

Policies & Programmes of Government of India & it's impact on the export of textile products & fabrics

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Abstract- Suppose we know that whether the economic growth is now in peril position in our GDP is going negative which is now 23.67%. Economic growth is an increase in the capacity of an economy to produce goods and services, compared from one period of time to another. Whereas there is a direct connection of Export of goods with the economic growth of country. Contemporary policies & programmes of Govt. Of India regarding increasing the export of textile products & fabrics are most prominent but consequences of that policies are not in proper direction. As we all know that our country export is decreasing now days whereas import is increasing which causes trade deficit in Indian economy. Sometimes something create new examples & new experiences We are trying to explain Impact of policies & programmes & it's effectiveness in this article.

Keywords- *Govt. policies & Programmes Impact, Economic growth & Textile industry, ,Social ethics & Textile industry , Export policies of Indian Textile Industry, First basic need.*

Introduction

Whenever we hear about textile industries one thing touch to our mind is FIRST BASIC NEED. The Indian government has been implementing various policies initiatives & programmes for development of textiles & handicrafts, particularly for technology, infrastructure creation, skill development etc. The need of social entrepreneurship is a tool for social & economic development of our artisans and Exporters . Indian Textile industry is contributing to 7 per cent of industrial output in terms of value, 2 per cent of India's GDP & 15 per cent of country's export earnings. India has emerged as the most largest producer of cotton in world with production of 345 lakh bales in 2016-17 & second largest exporter after China. Currently, the cotton industry is sustaining livelihoods of 5.8 million farmers & 40-50 million people engaged in other activities like processing & trading. The Textile Ministry of India has announced Rs 690 crore (US\$ 106.58 million) for setting up 21 ready-made garment manufacturing units in seven states for development & modernisation of Indian Textile Sector. let's take a look at some facts about Indian textile industry.

What is Textile Industry?

The textile industry our First basic need fabric is primarily concerned with the design, production & distribution of yarn, cloth & clothing. The raw material of it

may be natural, or synthetic using products of chemical industry.

Four factors of Textile Industry:

- Human resource development
- Export promotion.
- Economic Development.
- Technology.

Research objectives

- To enlightening Government Policies & Programmes for Textile Industry.
- Focusing Impact of these policies on Export of Textile products & Fabrics.
- Effects of policies on Haryana Textile Industry.

Research methodology

We have used conceptual method & survey method for this research and used SPSS & excel for making frequency chart and to judge the normality level and other analysis. Area of Population are Indian Textile Industry (especially Haryana) & Area of action is to study the policies & Programmes regarding pushing export of textile products & fabrics.

Government Policies & Programmes for Textile Industry

Government of India has always planned many schemes to promote all the textiles sector of India that includes the social welfare schemes, insurance cover & area development as well to the upgrade outdated looms, tax benefits & propaganda support, & many more. The Government initiatives that has mainly played a main role in strengthening textile production & encourage this industry to cater in the domestic & international markets efficiently are as follows:

1. Amended Technology Upgradation Fund Scheme for textiles industry (ATUFS).

The old machinery & technologies mainly used in textile industry could affect productivity and safety. ATUFS is a designed to provide stimulus to the entrepreneurs & business owners for upgrading technologies. A one-time capital subsidy will be mainly offered to business owners from the Technical Textiles, Garments, & Weaving. The Central Government will also provide 15% subsidy to the garment, apparel & technical textile sectors.

2. Scheme for Integrated Textile Parks (SITP) :

This Scheme Integrated Textile Parks (SITP) is at the centre of the developing a sustainable infrastructure for textile sector. Under SITP scheme, the government will have to provide funding for infrastructure, buildings for common facilities like training centre & design, warehouse, factories & plant & machinery. Till now, 74 textiles parks have been approved & are at various stages of implementation with 18 parks operational, 32 under implementation. The investment of \$692 Mn is been sanctioned by the government which will now create 66,000 jobs gradually unwound.

3. Integrated Processing Development Scheme (IPDS):

IPDS is implemented to make the Indian textiles competitive & environment-friendly. The government will now assist the existing textile processing units to be follow relevant environmental standards which using latest technology. The process parks created for this purpose will be deal with the waste water management & promote the use of cleaner technology in processing sector.

