

## Year End Review 2020 - Ministry of Textiles

With development of a new industry valuing ₹7000 crore with 1100 PPE manufacturers producing a peak of 4.5 lakh units per day India becomes second largest PPE manufacturer in the world

National Technical Textiles Mission approved with a total outlay of ₹1480 crore

Anti-Dumping Duty on PTA and Acrylic Fibre Removed

Brand Name and Logo for Indian Cotton launched as “KASTURI COTTON INDIA”

On-boarded Government e Market place (GeM) to provide wider market for handloom weavers/artisans/producers

A National Action Plan prepared to promote Indian toy industry including handicrafts and

# handmade toy products; National Toy Fair proposed during 27th Feb to 3rd March 2021

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The textile industry occupies an important position in our country. Indian Textile sector is the sixth largest exporter of Textiles and Apparels in the world. Its share in mercantile exports is 12% and is the second largest employment generator after agriculture. Ministry of Textiles has undertaken various important initiatives to boost India's growth in the textile sector in the year 2020 which are as under:

## HANDLOOMS SECTOR:

In order to provide wider market for handloom weavers/artisans/producers, steps have been taken to on-board weavers/artisans on Government e-Market place (GeM) to enable them to sell their products directly to various Government Departments and organizations. So far 1.75 weavers and Artisans have been onboarded on the GeM Web portal.

- I. A social media campaign #Vocal 4 handmade was launched on the **6<sup>th</sup> National Handloom Day, 7<sup>th</sup> August 2020** by the Government, in partnership with all stakeholders, to promote the handloom legacy of India and to ensure people's support for the weaving community. The social media campaign has resulted in renewed interest of the Indian public in handlooms and several e-commerce players have reported increase in sale of Indian handloom products.
- II. To overcome constraints brought about by Covid-19 pandemic, Handloom Export Promotion Council organised THE INDIAN TEXTILE SOURCING FAIR on 7, 10 and 11th August 2020 with more than 200 participants from different regions of the country showcasing their products with unique designs and skills, wherein it **virtually connected the Handloom Weavers and exporters** from different corners of the country with the International Market.
- III. Design Resource Centres (DRCs) are being set up in Weavers Service Centres (WSCs) through NIFT with the objective to build and create design-oriented excellence in the Handloom Sector and to facilitate weavers, exporters, manufacturers and designers for creating new designs. So far 07 DRCs have been set up and made functional in the WSCs of Delhi, Varanasi, Ahmedabad, Guwahati, Bhubaneshwar, Mumbai & Jaipur
- IV. The office of Development Commissioner is facilitating formation of Handlooms Producer Companies, owner-based organization comprising of members of weavers, craftsmen, etc. Small producers for providing better bargaining power to them in making purchases for raw material as well as marketing of products, as also to ensure income flow for the producers / members through capacity building endeavours like improved technology, skill upgradation, pricing and branding, value addition, aggregation and Market linkage. They would also provide Design / Innovation support and market exposure. So far 100 Producer Companies have been formed.

- V. Ministry of Textiles has undertaken to develop Craft Villages in select Handloom and Handicraft pockets of the country on important tourist circuits for integrated sustainable development of Handlooms, crafts and tourism with the combined effort of both the State and the Central Governments. Craft Handloom Village will be able to offer traditional hand-woven products to the consumers and tourists by inspiring knowledge about authentic weaving technique through “hands on” experience.

## **HANDICRAFTS SECTOR:**

**I. Linking Textiles with Tourisms:** Linking Textile with Tourism through Crafts Tourism Village is a modern-day concept wherein craft promotion and tourism are being taken up simultaneously. Under these villages, the artisans live and work at the same place and are provided the opportunity to sell their products thereby ensuring livelihood to the artisans. The basic objective is to select areas that are surrounded and connected by major tourist destinations/circuit and have a traditional art and craft heritage, which attract maximum tourist footfalls. It helps to increase the income of the artisans through the-design innovations and sales of their handcrafted products at work place and in connecting and disseminating the heritage, culture, food and other aspects of the area, which also ensures livelihood to the other sectors as well. As on date, total 12 Crafts Villages have already been identified in both Handicrafts and Handloom Sector with 7 (seven) identified as Handicrafts Tourism Village and 5 (Five) as Handloom Craft Tourism Village.

