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Let noble thoughts come to us from all sides

Rig Veda

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YE-148/2016



DESIGN OF THE FUTURE

Textiles – the word brings up images of beautiful drapes – cotton, silk, chiffon, lace. Whether it is the material draped on the figurine of the lady from Mohenjadarro, the stylish drapes of Cleopatra, the ball dance gowns of the Victorian Era or the lovely dresses worn by our own queens and princesses – clothes have always been an integral part of a person's life. Different types of textiles have been worn through the ages – natural fibres like cotton, jute and silk and man made fibres like rayon, chiffon and muslin.

Indian textiles are known world over for their beautiful colours and designs. No other country in the world has such close connection between its diverse culture and the wide ranging textile tradition as India. Be it Bandhani of Rajasthan, Kantha of Bengal, Tanchoi of Gujarat or Kanjivaram of Tamil Nadu, each of these textiles has a distinct hallmark of regional culture and tradition. Banarasi silk, Odisha silk, Tassar, Moonga and Chanderi are brands known and accoladed all over the world.

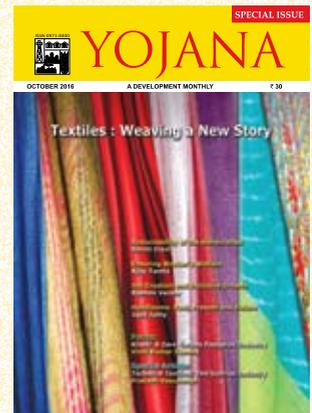
India has always been in the forefront in the production and use of cotton textiles. Historically, cotton was the cloth of the common man, either as dhoti, kurta, saree or lehenga. As a major producer of cotton, the cotton textile industry was so prominent at one time that it became a threat to the cotton industries of Great Britain. So much so, that the British, in order to save their own textile manufacturing, had to bring in various policies to stop Indian cotton textiles from reaching the world and force Indian consumers to buy their own cotton textiles. These practices of the British government became a major factor in the rise of the national movement. It also saw the birth of Khadi as an icon of independence.

Over the years Khadi has become the invaluable asset of heritage providing respectable means of livelihood to a huge human resource especially rural women. Seeing the potential of Khadi in providing employment to millions of people, the Prime Minister, in one of his "mannkibaat", called upon the Indian youth to adopt at least one khadi garment among many others. Khadi is also the cleanest and the most sustainable fabric with the potential to provide a strong alternative to modern synthetic fibres which are environmentally unsafe. Handlooms is another diverse and eco-friendly sector which blends rich ancient traditions with modern innovations. In PM's words, we need to give rightful place to traditional handloom products and make them the centre piece of fashion for India and the world.

Indian Silk has been famous worldwide from times immemorial. It was a major export item alongwith pearls, peacocks and spices. Indian silk and muslin were much sought after the world over. The sericulture industry is a major employer in the north east and southern parts of the country. Jute, as a fibre is predominantly used in packaging material. But, of late, jute has also caught the imagination of fashion designers and jute textile material is being marketed and worn in a big way. Technical textiles are the emerging textiles, used in various applications like medical applications, civil engineering, automobiles etc.

The second largest producer and exporter of textiles and garments in the world, Indian textile industry is also the second largest employer after agriculture generating employment to over 45 million Indian people directly and over 60 million people indirectly. It contributes 4 per cent to the country's GDP. To take care of artisans' welfare and familiarise them with latest technological advances in the field, Government has introduced host of schemes like weavers' service centres, craft cluster initiative, e-commerce platforms etc.

Textiles accounted for 5.65 per cent of the global share and 14 per cent of India's total exports in 2015-16. India, however, stands at the cross roads in exports, facing stiff competition from China, Bangladesh, EU, Hongkong, Vietnam, Indonesia, the USA and Cambodia. However, with favourable government policies and schemes like allowing 100 per cent FDI in textile sector, Amended Technology Upgradation Fund Scheme (ATUFS), Technology Mission on Technical Textiles (TMTT), establishment of Focus Incubation Centres, Market Development Assistance, Mega Cluster Development Schemes, etc., the textile sector is sure to continue to be in the forefront of not only the Indian economy but also touch new heights in world exports. At the same time, it also has the potential to satisfy the common man's cry of 'roti, kapada aur makan'. Textiles is the suit of armour in which India is going to combat and win over the world. □



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Sustainability of the Handcrafted

Smriti Zubin Irani



Rigorous efforts, therefore need to be made to provide children of artisans with education, training, access to the market and with wages for a dignified livelihood to enable them to continue their family and community craft traditions which have given India a unique place in the world of handcrafted products since time immemorial

The Indian handicraft and handloom industry forms an integral part of the rich cultural heritage of the country. It is an unorganized, decentralized, labour intensive cottage industry which provides employment to craftspersons in rural and semi urban areas and generates substantial foreign exchange for the country, while preserving the rich and unique cultural heritage of India.

Agricultural and pastoral communities have traditionally depended on their skills in weaving and handicrafts as a secondary source of income. It is estimated that there are around 23 million people engaged in handicrafts and weaving today. As a socio-economic group, they are at the bottom of the pyramid. The tangible contribution by the sector is evident in significant export earnings. Indian handicrafts are exported across geographies, with major destinations being developed markets such as US, the UK, the UAE, Germany, France, Latin American countries (LAC), Italy, the Netherlands, Canada and Australia. On a cultural plane, they are the conveyers of India's rich and ancient traditions in craftsmanship and epitomize the beauty of the handcrafted.