4. *Integrated Skill Development Scheme (ISDS):*

Textile artisans & workers lack the formal training in using the latest technology which reduces their chance to get more better job & higher wages. ISDS plans now to bridge that skill gap by the training of 1.5 million people. An amount of \$300 Mn has allocated for training by the government of India for the special purpose. The primary objectives of this program are to standardise courses, increase industry involvement & to set robust monitoring systems in vocational training of textile sector

5. *Market Development Assistance (MDA):*

To encourage the exporters to conduct promotional activities for their products, MDA was being launched. The Focus of export promotion programmes will be organised in the specific markets such as Latin American Countries (LAC), Africa & Association of Southeast Asian Nations (ASEAN). The objective of this main program administered by the E&MDA Division of the Department of Commerce is to mainly develop the already established markets in overseas for textile.

5. *Market Access Initiatives (MAI):*

MAI was launched mainly to promote the Indian exports in a special sustained manner. The scheme funds in various market studies & surveys to assist exporters. Universities, laboratories, exporters & trade promotion organisations may apply for MAI where the level of the assistance is already fixed. Empowered Committee (EC) chaired by the Secretary (Textiles) have looked after the implementation & approvals of various projects under MAI..

6. *Merchandise Exports from India Scheme (MEIS):*

MEIS is mainly aimed at stimulating the growth of textiles exports from India in various traditional & emerging markets. This scheme has been finalized after consulting various stakeholders.

7. *Technology Mission for Technical Textiles (TMMT):*

TMMT have two mini missions to create a healthy ecosystem for production of the technical textiles in India. The scheme has launched in 2011 for the period of five years & has been extended for another two years (2015-17) now. The Mini Mission I of this plan aims at standardization, creating common testing facilities & several resource centers with IT infrastructure.0

8. Special package for Textile and Apparel sector:

The government of India has planned to generate over 10 Mn jobs in the textile industry over period of next three years. This special package will help to achieve the goal by providing incentives to boost the exports, labour-friendly policies & scaling up the production.

9. Knitting & Knitwear Sector scheme:

Government has been launched a separate scheme for the development of the Knitting & Knitwear Sector to boost production in knitting & knitwear cluster at Haryana.

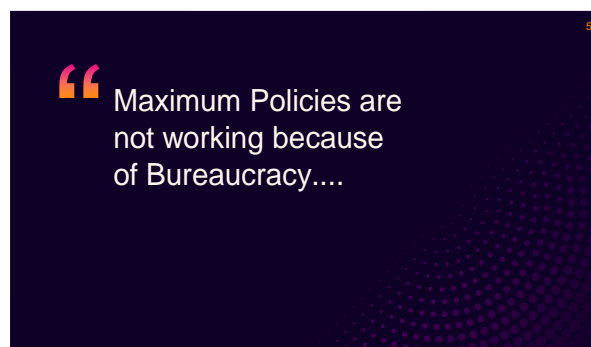
10. Schemes under National Handloom Development Corporation Limited:

National Handloom Development Corporation Limited is a Union Govt. company, incorporated on 22 Feb, 1983. It is a public unlisted company & is classified as company limited by shares. National Handloom Development Corporation Limited is majorly in the Manufacturing (Textiles) business from the last 38 years & currently, company operations are active.

- .Mill Gate price scheme.
- 10% Rebate on yarn scheme.
- National Handloom Development

Programme,

- Comprehensive Handloom Cluster Development Scheme,
- Handloom Weaver Comprehensive
- Welfare Scheme ,etc.



11. National Handicrafts Development Programme (NHDP) & Comprehensive Handicraft Cluster Development Schemes:

Under this programme Mobilization of beneficiaries will be undertaken in the clusters which needs to be taken up for development. The Geographical identity of the such clusters should be mainly clearly mentioned & limited to a village in the Rural Areas or wards in the Municipal areas. In special cases a cluster may be contain adjoining villages within a span & diameter of three kilometers. This activity shall be include mobilizing the artisans into SHGs, thrift & credit, training of SHGs on various aspects of forming & running the community business enterprise. With introduction of the economic reforms through liberalization, privatization & globalization, India has been entered into a new era of the economic development & therefore, Community Empowerment programme for handicrafts sector./