**II. Social Media Campaign** was launched on 9<sup>th</sup> November, 2020 by Hon’ble Minister of Textiles and joined by Union Ministers, Ministries/ Department of Govt. of India, Chief Ministers, MPs and other eminent persons to promote and encourage peoples to buy local handicrafts and handmade products on Diwali festive season. The campaign has very positive impact on the sale of handicrafts products and artisans are benefited directly.

**III. Promotion of Indian Toys:** As emphasised by Hon’ble PM in his “Man ki Baat” programme that everyone should “team up for toys” with the focus on the theme of AtmaNirbhar Bharat to promote Indian toy industry including handicrafts and handmade toy products. A National Action Plan for Indian Toy Story has been made with collaboration of 14 Ministries/ Dept. of Govt. of India. The need-based interventions have been sanctioned for overall development of toy industry in 13 identified handicrafts toy clusters and a National Toy Fair is proposed during 27<sup>th</sup> Feb to 03<sup>rd</sup> March 2021.

**IV. Focusing on Direct Market Access to Weavers/Artisans:** To provide direct marketing platform to the handicraft artisans/weavers, Ministry of Textiles is developing an e-commerce platform through Digital India Corporation, Ministry of Electronics and Information Technology. In the first phase, the artisans/ weavers from 205 handicrafts/handlooms clusters are being selected throughout the country for uploading the handicrafts/handlooms product on portal. Further, the artisans/weavers are being registered on Government E-Market Portal (GeM) also to sell their products directly to the Government Ministries/ Department.

## **SILK:**

Under the Integrated Scheme for Development of the Silk Industry i.e. “SilkSamagra” , Patent was obtained for 1 technology package, 58 research projects were concluded, 51 technology packages

were disseminated and 13498 persons were trained under various programmes organized by the Research & Training institutes of Central Silk Board (CSB) during the 2019-20.

- I. The total raw silk production increased marginally by 1% (35,820 MT) during 2019-20 over the previous year 2018-19 (35,468 MT) despite COVID-19 pandemic during the year. The bivoltine raw silk achieved a production of 7,009 MT during 2019-20. Raw silk yield per hectare has reached 108 kg during 2019-20 and raw silk production in NER has reached 7,891MT during 2019-20 which is 22% of India's total production.
- II. Geo Tagging of beneficiary components in North east: During the year 2020 total 31076 assets of beneficiaries under NERTPS in eight States of North Eastern Region were geo-tagged under a collaborative project carried out with North-Eastern Space Applications Centre (NESAC).
- III. AtmaNirbhar Bharat: In support of AtmaNirbhar initiative necessary steps were taken to manufacture Automatic Reeling Machine (ARM) package indigenously by involving local machinery manufacturing industries at a competitive price challenging the import of ARMs particularly from China.
- IV. RESHAMANDI: A digitized silk marketing concept viz. RESHAMANDI is a private firm offering hassle free transaction of the silk products & is trying to digitize India's silk starting from cocoon to finished fabrics supply chain and to make sure that farmers didn't need to travel to the markets. Central Silk Board provided technical guidance about cocoon marketing along with reelers & farmers details to encourage the initiative of the firm. The firm set up a small sourcing centre in Sarjapur, Karnataka & started lifting the cocoons from the farmers place based on the indent given by the reelers ensuring the supply of quality cocoons. The above concept is slowly picking up and many farmers & reelers are coming into the fold.
- V. Promoting silk mark products on E-commerce platforms: Silk Mark Organization of India (SMOI) entered into an agreement with Amazon for online promotion of the 100% pure silk products with 'Silk Mark' by the Authorized Users of Silk Mark. Further, discussions are also being held with Flipkart, for the online promotion of products of Silk Mark Authorized Users on their platform.