The strengths of the sector are those of availability of abundant and cheap labour, use of local resources,

low capital investment and unique craftsmanship which have received global appreciation. Despite these strengths, the sector faces various challenges such as low literacy and education levels, poor exposure to modern technological skills, lack of adequate finance to invest in raw material and poor institutional framework. At a macro-level, there is competition from mechanized goods: handlooms face a constant threat from powerloom and synthetic fabrics. Today, glass and melamine have made the environmentally friendly, unglazed earthenware *kulhar* or *shikora*, almost obsolete.

In spite of these constraints, it is estimated that the sector has witnessed some growth annually.

Investing in the crafts sector offers tremendous opportunity to improve the economic, environmental and social conditions of rural communities. The global market for crafts is projected to reach around USD 700 billion by 2019; India's present share is below 2 per cent, representing a significant growth opportunity. There are environment benefits too. Production processes used in crafts have a low carbon footprint and promote the use of locally available materials as well as natural and organic materials where possible. Crafts production represents an opportunity to provide a source of earning and employment for otherwise low-skilled, home-based women, improving their status within the household and community.

The author is Cabinet Minister, Ministry of Textiles, Government of India.



Organised Textile Sector Unit

and to raise the living standards of the millions of weavers engaged in the handloom industry.

On the occasion of National Handloom Day this year (7 August), an MoU was signed between the Ministry of Textiles and

the Ministry of Skill Development and Entrepreneurship to promote skill development and entrepreneurship in the handloom industry. As per the agreement, the two Ministries will jointly undertake various skill development and entrepreneurship development programmes for handloom weavers through knowledge sharing, resource optimization and synergy of institutions.

Secondly, crafts have to be contemporized and made relevant to urban lifestyles; branding efforts need to be strengthened to enable Indian crafts to compete in global markets, and new business models need to be developed that blend social and commercial goals. *India Handloom Brand* is an important initiative in the marketing and branding context. It was launched by the Hon'ble Prime

Minister of India on the occasion of the first National Handloom Day on August 7, 2015. It is an initiative for branding high quality handloom products with zero defects and zero effect on the environment by endorsing their quality in terms of raw materials, processing, embellishments, weaving design and other quality parameters and by ensuring social and environmental compliances in their production.

Another concern is the lack of professional guidance that is available to artisans in product design to cater to swift changes in consumer tastes and preferences. As part of attempts to address this concern, the National Institute of Fashion Technology (NIFT) has integrated the 'Craft Cluster Initiative' into its curricula that allows students to work in collaboration with the artisans and weavers from different geographical areas of the country. This helps in exposing the students to the challenges faced by the sector and in introducing new designs, techniques and materials for the benefit of weavers and artisan community. It also exposes the weavers and artisans to the challenges of the modern marketplace. NIFT Chennai has been working with the Kozhikode cluster in Kerala (Vadakara, Koilandy and Kozhikode) which deals predominantly with two age-old crafts of the region, viz., handloom weaving and *Uru*. The handloom sector covers around 30 working cooperative societies and Beypore in the handicrafts sector has artisans engaged in making wooden

Harnessing the potential of this sector requires different types of investments to preserve traditional crafts, strengthen the sector, and improve the incomes of artisans.

The artisan has to be hand-held through a fragmented value chain. Artisans engaged in production need to be reminded and made aware about the value of their skill and continuously trained to upgrade their skills and product offerings. The Weavers' Service Centers (WSC) of the Office of DC Handlooms under the Ministry of Textiles, play a pivotal role in skill up-gradation, capacity building and disseminating technological interventions to handloom weavers for better productivity, thereby improving earnings of weavers. They provide design inputs to weavers, arrange training programmes in pre-weaving, weaving and post-weaving disciplines such as winding, warping, sizing, dyeing, dobby jacquard pneumatic weaving, design making (CAD), etc. WSCs also sponsor weavers to various trade fairs and expositions to help them in establishing direct market linkages.

The Mega Handloom Clusters Scheme has been actively engaged in developing clearly identifiable geographical locations that specialize in specific products, in skill up-gradation, imparting design inputs, improving infrastructure facilities and health facilities to meet discerning and changing market demands both at domestic and at the international level



Dastkari Handicraft



Employment for Women

models of traditional boats known as *Uru*.

The quality of work and better wages can be sustained and improved if artisans can be enabled to cater to a regular market duly supported with easy availability of quality raw materials at affordable prices. The absence of direct marketing outlets and difficult access to urban areas persist as challenges to the average artisan today. The market linkages of the artisan and the cluster has to be strengthened and technology can be leveraged for the purpose.

Promotion of marketing of handloom products through e-commerce is therefore, one of the priorities of the Ministry of Textiles. In order to promote e-marketing of handloom products in a transparent, competitive and effective manner, different e-commerce platforms have been engaged for marketing of handloom products. By building such a marketplace, the artisan can be empowered to earn a decent livelihood.

