35.49	79	18.99	26.02

Source : ITC Trademap and TC analysis

Amongst the product categories, lesser number of products are contributing to its overall exports viz, around 8 percent of products from fibre category contribute more than 90 percent to its exported value. Similarly around 18 percent of the made-ups articles are contributing 78 percent of the exports in 2019. The details are as given in table 2.7.

#### 2.4.2 India in global trade of T&A

A total of 824 T&A products at HS 6-digit are being traded in the World and in 2019 the total trade was US\$ 821.35 Bn. Analysis of top exported T&A products, with export value of more than \$ 1 Bn, in world during 2019 reveals that there are 175 products valued at US\$ 651.15 Bn contributing around 79.94 percent of the world trade. Of these 175 products, 91 are from apparels, 30 from fabrics, 18 from made-ups, 15 from yarn and 13 are from technical textile products category. India's share in these top 175 products is only 3.96 percent (\$ 25.77 Bn). The details are as given in table 2.8.

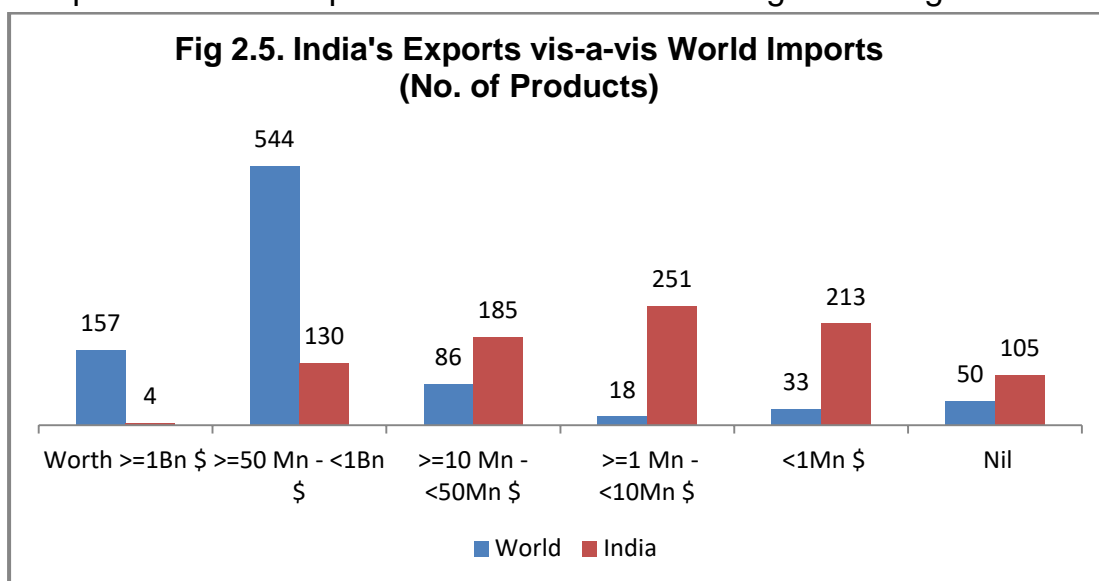
Category	No. of Products	World Exports (\$Bn)		India's Exports (\$Bn)		India's Share (%)	
		2010	2019	2010	2019	2010	2019
Fibre	6	24.38	26.64	3.39	1.56	13.90	5.85
Yarn	15	21.16	24.45	2.25	2.96	10.62	12.12
Fabric	30	63.29	85.15	1.96	2.50	3.09	2.94
Apparels	91	299.65	427.15	8.92	13.58	2.98	3.18
Made ups	18	41.52	57.68	2.58	4.22	6.21	7.32
Technical Textiles	13	19.07	27.67	0.20	0.88	1.04	3.18
Others	2	2.38	2.40	0.09	0.06	3.80	2.70
Top 175	175	471.45	651.15	19.38	25.77	4.11	3.96
Total T&A	824	639.58	814.56	27.13	35.49	4.24	4.36

Source : ITC Trademap and TC analysis

India's share in these top products has reduced from 4.11 percent in 2015 to 3.96 percent in 2019 mainly due to its inability to capture the market in the segments of apparels, Made-ups & Technical textiles. The product wise details are at **Annexure-4**.

Out of 91 apparel products valued at US\$ 427.15 Bn exported in world, India's share is only 3.18 percent (\$13.58 Bn) with not much of increase since 2010. While Technical textiles witnessed highest growth increasing from US\$19.07 Bn in 2010 to US\$ 27.67 Bn in 2019, India's exports has increased from US\$ 0.20 Bn in 2010 to US\$ 1.04 Bn in 2019. Except yarn, garments and fibre products, share of India in top traded products is less than 5 percent.

Further, majority of India's exported products, 436, are valued in the range of US\$1 Mn to \$50 Mn (185 products) while most of the world imported products, 544, are in the range of \$50 Mn to \$1Bn. India has "nil" presence in 105 products. The details are as given in Fig 2.5.



In order to examine the competitiveness of Indian T&A sector, the Revealed Comparative Advantage (RCA) and Export Similarity Index analysis has been carried out on trade data at HS 6 digit level. The details are discussed below:

### 2.4.3 Revealed Comparative Advantage (RCA) at product level

Efforts were made for estimating the RCA at product level so as to know India's position in the international market and its competitiveness at product level. The analysis indicates that India is enjoying comparative

advantage on 236 products out of 815 products it trades with the world. India has also lost its comparative advantage in 43 products during last 6 years. It is important to note that the country has always been at a disadvantage position in 478 products. However, India has also gained comparative advantage on 56 products during last 6 years, which is a positive development for the T&A sector as a whole. Also, 68 products are in cyclical trend indicating seasonal or repetitive trade. The list of products enjoying comparative advantage (all time RCA) in the world market is as given below:

### Box 2.1

#### List of Products enjoying All time RCA during 2014-19 periods

HS code	Description
520411	Sewing thread, containing $\geq$ 85% cotton by weight
520515	Single cotton yarn, of uncombed fibres, containing $\geq$ 85% cotton by weight
520521	Single cotton yarn, of combed fibres, containing $\geq$ 85% cotton by weight
520523	Single cotton yarn, of combed fibres, containing $\geq$ 85% cotton by weight
520526	Single cotton yarn, of combed fibres, containing $\geq$ 85% cotton by weight
520528	Single cotton yarn, of combed fibres, containing $\geq$ 85% cotton by weight
520813	Woven fabrics of cotton, containing $\geq$ 85% cotton by weight
520942	Denim, containing $\geq$ 85% cotton by weight
530500	Coconut, abaca Manila hemp or <i>Musa textilis</i> Nee", ramie, agave etc
531010	Woven fabrics of jute or of other textile bast fibres of heading 5303
540233	Textured filament yarn of polyester
570390	Carpet tiles of vegetable textile materials or coarse animal hair
581091	Embroidery of cotton on a textile fabric ground, in the piece, in strips or in motifs
610510	Men's or boys' shirts of cotton, knitted or crocheted
610719	Men's or boys' underpants and briefs of other textile materials, knitted
610910	T-shirts, singlets and other vests of cotton, knitted or crocheted
620520	Men's or boys' shirts of cotton
620640	Women's or girls' blouses, shirts and shirt-blouses of man-made fibres
620829	Women's or girls' nightdresses and pyjamas of textile materials
620930	Babies' garments and clothing accessories of synthetic fibres
621143	Women's or girls' tracksuits and other garments, n.e.s. of man-made fibres
621490	Shawls, scarves, mufflers, mantillas, veils and similar articles of textile materials
630391	Curtains, incl. drapes, and interior blinds, curtain or bed valances of cotton
630399	Curtains, incl. drapes, and interior blinds, curtain or bed valances
630492	Articles for interior furnishing, of cotton
520100	Cotton, neither carded nor combed
520512	Single cotton yarn, of uncombed fibres, containing $\geq$ 85% cotton by weight
520531	Multiple "folded" or cabled cotton yarn, of uncombed fibres
520535	Multiple "folded" or cabled cotton yarn, of uncombed fibres,
520546	Multiple "folded" or cabled cotton yarn, of combed fibres,
540720	Woven fabrics of strip or the like, of synthetic filament



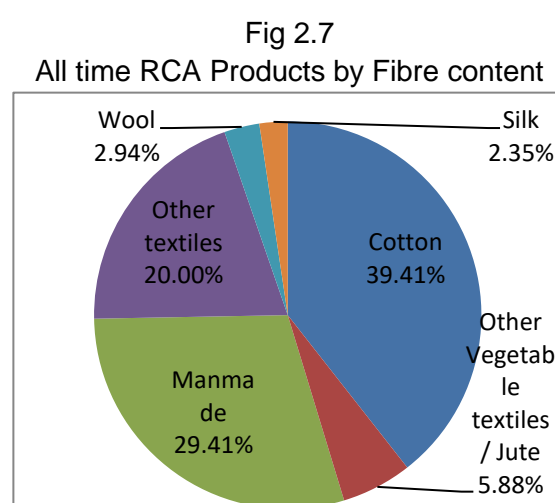
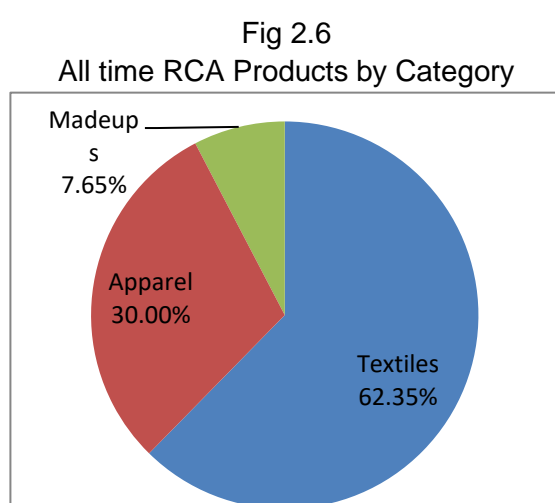
HS code	Description
550922	Multiple "folded" or cabled yarn containing $\geq$ 85% polyester staple
550962	Yarn containing predominantly, but $<$ 85% acrylic or modacrylic staple fibres
551519	Woven fabrics containing predominantly, but $<$ 85% polyester staple fibres
560811	Made-up knotted fishing nets of man-made textile materials
570210	Kelem, Schumacks, Karamanie and similar hand-woven rugs
570310	Carpets and other floor coverings, of wool or fine animal hair
581010	Embroidery on a textile fabric ground without visible ground, in the piece, in strips
590290	Tyre cord fabric of high-tenacity viscose rayon yarn
610520	Men's or boys' shirts of man-made fibres, knitted or crocheted
610721	Men's or boys' nightshirts and pyjamas of cotton, knitted or crocheted
611490	Special garments for professional, sporting or other purposes, n.e.s
620423	Women's or girls' ensembles of synthetic fibres
620442	Women's or girls' dresses of cotton
620722	Men's or boys' nightshirts and pyjamas of man-made fibres
620891	Women's or girls' singlets and other vests, briefs, panties, négligés
630240	Table linen, knitted or crocheted
510310	Noils of wool or of fine animal hair
520533	Multiple "folded" or cabled cotton yarn, of uncombed fibres
520548	Multiple "folded" or cabled cotton yarn, of combed fibres
521224	Woven fabrics of cotton, containing predominantly, but $<$ 85% cotton by weight
550959	Yarn containing predominantly, but $<$ 85% polyester staple fibres by weight
570299	Carpets and other floor coverings, of vegetable textile materials
581099	Embroidery of materials other than cotton or man-made fibres
610690	Women's or girls' blouses, shirts and shirt-blouses of textile materials
610729	Men's or boys' nightshirts and pyjamas of textile materials, knitted or crocheted
610819	Women's or girls' slips and petticoats of textile materials, knitted or crocheted
620319	Men's or boys' suits of textile materials (excluding of wool, fine animal hair)
620413	Women's or girls' suits of synthetic fibres
620590	Men's or boys' shirts of textile materials
620690	Women's or girls' blouses, shirts and shirt-blouses of textile materials
620920	Babies' garments and clothing accessories of cotton
630130	Blankets and travelling rugs of cotton
630499	Articles for interior furnishing, of textile materials
500790	Woven fabrics containing predominantly, but $<$ 85% silk or silk waste by weight
520514	Single cotton yarn, of uncombed fibres, containing $\geq$ 85% cotton by weight
520542	Multiple "folded" or cabled cotton yarn, of combed fibres
520547	Multiple "folded" or cabled cotton yarn, of combed fibres
520832	Plain woven fabrics of cotton, containing $\geq$ 85% cotton by weight
520852	Plain woven fabrics of cotton, containing $\geq$ 85% cotton by weight
540246	Filament yarn of polyester, incl. monofilament of $<$ 67 decitex, single, untwisted
551012	Multiple "folded" or cabled yarn containing $\geq$ 85% artificial staple fibres
551591	Woven fabrics containing predominantly, but $<$ 85% synthetic staple fibres,
580126	Chenille fabrics, of cotton
610429	Women's or girls' ensembles of textile materials
611190	Babies' garments and clothing accessories of textile materials, knitted

<b>HS code</b>	<b>Description</b>
611420	Special garments for professional, sporting or other purposes, n.e.s., of cotton
620419	Women's or girls' suits of textile materials
620630	Women's or girls' blouses, shirts and shirt-blouses of cotton
620990	Babies' garments and clothing accessories of textile materials
621142	Women's or girls' tracksuits and other garments, n.e.s. of cotton
630260	Toilet linen and kitchen linen, of terry towelling or similar terry fabrics of cotton
520420	Cotton sewing thread, put up for retail sale
520524	Single cotton yarn, of combed fibres, containing $\geq$ 85% cotton by weight
520821	Plain woven fabrics of cotton, containing $\geq$ 85% cotton by weight
520912	Woven fabrics of cotton, containing $\geq$ 85% cotton by weight and
530919	Woven fabrics of flax, containing $\geq$ 85% flax by weight, dyed
540251	Filament yarn of nylon or other polyamides, incl. monofilament of $<$ 67 decitex
540310	High-tenacity yarn of viscose rayon filament
540782	Woven fabrics of yarn containing predominantly, but $<$ 85% synthetic filament
540784	Woven fabrics of yarn containing predominantly, but $<$ 85% synthetic filament
540794	Woven fabrics of yarn containing predominantly, but $<$ 85% synthetic filament
550951	Yarn containing predominantly, but $<$ 85% polyester staple fibres by weight,
551412	Woven fabrics containing predominantly, but $<$ 85% polyester staple fibres
551512	Woven fabrics containing predominantly, but $<$ 85% polyester staple fibres
570190	Carpets and other textile floor coverings, of textile materials, knotted
570220	Floor coverings of coconut fibres "coir", woven, whether or not made up
580430	Handmade lace in the piece, in strips or in motifs
581092	Embroidery of man-made fibres on a textile fabric base, in the piece
610329	Men's or boys' ensembles of textile materials
610711	Men's or boys' underpants and briefs of cotton, knitted or crocheted
611120	Babies' garments and clothing accessories of cotton, knitted or crocheted
620422	Women's or girls' ensembles of cotton
620821	Women's or girls' nightdresses and pyjamas of cotton
630520	Sacks and bags, for the packing of goods, of cotton
630532	Flexible intermediate bulk containers, for the packing of goods,
631010	Used or new rags, scrap twine, cordage, rope and cables and worn-out articles
520511	Single cotton yarn, of uncombed fibres, containing $\geq$ 85% cotton
520522	Single cotton yarn, of combed fibres, containing $\geq$ 85% cotton
521213	Woven fabrics of cotton, containing predominantly, but $<$ 85% cotton
540710	Woven fabrics of high-tenacity yarn, nylon, other polyamides or polyesters
550320	Staple fibres of polyesters, not carded, combed
550410	Staple fibres of viscose rayon, not carded, combed
551511	Woven fabrics containing predominantly, but $<$ 85% polyester staple fibres
570110	Carpets and other textile floor coverings, of wool or fine animal hair, knotted
570231	Carpets and other floor coverings, of wool or fine animal hair, woven, not tufted
570249	Carpets and other floor coverings, of vegetable textile materials
590800	Textile wicks, woven, plaited or knitted, for lamps, stoves, lighters, candles
610449	Women's or girls' dresses of textile materials, knitted or crocheted
610590	Men's or boys' shirts of textile materials, knitted or crocheted
610829	Women's or girls' briefs and panties of textile materials, knitted or crocheted

<b>HS code</b>	<b>Description</b>
610831	Women's or girls' nightdresses and pyjamas of cotton, knitted or crocheted
620349	Men's or boys' trousers, bib and brace overalls, breeches and shorts
620822	Women's or girls' nightdresses and pyjamas of man-made fibres
621420	Shawls, scarves, mufflers, mantillas, veils and similar articles of wool
630190	Blankets and travelling rugs of textile materials
500300	Silk waste, incl. cocoons unsuitable for reeling, yarn waste and garnetted stock
500600	Silk yarn and yarn spun from silk waste, put up for retail sale; silkworm gut
520513	Single cotton yarn, of uncombed fibres, containing $\geq$ 85% cotton by weight
520532	Multiple "folded" or cabled cotton yarn, of uncombed fibres
520811	Plain woven fabrics of cotton, containing $\geq$ 85% cotton
520831	Plain woven fabrics of cotton, containing $\geq$ 85% cotton
520851	Plain woven fabrics of cotton, containing $\geq$ 85% cotton
521112	Woven fabrics of cotton, containing predominantly, but $<$ 85% cotton
540774	Woven fabrics of yarn containing $\geq$ 85% synthetic filament
540781	Woven fabrics of yarn containing predominantly, but $<$ 85% synthetic filament
550953	Yarn containing predominantly, but $<$ 85% polyester staple fibres
551030	Yarn containing predominantly, but $<$ 85% artificial staple fibres
551329	Woven fabrics containing predominantly, but $<$ 85% synthetic staple fibres
551513	Woven fabrics containing predominantly, but $<$ 85% polyester staple fibres
560749	Twine, cordage, ropes and cables of polyethylene or polypropylene,
570232	Carpets and other floor coverings, of man-made textile materials, woven
600621	Unbleached or bleached cotton fabrics, knitted or crocheted
610310	Men's or boys' suits of textile materials, knitted or crocheted
611599	Full-length or knee-length stockings, socks and other hosiery
620412	Women's or girls' suits of cotton (excluding knitted or crocheted)
620443	Women's or girls' dresses of synthetic fibres
621410	Shawls, scarves, mufflers, mantillas, veils and similar articles of silk or silk waste
630510	Sacks and bags, for the packing of goods, of jute or other textile bast fibre
520299	Cotton waste (excluding yarn waste, thread waste and garnetted stock)
520527	Single cotton yarn, of combed fibres, containing $\geq$ 85% cotton by weight
520534	Multiple "folded" or cabled cotton yarn, of uncombed fibres,
520543	Multiple "folded" or cabled cotton yarn, of combed fibres,
520544	Multiple "folded" or cabled cotton yarn, of combed fibres
520911	Plain woven fabrics of cotton, containing $\geq$ 85% cotton by weight
520932	Woven fabrics of cotton, containing $\geq$ 85% cotton by weight
520943	Woven fabrics of cotton, containing $\geq$ 85% cotton by weight
521215	Woven fabrics of cotton, containing predominantly, but $<$ 85% cotton
530810	Coconut "coir" yarn
540262	Multiple "folded" or cabled filament yarn of polyester
540331	Yarn of viscose rayon filament, incl. monofilament of $<$ 67 decitex, single
540771	Woven fabrics of yarn containing $\geq$ 85% synthetic filament by weight,
550952	Yarn containing $>$ 50% to $<$ 85% polyester staple fibres by weight,
551319	Woven fabrics containing predominantly, but $<$ 85% synthetic staple fibres
570239	Carpets and other floor coverings, of vegetable textile materials
570500	Carpets and other textile floor coverings, whether or not made up

HS code	Description
610323	Men's or boys' ensembles of synthetic fibres, knitted or crocheted
610839	Women's or girls' nightdresses and pyjamas of textile materials, knitted
620444	Women's or girls' dresses of artificial fibres
630419	Bedspreads of all types of textile materials

Further, it is to be mentioned here that out of the 170 products enjoying all time RCA in the world, majority, i.e., 62.35 percent belongs to textiles category followed by apparels (30.00%) and made-ups (7.65%). Also as far as fibre content of the products is concerned, 39.4 percent of the products are of cotton origin followed by manmade (29.4%), other textiles (20.0%), etc.



#### 2.4.4 Export Similarity Index (ESI) of top 10 T&A exporters in World

The Export Similarity Index (ESI) for T&A products is calculated to measure the similarity between exports of T&A of two countries (i.e., India's export similarity with other T&A exporting countries) to a third import market. The index is based on the share of each product in each country's total T&A exports and is calculated as the sum of the minimum value for share of the commodities.

The Table 2.6 shows export similarity index of 10 major exporters in the world market. It can be observed that India's export similarity is not very high or close to one which means India is not facing very high export competition. India has highest competition with Spain and Netherlands with ESI value of 0.59 and 0.56 respectively i.e., India's export product basket has 59 percent and 56 percent similar products vis-à-vis Spain and Netherland respectively in the world market. It is pertinent to mention here that only 32 percent similar products are there amongst

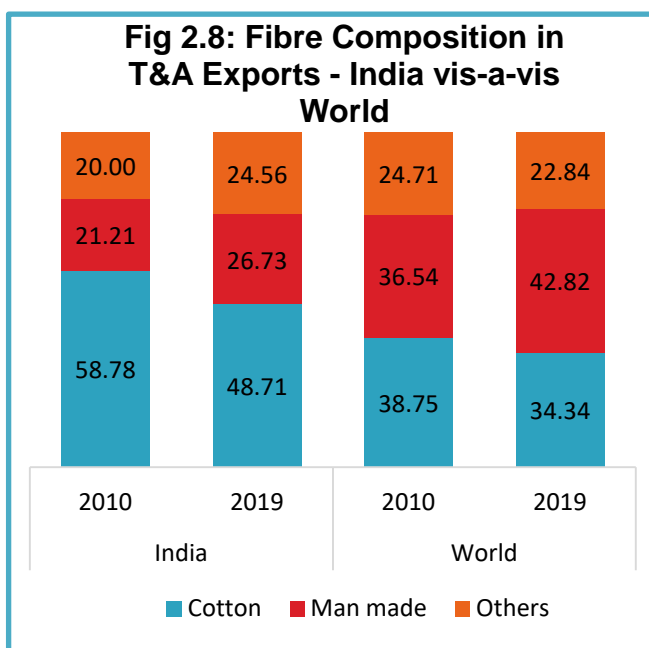
India and Bangladesh and 38 percent between India and China. The country wise details are as given in Table 2.9.

	China	Viet Nam	Bangladesh	Germany	Italy	India	Turkey	USA	Netherlands	Spain
China		<b>0.53</b>	<b>0.37</b>	<b>0.59</b>	<b>0.51</b>	<b>0.38</b>	<b>0.51</b>	<b>0.37</b>	<b>0.56</b>	<b>0.56</b>
Viet Nam	<b>0.53</b>		<b>0.51</b>	<b>0.57</b>	0.46	0.37	0.48	0.30	<b>0.59</b>	<b>0.57</b>
Bangladesh	0.37	<b>0.51</b>		0.49	0.37	0.32	0.45	0.18	<b>0.55</b>	<b>0.54</b>
Germany	<b>0.59</b>	<b>0.57</b>	0.49		<b>0.60</b>	0.39	<b>0.55</b>	0.46	<b>0.72</b>	<b>0.67</b>
Italy	<b>0.51</b>	0.46	0.37	<b>0.60</b>		0.36	0.49	0.35	<b>0.56</b>	<b>0.59</b>
India	0.38	0.37	0.32	0.39	0.36		0.49	0.35	<b>0.56</b>	<b>0.59</b>
Turkey	<b>0.51</b>	0.48	0.45	<b>0.55</b>	0.49	0.49		0.32	<b>0.56</b>	<b>0.60</b>
USA	0.37	0.30	0.18	0.46	0.35	0.35	0.32		0.37	0.33
Netherlands	<b>0.56</b>	<b>0.59</b>	<b>0.55</b>	<b>0.72</b>	<b>0.56</b>	<b>0.56</b>	<b>0.56</b>	0.37		<b>0.62</b>
Spain	<b>0.56</b>	<b>0.57</b>	<b>0.54</b>	<b>0.67</b>	<b>0.59</b>	<b>0.59</b>	<b>0.60</b>	0.33	<b>0.62</b>	

Source : ITC Trademap and TC analysis

#### 2.4.5 India's Trade Scenario by type of Fibers

India is known for export of cotton T&A. India's export of cotton textiles has increased from US\$ 15.95 Bn in 2010 to US \$ 17.28 Bn in 2019



registering a CAGR of 1.01 percent during 2010-19 periods; while world trade was US\$ 279.74 Bn in 2019 which grew at a CAGR of 0.06 percent during the same period. At the same time, India's manmade textiles exports have grown at a higher CAGR of 6.45 percent with an export value of US\$ 9.48 Bn against world trade of US\$ 348.78 Bn in 2019 which grew at a CAGR of 1.53

percent. India's export of other fibres like blends, silk, wool, etc textiles with value of US\$ 8.72 Bn have also recorded a CAGR of 6.10 percent

against world trade of US\$ 186.04 Bn in 2019 which grew at a CAGR of 5.13 percent. The details are as shown in Table 2.8.

An analysis of India's export performance in T&A reveals that the export ratio of cotton to manmade is skewed in favour of cotton with approximately 49:27 (49 percent cotton and 27 percent MMF textiles), while others fibre like blend, wool, Silk etc. have share of 24 percent.

Fibre	India (\$ Bn)			World (\$ Bn)		
	2010	2019	CAGR (%)	2010	2019	CAGR(%)
Cotton	15.95	17.28	1.01	247.83	279.74	0.06
Man made	5.75	9.48	6.45	233.71	348.78	1.53
Others*	5.43	8.72	6.10	158.05	186.04	5.13
Total	27.13	35.49	3.41	639.59	814.56	2.06

*Source- ITC Trademap & Textiles Committee analysis  
Others include vegetable fibres, silk, wool and other materials*

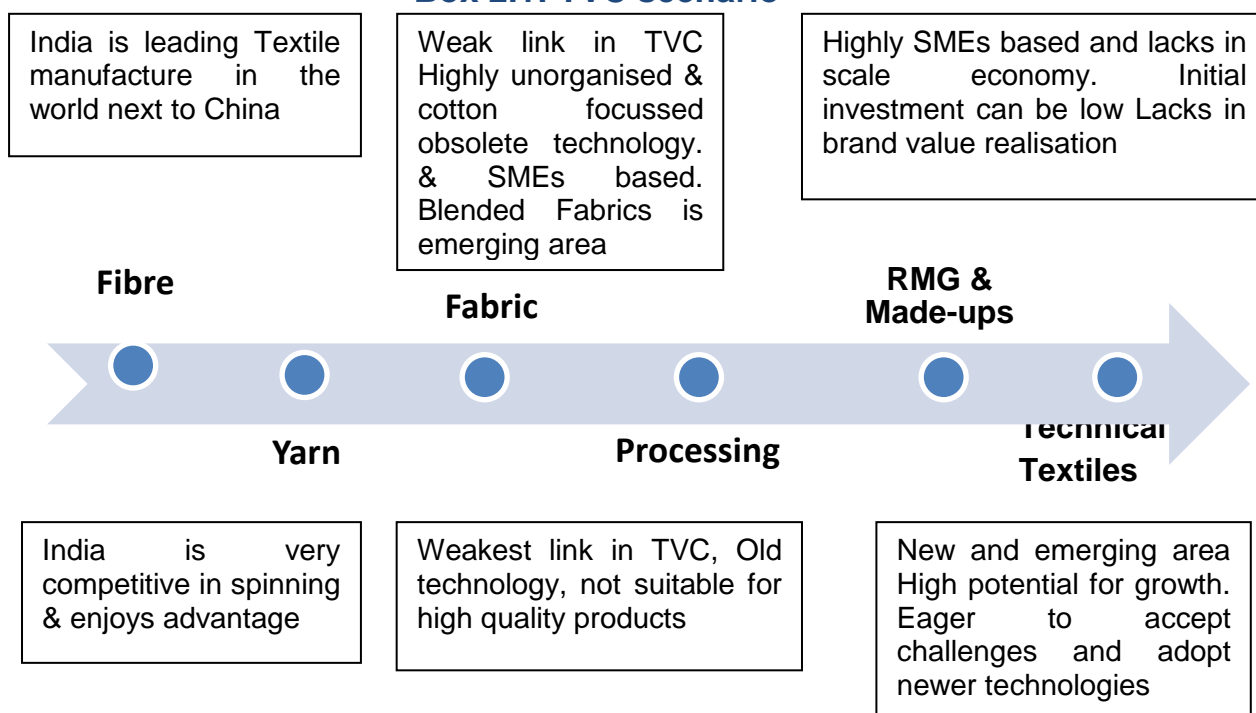
The world import by fibre share is skewed in favor of Man-made with 43:34, while others fibre share is in line with India's share. Moreover, the share of Man-made has increased from 37 percent in 2010 to 43 percent in 2019 while there was gradual fall in cotton from 39 percent in 2010 to 34 percent in 2019. The enhanced preference towards Man-made fibre T&A across the world had an adverse effect on India's cotton centric export basket as its ratio has decreased from 59 percent in 2010 to 49 percent in 2019 as shown in fig 2.8.

## 2.5 National Scenario of the T&A Industry

The Indian textile industry is highly fragmented with more than 90 percent of the manufacturing units are in unorganized sector and are cluster based. Due to the predominance of Micro, Small and Medium Enterprises (MSMEs) in the sector, they are under pressure to modernize, expand and cut costs as there is increasing internal competition as well as from outside which is forcing individual units to look for economies of scale.

Further, India has the advantage of the entire value chain in the industry; currently the value chain is uncompetitive. The box 2.1 below indicates the current status of textile value chain in India:

### Box 2.1: TVC scenario



## 2.6 Trend and Composition of Production, Domestic Demand in Textiles & Apparels

India has the facility to produce both the raw materials and final products in the value chain of the industry. In the year 2018-19, the production of fibre was 7721.75 Mn. Kg, Yarn was 6937 Mn. Kg and Fabric was 70980 Mn. Sqr. Mtrs. The trends in the production of fibre, yarn and fabric is as discussed below:

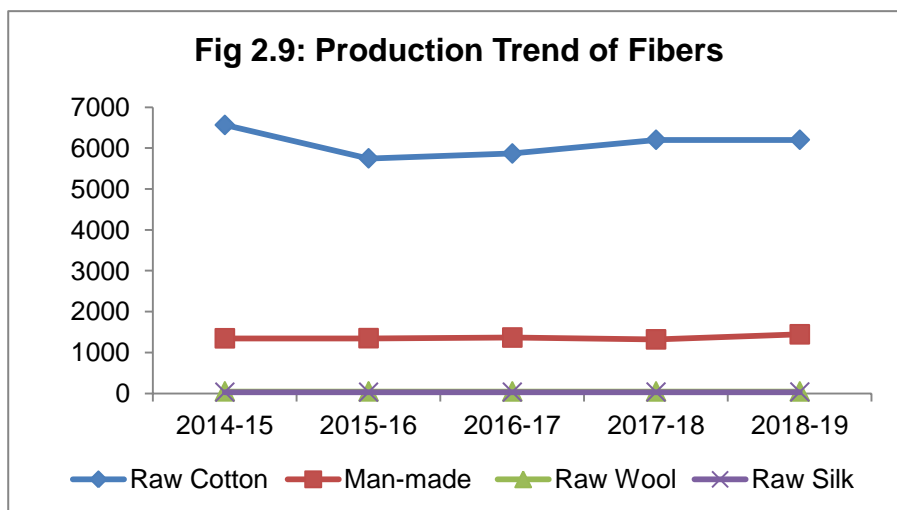
### 2.6.1 Trend and Composition of Production of fibre

Table 2.11 reports India's production of major fibers used in the industry like Cotton, Man-made, Wool, Silk.

Sector	2014-15	2015-16	2016-17	2017-18	2018-19	Share %	CAGR %
Raw Cotton	6562	5746	5865	6200	6200	80.29	-1.41
Man-made	1345	1348	1364	1319	1443	18.69	1.77
Raw Wool	48.10	47.20	46.00	46.00	46.00	0.60	-1.11
Raw Silk	28.71	28.71	29.66	31.75	32.75	0.42	3.35
Total	7983.81	7169.91	7304.66	7596.75	7721.75	100.00	-0.83

Source: - Textiles Committee analysis & Handbook of Statistics 2018-19, Part One, ASFI

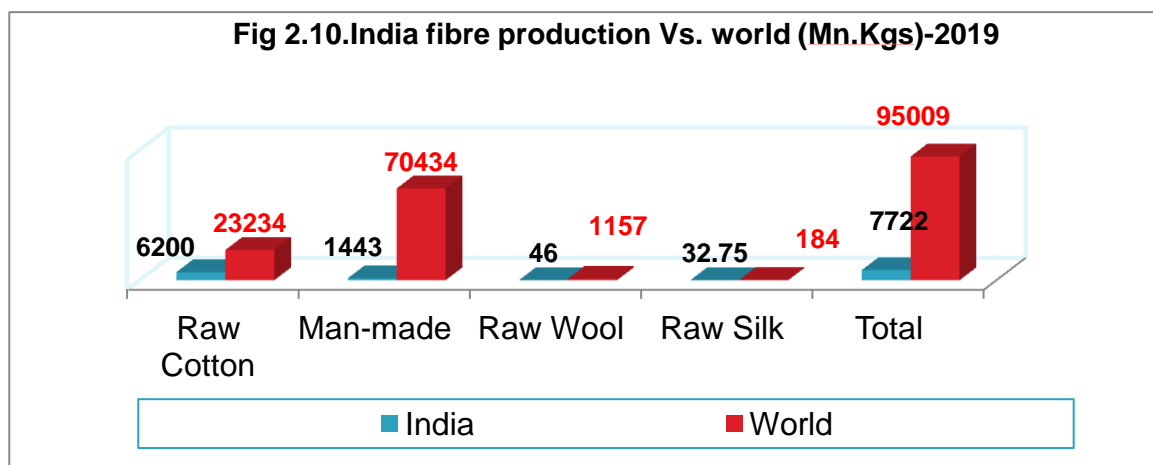
Cotton has the highest share of 80.29 percent in domestic production followed by the Man-made Fibers with 18.69 percent. The production of Wool and Silk has a share of 0.60 percent and 0.42 percent respectively. The production of Cotton and Wool has registered a negative CAGR of 1.41 percent and 1.11 percent respectively indicating



a steady declining trend. While increasing trend is witnessed in the production of other fibres like Man-

made & Silk recording a CAGR of 1.77 percent and 3.35 percent respectively during the 2014-19 periods. Overall the production of all fibers combined together declined from 7983.81 Mn.Kg in 2014-15 to 7721.75 Mn.Kg in 2018-19 registering a CAGR of (-) 0.83 percent during 2014-19 periods. The details are depicted in Fig 2.10.

In 2019, amongst the fibres, the production of man-made fibre is highest



at 70434 Mn.Kgs and that of cotton is 23434 Mn.Kgs. In case of India it is just opposite with more cotton production and less production of Man-made fibre as shown in fig 2.15.

## 2.6.2 Trend and Composition of Production of Yarn

**Table 2.12** shows the production of yarn segregated on the basis of type of fibre like cotton, blended and 100% non-cotton.

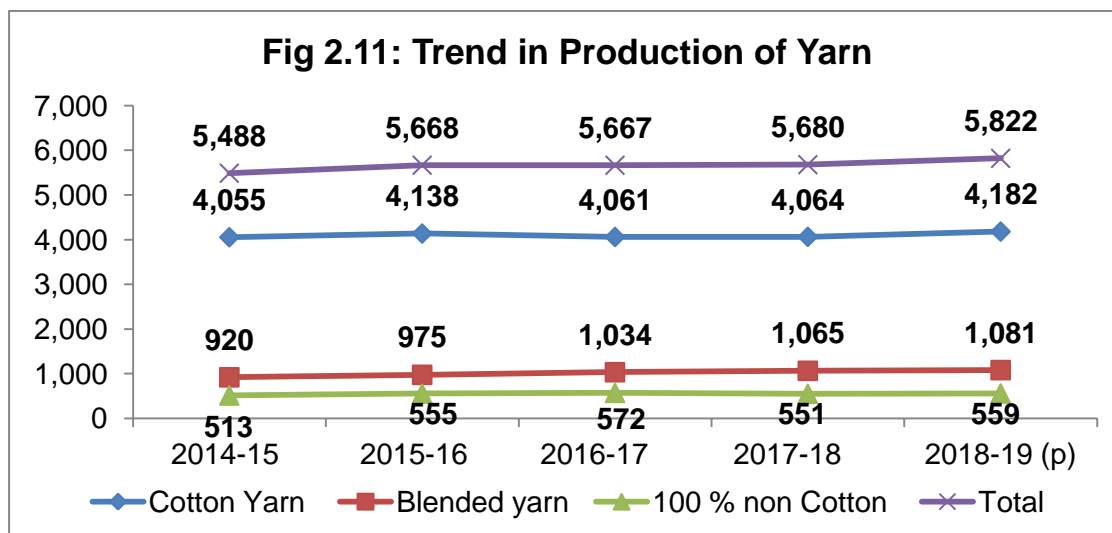


Type of Yarn	2014-15	2015-16	2016-17	2017-18	2018-19 (p)	%Share (2018-19)	CAGR (%)
Cotton	4,055	4,138	4,061	4,064	4,182	71.83	0.77
Blended	920	975	1,034	1,065	1,081	18.57	4.11
100 % Non Cotton	513	555	572	551	559	9.6	2.17
Total	5,488	5,668	5,667	5,680	5,822	100	1.49

Source: - Textiles Committee analysis & Handbook of Statistics 2018-19, Part One, ASFI

The Cotton yarn has the highest share of 71.83 percent in the production of yarn followed by blended yarn with 18.57 percent share and 100% Non-cotton yarn with 9.6 percent. The production of cotton yarn has grown from 4055 Mn. Kgs in 2014-15 to 4182 Mn.kg in 2018-19, registering a CAGR of 0.77 percent during 2014-19 periods. Similarly, the blended yarn has grown from 920 Mn. Kgs in 2014-15 to 1081 Mn.kg in 2018-19 registering a CAGR of 4.11 percent and 100% non- cotton yarn has grown from 513 Mn. Kgs in 2014-15 to 559 Mn.kg in 2018-19 registering a CAGR of 2.17 percent during the same period.

The total production of yarn in the last five years has grown from 5,488 Mn.Kgs in 2014-15 to 5,822 Mn.kg in 2018-19 recording a CAGR of 1.49 percent during 2014-19 periods. The details are depicted in fig 2.11.



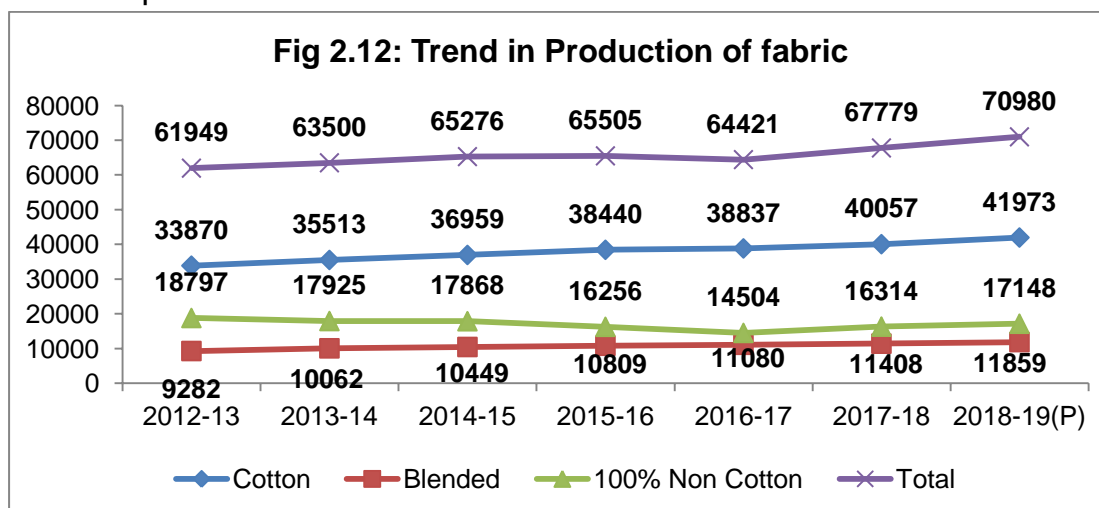
### 2.6.3 Trend and Composition of Production of fabrics.

**Table 2.13** reports the production of fabric by type of fibre from all sectors of manufacture which includes Cotton fabrics, Blended fabrics and 100% Non-Cotton fabrics (including Khadi, Wool & Silk).

Type of Fabric	2014-15	2015-16	2016-17	2017-18	2018-19 (P)	Share %	CAGR %
Cotton	36959	38440	38837	40057	41973	59.1	3.2
Blended	10449	10809	11080	11408	11859	16.7	3.2
100% Non Cotton (incl Khadi, Wool & Silk)	17868	16256	14504	16314	17148	24.2	-1.0
Total	65276	65505	64421	67779	70980	100	2.1

Source: Various issues of Compendium of Textile Statistics & handbook of Statistics (ASF)

Cotton fabrics have the highest share of 59.1 percent in total fabric production followed by 100% Non-Cotton (incl Khadi, Wool & Silk) fabrics with 24.2 percent share and Blended fabrics with 16.7 percent share. The production of cotton fabrics has grown from 36959 Mn.sq.Mtr in 2014-15 to 41973 Mn.sq.mtr in 2018-19 registering a CAGR of 3.2 percent during 2014-19 periods while the production of Blended fabrics has grown from 10449 Mn.sq.mtr in 2014-15 to 11859 Mn.Sq.mtr in 2018-19 registering a CAGR of 3.2 percent during the same period. At the same time 100% Non-Cotton fabrics has declined from 17868 Mn.sq.mtrs in 2014-15 to 17148 Mn.sq.mtrs in 2018-19 registering a CAGR of (-) 1.00 percent. Overall the production of fabrics by all types of fibres has grown from 65276 Mn.sq.mtrs in 2014-15 to 70980 Mn.sq.mtrs in 2018-19 registering a CAGR of 2.1 percent during 2014-19 periods.



**Fig 2.12** indicates the trend in the production of fabrics during the period 2014-15 to 2018-19.

Amongst India's total fabric production, Mills accounted for 2.83 percent, the power loom sector 56.52 percent, hosiery 27.55 percent and handlooms 11.78 percent. While fabric production by mills and

power looms over the last 3-4 years has remained almost unchanged, production in handloom and hosiery segments has picked up significantly due to strong government support for these segments. The sub-segment wise production of fabrics is discussed in the following section.

### 2.6.3.1 Powerlooms

Trends in the production of cotton, blended and 100% non-cotton fabric during last 10 years in power loom sub-segment indicates that growth in production of blended fabrics is highest with a CAGR of 7.39 percent while the growth in cotton fabrics is 4.22 percent. In the power loom sub-segment, cotton fabrics contributes second highest share (36.62%) in the entire production after 100% non-cotton fabrics (37.39%).

2009-2010	10128	5487	21382	36997
2010-2011	11883	5853	20279	38015
2011-2012	12027	6302	19116	37445
2012-2013	13955	6655	17428	38038
2013-2014	14320	7117	15353	36790
2014-2015	15241	7511	14997	37749
2015-2016	15696	7826	13462	36984
2016-2017	15730	8197	11745	35672
2017-2018	16018	9090	13837	38945
2018-2019 (P)	14693	10424	15002	40119
CAGR	4.22	7.39	-3.86	0.90
% share in 2018-19	36.62	25.98	37.39	100.00

*Source: Handbook of Statistics on Manmade/Synthetic Fibre/Yarn Industry, Part-I, 2018-19, ASFI; P: provisional*

### 2.6.3.2 Knitting/Hosiery

Table 2.15 reports the trends in the production of cotton, blended and 100% non-cotton fabrics during last 10 years in hosiery and knitting sub-segment. The growth in production of cotton fabrics is highest with a CAGR of 5.32 percent while that of blended fabrics has registered a negative growth of 9.20 percent. In the hosiery and knitting sector, cotton contributes the highest share of 93.47 percent in the entire cloth production.

Year	Cotton	Blended	100% Non- Cotton	Total
2009-2010	11464	1661	577	13702
2010-2011	12258	1756	620	14634
2011-2012	10798	1524	624	12946
2012-2013	11992	1838	711	14541
2013-2014	13256	1982	961	16199
2014-2015	13699	2042	1153	16894
2015-2016	14413	2144	1090	17647
2016-2017	14490	2085	962	17537
2017-2018	15428	1437	777	17663
2018-2019	18278	697	581	19555
CAGR	5.32	-9.20	0.08	4.03
% share in 2018-19	93.47	3.56	2.97	100.00

*Source: Handbook of Statistics on Manmade/Synthetic Fibre/Yarn Industry, Part-I, 2018-19, ASFI; P: provisional*

### 2.6.3.3 Handloom Sector

**Table 2.16** shows the trend in the production of cotton, blended and 100% non-cotton fabrics during last 10 years in handloom sub-segment. In the handloom sub-segment, the production is highly skewed towards cotton (92.49%) with the remaining contribution is from 100% non-cotton (6.58%) and blended (0.92%) fabric. The production of fabric in handloom sub-segment has grown at a rate of 2.31 percent in the last 10 years with a major growth coming from production of cotton fabric (3.13%).

Year	Cotton	Blended	100% Non- Cotton	Total
2009-2010	5857	137	812	6806
2010-2011	5973	143	791	6907
2011-2012	6021	121	759	6901
2012-2013	6239	115	598	6952
2013-2014	6315	145	644	7104
2014-2015	6427	88	688	7203
2015-2016	6827	106	705	7638
2016-2017	7117	109	781	8007
2017-2018	7266	155	659	8080
2018-2019(P)	7732	77	550	8360
CAGR	3.13	-6.20	-4.24	2.31
% share in 2018-19	92.49	0.92	6.58	100.00

*Source: Handbook of Statistics on Manmade/Synthetic Fibre/Yarn Industry, Part-I, 2018-19, ASFI; P: provisional*

### 2.6.3.4 Mill:

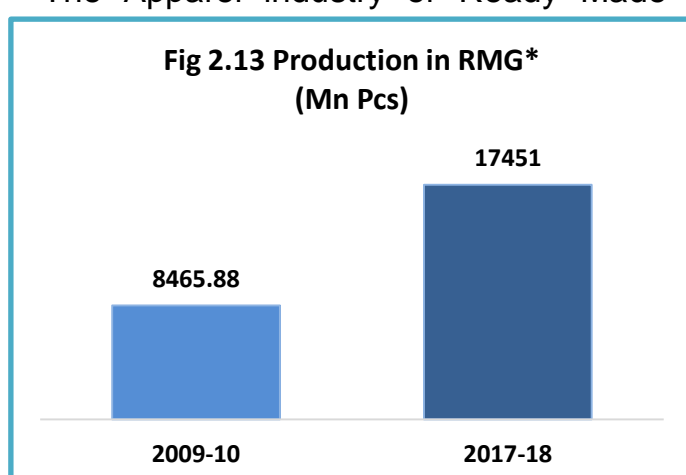
Trend in production of cotton, blended and 100% non-cotton fabrics during the last 10 years in the Composite Mills sub-segment shows that growth of production of blended fabric is highest with a CAGR of 3.57 percent while the growth in the production of other two categories of fabric is either insignificant or negative. The trend in production of fabrics in mill sector is skewed towards cotton fabric (63.12 percent), while the contribution of blended fabric is 32.85 percent and 100% Non-cotton is 4.03 percent. The production of fabric in the mill sub-segment has shown a negative CAGR of about 0.02 percent in the last 10 years with major growth recorded in the production of blended fabric (3.57%) while the production of Cotton fabric has shown a negative CAGR of 1.57 percent.

Year	Cotton	Blended	100% Non-cotton	Total
2009-2010	1465	482	69	2016
2010-2011	1604	526	75	2205
2011-2012	1724	521	68	2313
2012-2013	1684	674	60	2418
2013-2014	1622	818	91	2531
2014-2015	1592	808	86	2486
2015-2016	1504	733	78	2315
2016-2017	1500	689	75	2264
2017-2018	1345	726	107	2178
2018-2019(P)	1270	661	81	2012
CAGR	-1.57	3.57	1.80	-0.02
% share in 2017-18	63.12	32.85	4.03	100.00

*Source: Handbook of Statistics on Manmade/Synthetic Fibre/Yarn Industry, Part-I, 2018-19, ASFI; P: provisional*

### 2.6.3.5 Garments:

The Apparel industry or Ready Made Garment (RMG) segment is

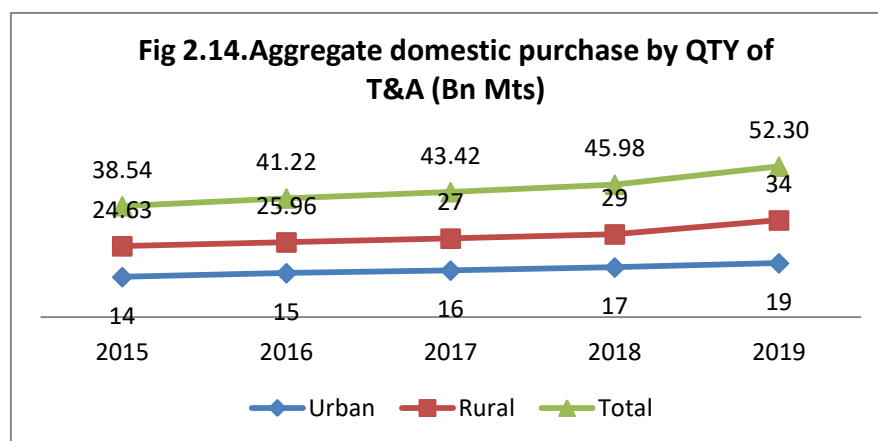


dominated by units in various sizes and is scattered in various states and clusters across the country. The production in RMG units recorded a robust growth of 9.46 percent CAGR with increase from 8465.88 Mn Pcs in 2009-10 to 174541 Mn Pcs 2017-18 as shown

in Fig 2.13. RMG segment is the most important segment as maximum value addition happens in this segment of the TVC. Moreover, it has the highest employment share of around 30 percent in the entire TVC and hence the growth in this segment can create an opportunity for new employment majorly for females across the country.

#### 2.6.4 Domestic Demand of T&A

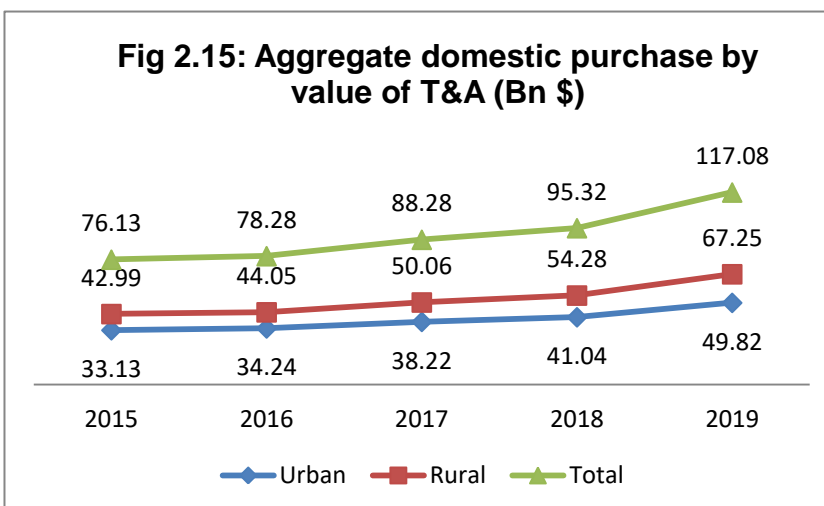
In quantity terms, the domestic household purchase of T&A in the country has increased from 38.54 Bn. Mtrs in 2015 to 52.30 Bn. Mtrs in 2019, registering a CAGR of 7.93 percent. Household purchases of the rural segment of the country has increased from 24.63 Bn. Mtrs in 2015



to 34.00 Bn. Mtrs in 2019, registering a CAGR of 8.06 percent while Urban demand has also increased

from 14 Bn Mtrs in 2015 to 19 Bn. Mtrs in 2019 registering a CAGR of 7.69 percent during 2015-19 periods indicating a steady and good positive trend.

In value terms, the aggregate T&A purchases in the household sector of



the country has substantially increased from USD 76.13 Bn in 2015 to USD 117.08 Bn in 2019 registering a CAGR of 11.36 percent during 2015-19 periods. In Rural segment

of the country the purchases increased from USD 42.99 Bn in 2015 which increased to USD 67.25 Bn in 2019 registering a CAGR of 11.83 percent. At the same time, the urban household purchases of the

country witnessed low growth in comparison to rural demand with USD 33.13 Bn in 2015 to 49.82 Bn in 2019 registering a CAGR of 10.73 percent.