#### **JUTE:**

- I. Office of the Jute Commissioner is engaged in ensuring supply of B-twill Jute bags to different State Governments and FCI for procuring foodgrains to be supplied under the National Food Safety Mission.
- II. From January 2020 to 24<sup>th</sup> December 2020, a total order of 28.88 lakh bales of Jute bags has been placed by various State agencies and FCI through web-based Jute Smart platform valuing approximately ₹8303 crores.
- III. A comprehensive assessment of Installed Capacity, Level of Modernization and other issues pertaining to the Jute industry was carried out by the office of the Jute Commissioner and the final report was submitted to the Ministry of Textiles on 7<sup>th</sup> July 2020.

#### **NATIONAL JUTE BOARD:**

The various initiatives and achievements are as below:

1. Implementation of Jute ICARE programme for quality improvement and increasing production / productivity
  - Total farmers benefitted: 2,58,324
  - HyV certified jute seeds distributed: 610 M.T
  - Saving labour cost at least ₹4,000/- to ₹5,000/- per hectare
  - Increase in farmers income from ₹1,200/- to ₹1,400/- per hectare
2. Scholarship / Incentive for the girl children of the workers of the jute mill / JDP-MSME units
  - Disbursed ₹263 lakh to 3618 girl children for successfully passing out in secondary / higher secondary examination
3. Initiatives for replacement of plastic bags with low cost eco-friendly jute bags
  - Cloth bags should replace plastic bags.
  - NJB launched “Bring Your Own Bag” (BYOB) campaign with participation of school children, NGOs and distributed low cost jute bags.
4. Training for tribal / village women
  - NJB trained 25 tribal women at Shantiniketan and 25 village women at Baruipur for manufacturing braided jute diversified products.
5. Initiatives to support jute entrepreneurs during cyclone Amphan in May’2020
  - Cyclone Amphan onset in May’2020 – catastrophic to the tiny jute artisans. NJB specially organized two jute fairs at Kolkata – City Centre, Salt Lake and City Centre, New Town, facilitating participation of these tiny jute artisans.
  - Further, NJB also organize 3 more jute fairs at Berhampur, Siliguri and Raipur to extend market support to these jute artisans for sales promotion of jute diversified products.

### **COTTON:**

- I. During the calendar year 2020, CCI has made a record procurement of around 151 lakh bales under MSP Operations which is around 290% higher as against procurement of 38.43 lakh bales during corresponding period last year.
- II. CCI has disbursed an amount of ₹39500 crores to 30 lakh cotton farmers towards procurement of cotton under MSP operations which is around 265% higher than the disbursement of ₹10800 crores during previous year.
- III. CCI has immensely supported the cotton farmers during Global pandemic lockdown period i.e. April 2020 to September 2020 when there were when there is a lukewarm response from private buyers due to depressed market conditions. During the above period, CCI procured 20.72 lakh bales valuing ₹5615 crore from around 4 lakh cotton farmers.
- IV. CCI is offering a discount of ₹. 300/- per candy in its daily floor rates for e-Auction to MSME spinning mills /KVIC Units & Cooperative Spinning Mills to sustain their competitiveness.
- V. Branding of Indian cotton was initiated by Ministry of Textiles for the first time at national level for quality consciousness and building image of Indian cotton at Global level. In this endeavour, Brand name and logo for Indian cotton was launched on 7<sup>th</sup> October 2020 on the occasion of World Cotton Day as “KASTURI COTTON INDIA” to attain the objective of making India Atmanirbhar and vocal for local in the field of cotton.

## **WOOL:**

A new project has been sanctioned to establish one CFC at Ranebennur (Karnataka) for wool processing. It is expected with this the coarse wool will be utilized for making innovative woollen products. Therefore, an attempt has been made to create demand of course (Deccani) wool and its value addition,

## **SCHEME FOR INTEGRATED TEXTILES PARK (SITP):**

Scheme for Integrated Textiles Park SITP has been under implementation since 10th Five Year Plan to provide the textile industry with world-class infrastructure facilities. The project cost covers common infrastructure and buildings for production/support depending on the needs of the ITP with total financial support of 40% of the project cost subject to a maximum of ₹40 crore. So far 59 textile parks have been sanctioned under SITP, out of which 22 was completed.