The crafts sector can benefit through a multi-stakeholder approach by increased participation by different stakeholders such as government, financial institutions, non-profit organisations and academia in their areas of specialization. Building a collaborative ecosystem will align the roles of different stakeholders, each of

whom can support artisans in different ways. An interesting example is that of the Aqua Weaves of North Eastern Development Finance Corporation, an Assam-based organisation which has turned to the perennial and polluting water hyacinth to come up with a range of interesting products like bags, home décor and utility products. Following Thailand and Malaysia and with design inputs and expert advice from the National Institute of Design, Ahmedabad, the products have evolved and are understood to command a market not only within the country, but also overseas including in Nepal and Japan. This has benefited the artisans engaged in this activity.

The handlooms and handicrafts of India are hugely diversified. Different regions of India are famous for the production of different types of handcrafted products which have been developed on the basis of the geographical location, climatic condition and the ancient culture of these areas.



Using Modern Techniques

It is heartening that Geographical Indications (GI) have been registered for as many as 143 fabrics and handicraft products. GI's in textiles include the famed *Chanderi* from the heartland of India, a woven fabric that traces its origin to around 1305 AD. Similarly, there is a GI for *Kota Doria*, the name given to sarees woven at Kaithoon and in many villages located in the Baran district of Rajasthan mainly made of cotton and silk yarns in different combinations in warp as well as weft.

Other unique and treasured fabrics of India made by skilled weavers over the centuries and accorded GI status include the famed *Pochampali ikat*, *Kanjeevaram silk*, *Srikalahasthi Kalamkari*, *Maheshwar*, the *Kantha* (an indigenous household craft of the women of West Bengal), the *Jamdani*, a vividly patterned sheer cotton fabric, the *Baluchari* and the famed *Orissa Ikat* to name a few amongst many others.

The GI protects the traditional knowledge of the communities of weavers and artisans and affords legal protection against unauthorized usage; it assigns a collective monopoly to the artisans thereby protecting the unique cultural heritage of our traditional arts and crafts.

In an increasingly mechanized, homogenized world, ensuring the sustainability of skills, techniques and the traditional knowledge behind India's myriad handicrafts and handlooms is a major challenge. Rural youth are increasingly disenchanted with family craft traditions, being exposed to the struggle to find markets and fair prices. People need to be sensitised about the importance of our crafts. Rigorous efforts, therefore need to be made to provide children of artisans with education, training, access to the market and with wages for a dignified livelihood to enable them to continue their family and community craft traditions which have given India a unique place in the world of handcrafted products since time immemorial. □

(E-mail:)

Online Portal for Handloom Stall Allotment

An Online Portal for Handloom Stall Allotment was launched by Ministry of Textiles in New Delhi recently. This portal is envisioned as a weaver friendly platform which shall streamline allotment of handloom stalls. Annually, an estimated 340 marketing events are supported by the office of Development Commissioner Handlooms. The new portal is expected to provide transparency, simplified procedures, ease of access and ensure level playing field to fresh applicants, weavers and organizations, to promote marketing handloom products.



How does the Online Portal work?

Weavers/Organizations will be able to apply on online portal as and when online applications are called by way of advertisements in leading newspapers. Weavers/Organizations will register themselves for Applying for Allotment for the first time. Thereafter, their data base will keep getting updated. The System will allot them a login and pass-word for the purpose of submitting application.

After getting registered, they can apply online. Online applications will automatically get forwarded to the Weavers Service Centre (WSC) under whose jurisdiction the applicant falls. Applications will be scrutinised by the WSCs within a stipulated time and applicants will have to be told the reasons for not recommending a particular application. The recommended Applications will be compiled centrally by system and will be ready for computerized draw. State wise and slot wise computerized list of selected candidates including waitlist will be prepared.

System will send alert SMS and email to the allottee mentioning allotment of stall along with stall number. The applicant will be able to take printout of allotment letter from portal after login into it. With the printed copy of allotment letter, they can approach the organizers for handing over them the stalls.

This may be accessed via web-link: http://handloomstall.gov.in/HEMS/pages/hems_home.action

#Gas4India campaign to promote Natural gas in the country

#Gas4India campaign, aimed at promoting the use of gas in the country was launched recently. Public and private sector companies working in the sector have joined hands to promote the natural gas sector. #Gas4India is a unified cross-country, multimedia, multi-event campaign to communicate the national, social, economic and ecological benefits of using natural gas as the fuel of choice to every citizen who uses, or will use in the near future, gas in any way- cook, travel, light their homes, and power their business. The campaign includes social engagement via Twitter, Facebook, Youtube, LinkedIn, and its official blogsite, as well as hyper local, offline events to directly connect with consumers through discussions, workshops and cultural events. Shri Pradhan launched the website, Twitter handle, facebook page and Theme song of the campaign.

The aim of the campaign is to increase the share of gas in the country's energy basket from the present 6.5per cent. Besides the move to enhance gas production, the Government is also promoting nationwide gas grid and setting up gas infrastructure. GAIL has already finished the tendering process for gas grid and actual process of laying pipelines will begin soon. The Government is also going to take steps to harness synthetic gas from Coal Bed Methane, and also promoting Bio-CNG and Bio-PNG. 3 New LNG terminals are also coming up. India has entered into long term contracts and acquired assets abroad to ensure unhindered supply of gas at reasonable prices.