## 2.6.5 Domestic demand by sub - segments of textile Industry

In quantity terms, total purchases of T&A products has substantially increased from 25370 Mn Mtrs in 2008 to 45984 Mn Mtrs in 2018 registering a CAGR of 6.83 percent during 2008-18 periods.

Sector	2008	2010	2012	2014	2016	2018	Growth in % 2016-18	CAGR 2008-18
Mill/ Powerloom	21161	23533	26687	30085	33965	37894	0.12	6.69
Knitted/ Hosiery	2950	3337	3772	4319	4944	5526	0.12	7.22
Handloom	1259	1348	1177	1683	2153	2564	0.19	8.22
All Textiles	25370	28218	31636	36087	41062	45984	0.12	6.83

The purchase of T&A products originating from mill and power loom sub-segments has increased from 21161 Mn Mtrs in 2008 by nearly two fold to 37894 Mn Mtrs in 2018 registering a CAGR of 6.69 percent during 2008-18 periods. Similarly, the purchase of products from Knitted and Hosiery sub-segment has increased from 2950 Mn Mtrs in 2008 to 5526 Mn Mtrs in 2018 registering a CAGR of 7.22 percent and that from Handloom sub-segment increased from 1259 Mn Mtrs in 2008 to 2564 Mn Mtrs in 2018 registering a CAGR of 8.22 percent indicating a steady and good positive trend. The details are as shown in Table 2.18.

## 2.7 Trend and composition of employment in T&A sector

### 2.7.1 Mills

Up to date data on employment is not available in any of the known secondary sources. Hence the analysis has been carried out on the data available in the compendium of textile statistics earlier published by office of the Textile Commissioner, Ministry of Textiles, Government of India. Almost all the states are producing the basic raw material, fibre, either natural or man-made. The employment in the Non-SSI Cotton/Man-made fibre textile mills has registered a positive annual growth rate of 2.26 percent during 2015-17 periods. The total number of employees in these fibre producing textile mills in the Non-SSI sector has increased from 8,64,562 person in 2012-13 to 8,94,272 persons in

2016-17. The major employment generating states in 2016-17 were Tamil Nadu with 2,37,452 persons followed by Gujarat and Maharashtra with 1,06,575 and 99,184 persons recording an annual growth rate of 11.62 percent and 0.22 percent respectively during 2015-17. The state-wise employment in cotton/man-made fibre producing mills is as shown in **Table 2.19**

Table 2.19  
Employment in Cotton/man-made fibre textile mills (Non SSI)

Sr. No.	State	Cotton/man-made fibre textile mills (Non SSI)			Growth rate
		2012-13	2015-16	2016-17	2015-17
1	Andhra Pradesh	55181	41222	41727	1.23
2	Assam	3864	3864	3864	0.00
3	Bihar	2235	1206	1206	0.00
4	Chhattisgarh	1225	1225	1225	0.00
5	Delhi	0	0	0	0.00
6	Goa	72	72	72	0.00
7	Gujarat	95845	95484	106575	11.62
8	Haryana	12534	12096	12181	0.70
9	Himachal Pradesh	18704	12472	12824	2.82
10	Jammu & Kashmir	5916	6956	6956	0.00
11	Jharkhand	707	707	707	0.00
12	Karnataka	19547	14471	14669	1.37
13	Kerala	13456	12858	12629	-1.78
14	Madhya Pradesh	59202	67211	67164	-0.07
15	Maharashtra	100800	98970	99184	0.22
16	Manipur	350	350	350	0.00
17	Orissa	14005	14005	13767	-1.70
18	Punjab	65363	70065	69117	-1.35
19	Rajasthan	70375	78650	79411	0.97
20	Tamilnadu	225864	229627	237452	3.41
21	Telangana	NA	14593	14556	-0.25
22	Uttar Pradesh	53318	52393	51835	-1.07
23	Uttaranchal	4056	4551	4663	2.46
24	West Bengal	31991	31415	32127	2.27
	Union Territories				
25	Dadra Nagar Haveli	4866	4843	4826	-0.35
26	Daman & Diu	180	180	180	0.00
27	Pondicherry	4906	5031	5005	-0.52
	All India	864562	874517	894272	2.26

Source: - Textile Committee analysis and Various Compendium of Textile Statistics.



## 2.7.2 100% Export Oriented Units(100% EOU)

The total number of employees in 100% EOU has decreased from 6484 persons in 2012-13 to 4800 persons in 2016-17. The major employment generating states in case of 100% EOUs in 2016-17 were Maharashtra with 1412 persons followed by Tamil Nadu (1029) growing at an annual growth rate of (-)5.11 percent and 7.97 percent respectively during 2015-17 periods. The detailed employment in 100% EOU units is shown in **Table 2.20**.

Sr. No.	State	100% EOUs			Growth rate
		2012-13	2015-16	2016-17	2015-17
1		201	107	107	0.00
2	Gujarat	1097	1097	1097	0.00
3	Karnataka	1151	0	0	
4	Kerala	776	337	337	0.00
5	Madhya Pradesh	358	358	358	0.00
6	Maharashtra	1488	1488	1412	-5.11
7	Tamilnadu	953	953	1029	7.97
	Union Territories				
8	Dadra Nagar Haveli	460	460	460	0.00
	<b>All India</b>	<b>6484</b>	<b>4800</b>	<b>4800</b>	<b>0.00</b>

Source: - Textile Committee analysis and Various Compendium of Textile Statistics.

## 2.7.3 Small Scale Spinning Units

Small scale spinning units are mostly located in the states of Tamil Nadu, Punjab, Maharashtra and Haryana. The employment in small scale spinning mills has registered an annual growth rate of 1.65 percent during 2015-17 periods and the total number of employees in the small scale spinning units has increased from 53,874 persons in 2012-13 to 55,398 persons in 2016-17. The major employment generating states in case of small scale spinning units in 2016-17 were Tamil Nadu with 41,820 workers growing at an annual growth rate of 1.66 percent followed by Haryana (3471) and Punjab (2429) growing at an annual growth rate of 13.36 percent and (-) 7.08 percent respectively. The state-wise employment details in the small scale spinning units are shown in **Table 2.21**.

Sr. No.	State	Small Scale Spinning Units			Growth rate 2015-17
		2012-13	2015-16	2016-17	
1	Andhra Pradesh	1376	1226	1226	0.00
2	Delhi	62	62	62	
3	Gujarat	694	782	782	0.00
4	Haryana	2392	3062	3471	13.36
5	Himachal Pradesh	72	72	72	0.00
6	Karnataka	633	250	250	0.00
7	Kerala	383	383	383	0.00
8	Madhya Pradesh	133	340	340	0.00
9	Maharashtra	1628	1702	1702	0.00
10	Orissa	428	428	428	0.00
11	Punjab	2624	2614	2429	-7.08
12	Rajasthan	762	772	766	-0.78
13	Tamilnadu	41122	41137	41820	1.66
14	Telangana		136	136	0.00
15	Uttar Pradesh	1152	1159	1159	0.00
16	Uttaranchal	88	88	88	0.00
17	West Bengal	41		0	
	Union Territories				
18	Dadra Nagar Haveli	93	93	93	0.00
19	Daman & Diu	38	38	38	0.00
20	Pondicherry	153	153	153	0.00
	All India	53874	54497	55398	1.65

*Source: - Textile Committee analysis and Various Compendium of Textile Statistics.*

#### 2.7.4 Weaving segment

The weaving segment is majorly categorized in Non-SSI sector and the Powerloom sector. The Employment in the Non-SSI weaving mills has increased from 33403 workers in 2012-13 to 43187 workers in 2016-17. Major states generating employment in the Non-SSI weaving mills in 2016-17 are Maharashtra with 15421 workers followed by Gujarat with 9022 workers.

The total employment in Powerlooms in 2012-13 across the country was 44,18,240. The highest employment was observed in the State of Maharashtra (15,54,938) followed by Tamil Nadu (10,18,961) and Gujarat (6,63,068). The detailed state-wise employment in the states is shown in **Table 2.22**.

Sr. No	State	Non-SSI Fibre Weaving Mills			Growth rate	Power Looms
		2012-13	2015-16	2016-17	2015-17	2012-13
1	Andhra Pradesh	297	86	86	0.00	83850
2	Assam	67	67	67	0.00	868
3	Bihar					42770
4	Chhattisgarh					324
5	Delhi	2014	2014	2014	0.00	
6	Goa					
7	Gujarat	6466	9022	9022	0.00	663068
8	Haryana	402	408	408	0.00	42533
9	Himachal Pradesh	1145	1145	1145	0.00	
10	Jammu & Kashmir					
11	Jharkhand					
12	Karnataka	45	45	45	0.00	153045
13	Kerala	15	15	15	0.00	7865
14	Madhya Pradesh	420	463	463	0.00	166147
15	Maharashtra	7189	15421	15421	0.00	1554938
16	Manipur					
17	Orissa	54	54	54	0.00	3792
18	Punjab	4292	4064	4064	0.00	25025
19	Rajasthan	4395	4040	4074	0.84	54456
20	Tamilnadu	2829	2971	2971	0.00	1018961
21	Telangana		195	195	0.00	
22	Uttar Pradesh	1752	1752	1752	0.00	577748
23	Uttaranchal					
24	West Bengal	619	619	619	0.00	20141
	Union Territories					
25	Dadra Nagar Haveli	1349	1349	1349	0.00	
26	Daman & Diu	53	53	53	0.00	
27	Pondicherry					
	All India	33403	43783	43187	-1.36	4418240

Source: - Textile Committee analysis and Various Compendium of Textile Statistics.

## 2.7.5 Growth in Employment

The employment in the sector consisting of the units in Non-SSI textile mills, SSI spinning, Non-SSI weaving and 100% EOU segments during 2012-17 period have registered a CAGR of 0.81 percent. The Non SSI textile mills has registered a CAGR of 0.68 percent, the small scale spinning mills has registered a CAGR of 0.56 percent, the Non-SSI weaving mills in the weaving sector has grown at a CAGR of 5.27 percent while the 100% EOU has registered a CAGR of (-) 5.84 percent.

Segment	Manpower		
	2012-13	2016-17	CAGR (%)
Non SSI Textile Fibre Mills	864562	894272	0.68
SSI Spinning	53874	55398	0.56
Non-SSI Weaving Mills	33403	43187	5.27
100% EOU	6484	4800	-5.84
Total	958323	997657	0.81

### Chapter 3

#### Government Initiatives to Strengthen the Textile Sector

The Government of India has taken up several initiatives to strengthen the textile production and cater to domestic and international market and remain competitive among the competing countries. Some of the major initiatives taken up the Government for strengthening the sector is as follows:

- Setting up of Integrated Textile Parks under *Scheme for Integrated Textile Parks (SITP)*
- Training Manpower under *Integrated Skill Development Scheme (ISDS)& SAMARTH*
- To upgrade technology under *Amended Technology Upgradation Fund Scheme for textiles industry (ATUFS)*
- To encourage exporters to conduct promotional activities *Market Access Initiatives (MAI), Market Development Assistance (MDA), Merchandise Exports from India Scheme (MEIS) and Scheme for Rebate of State and Central Taxes and Levies (RoSCTL )*
- *Integrated Processing Development Scheme (IPDS)* to strengthen processing industries.
- To encourage job creation by the employers by incentivizing industries under *Pradhan Mantri Paridhan Rojgar Protsahan Yojana (PMRPY)*
- Other Various *Integrated Development Programmes* for Handloom, Wool, Jute, Wool, Silk. etc.

The Scheme wise purpose of major initiatives for the development of textiles sector is explained in Table 3.1.

Table 3.1  
Major Government Initiatives/Schemes

Sr. No.	Initiatives/Schemes	Purpose
1	Technology Upgradation Funds Scheme (TUFS)	Upgradation of technology
2	Scheme for Integrated Textile Parks (SITP)	Development of state of art integrated textile parks
3	Integrated Skill Development Scheme (ISDS)& SAMARTH	Providing skilled manpower to the industry
4	Pradhan Manthri Rozgar Protsahan Yojana (PMRPY).	Enhancing income of the employees
5	Scheme for Rebate of State and Central Taxes and Levies (RoSCTL )	Enhancing export and employment

6	Integrated Processing Development Scheme (IPDS)	Strengthening processing infrastructure for better value realisation
7	National Handloom Development Programme (NHDP)	Overall development of handloom sector
8	Integrated wool development programme(IWDP)	Overall development of wool sector
9	Power Tex India - Comprehensive Scheme for Power loom Sector	Development of powerloom sector
10	Technology Mission on Technical Textiles (TMTT)	Development of Technical Textiles sector
11	Handloom Reservation Act'1985	Providing handholding support to handloom sector

The details of the schemes along with current status and major hindrances for its outreach are discussed below:

### **3.1 Technology Up-gradation Fund Scheme (TUFS)**

The Technology Upgradation Fund Scheme (TUFS) was introduced in the year 1999 to augment the Productivity, Quality, Investments and Employment in the textile sector. In the initial stages it was basically a credit linked scheme with the facility of interest re-imburement.

The First Phase of TUFS Scheme was implemented during the period from April 1999 to 31 March 2004. Subsequently, this was extended up to March 2007. Provision for five percent interest reimbursement on the Loans for Modernizations / Capacity Expansions was introduced initially under the scheme. Later from January 2002, provision for 12 percent Credit Linked Capital Subsidy or 5 percent Interest Re-imburement option was incorporated for the SSI & Jute Segments. From November 2003, an additional option of 20 percent Credit Liked Capital Subsidy (CLCS) with a cap of Rs 60 lakhs was introduced for the Power loom Segment to boost the weaving Segment for adopting state of art technology as this was one of the weak links in the Textiles Vale chain. During 2005-06, provision of 5 percent Interest Re-imburement and 15 percent CLCS were made for Modernization of Processing Segment with specified processing machinery. Apart from above provision of availing 5 percent Interest re-imburement and 15 percent CLCS or availing 20 percent CLCS was also available during this initial period for specified Segments. Apart from the above the scheme had the provision to cover for Foreign Exchange Rate fluctuation up to 5 percent initially for all Segments, which was later reduced to 4 percent for Spinning Segment. For

the implementation of TUFs scheme, fiscal provisions for Rs 1270 Crores were made in the Tenth Five-year plan.

The Second Phase of TUFs is termed as Modified TUFs (MTUFs) and was operational from April 2007 to March 2010. During the first phase of TUFs, the Spinning Segment have been upgraded its technological levels to the Global standards by adopting and installing the state of Art Technology. The modification in the MTUFs was in the shape of additional Capital Subsidy of 10 percent for the segments of Technical Textiles and Garments, along with continuation of all earlier provisions. One significant development was the costs of Land, Factory Building, Pre-operative expenses and Margin money for the Working capital were made ineligible for most of the Segments, except for the Apparel and Handloom Segments. During this period the focus was to develop the Weaving, Technical Textiles & Garments.

The Third Phase of TUFs is termed as Restructured TUFs (R-TUFs) and was operational from 28-4-2011 to 31-3-2012 with an overall subsidy cap of Rs 1972 Crores (Up to 31-3-2012) with Segmental investment cap of 26% for Spinning, 13% for Weaving, 21% for Processing, 8% for Garmenting and 31% for others. Under R-TUFs, the subsidy was 5% interest re-imbursalment in general except for Spinning Segment for which the interest re-imbursalment was at the rate of 4%. For brand new Shuttle less looms, 10% Capital Subsidy was extended in addition to 5% Interest Re-imbursalment.

The Fourth Phase of TUFs is termed as Revised Restructured TUFs (RR-TUFs) from 1-4-2012 to 11-7-2016 with a budgetary allocation of Rs 11952.80 Crores. The major focus of the scheme under 12 FY Plan was Weaving/Power loom Segment. The subsidy rate for Power loom under RR-TUFs for brand new Shuttle less loom was 6% Interest Re-imbursalment (IR) plus 15% Capital Subsidy (CS), in place of earlier 5% IR and 10% CS and the Margin Money Scheme (MMS) increase to 30% from 20% for MSME, along with the continuation of earlier provisions as per R-TUFs.

The Fifth Phase of TUFs is termed as Amended TUFs (A-TUFs) and is in effect from 2015-16 to 2021-22 for a period of 7 years with a budgetary provision of Rs 17,822 crores, of which Rs 12,671 is allotted towards the committed Liabilities and Rs 5151 crores for new cases under ATUFs. The provisions are expected to bring about an Investment of Rs 1 lakhs crore in the Textiles Industry, creating an additional employment for 30.51 Lakh persons. The Scheme has provision of one-time capital Subsidy @ of 15% subject to a cap of Rs 30 crores for benchmarked machinery of the

Garmenting and Technical textiles Segments as they have higher employment and export potential. The other Segments, such as weaving for brand new Shuttle less looms (including Weaving preparatory and knitting), Processing, Jute, Silk and handlooms are entitled for subsidy @ 10% subject to a cap of Rs 20 crores.

The Objectives of ongoing ATUFS are:

- The amended scheme would give a boost to “Make in India” and “Zero effect and Zero defect” in manufacturing in the textiles Segment. It will also give a boost to employment generation and exports in the textile sector in a big way.
- This scheme would facilitate augmenting of investment, productivity, quality, employment, exports along with import substitution in the textile industry. It will also indirectly promote investment in textile machinery (having benchmarked technology) manufacturing.

### 3.1.1 TUFS Progress

The TUFS has generated investments of Rs.3.13 Lakh Crores as Project cost from 49,679 applicants as on 30<sup>th</sup> November 2018 and subsidy released by the Ministry of Textiles is 26,828.79 Cr. which is around 8 percent of the total project cost incurred.

Table 3.2  
Project Cost vs Subsidy released since Inception of TUFS Scheme  
(Rs. Crores)

Sr. No.	Financial Year	No. of Applications	Project Cost	Subsidy Released
1	1999-00	309	5074	1
2	2000-01	616	4380	70
3	2001-02	444	1320	200
4	2002-03	456	1438	202.59
5	2003-04	884	3289	249.06
6	2004-05	986	7349	283.61
7	2005-06	1078	15032	485
8	2006-07	12589	66233	823.92
9	2007-08	2260	19917	1143.37
10	2008-09	6072	55707	2632
11	2009-10	2352	27611	2885.98
12	2010-11*	256	397	2784.18
13	2011-12	1794	24364	2937.82
14	2012-13	2163	13154	2151.58



15	2013-14**	585	6387	1730
16	2014-15	4005	17021	1884.31
17	2015-16	NA	NA	1393.19
18	2016-17	8797	37831.25	2621.98
19	2017-18	2248	10169.03	1906.1
20	2018-19	1785	6833.04	443.1
	Total	49679	3,13,506.32	26828.79

Source:- Annual reports Ministry of Textiles & TC Analysis  
\* The scheme was under suspension from 29.06.2010 to 28.04.2011.  
\*\*The RRTUFS scheme was started w.e.f. 04.10.2013.

### 3.1.2 Segment wise investment

The relation between investments share to project cost incurred in TVC concludes that highest investment share is in Multi-activity and Weaving segment with 46 percent & 30.48 percent respectively, while the lowest share is in segments of Jute (0.01%), Handloom (0.18%), Silk (0.18%). It is important to note that the share of RMG segment which generates 30.77 percent employment is only 5.96 percent of investment in TVC. The details are given in Table 3.3.

Table 3.3  
Sector Wise Investment

Sr. No.	Segment name	Project Cost (Crore Rs)	Share (%)
1	Garmenting (15 % CIS)	1522.65	5.96
2	Handloom (10 % CIS)	46.31	0.18
3	Jute (10 % CIS)	1.8	0.01
4	Multi activity(10 % CIS) & (15 % CIS)	11907.72	46.58
5	Processing (10 % CIS)	2904.12	11.36
6	Silk (10 % CIS)	47.26	0.18
7	Technical textile(15 % CIS)	1341.94	5.25
8	Weaving (10 % CIS)	7792.15	30.48
9	Total	25563.95	100.00

Source:- Annual reports of Ministry of Textiles(data from ATUFS) & TC Analysis  
Note:- Multi activity covers the pre-loom, post-loom, Value addition like Embroidery, Special finishes for Value addition.

### 3.1.3 Employment Generation and Investment

It is observed that new employment generated per 1 crore of investment in entire TVC under ATUFS in all segments of the industry is 7.1 persons. Amongst various segments of the sector, garmenting segment has the highest potential for employment generation in the country. For an investment of Rs. 1 crore, the garment segment generated employment of 33 persons. The employment generated by other segments like Silk, Multi activity, Handlooms, Processing, Weaving and Technical Textiles are 8.4, 7, 6.6, 5.3, 3.6 and 2.4 persons respectively per one crore of investment.

Table 3.4  
New Employment Generated

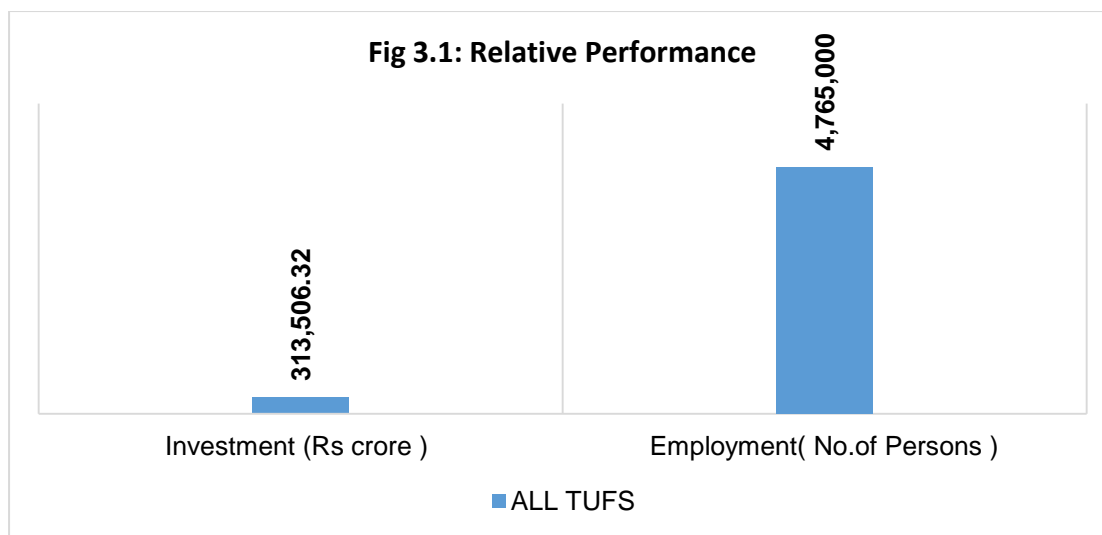
Sr. No	Segment	Project Cost ( in Rs Cr)	New Employment	New Employment Per Cr. Investment	Existing Employment
1	Garmenting	2451.2	79772	32.5	295448
2	Handloom	69.12	457	6.6	222
3	Multi activity	19060	133451	7	354524
4	Processing	4157.6	21917	5.3	124478
5	Silk	48.7	407	8.4	405
6	Technical Textile	2237.6	5263	2.4	14864
7	Weaving	12805	46246	3.6	60641
	<b>Total</b>	<b>40840</b>	<b>289961</b>	<b>7.1</b>	<b>857058</b>

Source: Annual report Ministry of Textiles 2019-20(data from ATUFS)& TC Analysis Till 31<sup>st</sup> March 2020

Segment wise generation of employment under ATUFS indicates that the Multi activity and garmenting segment have generated highest employment with 133451 and 79772 persons respectively and hence are highest generators of employment, while lowest employment is generated by segments like silk, handloom, jute etc. The details are given in Table 3.4

### 3.1.4 Scheme Performance in terms of investment

The total employment generated under all different variants of TUFs as on 30-11-2018 was 47.65 Lakhs with an Investment of Rs. 3,13,506.32 Crores.



The ongoing version of TUFS known as ATUFS has received only Rs 25,500 Cr. of investment against the expected investment of Rs 1 Lakh Cr. At the same time, new employment generated is 2.90 lakhs against the expected 35.62 lakhs till 2019-20.

The present phase of TUFS is well planned and well balanced across the value chain in tune to their requirement and needs.

### 3.2 Pradhan Mantri Rozgar Protsahan Yojana (PMRPY)

PMRPY was launched with a view to generate employment opportunities. In order to encourage the entrepreneurship in the textile sector, being the second largest employer in the country after agriculture, to provide more formal employment in the country, the Government of India has devised Pradhan Mantri Paridhan Rojgar Protsahan Yojana (PMRPY). In order to incentivize creation of new jobs in the formal sector, the government provides contribution of 8.33% for all new employees enrolled in EPFO for the first three years of their employment. It incentivizes the employers to recruit unemployed persons and also to bring into the books the informal employees. In order to channelize this intervention towards the target group of semi-skilled and unskilled workers, the scheme was made available to those with salary up to Rs 15,000 per month and have made a budget provision of Rs 1,000 crore for this scheme and scheme for textile sector ie. Pradhan Mantri Paridhan Rojgar Protsahan Yojana (PMRPY) was merged with the present scheme PMRPY (for all sectors).The Scheme was launched with effect from 09.08.2016.

Pradhan Mantri Paridhan Rojgar Protsahan Yojana (PMPRPY) allows employers, registered with EPFO, to obtain a 3.67% EPF contribution paid by the Government in adding up to the 8.33% EPS contribution. This benefit can be obtained by the units/industries manufacturing wearing apparel, in particular NIC Codes 1410 and 1430. The details of NIC codes along with the description covered under PMPRPY are as given Table 3.5.

Table 3.5  
Industry sector/ sub-sectors covered by this component  
are the following NIC Codes

Sr. No.	NIC Code	Description
1	1410	Manufacture of wearing apparel, except fur apparel
	14101	Manufacture of all types of textile garments and clothing accessories
	14102	Manufacture of rain coats of waterproof textile fabrics or plastic sheeting
	14105	Custom tailoring
	14109	Manufacture of wearing apparel not elsewhere classified
2	1430	Manufacture of knitted and crocheted apparel
	14301	Manufacture of knitted or crocheted wearing apparel and other made-up articles directly into shape (pullovers, cardigans, jerseys, waistcoats and similar articles)
	14309	Manufacture of other knitted and crocheted apparel including hosiery
3	1392	Manufacture of made-ups textile articles, except apparel {excl.manufacture of textile articles for technical use – NIC 1399}
	13921	Manufacture of curtains, bed covers and furnishings
	13922	Manufacture of crocheted made up textile goods except apparel
	13923	Manufacture of mosquito nets
	13925	Manufacture of tarpaulin
	13926	Manufacture of blankets
	13929	Manufacture of other made-up textile articles, except apparel

### 3.2.1 Objectives of PMPRPY

The PMPRPY scheme serves two purposes i.e., (i) it encourages job creation by the employers by incentivizing them to facilitate creation of large number of employment opportunities and (ii) create social security network to the workers engaged in organized sectors. The main objectives of the scheme are as given below:

- i. The target group of the scheme is workers earning wages up to Rs. 15,000/- per month. Publicity and awareness campaign is an integral component of the PMRPY scheme for encouraging employers including Micro, Small and Medium Enterprises (MSMEs) to avail benefits.
- ii. The PMRPY aims to incentivise those employers who are registered with the Employees' Provident Fund Organization (EPFO) for creating employment.
- iii. Apart from paying the 8.33 percent towards the contribution of employees Employee Pension Scheme (EPS), for the textile industry, the government to pay 3.67 percent towards the Employees Provident Fund for the eligible employers of new employees.

### 3.2.2 Performance

The scheme enrolled more than 1 crore employees till the end of the financial year 2018-19. The year wise performance indicates that the enrolment recorded a change of around 54 percent in 2018-19 as compared to 2017-18. The year wise enrolment of employees is given in Table 3.6.

Table 3.6  
Employees Enrolled with EPFO under PMRPY per Year

Sr. No	Year	Employees Enrolled	% Increase YoY
1	2016-17	33,031	NA
2	2017-18	30,27,612	8965.71
3	2018-19	69,49,436	53.91
	Total	1,00,10,079	
<i>Source: website of India.gov.in</i>			

It is important to note that major industrial states viz., Maharashtra, Tamil Nadu, Karnataka, Gujarat, Haryana and Andhra Pradesh are the top beneficiaries under the PMRPY scheme as far as employee enrolment is concerned in all manufacturing sectors. These states collectively contribute around 65percent of the total beneficiaries in the country. The aggregate employment under the scheme as on 31.12.2018 was 98,38,346 out of which Maharashtra has contributed 17,46,468 with a share of 17.75 percent followed by Tamil Nadu (11.97%), Karnataka (9.79%), Gujarat (8.71%) & Andhra Pradesh (7.93%). The states like Delhi and Uttar Pradesh too were successful in creation of significant employment. State-wise progress of the scheme is given in Table 3.7.

Table 3.7  
State wise Employees Benefited and Subsidy Disbursed during  
01.04.2016 to 31.12.2018

Sr. No	State	Establishment Benefited	Subsidy Disbursed (Rs. Cr)	Employees Benefited	Share of Employees
1	Andhra Pradesh	8646	242.25	780535	7.93
2	Assam	365	2.78	8258	0.08
3	Bihar	737	47.49	105355	1.07
4	Chandigarh	3612	54.82	155769	1.58
5	Chhattisgarh	2473	35.92	102987	1.05
6	Delhi	5570	213.79	628772	6.39
7	Goa	352	4.25	15343	0.16
8	Gujarat	11763	274.85	857175	8.71
9	Haryana	7067	263.35	823757	8.37
10	Himachal Pradesh	2565	34.04	110997	1.13
11	Jharkhand	1110	13.33	46635	0.47
12	Karnataka	7853	347.13	963140	9.79
13	Kerala	3567	89.22	165120	1.68
14	Madhya Pradesh	4548	104.04	282474	2.87
15	Maharashtra	14193	547.06	1746468	17.75
16	Odisha	2169	35.85	110975	1.13
17	Punjab	4760	62.62	161869	1.65
18	Rajasthan	7601	102.91	376834	3.83
19	Tamil Nadu	13527	381.61	1177433	11.97
20	Uttar Pradesh	12556	252.87	689057	7.00
21	Uttarakhand	2491	64.24	243977	2.48
22	West Bengal	3825	78.76	285416	2.90
	Total	121350	3253.17	9838346	100.00

Source: PMRPY website

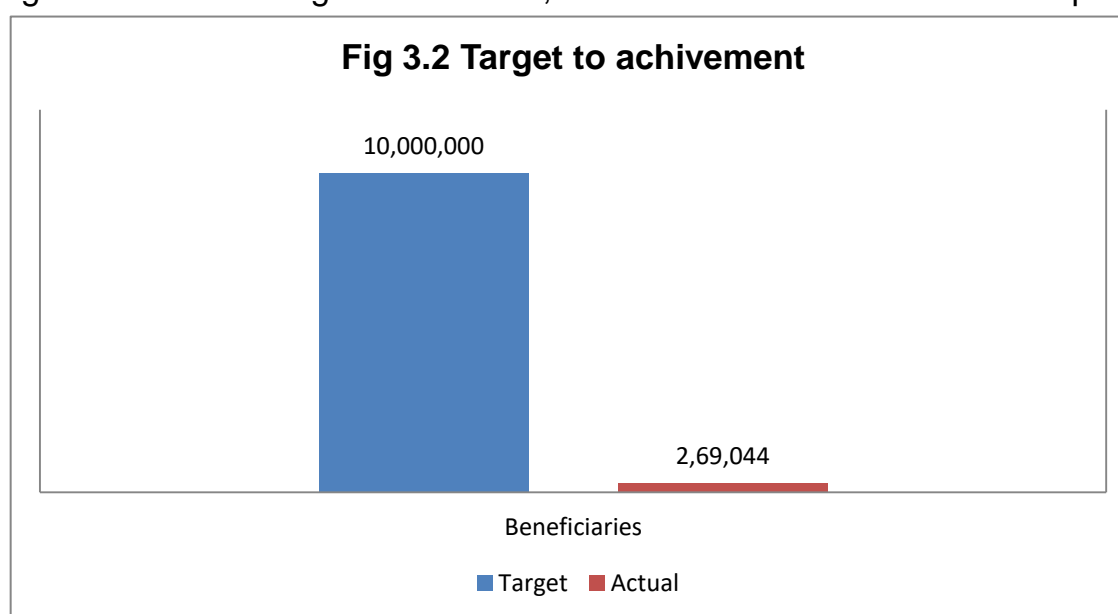
As on 15<sup>th</sup> March 2021, 802 textile sector establishments have enrolled under the scheme benefiting 2.69 lakh employees which is around 2.2 percent of total beneficiaries under the scheme. The details of financial benefits, establishments enrolled and employee beneficiaries under (PMRPY)/ (PMPRPY) in all sectors vis-à-vis Textile sector is as given in Table 3.8.

Table 3.8  
PMRPY in all sectors vis-à-vis textile sector as on 15.03.2021

Benefits	All sectors	Textile Sector
Financial Benefits (Rs Cr)	8913.48	23.97
Establishments (No)	1,52,900	802
Beneficiaries (No)	1,21,69,960	2,69,044
Source – Monthly Report (Ministry of Labour & Employment)		

### 3.2.3 Progress of PMRPY in Textile sector

The textile/garments-specific scheme was expected to create 1 crore jobs, achieve a cumulative increase of \$30 billion in the export of textiles and garments and bring about Rs 74,000 crore investments in the employment-



intensive sector over three years. The scheme has been in use by 802 establishments with an enrolment of 2,69,044 beneficiaries as on 15.03.2021. The success of PMRPY scheme lies in its ability to move out workers from informal work to formal work by providing them with the much-needed social security safety net. The nudge in the direction of formalisation of the workforce enables the shift in the right direction.

### 3.2.4 Bottlenecks /Ground Realities

1. Major chunk of the textile sector workforce is migratory in nature and their stay at work place varies from 6 to 9 months at most of the places. Chances of an employee working at one place for more than one year continuously is very rare, as they return back to their home towns/villages to attend the seasonal agricultural works. This is one of the practical problems in enrolment of the workforce in formal employment in the Textiles sector.

2. Implementation of PMRPY / PMPRPY Schemes is Aadhar based and the migratory work force face limitations in terms of:

- Non availability of physical Original Aadhar card at work site.
- Inability of the workforce in updating their current address of stay (for work) as per the scheme requirement.
- The slackness on the part of the employee in meeting laid down statutory procedures and guidelines underestimates the real employment generated.
- Engagement of labour is mainly on contract basis by manpower agencies and they supply labour in different groups in different rounds at different places.
- Linkage to bank account is a barrier to the workforce as in many cases their accounts exist at their native place and they do not carry those bank details.

### **3.3 Integrated Skill Development Scheme (ISDS) & Samarth**

In order to provide the skilled manpower to the textile sector, Ministry of Textiles, Government of India had come out with the Integrated Skill Development Scheme (ISDS). The pilot phase of the scheme was introduced by the Ministry of Textiles in October, 2010 followed by the main phase on 23rd August 2013 for the 12th plan period up to 2016-17. There was a fiscal allocation of Rs 272 crores in the 11th plan outlay with a provision of Rs 229 crores as Governments' share. Similarly in the 12th five year plan there was an allocation of Rs 1900 crores with a target for training 15 Lakh persons.

#### **3.3.1 Objectives**

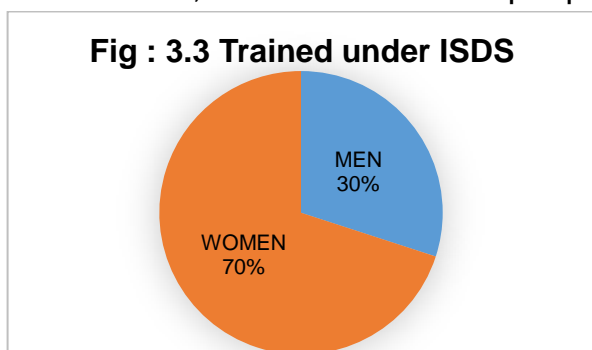
1. To address the trained manpower needs of textiles and related segments including Handicrafts, Handlooms, Sericulture, Jute, Technical Textiles etc, by developing a cohesive and integrated framework of training based on the industry needs. Addressing this need is critical for enhancing the competitiveness of the industry in the globalized economy.
2. To increase the employability of residents of the target areas through imparting of skills in the above segments.
3. To ensure that the scheme is so designed as to cater to the wide range of skill sets required in various segments as listed above, while simultaneously ensuring sufficient flexibility to meet the dynamic needs of these segments.



### 3.3.2 Progress

This pan India scheme implemented by MoT covered all sections of society, including rural, remote locations like North East, Jammu & Kashmir by imparting skills in the identified job roles.

Under ISDS, around 11.14 lakh people have been trained out of the target of 15 lakh persons during 12th Plan in various Segments of textiles Sector. Further, most of the trainees are women (70%).



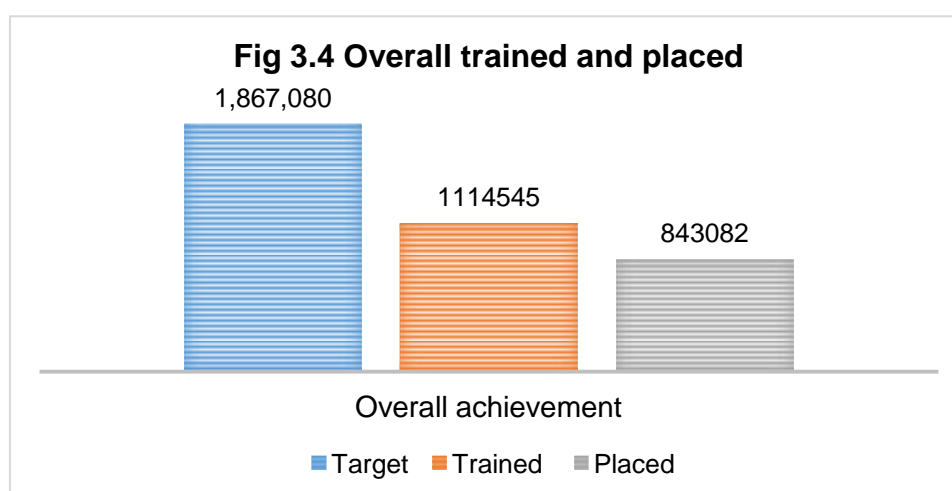
Year-wise details of the persons trained and placed under the scheme is as given in Table 3.9 below:

Table 3.9  
Year wise Trained vs Placed

Year	Trained	Placed	Fund Released (Rs. In Cr )	% placed
2011-12	34432	21,259	55.33	61.74
2012-13	84224	53610	74.60	63.65
2013-14	135847	91184	99.50	67.12
2014-15	130193	83549	170.28	64.17
2015-16	217682	185178	134.31	85.07
2016-17	401611	324984	250.79	80.92
2017-18	109076	79757	100	73.12
<b>Total</b>	<b>1114544</b>	<b>840591</b>	<b>926.53</b>	<b>75.42</b>

Source:- Annual report Ministry of Textiles 2019-20

It is important to note that 75 percent of trainees were also given employment in the industry.

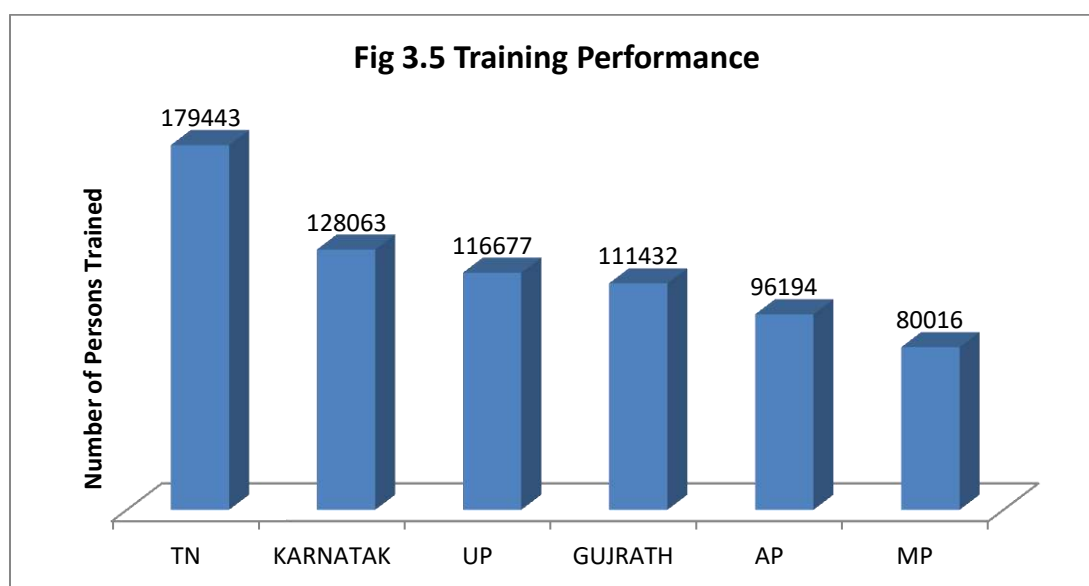


Detailed progress on various indicators viz, training, assessment and placements are discussed below:

### 3.3.2.1 Training

Initially, plan was to cover around 3 lakh persons for training in the 11<sup>th</sup> Five year plan and 15 lakh persons in the 12<sup>th</sup> Five year plan under the ISDS scheme, but subsequently revised to 12 lakh persons. Out of the revised target of training to 12 lakh personnel, 92.8 percent persons had been imparted training under the ISDS scheme which was achieved with the help of 88 implementing agencies.

The states of Tamil Nadu, Karnataka, Uttar Pradesh, Gujarat, Andhra Pradesh & Madhya Pradesh have optimally utilised ISDS training opportunity as these six states together accounted for 63.8% of the country's total persons trained. State wise details are as given in Fig 3.5 below:



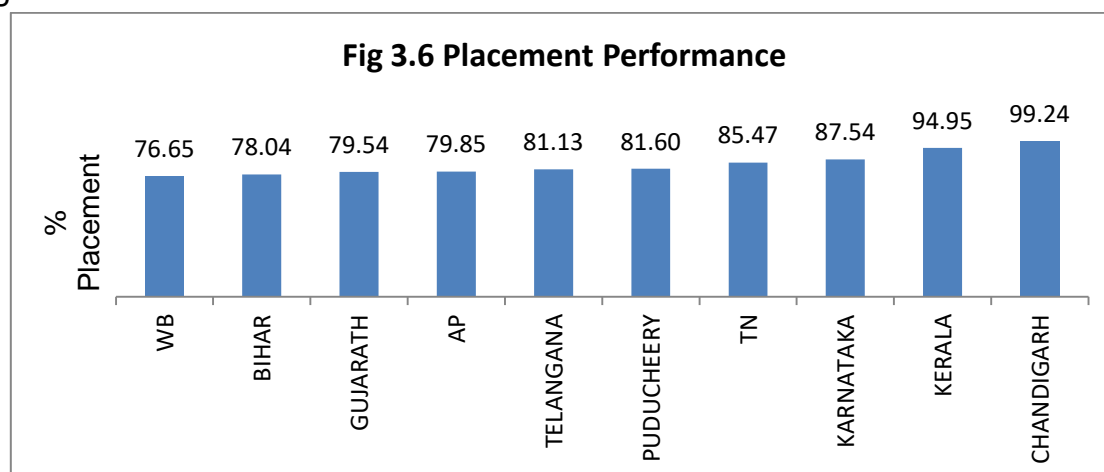
The gender composition is skewed towards women. Data reveals that 71.28 percent trainees are females and 28.72 percent are male. It indicates that more and more women are inclined towards enrolling themselves in the training courses provided by the Government under ISDS. Participation of tribal sects seems to have a proportionate representation as 20.87 percent in the trainee profile whereas participation of the SC has been around 7 percent.

### 3.3.2.2 Assessment

The assessment was done by independent agencies and 93.92 percent of the total trained trainees have been assessed and found to have the desired level of understanding for qualifying the course offered under ISDS.

### 3.3.2.3 Placement

The placement of trained persons is an important aspect and 73.58% of the trained persons have been offered appropriate placements under the scheme. States namely West Bengal, Bihar, Gujarat, Tamilnadu, Karnataka, Uttar Pradesh, Andhra Pradesh, Madhya Pradesh, Kerala and Chandigarh are the leading states offering placements to the trained persons. Maximum number of placements was seen in Chandigarh (99.24%) and minimum among top 10 states was 76.65 percent in West Bengal. Together these ten states accounted for 65.58% country's placement. State wise details are as given in Fig 3.6 below.



## 3.4 Scheme for Integrated Textiles Parks (SITP)

The Scheme for Integrated Textile Parks (SITP) was launched in 2005 to provide the industry with state-of-the-art world-class infrastructure facilities for setting up of textile units. It was approved in the 10th Five Year Plan (July 2005) by merging the erstwhile Apparel Parks for Exports Scheme (APES) and Textile Centre Infrastructure Development Scheme (TCIDS).

With a view to increasing investments, generating employment opportunities and boosting exports in textile sector, a scheme providing subsidy for setting up textile parks with world-class, state-of-the-art infrastructure in textile hubs across the country has been under implementation by the Government. The

Government has approved the continuation of the Scheme for Integrated Textiles Parks (SITP) with modifications for a period of three years i.e., from 01.04.2017 to 31.03.2020

### 3.4.1 Objectives of the Scheme

The primary objective of the scheme is to provide financial assistance to the entrepreneurs to establish state-of-the-art infrastructure facilities for setting up of textile units, conforming to international environmental and social standards and thereby mobilize private investment in the textile sector and generate fresh employment opportunities.

### 3.4.2 Progress

At present 66 textile parks are at various stages of implementation. The status of approved parks is as given below:

Table 3.10 Employment in 30 Functional parks till Dec 2016				
Sr. No.	Name of the park	Targeted	Actual	% Achieved
<b>Maharashtra</b>				
1	Asmeeta Infratech Ltd	23,913	260	4
2	Baramati Hi-Tech Textile Park Ltd	5,000	3,000	60
3	Deesan Infrastructure Pvt. Ltd	1,758	1,676	95
4	Islampur Integrated Textile Park	10,000	1,970	28
5	Latur Integrated Textile Park	3,000	5	0
6	Metro Hi-Tech Co-Operative Textile Park Ltd	8,150	8,150	33
7	Pride India Co-op. Textile Park Ltd	12,500	12,500	73
8	Purna Global Textiles Park Ltd	3,000	1,500	110
<b>Gujarat</b>				
9	Fairdeal Textile Park Pvt. Ltd.	2,900	1,003	55
10	Gujarat Eco Textile Park Ltd.	9,000	10,370	115
11	Mundra SEZ Integrated T&A Park	3,077	1,958	41
12	RJD Integrated Textile Park Ltd.	4,270	1,320	91
13	Sayan Textile Park Ltd.	3,155	3,155	11
14	Vraj Integrated Textile Park Ltd.	4,500	2,357	42
<b>Tamil Nadu</b>				
15	Karur Textile Park Ltd	3,500	2,500	71
16	Komarapalayam Hi-Tech Weaving Park	1,500	1,250	83
17	Palladam Hi-Tech Weaving Park	2,500	2,500	100
18	Madurai Integrated Textile Park Ltd	2,500	2,361	116
<b>Rajasthan</b>				
19	Jaipur Integrated Texcraft Park Pvt. Ltd. (JITPPL)	4,400	520	15

20	Jaipur Texweaving Park Ltd.	3,000	450	33
21	Kishangarh Hi-Tech Textile Park Ltd	2,175	400	23
	<b>Punjab</b>			
22	Lotus Integrated Texpark Limited	1,210	1,022	84
23	Ludhiana Integrated Textile Park Ltd.	17,000	1,530	39
24	Rhythm Textile & Apparel Park Ltd	8,000	4,000	14
	<b>Andhra Pradesh</b>			
25	Brandix India Apparel City Private Ltd	60,000	17,057	62
26	MAS fabric Park (India) Pvt. Ltd.	15,000	938	53
	<b>Karnataka</b>			
27	Doddaballapur Integrated Textile Park Ltd	2,000	500	30
	<b>Himachal Pradesh</b>			
28	Himachal Textile Park Ltd	2,200	1,694	118
	<b>Jammu &amp; Kashmir</b>			
29	J&K Integrated Textile Park Ltd.	2,508	85	15
	<b>Telangana</b>			
30	Pochampally Handloom Park Ltd.	2,000	200	250
	<b>Total</b>	<b>223,716</b>	<b>67,877</b>	<b>30</b>
<i>Source – TC analysis &amp; report submitted by Wazir Advisors to MOT on Review of SITP, 2016</i>				

Of the total planned investment of Rs. 6353.02 crores under the scheme, only Rs. 232.08 crores (4%) has been actually invested during 2014-15 to 2017-18 periods in approved parks in major states.

In case of Jammu & Kashmir and North Eastern states, of the planned investment of Rs.688.48 crores only Rs. 55.60 crores (7%) has been actually invested in the past 4 years in the 3 approved parks.

Also, investment in model textile parks sanctioned before 2008, Brandix park, which is the largest (ie. more than 1000 acres area) has received 22 percent of investment. While 5 parks have invested more than the planned investment and are functioning well and all except one have reached the planned employment also. The parks are (i) Madurai Integrated Textile Park Ltd, (ii) Palladam Hi-Tech Weaving Park, (iii) Gujarat Eco Textile Park Ltd, (iv) Jaipur Integrated Texcraft Park Pvt. Ltd. (JITPPL) and (v) Mundra SEZ Integrated T&A Park

Further, actual average employment is around 30 percent against the planned employment in case of 30 parks and total employment generation envisaged in the 72 sanctioned parks is approximately 4.4 lakhs as per the approved DPRs. Excluding 8 parks that have applied for cancellation, employment potential of remaining 64 parks is approximately 4 lakhs.

The current employment level in 30 functional parks is around 68,000 while the expected employment when they are fully operational will be approximately 2.2 lakhs. As per the approved DPRs, the parks which should have been completed by FY16 should have created an employment of approximately 3.6 lakhs.

Overall, SITP had a positive impact on the working conditions, but no clear improvement in worker wages compared to other textile units outside the park.

### **3.5 Scheme for Rebate of State and Central Taxes and Levies**

Apparel and made-ups have a combined share of more than 55 percent in the total Indian textile export basket and the decision to enhance rebate will have a direct impact on these segments, thereby increasing competitiveness of India's textile exports globally.

Rebate of State Levies (RoSL), which was primarily meant to offset indirect taxes levied by states such as stamp duty, petroleum tax, electricity duty and mandi tax that were embedded in exports, is provided to textiles exporters and was introduced to refund state levies for apparel and made-ups sectors. The scheme was introduced to make India's export more competitive. As a part of special package for apparel announced by the Government on 12<sup>th</sup> August, 2016 for a period of 3 years and has been discontinued with effect from 7<sup>th</sup> March, 2019 and a new Scheme for Rebate of State and Central Taxes and Levies (RoSCTL) has been notified effective from 07<sup>th</sup> March, 2019 and will remain in effect till 31<sup>st</sup> March 2020.

The decision assumes significance as shipments from neighboring countries like Sri Lanka, Bangladesh and Vietnam enjoy zero duty access to the EU, which is the biggest export market for India's apparel sector.

The erstwhile scheme RoSL was a mechanism which was undertaken by the Government of India to provide the rebate of only State levies on apparels and made-ups which were exported from India. The scheme like RoSL was for the exports of those garments from Chapters 61 (Articles of Apparel and Clothing Accessories Knitted or Crocheted) and 62 (Articles of Apparel and Clothing Accessories, not Knitted or Crocheted). However, certain Central and State taxes were continued to be present as cost of export. Therefore, to increase the competitiveness of Indian garments and made-ups, the government decided to refund all embedded State and Central taxes and levies and introduced new Scheme named "Rebate of

State and Central Taxes and Levies (RoSCTL)".The scheme is for rebate of following State level taxes and levies:

- VAT on transportation fuel
- Captive Power
- Mandi Tax
- Electricity Duty
- Farm Sector
- Stamp Duty on all Export Documents
- SGST which is levied on inputs of production of raw cotton like fertilizers, pesticides, etc.
- Any kind of purchases which are made from unregistered dealers
- Inputs which are needed for the Transport Sector
- Coal which is used in the process of production.

The scheme is in line with the established international principle of zero-rating of all products which are exported. This will be over and above the Duty Drawback Scheme. RoSCTL scheme will cover export of Garments (Chapter 61 and 62) and Made-Ups (Chapter 63) at the rates which have been notified and other value caps.

The average rebate rate of garments and made-ups of cotton attracted highest rate under both old and new scheme, i.e. 4.70 percent and 7.5 percent per piece respectively whereas in case of Man-made fibre, it is 4.10 percent and 6.65 percent per piece respectively. The rebate for blended products, it is 4.40 percent and 7.12 percent respectively. The rebate rate for cotton based products is higher by 0.85 percent and 0.47 percents compared to man-made fibres and blended products respectively under the new scheme. The government has disbursed Rs.4,853.6 crore to the exporters as on 15th Nov 2018.

### **3.6 Technology Mission on Technical Textiles (TMTT)**

Technical Textile products derive their demand from development and industrialization in a country. Given the large scale at which emerging nations are industrializing, the market for technical textiles can only be expected to grow in tandem with industrial growth in different parts of the world. In India, the Technical Textile sector has registered a compounded annual rate of growth of 11 percent during the 11<sup>th</sup> Five Year Plan and as per the 12<sup>th</sup> Five Year Plan estimates of the sub-group on technical textiles, the technical textile market size was expected to grow at a CAGR of 20 percent and reach Rs 1,58,540 crore by 2016-17 from the market size of Rs 70,151 crore in 2012-13.