A new scheme viz. Mega Integrated Textile Region and Apparel (MITRA) Park in 1000 + acres of land with modern state of the art infrastructure, common utilities, R&D Lab, Workers' Family Accommodation, etc and plug-and-play facilities is under consideration.

## **INTEGRATED PROCESSING DEVELOPMENT SCHEME (IPDS):**

Integrated Processing Development Scheme IPDS is being implemented since October 2013 with a total outlay of ₹500 crore. The objectives of the Scheme is to enable the textile processing sector in meeting environmental standards through appropriate technology including marine, riverine and Zero Liquid Discharge (ZLD).

## **POWERTEX INDIA**

Under Powertex India 3497 looms have been upgraded under the in-situ Upgradation Scheme for Plain Powerloom and ₹3.35 crores have been released. In the Group Workshed Scheme ₹24.18 crores have been released to 51 projects. In the Common Facility Centre Scheme ₹5.39 crores have been released to 3 projects. Under Pradhan Mantri Credit Scheme for Powerloom weavers ₹5.96 crores have been released to 49 units. Under Grants-in-Aid to TRAs and State Govt. Powerloom Service Centres (PSCs) ₹4.71 crores have been released to 32 Powerloom Service Centres.

## **TEXTILE TRADE PROMOTION (TTP):**

- I. **Implementation of Scheme Rebate for State and Central Taxes and Levies (RoSCTL):** On 7th March 2019 Cabinet approved the scheme for RoSCTL to rebate all embedded State and Central taxes/levies. The scheme is expected to enhance competitiveness of apparel and made-ups exports. Rebate of taxes/ levies has been permitted through an IT driven scrip system at notified rates up to 31.03.2020.
- II. On 14th January 2020, Ministry of Textiles notified a special one-time additional ad-hoc incentive of upto 1% of FoB value to be provided for exports of apparel and made-ups to offset the difference between RoSCTL and RoSL + MEIS@4%, from 7.3.2019 to 31.12.2019. Further, the scheme for RoSCTL has been kept operational until such time that the scheme is merged with Remission of Duties and Taxes on Exported Products (RoDTEP). RoSCTL scheme for apparel and made-ups will be continued with effect from 1st April, 2020 without any change in scheme guidelines and rates as notified by Ministry

of Textiles till such time that the RoSCTL is merged with RoDTEP. Continuation of RoSCTL beyond 31st March, 2020 is expected to make the textile sector competitive by rebating all taxes/levies which are currently not being rebated under any other mechanism.

- III. **Removal of Anti-Dumping Duty on PTA:** On the recommendation of MoT, ADD on Purified Terephthalic Acid or PTA was removed on 2nd February, 2020, enabling MMF manufacturers to procure raw material at globally competitive prices and in turn provide Man-Made Fibre/Filament to downstream industry at competitive prices. Polyester Staple Fibre (PSF) and Polyester Filament Yarn (PFY) are the raw materials for the MMF textile value chain and PTA is a key ingredient in the manufacture of PSF. As PTA is produced by limited number of producers in the country, it is also File No.12015/20/2020-TTP imported by textile MMF manufacturers. Imports of PTA were subjected to Anti-Dumping Duty (ADD) which was increasing the cost of MMF fibre/ filaments in the country thereby it was eroding the cost competitiveness of the MMF textile industry in global markets.
- IV. **Removal of ADD on Acrylic Fibre:** Further, on the recommendation of MoT, on 11th November 2020, Government has removed Anti-Dumping duty on 'Acrylic Fibre', a raw material for yarn and Knitwear industry originating in or exported from Thailand, and imported into India. It is expected that acrylic fibre will be made available at internationally competitive prices which will resultantly bring down the price of acrylic yarn.
- V. **Focus Product Incentive Scheme (FPIS):** The Cabinet on 11.11.2020 under chairmanship of Hon'ble Prime minister of India has approved PLI Scheme to 10 key sectors for enhancing India's manufacturing capabilities and exports competitiveness under "Aatmanirbhar Bharat" initiative wherein Ministry of Textiles Scheme in the name of FPIS has been approved. The scheme will focus on promotion of 40 MMF apparel and 10 Technical Textiles lines to create 60-70 global champions. Financial outlay of ₹10683 crore over a period of five years has also been approved.