Ensuring Worker's Welfare

Ajay Tamta



The Textiles Ministry monitors the schemes for the benefit of textile workers from time to time. The Ministry gives top most priority to the interest of the workers and endeavors continuously to improve various welfare schemes meant for them

Textile Industry is one of the oldest and the largest industries in India. Archeological studies and surveys indicate that the people of Harappan Civilization, which dates back nearly four thousand years, knew spinning and weaving. The glorious saga of development in the textile sector has continued unabated for the last four millennia and today, the industry provides livelihood to millions of textile workers in the country. Efforts are on to provide employment to millions of other workers in the textile industry. Govt. of India has been trying to provide healthy environment to textiles industry workers so that they can produce qualitatively better produce thereby ensuring welfare of all workers in the industry. In view of the huge size of the textiles industry and its diverse sectors, it needs workers of various skills and types. Govt. of India is implementing welfare schemes according to their needs, some of which are as follows:

1) Welfare Measures for Power Loom Sector:

a) Group Insurance Scheme (GIS)

The Power Loom weavers are not covered under any life insurance or health insurance schemes as they belong to low income strata of the society and live in an unhealthy environment. The Group Insurance Scheme (GIS) for the textile weavers

was launched in July 2003 and continues in the 12th Plan. The Scheme implemented by the Ministry of Textiles through its attached office i.e. the Office of the Textile Commissioner Mumbai provides the following benefits to the weavers:

- a) Rs 60,000 in case of natural death;
- b) Rs 1,50,000 in case of accidental death;
- c) Rs 1,50,000 in case of permanent disability due to accident;
- d) Rs 75,000 in case of partial disability due to accident.

There is also a provision for the payment of a maximum annual educational grant of Rs 2,400 for the education of two children from classes 9th to 12th of the insured person under Educational Assistance Scheme. Under the scheme, the weaver has to contribute only Rs 80 out of the yearly annual insurance premium of Rs 470. The rest of the amount is paid by the Government of India.

b) Textile Weaver Rehabilitation Fund Scheme (TWRFS)

Under the scheme, the workers are provided with interim relief in the event of closure or partial closure of a textile unit or any part of it.

As many as 1,17,751 workers of 98 closed textile mills across India were paid relief to the tune of Rs 319.66 crore till August 2016 this year.

The author is the Minister of State for Textiles, Government of India.

Welfare Schemes for the Handloom Workers:

The economic and social condition of handloom weavers is not much different from that of their counterparts in the Power Loom sector. The handloom weavers are spread across India and are also found in remote tribal areas/ aboriginal areas. This is the reason that their social security life is getting more complex day-by-day. Govt. of India has started several welfare schemes for the benefit of weavers some of which are as follows:

(A) Mahatma Gandhi Weaver Insurance Scheme (MGBBY)

Under the Mahatma Gandhi weaver Insurance Scheme (MGBBY), weavers are provided with insurance security. The weavers so insured are entitled to the following benefits:

- i) Rs 60,000 in case of natural death;
- ii) Rs 1,50,000 in case of accidental death;
- iii) Rs 1,50,000 in case of permanent disability due to accident;
- iv) Rs 75,000 in case of partial disability due to accident.

(B) Health Insurance Scheme (HIS)

In the 12th Plan, the Cabinet Committee on Economic Affairs (CCEA) has approved a Health Insurance Scheme on the pattern of the Rashtriya Swasthya Bima Yojna (RSBY) of the Ministry of Labour and Employment. Currently, the Ministry of Health and Family Welfare is looking after the scheme. On 29 March, 2016, the Ministry of Health issued a detailed directive to provide benefits of RSBY to the handloom weavers which also provides for an insurance cover of Rs 30,000 to hospitalized patients. Nineteen states where the RSBY is under implementation are Assam, Bihar, Chhatisgarh, Gujarat, Haryana, Himanchal Pradesh, Jharkhand, Karnataka, Kerala, Manipur, Meghalaya, Mizoram,

Odisha, Punjab, Rajasthan, Tripura, Uttar Pradesh, Uttarakhand and West Bengal.

According to the Cabinet decision in Tamil Nadu (which has not implemented the Rashtriya Swasthya Bima Yojana) another scheme, the Health Insurance Scheme (HIS) is being implemented on the pattern of Rashtriya Swasthya Bima Yojana. Under the scheme, Rs 30,000 are provided as assistance by the Govt. of India to the indoor patients where as the amount for outdoor patients is Rs 7,500. As many as 1,44,294 weavers have already been nominated under the scheme till 1st October, 2015.

Workshops on Rashtriya Swasthya Bima Yojana (RSBY) are organized by the Ministry of Textiles from time to time with the participation of the Commissioners/Directors of the State Handloom departments and the officers of RSBY to discuss the modality for the implementation of the scheme.