In 2010-11, the Ministry of Textiles launched the Technology Mission on Technical Textiles (TMTT) with two mini-missions for a period of five years with a fund outlay of Rs. 200 crore in December 2010. TMTT Scheme was extended for another two years from 2015-16 to 2016-17 and under the extension, two new components i.e. Focus Incubation Center (FIC), Scheme for Promoting Usage of Agro-textiles and Geo-technical textiles in India (excluding North Eastern States) have also been introduced under TMTT.

Scheme for Strengthening of Database and Standards for Technical Textiles was merged with TMTT scheme which was aimed at creating a repository of knowledge that will facilitate effective policy decisions by the government and business decisions by industry stakeholders.

### 3.6.1 Objectives

**Mini-Mission- I:** The objective of Mini Mission-I is standardization, creating common testing facilities with national/international accreditation, indigenous development of prototypes and maintaining a resource centre with IT infrastructure.

**Mini-Mission- II:** The objective of Mini Mission-II is to provide support for the development of domestic and export markets for technical textiles.

### 3.6.2 Progress

Mission wise Components & its Progress are as given below:

#### Mission-I

Sr.No	Components	Progress
1	Setting up four additional Centres of Excellence (CoEs)	Other than four CoEs already established under Scheme for Growth and Development of Technical Textiles (SGDTT), new four additional CoEs have been established in the areas of Nonwovens, Composites, Indutech and Sportech to support the manufacturers of technical textiles within these growing segments
2	Providing fund support for organizing workshops	The four CoEs already established under the Scheme for Growth and Development of Technical Textiles (SGDTT) has been upgraded in line with the new CoEs.



## Mission-II

Sr. No	Components	Progress
1	Support for business start-up	Six consultants have been empanelled for Business Start-up component under Technology Mission on Technical Textiles (TMTT)
2	Providing fund for support for organizing workshops	Reputed national and international agencies, including the Indian Diaspora settled abroad, are being invited to conduct seminars, workshops and short-term training programmes in which knowledge about the latest technologies, international practices, market details, global scenario etc. are being shared.
3	Social compliance through standardization, regulatory measures	Studies on developing measures to promote use of Geo-textiles & Agro-textiles have been undertaken by the Ministry of Textiles, and the final reports have been uploaded
4	Market development support for marketing to bulk and institutional buyers	Buyer-Seller meets are being organized across the country wherein indigenous manufacturers can showcase their products to institutional buyers and the latter are being invited to help enhance the marketing competitiveness of the technical textile manufacturers
5	Market development support for export sales:	Many reputed technical textile fairs organized abroad
6	Contract Research and Development through IITs/TRAs/Textile Institutes	Most of the new material high-end converted products are imported. Thus, there is a strong need for indigenous development of products for which R&D is of prime importance
7	Scheme for Promoting Usage of Agro-textiles in India (excluding North Eastern States):	Mission-II of Technology Mission on Technical Textiles (TMTT) for a period of two years (2015-16 & 2016-17) with a fund outlay of Rs. 5.00 crores
8	Focus Incubation Centres (FIC)	Amount of Rs.17.45 crores has been sanctioned to six CoEs namely ATIRA, DKTE, NITRA, PSG College of Tech, SASMIRA & SITRA for setting up of FICs

### 3.6.3 Financial & Physical achievements (TMTT)

Sr. No	Financial & Physical achievements ( TMTT )				Impact of the scheme/remarks
	Year	2014-15	2015-16	2016-17	
1	Funds sanctioned (Rs. in crore)	32.00	25.00	30.80	Development of better infrastructure for use by Textile Industry/Entrepreneurs.
2	Funds Released (Rs. in crore)	30.71	18.85	30.80	
3	No. of beneficiaries covered	8 Centre of Excellences and 11 Focus Incubation Centres were sanctioned. 10 Agro-Demo centres set up in 6 States			

Source: - [pibarchive.nic.in/4YearsOfNDA](http://pibarchive.nic.in/4YearsOfNDA)

### 3.7 Integrated Processing Development Scheme (IPDS)

Textile processing constitutes a very important component of the textile industry value chain. The competitiveness of Indian Textile industry is contingent on the strength of the textile processing sector.

Since the processing sector in India predominantly comprises of small and medium enterprises, it is not economically feasible for the individual Processing units to install dedicated pollution control equipment. Consequently, Common Effluent Treatment Plant (CETP) and Common Water Supply Systems are appropriate for these units.

The Scheme with total Budget of 500 crores is being implemented by Ministry of Textiles to enable the textile processing sector to meet the environmental standards through appropriate technology including marine, riverine and Zero Liquid Discharge (ZLD). State Governments have been requested to forward suitable proposals, duly recommended by the State Pollution Control Boards for up-gradation of existing textile processing units or for setting up new processing units in their States for consideration of the Ministry along with their commitment to meet 25% of the project cost.

#### 3.7.1 Objectives of the Scheme

The primary objective of the IPDS is to facilitate the Indian textile industry to become globally competitive using environment friendly processing standards and technology. The scheme would facilitate the textile units to meet the

required environmental standards. The IPDS would support new CETPs in existing processing clusters as well as new processing parks specifically in the area of water and waste water management and also to promote research and development for cleaner technologies in the processing sector.

### **3.7.2 Progress**

Seven proposals have been approved by the Ministry under the IPDS scheme with a total project cost of Rs. 790.92 crores. Out of which the Government of India share will be around Rs. 386.00 crores. Once completed, these projects are expected to support 4000 SMEs associated with the processing activities. A sum of Rs. 55.31 crores has been released to the project during 2014-18 periods.

## **3.8 Integrated Wool Improvement & Development Programme (IWIDP)**

Under Integrated Wool Improvement and Development Programme (IWIDP), different schemes for improving quantity and quality of wool produced from Sheep, Angora Rabbit, Pashmina Goat and providing training to wool growers, weavers, resource persons along with associated promotional and marketing activities are being implemented.

Following schemes are implemented under this programme.

- (i) Sheep & Wool Improvement Scheme (SWIS)
- (ii) Angora Wool Development Scheme
- (iii) Human Resource Development & Promotional activities.

### **3.8.1 Objectives of the Scheme**

Broad objective is of improving wool fibre and the quality processing of wool. This scheme was operated by the Central Wool Development Board (CWDB) during Tenth Five Year Plan.

### **3.8.2 Components and Progress**

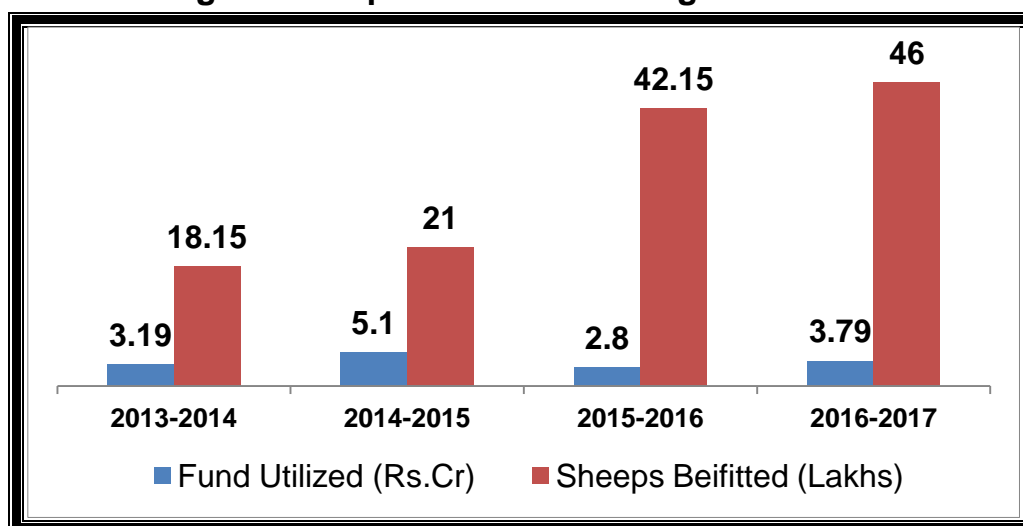
#### **(i) Sheep & Wool Improvement Scheme: (SWIS)**

Scheme implemented by CWDB in all major wool producing States like Jammu & Kashmir, Himachal Pradesh, Uttarakhand, Uttar Pradesh, Gujarat, Rajasthan, Karnataka, Maharashtra and Telangana. Having components of "Health Care" for treatment, vaccination and medication to sheep, "Breed

Improvement” for genetic improvement of sheep and through strengthening/establishment of Sheep Breeding Farms for raising male lambs, distribution of stud Rams, Conducting Training Programmes for wool growers in latest techniques of sheep rearing activities, provide “Feed Supplement” to eligible sheep (weak, pregnant/ breedable ewes) and “Creation of Revolving Fund” for marketing of raw wool and to revitalize the state.

During the 2013-17 with a fund outlay of Rs 14.88 Cr a total of 127.3 lakh sheep of major wool producing states Like Jammu & Kashmir, Rajasthan, Himachal Pradesh, Uttarakhand, Uttar Pradesh, Gujarat, Karnataka, Maharashtra and Telangana have been benefited. Year wise details of funds utilized and sheep benefited are as given in Fig 3.7.

**Fig 3.7 Sheep’s benefited during 2013-2017.**



Source: - Annual Reports of Ministry of Textiles.

## ii) Angora Wool Development Scheme

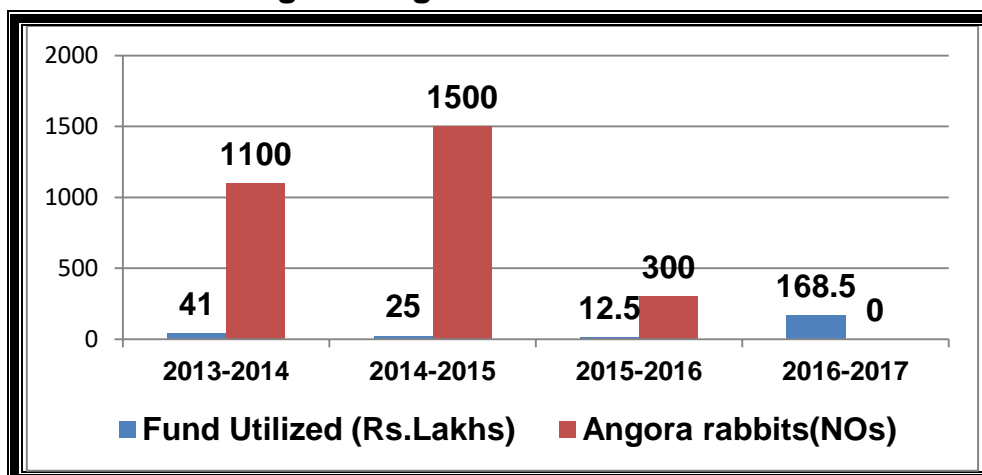
Angora Wool Development scheme is implemented in hilly areas of the country to support Angora rearing activity among farmers by distribution of Angora rabbit to rearers as foundation stock along with necessary training, feed & nutrition support, supply of medicine, cages etc.

The scheme has two activities:

- (i) Establishment of Mini Angora rabbit Farm
- (ii) Angora Rabbit Germplasm-cum-Processing and Training Centre.

During 2013-17, a total of 2900 Angora rabbits have been covered under the scheme with total Fund of Rs. 247 Lakhs. Year wise details of Angora rabbits benefited and funds utilized is as given in Fig 3.8 below:

**Fig 3.8 Angora rabbit Benefited**



Source: - Annual Reports of Ministry of Textiles

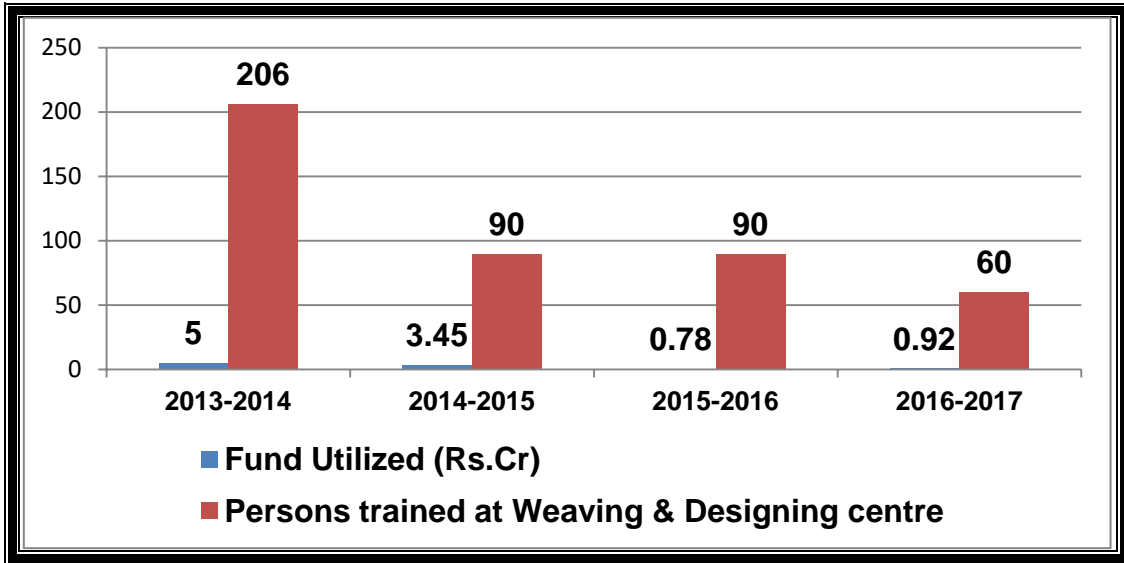
### iii) Human Resource Development & Promotional activities

Training programmes in collaboration with various reputed Organizations/ Institutions/ Departments on Farm management for sheep, Angora & Pashmina rearing, sheep shearing by machines, testing & report writing and quality control/ assurance, wool grading & marketing, processing of wool and woolens products, latest weaving and designing techniques to weavers. The following activities are part of HRD & Promotional Activities:

- Organizing fairs and exhibitions of woolen products
- seminar/workshops R&D projects
- Survey/Study
- Consultancy and Publicity work.
- Short term Training programme for farmers/ breeders/ weavers.
- Strengthening wool testing laboratories.

During 2013-17 periods, a total of Rs 10.15 Cr was utilized and imparted training to 446 resource persons at various centres viz., Weaving & Designing Training Centre, Kullu, Sheep Breeding Farm, Hissar. Undertaken up-gradation works of 3 existing wool testing laboratories with the help of Wool Research Association, publishing quarterly news magazine and Raw Wool Price Bulletin, regularly. Also organized/ participated in 11 Woollen Expos (exhibition-cum-sale of woolen products) and sanctioned 3 R&D Projects in favour of CSWRI. The details of the training provided and funds utilized are as given in Fig 3.9 below:

**Fig 3.9: Persons trained from 2013-17**



Source: - Annual Reports of Ministry of Textiles

## **Chapter 4**

### **Impact of Government Initiatives on Employment & Income**

#### **4.1 Background**

The structure and composition of Indian textile industry is highly complex in nature. It includes capital-intensive organised segments like highly mechanised industry (Composite Textile mills) producing yarn and fabrics along with allied activities, Technical Textiles industry on one hand and highly de-centralised sectors like Power-looms, Knitting, Processing, Ready Made Garments (RMGs) and Made-ups sectors on the other hand.

The value chain of textile industry mainly consists of fibre, manufacturing of intermediary products like yarn & fabrics and value added products like RMG, Made-ups and Technical Textiles. While most of the segments of the Textiles and Apparel (T&A) industry are labour intensive in nature, the capital to employment ratio differs from segment to segment. Similarly the capital to employment ratio also differs in each segment. The employment intensity for one crore investment is highest in jute segment followed by RMG industry and lowest in the technical textiles segment.

Further, with technological advancement and use of modern technology in the process of production, employment potential of different Segment of T&A industry differs from each other. As investment is positively correlated to employment, any growth in investment has a potential to positively influence employment in the sector. During last few years, the investment in the T&A sector is mostly influenced by three important factors i.e.

- i Investment occurred due to implementation of TUFS Scheme.
- ii Investment made by the industry of its own in the process of expansion and consolidation of the business or production activity.
- iii Foreign Direct Investment (FDI) in the sector.

The investment from above three components has increased substantially during last ten years owing to implementation of government flagship programme viz., Technology Up-Gradation Fund Scheme (TUFS). The industry has also invested heavily in the process for expanding their business and consolidating production base leading to substantial growth in private investment. The TUFS has attracted an investment of US\$ 68.47 Bn. At the same time, the sector also invited private investment of about 46 percent of policy induced investments during same period. The domestic investment has also accompanied with FDI investment of US\$ 3.195 Bn during the period as shown in Table-4.1.

Sr. No.	Financial Year	Project Cost (Rs Cr)	FDI in Textiles (Rs. Cr.)
1	1999-2000	5074	NA
2	2000-2001	4380	9.30
3	2001-2002	1320	24.89
4	2002-2003	1438	259.70
5	2003-2004	3289	43.27
6	2004-2005	7349	194.05
7	2005-2006	15032	414.61
8	2006-2007	66233	574.11
9	2007-2008	19917	769.29
10	2008-2009	55707	689.86
11	2009-2010	27611	726.64
12	2010-2011	397	571.90
13	2011-2012	24364	763.42
14	2012-2013	11962.95	554.84
15	2013-2014	7872.12	1159.59
16	2014-2015	16925.6	1206.30
17	2015-2016	NA	1506.43
18	2016-2017	37779.88	4160.83
19	2017-2018	9115.82	2959.06
20	2018-2019	8918.65	1850.41
21	2019-2020	14705.68	2276.55
	<b>Total</b>	<b>339391.7</b>	<b>20715.05</b>

Source :DIPP, Ministry of commerce& Textile data of Ministry of Textiles

A detailed analysis on investment with respect to employment as per A-TUFS indicates that garment segment generates employment of 37 persons for one crore of investment. The segment having lowest employment potential is Technical Textile as given in Table 4.2 below.

Sr. No	Segment	New Employment per Cr Investment
1	Garmenting (RMG)	32.5
2	Handloom	6.6
3	Jute	231.8
4	Multi activity	7
5	Processing	5.3
6	Silk	8.4
7	Technical Textile	2.4
8	Weaving	3.6
	Average	7.1

Source: TC analysis from data of annual reports of Ministry of Textiles.

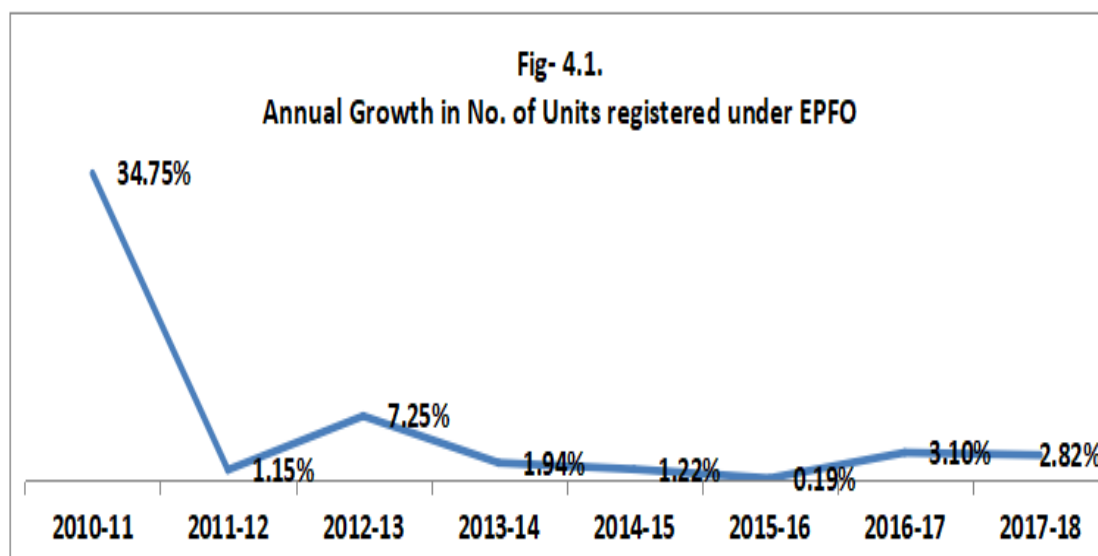


In order to assess employment growth in T&A sector during last ten years, the study analysed the data sourced for the purpose from the following:

- i. Industries enrolled under Employees Provident Fund Organisation (EPFO).
- ii. Industries listed under Stock Exchange.
- iii. Primary survey of 732 units across Textile Value Chain (TVC).

#### 4.1.1 Employment Trend in T&A units registered under EPFO

The Employees Provident Fund and Miscellaneous Provisions Act, 1952 applies to the Factories engaged in industries specified in Schedule I of the Act or to other establishments notified and engaging 20 or more employees. As per the mandate, units having more than 20 employees are supposed to be registered under EPFO and the organisation helped in operation of insurance, pension and provident fund of employees engaged in these units from time to time. The EPFO data during last ten years from year 2009 to 2018 indicates that the enrolment of the T&A units as per the mandate has grown positively. The Annual Growth Rate (AGR) of the enrolment of the units was highest during 2010-11 with a growth rate of 34.75% followed by 7.25% during 2012-13. However, growth in enrolment of units declined to 0.19% during 2015-16 and further increased to 3.10% in 2016-17 and 2.82% in 2017-18.

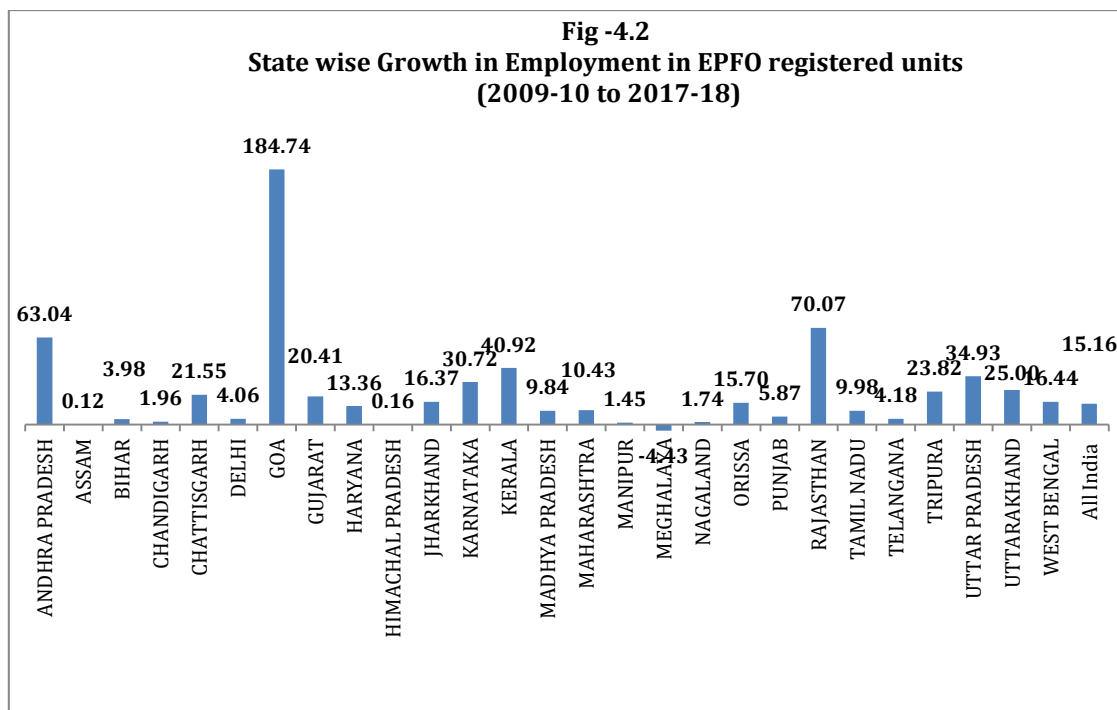


The state wise enrolment of T&A units under EPFO has experienced a cyclical growth in most of the states. While enrolment was quite robust in states like Kerala, Goa, Andhra Pradesh, West Bengal and Uttar Pradesh in terms of annual growth, states like Himachal Pradesh, Delhi experienced negative

growth during same period. The structural change in growth in enrolment of units indicate that some states are able to either attract more investments for setting up of new units having employment of more than 20 people or existing units were able to expand their activities through expansion of production activities. It is important to note here that growth in number of enrolment of units under EPFO in major T&A producing states like Tamil Nadu, Maharashtra, Rajasthan, Gujarat, and Karnataka has experienced moderate growth rate of 2 to 4 percent per annum. However aggregate number of units' enrolment has grown with a CAGR of 6.07 percent during this period indicating strengthening of number of units in T&A producing states during this period. It also helped in enhancing employment scenario in these states.

Tamil Nadu has registered highest number of units i.e., 5868 under EPFO followed by Gujarat (2562) and Haryana (2037). The states of Maharashtra, Punjab, Uttar Pradesh and Rajasthan also have significant number of registered establishments of T&A sector ranging between 1400 to 1800 units.

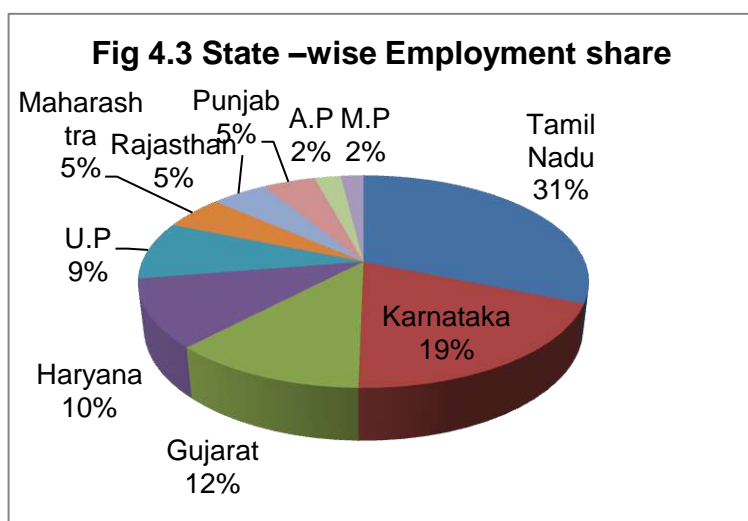
The State wise growth in number of units enrolled and growth in employment as per EPFO is given below in Fig 4.2. Year wise registration of T&A units under EPFO is annexed at **Annexure 5**.



### 4.1.2 Trend in Employment

The total number of employees registered with EPFO was 37,41,623 as on 2017-18. The Employment has registered an Average Annual Growth Rate (AAGR) of 15.16 percent during last 10 years from 2009-10 to 2017-18. However, growth in employment has varied extensively from state to state. While growth in employment in some states experienced negative growth. Significant growth in employment has been witnessed in the states like Jharkhand (122.40%), Odisha (109.69%), Chhattisgarh (44.20%), Bihar (13.91%) in 2017-18. State wise registrations of the employees with EPFO are annexed at **Annexure 6**.

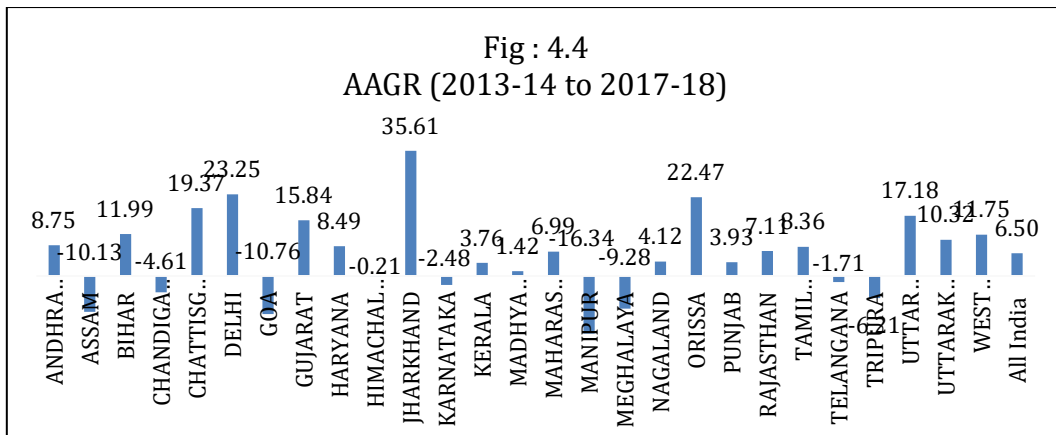
It is important to note that most of the registrations are from major T&A



manufacturing states. Tamil Nadu with 10,93,071 persons (31%) is leading the table followed by Karnataka with 6,69,420 persons (19%) Gujarat with 4.14 lakh (12%) and Haryana with 3.6 lakhs (10%) employees. Maharashtra, Punjab and Rajasthan also have significant registration of

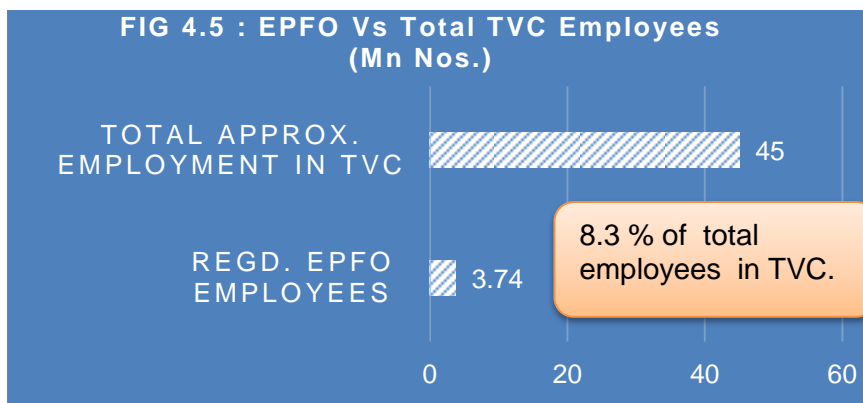
employment ranging from 1.5 Lakhs to 1.8 Lakhs.

Recent data i.e., 2013-18, shows that the employment during last five years has grown at rate an AAGR of 6.50 percent from 2013 to 2018. The State wise growth rate in employment shows extreme variation from state to state. While majority of the states showed a good growth in employment, the states of Manipur (-16.34%), Goa (-10.76%), Assam (-10.13%), Meghalaya (-9.28%), Tripura (-6.21%), Chandigarh (-4.61%), Karnataka (-2.48 %), Telangana (-1.71%), Himachal Pradesh have registered negative growth during last five years, the details are at Fig 4.4.



### 4.1.3 EPFO registered employees in TVC

Fig 4.5 shows the share of TVC employees registered under EPFO. From various sources it is estimated that the Textile sector employs around 45 Mn.



persons out of which 3.74 Mn in 20,518 units are registered with EPFO recording a significantly low share of 8.3 percent in 2017-18.

### 4.1.4 State wise employment by gender in EPFO registered units

The analysis of EPFO data on employment by gender indicates that out of 37.41 lakh employees, 61.93 percent are male and 35.55 percent are female. Among the states Tamil Nadu has the highest employment in both male and female with 5.2 lakhs and 5.4 lakhs employees respectively. The state wise details are annexed at **Annexure 7**.

It is important to note that higher employment for women's is observed in states having RMG production, while employment is skewed favour of men in states having strong presence in other segments of value chain like spinning, weaving, etc. The gender wise ratio of employment across TVC is slightly skewed in favour of male with ratio of 63:37 percent against female in EPFO registered units as shown in fig 4.6. The important point to note here that growth in apparel units can change the ratio highly in favour of women.

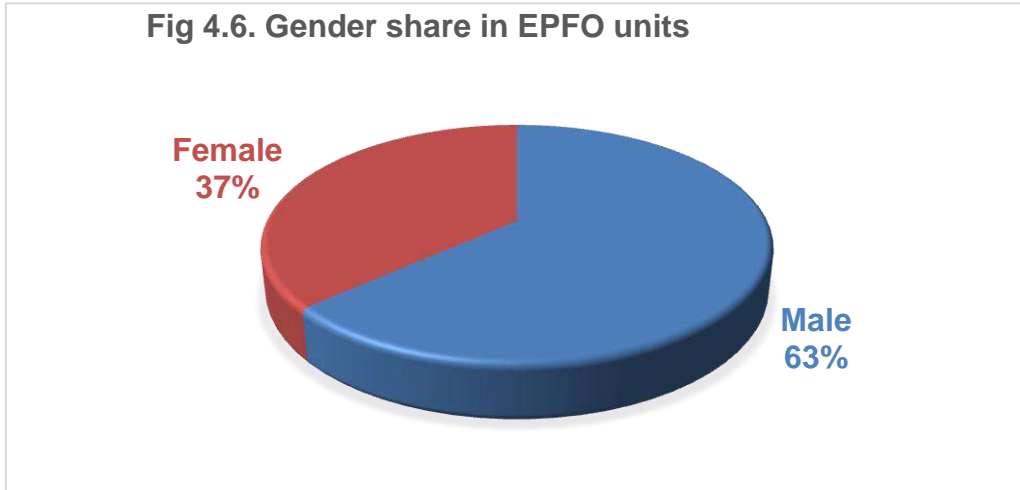
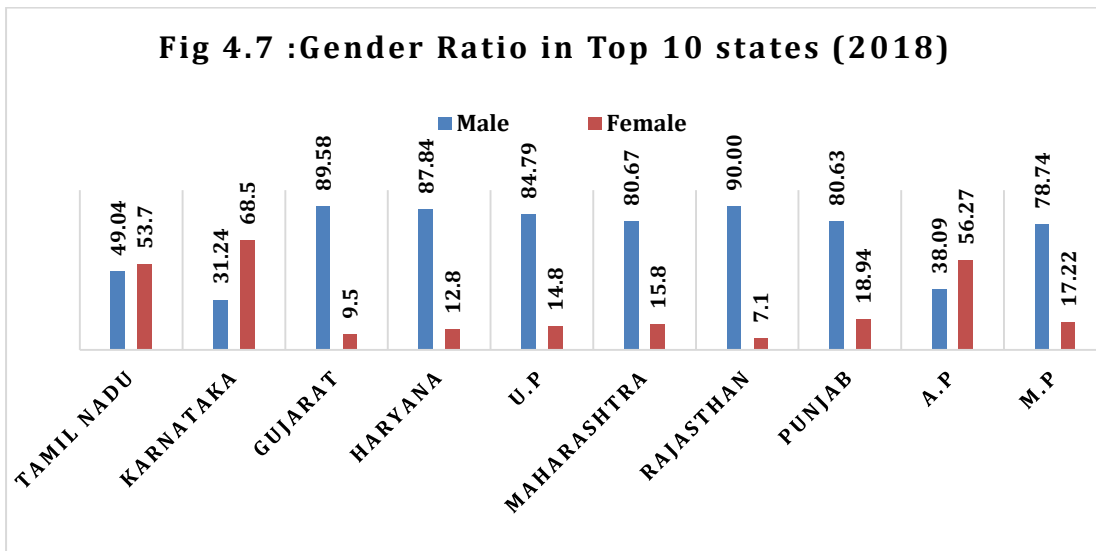
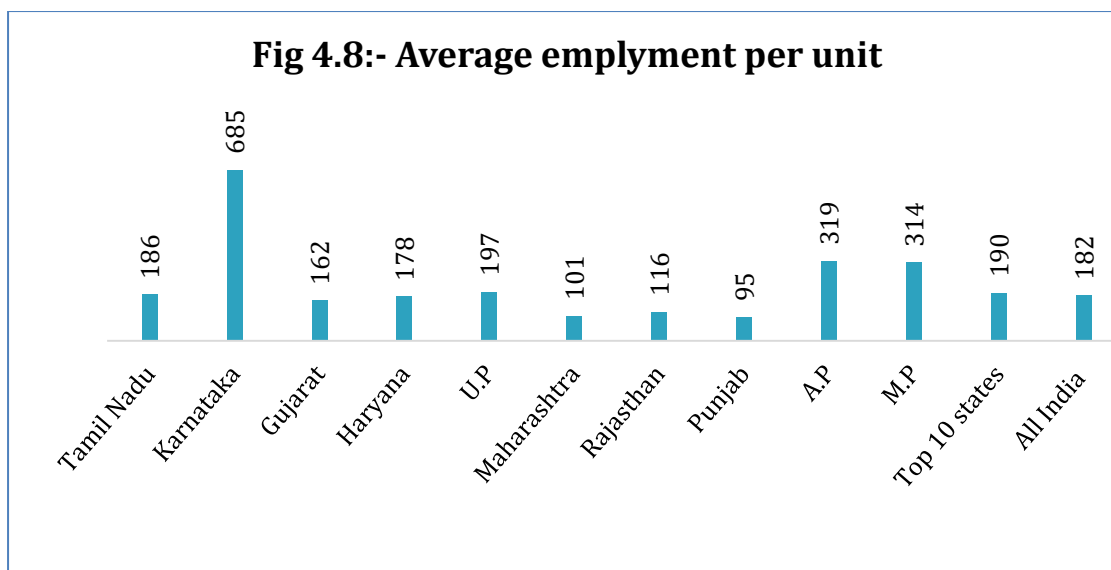


Fig 4.7 indicates that employment among top 10 states by gender is skewed in favour of women in Tamil Nadu, Karnataka, Andhra Pradesh with male female ratio of 49:54, 31:69, 38:56 respectively while it is skewed in favour of Men in Gujarat, Haryana, Uttar Pradesh, etc.



#### 4.1.5 Average employment in top 10 states

State wise analysis of average employment in the TVC in top 10 states shows that Karnataka has the highest employment concentration of 685 persons per unit followed by Andhra Pradesh and Madhya Pradesh with 319 and 314 persons respectively. While other states like Tamil Nadu, Gujarat, Haryana, Uttar Pradesh, Maharashtra, Rajasthan and Punjab have average employment below 200 persons per unit. It is important to note that per unit employment is higher in states with RMG clusters.



## 4.2 Employment Scenario in the industries listed in Stock Exchange

In order to substantiate the findings of primary survey and also include the registered T&A companies under the purview of the analysis, the study has

Table 4.3  
Segment wise BLT units identified

Sr.No	Segment of the industry	No. of Units
1	Spinning	51
2	Weaving	10
3	Processing	4
4	Composite	20
5	Made Ups	15
6	Knitting	7
7	Garmenting	18
8	Technical Textiles	11
	Total	136

*Source: - TC Analysis & Annual reports of Listed Textile Manufacturing Units*

covered 136 listed companies in BSE belonging to various segments of T&A industry. The time-series data for four years from 2014- 2018 have been considered for analysis. The segment wise manufacturing units covered are as in Table 4.3 and the list of units is at **Annexure 8**.

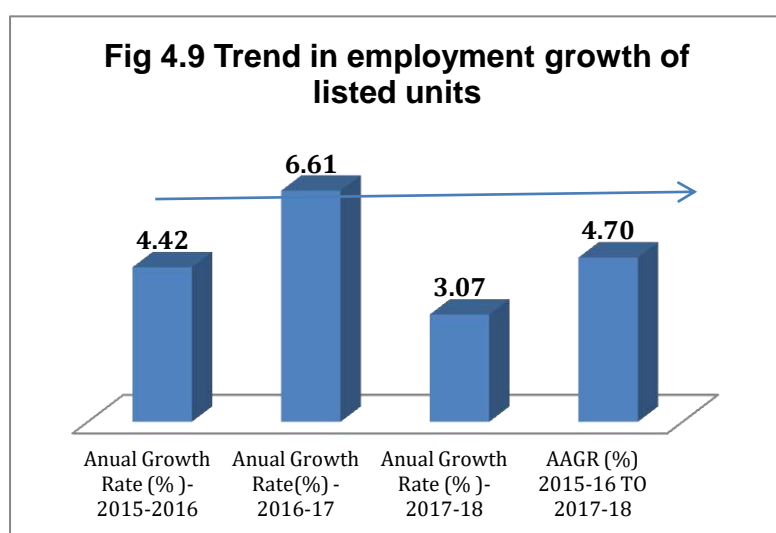
### 4.2.1 Employment Scenario in listed industries

Employment in listed industries has registered an AAGR of 4.70 percent during 2014-18 periods. There has been a considerable increase in employment in weaving & processing segment, which has registered an AAGR of 17.74 percent and 16.94 percent respectively followed by Technical textiles (9.39%) and RMG (7.53%). Knitting is the only segment which has recorded a negative AAGR of 0.19 percent. It is important to note that highest employment is recorded by Composite segment which employs 1.13 lakhs persons in 2017-18 and has generated new employment to 13.91 thousand persons with an AAGR of 4.47 percent during 2014-18 periods.

Table 4.4  
Growth rate of Employment in BLT units.

Sr. No	Segments	Permanent Employees ( No. ) & Annual Growth Rate (%)						AAGR (%)	
		2014-15	2015-16	AGR (%)	2016-17	AGR (%)	2017-18		AGR (%)
1	Spinning	68446	68157	-0.42	67762	-0.58	67686	-0.11	-0.37
2	Weaving	5137	4707	-8.37	4569	-2.93	8224	80.00	16.98
3	Processing	875	911	4.11	945	3.73	1428	51.11	17.74
4	Composites	99178	108237	9.13	110524	2.11	113096	2.33	4.47
5	Made Ups	51508	54448	5.71	58601	7.63	59705	1.88	5.05
6	Knitting	3519	3414	-2.98	3518	3.05	3499	-0.54	-0.19
8	Garmenting	27800	29245	5.20	31987	9.38	34561	8.05	7.53
9	Technical Textile	37562	37891	0.88	49403	30.38	49165	-0.48	9.39
	<b>Total</b>	<b>294025</b>	<b>307010</b>	<b>4.42</b>	<b>327309</b>	<b>6.61</b>	<b>337364</b>	<b>3.07</b>	<b>4.70</b>

Source: - Annual reports of Listed Textile Manufacturing Units & TC Analysis.  
Note-AGR-Annual Growth Rate / AAGR- Average Annual Growth Rate



Moreover, overall employment trend in listed units of entire Textile sector indicates a steady growth in all three years with highest growth recorded in 2016-17 with 6.61 percent AGR as shown in fig 4.9.

#### 4.2.2 Income Scenario in listed units

It is observed that income of the workforce has increased at an AAGR of 9.79 percent during 2014-18 periods. An interesting thing to note here is that all the segments of the industry have recorded positive average growth rate in case of income of the workers. The income of employees working in the segments like Processing, Made-ups, Technical Textiles, Garmenting and Knitting has recorded an AAGR of 20.89 percent, 17.07 percent, 14.77 percent, 12.02 percent and 10.04 percent respectively. The slowest growth of income is recorded in three segments, namely, Weaving (8.02%), Spinning (7.11%) and Composite (6.35%) units.

**Table 4.5**  
**Segment wise growth rate in increase of income**

Sr.No.	Segment	Annual Growth Rate (%)				
		2014-15	2015-16	2016-17	2017-18	AAGR (2014-18)
1	Spinning	13.06	6.80	6.83	1.77	7.11
2	Weaving	6.03	9.54	7.07	9.44	8.02
3	Processing	33.05	17.99	17.21	15.29	20.89
4	Composites	3.34	5.08	11.43	5.56	6.35
5	Made Ups	24.86	15.26	23.75	4.39	17.07
6	Knitting	23.50	5.30	-3.77	15.13	10.04
8	Garmenting	12.79	9.01	20.65	5.63	12.02
9	Technical Textile	13.97	36.09	18.00	-9.00	14.77
	Total	11.26	11.56	13.98	2.35	9.79

Source: Annual reports of Listed Textile Manufacturing Units & TC Analysis.

### 4.2.3 Performance of listed units in terms of Turnover

It is important to note that the turnover of these listed companies has experienced a negative AAGR of 2.93 percent during 2014-18 periods. The Knitting units are most affected amongst all segments with a negative AAGR of 23.98 percent in turnover followed by Composite Mills, Spinning and Weaving units with (-)8.67 percent, (-) 2.85 percent and (-)0.13 percent respectively. However, the Technical Textiles has recorded an AAGR of 9.91percent followed by Made-ups (4.08%) and RMG (1.21%). While the RMG industry has experienced positive growth in terms of generating employment, overall turnover of these industries has declined during the period. The performance of the key segments like garments, made-ups, Technical Textiles in terms of turnover and employment may have acted as driving force for positive growth of employment among big industries.

**Table 4.6**  
**Growth rate of Revenue generated in Listed units.**

Sr. No	Segment	Growth Rates (in %)				
		2014-15	2015-16	2016-17	2017-18	AAGR (2014-18)
1	Spinning	-4.94	-4.52	0.11	-2.03	-2.85
2	Weaving	1.84	6.93	-13.39	4.11	-0.13
3	Processing	4.61	11.75	10.48	22.28	12.28
4	Composites	10.45	-23.06	-10.57	-11.51	-8.67
5	Made Ups	1.97	4.48	13.86	-3.99	4.08
6	Knitting	-4.52	-68	-33.93	10.54	-23.98
8	Garmenting	-0.84	-4.39	0.99	9.07	1.21
9	Technical Textile	42.69	11.13	-18.93	4.73	9.91
	Total	6.37	-10.83	-4.56	-2.93	-2.99

Source: Annual reports of Listed Textile Manufacturing Units & Textile committee Analysis.



### 4.3 Employment Trend as emerged in Primary Survey

The study has collected data from the sample units spread across the T&A clusters located in various states of the country. The units are segregated on the basis of their investment size viz., Micro, Small, Medium and Large enterprises as defined by Ministry of MSME for the purpose. Coverage of the units on the basis of size is as given in Table 4.7.

State	Micro	Small	Medium	Large	Total
Andhra Pradesh	0	0	0	1	1
Gujarat	3	57	61	23	144
Haryana	4	40	6	1	51
Maharashtra	6	13	7	8	34
Madhya Pradesh	0	0	1	5	6
Punjab	12	38	34	19	103
Rajasthan	0	13	13	15	41
Tamil Nadu	16	65	40	36	157
Telangana	1	17	4	8	30
Uttar Pradesh	23	111	11	6	151
West Bengal	0	0	1	5	6
Delhi (NCR)	0	6	1	0	7
Dadra Nagar Haveli	0	1	0	0	1
Total	65	361	179	127	732

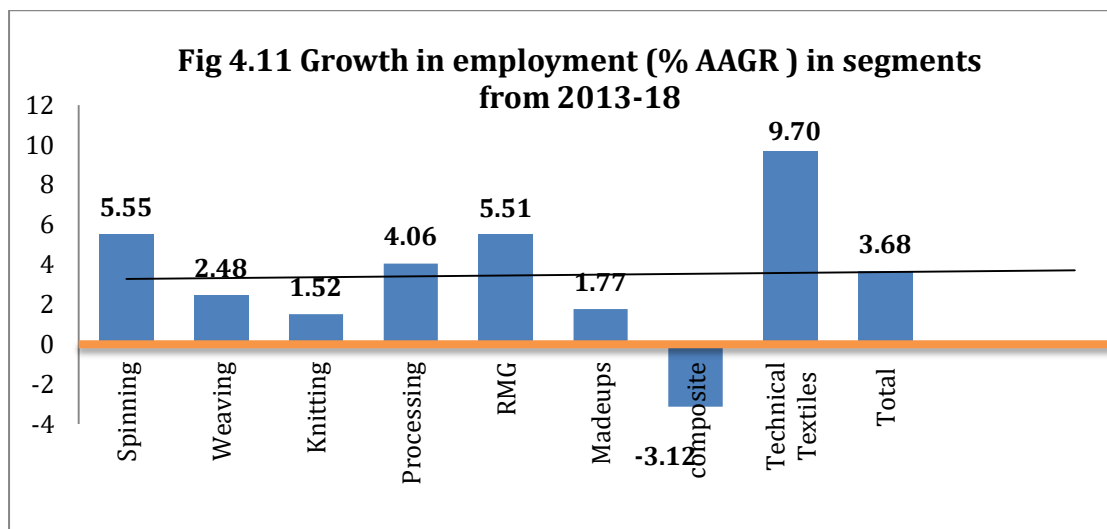
#### 4.3.1 Overall Employment Scenario

The data from the sample units reveals that, the sector has experienced growth in employees from 2.88 lakhs in 2013-14 to 3.19 lakhs in 2017-18 with an AAGR of 3.68 percent during 2013-18. Average employee size per unit is estimated at 453 persons in the sector. Segment wise details of employment in the sampled units are as given in Table 4.8 below.

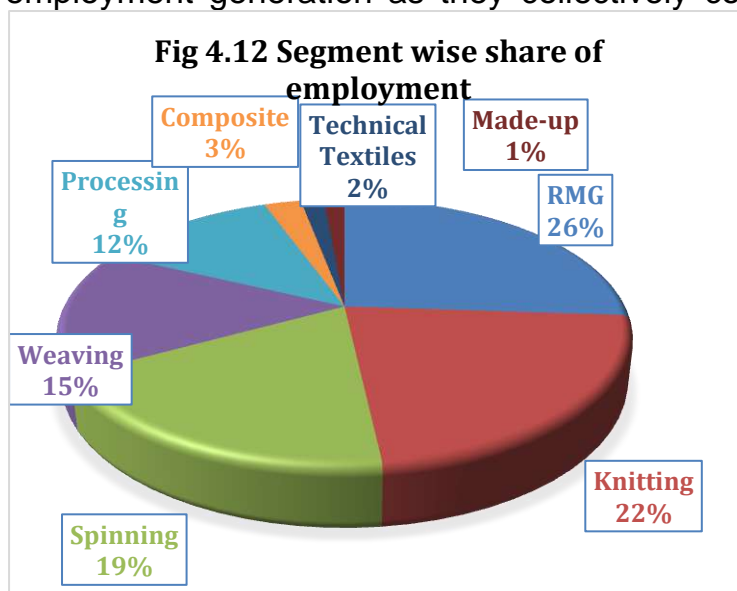
Segments	2013-14	2014-15	2015-16	2016-17	2017-18	AAGR
Spinning	50214	50996	54385	58163	62316	5.55
Weaving	45738	47286	47955	49146	50449	2.48
Knitting	69490	69680	70996	72702	73809	1.52
Processing	35058	35460	36594	39218	41115	4.06
RMG	69923	70804	75960	81476	86652	5.51
Made-up	4313	4332	4304	4437	4626	1.77
Composite	9536	9079	8805	9137	8402	-3.12
Technical Textiles	3653	3847	4078	4660	5290	9.70
Total	287925	291484	303077	318939	332659	3.68

Source: TC Research

Segment wise analysis of the data shows that employment in Technical Textiles segment has registered a significant AAGR of 9.7 percent during 2013-18 periods followed by Spinning (5.55%) and RMG (5.51%). The employment in composite units has declined at an AAGR of 3.12 percent during the same period. The details are as shown in fig 4.11



Segment wise share of employment indicates that RMG with 26 percent share is the largest employer in the entire TVC followed by knitting (including garmenting) with 22 percent. These segments are most critical segments for employment generation as they collectively contribute around 48 percent of



total employment in the entire TVC. Other important segments are Spinning, Weaving, and processing with 19 percent, 15 percent and 12 percent share respectively. The details are shown in fig 4.12. Hence it is important to emphasise on encouraging investments and capacity expansion in RMG and Knitting

segments followed by spinning weaving and processing for accelerated growth in employment.

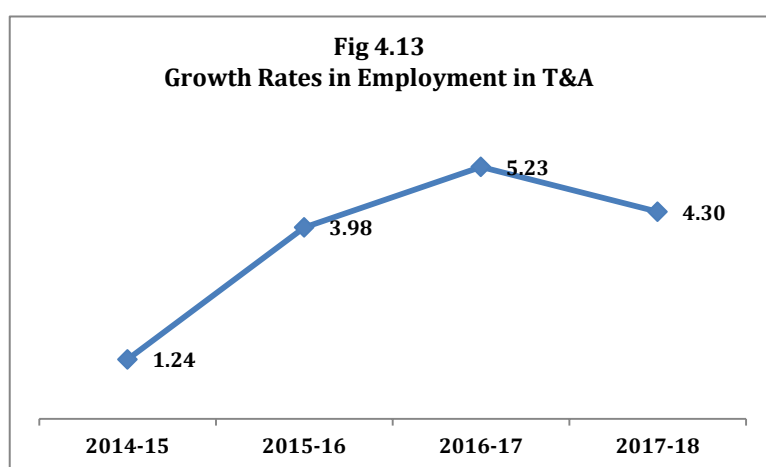
After diving deep into the data, it is found that, employment in Technical Textiles segment has grown significantly recording a consistent AGR ranging

Segments	2014-15	2015-16	2016-17	2017-18
Spinning	1.56	6.65	6.95	7.14
Weaving	3.38	1.41	2.48	2.65
Knitting	0.27	1.89	2.40	1.52
Processing	1.15	3.20	7.17	4.84
RMG	1.26	7.28	7.26	6.35
Made-ups	0.44	-0.65	3.09	4.26
Composite	-4.79	-3.02	3.77	-8.04
Technical Textiles	5.31	6.00	14.27	13.52
Total	1.24	3.98	5.23	4.30

*Source: Analysis from Primary survey*

from 5.31 percent in 2014-15 to 13.52 percent AGR in 2017-18, whereas RMG segment too has experienced a significant change in employment growth from 1.26 percent in 2015-16 to 6.35 percent in 2017-18 as shown in the table 4.12. The employment in other segments like

Composite and Made-ups declined with an AGR of (-)3.09 percent and (-) 0.65 percent respectively in 2015-16. However, Made-ups segment has recovered since 2016-17 with an AGR of 4.26 percent in 2017-18, while employment in composite segment has further declined by 8.04 percent AGR in 2017-18.



