GOVERNMENT OF INDIA
MINISTRY OF TEXTILES
RAJYA SABHA
UNSTARRED QUESTION NO-3498
ANSWERED ON-26.03.2018

Apparel imports from China and Bangladesh

3498. Shri Sanjay Raut

(a) whether it is a fact that increasing apparel imports particularly from China-Bangladesh bilateral trade is slowly and silently killing the entire domestic textile value chain, from fiber to apparel;

(b) if so, the details in this regard and Government''s response thereto;

(c) whether the industry has sought immediate Government intervention, to impose sourcing restrictions in order to avoid further damage to the textile industry;

(d) if so, Government's response thereto; and

(e) the details of steps taken or proposed to be taken by Government for the growth of textile industry?

ANSWER

THE MINISTER OF STATE FOR TEXTILES
(SHRI AJAY TAMTA)

(a) & (b): As per Directorate General of Commercial Intelligence and Statistics (DGCIS) data, apparel imports from China and Bangladesh are reported at USD 249 mn and USD 145 mn during Apr'17-Jan'18 as compared to USD 189 mn and USD 118 mn during Apr'16-Jan'17, respectively. Imports of textile and apparel have increased as Basic Customs Duty (BCD) is exempt (in case of imports from Bangladesh) and post GST, there is no CVD or Education Cess

(c) & (d): Yes Sir. Industry has pointed out that there is need to have Fabric Forward Rules with neighboring countries that have FTAs with India. Government is trying to deepen engagements with countries like Bangladesh and Sri Lanka by leveraging India's capacities in the value chain and linking export of apparel by these countries with the requirement to source fabrics and raw materials from India. Further to curb imports, BCD on MMF & Silk fabric has been increased from 10% to 20%.

(e): Government has taken various steps to boost the Indian textile industry. Products such as fibre, yarn and fabric in the textile value chain are being strengthened and made competitive through various schemes, inter alia, Powertex for fabric segment, Amended Technology Upgradation Fund Scheme (ATUFS) for all segments except spinning, Scheme for Integrated Textile Parks (SITP) for all segments, etc. In the silk sector, the Indigenous Automatic Reeling Machines and 'Buniyad Reeling machines' have been introduced to increase quality and productivity. In order to reap the benefits of demographic dividend, the government has skilled 7.54 lakh persons in 3 years under the Integrated Skill Development Scheme (ISDS). A new scheme for capacity building in Textile Sector is approved for skilling 10 lakh persons with an outlay of Rs.1300 crore Since the apparel sector has the greatest potential for employment growth, Government has introduced the Pradhan Mantri Paridhan Rozgar Protsahan Yojana (PMPRPY) Scheme under the Special Package for Apparel and Made-ups under which Government bears the entire 12% of the employers' contribution of the Employers Provident Fund Scheme for new employees of garment and made-ups sectors for first 3 years of their employment as a special incentive.
*****