Welfare Schemes for the Weavers of Handicrafts Sector:

The handicrafts Industry in India is very rich and encompasses all areas, from rural and tribal to remote and interior areas of the country. The Government of India is implementing a number of welfare schemes to provide social security to the workers of this sector which are as follows:

(a) Rajiv Gandhi Shilpi Swasthya Bima Yojana

The scheme was implemented on experimental basis in 2006-07 and continued in 11th and 12th Plans. It aims at providing medical facilities to the artisans working in the handicraft sector. The artisan pays only Rs 30 for his registration and the Govt. of India bears 75 per cent of the cost of the scheme. The rest of the 25 per cent expenditure is born by the State Governments. In case of states like Jammu & Kashmir as well as the North-Eastern States, 90 per cent amount of the premium is born by the Government of India.

Under the scheme, the artisan along with four other members of his family are provided with the benefits of health insurance. In the event of hospitalization of any member of the insured family, an insurance cover of Rs 30,000 is provided to the family while in case of OPD patient, the amount is Rs 7,500. Now the scheme has been merged with the Rashtriya Swasthya Bima Yojana (RSBY) and from April 2017 onwards, the Ministry of Health and Family Welfare will be responsible for its implementation. So far, 23,74,938 artisans have been registered under the scheme.

(b) Aam Aadmi Bima Yojana

The Life Insurance Corporation of India implemented Janshri Bima Yojana in 2004-05 to provide life insurance cover to artisans of the handicrafts sector. Although, the Cabinet Committee on Economic Affairs (CCEA) approved the scheme for the 11th Plan, its name was changed to Aam Aadmi Bima Yojna (AABY) on the recommendation of the Expenditure Finance Committee (EFC). As many as 23,31,288 artisans have been brought under its cover in the past three financial years (e.g. 2013-14 to 2015-16) and the current year 2016-17 (till June 2016). There is a proposal to merge AABY with the Pradhan Mantri Jiwan Jyoti Bima Yojna (PMJJBY) and Pradhan Mantri Suraksha Bima Yojna (PMSBY).

Economic Assistance to Poor Artisans:

Under the scheme, financial assistance is given to the artisans in their twilight years. Poor artisans who are more than 60 years of age and have won awards like Shilp Guru/ National Award/National Merit award/ State Handicraft awards and whose annual income is less than Rs 30,000 are given monthly financial assistance of Rs 3,000. Under the scheme, 1035 artisans were given financial assistance of Rs 164.06 lakhs from 2014-15 till 2016-17.

Welfare Schemes for the Workers of Jute Sector:

i) Jute Workers Welfare Scheme : Cleanliness in the Mill Area

The scheme aims at providing cleanliness facilities to the workers of the jute mills along with their family members. Under the scheme, cleanliness blocks having toilets, wash basins etc. for men and women are provided to the workers of these mills. The National Jute Board provides 90 per cent of the total cost or maximum Rs 40 lakh under the scheme.

ii) Scholarships for the Promotion of Education

Under the scheme, scholarships are provided for the promotion of education among the children of the jute mill workers, especially the female children. On passing secondary school examination, every girl of such family is provided a scholarship of Rs 5,000 and Rs 10,000 on getting through senior secondary examination.

In 2015-16, the coverage of the scholarship schemes was extended to provide Rs 15,000 for graduates and Rs 20,000 for post graduates. Provision has also been made for providing assistance in annual tuition fee for the professional courses (e.g. Engineering, Technology, Management, CA, CS, ICWAI). As many as 6,733 students have benefited since 2013-14 under the scheme.

iii) Life Insurance Scheme

The Life Insurance Scheme for the jute mill workers belonging to the scheduled castes and scheduled tribes is valid initially for three years (August 2016 to March 2019). There are two components of the scheme: a) Pradhan Mantri Jiwan Jyoti Bima Yojana (PMJJBY), and b) Pradhan Mantri Suraksha Bima Yojana (PMSBY).

The Textiles Ministry monitors the schemes for the benefit of textile workers from time to time. The Ministry gives top most priority to the interest of the workers and endeavors continuously to improve various welfare schemes meant for them. □

(E-mail: mos-textiles@gov.in)

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Job Creation and Inclusive Growth

Rashmi Verma



Throughout the history of the modern world, policy makers have relied on the textiles sector to generate jobs and advance their economies. In the recent months, India too has accorded an exclusive status to this sector for attaining its national objectives. As the present day world is working its way to altering the pervading economic pessimism, India has already poised itself for the next spell of high growth with the textile and apparel sector right in the centre of its key focus areas

For India, the demographic dividend and the growing workforce have put the issue of job-creation on centre stage. The textile and apparel industry, with its high employment elasticity, holds immense scope for absorbing a large chunk of the rising Indian workforce. Taking advantage of the unique position of India to steer away from the recession-ridden world economy, the government has delivered a special package for the apparel and garment industry and has also placed a renewed thrust on skilling – to create jobs. These initiatives, along with other textiles sector policies, are aimed at higher growth, higher exports, higher job creation and greater social mobility.

Amid a gloomy world economic scenario and a darkening global mood, India has been among the few spots of sunshine with an over 7 per cent rate of growth in recent years. Yet, there has been some understandable anxiety on the need to create jobs to match the increasing workforce in the country. Throughout the history of the modern world, policy makers have relied on the textiles sector to generate jobs and advance their economies. In the recent months, India too has accorded an exclusive status to this sector for attaining its national objectives. As the present day world is working its way

to altering the pervading economic pessimism, India has already poised itself for the next spell of high growth with the textile and apparel sector right in the centre of its key focus areas.