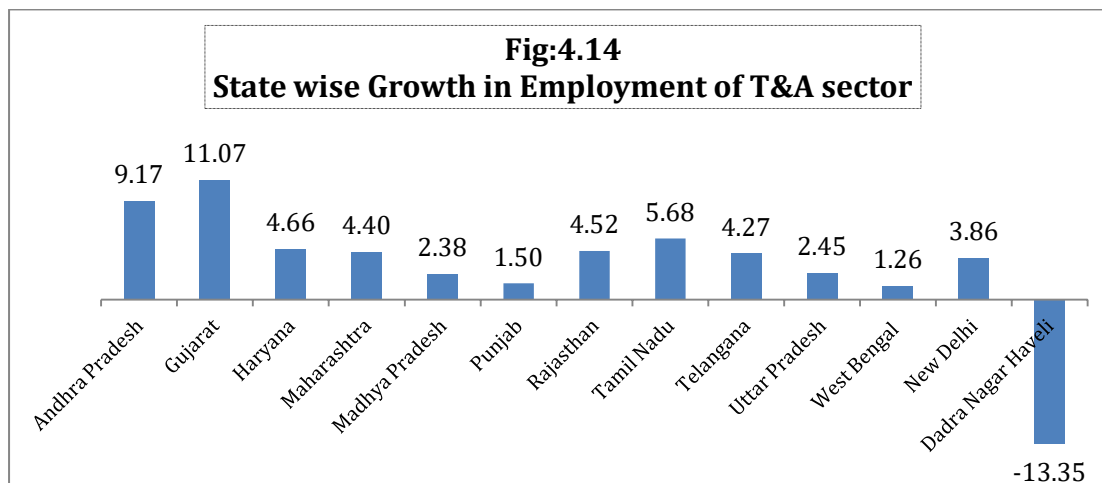
It is Important to note that average growth of all segments in employment was mere 1.24 percent in 2014-15 and has subsequently increased to 3.98 percent in 2015-16, 5.23 percent in 2016-17 and 4.30 percent in 2017-18 as shown in fig4.13.

### 4.3.2 State-wise growth in Employment

Growth in employment amongst the T&A manufacturing units spread across different states varied from one state to another. Employment in Gujarat has experienced a growth of 22 percent and 14.17 percent during 2016-17 and 2017-18 respectively. On the other hand, employment in Maharashtra has experienced negative growth during 2017-18. The state wise details are as given in Table 4.10.

**Table 4.10**  
**State wise growth in employment**

Sr. No.	States	2014-15	2015-16	2016-17	2017-18	Average Growth
1	Andhra Pradesh	18.14	-23.45	57.10	0.00	9.17
2	Gujarat	6.67	2.45	22.00	14.17	11.07
3	Haryana	4.98	0.35	11.57	2.08	4.66
4	Maharashtra	-3.85	6.75	22.72	-5.67	4.40
5	Madhya Pradesh	1.02	11.17	-2.57	0.39	2.38
6	Punjab	-0.08	3.29	0.84	1.97	1.50
7	Rajasthan	5.69	2.52	7.29	2.65	4.52
8	Tamil Nadu	3.24	1.19	11.62	6.95	5.68
9	Telangana	-9.43	29.00	-2.00	3.25	4.27
10	Uttar Pradesh	1.21	1.26	3.59	3.76	2.45
11	West Bengal	0.00	1.96	-0.05	3.17	1.26
12	Delhi	5.66	0.60	5.92	3.35	3.86
13	Dadra Nagar Haveli	-1.82	-27.78	-30.77	14.81	-13.35
	Total	1.24	3.98	5.23	4.30	3.68

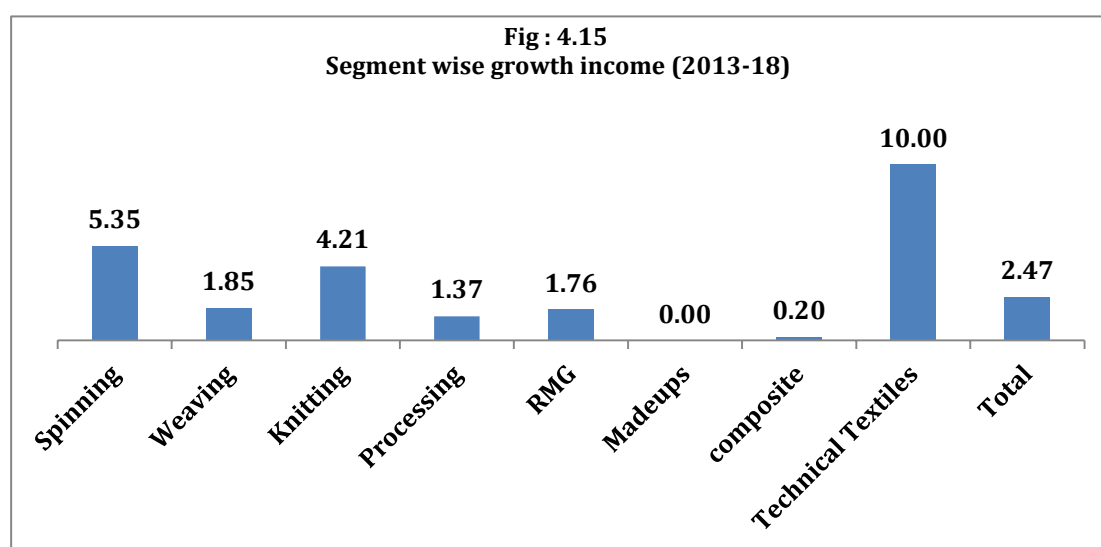


### 4.3.3 Income of Workforce in T&A Sector

Income of workforce in the sector has increased at a moderate AAGR of 2.47 percent during 2013-18 periods. Amongst various segments of the industry, income in Technical textiles has registered highest AAGR of 10 percent followed by spinning (5.35%) and knitting (4.21%). Other segments like Weaving, RMG, Processing and Composite segments registered an AAGR of upto 2 percent.

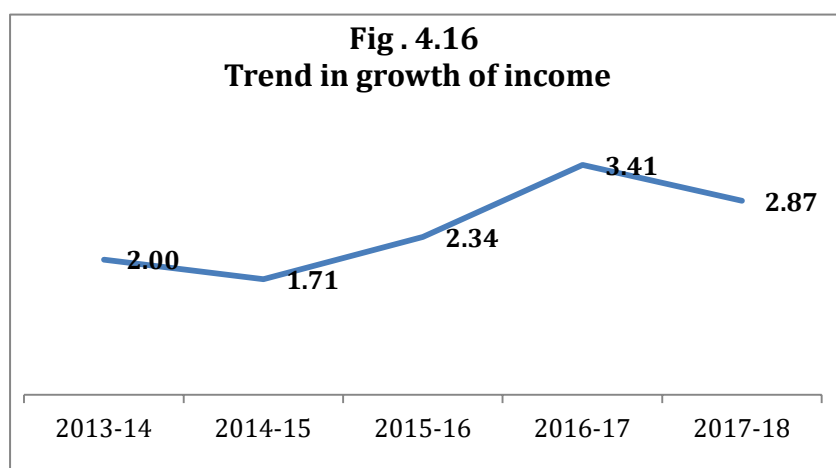
Segments	Annual growth rate (%)					AAGR (2013-18)
	2013-14	2014-15	2015-16	2016-17	2017-18	
Spinning	5.12	4.94	5.52	5.61	5.57	5.35
Weaving	2.15	0.40	1.02	3.43	2.23	1.85
Knitting	1.18	4.12	4.12	6.39	5.26	4.21
Processing	0.95	0.95	1.41	1.91	1.66	1.37
RMG	0.39	0.55	2.23	2.99	2.61	1.76
Made-ups	0.00	0.00	0.00	0.00	0.00	0.00
Composite	1.00	0.00	0.00	0.00	0.00	0.20
Technical Textiles	10.00	10.00	10.00	10.00	10.00	10.00
Total	2.00	1.71	2.34	3.41	2.87	2.47

*Source: Analysis from Primary survey*



It is important to note that highly decentralised segments like Weaving, RMG and Made-ups have registered a low growth in income as compared to Spinning and Technical textiles. The key attribute may be the skill set as required in different industries. The Technical Textiles and spinning industries being highly capital intensive require higher skill sets as compared to other segments in the value chain and hence require job roles having higher skill sets. Accordingly, the growth of income in these industries is higher as compared to other industries in the value chain. It is observed that skill sets of different job roles and level of technology are the influencing factors for growth in income of the manpower.

The growth in income of workforce for the entire sector indicates a positive trend with annual growth of 1.71 percent in 2014-15 to 3.41 percent in 2016-17 and 2.87 percent in year 2017-18



2017-18

#### 4.3.4 Gender-wise employment Scenario

##### (i) Year- wise Growth in Employment by gender

The gender-wise growth of employment from units enumerated in last 5 years is given in the Table 4.14.

Gender	2014-15	2015-16	2016-17	2017-18	AAGR
Male	0.52	3.93	4.22	3.47	3.03
Female	3.73	4.13	8.62	6.99	5.87

Source: Analysis from Primary survey

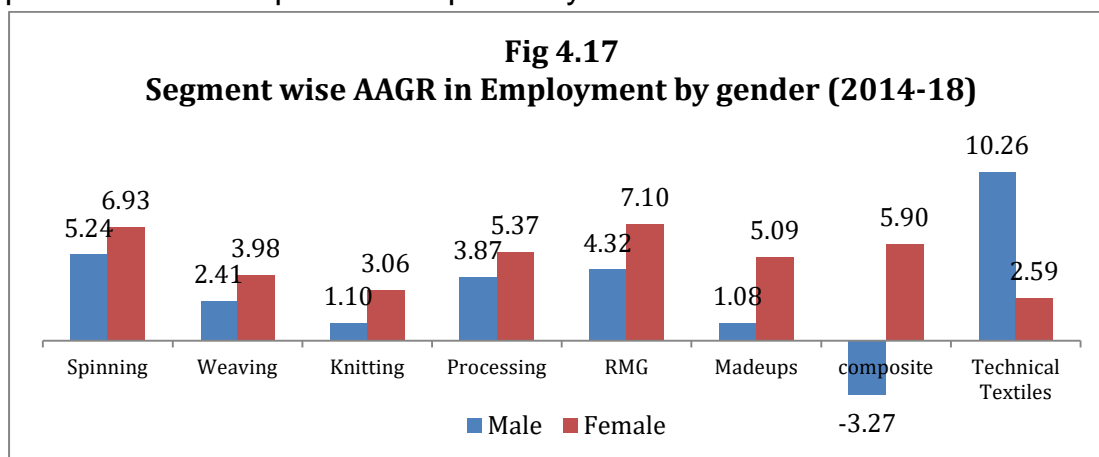
Employment of male workforce has grown at 0.52 percent in

2014-15, which increased to 3.93 percent in 2015-16, 4.22 percent in 2016-17 and 3.47 percent in 2017-18. Similarly, year-wise growth of female workforce was 3.73 percent in 2014-15, 4.13 in 2015-16, 8.62 percent in 2016-17 and 6.99 percent in 2017-18.

The trend in employment indicates that participation of women in the manufacturing activities in T&A sector has increased during 2014-18. It may be noted here that engagement of women workforce experienced highest AGR of 8.62 percent in 2016-17 before declining to 6.99 percent in 2017-18. It is an indication that the participation of women in this industry has increased during the 2014-18 periods. At the same time participation of women in male dominated job roles might have also increased leading to decline in growth of male workforce.

## (ii) Segment wise growth in employment by gender

Employment of male work force in Technical Textile segment has recorded highest AAGR of 10.26 percent during 2014-18 periods followed by in Spinning and RMG segment with an AAGR of 5.24 percent and 4.32 percent respectively. It is important to note that employment of male workforce in Composite segment has declined at an AAGR of 3.27 percent, while in Made-ups and Knitting segments experienced moderate growth (AAGR) of 1.08 percent and 1.10 percent respectively has been witnessed.



The participation of women workforce in entire TVC is increasing and has registered higher AAGR as compared to their male counterparts during 2014-18 periods. Amongst the segments, women employment has grown at an AAGR of 7.10 percent in RMG followed by Spinning (6.93%), Composite (5.90%), Processing (5.37%), Made ups (5.09%), etc.

It is important to note that the participation of women workforce has increased at an AAGR of 5.90 percent and that of male workforce has declined by (-) 3.27 percent. The female workforce has recorded higher growth of employment in all segments of the TVC in comparison to male workforce except in Technical Textile segment.

## (iii) Segment wise YoY trend in employment by gender (Male)

The year wise growth rates of employment of male workforce indicates a positive trend in the entire TVC. The AGR increased from 0.52 percent in 2014-15 to 4.22 percent in 2016-17 and further to 3.47 percent in 2017-18. The AGR of employment of male work force in Technical textiles was 5.31 percent in 2014-15 which further increased to 6.16 in 2015-16, 15.38 percent in 2016-17 and 14.17 percent in 2017-18. Besides Technical Textiles, the

segments like Spinning, Weaving, Knitting and Processing have recorded positive AGR during the reference period. The employment of male workforce in composite segment has decelerated in 2014-15 and 2015-16 before accelerating in during 2016-17 vis-à-vis 2015-16 before recording (-) 7.99% in 2017-18. The details are as in Table 4.13

Segments	2014-15	2015-16	2016-17	2017-18	AAGR
Spinning	1.22	6.94	5.46	7.35	5.24
Weaving	3.73	0.96	2.42	2.54	2.41
Knitting	0.14	1.05	1.85	1.34	1.10
Processing	1.07	3.42	7.52	3.47	3.87
RMG	-2.78	10.66	5.09	4.32	4.32
Made-ups	0.25	-0.64	1.09	3.63	1.08
Composite	-4.96	-3.08	2.96	-7.99	-3.27
Technical Textiles	5.31	6.16	15.38	14.17	10.26
All Segments	0.52	3.93	4.22	3.47	3.03

*Source: Analysis from Primary survey*

**(iv) Segment wise YoY trend in employment by gender (Female)**

Segment	2014-15	2015-16	2016-17	2017-18	AAGR
Spinning	2.93	5.49	12.95	6.36	6.93
Weaving	-3.23	10.88	3.59	4.70	3.98
Knitting	0.77	4.96	4.36	2.16	3.06
Processing	1.56	1.93	5.20	12.81	5.37
RMG	6.34	3.40	9.94	8.74	7.10
Madeups	1.36	-0.67	12.72	6.96	5.09
Composite	1.65	-0.81	32.38	-9.60	5.90
Technical Textiles	5.31	3.88	-1.49	2.65	2.59
Total	3.73	4.13	8.62	6.99	5.87

*Source: Analysis from Primary survey*

The year wise growth rates of employment of Female workforce indicates a positive trend in the entire TVC. The AGR increased from 3.73 percent in 2014-15 to 8.62 percent in 2016-17 and further to 6.99 percent in 2017-18.

The AGR of female employment is highest in RMG segment with 7.10

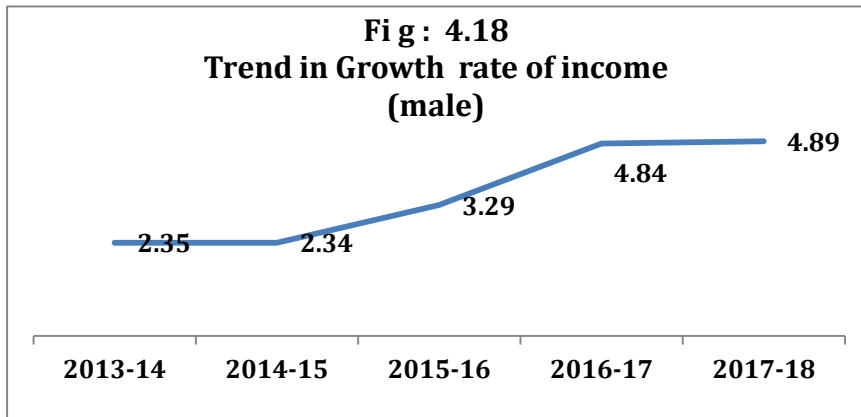
percent during 2014-18 periods. The highest growth rate of 32.38 percent in female employment was observed during 2016-17 period in composite segment and at the same time the growth in spinning and made-ups segment was 12.72 percent and 12.97 percent respectively. Highest decline of 9.60% was witnessed in composite segment during 2016-17 periods. The details are given in Table 4.16.



### 4.3.5 Growth in Income by Gender

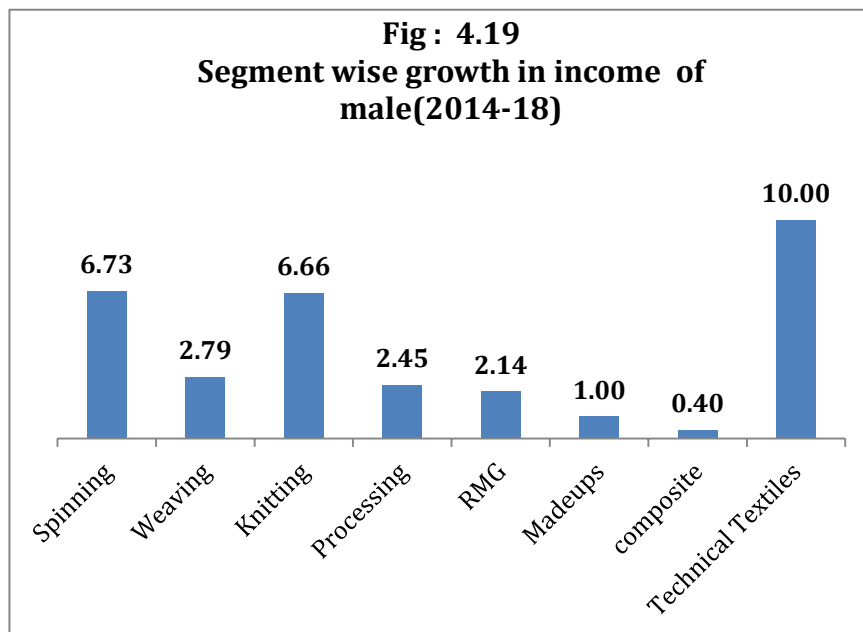
#### (i) Growth in Income (Male)

Income of male workforce has steadily grown as indicated by the trend of growth rates. The AGR in 2014-15 was 2.34 percent which peaked to 4.89 percent in 2017-18.



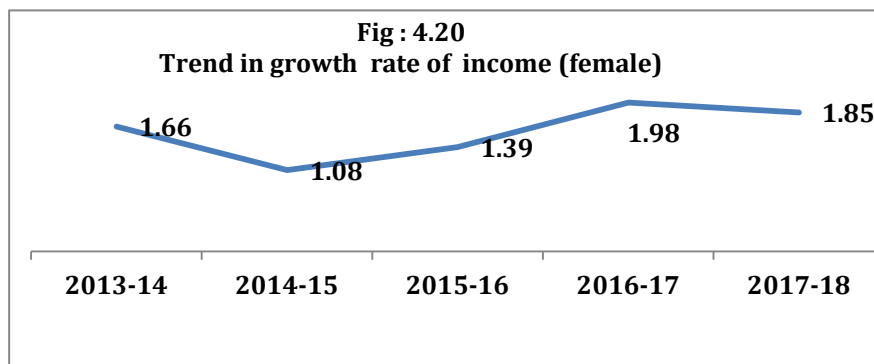
The income of male workforce in the TVC grew at a moderate AAGR of 3.54 percent during 2013-18 periods.

Amongst the different segments, the income of male workforce has recorded highest AAGR of 10 percent in Technical textiles followed by Spinning (6.73%) and Knitting (6.66%) segments. The details are depicted in Fig 4.19. It is important to note that the lowest growth rate in income for male workforce has been registered in the composite mill segment with 0.40 percent AAGR.

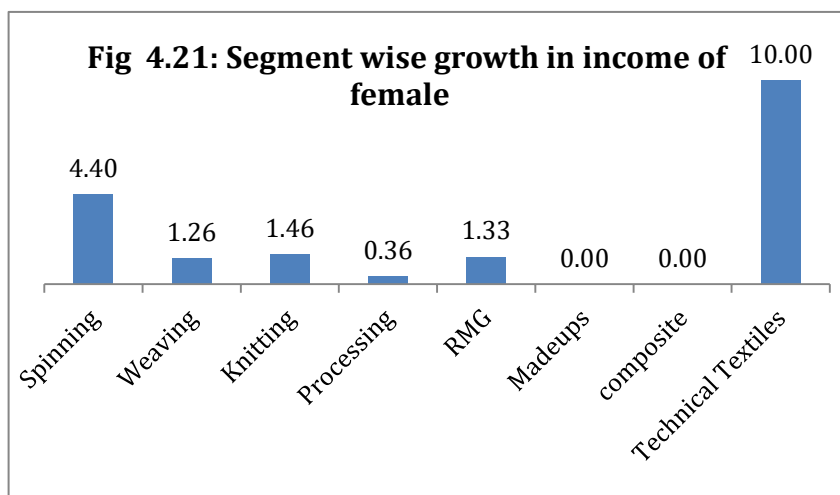


## (ii) Growth in income (Female)

Income of female workforce has steadily grown as indicated in Fig 4.20. The AGR in 2014-15 was 1.08 percent which grew to 1.85 percent in 2017-18. The growth in income of female workforce in the TVC grew



at low AAGR of 1.54 percent during from 2013-18 periods. **It is interesting to note that the growth rate in employment of female workforce is more than their male counterparts, but in case of income growth it is just reverse.**



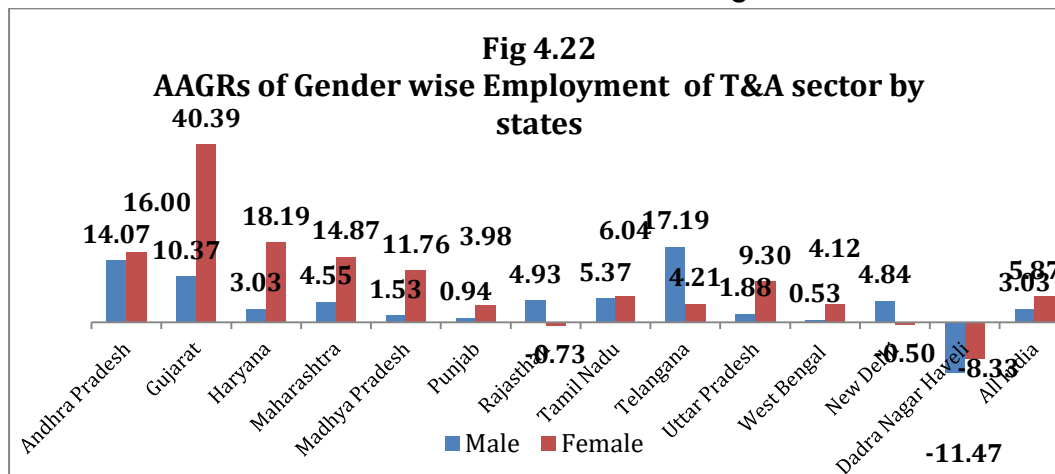
Amongst the different segments, the income has recorded highest AAGR of 10 percent in Technical textiles followed by spinning (4.40%). The details are depicted in Fig 4.21.

### 4.3.6 State wise Growth in Employment by gender (2014-18)

The growth in total employment by gender is observed to be 3.03 percent for male workforce and 5.87 percent for female workforce during 2014-18 periods. The growth in employment of male workforce was highest in states like Telangana (17.10%) and Andhra Pradesh (14.07%) followed by Gujarat (10.37%). However, there is a decline in employment in the Union Territory of Dadra Nagar Haveli with an AAGR of (-) 11.47 percent.

Amongst the Female workforce, growth in employment is highest in the states like Gujarat (40.41%) and Haryana (18.19%) followed by Andhra Pradesh

(16.00%). It is important to note that the Union Territory of Dadra Nagar Haveli has shown a negative AAGR of 8.33 percent and states of Rajasthan and New Delhi has also shown a negative AAGR of 0.73 percent and 0.50 percent respectively. The State-wise details in the employment growth of male and female workforce is shown in Table 4.15 and Fig 4.22



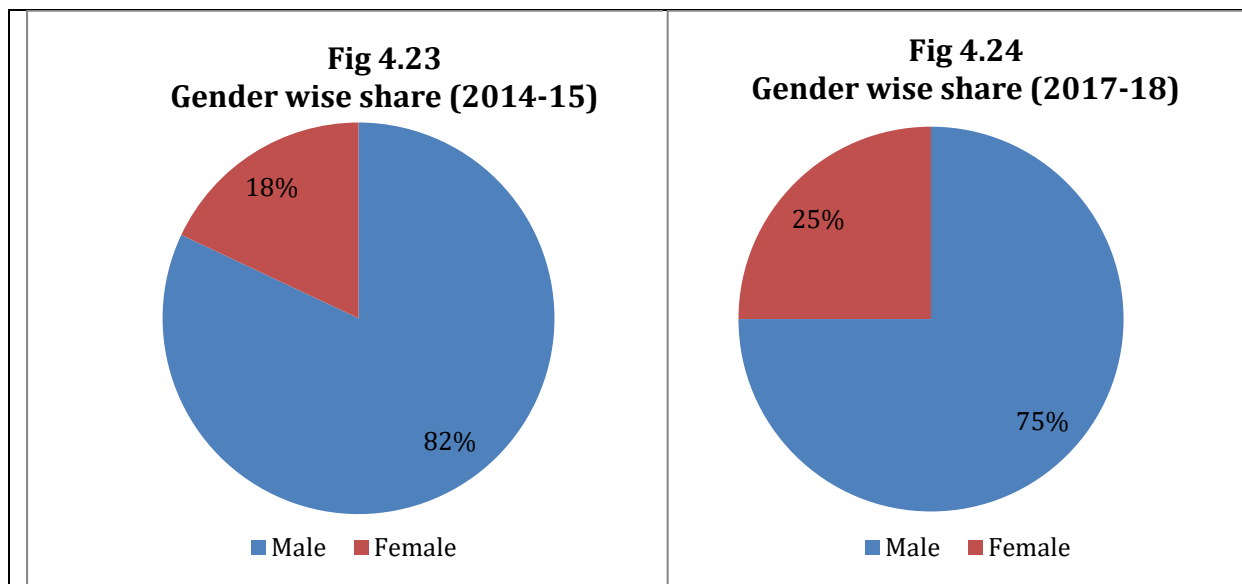
**Table 4.15**  
**State wise growth in employment by Gender**

State	Male	Female
Andhra Pradesh	14.07	16.00
Gujarat	10.37	40.39
Haryana	3.03	18.19
Maharashtra	4.55	14.87
Madhya Pradesh	1.53	11.76
Punjab	0.94	3.98
Rajasthan	4.93	-0.73
Tamil Nadu	5.37	6.04
Telangana	17.19	4.21
Uttar Pradesh	1.88	9.30
West Bengal	0.53	4.12
Delhi	4.84	-0.50
Dadra Nagar Haveli	-11.47	-8.33
All India	3.03	5.87

It is important to note that growth rate of employment of female workforce is more than their male counterparts in the states like Gujarat, Andhra Pradesh, Haryana, Maharashtra, Madhya Pradesh, Punjab, Tamil Nadu, Uttar Pradesh and West Bengal.

### 4.3.7 Growth in share of Employment by gender

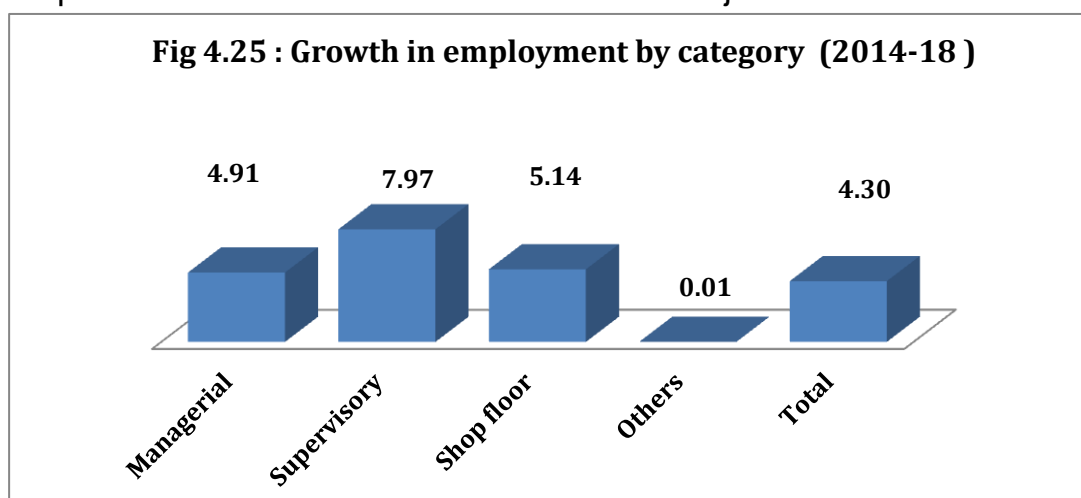
The Employment in T&A across the value chain indicates a high presence of Male workforce. This share declined from 82 percent 2014-15 to 75 percent in 2017-18.



The share of female workforce has increased from 18 percent in 2014-15 to 25 percent in the year 2017-18. It is expected that there will be higher participation of female workforce in the years to come.

### 4.3.8 Growth in Employment by Job Role category

The workforce in the industry has been classified as Managerial, Supervisory, Shop floor and others on the basis of their job roles. The other category

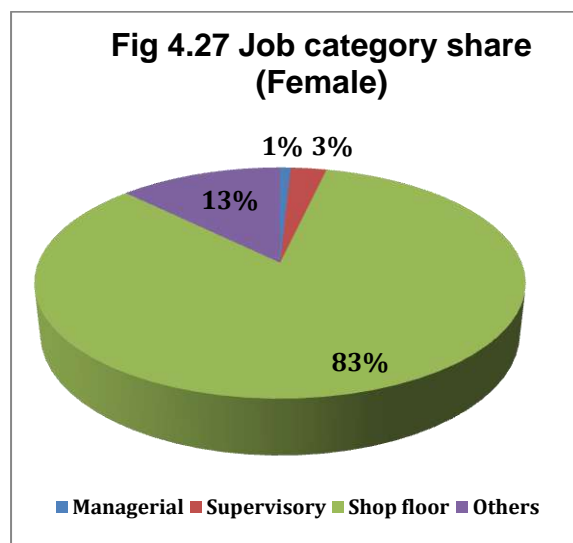
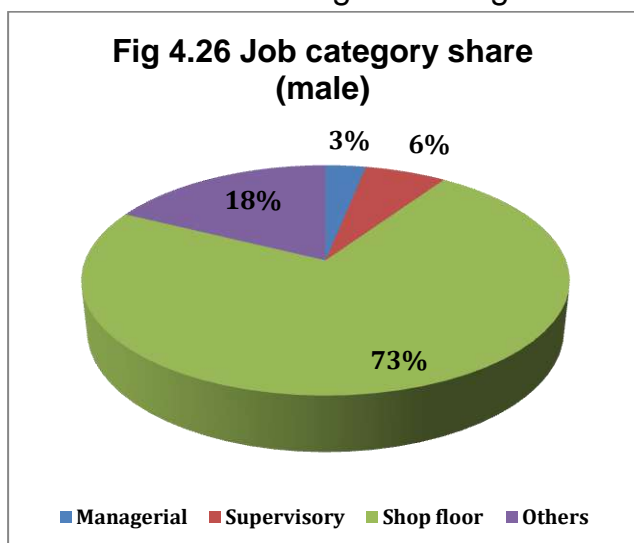


mainly includes helpers, packers, admin staff, etc. The highest AAGR is registered at supervisory level at 7.97 percent followed by shop floor level at

5.14 percent while lowest AAGR was recorded at managerial level with 4.91 percent during 2014-18 periods.

The further analysis on the basis of gender vis-à-vis job role category has been carried out and the details are discussed in the following section:

The employment in textile sector is highest in shop floor category irrespective of gender of workforce with a share of 73 percent for male and 83 percent for female followed by other categories with 18 percent & 13 percent respectively. The details are as given in Fig 4.26 & 4.27.

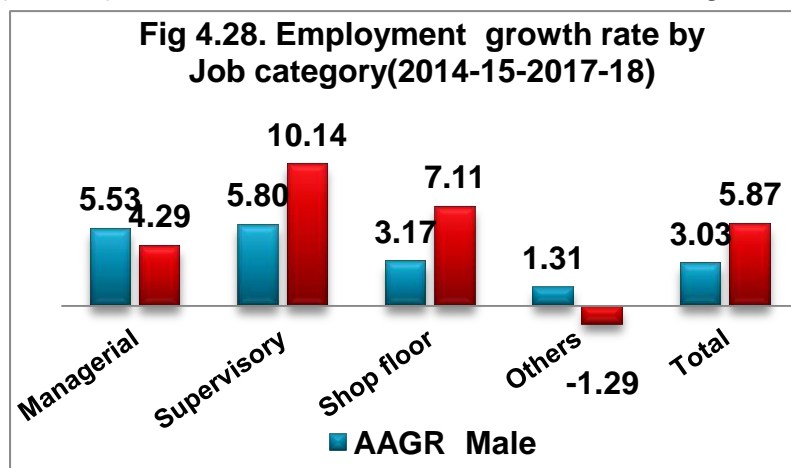


**Table 4.16**  
Category & Gender Annual Growth Rate (AGR) in Employment (%)

Job Role	2014-15		2015-16		2016-17		2017-18		AAGR	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Managerial	1.43	5.30	4.66	3.68	7.21	8.96	8.82	-0.78	5.53	4.29
Supervisory	2.49	8.60	8.06	11.69	5.75	19.45	6.91	0.81	5.80	10.14
Shop floor	1.98	4.73	2.61	4.72	4.96	9.73	3.13	9.24	3.17	7.11
Others	-5.80	-1.80	7.88	0.01	0.38	0.81	2.76	-4.18	1.31	-1.29
Total	0.52	3.73	3.93	4.13	4.22	8.62	3.47	6.99	3.03	5.87

Source: Analysis from Primary survey  
Others\* - Are employees in units as helpers, Admin, Maintenance staff etc.

Overall positive growth in employment for both male (3.03%) and female (5.87%) workforce has been witnessed during 2013-18 periods. The highest



growth for both male and female work force was registered at supervisory level with 5.80 percent and 10.14 percent AAGR respectively.

Though the ratio of Male workforce is higher than that of female workforce, the

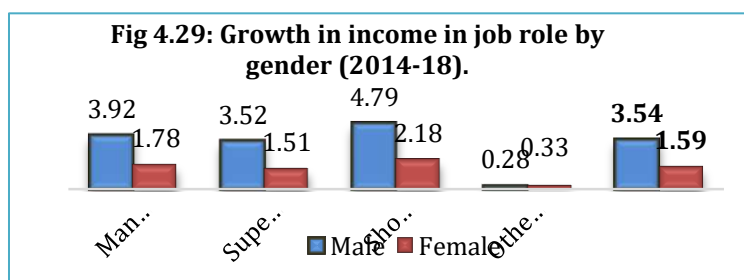
growth rate for female was better than their male counterparts at all levels viz supervisory level (10.14%), followed by Shop floor level (7.11%) as shown in fig.4.26.

The year wise trend in growth in employment of Male Workforce by job category indicates that there was a downward trend in growth rate at all levels except at Supervisory level in the year 2014-15 but has taken an upward trend thereafter from the year 2015-16 till 2017-18. It may also be noted that the growth in employment was at its peak in the year 2016-17. Further it also indicates a consistent trend in growth at all levels from the year 2015-16 till the year 2017-18.

The year wise trend in growth in employment of Female workforce by job category indicates that there was upward trend in growth rate at all levels except at others category (Helper, packing staff etc) for the period from 2014-15 to 2017-18, the growth in employment was at its peak in the year 2017-18.

### 4.3.9 Growth income by Job Role category

The highest growth in income is registered by male work force at shop floor



level with AAGR of 4.79 percent followed by managerial level with 3.92 percent. It is important to note that growth in income for female work force is less than that of their male

counterparts.

### 4.3.10 Growth in employment by Industry size

The Growth in employment in Medium size units is highest which registered a

Category	2014-15	2015-16	2016-17	2017-18	AAGR
Micro	-0.04	-1.84	2.52	2.24	0.72
Small	3.36	3.98	3.57	5.10	4.00
Medium	5.83	7.06	7.27	7.01	6.79
Large	-0.01	3.55	5.27	3.59	3.10
Total	1.24	4.02	5.24	4.28	3.70

Source: Analysis from Primary survey

positive AAGR of 6.79 percent followed by Small size units with an AAGR of 4.00 percent. The Large and Micro size units' registered moderate AAGR of 3.10

percent and 0.72 percent respectively.

The Trend in Growth in employment from the industry categories indicates a consistent positive upward trend in medium size and small size units registering 5.83 percent AGR in 2014-15 to 7.01 percent AGR in 2017-18 for medium size units and 3.36 percent AGR in 2014-15 to 5.10 percent AGR in 2017-18 for small size units.

### 4.3.11 State wise growth in employment by industry category.

#### (i) Micro units

Employment in micro units in the country has recorded a negative growth rate of (-) 0.04 percent in 2014-15 to 2.24 percent in 2017-18. The average growth rate in employment during 2014-18 periods was 0.72 percent. The state wise growth rates in Micro size unit's is as shown in table below.

States	2014-15	2015-16	2016-17	2017-18	AAGR
Gujarat	0.00	44.44	0.00	38.46	20.73
Haryana	-0.41	1.03	5.71	2.51	2.21
Maharashtra	0.00	0.00	0.00	4.65	1.16
Tamil Nadu	0.22	-12.83	9.23	6.85	0.87
Uttar Pradesh	0.00	0.00	0.14	0.75	0.22
All India	-0.04	-1.84	2.52	2.24	0.72

Amongst the states, Gujarat with 20.73 percent has recorded highest growth in employment in micro units followed by Haryana (2.21%) and Maharashtra (1.16%). Major textile producing states of Tamil Nadu and Uttar Pradesh

having a sizeable number of micro units has registered a moderate growth rate of 0.87 percent and 0.22 percent respectively during 2014-18 periods.

**(ii) Small units**

The employment in small size units has recorded a positive growth rate of 3.36 percent in 2014-15 to 5.10 percent in 2017-18. The average growth rate in employment during 2014-18 periods was 4.00 percent. The state wise growth rates in Small size units is as shown in table below.

States	2014-15	2015-16	2016-17	2017-18	AAGR
Andhra Pradesh	0.00	0.00	0.00	0.00	0.00
Gujarat	1.90	15.41	11.81	10.94	10.01
Haryana	0.87	4.82	6.52	4.44	4.16
Maharashtra	22.14	19.94	1.01	0.00	10.77
Madhya Pradesh	0.00	0.00	0.00	0.00	0.00
Punjab	0.21	0.36	15.90	0.88	4.34
Rajasthan	1.53	-0.45	9.26	0.00	2.58
Tamil Nadu	8.25	7.92	5.39	7.44	7.25
Telangana	31.16	26.73	8.16	19.41	21.37
Uttar Pradesh	0.70	0.18	0.56	2.74	1.04
West Bengal	0.00	0.00	0.00	0.00	0.00
New Delhi	5.66	0.60	5.92	0.00	3.04
Dadra Nagar Haveli	-1.82	-27.78	-30.77	14.81	-11.39
All India	3.36	3.98	3.57	5.10	4.00

Employment in Small size units in Telangana has recorded highest growth rate of 21.37 percent followed by Maharashtra (10.77%) and Gujarat (10.01%). The States like Tamil Nadu, Haryana, Punjab have registered moderate growth between 4 – 8 percent AAGR.

**(iii) Medium units**

The employment in Medium size units has recorded a positive growth rate of 5.83 percent in 2014-15 to 7.01 percent in 2017-18. The average growth rate in employment during 2014-18 periods was 6.79 percent. The state wise growth rates in Medium size units is as shown in table below.



States	2014-15	2015-16	2016-17	2017-18	AAGR
Gujarat	5.72	5.19	9.96	14.18	8.76
Haryana	3.05	6.83	7.41	1.54	4.71
Maharashtra	0.00	0.00	0.35	0.00	0.09
Punjab	5.92	1.10	0.95	0.32	2.07
Rajasthan	-0.09	0.65	1.30	0.91	0.69
Tamil Nadu	9.05	4.47	8.50	7.19	7.30
Telangana	12.00	38.43	6.71	-6.38	12.69
Uttar Pradesh	3.56	0.48	11.48	5.51	5.26
West Bengal	0.00	0.00	-2.71	13.77	2.76
All India	5.83	7.06	7.27	7.01	6.79

Telangana with 12.69 percent has recorded highest growth in employment in Medium size units followed by Gujarat (8.76%) and Tamil Nadu (7.30%). The States like Haryana, Punjab, Uttar Pradesh and West Bengal have registered moderate growth between 2 – 6 percent AAGR.

#### (iv) Large units

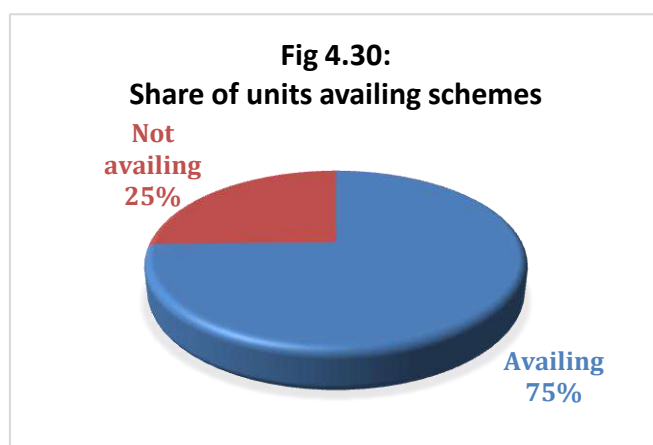
The overall employment growth in large size units has recorded a growth rate of (-) 0.01 percent in 2014-15 which grew to 3.59 percent in 2017-18. The average annual growth rate in employment during 2014-18 periods was 3.10 percent. The state wise growth rates in large size units is as shown in table below.

Segments	2014-15	2015-16	2016-17	2017-18	AAGR
Andhra Pradesh	18.14	-23.45	57.10	0.00	12.95
Gujarat	7.89	-0.87	33.10	14.43	13.64
Haryana	10.78	-6.91	19.71	0.00	5.90
Maharashtra	-6.55	8.09	27.42	-6.68	5.57
Madhya Pradesh	1.02	11.17	-2.57	0.39	2.50
Punjab	-0.94	3.76	0.25	2.27	1.33
Rajasthan	6.23	2.75	7.57	2.85	4.85
Tamil Nadu	0.64	-0.91	14.05	6.78	5.14
Telangana	-17.55	29.47	-5.25	-1.71	1.24
Uttar Pradesh	2.17	16.67	18.71	10.18	11.93
West Bengal	0.00	0.00	0.00	2.97	0.74
All India	-0.01	3.55	5.27	3.59	3.10

Highest growth in employment in large size units is witnessed in Gujarat with 13.64 percent followed by Andhra Pradesh (12.95%) and Uttar Pradesh (11.93%). The States like Haryana, Maharashtra, Rajasthan and Tamil Nadu have registered moderate growth between 4 – 6 percent AAGR. The Growth rate is positive, but less than 3 percent in Madhya Pradesh, Punjab, Telangana and West Bengal.

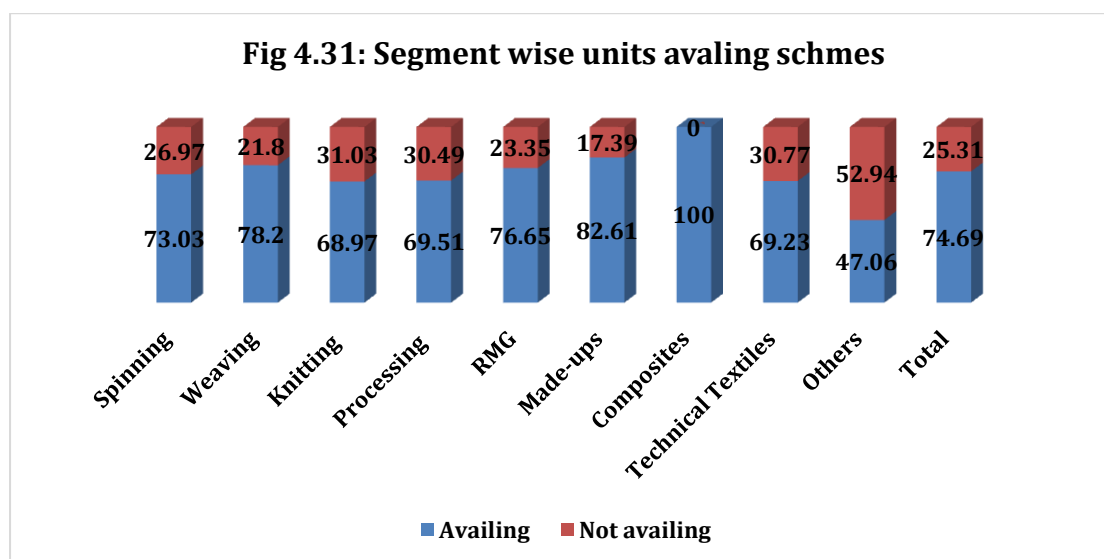
#### 4.4 Impact of Government Initiatives

Impact of government initiatives on employment, income, investment, production in the sector was assessed. Around 75 percent of the units covered under the study reported availing of benefits under government schemes while 25 percent have not availed any of the government schemes.

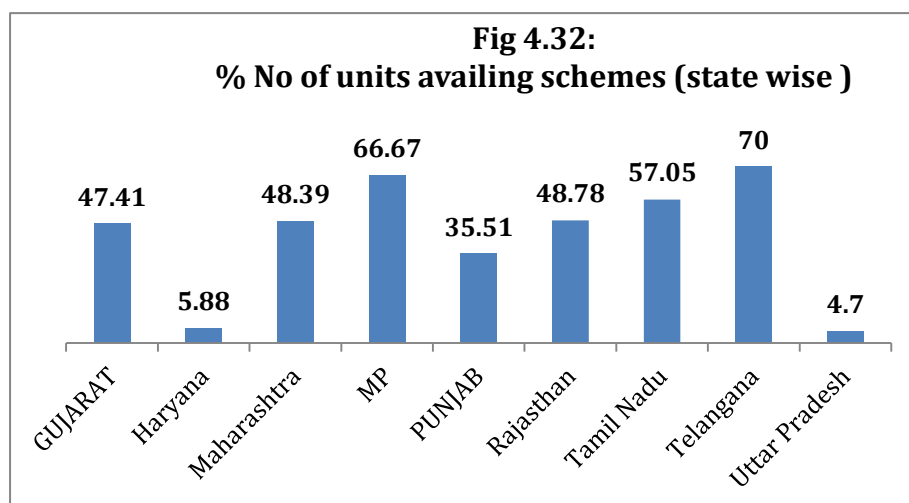


All composite units enumerated under the study have availed the benefits. On the other hand, 82.61 percent made-up units followed by Weaving (78.2%), RMG (76.65%), Spinning (73.03%), Processing (69.51%), Technical Textiles (69.23%) and Knitting (68.97%) have availed government schemes.

It is important to note that only 47.06 percent of the units from preparatory to weaving and value addition segments such as embroidery have availed the schemes.



Amongst the states, Telangana tops the list with 70 percent of its units have availed benefit under various government schemes followed by Madhya Pradesh



Pradesh (66.67%), Tamil Nadu (57.05%), Rajasthan (48.39%), Maharashtra (48.38%) and Gujarat (47.41%). As such, major textile producing states have availed the

benefits of the government schemes/initiatives in the process of strengthening their production initiatives.

The manufacturing units availed the different schemes of the Government have been bifurcated between different states. Amongst the states, Telangana tops the list with 70 percent of the surveyed units availing the schemes followed by Madhya Pradesh with 66.67 percent units. Tamil Nadu is the other prominent state where 57.05 percent availed the schemes. The figures for other prominent states are Rajasthan with 48.78 percent, Maharashtra with 48.39 percent and Gujarat with 47.41 percent.

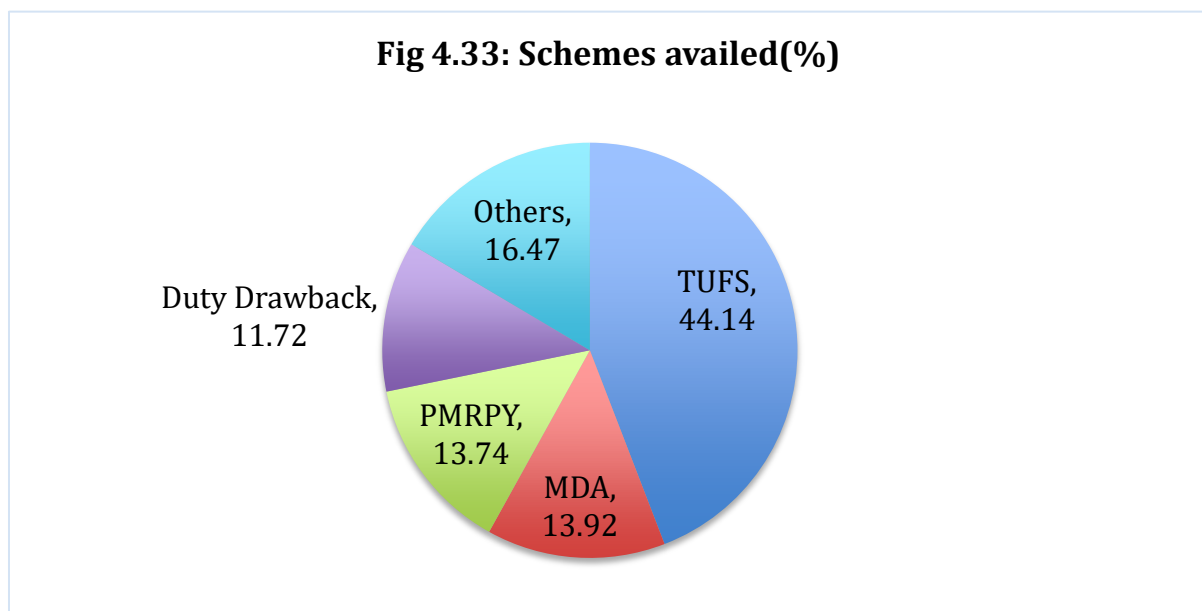
On the other hand, only 5.88 percent units in Haryana followed by Uttar Pradesh (4.70%) have availed the benefits of the government schemes during the period. **Hence, the distribution of the scheme benefits among the beneficiary industries across the sector is not uniform.**

The Technology Upgradation Fund Schemes (TUFS) with a share of 44.14 percent is the topmost scheme availed by textile sector of the country followed by Market Development Assistance scheme (MDA) under Department of Commerce of Ministry of Commerce and Industry with 13.92 percent share. While the schemes like Pradhan Mantri Rozgar Protsahan Yojana (PMRPY) under Ministry of Labour & Employment and Duty draw back scheme under Central Board of Indirect Taxes (CBIC) of Ministry of Finance also have a good share of 13.74 percent and 11.72 percent respectively.

Other schemes availed by the sector are Power subsidy schemes of state government (4.76%), Export Promotion of Capital Goods (EPCG) (4.03%) and

Merchandise Export from India Scheme (MEIS) (2.20%), Market Access Initiative (MAI) (0.92%), Rebate of State and Central Taxes and Levies (RoSCTL) (0.72%), Employees Provident Fund Scheme (EPF) (0.55%), Interest subvention scheme (0.55%), Integrated Skill Development Scheme (ISDS) (0.55%), Group Insurance Schemes (GIS) (0.37%) for powerloom workers, Scheme for Technology and Quality Up gradation (TEQUP) (0.37%), In Situ Up gradation scheme, Power-TexCFC, Tex venture fund, Employees State Insurance (ESI) under Employees State Insurance Act, 1948 for wages less than 15000 per month, Pradhan Mantri Mudra Yojana (PMMY), Pradhan Mantri Causal Vikas Yojana (PMKVY), New Entrepreneurship development scheme have share of 0.18 percent each.

The analysis for impact assessment of textile sector initiatives on investment, production, employment and income has been carried out by comparing average per unit investment, production, employment and income in segments and by size of the unit (i.e. Micro, Small, Medium and Large) followed by growth rate and trend of growth for the period 2014-15 to 2017-18. The details are as given below:



#### 4.4.1 Impact on investment

The average investment across the TVC is recorded at Rs. 55 Cr. per unit for units availing schemes while it is Rs. 8.6 Cr. for units not availing schemes. The average investment per unit in Textile sector for both availing and not availing schemes is Rs. 43.49 Cr. Amongst the units availing schemes,

highest per unit average investment is by Composite segment with Rs.