In consonance with the Government of India vision of "Minimum Government and Maximum Governance" Ministry of Textiles has decided to withdraw the name of Government nominees from all Textiles Export Promotion Council.

### **TECHNICAL TEXTILE AND INNOVATION (TTI)**

- A. **National Technical Textiles Mission:** With a view to position the country as a global leader in Technical Textiles, National Technical Textiles Mission has been approved for creation at a total outlay of ₹1480 Crore; with a four-year implementation period from FY 2020-21 to 2023-24. The Mission will have four components. Component-I (Research, Innovation and Development) : This component will promote both (i) fundamental research at fibre level aiming at path breaking technological products in Carbon Fibre, Aramid Fibre, Nylon Fibre, and Composites and (ii) application based research in geo-textiles, agro-textiles, medical textiles, mobile textiles and sports textiles and development of bio-degradable technical textiles. The fundamental research activities will be based on 'pooled resource' method and will be conducted in various Centre for Scientific & Industrial Research (CSIR) laboratories, Indian Institute of Technology (IIT) and other scientific/industrial/academic laboratories of repute. Application based research will be conducted in CSIR, IIT, Research Design & Standards Organisation (RDSO) of Indian Railways, Indian Council of Agricultural Research (ICAR), Defence Research &

Development Organisation (DRDO), National Aeronautical Laboratory (NAL), Indian Road Research Institute (IRRI) and other such reputed laboratories.

**Component-II (Promotion and Market Development):** Indian Technical Textiles segment is estimated at USD 16 Billion which is approximately 6% of the 250 Billion USD global technical textiles market. The penetration level of technical textiles is low in India varying between 5-10% against the level of 30-70% in developed countries. The Mission will aim at average growth rate of 15-20% per annum taking the level of domestic market size to 40-50 Billion USD by the year 2024; through market development, market promotion, international technical collaborations, investment promotions and 'Make in India' initiatives.

**Component-III (Export Promotion):** The component aims at export promotion of technical textiles enhancing from the current annual value of approximately ₹14000 Crore to ₹20000 Crore by 2021-22 and ensuring 10% average growth in exports per year upto 2023-24. An Export Promotion Council for Technical Textiles will be set up for effective coordination and promotion activities in the segment.

**Component-IV (Education, Training, Skill Development):** Education, skill development and adequacy of human resources in the country is not adequate to meet the technologically challenging and fast-growing technical textiles segment. The Mission will promote technical education at higher engineering and technology levels related to technical textiles and its application areas covering engineering, medical, agriculture, aquaculture and dairy segments. Skill development will be promoted, and adequate pool of highly skilled manpower resources will be created for meeting the need of relatively sophisticated technical textiles manufacturing units.

The Mission will focus on usage of technical textiles in various flagship missions, programmes of the country including strategic sectors. The use of technical textiles in agriculture, aquaculture, dairy, poultry, etc. Jal Jivan Mission; Swachh Bharat Mission; Ayushman Bharat will bring an overall improvement in cost economy, water and soil conservation, better agricultural productivity and higher income to farmers per acre of land holding in addition to promotion of manufacturing and exports activities in India. The use of geo-textiles in highways, railways and ports will result in robust infrastructure, reduced maintenance cost and higher life cycle of the infrastructure assets.

Promotion of innovation amongst young engineering /technology/ science standards and graduates will be taken up by the Mission; alongwith creation of innovation and incubation centres and promotion of 'start-up' and 'ventures'. The research output will be repositied with a 'Trust' with the Government for easy and assessable proliferation of the knowledge thus gained through research innovation and development activities.