Revival of Indian Textiles

For several centuries, India was a major producer and exporter of cotton textiles and silk goods because of its core strengths in traditional segments. But India's leading position in textiles suffered during the colonial rule owing to policies imposed by the British. Post-independence, the textile industry proved to be a mainstay for millions of rural families and also to thousands of workers who migrated to work in modern textile factories. With the opening up of the Indian economy in the early 90s, and with the Government's special focus on textiles, the Indian textile industry once again entered into a growth phase. Due to rising costs of manufacturing in USA and Europe, Asian countries including India, with their availability of abundant and cheap manpower, vast natural resources and favorable economic policies have emerged as the most attractive destination for manufacturing of textile products. The Indian textile industry holds inherent advantages of raw material availability of natural as well as manmade fibres and availability of employable manpower. Unlike

The author is Secretary, Ministry of Textiles, Government of India.

Bangladesh and Vietnam which are solely dependent on export markets for sustenance of their sectors, India has a larger domestic consumption than exports. Leveraging its advantages, India has, over the years, emerged as the second largest exporter of textile and apparel in the world, with an exports value of US\$ 40 billion, which is approximately 5 per cent of the global trade. The textiles sector contributes about 2 per cent to the country's US\$ 2.3 trillion GDP, and

is the second largest employer after agriculture. It contributes 10 per cent to industrial production and 13 per cent to the country's overall exports.

India's Demographic Dividend

With a population of approximately 1.28 billion people, India is the second most populated country in the world. Almost 66 per cent of India's population – approximately 850 million is of working age at present. The number

is likely to increase by 169 million by the end of 2030. This demographic dividend will allow India to successfully emerge as a manufacturer of labour intensive products such as textile and apparel in the foreseeable future. For reaping the rewards of the demographic dividend, India has to create jobs at the rate of a million jobs per month. India has to, therefore, grow at a rate of 8 to 10 per cent per year; and the model of growth has to be inclusive with an absolute focus on job creation.

Table 1: Estimated Employment in Textile and Apparel Value Chain (In Million)

Sector / Industry	As on March 2011	Projected for 2017	2015-16 (P)
Textiles sector			
Cotton/Man-made Fibre/Yarn Textile/ Mill Sector (including SSI spinning & exclusive of weaving units)	1.4	1.61	1.58
Man-made Fibre/Filament Yarn Industry (incl. texturizing industry)	0.24	0.28	0.27
Decentralized Powerlooms Sector	5.08	5.84	5.71
Handloom Sector	7	8.05	7.88
Knitting Sector	0.45	0.52	0.51
Processing Sector	0.44	0.51	0.50
Woollen Sector	3.2	3.68	3.60
Ready Made Garment Sector (including Knitwear Sector)	11.22	12.9	12.62
Sericulture	7.7	8.86	8.67
Handicraft Sector	8	9.2	9.00
Jute Industry			
i) Organised Jute Industry	0.26	0.3	0.29
ii) Decentralised Jute Industry	0.2	0.23	0.23
Total (I)	45.19	51.97	50.84
Allied Sector			
Cotton			
i) Cotton Agriculture	20	23	22.50
ii) Cotton Ginning/Pressing	1.3	1.5	1.47
iii) Cotton Trade	19	21.85	21.38
Sub-Total	40.3	46.35	45.34
Sheep rearing	2.8	3.22	3.15
Jute Agriculture	17	19.55	19.13
Textile machinery & accessories	0.1	0.12	0.12
Total (II)	60.2	69.23	67.73
Grand Total (I+II)	105.4	121.2	118.57

Source: Twelfth Plan Working Group Report, Ministry of Textiles, Government of India.

Employment Potential

The textiles sector holds a significant value and potential from the perspective of employment generation. The sector currently employs more than 5 crore people directly and another 6.7 crores in the allied sectors like cotton and jute farming, sheep rearing, textile machinery, etc.

Table 2, based on data published by Annual Survey of Industry gives the comparable standing of textiles for employment creation vis-à-vis other sectors.

As a thumb rule, it is presumed that for an investment of Rs. 1 crore in a fully integrated textile and apparel manufacturing set-up, 30 jobs are created while for apparel manufacturing alone 70 jobs are created for every Rs. 1 crore investment. As a matter of fact, the All India Textile and Garment Industry Survey of 2011-12 puts the employment per crore rupees of investment figure for non-SSI garment units between 68 and 169. Unmistakably, the textiles sector is *nonpareil* when it comes to value for money (read investment) in the sphere of employment generation.

Table 2: Comparable Standing of Textiles for Employment Creation vis-à-vis Other Sectors

Manufacturing Sector	Fixed Capital (In Lakhs)	Persons Employed	Employment per crore Rupees investment
Dairy products	1203869	145601	12
Beverages	2675247	158507	6
Wearing apparel, except fur apparel	1280564	713833	56
Knitted and crocheted apparel	1369141	264261	19
Paper and paper products	642536	248529	39
Rubber products	2668512	218754	8
Basic iron and steel	40999661	650680	2
Electronic components	421154	76619	18
General purpose machinery	3417453	338964	10
Motor vehicles	7088020	176523	2

Data source: Annual Survey of Industries, 2013-14

Inclusive Growth

Aside its job creation role, this sector is also seamlessly aligned with Government initiatives on women empowerment. It is estimated that women constitute about 70 per cent of the workforce in the apparel sector. The sector also provides job opportunities to millions in the under privileged sections of the society by giving them a means of stable income and an opportunity to raise their standard of living. Hence, for a country like India, the importance of the textiles sector for employment creation is unrivalled. A majority of the Indian population resides in rural parts of India where people do not have access to quality education and other basic facilities. As entry level job roles in the textiles sector in general do not require people with high technical skills or educational background, a person from rural India, can become employable in the textiles sector with a nominal training of 3 to 4 weeks only.