Segment	Availed units	Not Availed units
Spinning	165.92	33.25
Weaving	34.27	5.05
Knitting	19.73	1.71
Processing	32.44	11.16
RMG	8.4	1.52
Madeups	21.36	1.4
Composite	1293.64	NA
TT	55.87	10.98
Others	388.98	4.14
Total	55	8.6

*Source: Analysis from Primary survey*

1293.64 Cr. followed by spinning (Rs. 165.92 Cr.), Technical Textiles (Rs. 55.87Cr.), Weaving (Rs.27 Cr.), Processing (Rs. 32 Cr.), Made-ups (Rs. 21.36Cr.)and RMG (Rs. 8.4 Cr.). It is important to note that average investment in units availing schemes is 6.1 times more than units not availing schemes. The segment wise investment of units not availing schemes are as shown in Table 4.22.

The average per unit investment by size of the unit indicates that the investment of schemes availing units is less than that of units not availing schemes for Micro and small units. Average investment by Micro units not availing schemes is Rs. 0.54 Cr. which is 1.58 times more than that of units availing schemes at Rs. 0.34Cr. In Small scale unit's category, the average investment of units not availing schemes is Rs.16.66 Cr. per unit, which is 8.1 times more than that of units availing schemes (Rs. 2.08 Cr.).

It is important to note that average investment of units not availing schemes is more across all segments in the TVC. Hence, it can be concluded that Textile sector schemes are majorly availed by units of medium and large enterprises, the medium category units availing schemes have an average investment of Rs. 12.29 Cr. per unit which is 1.08 times more than that of units availing schemes. However amongst segments like processing, weaving and spinning the average investment is less than that of unit not availing schemes as shown in table below. The large-scale category of units have an average investment of Rs 249.75 Cr. per unit which is 8.8 times more than that of units not availing schemes and is seen across the segments except spinning. The details are as given below:

Table 4.23  
Investment in Units by Size

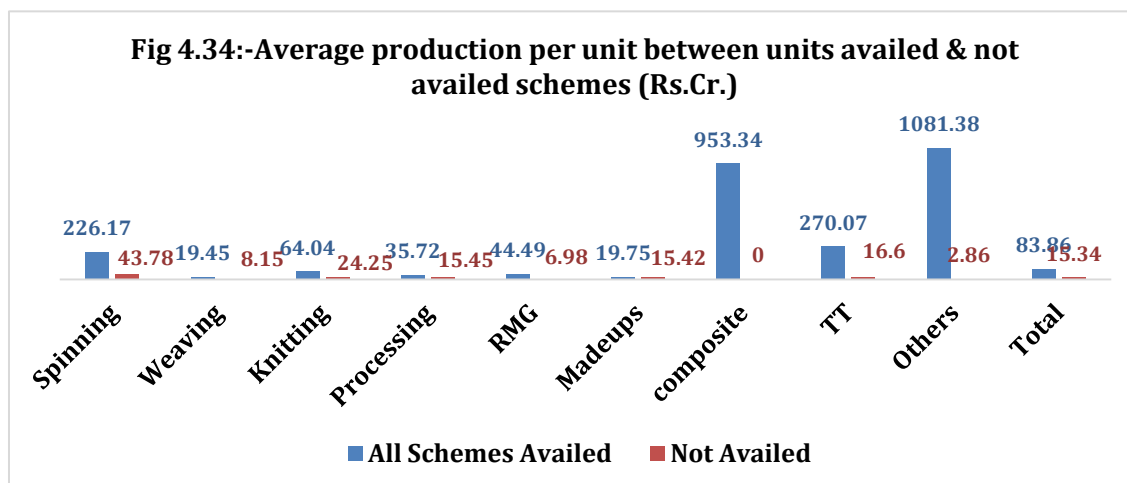
Segments	MICRO		SMALL	
	Schemes Availed units	Not Availed units	Schemes Availed units	Not Availed units
Spinning	NA	0.34	3.31	32.45
Weaving	0.18	0.61	1	26
Knitting	0.45	0.25	2.9	12.31
Processing	NA	0.84	8.95	34.97
RMG	1.37	0.54	2.71	4.48
Madeups	0.15	0.05	0.8	0
Composite	NA	NA	NA	NA
Technical Textiles	NA	NA	3.67	NA
Others	0	0.06	1.24	3.38
<b>Total</b>	<b>0.34</b>	<b>0.5</b>	<b>2.08</b>	<b>16.66</b>
	MEDIUM		LARGE	
Spinning	20.97	22.34	286.62	343.82
Weaving	9.41	11.2	374.12	4.07
Knitting	11.81	0	51.79	2.85
Processing	11.93	32.83	104.83	1.1
RMG	10.73	1.54	26.11	0
Madeups	3.31	2.75	64.98	0
Composite	16.4	NA	1932.26	NA
Technical Textiles	13.04	NA	129.87	NA
Others	NA	15.2	3104.45	0
<b>Total</b>	<b>12.29</b>	<b>11.37</b>	<b>249.75</b>	<b>28.28</b>

*Source: Analysis from Primary survey*

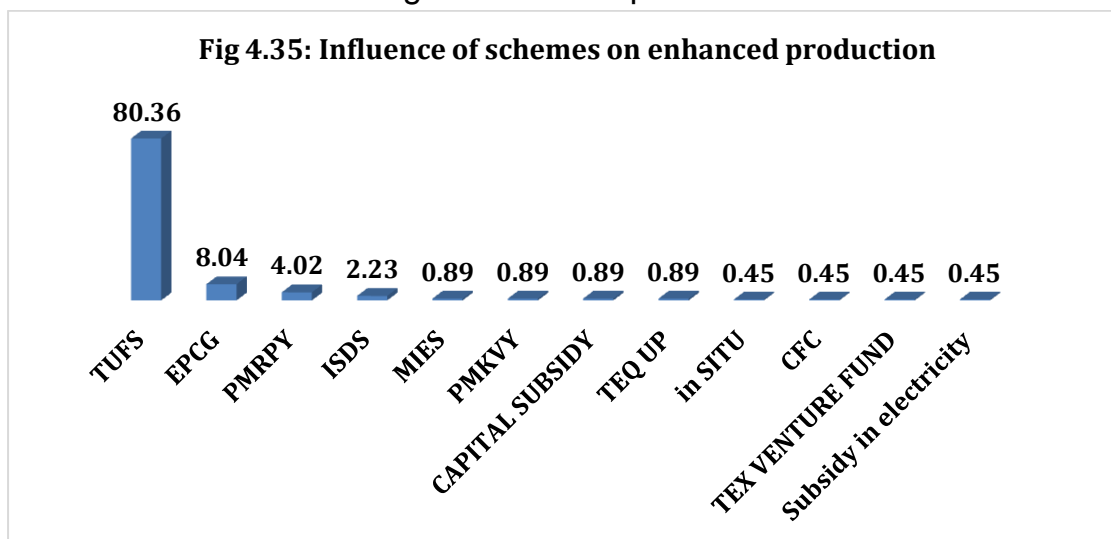
#### 4.4.2 Impact on Production

The average production in value terms across the TVC is recorded at Rs. 66.73 Cr. The production of units availing schemes is Rs. 83.86 Cr. per unit while it is Rs. 15.34 Cr. for units not availing schemes. Segment wise production amongst the units availing schemes indicates that, highest production is in others segment (i.e., Preparatory, embroidery, etc) with Rs. 1081.38 Cr per unit followed by composite segment (Rs. 953.34Cr.), Technical Textiles (Rs. 270.07 Cr.), Spinning (Rs.226.17 Cr.), Knitting (Rs.64.04Cr.), Processing (Rs. 35.72 Cr.), Made-ups (Rs. 19.75 Cr.), RMG (Rs. 44.49 Cr) and weaving (Rs 19.45Cr.). It is important to note that the units availing schemes has **5.46 times more average production per unit** than units not availing schemes. The segment wise production of units not availing schemes are as shown in fig 4.34.

Amongst the schemes availed units, 80.36 percent have reported that the



TUFS has helped the most in enhancing production followed by EPCG with 8.04 percent, PMRPY scheme with 4.02 percent, ISDS with 2.23 percent, MEIS with 0.89 percent. It is important to note that besides TUFS, EPCG scheme is also contributing in enhanced production in the sector.

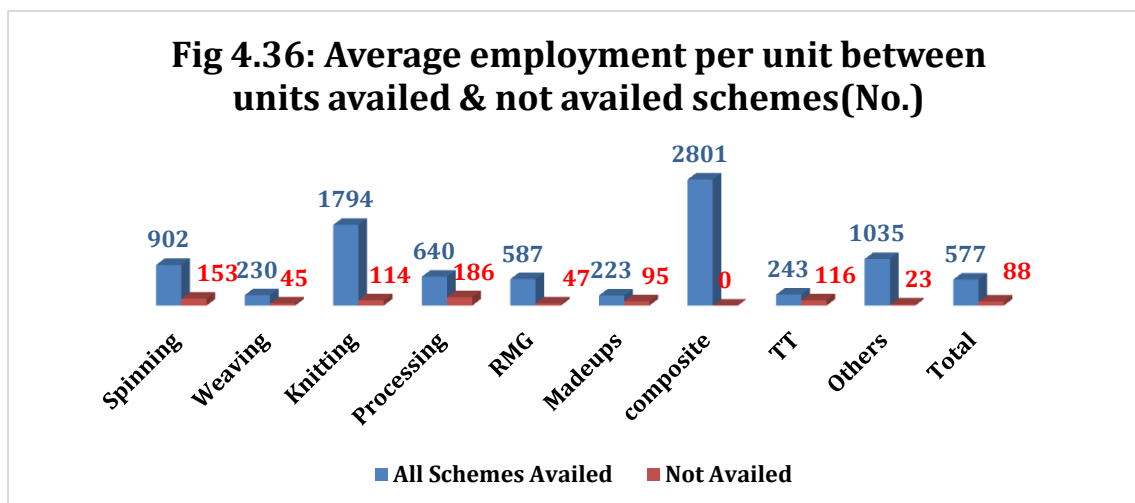


### 4.4.3 Impact on Employment & Skills

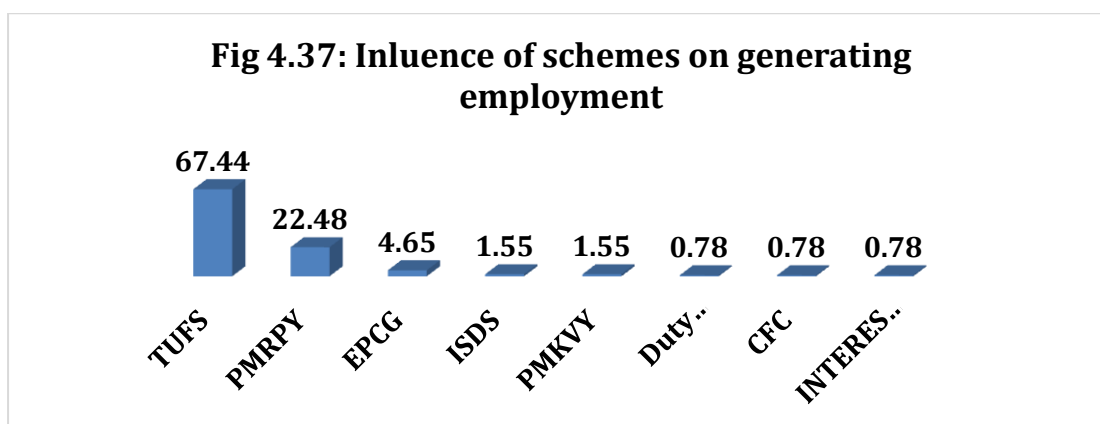
Employment across the TVC is recorded at 577 persons per unit for units availing schemes while it is 88 persons for units not availing schemes. The average employment in Textile sectors both availing and not availing schemes is 454 persons. Amongst the segments highest employment per unit is 2801 person sin composite followed by Knitting (1794), others (1035), spinning (902), Processing (640), RMG (587), Made-ups (223), Technical Textiles (243) and Weaving (230). It is important to note that the **units availing schemes has created 6.55 times more employment** than units not availing

schemes. The segment wise employment per unit of units not availing schemes are as shown in fig 4.36.

Amongst the schemes availed units, 67.44 percent have reported that the TUFs scheme have helped the most in generation of employment followed by



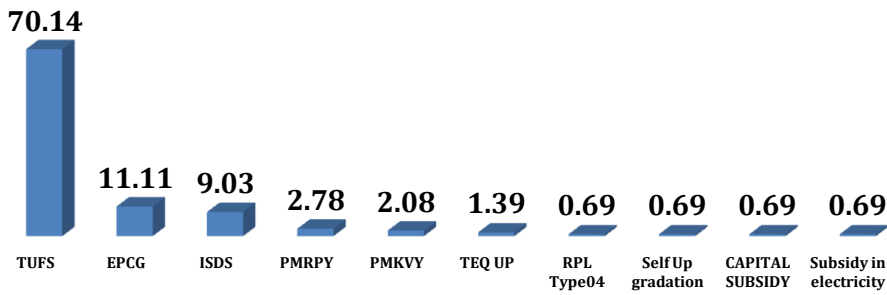
PMRPY (22.48%), EPCG (4.65%), ISDS (1.55%), etc. It is important to note that besides TUFs, PMRPY scheme is also contributing in generating employment in the sector.



Further, among the schemes availed units, 70.14 percent have reported that the TUFs has helped the most in upgradation of skills followed by EPCG (11.11%), ISDS (9.03%), PMRPY (2.78%). It is important to note that eventually the scheme for up-gradation of skills is ISDS but only 9.03 respondents have found helping in up-gradation of skills.



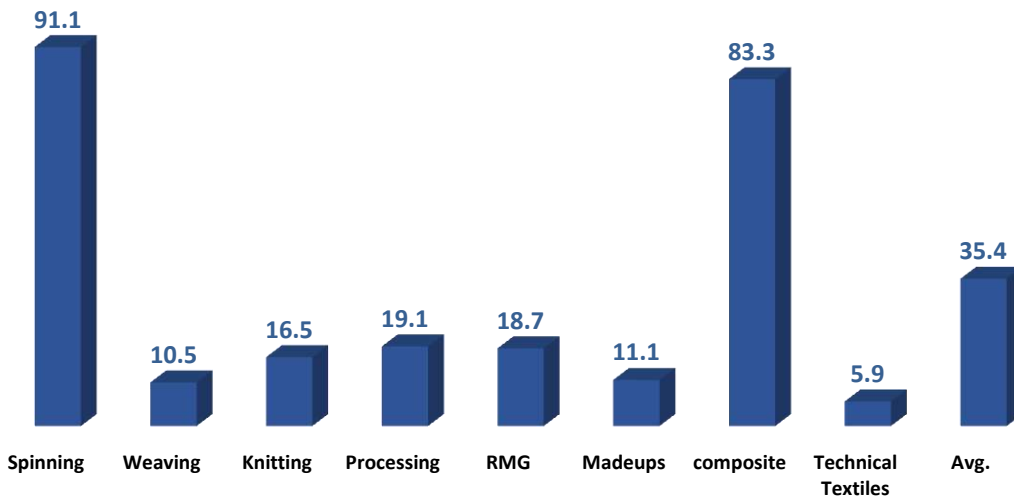
**Fig 4.38: Influence of schemes on skill upgradation**



#### 4.4.4 Additional/new employment generation in the TVC

The consolidated average additional employment generated by the TVC after availing schemes is 35.4 percent. Among the segments highest new employment generated is by spinning segment with 91.1 percent, followed by composite segment with 83.3 percent, while the new or additional employment generated by other segments is comparatively low in weaving(10.5%), knitting(16.5%), processing(19.1%), RMG(18.7%), Made-ups(11.1%) and Technical Textiles (5.9%) as shown in the fig 4.39.

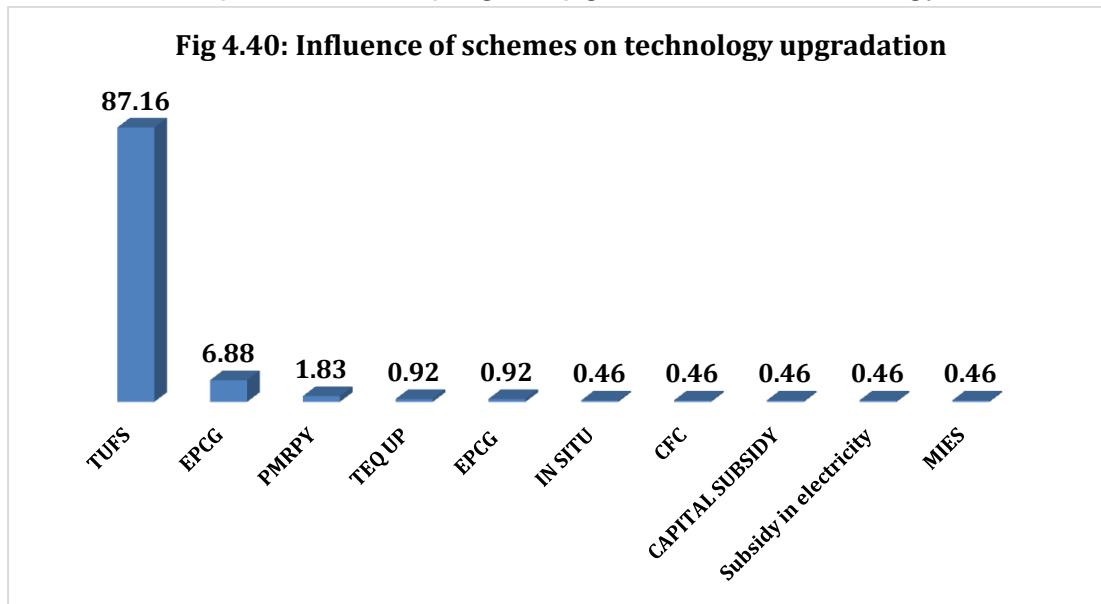
**Fig 4.39: Additional Employment generated in TVC after availing schemes (%)**



#### 4.4.5 Influence of schemes on Technology Up-gradation

Among the schemes availed units, 87.16 percent have reported that the TUFs scheme has helped in upgradation of technology. It is important to note that apart from TUFs some respondents have also found TEQUP scheme meant

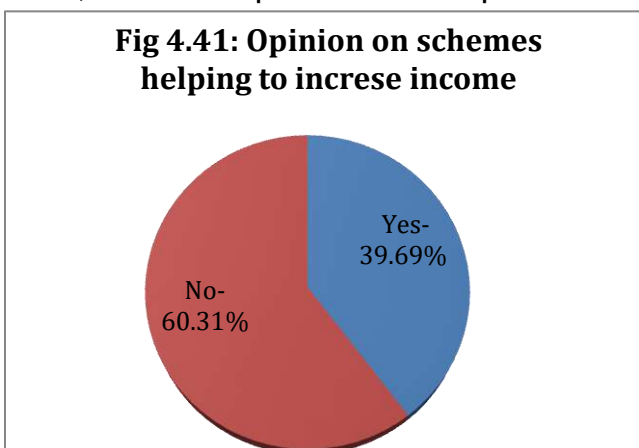
for technology and quality up-gradation under Ministry of Micro, Small & Medium Enterprises also helping in upgradation of technology.



#### 4.4.6 Schemes helped in enhanced income

Efforts were also made to assess the perception of the industries across the value chain about the applicability and sufficiency of the govt. initiatives in strengthening industry in general and income in particular. The information received from the stakeholders provides indications on the pros and cons of the government initiatives on various important parameters besides recording the requirements of industry in strengthening value chain of the sector.

The survey probed the manufacturing units whether the implementation of the schemes has helped to increase the income of the workers or not. At all India level, only 39.69 percent of the units opined that the implementation of the schemes has helped to increase the income of the workforce. A majority of the units, i.e. 60.31 percent has reported that the implementation of the schemes



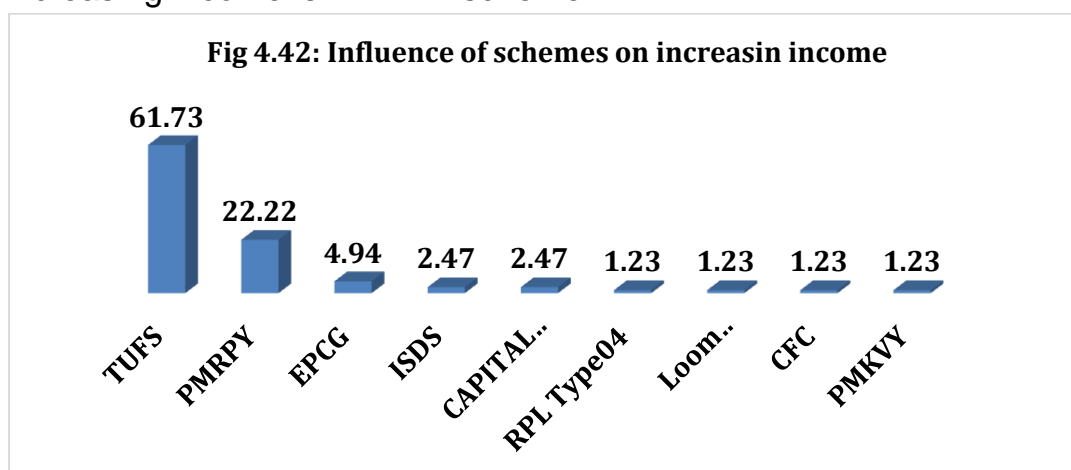
has not helped in increasing the income of the workforce.

Amongst the states, all the units surveyed in Maharashtra and Madhya Pradesh have opined that implementation of various schemes has helped in increasing income. About 59.46 percent of units in Gujarat followed by

Telangana (46.15%), Tamil Nadu (29.35%), Uttar Pradesh (22.22%) and Punjab (7.69%) have opined the same. The wide variation may be linked to requirement of the industry and applicability/ suitability of the schemes for manufacturing units across the state.

Similarly, among different segments, 100 percent of Composite units were of the opinion that schemes have helped in increasing income of the workforce. The other segments like Processing (59.09%), Weaving (47.83%), Spinning (41.3%), Knitting (31.82%), Technical Textiles (30%), Made ups (28.57%) and RMG (18.87%) reported that schemes have helped in increasing income of the workforce.

Among the schemes availed units, 87.16 percent have reported that TUFSS scheme has helped the most in increasing income of the unit followed by PMRPY with 22.22 percent, EPCG scheme with 4.94 percent, ISDS with 2.47 percent. It is important to note that apart from TUFSS the other scheme helping increasing income is PMRPY scheme.



The section below provides details of the flagship schemes like Technology Upgradation Fund Scheme, Pradhan Mantri Rojgar Protsahan Yojana and Handloom Reservation Act and its impact on employment, production, etc.

#### 4.5 Technology Upgradation Fund Scheme (TUFSS)

The Technology Upgradation Fund Scheme (TUFSS) was introduced in the year 1999 to augment the Productivity, Quality, Investments and Employment in the textiles sector. In the initial stages it was basically a credit linked scheme with the facility of interest re-imburement facility.

The First Phase of TUFS Scheme was implemented during the period from April 1999 to 31 March 2004. Subsequently, this was extended up to March 2007. Provision for five percent interest reimbursement on the Loans for Modernizations / Capacity Expansions was introduced initially under the Scheme.

Later from January 2002, provision for 12 percent Credit Linked Capital Subsidy in lieu of 5 percent Interest Re-imbursement option was incorporated for the SSI & Jute sectors. From November 2003, an additional option of 20 percent Credit Liked Capital Subsidy (CLCS) in lieu of 5 percent Interest Re-imbursement, with a cap of Rs 60 lakhs on the cost of machinery, was introduced for the small scale units in the Power loom sector to give boost to the weaving sector for adopting the state of art technology as this was one of the weak links in the Textiles Value chain.

Subsequently from Jan 2005 this ceiling was raised from Rs. 60 Lakh to Rs. 1 Crore. During 2005-06, provisions of 10% capital subsidy in addition to 5 percent Interest Reimbursement were made for Modernization of Processing sector with specified processing machinery.

Apart from the above provision of availing 5 percent Interest reimbursement, 15 percent CLCS or availing 20 percent CLCS was also available during this initial period for the specified sectors. Apart from the above, for units availing foreign currency loan the scheme also had the provision to cover for Foreign Exchange Rate fluctuation up to 5 percent initially for all sectors, which later was made 4 percent for Spinning sector. For the implementation of TUFS scheme, fiscal provisions for Rs 1270 Crores was made in the Tenth Five-year plan

The **Second Phase** of TUFS is termed as **Modified TUFS (MTUFS)** from April 2007 to March 2010. During the first phase of TUFS the Spinning sector upgraded the technological levels to the Global standards by adopting and installation of the state of art Technology. The modifications were in shape of additional Capital Subsidy of 10% for the segments of Technical Textiles & Garments, along with continuation of all earlier provisions. One significant development was the costs of Land, Factory Building, Pre-operative expenses & Margin money for the Working capital were made ineligible for most of the sectors, except for the Apparel & Handlooms. During this period the focus was to develop the Weaving, Technical Textiles & Garments.

The **Third Phase** of TUFs is termed as **Restructured TUFs (RTUFs)** from 28-4-2011 to 31-3-2012 with an overall subsidy cap of Rs 1972 Crores (Up to 31-3-2012) with sectoral investment cap of 26% for Spinning, 13% for Weaving, 21% for Processing, 8% for Garmenting and 32% for others. Under R-TUFs the subsidy was 5% interest re-imbursment in general except for Spinning sector for which the interest re-imbursment was at the rate of 4%. For brand new Shuttle less looms, 10% Capital Subsidy was extended in addition to 5% Interest Re-imbursment.

The **Fourth Phase** of TUFs is termed as **Revised Restructured TUFs (RR-TUFs)** from 1-4-2012 to 11-7-2016 with a budgetary allocation of Rs 11952.80 Crore. The major focus of the scheme, under 12<sup>th</sup> Five Year Plan is Weaving/Power loom sector. The subsidy rate for Power loom under RR TUFs for brand new Shuttle less loom is 6% Interest Re-imbursment (IR) plus 15% Capital Subsidy (CS), in place of earlier 5% IR and 10% CS and the Margin Money Scheme (MMS) increase to 30% from 20% for MSME, along with the continuation of earlier provisions as per R-TUFs.

The Fifth Phase of TUFs is termed as Amended TUFs(A-TUFs) and is in effect for a period of 6 years and 3 months (13.01.2016 to 31.03.2022) with a budgetary provision of Rs 17,822 crores, of which Rs 12,671 is allotted towards the committed Liabilities and Rs 5151 crores for new cases under ATUFs. The provisions are expected to bring about an Investment of Rs 1 lakh crore in the Textiles Industry, creating an additional employment for 30.51 Lakh persons. The Scheme has provision of one time capital Subsidy @ of 15% subject to a cap of Rs 30 crores for benchmarked machinery of the Garmenting and Technical textiles sectors as they have got higher employment & export potential. The other sectors, such as Weaving for brand new Shuttle less looms (including Weaving preparatory and knitting), Processing, Jute, Silk and handlooms are entitled for subsidy @ 10% subject to a cap of Rs 20 crores.

Amongst all the variants of TUFs, budgetary allocation is highest under ATUFs. TUFs has attracted many eye balls and highest number of projects was proposed to be implemented under TUFs with a total project cost of Rs 104115 crores. All variants of TUFs have generated an overall employment of 4.765 million.

Sr. No	Schemes	Budget allocated	Project cost
1	TUFs	1270	104115
2	Modified TUFs( MTUFs) *	9445.3	103632
3	Restructured TUFs (RTUFs)	1972	24761
4	Revised Restructured TUFs (RRTUFs)	11952.8	36562
5	Amended TUFs(A-TUFs)	17,822	54833.32
	Total	42462.1	323506.32

Source: - Derived from progress of TUFs from /\* data of subsidy subsidy released.  
Note: data is summed year wise for ongoing schemes for the period.

Budgetary allocation of Rs 33017 crores has been made under all the variants of TUFs which attracted a committed investment of Rs 323506.32 crores. Total subsidy released was Rs 26828.79 crores which is 8.29% of the project cost.

It is to be mentioned here that TUFs till date has generated 10.99% of total employment (450 lacs) in the entire TVC.

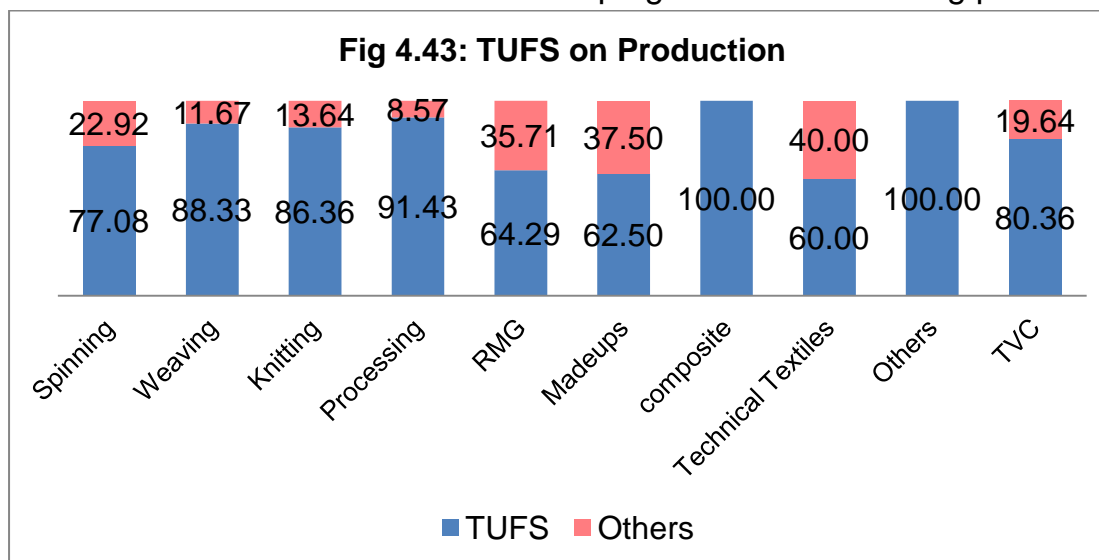
#### 4.6 Impact of TUFs

Of the total units availed the TUFs in the country, about 27.43 percent belongs to Tamil Nadu followed by Gujarat (26.20%), Punjab (18.86%), Rajasthan (11.43%), etc. The primary data revealed that about 27.43 percent weaving units have availed the benefits of TUFs scheme followed processing (20%), RMG (17.71%), spinning (16.00%) and knitting (10.29%). The share of units belonging to Made-ups, Composite mills, Technical Textiles and Non-woven are less than 5 percent.

##### 4.6.1 Impact on enhancing production

As per industry opinion there is a positive impact of TUFs on enhancing production in the entire TVC with 80.36 percent responding in favor of the scheme. Among the segments, 100 percent of Composite & Others, 91.43 percent of Processing, 88.33 percent of Weaving, 86.36 percent of Knitting segments responded positively on TUFs influence on enhancing production. Further, it is important to note that units in segments of RMG and Made-ups opined lowest 64.29 percent and 62.50 percent respectively in favour of TUFs helping in enhancing production.

It is important to note that amongst various schemes availed by the manufacturing units in different segment of the industry, it is noticed that TUFs is the most useful scheme in helping units for enhancing production.

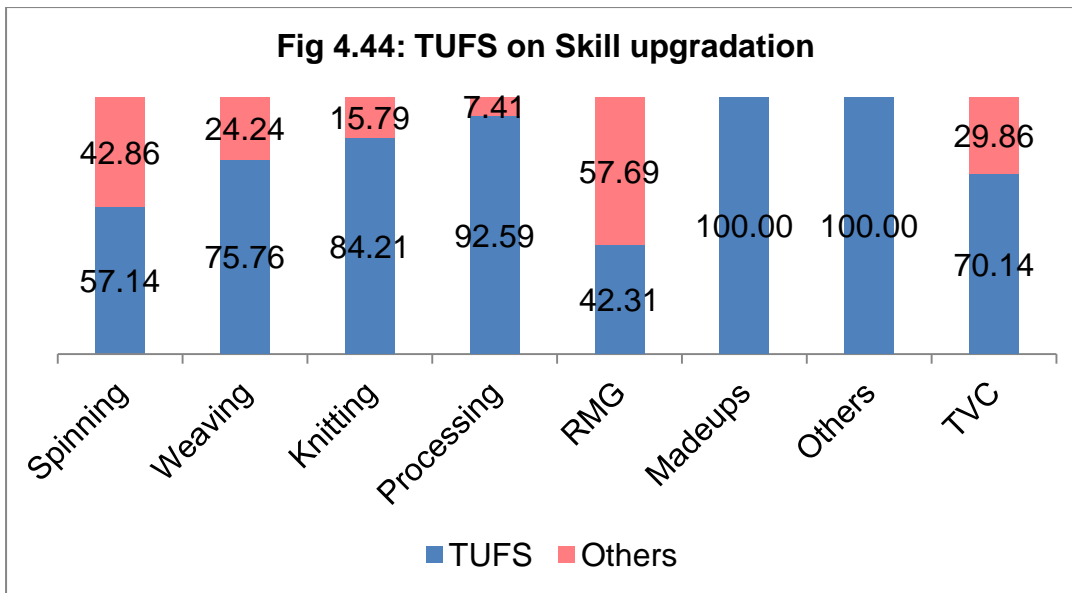


The average production of units availing TUFs is Rs.133.95 Cr. per unit while unit's not availing schemes is Rs.15.3 Cr. The size wise analysis indicates that average in large units is Rs.329.92 Cr per unit. The Small category unit's not availing schemes having production with 4.65 times that of availing units. The size wise details of production amongst the units availing and not availing schemes are as given in Table 4.25.

Type of Units	Micro	Small	Medium	Large	All
TUFs Availed	4.20	6.99	48.38	329.92	133.95
All Schemes availed	3.24	12.83	42.51	326.91	83.86
Not Availed	1.10	32.56	21.73	45.98	15.34

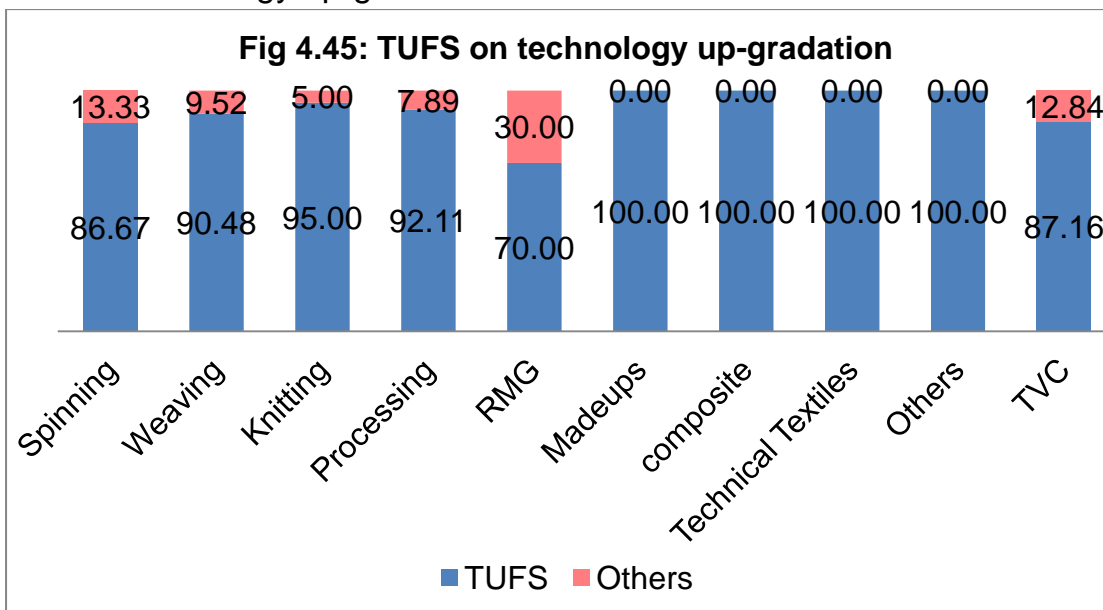
#### 4.6.2 Impact on Skill upgradation of the Manpower

Also 70.14 percent of respondents have opined positively in favour of TUFs on its influence on up grading skills of workforce. Among segments 100 percent of Composite & Made-ups, 92.59 percent of Processing, 75.76 percent of Weaving, 84.21 percent of Knitting responded positively with TUFs helping them in skill up-gradation while it is important to note that units in segment of RMG opined lowest with only 42.31 percent favour of TUFs helping in skill up gradation. Hence, the segments with more technology oriented units have benefited more from TUFs in the process of upgrading skill of the manpower.



#### 4.6.3 Impact of TUFs on Technology Up-gradation

One of the major objectives of the TUFs is to support industries in acquiring latest available technology for enhancing production and productivity. Of the surveyed units, about 87.16 percent were of the opinion that TUFs has helped them in technology up-gradation on the units



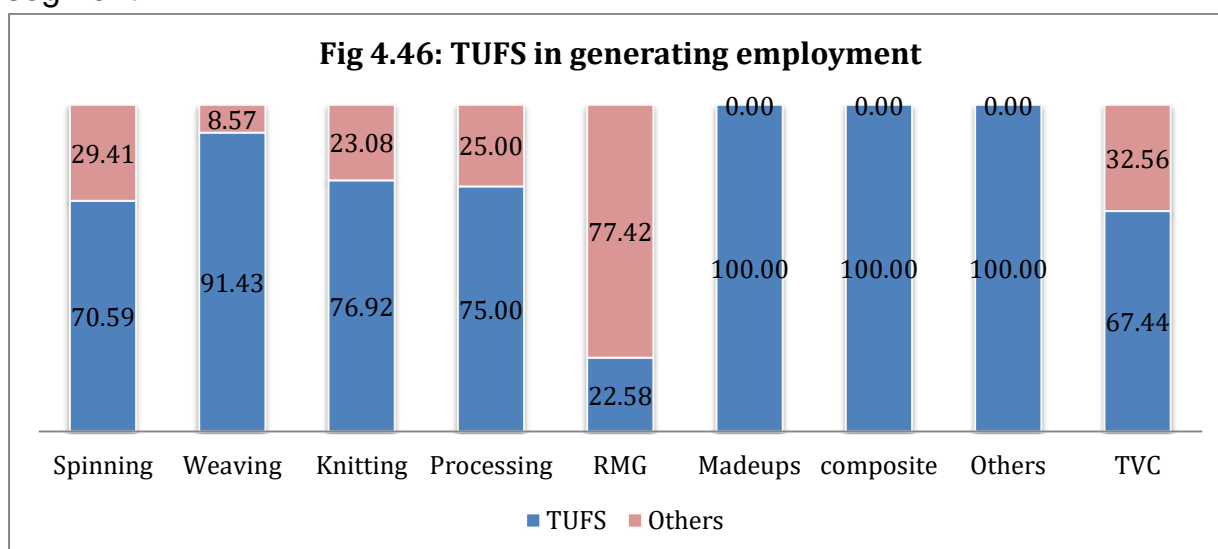
Efforts were also made to assess the impact on different segments of the TVC. It is noticed that 86.67 percent spinning units appreciated the outreach and effectiveness of the scheme in technology up-gradation of the industry. This percentage of units in case of weaving was 90.48 percent, Knitting 95 percent, Processing 92.11 percent and RMG 70.00 percent. Even almost all units enumerated in Made-ups, Composite and Technical Textiles have



appreciated the effectiveness of the scheme in addressing the need of technology up-gradation of the industries, hence, TUFs has emerged as the most successful scheme for technology up-gradation in the TVC.

#### 4.6.4 Impact of TUFs on Employment generation

The usefulness of TUFs in generating employment across the TVC was also examined with manufacturing units during the survey. It is noticed that, 67.21 percent of the respondents were of the opinion that TUFs was useful for generating employment in the sector. Among segments 100 percent of units in made-ups, Composite, Others opined that TUFs has helped in generating employment while 70 percent of Spinning, 91.43 percent of the weaving, 76.92 percent of knitting, 75.00 percent of the Processing segments also opined in favor of the scheme. It is important to note that only 22.58 percent of RMG segment opined about TUFs influence in generating employment for the segment.



Further, it is observed that, average employment in TUFs availed units was 811 whereas for all schemes availed units it is 577 and for no scheme availed units it is 88 during 2017-18. Clearly it indicates that the influence of TUFs in generating higher number of employment in the sector is positive. Further, the impact of generating employment is significant in large units, while on other category of units TUFs does not have much impact in enhancing the employment as compared to either schemes or no schemes availed units.

**Table 4.26**  
**Average employment during 2017-18**

Type of Units	Micro	Small	Medium	Large	All
TUFs Availed	24	61	218	2055	811
All Schemes availed	64	187	281	2025	577
Not Availed	15	197	198	172	88

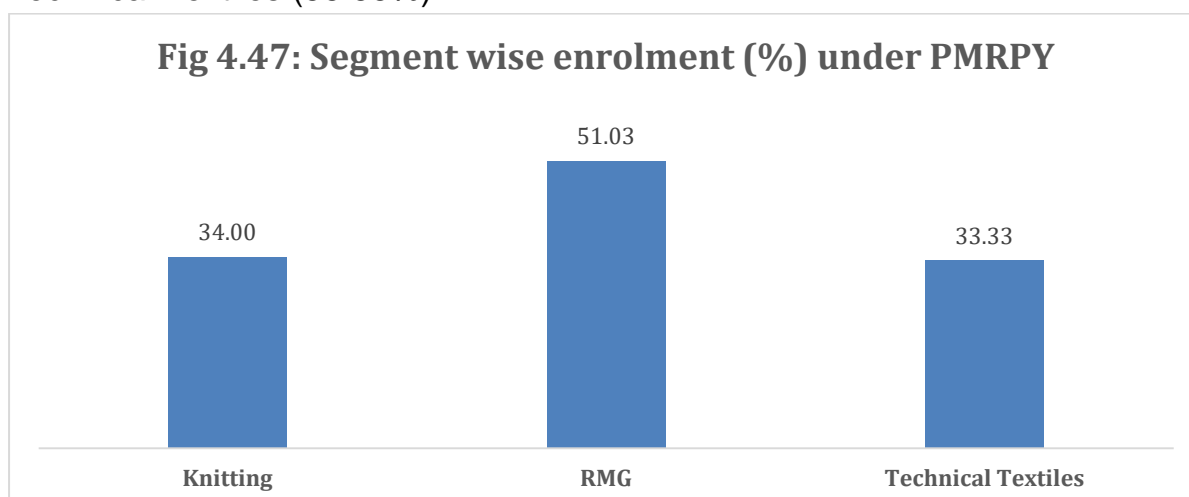
#### 4.7 Pradhan Mantri Paridhan Rojgar Protsahan Yojana (PMRPY)

Pradhan Mantri Paridhan Rojgar Protsahan Yojana (PMRPY) permits employers, registered with EPFO, to obtain a 3.67% EPF contribution paid by the Government in adding up to 8.33% of EPS contribution. This benefit can be obtained by the units dealing with manufacture of wearing apparel (NIC Codes 1410 and 1430). The objectives of the scheme are as given below:

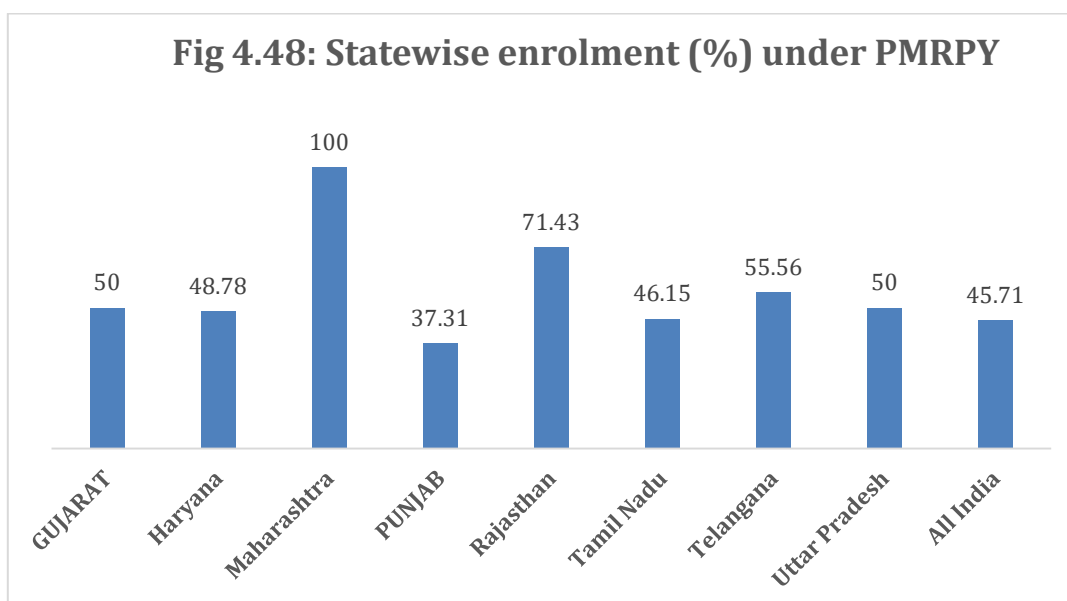
- The PMRPY scheme is targeted for workers earning wages up to Rs. 15,000/- per month. Publicity and awareness campaign is an integral component of the PMRPY scheme for encouraging employers including Micro, Small and Medium Enterprises (MSMEs) to avail benefits.
- The Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) aims to incentivise those employers who are registered with the Employees' Provident Fund Organization (EPFO) in order to create jobs.
- Apart from paying the 8.33 percent towards the contribution of employees EPS, for the textile industry, the government to pay 3.67 percent towards the Employees Provident Fund for the eligible employers of new employees.
- The scheme serves two purposes; one, it encourages job creation by the employers by incentivizing them, and on the other hand, gets a large number of workers find jobs. One major benefit to these workers is the access to social security benefits in these organized sectors.

#### 4.8 Impact of PMRPY

On PMRPY, the survey points out that out of the total sample units, around 45.71 percent are availing the PMRPY scheme. Amongst the targeted segments of RMG, Knitting and Technical Textiles, segments scheme was majorly availed by RMG with 51.03 percent followed by Knitting (34.00%) and Technical Textiles (33.33%).



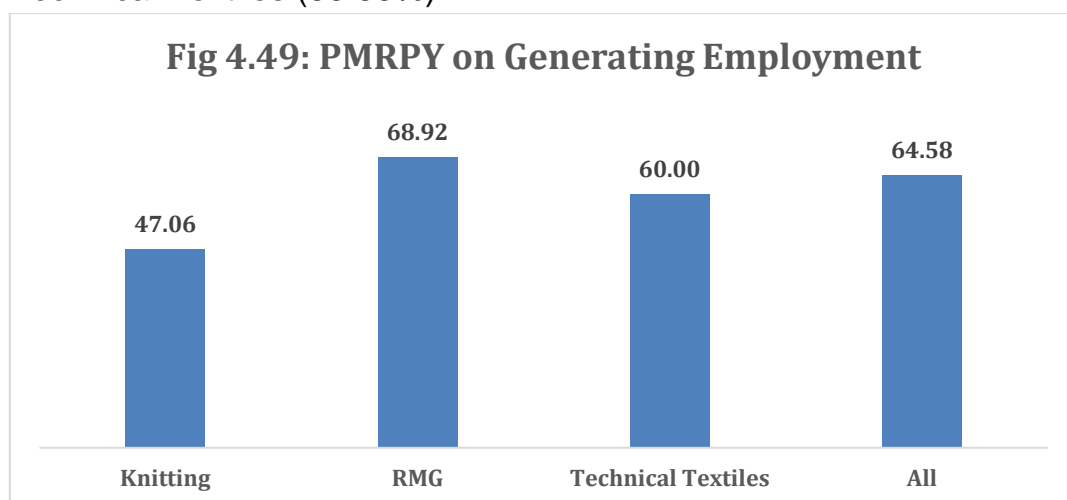
The scheme is more popular among industries belonging to the states like Rajasthan (71.43%), Telangana (55.56%), Gujarat (50%), Uttar Pradesh (50%), Haryana (48.78%), Tamil Nadu (46.15%), etc.



Efforts were also made to examine the impact of the scheme on key parameters like employment and income of the stakeholders. The results are as given below:

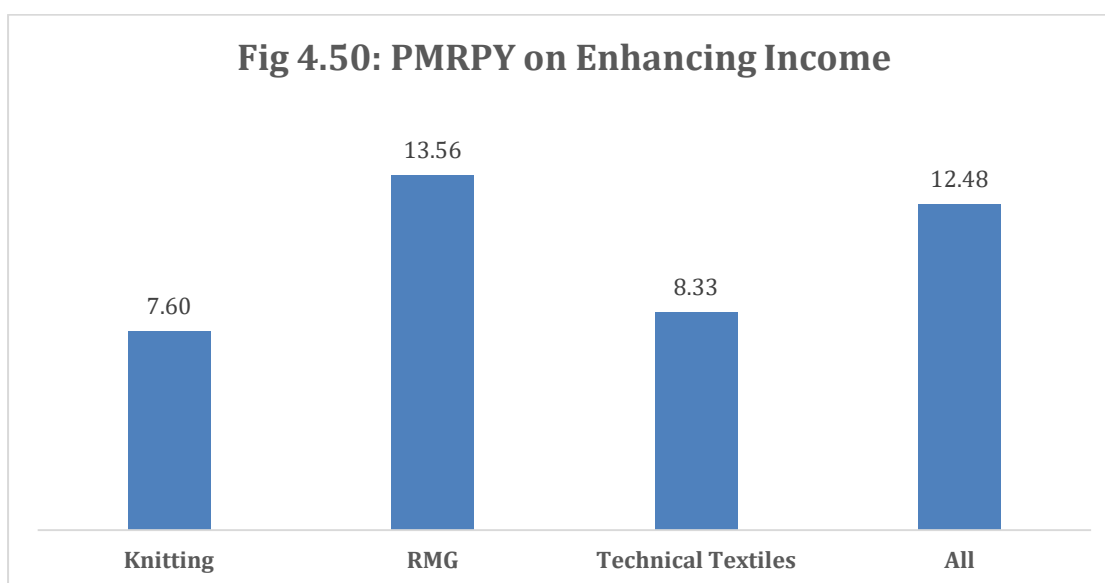
#### 4.8.1 Impact of PMRPY on Employment Generation

The manufacturing units were asked about availing the benefits of the scheme and its benefits on generating employment and enhancing income of the workforce. Amongst TVC segments availing PMRPY, overall 64.58 percent of the units are of the opinion that the scheme has helped in generating employment. The segment wise details are RMG (69.23%), Knitting (46.15%) and Technical Textiles (33.33%).



#### 4.8.2 Impact of PMRPY on Income

Implementation of the PMRPY scheme has helped to enhance income of manpower by about 12.48 percent. The percentage increase in income of the workforce on account of the implementation of the scheme in different beneficiary segments of the sector indicates that there is an increase of 13.56 percent in income of the employees of RMG segment. The increase in income in other segments was 8.33 percent in Technical Textiles and 7.60 percent for Knitting,



An analysis into job category wise increase in income of the manpower shows that, the scheme has influenced in enhancing the income of shop floor workers by 11.81 percent and that of other category workers is 15.67 percent. The segment wise increase in income for different job category is as given in Table 4.27.

Table 4.27 PMRPY Employee Category wise increase in income		
State	Category	% Increase
Knitting	Shop floor	9.00
	Others	0.00
RMG	Shop floor	12.11
	Others	15.67
Total	Shop floor	11.81
	Others	15.67

## 4.9 Employees Provident Fund Scheme (EPF)

### 4.9.1 Employees enrolled in EPF Scheme:

The details of the employees enrolled in the EPF scheme of the Government of India has been collected from the manufacturing units of all segments of the textile industry. It is reported that of the total employees in the surveyed units, only 42.77 percent are registered in the EPF Scheme. The Spinning segments far ahead as compared to other segments with enrolment rate of 90.20 percent of the employees under EPF scheme followed by Made-ups (73.71%) and RMG (67.19%). About 59 percent of the employees in the Technical Textile, 20.46 percent in Weaving, 18.09 percent in the Processing are enrolled under EPF scheme. State and segment wise details are as given below:

State	Spinning	Weaving	Knitting	Processing	RMG	Made-ups	TT	Others*	Total
Andhra Pradesh	10.64	-	-	-	-	-	-	-	10.64
Gujarat	7.20	29.33	-	26.10	-	-	43.89	12.81	19.86
Haryana	73.21	71.43	40.00	-	96.04	80.77	13.51	-	94.83
Maharashtra	-	9.29	60.70	25.53	-	-	-	-	9.65
MP	0.00	-	-	-	-	35.25	-	0.00	4.20
Punjab	81.14	8.58	89.48	1.41	61.31	80.69	68.68	-	80.32
Rajasthan	85.01	84.04	-	86.90	-	79.50	77.15	-	84.38
Tamil Nadu	80.22	48.82	45.33	45.21	85.01	47.48	78.30	0.00	75.40
Telangana	75.28	7.94	158.42	40.43	10.65	-	-	-	20.12
Uttar Pradesh	44.78	3.54	80.84	-	71.54	-	75.25	75.76	20.28
Total	90.20	20.46	13.32	18.09	67.19	73.71	59.00	0.84	42.77

\*Carpet, Rugs, Durries, etc

In case of handlooms segment, only 3 percent of the workforce is found to be enrolled under EPF scheme. Though handloom segment workforce is not covered under EPF, enrolment of this workforce in other social benefit schemes like Saving and Security Scheme, Family Pension scheme, Old age pension scheme, MGBBY, PMJJY, Saving and Security Scheme, Old age pension scheme etc is very high (98%).