12. Silk Samagra – An integrated Scheme for development of silk:

The Government of India through the Central Silk Board has been implementing a Central Sector Scheme “Silk Samagra” it is an Integrated Scheme for Development of the Silk Industry (ISDSI) during the year (2017-20) with mainly an aims & objective to scale up production by improving the quality & productivity & to empower downtrodden,

13. Jute ICARE for increasing the income of farmers through different interventions:

This scheme is for Improved Cultivation & Advanced Retting Exercise for Jute (Jute – ICARE) was launched in 2015 for popularize/introduce some of the better agronomic practices & recently developed microbial-assisted retting among the farmers intensively in a few blocks in the West Bengal & Assam on the pilot basis. The improved agronomic practices mainly include: line sowing of the jute using the seed drill to increase the yield by 10-15%; weed management & in jute by wheel hoeing/nail weeder instead of the hand weeding for the reducing the cost of the weeding. This scheme is also give benefits to exporters & manufacturers in purchase of jute yarn.

14. North East Region Textile Promotion Scheme (NERTPS) for promoting textiles industry;

The North East Region Textile Promotion Scheme (NERTPS) is mainly an umbrella scheme implemented in the project mode to promote the textiles industry in NER by providing the infrastructure, capacity building & marketing support to industry. The scheme covers all the sectors & subsectors of value chain of the textiles, handloom, handicrafts, sericulture, jute etc.



These all policies & programmes of the government departments are so managed & pre planned but it's pathetic that these policies are not working as they expected to increase the Export as well as domestic growth in Haryana & other parts of India. It's pathetic that all data are manipulated & maximally we can't find exact figures regarding Textile industry production. As discussed by some

entrepreneurs & Exporters they said Export is decreasing as compare to Import in Haryana due to China Textile growth.

The Export Market Development Assistance (EMDA) scheme has facilitated many registered manufacturers & exporters of jute products to participate in the international fairs & business delegation abroad for the export promotion of lifestyle & other Jute Diversified Products. Retail Outlet scheme supports supply chain & bulk supply of the JDPs for selective & mass consumption to enhance the spread of the JDPs all over the country, particularly in the regions where polythene bags have been banned Presently, Cotton is freely exportable commodity from Haryana. Haryana exports cotton mainly to bangladesh, China, Vietnam, Pakistan, Indonesia, Taiwan, Thailand etc, out of which Bangladesh is the largest importer of Indian cotton. Although Haryana is a major producer & exporter of cotton products, some quantity of extra-long staple variety of cotton, which is not available in the country, is imported.

ATUFS in place of RRTUFS was introduced on 13 January 2016 with one time capital subsidy for the eligible benchmarked machinery. Segments which have got higher employment & export potential such as Garmenting & echnical Textiles are eligible

for the Capital subsidy at the rate of 15% subject to a cap of Rs. 30 crore. Segments such as Weaving for the brand new Shuttle-Less Looms (including weaving preparatory & knitting), Processing, Jute, Silk and handlooms will get subsidy at the rate of 10% subject to a cap of Rs. 20 crore which plays important role in increasing export in Haryana..

On the basis of learning from the ISDS, the Ministry has also introduced new skill development scheme covering the entire value chain of the textile sector excluding Spinning & Weaving in organized Sector, titled (Samarth) Scheme for Capacity Building in Textile Sector (SCBTS from 2017-18 to 2019-20 with an outlay of Rs. 1300 crore & plays role in increasing export in Haryana.

As discussed by some exporters :



Obiviously, textile enterprises in China & India have adopted quite different business models & have followed divergent growth tracks. Through comparison of this industries

in India and China difficult & unethical but Indian export needs more enthusiastic & drastic policies .

Effects of policies & Current scenario of Textile Industry in Haryana :

The **textile industry in Haryana** exhibits strength across the entire value chain . The state is one of the most leading cotton producers in the country with Sirsa, Fatehabad, Bhiwani, Hisar and Jind being the main cotton producing districts. There is hardly any country in world ,where handloom products manufactured in Panipat are not supplied. The state is globally known as the ‘Textile City’, which has more than 200,000 small and big units, where approximately 9 lakh labourers work. The total business turnover of the Textile industries in Haryana is approximately Rs255,000 crore per annum.. But despite all this, industrial areas in the ‘Textile State” are deprived of even basic amenities. Industrialists said they have been complaining about poor sanitation, choked sewers, broken roads & non-functional streetlights for the past many years, but to no avail. Whereas, works have been started in some industrial sectors slow pace cripple that development.