Structural Shifts in Global Industry

China has been the undisputed leader in global trade over the last three decades. In the textiles and

apparel segment especially, China has maintained a dominant share of over 40 per cent over the last twenty years. After the economic crisis of 2009, China's growth in the trade has slowed down from an average 15 per cent to around 4 per cent in 2014. This trend is expected to continue further in the future also. Currently, China is vacating the global export market due to high wages and shift in focus to the domestic market. India stands a good chance to capture a mammoth share of the space ceded by China in global textile and apparel trade leveraging its raw material and manpower advantage.

Textile Market Growth Projections

The expected high growth in exports apart, the increase in disposable income of consumers and their increasing propensity to spend on clothing items have been driving a double digit growth of the domestic market. Based on the emerging global and domestic market trends, it is expected that the Indian textile and apparel market will grow from current level of US\$ 119 bn. to US\$ 400 bn. by 2025-26.

Creation and Inclusive Growth : Strategies

Taking into consideration the unmatched potential for job creation in the textiles sector and the opportunities emerging in the global market, the Government has formulated a strategy to foster growth and create a large number of jobs in the textile and apparel sector. In addition to the existing schemes which focus on technology up-gradation, infrastructure creation, and strengthening of traditional segments, the Government has given a special thrust to skill development. In order to make the Indian apparel sector competitive, a special package for the Garmenting Sector has been released which is aimed at removing the existing restrictions on productivity and also at incentivizing job creation and exports.

Skilling People : Creating an Enabling Environment

Job creation requires high growth in the coming years. To attain this

Table 3: Indian Textile and Apparel Market Growth Projections

	2015-16	2025-26	CAGR
Exports	US\$ 40 bn.	US\$ 150 bn.	14 per cent
Domestic market	US\$ 79 bn.	US\$ 250 bn.	12 per cent
Total	US\$ 119 bn.	US\$ 400 bn.	13 per cent

Source: Internal Estimates, Ministry of Textiles, Government of India.

growth, large scale investment in manufacturing will be required. This, in turn, will increase the demand of skilled labour for this sector. To fulfill the demand of skilled labour, a lot of focus has been given to skill development initiatives in the country. For the textiles sector, the Integrated Skill Development Scheme (ISDS) for development of skilled workforce in this sector has been operational, which leverages the expertise and reach of existing textile training institutions and also invites private sector participation and participation of State Government agencies. As on 1st September 2016, 7.7 lakh workers have been trained under ISDS out of which 5.06 (66 per cent) have been absorbed in the industry. The total target under ISDS is to train 15 lakh workers by FY 2016-17. Furthermore, skilling in the unorganised sector is promoted under Handloom Sector and Handicrafts Sector schemes of Government of India. Also, under the Skill India mission, an effective and elaborate training framework has been implemented recently. For the textile and apparel sector, two sector skill councils viz., Textiles Sector Skill Council and Apparel, Made-ups & Home Furnishing Sector Skill Council have been formed.

Special Package for the Garmenting Sector

The garmenting industry, which holds immense potential for job creation, has been beset with several inhibiting factors which included unequal access to global markets, relatively higher wage costs, restrictive labour regulations impeding productivity, inadequate incentives for investments and exports, etc. To break the shackles and to spur growth in the

garmenting industry, the Government has delivered a special package for improving the competitiveness of the Indian garmenting sector. The recently approved package includes additional drawback for garment exports, labour reforms like introduction of fixed term employment, increase in overtime limit and easing of Section 80JJAA of Income Tax act to support employment in the garmenting sector. The Government will also now bear the entire 12 per cent of employer's Employee Provident Fund (EPF) contribution for all the new employees for the first three years. The provision of employees' contribution to EPF has been made optional for those earning less than Rs. 15,000 per month which will lead to more cash in hand with the workers. The introduction of fixed term employment will help increase the labour supply and employability in the garment sector during the peak season of the industry. A fixed term workman will be considered at par with permanent workman in terms of working hours, wages, allowances and statutory dues. The overtime cap per quarter has also been raised from 50 hours to 100 hours which will lead to increased earnings for the workers. The new package for the garment sector is expected to generate over 1 crore jobs in this sector over a three-year period as given in the Table 4.