## 4.10 Handloom Reservation Act'1985

### 4.10.1 Background

The Handlooms (Reservation of Articles for Production) Act was passed in 1985 to augment the reservations provided under from 1950 under the changes made to Cotton Textiles (Control) Order, 1948 and to put them on firmer legal footing with a view to reservation of certain items for exclusive production by handloom. The policy of reservation of certain items for exclusive production by handloom has been adopted since 1950, first under the Cotton Textiles (Control) Order 1948 and later under the provisions of the Essential Commodities Act, 1955. This policy has helped the handloom sector to a considerable extent.

The act aimed at protecting the livelihoods of handloom weavers and protecting the cultural heritage of the handloom industry from encroachment by others.

**Under the Act, initially 22 textile articles were reserved for exclusive production through handlooms but subsequently, these were reduced to 11 articles vide amendments in 1996.**

Sr. No	Year	Items under Act	Background
1	1986	22 textile articles.	Act came into force on 31 <sup>st</sup> March 1986 SC ordered a stay on the implementation of the Act under the Prima facie that it violated the fundamental rights under Articles 14 and 19(1) (g) of the Indian Constitution. The stay was vacated only in Feb 1993.
2	1996	11 items like kota doria saree, shirting, crepe fabrics, table cloth, duster, basta, bukram cloth and low reed pick cloth were deleted from the act	The Advisory Committee conducted field studies through five zone-wise sub-groups and after reviewing 22 items reserved for handlooms made recommendations for reducing them to 11 items.

3	2008	<ul style="list-style-type: none"> <li>• Saree.</li> <li>• Dhoti.</li> <li>• Towel &amp; <i>gamcha</i> and <i>Angavastram</i>.</li> <li>• Lungi.</li> <li>• Khes, bedsheets, counterpane, Bedcover.</li> <li>• Jamakkalam, Durry or durret.</li> <li>• <i>Dress material</i>.</li> <li>• <i>Barrack blankets</i>.</li> <li>• <i>Shawl, Loi, mafflar, etc.</i></li> <li>• <i>Woollen Tweed</i></li> <li>• <i>Chadder/phanek</i>.</li> </ul>	<p>By an order from the Ministry of Textiles (S.o.2160. dated September 3, 2008) a sub-section in the Act reserves 11 classes of articles for exclusive production by handlooms. The order includes composition details and range to be reserved under Handloom Reservation act.</p>
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#### 4.10.2 Objectives of the Act

1. The scheme is implemented by State Governments/Union Territories through the State Director/Commissioner In-charge of handlooms and is aimed at establishing Enforcement Machinery in the States to ensure that the powerloom and mill sector do not violate the provisions of the Handlooms (Reservation of Articles for Production) Act, 1985.
  
2. The scheme is intended to encourage and assist the State Governments/UTs to set up State level Enforcement Machinery. In States where an Enforcement Machinery for the purpose already exists, the Central Assistance will be extended to strengthen the existing infrastructure for effective enforcement of the provisions of the said Act.

The handloom reservation act was enacted with a view to support the handloom sector and protects exclusive products to be woven by handlooms only. As of now 11 products are included under the act for exclusive manufacturing by handlooms. However, overall the cloth production has been decreased from 14.85 percent to 12.61 percent during this period. The decline in share of handloom sector is due to substantial growth in powerloom and knitting sector of the country.

#### 4.10.3 Growth in handloom worker households and Handlooms since inception of the Act.

S. No	Elements	1987-88	1995-96	2009-10	2019-20	% change			CAGR
						1987-96	1996-2010	2010-20	1987-2019
1	Handloom worker household (Lakhs)	29.97	25.24	27.83	31.44	-16%	10%	13%	0.2%
2	No. of Handlooms (Lakhs)	37.8	34.71	23.77	27.01	-8%	-32%	14%	-1.1%
3	Share of Idle looms to total looms	7%	10%	10%	3.1%	43%	-6%	-69.0%	-2.6%

Source: From various Handloom census and TC analysis.

Handloom households were 29.97 lakhs in the year 1987-88 which reduced to 25.24 lakhs in 1995-96, but increased by 10% during 1996 to 2010 & again increased by 13% during 2010 to 2020 and now handloom units stood at 31.44 lakhs units. The six states namely Nagaland, Mizoram, Karnataka, Bihar, Rajasthan and Punjab have witnessed a drastic reduction in the number of Households producing Handloom products. The details are as given below:

Sr. No	State	Year (2009-10)	Year (2019-20)	Increase in Households
1	Nagaland	60,891	42,411	-18,480
2	Mizoram	39,499	27,402	-12,097
3	Karnataka	37,680	33,677	-4,003
4	Bihar	25,485	6,665	-18,820
5	Rajasthan	22,668	8,770	-13,898
6	Punjab	2,377	936	-1,441
	<b>Total</b>	<b>1,88,600</b>	<b>1,19,861</b>	<b>-68,739</b>

Source: - Handloom Census & TC Analysis.

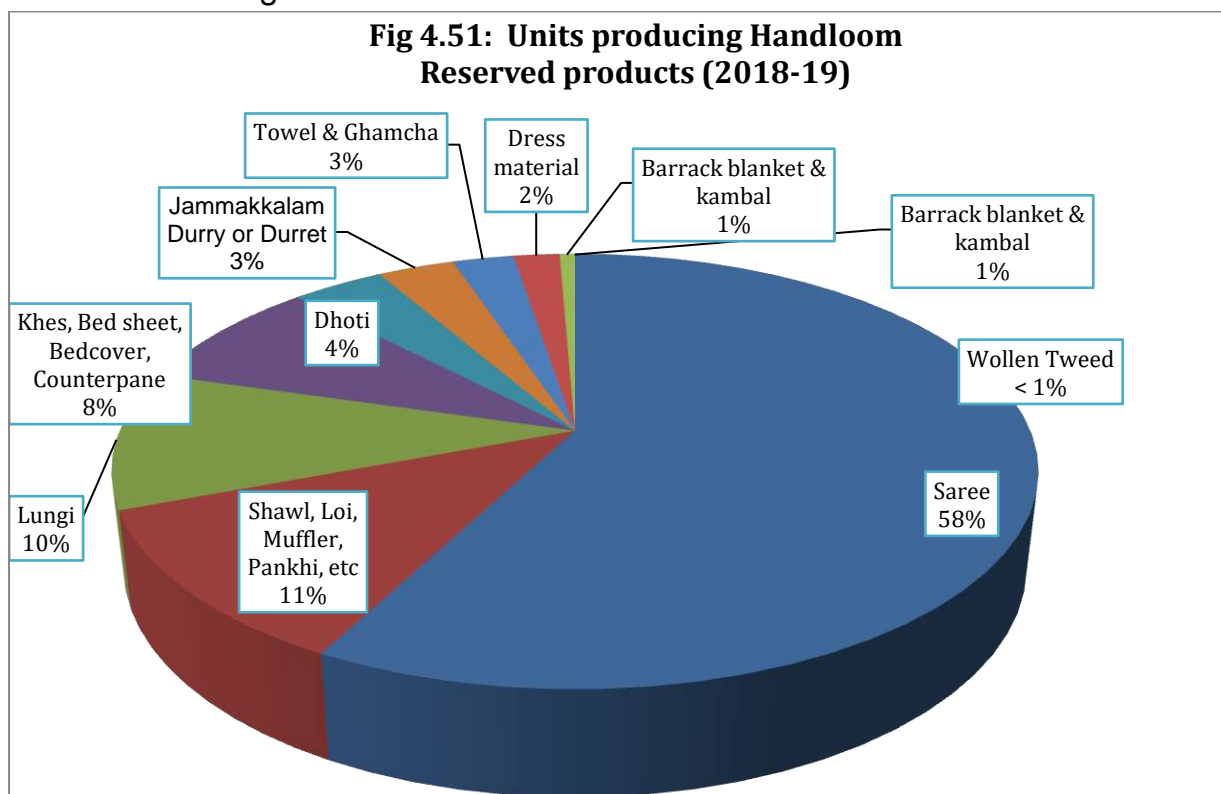
Barring these 6 states, the number of Households engaged in handloom activities has increased during last ten years. Handloom household units grew at 0.20 percent CAGR since the inception of Handloom Reservation Act. The growth rate and detailed state wise increase in number of Households attached in **Annexure 5** and Growth in State wise no of Workers in **Annexure 6**.



At pre-act introduction period the at same time total number of handlooms in households were 37.8 lakhs in the first handloom census has declined to 27.01 lakhs in households lakhs during fourth Handloom Census in 2019-2020, thus registered a negative CAGR of 1.1 percent during this period.

#### 4.11 Analysis of units producing Handloom Reserved products

In order to derive contribution of units involved in production of handloom reserved products the attempt is made to confirm share of handloom units producing 11 products reserved for handloom segment. Amongst the products reserved under handloom Reservation Act, Saree with a share of 58 percent is the highest weaved product by handloom units followed by Shawl, Loi, Muffler, Pankhiet (11%), Lungi (10%), Khes, Bedsheet, Bedcover, Counterpane (8%), Dhoti (4%), Jamakkalam, Durry or Durret (3%), Towel & Chacha(3%), dress material (2%), Barrack blanket & Kimball(1%) and Women Tweed (< 1%). It is important to note that majority of units (80%) are engaged in the production of 3 products namely Saree, Shawl, Loi, Muffler, Pankhiand Lungi while only 20 percent units produce remaining 8 products of reserved for Handloom segment.



Ref- TC analysis from primary survey

#### 4.11.1 Impact of Handloom Reservation Act (HRA) since inception of Act

It is important to note the growth in production by quantity of 22 nos. products covered under HRA witnessed growth of 2.36 percent CAGR for period (1996-2008) and in post-revised HRA with 11 nos. product growth of 1.36 percent is been witnessed for period (2009-2019) as per primary survey. While growth rate of production of cloth in handloom sector has declined from 2.65 % CAGR during 1980 to 2010 to 2.49% during 2010 to 2017 owing to decline in the number of looms across the country. The de-reservation of many products exclusively reserved under handloom reservation act over the period of time may be one of the factors for declined growth in production. In order to examine the influence of de-reservation of the products under the act on overall production of the sector, a product wise comparative analysis has also been constructed as below:

Table 4.32

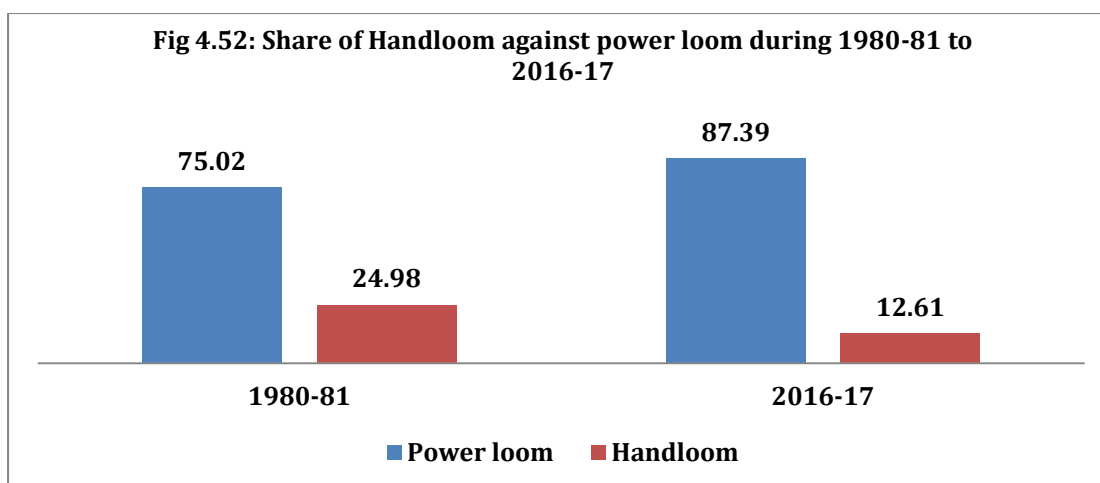
Growth in Production of Handloom Cloth (Mn SqMtr)

Year	80-81	90-91	00-01	09-10	10-11	14-15	15-16	16-17
HL Cloth	3109	4295	7472	6806	6907	7203	7638	8007
Total* Cloth	12444	22928	40333	45819	61761	64332	64584	63480
Share of HL Cloth*	24.98	18.73	18.53	14.85	11.18	11.19	11.82	12.61
CAGR	2.65				2.49			

Source: - Compendiums of Textile statistics. \* Contains both Mill & Power loom Production.

**The trend in production of cloth indicates that the act has been able to support the growth of handloom sector.** The production of handloom cloth also has increased from 6806 Million Sq.Mts in 2009-10 to 8007 million sq.mts in 2016-17, registering a CAGR of 2.49 percent during this period.

The share of handloom products against power loom and mill cloth was 24.98 percent during 1980-81 before the implementation of handloom reservation act which has declined to 12.61 percent during 2016-17. Hence from the comparative YoY growth in production of powerloom and handloom, it is important to note that powerloom and mill cloth production has achieved higher growth as compared to Handloom segment resulting in decrease of production share of Handloom segment even after achieving a positive growth rate.



Ref:- Above table 4.32.

#### 4.11.2 Impact during last 5 years

In value terms, production in the Handloom's has recorded CAGR of 1.58 percent during 2015-19 periods. Amongst the category of units, highest CAGR is witnessed by Master Weavers with 4.5 percent followed by Weaver households (2.72%) and Co-operative Society (1.13%). It is important to note that YoY trend in production growth for Weavers household and Master weavers has witnessed cyclical trend for the period 2015 to 2019 but Co-operative societies has experienced a negative trend at annual growth rate of 5.87 percent during 2016-17 sliding to (-)2.17percent during 2017-18 and further slipping to (-)2.47 percent AGR during 2018-19.

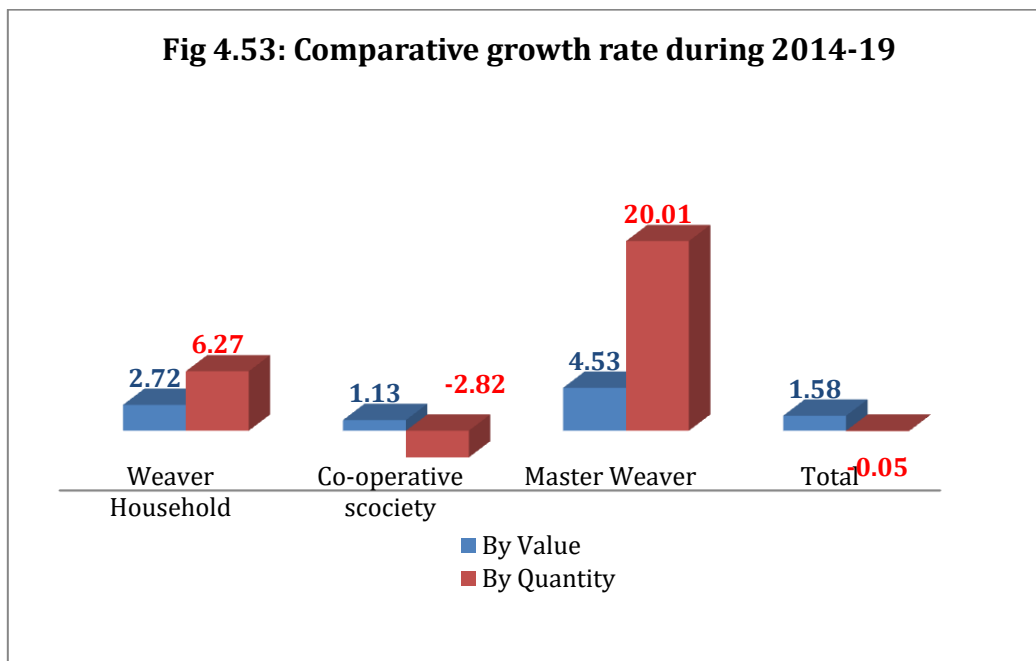
Table 4.33  
Production growth rate (%) by value

Unit category	2015-16	2016-17	2017-18	2018-19	CAGR (%)
Weaver Household	9.39	-8.22	-0.08	10.99	2.72
Co-operative society	3.50	5.87	-2.17	-2.43	1.13
Master Weaver	4.71	5.37	-5.75	14.80	4.53
<b>Total</b>	<b>3.72</b>	<b>5.46</b>	<b>-2.58</b>	<b>-0.07</b>	<b>1.58</b>

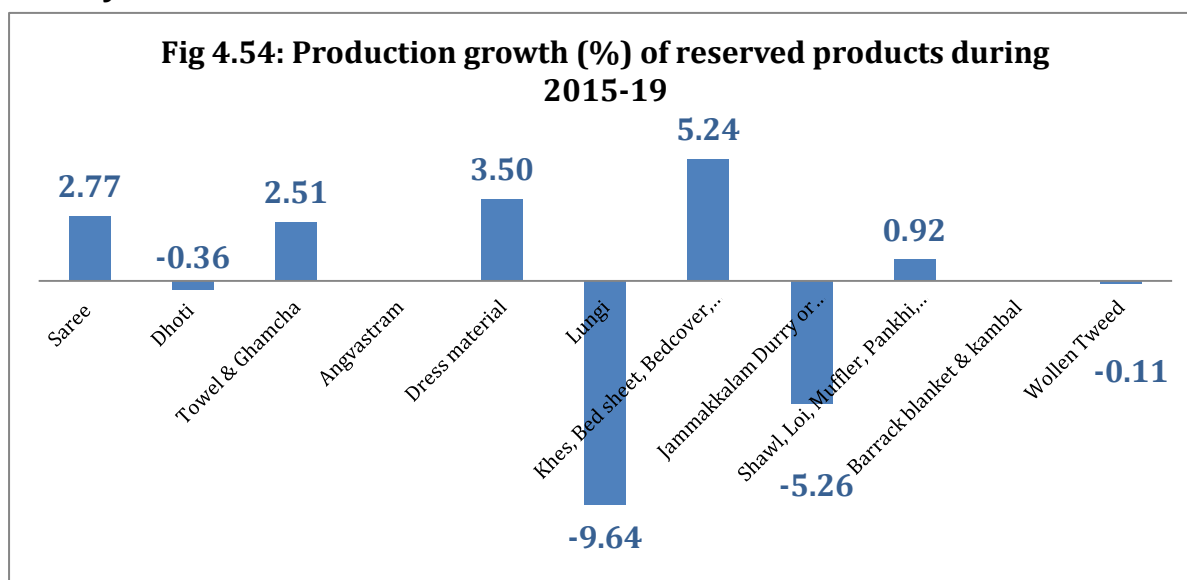
Source: Information from Primary survey data.

In quantity terms marginal decrease in production at a CAGR of (-) 0.05 percent has been witnessed during 2014-19 periods. The Master Weavers have witnessed a highest CAGR of 20 percent followed by weaver's households (6.27%). The production in co-operative societies had been

declined by (-) 2.82 percent during the same period. The details are as shown in Fig4.50.



#### 4.11.3 Impact on production of reserved products during last 5 years



The production of handloom products reserved had observed positive growth of 1.58 percent CAGR for last 5 years. Among 11 reserved products, 5 products witnessed growth viz, saree with 2.77 percent, Towel & Gamcha with 2.51 percent, Dress material 3.50 percent, Khes Bed sheet 5.24 percent and Shawl, Loi, Muffler 0.92% percent during 2014-19 period. Angvastram and Barrack blanket witnessed no growth while remaining 4 products have

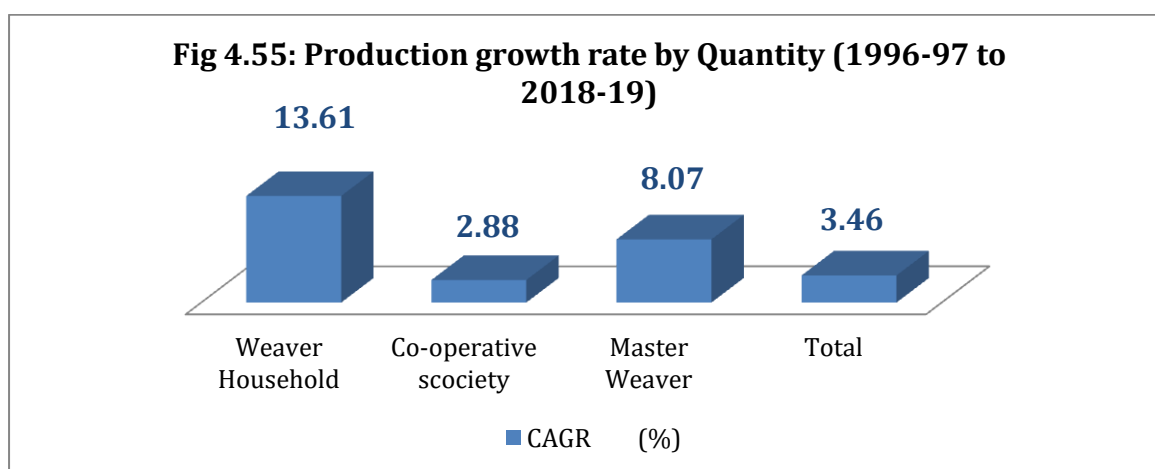
witnessed negative growth rate like Dhoti ((-) 0.36%), Lungi ((-) 9.64%), Jammakalam Durrie((-) 5.26%), Woollen tweed ((-) 0.11%) during the period.

Products as specified in HRA	2015-16	2016-17	2017-18	2018-19
Saree	4.86	5.54	-0.57	1.37
Dhoti	6.08	4.85	-10.91	-0.54
Towel &Ghamcha	-18.28	20.43	10.76	1.29
Dress material	-1.35	24.86	-0.83	-6.06
Lungi	-15.56	-2.69	-5.30	-14.33
Khes, Bed sheet, Bedcover, Counterpane	1.82	42.43	-12.42	-3.43
JammakkalamDurry or Durret	5.71	-6.95	-23.24	6.71
Shawl, Loi, Muffler, Pankhi, etc	9.29	3.27	-2.33	-5.91
Woollen Tweed	14.48	7.11	-6.27	-13.39
Grand total	3.41	5.61	-3.08	-0.05

Source: Information from Primary survey data.

#### 4.11.4 Impact on Production after removal of 11 out 22 items in the year 1996 by unit category

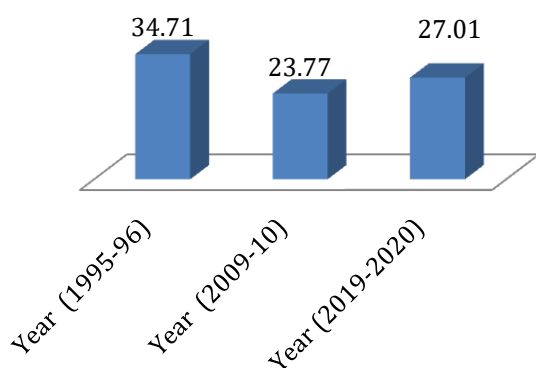
The production growth by quantity suggests that operating units have witnessed overall growth after removal of 11 products registering a rate of 3.46 percent CAGR for the period 1996-97 to 2018-19. Among units highest growth in production is witnessed by weaver households with 13.61 percent followed by Master weavers registering a rate of growth of 8.07 percent. Also Co-operative societies too have registered a positive CAGR of 2.88 percent from 1996 -97 to 2018-19.



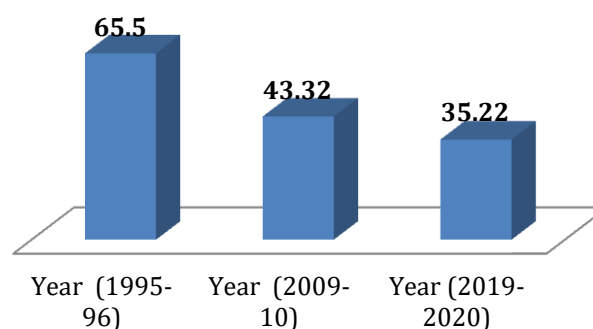
#### 4.11.5 Impact on Handlooms and Weavers & allied workers.

The no. of Handlooms households in the segment have reduced by 10.94 lacs nos. till 2009-10 from 34.71 lacs during 1995-96 to 23.77 lacs during 2009-10 and again increasing by **4.43** lacs nos. with number of looms increasing from 23.77 during 2009-10 to 27.01 lacs during 2019-20. The overall number of looms working have declined by 18.75 percent while the decline in weavers and allied workers have followed similar pattern declining by 22.18 lacs from 65.5 lacs during 1995-96 to 43.32 lacs in 2009-10 and further declining to 35.22 lacs during 2019-20. It is important to note that decline in looms and weavers can also be due to shift in segment with handlooms been upgraded to power looms.

**Fig 4.56: Year-wise no of Handlooms(lacs)**



**Fig 4.57: Year-wise no. Weavers & Allied Workers(Lacs)**

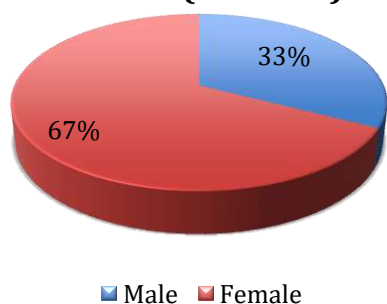


Decrease in Employment from 64.3 lacs during 1996-97 to 43.3 lacs during 2009-10 and 35.2 lacs in 2019-20 and handloom household decrease from 37 lacs during 1996-97 to 27.02 lacs in 2019-20.

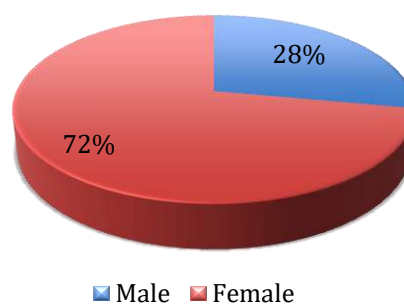
#### 4.11.6 Impact on gender participation

The Handloom segment of textile sector is one of its kinds which provide employment to mainly female workforce with a mammoth share of 72 percent during 2019-20 which has increased from 67 percent during 1995-96. However as there is overall decline in employment the increase in share can mainly be due to decline in male workforce who have shifted either to other profession or another segment within the textile industry. It is important to note that as it provides direct employment to female workforce; it can be advised to roll out financial and social benefits for pursuing handloom weaving as a career opportunity. The change in share of male workforce is as shown in figure.

**Fig 4.58: Employment by Gender (1995-96)**



**Fig 4.59: Employment by Gender (2019-20)**

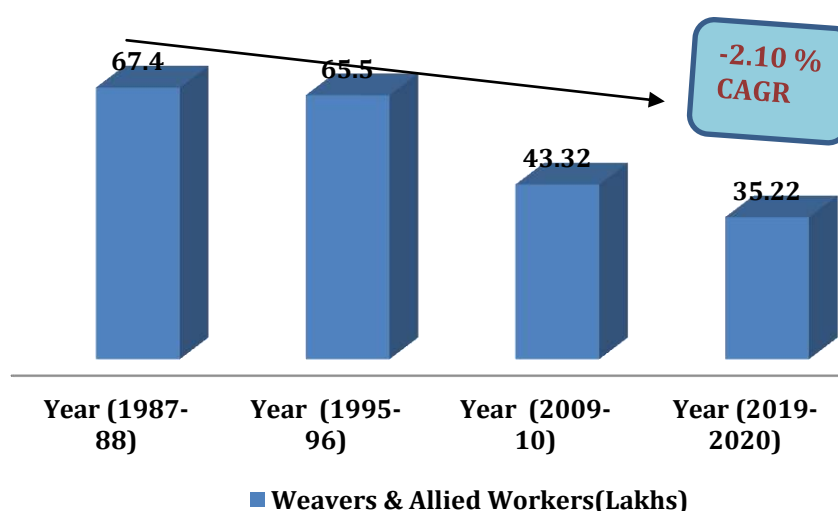


#### 4.11.7 Impact on Employment

The first handloom census has reported a total of 67 lakhs weavers and allied workers in the country, the number has been rapidly declined to 43 lakhs in 3<sup>rd</sup> census i.e. decrease of 34 percentage from 1987-88 to 2009-10 and decline of 36 percentage during 1987-88 to 2019-20.

There has been a slow and steady decline in the handloom weavers and allied workers from the first handloom census to the fourth handloom census .The total number of handloom weavers and allied workers which was 67 lakhs during the first handloom census (2019-20) thus registered a negative CAGR of 2.10 percent At the same time, the number of handloom units has increased from 29.97 lakhs to 31.447 lakhs from the first census to the fourth handloom census 2019-20.

**Fig 4.60: Increase in Weavers & Allied Workers(Lakhs)**



Ref- Various handloom Census

#### 4.11.7.1 Unit category by in last 5 Years

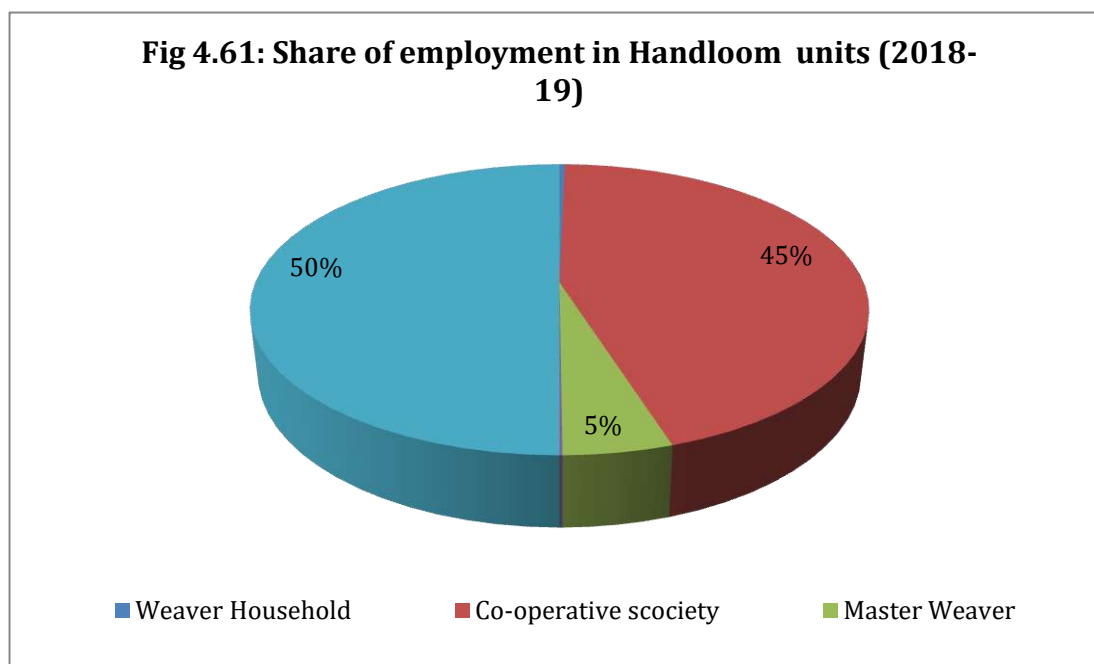
The data suggests that employment in handloom segment has declined in employment registering a negative AAGR of (-) 1.45 percent for the period 2015-19. The highest growth is witnessed in Household weaver category type of units with 5.11 percent AAGR for period 2015-19.

Unit category	Annual Growth Rate (AGR) in %				2015-19 (AAGR%)
	2015-16	2016-17	2017-18	2018-19	
Weaver Household	2.24	6.57	0.00	11.64	5.11
Co-operative society	-3.40	-1.22	-3.64	0.81	-1.86
Master Weaver	1.17	1.78	3.69	1.50	2.04
<b>Total</b>	-2.96	-0.89	-2.91	0.96	-1.45

Source : TC analysis from primary survey

#### 4.11.7.2 Share of employment by Handloom unit category

The handloom segment workforce is majorly employed in Weaver households units, Co-operative societies or Master Weavers. The weaver households are one which are managed from house of the weaver while co-operative





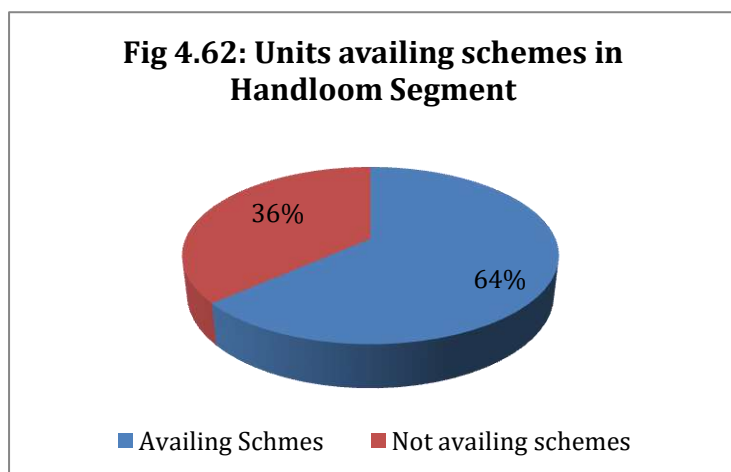
societies are one which are managed by managing committee which help weaver or members help them sale and procure products and Master Weavers who work with other weavers to help them in producing quality products. Within the handloom segment the weaver household has highest share of 50 percent followed by Co-operative societies with 45 percent and Master Weavers with percent.

#### 4.11.8 Impact on Income of Workers

As depicted in the table below, the income of the handloom weavers has experienced positive growth during 2019-20 as compared to previous year. However, the growth appears to be moderate for majority of the weavers because of the fact that the income has increased just Rs.5000/- per weaver per annum for more than 67 percent of weavers. On the other hand, only 1.30% of weavers have experienced increased income of more than Rs.20,000/- per annum.

Income Group (in Rs)	Rural	Urban	Total
Less than 5000	18,83,747	2,25,778	21,09,525
	68.50%	57.00%	67.10%
5001-10000	6,85,615	1,38,406	8,24,021
	24.90%	34.90%	26.20%
10001-15000	1,24,456	16,053	1,40,509
	4.50%	4.00%	4.50%
15001-20000	25,774	4,215	29,989
	0.90%	1.10%	1.00%
20001-25000	14,196	3,271	17,467
	0.50%	0.80%	0.60%
25001-50000	11,492	8,246	19,738
	0.40%	2.10%	0.60%
50,000-1,00,000	2,547	316	2,863
	0.10%	0.10%	0.10%
Above 1,00,000	618	109	727
	0.00%	0.00%	0.00%
<b>Total</b>	<b>27,48,445</b>	<b>3,96,394</b>	<b>31,44,839</b>
<i>Source: Various handloom census &amp; TC analysis.</i>			

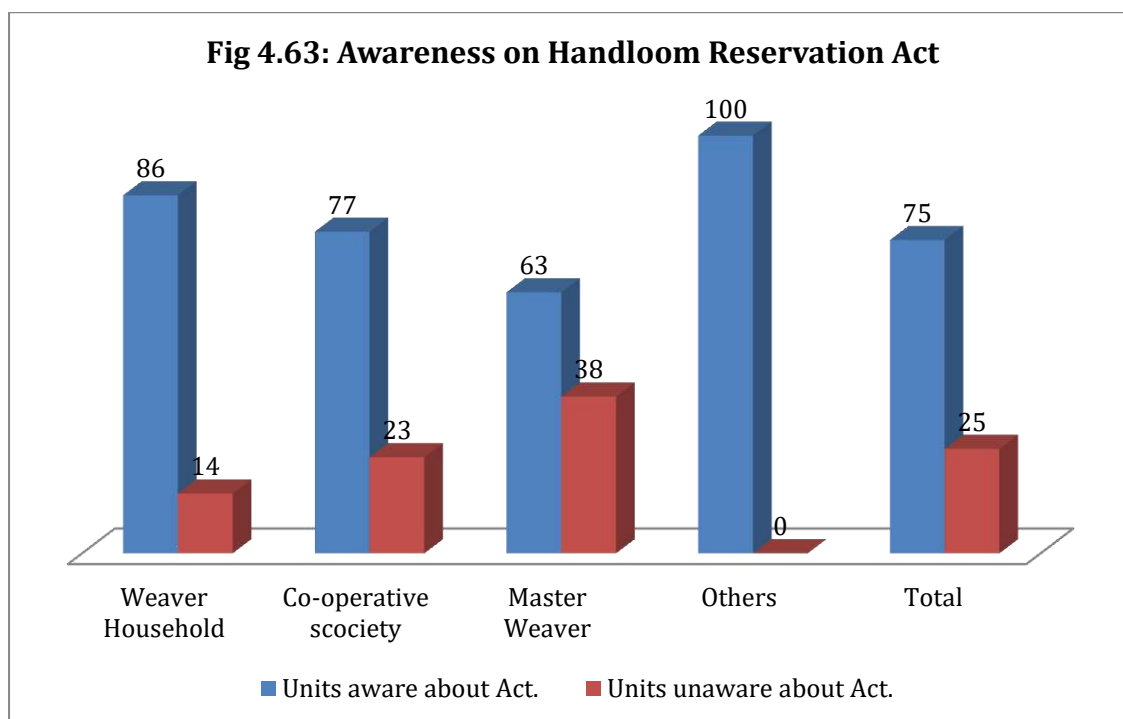
## 4.12 Survey Findings on Handloom Reservation Act



Among the surveyed units it was observed that a majority (64%) of units availed government schemes. Among unit categories 72 percent of Co-operative societies availed government schemes followed by Weaver household (58%) and Master Weaver (37%).

### 4.12.1 Awareness and type of activity

The awareness about the handloom reservation act has been assessed through primary survey. It is observed that 3/4<sup>th</sup> of the units reported their awareness on the Handloom Reservation Act and the remaining 1/4<sup>th</sup> were unaware about the Act. Amongst the category of respondents, 86 percent of the weaver households, 77 percent of the Co-operative societies, 63 percent of Master weavers are aware about the Handloom reservation act. The details are as given in Fig 4.63.

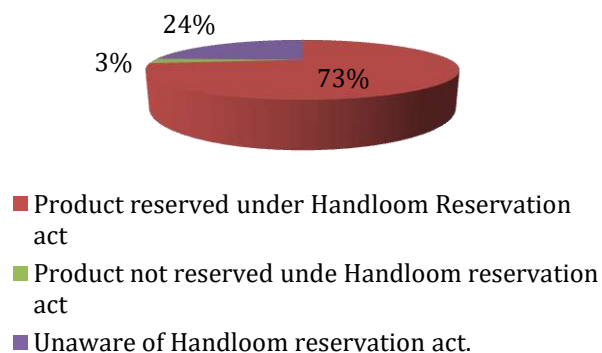


### 4.12.2 Products and type of activity

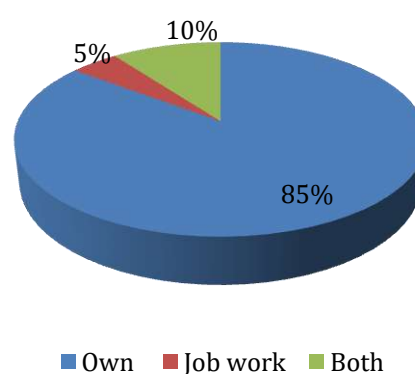
The primary survey also probed about the type of product, whether falling under reserved category or not and it is worth to mention here that around 73 percent of the units are engaged in the production of reserved products, while 3 percent were producing the products outside the purview of Handloom Reservation Act. It is found that 24 percent of the units are not aware whether the products fall under reserved category or not and amongst them majority are weaver households and master weavers.

Moreover, about 85 percent of the units are household entrepreneurs engaged in all the activities like procuring of raw material, production, marketing etc and 5 percent are doing job work and 10 percent are engaged in both own work and job work. Further, it is important to note that only 3 percent of the units produce goods as job work for other units. The details are as given below:

**Fig 4.64: Share of units producing Handloom reserved products**

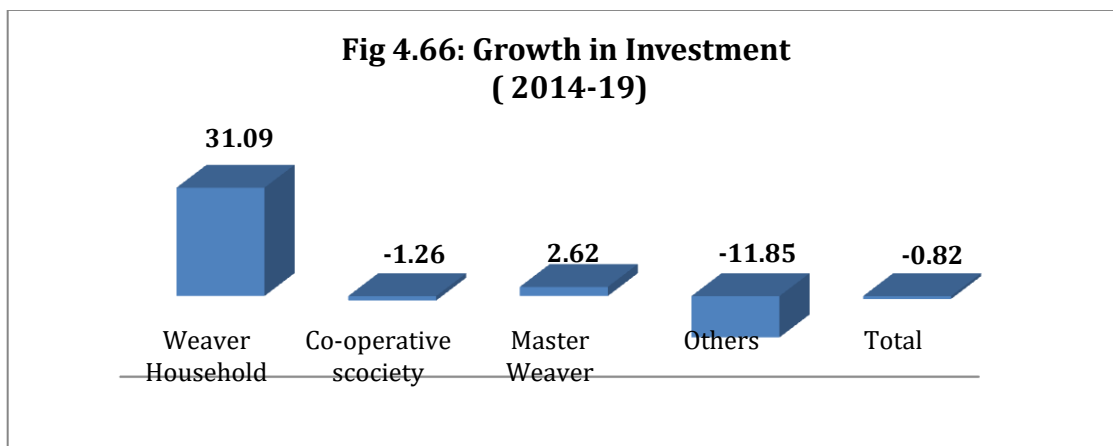


**Fig 4.65: Share of Handloom segment having by type of activity**



### 4.12.3 Impact of Handloom Reservation Act on investment.

An attempt was also made to assess the sentiment of investment flow in the segment by unit category. The overall new investment in this segment has declined at a CAGR of 0.82 percent during 2015-19 periods. Among various unit categories the growth in investment is highest in Weavers household with a CAGR of 31.09 percent followed by Master Weavers (5.98%) with an average investment of Rs 5.98 lacs and Rs 41 lacs respectively. Further, the investments co-operative category has declined at a CAGR of 1.26



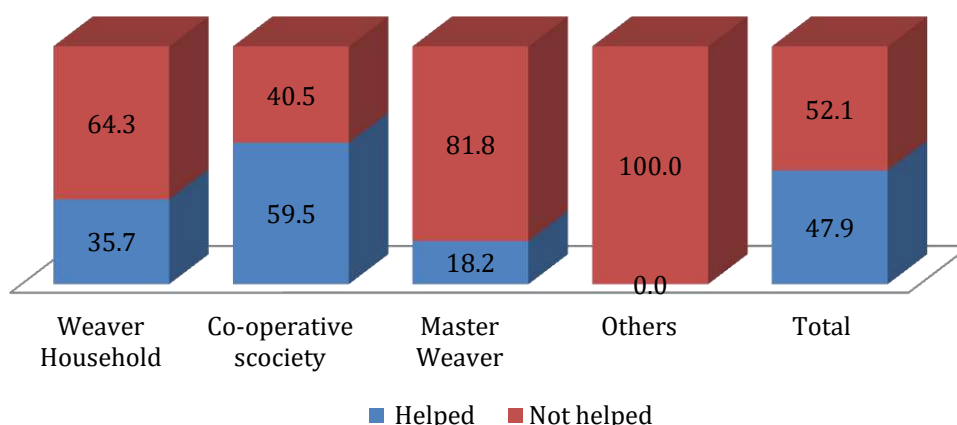
percent and average investment is seen to be Rs 115 lacs. Therefore, it is quite evident that overall sentiment of investment is low in Co-operative societies for making new investments in the segment which hold 45 percent of share in Handloom segment.

#### **4.12.4 Influence of Handloom reservation act**

##### **4.12.4.1 Overall helpfulness of Handloom reservation act**

About 47.9 percent of the respondents aware about the act reported that implementation of Handloom reservation act have overall helped them. At the unit category level, 59.5 percent of Co-operative societies, 35.7 percent of Weaver Households and only 18.2 percent of Master Weavers reported handloom reservation act helping them. It is important to note that there was difference of opinion among different category of units while many of new young age weavers were unaware about the, many respondents were of the opinion that lack of adequate enforcement of act is adversely affecting the sector. The stakeholders opined that the handloom should be linked to Geographical Indication (GI) Act, alongwith creating awareness among customer about the handloom products. Protecting originality of product along with sustainable brand promotion will be very much helpful for the growth of the sector.

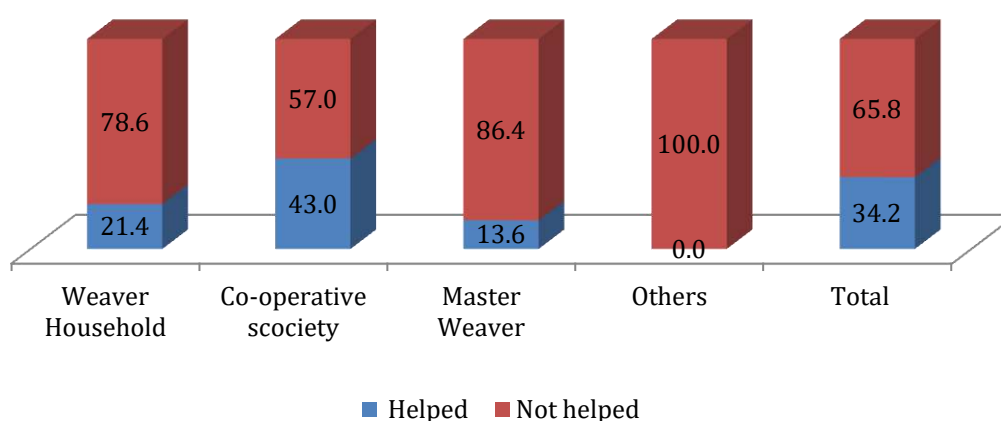
**Fig 4.67: Overall helpfulness of the Act (%)**



#### 4.12.4.2 Generating employment for the Industry.

About 34.2 percent of the respondents aware about the act reported that implementation of Handloom reservation act have helped in generating employment for the sector. At the category level, 43.0 percent of Co-operative societies, 21.4 percent of Weaver Households and only 13.6 percent of Master Weavers reported handloom reservation act helping them in generating employment for the segment.

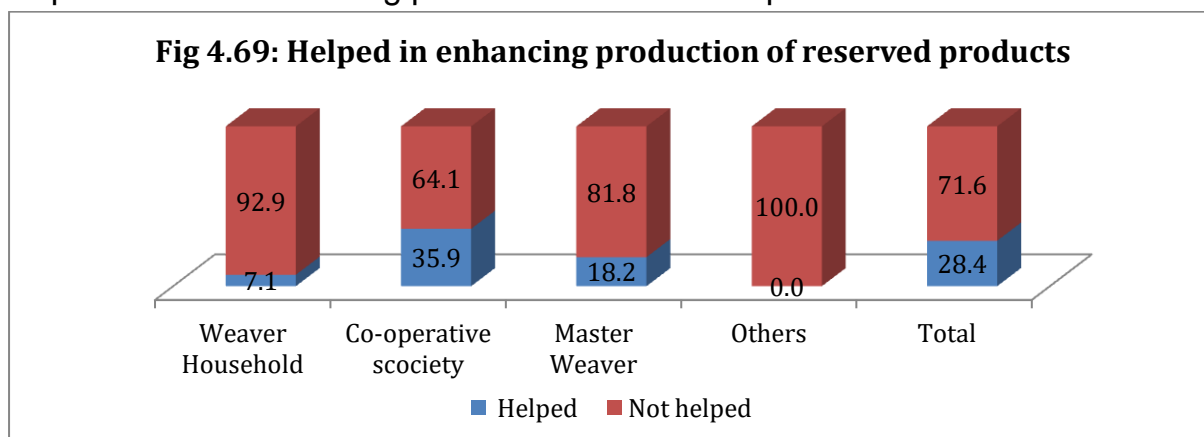
**Fig 4.68: Helped in generating employment (%)**



#### 4.12.4.3 Enhancing production

About 28.4 percent of the respondents aware about the act reported that implementation of Handloom Reservation Act have helped in enhancing production of reserved products of the unit. At the unit category level, 35.9

percent of Co-operative societies, 18.2 percent of Master Weaver and only 7.1 percent of Weaver households units reported handloom reservation act helped them in enhancing production of reserved products.



#### 4.12.4.4 Assessment in effectiveness of enforcement agency.

There are 3 enforcement offices at Delhi, Ahmedabad, Chennai for implementation of Handloom Reservation Act and their Physical progress is as under.

**Table 4.29  
Details of FIR Lodged**

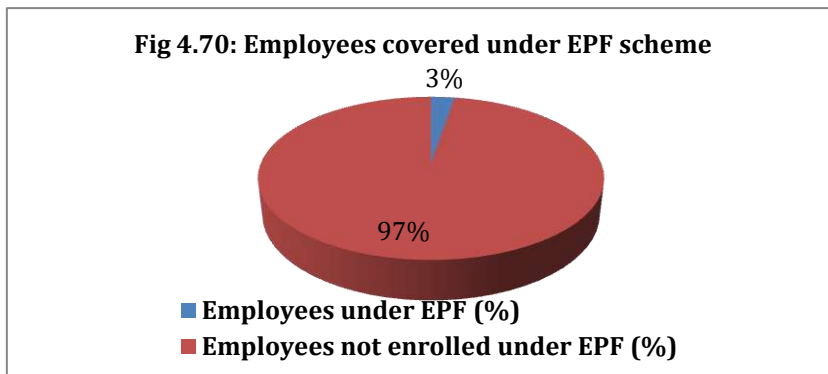
Sr. No	Physical Progress	2012 - 13	2013 - 14	2014 - 15	2015 - 16	2016 - 17	2017 - 18 (upto Dec)
1	Targets of power loom inspections	272013	290420	308888	321452	334468	351572
2	No. of Power loom inspected	276011	290773	309817	332327	347468	217450
3	No. of FIR Lodged	97	113	88	140	64	65
4	Convictions	39	37	66	120	25	58

Source – Annual report (Ministry of Textiles)

As per above table its can be concluded that around 88% of the FIR lodged are convicted, More over the growth of convictions suggests that Handloom reservation act is not completely followed strictly by power looms units which are weaving the articles reserved exclusively for the production by Handloom sector in 2016-17.

#### 4.12.4.5 Assessment of Handloom weavers covered under EPF

The handloom segment workforce employed in various units has not been

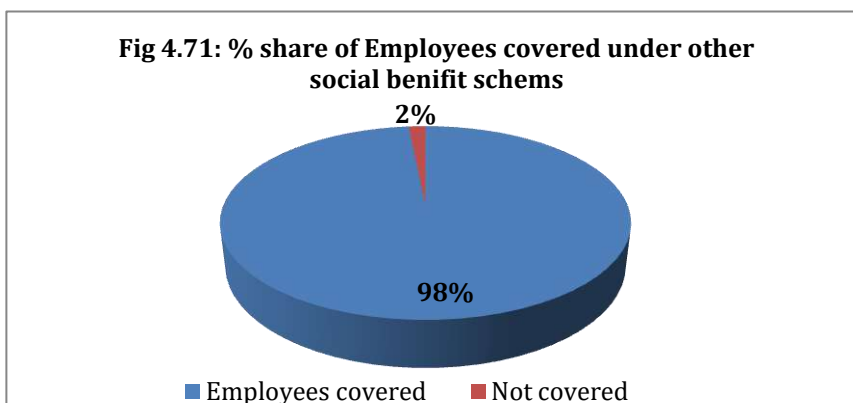


covered under EPF scheme with only 3 percent of workforce found enrolled in EPF scheme. It is important to note that 97.8 percent of the weavers have income less than 15000 per

month but 97 percent of the weavers are found not registered with EPF from the primary survey. It is important to note that weavers covered under EPF scheme belong to co-operative society type of units out of which 75 percent of them are male.

#### 4.12.4.6 Assessment of Handloom weavers covered under other social benefit schemes.

The handloom segment workforce which is not covered under EPF but are



highly enrolled with 98 percent of workforce in other social benefit schemes like Saving and Security Scheme, Family Pension scheme, Old age pension scheme, MGBBY,

PMJJY, Saving and Security Scheme, Old age pension scheme etc.

## **Chapter 5**

### **Findings and Suggestions**

#### **5.1 Introduction**

The uniqueness of Indian Textile Industry lies in its strength both in the labour-intensive decentralised sector as well as in the capital-intensive organized sector. The textile industry contributes about 7 percent of industrial output in value terms, 2 percent of India's GDP and to 12 percent of the country's export earnings. The textile industry, with a direct employment of over 45 million people, is one of the largest sources of employment generation in the country. The growth in the textile manufacturing base accompanied with rise in domestic demand and export of textile apparels is expected to have created a favourable condition for increase in employment and income. Key findings of the survey conducted to assess the impact of textile sector initiatives on growth in employment and income across Textile Value Chain (TVC) are as given below:

#### **5.2 Key Findings**

##### **5.2.1 Global Production of Fibre and India**

The global production of textiles fibres has experienced a CAGR of 2.21% during the period 2015-19. While cotton and man made fibre has experienced positive growth during the period. The production of the wool and silk experienced a negative growth. China with a share of 66.2% is the major producer of man made fibre followed by India with a share of 8%. On the other hand, India is dominating the raw cotton production with a share of 25.82% followed by China with 23.68%. While the Chinese production of cotton fibre is growing with a CAGR of 4.85% during 2016-21, India's production of cotton has been growing at 2.67% during the same period. It is important to note here that production of Man Made Fibre has been dominating the global scenario as every one million tonne production of cotton is complimented by production of three million tonne of man made fibre. On the other hand, every one million tonne production of man made fibre in India is complemented by four million tonne production by cotton.