A sub-component of the research will focus on development of biodegradable technical textiles materials, particularly for agro-textiles, geo-textiles and medical textiles. It will also develop suitable equipment for environmentally sustainable disposal of used technical textiles, with emphasis on safe disposal of medical and hygiene wastes.

A Mission Directorate in the Ministry of Textiles headed by an eminent expert in the related field will be made operational. The Mission will move into sunset phase after four years period.

## **B. Development of PPE (Body Coveralls) and N-95 masks:**

Prior to March 2020, Personal Protective Equipment (PPE) Body Coveralls required for use of health professionals, suitable for COVID-19 pandemic were not manufactured in India and were imported. Ministry of Health & Family Welfare approached for help in providing PPE kits to health professionals in Government hospitals. Ministry of Textiles took initiatives and approached step-by-step in developing a new industry. The measures taken during span of 2-3 months are:

- i. Development of Technical Specifications and issue of guidelines to ensure adequate quality;
- ii. Development of 11 Testing Laboratories (meeting standards of MoHFW);
- iii. In order to meet the domestic requirement, all types of medical textiles required during the crises were banned;
- iv. Promotion and development of indigenous manufacturers of Fabrics and Body Coveralls;
- v. Establishment of Central Control Room in the Ministry of Textiles for facilitation, coordination and monitoring of overall activities round the clock during entire lockdown period.
- vi. Appointment of 200 Nodal Officers on pan-India basis to facilitate all stakeholder (manufacturers/ suppliers/ transporters/ testing labs, etc.) from sourcing of raw materials to the end product reaching its final destination;
- vii. Establishment of close Coordination at Field Units for:
  - o Collection of samples from different locations (even from doorsteps through Govt machinery),
  - o Special flights, Rail & Road transportation organized for sample testing on Govt cost,
  - o Liaison with local authorities and elected representatives,
  - o Passes for movement of personnel, Permits for operation of factories,
  - o Interstate transportation of logistics,
  - o Round the clock tele-support for logistics and movements.
- viii. Extended necessary help in grant of export permit for supply of PPE coveralls to 25 Latin American countries and Caribbean region, Bhutan, etc and for testing to Bangladesh.

Ultimately, development of a new industry with 1100 PPE manufacturers producing a peak of 4.5 lakh units per day, valuing ₹7000 Crore (One Billion USD) with India becoming second largest PPE manufacturer in the world.

#### **AMENDED TECHNOLOGY UPGRADATION FUND SCHEME (ATUFS):**

- I. **Steps taken to strengthen the monitoring mechanism and streamline the procedure under ATUFS to expedite the settlement of subsidy claims:** The processes initiated in 2019 for streamlining the implementation of ATUFS continued and various Policy clarifications have been issued to streamline the procedure and remove ambiguities. As a result, there is improvement in claims getting settled under the scheme during 2020.
- II. **Steps taken in the wake of COVID-19 outbreak:** Considering the socio economic impact of COVID-19 outbreak and taking into account the representations/requests made by textile industry associations/Export Promotion Councils etc., a provision has been provided to the Units for exercising an option to get the JIT recommended subsidy released before verification of the JIT reports by submitting bank guarantee against the value of recommended subsidy. This facility has been extended to the cases both under ATUFS and

Previous Version of TUFs and made available for 6 months. Also, timeline for registration of claim application and request for physical inspection of machinery falling during the period March-September 2020 were extended as per the request of the industry.

- **III. Impact Assessment of TUFs/ATUFs:** A comprehensive study of TUFs/ATUFs to assess the impact of the scheme has been completed through DMEQ, NITI Aayog.
- **IV. Technology gap in textile machinery:** Based on the decisions of Stakeholder meeting held by Hon'ble Minister of Textiles, a comprehensive technology gap study has been commissioned to ascertain the level of existing technologies manufactured by Textile Engineering Industry (TEI) in India and the extent of technology gaps that exist compared to global competitors. The finalization of the report of the study is progressing.

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