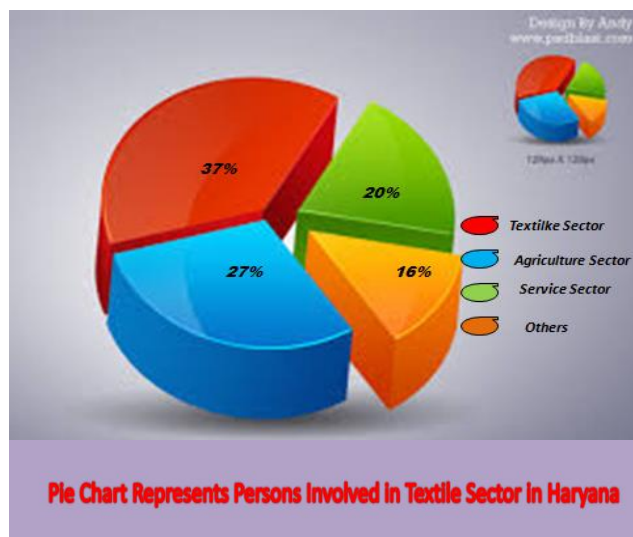
In Haryana Panipat is a center of handloom products where carpets, cushions, velvet cushions, sofa fabrics, bed sheets, curtains &

towels among other things are manufactured. Besides, it has also become a hub of recycle industry, resulting in the production of yarn out of discarded clothes. Industrialists said they were suffering a lot and facing a tough time for the past many years due to officials’ apathy. They said they were devoid of even basic amenities such as roads, sewerage, streetlights, potable water, cleanliness & garbage lifting in their industrial zones. Industrialists said they had approached MPs, MLAs, Mayor and all senior officers for their grievances but no one bothered about their genuine problems.

Government spokesperson said:

It aimed at generating 50,000 new jobs by attracting investment in textile sector to the tune of Rs 5,000 crore, They said, the draft Textile Policy 2017 had been put in public domain in February to invite the suggestions from the various stakeholders. The suggestions received had been now duly factored in before giving the policy to final shape, he said. “It has been formulated with an naked eye on the cotton belt of our Haryana. The state is one of the leading cotton producers in the country with Sirsa, Fatehabad, Bhiwani, Hissar & Jind being the main cotton producing districts. This sector provides employment to about one million people & readymade garments worth \$ 2 billion are exported from this state annually,” he said, The policy proposes

capital subsidy of 10% for projects of eligible enterprises across Haryana. It aims at positioning Haryana as a main preferred destination for global textile majors, besides boosting textile exports by Compound Annual Growth Rate of 20% during the policy period. Under the policy, the Haryana State Industrial & Infrastructure Development Corporation would offer industrial plots on lease for 33 years with 5% increase in annual lease rent. Besides, panchayat land will also be made available on lease for industrial development. Textile enterprises acquiring technology will be provided financial assistance of up to 50 per cent of the cost for adopting technology from recognised national institutes, subject to maximum of up to Rs 25 lakh.



We have done a short survey on streets of Karnal, Panipat, Rohtak, Jind & Ambala of 500 persons & put query that in which field they are involved for their earnings & 427 has

given positive response & we found 37% of them are involved in Textiles sector.

Conclusion & Policy Recommendations:

Textile sector in Haryana is important for its development since it is labour intensive industry. The high absorption of low skill labor, which is abundant in the state like Haryana, helps the economy to give income for the workers. As, our first basic need which is fabric we have to make more efforts to make self-reliant & self-dependant in its manufacturing.

This research investigates the impact of policies & programmes of government bodies regarding improvement of exports as well as textiles sector manufacturing in Haryana. Analysed using the survey method as well as conceptual method & the results show that the sign of the most of the variables are as expected & suitable.

Policy recommended which are most perfect are:

- ***Jute ICARE for increasing the income of farmers through different interventions***
- ***Merchandise Exports from India Scheme (MEIS)***
- ***Technology Mission for Technical Textiles (TMTT)***

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