##### **5.2.2 Global Trade Scenario and India**

The global export of T&A has increased \$770 Mn in 2015 to that of \$821 Mn in 2019 with a CAGR of 1.63%. While China is dominating the global export with an export of \$261 Mn in 2019, its growth rate has declined by 1.21% during the period. Hence, China has vacated about \$13 Bn of exports in global market. On the other hand, India's export has declined from \$37.15 Mn in 2015 to \$35.49 Mn during the same period. It indicates that the space



vacated by China in the global export market has been taken over by the countries like Vietnam and Bangladesh, who have repositioned themselves as 2<sup>nd</sup> & 3<sup>rd</sup> largest export of T&A in global market.

### 5.2.3 India as Export Hub

India's export of T&A is more or less stagnant during 2015 to 2019. A detailed product analysis indicates that 157 products at 6-digit HS level having export value more than \$1 Bn are contributing 71% to the global export. Out of 157 products, only 4 products exported by India as contributing more than \$1 Bn. Further, out of 554 products having export value between \$50 Mn to \$1 Bn, India has a presence in 130 products. These 130 products are contributing more than 70% of India's export value in T&A. Hence it is evident that India has very minimal presence on highly exported products in world market. Even if there is a high potential on the highly exported products, India's presence on these products is yet to be optimised.

<b>World Export &amp; India</b>				
<b>Description</b>	<b>&gt;=\$1Bn</b>		<b>\$50 Mn - \$1 Bn</b>	
	<b>World</b>	<b>India</b>	<b>World</b>	<b>India</b>
<b>Products</b>	157	4	544	130
<b>Value (\$ Bn)</b>	585	5.12	163.11	24.86

The key attributes to the less competitiveness as emerged from the study are (1) the lack of cost competitiveness and (2) fragmented & unorganised nature of India's Textile Value Chain (TVC). The cost benchmarking with countries like Bangladesh, Brazil, China, Egypt, Indonesia, Italy, Korea, rep, Pakistan, Turkey, USA & Vietnam indicates that India has been losing cost competitiveness due to followings:

- Spinning – Pakistan (Less wastage, cheap labour/power, capital, raw material)
- Texturing – China (Cheap power, capital, raw material)
- Weaving – Brazil, Indonesia & Pakistan (Cheap power, capital, auxiliary material, raw material)
- Knitting (Rotor/Ring yarn) – Pakistan (Less wastage, cheap labour/power, capital, raw material)
- Knitting (Textured yarn) – China (Cheap power, auxiliary material, raw material)
- Finishing (Woven/Knit) – Pakistan, Viet Nam (Cheap Power, capital, auxiliary material)

Similarly the Textile Value Chain is loosely integrated. Except spinning other segments are mostly SME based. The value chain is also experiencing technological bottlenecks. The T&A products are also experiencing Non-Tariff

Barriers (NTBs) in the export destinations adversely affecting the competitiveness at product level.

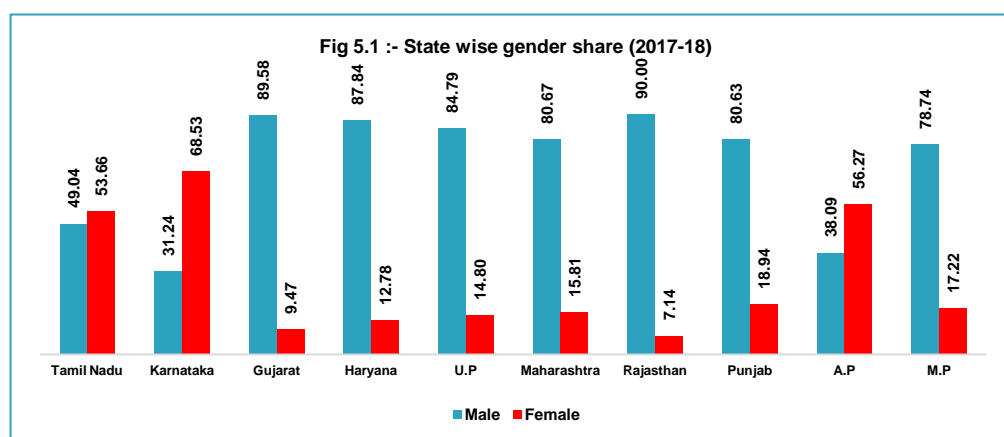
### 5.3 Employment & Income of Workforce

The employment has experienced positive growth during the year 2014 to 2018. The segments like apparels have contributed substantially for growth of employment. However the related growth rate has declined during the period. Similarly, the income of workforce engaged in textile industry has experienced positive growth. However, the growth rate income for female workforce is relatively lower as compared to male workforce.

#### 5.3.1 Enrolment under Employee Provident Fund Organisation (EPFO)

The number of T&A units registered under EPFO recorded a Compound Annual Growth Rate (CAGR) of 6.07 percent during 2009-18 periods. The total number of employees registered with EPFO as on 2017-18 was 37.42 lakhs Even if the growth rate of employment enrolment is robust only 8.3% employees of the sector has enrolled under EPFO. Hence, the penetration level among the workers engaged in the sector is low and yet to be optimised. While the share of states to total employment is highest in states like Tamil Nadu is 29.2 percent followed by Karnataka (17.9%), Gujarat (11.1%), etc. The other states are yet to optimising on enrolment under EPFO.

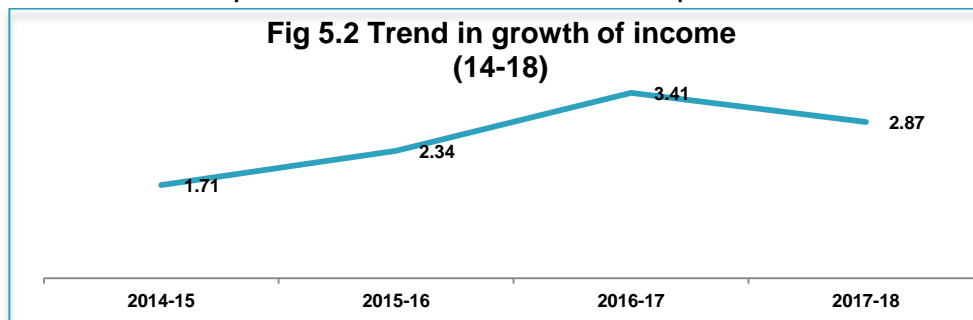
- Gender wise employment in EPFO registered units suggests the participation of female work force is growing. The participation of female workforce is highest in Karnataka (68.5%), Tamil Nadu (53.7%) and Andhra Pradesh (56.27%) which is attributed to the presence of RMG clusters in these states. Overall share of employment in TVC across the country is skewed in favour of Male workforce with 63 percent against 37 percent female workforce. Hence, the RMG industry is providing more employment to female workforce and other segments of TVC are providing more employment to male workforce.



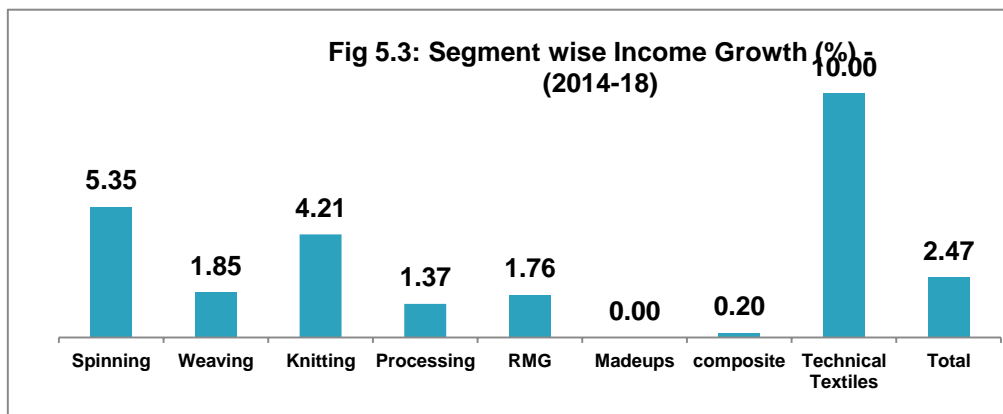
- The employment to unit ratio indicates that the overall average employment per unit is 182. At the same time, highest employment is witnessed in Karnataka with 685 per unit.

#### 5.4 Income Scenario of Employees of T&A:

- Income of workforce in the sector has registered a moderate Average Annual Growth Rate (AAGR) of 2.47 percent during 2013-18 periods.
- T&A sector indicate a positive trend with annual growth of 1.71 percent in 2014-15 to 3.41 percent in 2016-17 and 2.87 percent in 2017-18.

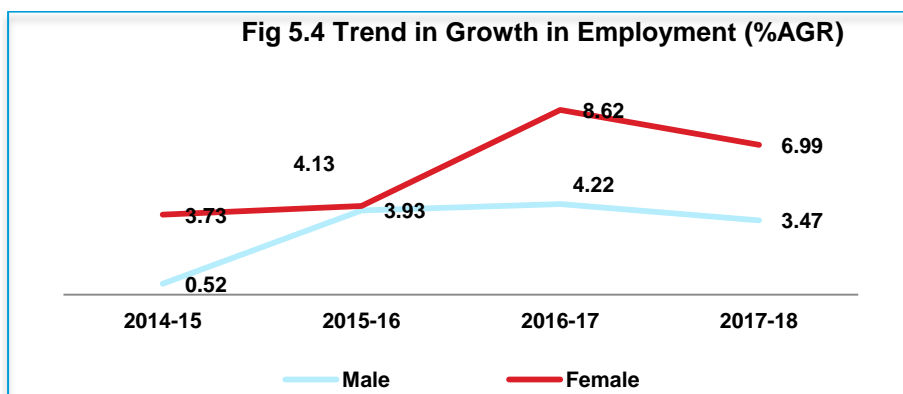


- Amongst the segments, technical textile has registered highest AAGR of 10 percent followed by spinning (5.35%), knitting (4.21%), etc. Key attribute influencing the growth in income may be the skill set. The technical textiles and spinning being highly capital intensive require higher skill set as compared to other segments and hence require job roles having higher skill sets. Therefore, the growth of income is higher in these industries as compared other industries in the value chain.
- Weaving, RMG, Made-ups segments which have the highest decentralized workforce, registered a low growth rate in income as compared to Spinning and Technical textiles. The income growth is very low in weaving, made ups and processing industries. The key attribute may be the skill sets as required in different industries. Thus, the skill sets of different job roles and technology level are influencing the growth of incomes in the sector.

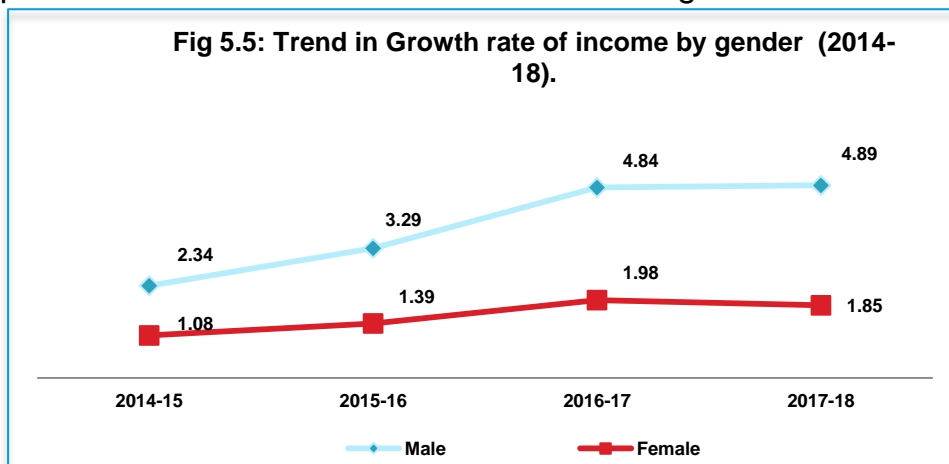


### 5.4.1 Gender wise Employment & Income Scenario

- The share of female workforce has increased from 18 percent in 2014-15 to 25 percent in 2017-18.
- Employment of male and female workforce has grown at an AAGR of 3.03 percent and 5.87 percent respectively during 2014-18 periods. Growth in engagement of women workforce was highest in 2016-17 with 8.62% indicating shift in industry preference towards women employee.
- Amongst the segments, highest AAGR for male workforce is witnessed in technical textile with 10.26 percent followed by spinning (5.4%) and RMG (4.32%). In case of female workforce, RMG has registered highest AAGR of 7.10 percent followed by spinning (6.93%).



- Income of male workforce has grown at an AAGR of 3.54 percent AAGR while that of female workforce is 1.54 percent during 2014-18 periods. Amongst the different segments highest AAGR of 10 percent in income is witnessed in technical textiles for both male & female workforce. Moreover RMG which is considered a female dominant segment recorded less growth in income (1.33%) than their male counterparts (2.14%). It is important to note that growth in employment of female workforce is high but growth in income is less than that of male counterparts in the entire TVC during the same period.



## 5.5 Findings from the Primary Survey

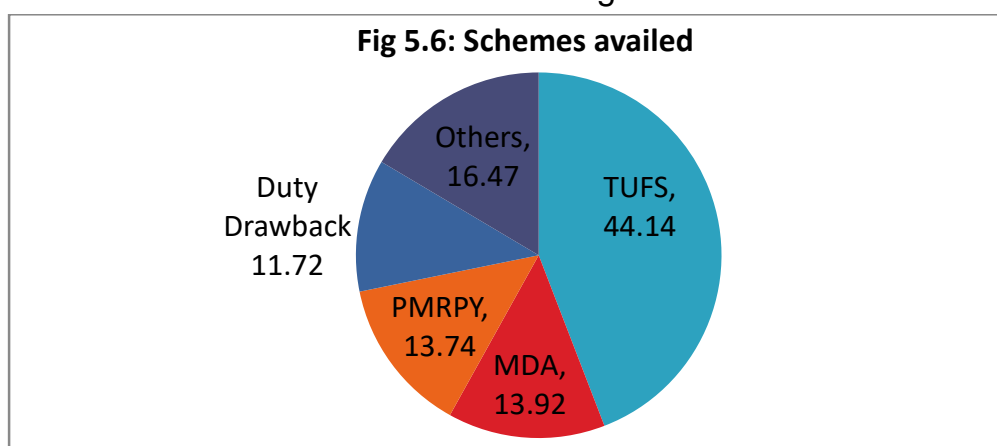
### 5.5.1 Segment wise Employment scenario

- The employment in the surveyed units has recorded a CAGR of 3.68 percent during 2013-18 periods. Amongst the segments, highest CAGR is witnessed in technical textiles (9.70%) followed by spinning (5.55%) and RMG (5.51%), etc. However, composite units have experienced a negative growth of 3.12 percent during the same period.
- Highest share of workforce is in RMG and knitting segments (including knitted RMG) collectively contributing 48 percent of total workforce in the TVC.

## 5.6 Achievements of major Schemes

Most of the units enumerated as a part of the study has availed the different schemes launched by the Government from time to time. The study indicates that about 75% of the units enumerated have availed the benefit of government schemes with highest penetration among the composite units (100%), made-ups (82.61%), weaving (78.2 %), RMG (76.65%), spinning (73.03%).

Among different Schemes, 44.14% have availed the Technology Upgradation Fund Scheme (TUFSS) followed by MDA(13.92%), PMRPY (13.74%), Duty drawback (11.72%) while other schemes consisting of 18 schemes of various ministries contributed to the remaining 16.47%.



### 5.6.1 Govt. Initiatives on investment, production & employment

- Government initiatives have positive impact on attracting investments in TVC with average investments being made by units availing schemes is Rs 55 Cr per unit which is 6.3 times more than that of units not availing

schemes (Rs 8.6 Cr). Amongst the units availing schemes, composite segment has made an average investment of Rs 1294 Cr per unit followed by spinning (Rs 166 Cr) and technical textiles (Rs 56 Cr).

- Average production in the units availing schemes is Rs.84 Cr per unit which is 5.47 times more than that of units not availing schemes (Rs 15.34 Cr). Amongst the units availing schemes, highest per unit production is witnessed in composite segment (Rs 953 Cr) followed by technical textiles (Rs 270 Cr) and spinning (Rs 226 Cr).
- Average employment in the units availing schemes is 577 persons per unit which is 6.55 times more than that of units not availing schemes (88 persons). Amongst the units availing schemes, highest per unit employment is observed in composites (2801) while lowest is in weaving with 230 persons.

### **5.6.2 Technology Up-gradation Fund Scheme (TUFS)**

- TUFS has attracted investments to the tune of Rs 3.24 Lakhs Cr since its inception. The industry has also availed a subsidy of Rs 26828.79 Cr in lieu of technology Upgradation of the various segments of textile industries.
- The study indicated that TUFS helped in enhancing production, up-gradation of technology, generating employment and up-gradation of skills with 80.36%, 87.16%, 61.14% and 70.14% respectively.
- It is important to note that 22.58% of respondents of RMG segment have attributed TUFS for generating employment and 42.31% have attributed TUFS for helping in up-gradation of skills.

### **5.6.3 Pradhan Mantri Rozgar Protsahan Yojana (PMRPY)**

- 802 establishments with an enrolment of 2.69 lakhs employees have availed the scheme as on 01.07.2019.
- The survey points out that around 45.71 percent units are availing the PMRPY scheme. Amongst the targeted segments of RMG, Knitting and Technical Textiles, segments scheme was majorly availed by RMG with 51.03 percent followed by Knitting (34.00%) and Technical Textiles (33.33%).
- Amongst TVC segments availing PMRPY, overall 64.58 percent of the units are of the opinion that the scheme has helped in generating employment. The segment wise details are RMG (69.23%), Knitting (46.15%) and Technical Textiles (33.33%).
- The scheme has helped to enhance income of manpower by about 12.48 percent. An increase of 13.56 percent in income of the employees of RMG segment has been witnessed. In other segments it was 8.33 percent in Technical Textiles and 7.60 percent for Knitting.

#### 5.6.4 Handloom Reservation Act (HRA)

- Out of different products weaved in the handloom sector, only 11 are reserved under the Handloom Reservation Act. Amongst the products reserved under handloom Reservation Act, 3 products namely Saree, Shawl, Loi, Muffler, Pankhiand Lungi are mostly woven by the weavers. Hence, the weaving of remaining 8 products is practised by limited number of weavers.
- It is important to note the growth in production by quantity of 22 nos. products covered under HRA witnessed growth of 2.36 percent CAGR for period (1996-2008) and in post-revised HRA with 11nos. product growth of 1.36 percent is been witnessed for period (2009-2019) as per primary survey. While growth rate of production of cloth in handloom sector has declined from 2.65 % CAGR during 1980 to 2010 to 2.49% during 2010 to 2017 owing to decline in the number of looms across the country. The de-reservation of many products exclusively reserved under handloom reservation act over the period of time may be one of the factors for declined growth in production. In order to examine the influence of de-reservation of the products under the act on overall production of the sector, a product wise comparative analysis has also been constructed as below:

Year	80-81	90-91	00-01	09-10	10-11	14-15	15-16	16-17
HL Cloth	3109	4295	7472	6806	6907	7203	7638	8007
Total* Cloth	12444	22928	40333	45819	61761	64332	64584	63480
Share of HL Cloth*	24.98	18.73	18.53	14.85	11.18	11.19	11.82	12.61
CAGR	2.65				2.49			
<i>Source: - Compendiums of Textile statistics. * Contains both Mill &amp; Power loom Production.</i>								

**The trend in production of cloth indicates that the act has been able to support the growth of handloom sector.** The production of handloom cloth also has increased from 6806 Million Sq.Mts in 2009-10 to 8007 million sq.mts in 2016-17, registering a CAGR of 2.49 percent during this period.

- The share of handloom products against power loom and mill cloth was 24.98 percent during 1980-81 before the implementation of handloom reservation act which has declined to 12.61 percent during 2016-17. Hence from the comparative YoY growth in production of powerloom and handloom, it is important to note that powerloom and mill cloth

production has achieved higher growth as compared to Handloom segment resulting in decrease of production share of Handloom segment even after achieving a positive growth rate.

- The production of handloom products reserved had observed positive growth of 1.58 percent CAGR for last 5 years. Among 11 reserved products, 5 products witnessed growth viz, saree with 2.77 percent, Towel & Gamcha with 2.51 percent, Dress material 3.50 percent, KhesBed sheet 5.24 percent and Shawl, Loi, Muffler 0.92% percent during 2014-19 period. Angvastram and Barrack blanket witnessed no growth while remaining 4 products have witnessed negative growth rate like Dhoti ((-) 0.36%), Lungi ((-) 9.64%), Jammakalam Durrie((-) 5.26%), Woollen tweed ((-) 0.11%) during the period.
- The awareness about the handloom reservation act has been assessed through primary survey. Out of the total units enumerated, 75 % of the units in Handloom segment were aware about handloom reservation act. Amongst the category of respondents, 86 percent of the weaver households, 77 percent of the Co-operative societies, 63 percent of Master weavers are aware about the Handloom reservation act.
- With respect to the enforcement of the Handloom Reservation Act, it is observed that 88% of the FIR lodged is convicted. While the growth of convictions suggests that the act is not completely followed by powerloom units, the enforcement mechanism has demonstrated its effectiveness in ensuring the act in the best interest of the handloom sector.

## **5.7 Recommendations**

### **5.7.1 Domestic Production Activities**

#### Recommendations:

- Due emphasis has to be given on enhancing fibre production focussed on MMF and wool as cotton has its limitations for growth.
- Improving realisation on cotton fibre through quality interventions, branding (Kasturi brand of Cotton) etc.
- Policy intervention for technology up-gradation in weaving, knitting, processing in mission mode is required.
- Value chain integration at cluster level through mega cluster integration initiatives within and intra clusters is necessary for close integration of TVC.
- Identification and addressing impediments in converting unorganised sector to organised industry.



### **5.7.2 Establishing India as Export Hub**

#### Recommendations:

- Strengthening cost competitiveness of TVC by bringing cost associated with the factors like power, cost to capital and raw material prices at par with peer countries.
- Availability of more working capital for MSMEs
- Creation of an institutional mechanism to address these emerging issues through policy support and research.
- A mission on quality & compliance to adopt international quality norms/standards to address quality competitiveness is need of the hour.
- India should evolve a Non-Tariff Measure (NTMs) eco-system on import of fabrics, apparels & made-ups through product level regulations, quality control, etc., for textiles.
- Major markets like European Union have implemented robust labelling regulation. Labelling regulation for apparels and made ups is need of the hour to control import of value added products
- Focus market studies to strengthen export of T&A

### **5.7.3 Employment & Income of Workforce**

#### Recommendations:

- Focussed policy support to high employment intensive segments to spur more investments and production and export.
- Participation of female workforce in labour intensive sector may be promoted with focus on training & placement.
- Participation of female workforce in supervisory & above categories should be promoted as it is highly skewed in favour of male.
- Provide special incentives for employing women at higher levels, focussed skilling of women in RMG, Made-ups & Knitting segments

### **5.7.4 Enrolment on EPFO**

#### Recommendations:

- Need to conduct a study to understand root cause for non organised structure in the Textile Sector.
- Dedicated policy mechanism for enhancing workforce participation in EPFO may strengthen social security measure for workforce & help in bringing structural changes.
- Higher penetration of PMRPY scheme would be beneficial for sectoral employment growth.

### **5.7.5 Income of Units**

#### Recommendations:

- Easy flow of working capital to the industry would be helpful.
- New investment through PPP on critical segments like technical textiles may be helpful.

### **5.7.6 Investment and New Employment**

#### Recommendations:

- RMG has high employment intensity viz Rs. 1 cr investment creates 33 new employment opportunities. More investments in the segment could be encouraged for creating ample opportunities for employment.
- Facilitating FDI to the critical segments like technical textiles, processing, RMG and made ups is need of the hour. Special emphasis should be given on destinations like Japan, Korea, Germany and UK for attracting FDI.
- Collaborations with international leaders in technical textiles would improve market share.

### **5.7.7 Technology Upgradation Funds Scheme (TUFS)**

#### Recommendations:

- Strengthening TUFS with focus on micro & small industries
- Technology is highly correlated with employment. Skill initiatives like Samarth need to be linked to technology & upgradation of technology for enhancing effectiveness.
- Long term impact of interventions like TUFS is very positive. Need for more practical and outcome oriented scheme guidelines.

### **5.7.8 PMRPY Scheme**

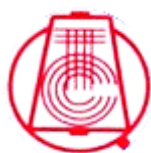
#### Recommendations:

- Efforts should be made to create awareness amongst stakeholders for enhancing success rate and reaching out to maximum number of units.
- Entire TVC should be included in PMRPY scheme for better effectiveness.
- Efforts may be initiated to encourage registration of units in EPFO so that more and more workforce could be made beneficiaries of scheme.
- Need to devise schemes in sync with industry structures or by keeping in mind existing structures.
- Need for a look at other regulatory oversight mechanisms preventing units from increasing no of employees on its own rolls v/s outsourcing.

### **5.7.9 Handloom Reservation Act**

#### Recommendations:

- Enforcement mechanism of Handloom Reservation Act needs to be strengthened.
- Effective branding, adequate market linkage would be more beneficial as reported by informants.
- Protection & promotion of products through GI & Post-GI initiatives is need of hour.
- Universal adoption of India Handloom Brand (IHB) scheme should be highly beneficial as it ensures quality, social accountability & eco-friendliness of product.
- Strengthening Market Intelligence in Textiles (MIT).
- Organising cluster level Baseline survey.



**Textiles Committee**  
**Ministry of Textiles, Government of India**  
**P. Balu Road, Prabhadevi**  
**Mumbai – 400 025**

**Assessment of the Impact of the Textile Sector Initiatives on Generation  
of Employment & Income**

Unit No.:

**SECTION I: GENERAL DETAILS**

I. Organisation Profile			
1. Name and Location of the Unit	<div style="border-bottom: 1px solid black; height: 15px; margin-bottom: 5px;"></div> <div style="border-bottom: 1px solid black; height: 15px; margin-bottom: 5px;"></div> <div style="border-bottom: 1px solid black; height: 15px; margin-bottom: 5px;"></div> <div style="border-bottom: 1px solid black; height: 15px; margin-bottom: 5px;"></div> <div style="border-bottom: 1px solid black; height: 15px; margin-bottom: 5px;"></div> <div style="border-bottom: 1px solid black; height: 15px; margin-bottom: 5px;"></div>		
2. Administrative Office address	<div style="border-bottom: 1px solid black; height: 15px; margin-bottom: 5px;"></div> <div style="border-bottom: 1px solid black; height: 15px; margin-bottom: 5px;"></div> <div style="border-bottom: 1px solid black; height: 15px; margin-bottom: 5px;"></div> <div style="border-bottom: 1px solid black; height: 15px; margin-bottom: 5px;"></div> <div style="border-bottom: 1px solid black; height: 15px; margin-bottom: 5px;"></div> <div style="border-bottom: 1px solid black; height: 15px; margin-bottom: 5px;"></div>		
3. Owner/CEO	<div style="border-bottom: 1px solid black; height: 15px; margin-bottom: 5px;"></div> <div style="border-bottom: 1px solid black; height: 15px; margin-bottom: 5px;"></div> <div style="border-bottom: 1px solid black; height: 15px; margin-bottom: 5px;"></div> <div style="border-bottom: 1px solid black; height: 15px; margin-bottom: 5px;"></div> <div style="border-bottom: 1px solid black; height: 15px; margin-bottom: 5px;"></div>		
4. Name of the Informant	<div style="border-bottom: 1px solid black; height: 15px; margin-bottom: 5px;"></div> <div style="border-bottom: 1px solid black; height: 15px; margin-bottom: 5px;"></div> <div style="border-bottom: 1px solid black; height: 15px; margin-bottom: 5px;"></div>		
5. Year of Establishment of the Unit	<div style="border-bottom: 1px solid black; height: 15px; margin-bottom: 5px;"></div>		
6(A). Size of the Unit (Please tick)			
Micro		Small	
Medium		Large	
<p><b><u>Micro</u></b> - Investment in plant and Machinery does not exceed Rs 25 lakh; <b><u>Small</u></b> - Investment in plant and Machinery is more than Rs 25 lakhs but does not exceed Rs 5 crores; <b><u>Medium</u></b> - Investment in plant and Machinery is more than Rs 5 crore but does not exceed Rs 10 crore; <b><u>Large</u></b> - Investment in plant and Machinery is more than Rs 10 Crores)</p>			

6(B). Segment to which the unit belong (pl tick)						
Spinning		Weaving		Knitting		
Processing		RMG		Made-ups		
Composite		Technical Textiles/		Non Woven		
Handlooms		Others (Specify)				
6(C). Type of Ownership (pl tick) (Pl. see the instructions)						
Public Ltd		Private Ltd		Partnership		
Proprietary		Others (Specify)				
7 (A). Type of Products produced (pl tick)						
Fibre		Filaments		Yarn		
Woven fabric		Knitted fabric		RMG		
Made-ups		Carpets		Non-Wovens		
Specialty Fibres		Technical Textiles		Others (Specify)		
7 (B). Type of Activity (Please tick) In case of both activities write %		Own		Job work		
Production turnover of the Unit.		Unit	2013-14	2017-18		
Quantity						
Value						
8. Product wise turn over for the last five years (Value in lakh Rs)						
Name of Products	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
8 A Production Details (in quantity):						
Products	Unit	2013-14	2017-18	Content (If blends give % composition)		
Products are: Fibre, Filament, filament Yarn, Spun Yarn, Knitted Fabric, woven fabric, Made-ups, Technical Textiles						

9. Details of Raw Material used during 2018-19.

Raw material	Content (If blends give % composition)	Source (Please tick, if more than one give % also)			Country of imports
		Local	Domestic	Imported	

**Raw materials are:** Products are: Fibre, Filament, filament Yarn, Spun Yarn, Knitted Fabric, woven fabric, Made-ups, Technical Textiles (**please provide Country name & % in country of imports**)

10 Investment details (in Rs lakhs)

Particulars	Up to 2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Land & Building						
Plant & Machinery						
Skill Development/ Training						
Others (specify)						

11. Manpower of the unit.

Category	2013-14		2014-15		2015-16		2016-17		2017-18	
	M	F	M	F	M	F	M	F	M	F
Managerial										
Supervisory										
Shop floor employees (Including Contract)										
Any Other										

## 12 Plans of the unit

12 A. Do you have any Modernisation plans?

Yes

No

If yes, please give details

Area of Modernisation	Planned month/year	Funds required (in Rs Lakhs)	Source of funding		
			Own	FIs	Others
If No, reasons for not modernising?					

12 B. Do you have any Capacity Expansion plans?

Yes

No

If yes, please give details

Area of Capacity Expansion	Planned month/year	Funds required (in Rs Lakhs)	Source of funding		
			Own	FIs	Others
If No, reasons for not upgrading?					

12 C. Do you have any Product Diversification plans?

Yes

No

If yes, please give details

Area of Product Diversification	Planned month/year	Funds required (in Rs Lakhs)	Source of funding		
			Own	FIs	Others
If No, reasons for not carrying product diversification?					
Support required from Govt. Policy/Scheme Others					

13 Kindly give your opinions on the critical problems faced by the industry, after indicating the gravity of the problems as below by tick marking

Problems	Details			
	Very Critical	Serious	Not so serious	Details may be given in separate sheet
<b>Infrastructure</b>				
Power				
Land				
Logistics				
ETP Related				
Any other, please specify				
<b>Technology</b>				
Technology Know how				
Machinery imports				
Maintenance of Machinery				
Delivery of booked Machines				
Any other, please specify				
<b>Raw material</b>				
Availability				
Quality				
Price				
<b>Man Power</b>				
Skilled man-power				
Skilling / training programmes				
Attrition of workers				
Labour issues/ Trade Union issues				
Any other, please specify				
<b>Fiscal Levies/Duty structures</b>				
GST				
Tariffs (for Exports)				
Duty Drawback				
Foreign Trade Policy				
Import related				
Any other, please specify				



**SECTION II**

**14** Have you availed any Government of India Schemes

Yes

No

14 A Details of the Schemes availed and its Benefits											
1. List of the schemes of the Gol availed by the Unit											
Name of the Scheme	Year	Initiative Taken	Year wise Benefit					Total Investment	Employment before implementation of the scheme	Additional Employment Generated (in No.)	Total Employment of the Unit (2017-18)
			Up to 2013-14	2014-15	2015-16	2016-17	2017-18				

**15** Have the schemes helped in generating employment for the Industry?

Yes

No

A. If yes, total no. of additional employment generated:

Category	2013-14		2014-15		2015-16		2016-17		2017-18	
	M	F	M	F	M	F	M	F	M	F
Managerial										
Supervisory										
Shop floor employees (Including Contract)										
Any Other										

B. If there is any decline in employment, reasons for the same (please prioritize)

1.

2.

3.

**16** Have the Schemes helped in increase in Income of the employees of the Unit?

Yes

No

If yes, percentage Increase in Income?

Category	2013-14		2014-15		2015-16		2016-17		2017-18	
	M	F	M	F	M	F	M	F	M	F
Managerial										
Supervisory										
Shop floor employees (Including Contract)										
Any Other										

**17** Usefulness of the availed schemes for generating employment and Income (List on basis of Priority)

S. No.	Generating Employment	Increase in Income

**18** Have the schemes helped in up gradation of technology?

Yes

No

If yes, name the scheme.

1.

2.

3.

**19** Have the schemes helped in enhanced production?

Yes  No

If yes, name the scheme.

- 1.
- 2.
- 3.

**20** Have the schemes helped in up gradation of Skills?

Yes  No

If yes, name the scheme.

- 1.
- 2.
- 3.

**21** Have you availed the benefits of Pradhan Mantri Rojgar Protsahan Yojana (PMRPY)?

Yes  No

**22** If yes, has the scheme helped in the generating additional employment?

Yes  No

**23** If yes, percentage increase in the additional employment in the unit

**24** Has the scheme helped in increasing the Income of the Employees?

Yes  No

**25** If yes, percentage increases in the Income of the Employees?

Category	Percentage Increase
Supervisory	
Shop floor employees (Including Contract)	
Any Other	

**26** No. of employees enrolled in the under Employees Provident Fund (EPF).

**27** No. of employees enrolled under Other Social Benefit Programme, Please specify.

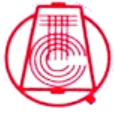
**28** Kindly give suggestion for strengthening the scheme

Name of the Scheme	Suggestions
TUFS	
PMRPY	
Skill Development Scheme (ISDS)	
Other Schemes (Please Specify)	

Suggestions, if any, for the Development of the sector

**For Office records only**

Interviewers/Investigators Details		Verifying Officers Details	
Name		Name	
Designation & RO		Designation & RO	
Signature of the Interviewer along with Date		Signature of the Verifying Officer along with Date	



## Annexure 2

Textiles Committee  
Ministry of Textiles, Government of India  
P. Balu Road, Prabhadevi, Mumbai – 400 025

Identify Gaps and Suggest Measures for Handloom sector.

Unit No.:

### SECTION I: GENERAL DETAILS

I. General details.						
1. Name and address of the weaver /Society.			Tel No:			
			Email: _____			
4. Name of the Informant			Name:		Phone:	
			Mobile:			
5. Year of Establishment of the weaving unit						
6(A). Type of the Unit (Please tick)						
Weaver household				Co-operative society		
Master weaver				Others (plz. Specify)		
7 (A). Products produced (pl tick/name )						
Saree		Lungi			Wollen Tweed	
Dhoti		Khes, Bed sheet, Bedcover, Counterpane, Furnishing			Chaddar, Mekhala or Phanek	
Towel & Ghamcha		Jammakkalam Durry or Durret			Others 1(plz. Specify)	
Angvastram		Shawl, Loi, Muffler, Pankhi, etc			Others 2(plz. Specify)	
Dress material		Barrack blanket & kambal			Others 3(plz. Specify)	
7 (B). Type of Activity (Please tick) In case of both activities write %		Own			Job work	
8. Product wise turn over for the last five years (Value in lakh Rs)						
Name of Products	Product under Handloom Reservation Act 1985* (Please tick)	2014-15	2015-16	2016-17	2017-18	2018-19
Product under Handloom Reservation Act 1985*:-(a) if unaware of product enter symbol (?) (b) If product not reserved enter symbol (X)						
8 A Production Details (in quantity):						
Products	Product under Handloom Reservation Act 1985 (Please tick)	Unit (Linear mtrs.)	2014-15		2018-19	
			No. of looms		No. of looms	
Products may be mentioned as trade name.						

9. Production in Linear mtrs. : - 1996:\_\_\_\_\_ 2008:\_\_\_\_\_ 2018-19:\_\_\_\_\_

10 Price (Rs) of the Product 1. (Name: \_\_\_\_\_): - 1996:\_\_\_\_\_ 2008:\_\_\_\_\_ 2018-19:\_\_\_\_\_

Product 2. (Name: \_\_\_\_\_): - 1996:\_\_\_\_\_ 2008:\_\_\_\_\_ 2018-19:\_\_\_\_\_

Product 3. (Name: \_\_\_\_\_): - 1996:\_\_\_\_\_ 2008:\_\_\_\_\_ 2018-19:\_\_\_\_\_

**11. Manpower of the unit.**

Category	2014-15		2015-16		2016-17		2017-18		2018-19	
	M	F	M	F	M	F	M	F	M	F
Weaving master/dyeing master /Supervisory										
Weavers										
Allied workers (Including Contract)										
Any Other*										
Other* means admin staff.										

**12. Plans of the unit.**

12B. Do you have any Capacity expansion /Product diversification plans?	
Yes	No
If No, please provide reasons.	

**SECTION II**

13. Have you availed any Government Schemes

Yes

No

Name of the Scheme	Year of implementation	Purpose of availing the scheme	Year wise Investment				
			2014-15	2015-16	2016-17	2017-18	2018-19

Note: Type of Technology up-gradation, capacity expansion, product diversification may be mentioned in case of purpose of availing the scheme.

14. Are you aware of the Handloom reservation act? Yes

No

15.a. Have the Handloom reservation act helped you? If Yes/No please describe.

Yes

No

If Yes/No please describe.

- 1.
- 2.
- 3.

15b. Have the Handloom reservation act helped in generating employment for the Industry?

Yes

No

15c. Have the Handloom reservation act helped in protecting the products from power looms?

Yes

No

If no, provide reasons.

- 1.
- 2.
- 3.

15d. Have the Handloom reservation act helped in enhancing production of reserved products vs. non reserved products?

Yes

No

If no, provide reasons.

- 1.
- 2..



15e. Has the handloom reservation act helped in Competing against Powerloom manufacturers?

Yes  No

If No, please give the reason.

- 1.
- 2.

15f. Whether the enforcement agency is effectively carrying out the enforcement of the act.

Yes  No

16. Increase in Income

Category	2013-14		2014-15		2015-16		2016-17		2017-18	
	M	F	M	F	M	F	M	F	M	F
Weaving master/dyeing master /Supervisory										
Weavers										
Allied workers (Including Contract)										
Any Other*										

17. No. of employees enrolled in the under Employees Provident Fund (EPF) in year 2018-19.

Male	Female

18. No. of employees enrolled under Other Social Benefit Programme, Please specify.

Male	Female

19. Key constraints in implementation of handloom reservation act.

1. Similar products woven by other sectors under same brand name.
2. Similar products woven by other sectors under different brand name.
3. Products present in HRA have similar specifications woven by Powerloom sector.
4. Cannot differentiate the final products between Powerloom and handloom.
5. Enforcement agency unable to entirely protect the products.

20. Suggested actions required will benefit the Handloom sector.

1. Efforts are required to make product available at cheaper price with inventing by new technology.
2. Different supply chain and market place required for the products.
3. Mandatory use of handloom mark.
4. Mandatory use of GI mark.
5. Support for marketing handloom products domestically.
6. Others:

\_\_\_\_\_.

21. Kindly give suggestion for strengthening the Handloom Reservation act 1985

<b>For Office records only</b>			
<b>Interviewers/Investigators Details</b>		<b>Verifying Officers Details</b>	
Name		Name	
Designation & RO		Designation & RO	

### Annexure 3

#### Cluster wise No. of units in the Textile sector

States	No.	Clusters	Spinning	Preparatory Work for Weaving	Weaving (PL)	Weaving (HL)	Knitting	Processing (All-Dyeing, Printing, etc)	Embroidery	Made Ups/ Home Textiles	RMG	Technical Textiles	Carpet	Trader	All Total
Maharashtra	1	Ichalkaranji	33	370	11856	405	1	71	0	5	25	3	0	0	12769
	2	Malegaon	1	701	30020	0	0	4	0	0	0	0	0	0	30726
	3	Solapur	12	700	3750	540	0	430	0	0	1010	0	0	0	6442
Maharashtra	4	Nagpur	0	0	0	0	0	0	0	0	1050	0	0	0	1050
Madhya Pradesh	5	Indore	0	0	0	0	0	0	0	0	2200	0	0	0	2200
Maharashtra	6	Tarapur	0	0	200	0	0	22	0	0	10	2	0	0	234
Gujarat	7	Vapi	0	0	98	0	0	22	0	0	150	3	0	0	273
	8	Surat	45	0	32500	0	250	316	0	0	15	100	0	65000	98226
	9	Ahmedabad	34	0	53	0	6	38	0	0	1500	39	0	0	1670
	10	Gandhinagar	7	2	0	0	0	0	0	0	0	0	0	0	9
Tamil Nadu	11	Chennai	0	0	0	300	0	0	0	0	230	0	0	0	530
	12	Salem	100	0	3000	22000	0	10	0	0	30	0	0	0	25140
	13	Madurai	63	0	40	8100	0	40	0	0	75	0	0	0	8318
	14	Karur	16	0	350	12000	500	65	0	575	0	0	0	0	13506
	15	Erode	55	0	16650	25570	0	365	0	0	25	0	0	0	42665
	16	Tirupur	0	0	0	0	8000	3820	20000	0	11268	0	0	0	25088
	17	Coimbatore	794	0	30000	17000	0	0	0	0	0	0	0	0	47794
	18	Avinashi	0	30	10000	0	0	0	0	0	0	0	0	0	10030
	19	Somanur	25	0	15625	0	0	0	0	0	0	0	0	0	15650
	20	Palladam	40	85	8000	0	0	0	0	0	0	0	0	0	8125
Karnataka	21	Bangalore	12	0	61304	7776	0	54	0	0	250	0	0	0	69396
	22	Bellary	0	0	0	0	0	0	0	0	850	0	0	0	850
Andhra Pradesh	23	Vizag	0	0	0	0	0	0	0	0	0	0	0	0	0
Telangana	24	Hyderabad	26	0	35588	17069	1	20	0	0	4	0	0	0	52708
Rajasthan	25	Jaipur	0	0	0	0	0	0	0	0	0	0	0	0	0
	26	Bhilwara	0	0	0	0	0	0	0	0	0	0	0	0	0
Haryana	27	Faridabad	0	0	58	0	0	140	0	0	195	0	0	0	393
	28	Gurugram & Manesar	3	0	48	0	0	23	0	0	1255	0	0	0	1329

States	No.	Clusters	Spinning	Preparatory Work for Weaving	Weaving (PL)	Weaving (HL)	Knitting	Processing (All-Dyeing, Printing, etc.)	Embroidery	Made Up/Home Textiles	RMG	Technical Textiles	Carpet	Trader	All Total
	29	Panipat	400	0	700	0	0	250	0	0	0	0	136	0	1486
	30	Sonipat	6	0	95	0	0	22	0	0	31	0	0	0	154
<b>Punjab</b>	31	Ludhiana	60	0	506	0	8000	250	1250	0	1029	0	0	0	11095
	32	Amritsar	2	0	225	0	0	40	218	4	0	0	0	0	489
	33	Jalandhar	0	0	0	0	0	0	0	0	0	100	0	0	100
<b>Himachal Pradesh</b>	34	Baddi	18	0	3	0	0	2	0	0	1	0	0	0	24
<b>Delhi (NCR)</b>	35	Delhi (NCR)	0	0	0	0	0	0	0	0	2039	0	0	0	2039
<b>Uttar Pradesh</b>	36	Meerut	2	0	6000	500	5	43	807	0	0	3	2	0	7362
	37	Noida	0	0	8	50	0	20	5000	0	3200	4	7	0	3789
<b>Uttar Pradesh</b>	38	Kanpur	0	0	1000	0	467	0	16000	2	3000	0	0	0	6069
	39	Varanasi	0	0	25557	70000	11	0	40000	18	36	0	0	0	96022
	40	Bhadoi	0	0	0	0	0	500	0	0	0	0	0	0	500
	41	Mau	0	0	21977	0	0	0	0	0	0	0	0	0	21977
	42	Tanda	0	0	5025	0	0	0	0	0	0	0	0	0	5025
<b>West Bengal</b>	43	Kolkata	0	0	0	12	18500	100	0	0	23200	0	0	0	41812
	44	Howrah	0	0	0	0	0	0	0	0	0	0	0	0	0
	45	Hoogly	0	0	0	0	0	0	0	0	0	0	0	0	0
	46	Pargana	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Jharkhand</b>	47	Ranchi	0	0	0	51	0	1	0	0	10	0	0	0	62
<b>Odisha</b>	48	Bhubaneswar	0	0	400	1500	0	2	0	0	16	0	0	0	1918
	49	Khurda	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Maharashtra</b>	50	Bhiwandi	6	200	22000		6	200							22412
			<b>1760</b>	<b>2088</b>	<b>342636</b>	<b>182873</b>	<b>35747</b>	<b>6870</b>	<b>6775</b>	<b>604</b>	<b>52704</b>	<b>254</b>	<b>145</b>	<b>65000</b>	<b>697456</b>

Source : From primary survey

## Annexure 4

### Top Exported T&A Products and India

(\$Bn)

Product	World Export			India's Export			India's Share (%)		
	2010	2015	2019	2010	2015	2019	2010	2015	2019
T-shirts, singlets and other vests of cotton, knitted or crocheted (610910)	25.65	27.89	31.09	1.47	1.78	1.96	5.74	6.38	6.30
Men's or boys' trousers, bib and brace overalls, breeches and shorts, of cotton (620342)	20.54	25.78	26.42	0.37	0.46	0.50	1.79	1.77	1.90
Jerseys, pullovers, cardigans, waistcoats and similar articles, of man-made fibres, knitted (611030)	15.46	20.67	26.13	0.01	0.07	0.07	0.10	0.35	0.27
Jerseys, pullovers, cardigans, waistcoats and similar articles, of cotton, knitted or crocheted (611020)	18.97	18.08	24.53	0.13	0.12	0.20	0.68	0.64	0.80
Women's or girls' trousers, bib and brace overalls, breeches and shorts of cotton (620462)	18.14	21.09	21.24	0.28	0.23	0.23	1.54	1.11	1.07
T-shirts, singlets and other vests of textile materials, knitted or crocheted (610990)	9.36	15.99	15.05	0.23	1.08	0.66	2.41	6.75	4.37
Cotton, neither carded nor combed (520100)	15.21	11.68	15.04	2.97	1.86	1.08	19.54	15.93	7.15
Made-up articles of textile materials, incl. dress patterns, n.e.s. (630790)	6.77	10.37	12.30	0.22	0.40	0.39	3.19	3.87	3.20
Men's or boys' shirts of cotton (620520)	9.88	12.06	10.93	0.70	0.92	0.83	7.10	7.59	7.59
Men's or boys' anoraks, windcheaters, wind jackets and similar articles, of man-made fibres (620193)	4.99	7.86	10.83	0.00	0.00	0.01	0.02	0.02	0.05
Brassieres of all types of textile materials, whether or not elasticated, incl. knitted (621210)	8.07	10.21	10.73	0.05	0.11	0.11	0.57	1.12	1.01
Women's or girls' anoraks, windcheaters, wind	4.96	8.27	10.36	0.00	0.00	0.00	0.01	0.00	0.04

Product	World Export			India's Export			India's Share (%)		
	2010	2015	2019	2010	2015	2019	2010	2015	2019
jackets and similar articles, of man-made fibres (620293)									
Woven fabrics of yarn containing >= 85% by weight of textured polyester filaments, incl. monofilament (540752)	5.49	7.71	8.86	0.16	0.15	0.12	2.85	1.90	1.41
Women's or girls' dresses of synthetic fibres (620443)	3.56	7.22	8.51	0.17	0.56	0.66	4.81	7.82	7.81
Men's or boys' trousers, bib and brace overalls, breeches and shorts of synthetic fibres (620343)	4.23	6.44	8.06	0.06	0.13	0.10	1.42	2.07	1.24
Women's or girls' trousers, bib and brace overalls, breeches and shorts of synthetic fibres (610463)	2.64	5.79	7.97	0.00	0.02	0.02	0.18	0.33	0.29
Women's or girls' trousers, bib and brace overalls, breeches and shorts of cotton, knitted (610462)	5.40	6.28	7.51	0.12	0.13	0.10	2.24	2.07	1.33
Knitted or crocheted fabrics, of a width of > 30 cm, containing >= 5% by weight elastomeric (600410)	5.65	6.97	7.40	0.00	0.03	0.11	0.08	0.48	1.54
Dyed fabrics, knitted or crocheted, of synthetic fibres, of a width of > 30 cm (600632)	3.40	6.09	7.20	0.00	0.00	0.01	0.10	0.07	0.12
Women's or girls' blouses, shirts and shirt-blouses of man-made fibres (620640)	2.59	6.31	7.14	0.21	0.83	0.52	8.20	13.22	7.29
Women's or girls' trousers, bib and brace overalls, breeches and shorts of synthetic fibres (620463)	2.99	5.13	6.74	0.03	0.13	0.14	0.92	2.54	2.04
Toilet linen and kitchen linen, of terry towelling or similar terry fabrics of cotton (630260)	5.33	6.26	6.41	0.38	1.00	1.08	7.18	16.01	16.87
Babies' garments and clothing accessories	4.48	5.16	6.06	0.34	0.59	0.71	7.57	11.44	11.70

Product	World Export			India's Export			India's Share (%)		
	2010	2015	2019	2010	2015	2019	2010	2015	2019
of cotton, knitted or crocheted (611120)									
Men's or boys' shirts of cotton, knitted or crocheted (610510)	5.49	5.13	6.01	0.35	0.34	0.47	6.39	6.61	7.89
Textile fabrics impregnated, coated, covered or laminated with polyurethane (590320)	5.00	5.57	5.93	0.00	0.00	0.01	0.01	0.05	0.08
Full-length or knee-length stockings, socks and other hosiery, incl. footwear (611595)	4.04	4.79	5.73	0.01	0.02	0.02	0.16	0.38	0.37
Women's or girls' overcoats, raincoats, car coats, capes, cloaks and similar articles, of man-made (620213)	2.24	3.17	5.15	0.00	0.00	0.00	0.07	0.08	0.08
Women's or girls' tracksuits and other garments, n.e.s. of man-made fibres (621143)	1.78	3.93	5.06	0.03	0.55	0.59	1.57	13.94	11.58
Women's or girls' dresses of synthetic fibres, knitted or crocheted (610443)	2.34	4.52	5.05	0.03	0.08	0.09	1.36	1.81	1.72
Woven fabrics of yarn containing >= 85% by weight of non-textured polyester filaments (540761)	3.45	4.51	4.70	0.08	0.02	0.01	2.32	0.39	0.20
Dyed cotton fabrics, knitted or crocheted, of a width of > 30 cm (600622)	4.94	4.40	4.62	0.03	0.06	0.10	0.59	1.46	2.25
Men's or boys' trousers, bib and brace overalls, breeches and shorts of cotton, knitted (610342)	2.81	3.70	4.52	0.07	0.13	0.14	2.44	3.64	3.14
Staple fibres of polyesters, not carded, combed or otherwise processed for spinning (550320)	3.83	3.94	4.39	0.22	0.20	0.30	5.86	5.10	6.71
Full-length or knee-length stockings, socks and other hosiery (611596)	2.66	3.82	4.31	0.00	0.01	0.03	0.01	0.21	0.67
Textured filament yarn of polyester (540233)	3.03	3.60	4.28	0.39	0.74	0.73	12.75	20.65	17.18

Product	World Export			India's Export			India's Share (%)		
	2010	2015	2019	2010	2015	2019	2010	2015	2019
Worn clothing and clothing accessories, blankets and travelling rugs, household linen and articles (630900)	3.03	4.01	4.25	0.05	0.09	0.08	1.76	2.26	1.94
Men's or boys' garments of textile fabrics, rubberised or impregnated, coated, covered or laminated (621040)	3.42	3.82	4.21	0.00	0.01	0.03	0.05	0.16	0.66
Jerseys, pullovers, cardigans, waistcoats and similar articles, of wool, knitted or crocheted (611011)	3.67	4.05	4.19	0.06	0.05	0.03	1.74	1.33	0.73
Women's or girls' trousers, bib and brace overalls, breeches and shorts of textile materials (620469)	2.87	3.66	4.15	0.03	0.11	0.12	0.90	3.14	2.84
Men's or boys' underpants and briefs of cotton, knitted or crocheted (610711)	2.80	3.66	4.10	0.13	0.22	0.21	4.80	5.92	5.09
Women's or girls' jackets and blazers of synthetic fibres (620433)	2.39	5.80	4.09	0.01	0.03	0.03	0.53	0.55	0.71
Men's or boys' trousers, bib and brace overalls, breeches and shorts of synthetic fibres, knitted (610343)	2.20	3.18	4.00	0.01	0.03	0.05	0.24	0.81	1.21
Curtains, incl. drapes, and interior blinds, curtain or bed valances of synthetic fibres (630392)	2.47	3.21	3.95	0.01	0.01	0.01	0.45	0.28	0.18
Single cotton yarn, of uncombed fibres, containing >= 85% cotton by weight (520512)	2.82	3.66	3.95	0.16	0.50	0.36	5.75	13.71	9.23
Women's or girls' swimwear of synthetic fibres, knitted or crocheted (611241)	2.23	2.92	3.88	0.00	0.00	0.00	0.00	0.05	0.00
Women's or girls' dresses of cotton (620442)	3.46	3.12	3.86	0.69	0.60	0.57	20.08	19.13	14.87
Special garments for professional, sporting or other purposes,	2.08	2.76	3.83	0.01	0.09	0.07	0.41	3.41	1.74



Product	World Export			India's Export			India's Share (%)		
	2010	2015	2019	2010	2015	2019	2010	2015	2019
n.e.s., of man-made fibres (611430)									
Textile fabrics impregnated, coated, covered or laminated with plastics other than poly"vinyl (590390)	3.09	3.31	3.82	0.00	0.02	0.07	0.13	0.49	1.72
Women's or girls' garments of textile fabrics, rubberised or impregnated, coated, covered (621050)	2.72	3.20	3.81	0.00	0.00	0.00	0.03	0.01	0.05
Blankets and travelling rugs of synthetic fibres (630140)	2.48	3.71	3.76	0.01	0.04	0.03	0.43	1.11	0.70
Women's or girls' dresses of artificial fibres (620444)	0.91	1.93	3.72	0.01	0.13	0.26	1.55	6.88	7.10
Pile fabrics of man-made fibres, knitted or crocheted (600192)	1.73	2.84	3.60	0.00	0.00	0.00	0.02	0.02	0.03
Women's or girls' blouses, shirts and shirt-blouses of cotton (620630)	6.32	4.80	3.60	1.15	0.67	0.49	18.19	14.01	13.61
Bedlinen of cotton (630231)	3.50	3.42	3.59	0.23	0.22	0.24	6.45	6.37	6.79
Women's or girls' jackets and blazers of cotton (620432)	2.25	3.78	3.58	0.04	0.04	0.04			1.02
Textile fabrics impregnated, coated, covered or laminated with poly"vinyl chloride" (590310)	3.22	3.69	3.56	0.08	0.12	0.07	2.58	3.30	2.09
Nonwovens, whether or not impregnated, coated, covered or laminated, n.e.s., of man-made filaments (560312)	2.22	2.85	3.36	0.03	0.05	0.06	1.18	1.82	1.91
Carpets and other floor coverings, of man-made textile materials, tufted "needle punched" (570330)	2.30	2.97	3.30	0.02	0.11	0.14	0.93	3.63	4.31
Women's or girls' briefs and panties of man-made fibres, knitted or crocheted (610822)	2.39	2.87	3.19	0.00	0.02	0.01	0.10	0.58	0.38
Men's or boys' jackets and blazers of	1.79	3.24	3.17	0.02	0.04	0.03	1.14	1.13	0.89

Product	World Export			India's Export			India's Share (%)		
	2010	2015	2019	2010	2015	2019	2010	2015	2019
synthetic fibres (620333)									
Women's or girls' dresses of cotton, knitted or crocheted (610442)	2.11	2.72	3.15	0.09	0.11	0.13	4.08	4.17	4.15
Plain woven fabrics of cotton, containing >= 85% cotton (520852)	2.59	2.90	3.08	0.13	0.21	0.36	4.96	7.13	11.72
Women's or girls' briefs and panties of cotton, knitted or crocheted (610821)	2.52	2.94	3.01	0.08	0.14	0.18	3.33	4.86	6.02
Gloves, mittens and mitts, impregnated, coated or covered with plastics or rubber, knitted (611610)	1.38	2.19	2.98	0.00	0.01	0.01	0.35	0.39	0.49
Carpets and other floor coverings, of man-made textile materials, woven, not tufted or flocked (570242)	1.82	2.46	2.93	0.00	0.03	0.04	0.25	1.09	1.23
Woven fabrics of yarn containing >= 85% by weight of textured polyester filaments (540754)	1.17	2.02	2.87	0.09	0.05	0.08	7.35	2.50	2.83
Greasy shorn wool, incl. fleece-washed wool, neither carded nor combed (510111)	2.57	2.89	2.85	0.00	0.00	0.00	0.00	0.00	0.00
Carpets and other floor coverings, of nylon or other polyamides, tufted "needle punched", whether (570320)	2.64	2.66	2.84	0.02	0.01	0.01	0.62	0.56	0.35
Men's or boys' tracksuits and other garments, n.e.s. of man-made fibres (excluding knitted (621133)	1.96	2.34	2.72	0.01	0.04	0.03	0.54	1.58	1.26
Textile products and articles, for technical purposes, specified in Note 7 to chapter 59, n.e.s. (591190)	1.84	2.16	2.60	0.00	0.01	0.02	0.20	0.46	0.84
Denim, containing >= 85% cotton by weight and weighing > 200 g/m <sup>2</sup> , made of yarn of different (520942)	3.54	2.81	2.58	0.15	0.24	0.24	4.30	8.40	9.24
Floorcloths,	1.71	2.10	2.47	0.09	0.05	0.03	5.07	2.40	1.35

Product	World Export			India's Export			India's Share (%)		
	2010	2015	2019	2010	2015	2019	2010	2015	2019
dishcloths, dusters and similar cleaning cloths, of all types of textile materials (630710)									
Nonwovens, whether or not impregnated, coated, covered or laminated, n.e.s., of synthetic or (560311)	1.92	2.18	2.47	0.01	0.01	0.02	0.54	0.24	0.80
Flexible intermediate bulk containers, for the packing of goods, of synthetic or man-made textile (630532)	1.34	2.03	2.46	0.14	0.48	0.70	10.25	23.56	28.61
Nonwovens, whether or not impregnated, coated, covered or laminated, n.e.s., of man-made filaments (560314)	1.70	1.93	2.45	0.00	0.01	0.01	0.20	0.46	0.57
Women's or girls' jackets and blazers of cotton, knitted or crocheted (excluding wind-jackets (610432)	3.49	3.73	2.40	0.02	0.02	0.01	0.60	0.45	0.55
Men's or boys' shirts of man-made fibres, knitted or crocheted (excluding nightshirts, T-shirts (610520)	1.38	1.96	2.37	0.14	0.28	0.15	10.41	14.53	6.36
Nonwovens, whether or not impregnated, coated, covered or laminated, n.e.s., of man-made filaments (560313)	1.66	2.12	2.37	0.01	0.01	0.02	0.32	0.34	1.02
Nonwovens, whether or not impregnated, coated, covered or laminated, n.e.s., weighing > 25 (560392)	1.69	2.11	2.35	0.00	0.00	0.00	0.04	0.19	0.08
Men's or boys' overcoats, raincoats, car coats, capes, cloaks and similar articles, of man-made (620113)	0.90	1.28	2.33	0.00	0.01	0.00			0.13
Women's or girls' skirts and divided skirts of synthetic fibres (excluding knitted or crocheted (620453)	1.15	1.88	2.28	0.04	0.12	0.10	3.69	6.34	4.31
Narrow woven fabrics of man-made fibres,	1.70	2.05	2.28	0.02	0.01	0.01	0.91	0.41	0.52

Product	World Export			India's Export			India's Share (%)		
	2010	2015	2019	2010	2015	2019	2010	2015	2019
with a width of <= 30 cm, n.e.s. (580632)									
Women's or girls' overcoats, car coats, capes, cloaks, anoraks, incl. ski jackets, windcheaters (610230)	0.88	1.44	2.22	0.00	0.00	0.00	0.04	0.01	0.02
Women's or girls' dresses of textile materials (excluding of wool, fine animal hair, cotton (620449)	2.13	2.00	2.21	0.06	0.07	0.13	2.98	3.55	5.92
Woven fabrics containing predominantly, but < 85% polyester staple fibres by weight, mixed (551511)	1.55	2.14	2.19	0.22	0.38	0.29	14.32	17.75	13.37
Garments made up of felt or nonwovens, whether or not impregnated, coated, covered or laminated (621010)	1.83	2.25	2.16	0.00	0.00	0.01	0.02	0.10	0.30
Men's or boys' shirts of man-made fibres (excluding knitted or crocheted, nightshirts, singlets (620530)	1.35	1.53	2.14	0.05	0.08	0.07	3.41	4.96	3.34
Men's or boys' anoraks, windcheaters, wind jackets and similar articles, of cotton (not knitted (620192)	1.19	1.45	2.09	0.00	0.00	0.00	0.13	0.09	0.14
Denim, containing predominantly, but < 85% cotton by weight, mixed principally or solely with (521142)	0.92	1.86	2.08	0.01	0.08	0.20	1.52	4.45	9.66
Special garments for professional, sporting or other purposes, n.e.s., of cotton, knitted or (611420)	1.39	2.03	2.08	0.11	0.31	0.28	8.11	15.44	13.56
Men's or boys' jackets and blazers of textile materials (excluding of wool, fine animal hair (620339)	0.85	1.19	2.04	0.02	0.07	0.07	2.02	5.71	3.45
Women's or girls' nightdresses and pyjamas of man-made fibres, knitted or crocheted (excluding (610832)	1.19	1.59	2.03	0.00	0.01	0.02	0.21	0.52	0.76

Product	World Export			India's Export			India's Share (%)		
	2010	2015	2019	2010	2015	2019	2010	2015	2019
Tents of synthetic fibres (excluding umbrella and play tents) (630622)	1.28	1.78	2.03	0.00	0.00	0.00	0.01	0.06	0.01
Women's or girls' blouses, shirts and shirt-blouses of cotton, knitted or crocheted (excluding (610610)	3.27	2.25	2.00	0.26	0.11	0.09	7.82	4.78	4.25
Nonwovens, whether or not impregnated, coated, covered or laminated, n.e.s., weighing > than (560394)	1.41	1.60	1.99	0.00	0.01	0.00	0.13	0.33	0.23
Women's or girls' overcoats, raincoats, car coats, capes, cloaks and similar articles, of wool (620211)	1.40	1.63	1.98	0.01	0.00	0.00	0.39	0.22	0.07
Women's or girls' tracksuits and other garments, n.e.s. of cotton (excluding knitted or crocheted) (621142)	1.09	1.25	1.96	0.06	0.36	0.36	5.55	28.52	18.19
Women's or girls' blouses, shirts and shirt-blouses of man-made fibres, knitted or crocheted (610620)	1.87	1.96	1.95	0.05	0.02	0.02	2.53	1.03	1.14
Men's or boys' jackets and blazers of cotton (excluding knitted or crocheted, and wind-jackets (620332)	1.27	2.25	1.95	0.04	0.04	0.04	3.28	1.79	2.02
Sacks and bags, for the packing of goods, of polyethylene or polypropylene strip or the like (630533)	1.58	2.16	1.92	0.01	0.03	0.02	0.52	1.17	0.97
Jerseys, pullovers, cardigans, waistcoats and similar articles, of hair of Kashmir "cashmere" (611012)	1.21	1.44	1.91	0.00	0.00	0.00	0.07	0.01	0.00
Bedlinen of man-made fibres (excluding printed, knitted or crocheted) (630232)	1.34	1.90	1.89	0.02	0.01	0.00	1.28	0.45	0.22
Women's or girls' trousers, bib and brace overalls,	1.27	2.49	1.87	0.01	0.09	0.08	1.14	3.73	4.06

Product	World Export			India's Export			India's Share (%)		
	2010	2015	2019	2010	2015	2019	2010	2015	2019
breeches and shorts of textile materials (610469)									
Women's or girls' skirts and divided skirts of cotton (excluding knitted or crocheted and (620452)	1.97	1.59	1.85	0.17	0.10	0.08	8.73	6.10	4.40
Women's or girls' dresses of artificial fibres, knitted or crocheted (excluding petticoats) (610444)	1.44	1.58	1.84	0.00	0.02	0.01	0.23	1.06	0.48
Carpets and other textile floor coverings, whether or not made up (excluding knotted, woven (570500)	1.61	1.53	1.83	0.31	0.31	0.30	19.35	20.31	16.52
Men's or boys' ensembles of cotton (excluding knitted or crocheted, ski ensembles and swimwear) (620322)	0.22	0.48	1.83	0.01	0.01	0.01	4.97	2.10	0.52
Dyed warp knit fabrics of synthetic fibres "incl. those made on galloon knitting machines" (600537)	0.00	0.00	1.80	0.00	0.00	0.00	NA	NA	0.03
Women's or girls' nightdresses and pyjamas of cotton, knitted or crocheted (excluding T-shirts (610831)	1.65	1.70	1.78	0.17	0.23	0.26	10.34	13.25	14.85
Printed bedlinen of cotton (excluding knitted or crocheted) (630221)	2.08	1.85	1.76	0.07	0.02	0.04	3.46	0.98	2.48
Plain woven fabrics of cotton, containing >= 85% cotton by weight and weighing > 100 g to 200 (520832)	1.01	0.94	1.75	0.03	0.09	0.12	2.99	9.38	6.68
Jerseys, pullovers, cardigans, waistcoats and similar articles, of textile materials, knitted (611090)	3.80	3.59	1.74	0.02	0.04	0.07	0.43	1.22	3.75
Staple fibres of viscose rayon, not carded, combed or otherwise processed for spinning (550410)	1.44	1.46	1.74	0.15	0.27	0.16	10.10	18.43	9.46
Women's or girls'	2.04	3.19	1.70	0.00	0.01	0.01	0.10	0.33	0.40

Product	World Export			India's Export			India's Share (%)		
	2010	2015	2019	2010	2015	2019	2010	2015	2019
jackets and blazers of synthetic fibres, knitted or crocheted (excluding (610433))									
Men's or boys' trousers, bib and brace overalls, breeches and shorts of textile materials (excluding (620349))	1.61	2.16	1.69	0.06	0.23	0.28	3.87	10.86	16.76
Woven fabrics containing >= 85% artificial staple fibres by weight, printed (551614)	0.49	1.42	1.67	0.00	0.00	0.01	0.14	0.27	0.36
Women's or girls' anoraks, windcheaters, wind jackets and similar articles, of cotton (not (620292))	1.07	1.30	1.65	0.00	0.00	0.00	0.02	0.16	0.12
High-tenacity filament yarn of polyesters (excluding that put up for retail sale) (540220)	1.33	1.48	1.64	0.02	0.00	0.02	1.55	0.30	1.10
Shawls, scarves, mufflers, mantillas, veils and the like, knitted or crocheted (611710)	1.42	1.94	1.63	0.02	0.10	0.05	1.43	4.98	2.77
Made-up clothing accessories, of all types of textile materials, n.e.s. (excluding knitted (621710))	1.37	1.54	1.60	0.03	0.03	0.01	2.36	1.88	0.83
Woven fabrics of filament yarn containing >= 85% nylon or other polyamides by weight, incl. (540742)	1.08	1.30	1.60	0.00	0.01	0.02	0.17	0.58	1.46
Women's or girls' tracksuits and other garments, n.e.s. of textile materials (excluding of (621149))	1.34	1.76	1.59	0.01	0.06	0.11	0.67	3.16	7.12
Men's or boys' suits of wool or fine animal hair (excluding knitted or crocheted, tracksuits (620311))	2.19	2.03	1.59	0.01	0.01	0.01	0.39	0.59	0.71
Single cotton yarn, of combed fibres, containing >= 85%	1.77	1.44	1.59	0.88	0.68	0.79	49.70	47.04	49.93

Product	World Export			India's Export			India's Share (%)		
	2010	2015	2019	2010	2015	2019	2010	2015	2019
cotton by weight and with a linear (520523)									
Shawls, scarves, mufflers, mantillas, veils and similar articles of synthetic fibres (excluding (621430)	1.12	1.92	1.58	0.08	0.08	0.05	7.40	4.22	3.21
Woven fabrics containing >= 85% polyester staple fibres by weight, dyed, made of yarn of different (551219)	1.35	1.61	1.57	0.04	0.03	0.01	3.14	2.08	0.88
Men's or boys' jackets and blazers of wool or fine animal hair (excluding knitted or crocheted (620331)	1.34	1.71	1.56	0.02	0.02	0.01	1.33	1.15	0.51
Synthetic filament elastomeric yarn, single, untwisted or with a twist of <= 50 turns per metre (540244)	1.39	1.41	1.56	0.00	0.00	0.00	0.00	0.35	0.26
Bedlinen, knitted or crocheted (630210)	1.15	1.28	1.54	0.09	0.02	0.04	7.90	1.66	2.72
Single cotton yarn, of combed fibres, containing >= 85% cotton by weight and with a linear (520524)	1.56	1.72	1.50	0.45	0.92	0.60	28.51	53.25	39.76
Women's or girls' négligés, bathrobes, dressing gowns, housejackets and similar articles of (610892)	0.96	1.49	1.50	0.00	0.01	0.01	0.03	0.56	0.35
Wool, combed (excluding that in fragments "open tops") (510529)	1.33	1.37	1.49	0.04	0.04	0.02	3.36	2.87	1.61
Babies' garments and clothing accessories of cotton (excluding knitted or crocheted and hats (620920)	1.51	1.44	1.44	0.12	0.17	0.17	7.79	11.95	11.73
Men's or boys' jackets and blazers of cotton, knitted or crocheted (excluding wind-jackets (610332)	1.34	2.12	1.41	0.02	0.02	0.02	1.83	0.76	1.31
Bedspreads of all types of textile materials (excluding knitted or crocheted, bedlinen, quilts	0.81	1.38	1.41	0.39	0.98	1.01	48.94	71.13	71.45



Product	World Export			India's Export			India's Share (%)		
	2010	2015	2019	2010	2015	2019	2010	2015	2019
(630419)									
Tarpaulins, awnings and sunblinds of synthetic fibres (excluding flat covers of light fabrics (630612)	0.76	1.07	1.41	0.00	0.01	0.00	0.05	0.60	0.19
Pantyhose and tights of synthetic fibres, knitted or crocheted, measuring per single yarn < (611521)	1.82	1.41	1.39	0.00	0.00	0.00	0.06	0.00	0.02
Overcoats, car coats, capes, cloaks, anoraks, incl. ski jackets, windcheaters, wind-jackets (610130)	0.66	0.98	1.39	0.00	0.00	0.00	0.02	0.18	0.09
Woven fabrics of high-tenacity yarn, nylon, other polyamides or polyesters, incl. monofilament (540710)	2.22	1.77	1.38	0.76	0.34	0.15	34.23	19.22	11.09
Men's or boys' underpants and briefs of man-made fibres, knitted or crocheted (610712)	0.50	0.95	1.37	0.00	0.01	0.02	0.46	0.95	1.78
Woven fabrics of strip or the like, of synthetic filament, incl. monofilament of >= 67 decitex (540720)	0.84	1.08	1.35	0.05	0.13	0.33	5.68	11.85	24.54
Tyre cord fabric of high-tenacity polyester yarn, whether or not dipped or impregnated with (590220)	1.20	1.19	1.34	0.00	0.00	0.00	0.16	0.26	0.02
Women's or girls' jackets and blazers of textile materials (excluding of wool, fine animal (620439)	1.36	1.74	1.34	0.01	0.02	0.02	0.70	1.08	1.31
Gloves, mittens and mitts, of synthetic fibres, knitted or crocheted (excluding impregnated (611693)	0.92	1.10	1.32	0.01	0.01	0.01	0.71	0.99	0.85
Men's or boys' tracksuits and other garments, n.e.s. of cotton (excluding	1.10	0.96	1.32	0.03	0.06	0.05	2.88	5.76	3.83

Product	World Export			India's Export			India's Share (%)		
	2010	2015	2019	2010	2015	2019	2010	2015	2019
knitted or crocheted) (621132)									
Filament yarn of polyester, incl. monofilament of < 67 decitex, single, untwisted or with a (540247)	1.08	1.14	1.30	0.01	0.02	0.04	1.32	1.52	3.13
Embroidery of man-made fibres on a textile fabric base, in the piece, in strips or in motifs (581092)	1.42	1.41	1.26	0.09	0.11	0.06	6.02	7.89	4.55
Special garments for professional, sporting or other purposes, n.e.s., of textile materials (611490)	0.94	1.83	1.25	0.01	0.21	0.14	1.46	11.39	10.90
Articles for interior furnishing, of synthetic fibres (excluding knitted or crocheted, blankets (630493)	0.79	1.09	1.24	0.02	0.01	0.02	2.31	1.36	1.71
High-tenacity filament yarn of nylon or other polyamides (excluding sewing thread, yarn put (540219)	1.12	1.21	1.22	0.02	0.00	0.00	1.64	0.09	0.31
Tyre cord fabric of high-tenacity yarn of nylon or other polyamides, whether or not dipped (590210)	1.35	1.22	1.21	0.00	0.00	0.00	0.24	0.15	0.11
Woven fabrics of yarn containing >= 85% by weight of mixtures of textured and non-textured (540769)	1.08	1.47	1.21	0.02	0.00	0.01	1.53	0.27	0.81
Yarn of combed wool containing >= 85% wool by weight (excluding that put up for retail sale) (510710)	1.44	1.28	1.21	0.03	0.06	0.09	2.30	4.75	7.15
Wadding of man-made fibres and articles thereof (excluding sanitary towels and tampons, napkins (560122)	0.84	1.15	1.19	0.00	0.00	0.00	0.01	0.15	0.12
Woven fabrics containing >= 85% combed wool or combed fine animal	1.35	1.29	1.17	0.02	0.01	0.01	1.28	0.80	0.76

Product	World Export			India's Export			India's Share (%)		
	2010	2015	2019	2010	2015	2019	2010	2015	2019
hair by weight and weighing (511211)									
Shawls, scarves, mufflers, mantillas, veils and similar articles of wool or fine animal hair (621420)	0.70	0.96	1.15	0.14	0.11	0.09	19.49	11.69	7.76
Bedlinen of textile materials (excluding of cotton and man-made fibres, printed, knitted or (630239)	0.69	0.88	1.14	0.03	0.02	0.02	3.71	1.89	1.46
Artificial filament tow as specified in Note 1 to chapter 55, of acetate (550210)	0.00	0.00	1.13	0.00	0.00	0.00	NA	NA	0.00
Labels, badges and similar articles, of textile materials, in the piece, in strips or cut to (580710)	0.96	1.09	1.13	0.01	0.01	0.01	0.54	0.66	0.64
Garments, knitted or crocheted, rubberised or impregnated, coated or covered with plastics (611300)	0.71	0.96	1.12	0.00	0.00	0.00	0.04	0.04	0.03
Woven fabrics of cotton, containing >= 85% cotton by weight and weighing > 200 g/m <sup>2</sup> , dyed (excluding (520939)	1.24	1.36	1.12	0.01	0.03	0.02	0.46	2.30	1.65
Narrow woven fabrics of textile materials, containing >= 5% elastomeric yarn or rubber thread (580620)	0.75	0.97	1.12	0.02	0.02	0.02	2.49	2.34	1.99
Gloves, mittens and mitts, of all types of textile materials (excluding knitted or crocheted (621600)	0.80	1.04	1.12	0.01	0.02	0.02	1.63	2.18	2.18
Plain woven fabrics of cotton, containing >= 85% cotton by weight and weighing > 100 g to 200 (520812)	1.25	1.61	1.10	0.03	0.07	0.10	2.67	4.32	9.39
Nonwovens, whether or not impregnated, coated, covered or laminated, n.e.s., weighing > 70 (560393)	0.82	1.04	1.09	0.00	0.00	0.00	0.01	0.37	0.30
Filament yarn of polyester, incl. monofilament of < 67	0.81	0.80	1.08	0.16	0.14	0.13	19.77	17.64	11.91

Product	World Export			India's Export			India's Share (%)		
	2010	2015	2019	2010	2015	2019	2010	2015	2019
decitex, single, untwisted or with a (540246)									
Sewing thread of synthetic filaments, whether or not put up for retail sale (540110)	0.89	1.04	1.06	0.01	0.01	0.01	0.97	0.92	1.03
Articles for interior furnishing, of cotton (excluding knitted or crocheted, blankets and travelling (630492)	0.99	0.92	1.06	0.62	0.59	0.73	62.26	63.56	68.99
Women's or girls' skirts and divided skirts of synthetic fibres, knitted or crocheted (excluding (610453)	0.69	1.34	1.04	0.01	0.01	0.01	0.75	0.71	0.73
Men's or boys' shirts of textile materials (excluding of cotton or man-made fibres, knitted (620590)	1.23	1.55	1.04	0.05	0.18	0.18	3.77	11.30	17.40
Yarn containing predominantly, but < 85% polyester staple fibres by weight, mixed principally (550953)	0.93	1.09	1.03	0.11	0.17	0.17	11.48	15.40	15.97
Twine, cordage, ropes and cables, of synthetic fibres, whether or not plaited or braided and (560750)	0.67	0.94	1.02	0.01	0.01	0.01	1.68	1.15	1.21
High-tenacity filament yarn of aramids (excluding sewing thread and yarn put up for retail (540211)	0.83	0.72	1.01	0.00	0.00	0.00	0.00	0.00	0.03
Printed fabrics, knitted or crocheted, of synthetic fibres, of a width of > 30 cm (excluding (600634)	0.66	1.04	1.01	0.00	0.00	0.00	0.00	0.01	0.07
Filament yarn of nylon or other polyamides, incl. monofilament of < 67 decitex, single, untwisted (540245)	1.48	1.08	1.00	0.00	0.00	0.00	0.01	0.07	0.48
<b>Top 175 products</b>	<b>471.45</b>	<b>584.05</b>	<b>651.15</b>	<b>19.38</b>	<b>26.38</b>	<b>25.77</b>	<b>4.11</b>	<b>4.52</b>	<b>3.96</b>
<b>Total T &amp; A</b>	<b>639.58</b>	<b>763.79</b>	<b>814.56</b>	<b>27.13</b>	<b>37.15</b>	<b>35.49</b>	<b>4.24</b>	<b>4.86</b>	<b>4.36</b>

## Annexure 5

**Table 4.3**  
**T&A Establishments Registered with EPFO ( No. of Units)**

States	2009-10	2012-13	2014-15	2016-17	2017-18	CAGR (%)
Andhra Pradesh	70	232	235	243	248	17.13
Assam	18	21	21	20	22	2.54
Bihar	14	28	32	39	40	14.02
Chandigarh	55	63	67	65	66	2.31
Chhattisgarh	12	21	23	23	25	9.61
Delhi	686	666	712	753	727	0.73
Goa	2	12	11	7	7	16.95
Gujarat	1491	2286	2373	2553	2562	7.00
Haryana	1758	2065	2056	2020	2037	1.86
Himachal Pradesh	51	64	63	66	64	2.88
Jharkhand	21	23	27	30	35	6.59
Karnataka	527	905	934	947	977	8.02
Kerala	66	298	309	346	361	23.66
Madhya Pradesh	176	206	208	214	218	2.71
Maharashtra	1171	1525	1575	1727	1792	5.46
Manipur	1	1	2	1	1	0.00
Meghalaya	3	3	4	3	3	0.00
Nagaland		1	1	1	1	0.00
Orissa	20	25	22	20	23	1.76
Punjab	980	1395	1520	1540	1681	6.98
Rajasthan	527	1400	1365	1408	1445	13.44
Tamil Nadu	4162	5538	5684	5728	5868	4.39
Telangana	91	126	131	154	165	7.72
Tripura	1	3	3	3	3	14.72
Uttar Pradesh	690	1429	1501	1551	1574	10.86
Uttarakhand	22	39	36	35	38	7.07
West Bengal	193	347	403	458	535	13.59
All India	12808	18722	19318	19955	20518	6.07

Source: Analysis from raw data of EPFO

## Annexure 6

<b>State wise no. of Employees in T&amp;A Sector Registered with EPFO</b>							
State	2009-10	2012-13	2014-15	2016-17	2017-18	AAGR(2017-18)	AAGR (2009-10 to 2017-18)
Andhra Pradesh	7664	50975	62549	74499	79193	6.30	63.04
Assam	1069	1569	1446	1311	969	-26.09	0.12
Bihar	802	1004	711	827	942	13.91	3.98
Chandigarh	21434	30628	28041	25399	24158	-4.89	1.96
Chattisgarh	946	1906	1702	2319	3344	44.20	21.55
Delhi	64973	28603	54534	61945	60047	-3.06	4.06
Goa	35	313	223	179	180	0.56	184.74
Gujarat	121454	242746	289128	376962	414006	9.83	20.41
Haryana	167426	261645	333892	354067	362522	2.39	13.36
Himachal Pradesh	24890	26927	24275	24573	24977	1.64	0.16
Jharkhand	1254	1163	1185	1344	2989	122.40	16.37
Karnataka	210711	737388	733670	698213	669420	-4.12	30.72
Kerala	10189	40476	42553	42731	44747	4.72	40.92
Madhya Pradesh	34827	57455	71757	70259	68400	-2.65	9.84
Maharashtra	89183	137224	165946	186314	181185	-2.75	10.43
Manipur	39	39	52	38	33	-13.16	1.45
Meghalaya	128	115	128	85	83	-2.35	-4.43
Nagaland	0	112	109	131	132	0.76	1.74
Orissa	1787	2570	1101	1475	3093	109.69	15.70
Punjab	106626	150107	153081	151700	159190	4.94	5.87
Rajasthan	20516	130032	144533	162019	167676	3.49	70.07
Tamil Nadu	540606	721099	900154	1056997	1093071	3.41	9.98
Telangana	16645	21988	23456	20419	20987	2.78	4.18
Tripura	136	405	396	341	313	-8.21	23.82
Uttar Pradesh	54332	172727	219241	275766	309587	12.26	34.93
Uttarakhand	3100	7452	6693	8265	9843	19.09	25.00
West Bengal	13079	25305	27855	34770	40536	16.58	16.44
<i>All India</i>	1513851	2851973	3288411	3632948	3741623	2.99	15.16

*Source: Analysis from raw data of EPFO*

## Annexure 7

Table 4.5. State wise employment by gender in EPFO in year (2017 18).

Sl. No.	Name of the State	Male	Female	Transgender	Not Specified	Total
1	ANDHRA PRADESH	29610	48128	2	1453	79193
2	ASSAM	699	221	0	49	969
3	BIHAR	666	105	1	170	942
4	CHANDIGARH	18635	5109	1	413	24158
5	CHATTISGARH	2394	795	0	155	3344
6	DELHI	47055	11105	2	1885	60047
7	GOA	107	71	0	2	180
8	GUJARAT	363876	42345	33	7752	414006
9	HARYANA	312207	43235	28	7052	362522
10	HIMACHAL PRADESH	20869	3712	2	394	24977
11	JHARKHAND	2320	625	0	44	2989
12	KARNATAKA	205493	452303	33	11591	669420
13	KERALA	17092	26557	1	1097	44747
14	MADHYA PRADESH	52749	14244	3	1404	68400
15	MAHARASHTRA	139747	33481	15	7942	181185
16	MANIPUR	23	9	0	1	33
17	MEGHALAYA	61	18	0	4	83
18	NAGALAND	69	58	0	5	132
19	ORISSA	941	2100	0	52	3093
20	PUNJAB	124953	30012	14	4211	159190
21	RAJASTHAN	146885	16323	12	4456	167676
22	TAMIL NADU	522469	542846	101	27655	1093071
23	TELANGANA	11445	8667	1	874	20987
24	TRIPURA	183	122	0	8	313
25	UTTAR PRADESH	258633	46391	32	4531	309587
26	UTTARAKHAND	6610	2962	0	271	9843
27	WEST BENGAL	32150	6877	1	1508	40536
	<b>Grand Total</b>	<b>2317941</b>	<b>1338421</b>	<b>282</b>	<b>84979</b>	<b>3741623</b>

Source: Analysis from raw data of EPFO

## Annexure 8

## List of companies of textile sector operative &amp; Listed on Bombay stock Exchange

Sr.No.	Name of company	Segment	Sr.NO.	Name of company	Segment
1	RELIANCE INDUSTRIES LTD	Raw Material	39	PBM POLYTEX LIMITED	Spinning
2	IOC LTD	Raw Material	40	POLYGENTA TECHNOLOGIES LIMITED	Spinning
3	SVC SUPERCHEM LTD	Raw Material	41	PREMIER SYNTHETICS LIMITED	Spinning
4	MCC PTA INDIA PVT. LTD	Raw Material	42	RAHJPA SPINNING MILLS LTD	Spinning
5	SUMMET INDUSTRIES LTD	Raw Material & Spinning	43	RAJ RAYON MILLS LTD	Spinning
6	ADITYA SPINNERS LTD	Spinning	44	RAJVIR INDUSTRIES LTD	Spinning
7	AMROTJI SPINNG MILLS LTD	Spinning	45	RELIANCE CHEMOTEX INDUSTRIES LIMITED	Spinning
8	AMBIKA COTTON MILLS LIMITED	Spinning	46	RSWM LTD	Spinning
9	APM INDUSTRIES LIMITED	Spinning	47	SAMBANDAM SPINNING MILLS LIMITED	Spinning
10	AYM SYNTEX LTD	Spinning	48	SARLA PERFORMANCE FIBRES LTD	Spinning
11	BIRLA COTSYN (INDIA) LIMITED	Spinning	49	SHESHADRI INDUSTRIES LIMITED	Spinning
12	CENTRURY ENKA LTD	Spinning	50	SHIVA TEXYARN LIMITED	Spinning
13	DAMODAR INDUSTRIES LIMITED	Spinning	51	SHREE RAJASTHAN SYNTEX LTD	Spinning
14	DEEPAK SPINNERS LIMITED	Spinning	52	SRI LAKSHMI SARASWATHI TEXTILES (ARNI) LIMITED	Spinning, weaving and finishing
15	EVERLON SYNTHETICS LIMITED	Spinning	53	SPENTEX INDUSTRIES LTD	Spinning
16	FILA TEXT LTD	Spinning	54	SRI NACHAMMAI COTTON MILLS LTD.-	Spinning
17	GINNI FILAMENTS LIMITED	Spinning	55	S.R.INDUSTRIES LTD.	Spinning
18	GOKAK TEXTILES LIMITED	Spinning	56	SRI RAMAKRISHNA MILLS	Spinning



				(COIMBATORE) LIMITED	
19	GTN TEXTILES LIMITED	Spinning	57	STI INDIA LIMITED	Spinning
20	HIMACHAL FIBRES LTD	Spinning	58	SUPER SALES INDIA LIMITED	Spinning
21	HIND SYNTEX LTD.	Spinning	59	SUPER SPINNING MILLS LIMITED	Spinning
22	H.P.COTTON TEXTILE MILLS LTD	Spinning	60	SUPERTEX INDUSTRIES LIMITED	Spinning
23	INDO COUNT INDUSTRIES LTD.	Spinning	61	SURATTEXTILE MILLS LIMITED	Spinning
24	INDORAMA SYNTHETICS LTD	Spinning	62	SURYAAMBA SPINNING MILLS LIMITED	Spinning
25	JCT LTD	Spinning	63	SURYAVANSHI SPINNING MILLS LTD	Spinning
27	KALLAM SPINNING MILLS LIMITED	Spinning & Weaving	64	SYBLY INDUSTRIES LIMITED	Spinning
28	KANDAGIRI SPINNING MILLS LIMITED	Spinning	65	VALSON INDUSTRIES LTD	Spinning
29	K A T A R E S P I N N I N G M I L L S LTD	Spinning	66	VARDHMAN POLYTEX LIMITED	Spinning
30	MARIS SPINNERS LTD	Spinning	67	VIPPY SPIN PRO LTD	Spinning
31	MID INDIA INDUSTRIES LTD	Spinning	68	WINSOME YARNS LIMITED	Spinning
32	MOHIT INDUSTRIES LTD	Spinning & Weaving	69	KPR MILLS LTD	Spinning , Weaving , Garmenting
33	THE RAI SAHEB REKHCHAND MOHTA SPN & WEAVING MILLS LTD .	Spinning & Weaving	70	KSL AND INDUSTRIES	spinning, knitting, processing and garment
34	NAHAR SPINNING LTD	Spinning	71	THE LAKSHMI MILLS COMPANY LIMITED	Spinning , Weaving , Garmenting
35	NITIN SPINNERS LTD.	Spinning	72	LAMODHARA TEXTILES LTD	Spinning
36	ORBIT EXPORTS LTD	Spinning & Weaving	73	LOYAL TEXTILES LTD	Spinning , Weaving , Garmenting

<b>37</b>	PASUPATI SPINNING AND WEAVING MILLS LIMITED	Spinning		MARAL OVERSEAS LTD	Spinning , Weaving ,
			<b>74</b>		
<b>75</b>	ADINATH TEXTILES LTD	Weaving	<b>91</b>	JASCH INDUSTRIES LIMITED	Technical Textiles
<b>76</b>	Dhanlaxmi Fabrics Limited	weaving & processing	<b>92</b>	MAYUR UNIQUOTERS LTD	Technical Textiles
<b>77</b>	Doneir Industries Limited	Weaving	<b>93</b>	Nahar poly films Ltd	Technical Textiles
<b>78</b>	Flora textile mills Ltd	Weaving	<b>94</b>	Premco Global Ltd	Technical Textiles
<b>79</b>	Jindal Worldwide Ltd	Weaving & Processing	<b>95</b>	Sanrhea Technical Textiles Limited	Technical Textiles
<b>80</b>	KAVITA FABRICS LIMITED	Weaving	<b>96</b>	SKY INDUSTRIES LIMITED	Technical Textiles
<b>81</b>	KG DENIM LTD	Weaving , Garmenting & Made Ups	<b>97</b>	SRF Limited	Composite & Technical Textiles
<b>82</b>	MINAXI TEXTILES LIMITED	Weaving	<b>98</b>	Banswara Syntex Limited	Composite
<b>83</b>	Prag Bosimi Synthetics Limited	Weaving	<b>99</b>	THE BOMBAY DYEING AND MANUFACTURING COMPANY LIMITED	Composite
<b>84</b>	SIYARAM SILK MILLS LIMITED	weaving , Processing , Garmenting	<b>100</b>	Bombay Rayon Fashions Limited	Composite
<b>85</b>	TT LTD.	Weaving , Garmenting & Made Ups	<b>101</b>	BSL Ltd	Composite
<b>86</b>	Tuni textile Ltd	Weaving	<b>102</b>	DIGJAM LIMITED	Composite
<b>87</b>	Arvind LTD	Composite &	<b>103</b>	GTN INDUSTRIES LIMITED	Composite
<b>88</b>	Aunde Faze Three Autofab Ltd	Technical Textile	<b>104</b>	Konark INDUSTRIES LTD	Composite
<b>89</b>	Garware Wall ropes Pvt Ltd	Technical	<b>105</b>	Mafatlal Industries Ltd	Composite

		Textiles			
<b>90</b>	Garware Marine Ltd	Technical Textiles	<b>106</b>	Mandana Industries Ltd	Composite
<b>107</b>	Morarjee Textiles Limited	Composite	<b>129</b>	R & B DENIMS LIMITED	Garmenting
<b>108</b>	Nahar Industries Ltd	Composite	<b>130</b>	The Ruby Mills Limited	Garmenting
<b>109</b>	Nandan Denims Ltd	Composite	<b>131</b>	Seasons Textiles Ltd	Garmenting
<b>110</b>	Nutech Global Ltd	Composite	<b>129</b>	R & B DENIMS LIMITED	Garmenting
<b>111</b>	PIONEER EMBROIDERIES LIMITED	Composite	<b>130</b>	The Ruby Mills Limited	Garmenting
<b>112</b>	Raymond LTD	Composite	<b>131</b>	Seasons Textiles Ltd	Garmenting
<b>113</b>	Sangam (India) Limited	Composite	<b>132</b>	SHRI DINESH MILLS LTD	Garmenting & texhncal Textile
<b>114</b>	SEL Manufacturing CO.	Composite	<b>133</b>	SOMA TEXTILES & INDUSTRIES LIMITED	Garmenting
<b>115</b>	Suryalakshmi Cotton Mills Limited	Composite	<b>134</b>	Vishal Fabrics Ltd	Garmenting
<b>116</b>	VARDHMAN TEXTILES LIMITED	Composite	<b>135</b>	VISAGAR POLYTEX LIMITED	Garmenting
<b>117</b>	Alok textiles Ltd	Composite	<b>136</b>	Zenith Exports Ltd	Garmenting
<b>118</b>	AARVEE DENIMS AND EXPORTS LTD.	Garmenting	<b>137</b>	Eskay K'n'IT (India) Limited	Knitting
<b>119</b>	ANJANI SYNTHETICS LIMITED	Garmenting & Made ups	<b>138</b>	EUROTEX INDUSTRIES AND EXPORTS LIMITED	Knitting
<b>120</b>	Asahi Industries Limited	Garmenting	<b>139</b>	FILATEX fASHIONS LIMITED	Knitting
<b>121</b>	ASHIMA LTD	Garmenting	<b>140</b>	K-Lifestyle & Industries Ltd.	Knitting
<b>122</b>	E -Land Apparel Limited	Garmenting	<b>141</b>	PRAKASH WOOLLEN MILLS LIMITED	Knitting
<b>123</b>	Garden silk mills Ltd	Garmenting	<b>142</b>	SUDITI INDUSTRIES LTD	Knitting
<b>124</b>	Junction Fabrics And Apprael Ltd	Garmenting	<b>143</b>	WINSOME Textiles LIMITED	Knitting
<b>125</b>	Kakatiya Textiles Ltd	Garmenting	<b>144</b>	Alps Industries LTD	Made- ups

<b>126</b>	KAMADGIRI FASHION LIMITED	Garmenting	<b>145</b>	ASHNOOR TEXTILE MILLS LTD	Made ups
<b>127</b>	Mohile Industries	Garmenting	<b>146</b>	Bannari Aman Spinning Ltd	Made ups
<b>128</b>	Rainbow Denim LTD	Garmenting	<b>147</b>	Gravity	Made ups
<b>148</b>	Himatsingka Seide Limited	Made ups			
<b>149</b>	INDO COTSPIN LIMITED	Made ups			
<b>150</b>	INDIAN CARD CLOTHING CO.LTD	Made ups			
<b>151</b>	JAYBHARAT TEXTILES AND REAL ESTATE LTD	Made ups			
<b>152</b>	Pradip Overseas Ltd	Made ups			
<b>153</b>	RIBA TEXTILES LIMITED	Made ups			
<b>154</b>	Sutlej Textiles and Industries Ltd	Made ups			
<b>155</b>	Trident Ltd	Made ups			
<b>156</b>	Welspun india Ltd	Made ups			
<b>157</b>	Betex India Ltd	Processing			
<b>158</b>	RAGHUVIR SYNTHETICS LIMITED	Processing			
<b>159</b>	SHREE BHAVYA FABRICS LIMITED	Processing			
<b>160</b>	SWAN ENERGY LIMITED	Processing			

<b>Sr. NO.</b>	<b>Name of company</b>	<b>Segment</b>
1	RELIANCE INDUSTRIES LTD	Raw Material
2	IOC LTD	Raw Material
3	SVC SUPERCHEM LTD	Raw Material
4	MCC PTA INDIA PVT. LTD	Raw Material
5	SUMMET INDUSTRIES LTD	Raw Material & Spinning
6	ADITYA SPINNERS LTD	Spinning
7	AMROTJI SPINNG MILLS LTD	Spinning
8	AMBIKA COTTON MILLS LIMITED	Spinning
9	APM INDUSTRIES LIMITED	Spinning
10	AYM SYNTEX LTD	Spinning
11	BIRLA COTSYN (INDIA) LIMITED	Spinning
12	CENTRURY ENKA LTD	Spinning
13	DAMODAR INDUSTRIES LIMITED	Spinning
14	DEEPAK SPINNERS LIMITED	Spinning
15	EVERLON SYNTHETICS LIMITED	Spinning
16	FILA TEXT LTD	Spinning
17	GINNI FILAMENTS LIMITED	Spinning
18	GOKAK TEXTILES LIMITED	Spinning
19	GTN TEXTILES LIMITED	Spinning
20	HIMACHAL FIBRES LTD	Spinning
21	HIND SYNTEX LTD.	Spinning
22	H.P.COTTON TEXTILE MILLS LTD	Spinning
23	INDO COUNT INDUSTRIES LTD.	Spinning
24	INDORAMA SYNTHETICS LTD	Spinning
25	JCT LTD	Spinning
27	KALLAM SPINNING MILLS LIMITED	Spinning & Weaving
28	KANDAGIRI SPINNING MILLS LIMITED	Spinning
29	K A T A R E S P I N N I N G M I L L S LTD	Spinning

30	MARIS SPINNERS LTD	Spinning
31	MID INDIA INDUSTRIES LTD	Spinning
32	MOHIT INDUSTRIES LTD	Spinning & Weaving
33	THE RAI SAHEB REKHCHAND MOHTA SPN & WEAVING MILLS LTD .	Spinning & Weaving
34	NAHAR SPINNING LTD	Spinning
35	NITIN SPINNERS LTD.	Spinning
36	ORBIT EXPORTS LTD	Spinning & Weaving
37	PASUPATI SPINNING AND WEAVING MILLS LIMITED	Spinning
39	PBM POLYTEX LIMITED	Spinning
40	POLYGENTA TECHNOLOGIES LIMITED	Spinning
41	PREMIER SYNTHETICS LIMITED	Spinning
42	RAHJPA SPINNING MILLS LTD	Spinning
43	RAJ RAYON MILLS LTD	Spinning
44	RAJVIR INDUSTRIES LTD	Spinning
45	RELIANCE CHEMOTEX INDUSTRIES LIMITED	Spinning
46	RSWM LTD	Spinning
47	SAMBANDAM SPINNING MILLS LIMITED	Spinning
48	SARLA PERFORMANCE FIBRES LTD	Spinning
49	SHESHADRI INDUSTRIES LIMITED	Spinning
50	SHIVA TEXYARN LIMITED	Spinning
51	SHREE RAJASTHAN SYNTEX LTD	Spinning
52	SRI LAKSHMI SARASWATHI TEXTILES (ARNI) LIMITED	Spinning, weaving and finishing
53	SPENTEX INDUSTRIES LTD	Spinning
54	SRI NACHAMMAI COTTON MILLS LTD.-	Spinning
55	S.R.INDUSTRIES LTD.	Spinning
56	SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED	Spinning
57	STI INDIA LIMITED	Spinning
58	SUPER SALES INDIA LIMITED	Spinning
59	SUPER SPINNING MILLS LIMITED	Spinning
60	SUPERTEX INDUSTRIES LIMITED	Spinning
61	SURATTEXTILE MILLS LIMITED	Spinning

62	SURYAAMBA SPINNING MILLS LIMITED	Spinning
63	SURYAVANSHI SPINNING MILLS LTD	Spinning
64	SYBLY INDUSTRIES LIMITED	Spinning
65	VALSON INDUSTRIES LTD	Spinning
66	VARDHMAN POLYTEX LIMITED	Spinning
67	VIPPY SPIN PRO LTD	Spinning
68	WINSOME YARNS LIMITED	Spinning
69	KPR MILLS LTD	Spinning , Weaving ,Garmenting
70	KSL AND INDUSTRIES	spinning, knitting, processing and garment
71	THE LAKSHMI MILLS COMPANY LIMITED	Spinning , Weaving ,Garmenting
72	LAMODHARA TEXTILES LTD	Spinning
73	LOYAL TEXTILES LTD	Spinning , Weaving ,Garmenting
74	MARAL OVERSEAS LTD	Spinning , Weaving ,
75	ADINATH TEXTILES LTD	Weaving
76	Dhanlaxmi Fabrics Limited	weaving & processing
77	Doneir Industries Limited	Weaving
78	Flora textile mills Ltd	Weaving
79	Jindal Worldwide Ltd	Weaving & Processing
80	KAVITA FABRICS LIMITED	Weaving
81	KG DENIM LTD	Weaving ,Garmenting & Made Ups
82	MINAXI TEXTILES LIMITED	Weaving
83	Prag Bosimi Synthetics Limited	Weaving
84	SIYARAM SILK MILLS LIMITED	weaving , Processing ,Garmenting
85	TT LTD.	Weaving ,Garmenting & Made Ups
86	Tuni textile Ltd	Weaving
87	Arvind LTD	Composite &
88	Aunde Faze Three Autofab Ltd	Technical Textile
89	Garware Wall ropes Pvt Ltd	Technical Textiles

90	Garware Marine Ltd	Technical Textiles
91	JASCH INDUSTRIES LIMITED	Technical Textiles
92	MAYUR UNIQUOTERS LTD	Technical Textiles
93	Nahar poly films Ltd	Technical Textiles
94	Premco Global Ltd	Technical Textiles
95	Sanrhea Technical Textiles Limited	Technical Textiles
96	SKY INDUSTRIES LIMITED	Technical Textiles
97	SRF Limited	Composite & Technical Textiles
98	Banswara Syntex Limited	Composite
99	THE BOMBAY DYEING AND MANUFACTURING COMPANY LIMITED	Composite
100	Bombay Rayon Fashions Limited	Composite
101	BSL Ltd	Composite
102	DIGJAM LIMITED	Composite
103	GTN INDUSTRIES LIMITED	Composite
104	Konark INDUSTRIES LTD	Composite
105	Mafatlal Industries Ltd	Composite
106	Mandana Industries Ltd	Composite
107	Morarjee Textiles Limited	Composite
108	Nahar Industries Ltd	Composite
109	Nandan Denims Ltd	Composite
110	Nutech Global Ltd	Composite
111	PIONEER EMBROIDERIES LIMITED	Composite
112	Raymond LTD	Composite
113	Sangam (India) Limited	Composite
114	SEL Manufacturing CO.	Composite
115	Suryalakshmi Cotton Mills Limited	Composite
116	VARDHMAN TEXTILES LIMITED	Composite
117	Alok textiles Ltd	Composite
118	AARVEE DENIMS AND EXPORTS LTD.	Garmenting
119	ANJANI SYNTHETICS LIMITED	Garmenting & Made ups
120	Asahi Industries Limited	Garmenting



121	ASHIMA LTD	Garmenting
122	E -Land Apparel Limited	Garmenting
123	Garden silk mills Ltd	Garmenting
124	Junction Fabrics And Apprael Ltd	Garmenting
125	Kakatiya Textiles Ltd	Garmenting
126	KAMADGIRI FASHION LIMITED	Garmenting
127	Mohile Industries	Garmenting
128	Rainbow Denim LTD	Garmenting
129	R & B DENIMS LIMITED	Garmenting
129	R & B DENIMS LIMITED	Garmenting
130	The Ruby Mills Limited	Garmenting
130	The Ruby Mills Limited	Garmenting
131	Seasons Textiles Ltd	Garmenting
131	Seasons Textiles Ltd	Garmenting
132	SHRI DINESH MILLS LTD	Garmenting & technical Textile
133	SOMA TEXTILES & INDUSTRIES LIMITED	Garmenting
134	Vishal Fabrics Ltd	Garmenting
135	VISAGAR POLYTEX LIMITED	Garmenting
136	Zenith Exports Ltd	Garmenting
137	Eskay K'n'IT (India) Limited	Knitting
138	EUROTEX INDUSTRIES AND EXPORTS LIMITED	Knitting
139	FILATEX fASHIONS LIMITED	Knitting
140	K-Lifestyle & Industries Ltd.	Knitting
141	PRAKASH WOOLLEN MILLS LIMITED	Knitting
142	SUDITI INDUSTRIES LTD	Knitting
143	WINSOME Textiles LIMITED	Knitting
144	Alps Industries LTD	Made- ups
145	ASHNOOR TEXTILE MILLS LTD	Made ups
146	Bannari Aman Spinning Ltd	Made ups
147	Gravity	Made ups
148	Himatsingka Seide Limited	Made ups

149	INDO COTSPIN LIMITED	Made ups
150	INDIAN CARD CLOTHING CO.LTD	Made ups
151	JAYBHARAT TEXTILES AND REAL ESTATE LTD	Made ups
152	Pradip Overseas Ltd	Made ups
153	RIBA TEXTILES LIMITED	Made ups
154	Sutlej Textiles and Industries Ltd	Made ups
155	Trident Ltd	Made ups
156	Welspun india Ltd	Made ups
157	Betex India Ltd	Processing
158	RAGHUVIR SYNTHETICS LIMITED	Processing
159	SHREE BHAVYA FABRICS LIMITED	Processing
160	SWAN ENERGY LIMITED	Processing