Conclusion

The anticipated upsurge in employment and the creation of skilled man-power base will attract large scale investments, both domestic as well as FDI, in the textiles sector and will serve to attain the vision of the Hon'ble Prime Minister of making India a global manufacturing hub. During the inaugural lecture of the

Table 4 : Special Package for Garmenting Sector: Estimated Employment Generation Over Next Three Years

Segment / Intervention	Employment Direct & Indirect (Lakhs)
Measures to Enhance Competitiveness of the Apparel Industry	9.7
80JJAA Amendments	12.25
Additional TUFS for garmenting	9.5
Additional 3.67 per cent EPF contribution	
Additional duty drawback for garments	
Labour law reforms	1.75
Employment in upstream segments @ 35 per cent (yarn, fabric & processing)	10.7
Indirect Employment (@ 1:1.3)	56.4
Total	100.3

Source: Internal Estimates, Ministry of Textiles, Government of India.

Transforming India Lecture Series, Shri Tharman Shanmugaratnam, Deputy Prime Minister, Singapore mentioned that "India is uniquely poised for re-casting the negative narrative and the pessimism pervading in the global economy...by focusing on social mobility, by focusing on long term goals and by investing in social and human capital". Through its recent initiatives in the Textile and Apparel Sector, the Indian Government has opened a new narrative – a narrative of optimism, of enhancing exports, of job creation, and of consequent social transformation. □

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Emerging Exports Markets

Aditi Das Rout



The export earnings of the Indian textile industry give it added value and strength. However, despite poor global market conditions and domestic challenges which include escalating energy costs, high transportation costs and sticky labour laws, the textile industry did well as compared to other sectors on the export front and textiles accounted for as much as 14 per cent of India's total exports in 2015-16

India was renowned for its varied textiles in the trade of the pre-industrial era. Many foreign travellers like Ibn Batuta have left elaborate accounts of the exquisite textiles sold in the markets during the Sultanate period. In ancient times, Indian textiles were traded with China, Indonesia as well as with the Roman world. The Roman merchant navy was eventually replaced by Arab traders and thereafter by the Portuguese, after Vasco da Gama arrived in India at the end of the 15th century. In course of time, during the 16th century, European companies established base in the sub-continent and became a part of this lucrative commercial connection. India became the largest exporter of textiles the world had ever known, with the textiles trade reaching its height in the 18th and 19th centuries.

During the Mughal era, the chief imports of the country included bullion, raw silk, horses, ivory and precious stones, velvet and brocades. Exports were largely various textiles, indigo, spices and miscellaneous goods. Traffic along land routes was restricted and insecure; therefore sea routes and rivers were more advantageous for commercial purposes. Indian textiles dominated the Indian Ocean trade with Southeast Asia for centuries.

Overseas markets bought Indian cloth which was not only cheaper but

beautiful; surviving cargo manifests suggest that designers in India created patterns targeted at the specific needs of these markets and experimented with new weaves and patterns. Indian weavers and dyers were capable of handling global range of techniques and of changing these rapidly in response to shifts in demand. The popularity of Indian textiles can be gauged by the number of words that have made their way into the English lexicon: *calico*, *pajama*, *muslin*, *gingham*, *shawl*, *dungaree*, *chintz*, and *khaki*.

Global Trade: Trends

Indian textiles have been subjected to the doldrums of history. Under colonialism, India was subject to huge imports of machine made cheap textiles and piece goods that reduced home spinning and displaced weavers. In more recent times, the dynamics of globalisation and change have ushered in an era of challenges from multiple manufacturing hubs and integrated global supply chains. The varied handlooms of India, however, continue to be prized products and command niche markets.

In the past few years, global trade growth has been sluggish with slow and uneven recovery in major developed countries and moderated growth in developing countries. Growth in the volume of world trade is expected to continue to remain sluggish this year at 2.8 per cent, unchanged from

The author is Trade Advisor, Ministry of Textiles, Government of India.

2015. Imports of developed countries is expected to be moderate this year while demand for imported goods in developing Asian economies is expected to pick up according to the WTO. Global trade growth should rise to 3.6 per cent in 2017, as reported by WTO economists.

The global trading environment today is inherently challenging. Over the years, India's direction of trade has gradually shifted to emerging markets although traditional markets like the US and the EU continue to be important strongholds for our T&C exports. Many large emerging economies face a challenging macroeconomic environment. Although a moderate growth recovery is projected in 2016 for almost all emerging economies, including Brazil, India, Indonesia, Mexico, the Russian Federation, South Africa and Turkey, and only a slight moderation in China, possibility of a prolonged period of weak growth possibly remain.

In the above context, slowing down of the Chinese economy assumes significance as it can impact emerging economies, smaller developing countries and economies in transition. There are also fears that it could unsettle the fragile recovery in developed countries, particularly in the euro zone. Historically, development of the textiles industry was a stepping stone towards industrialisation providing large number of jobs to women and the less-skilled. If the textiles sector were to become a smaller part of the Chinese economy which is transiting to high-skilled jobs in other manufacturing sectors and in the rapidly expanding services sectors, this may trigger a new phase in global textiles trade and India should seize the opportunities that are likely to emerge, although China will continue to be the largest exporter. RTAs will also play an important role in our choice of markets. RTAs also can potentially lead to trade diversion that may not be to our advantage.

Global Textiles Exports

The current global apparel market is estimated at US\$1,100bn with trade

value of more than US\$750bn. EU is the largest consumer market, reaching US\$350bn per annum. Global textile and apparel sector is forecast to grow at a CAGR of 5 per cent per year to reach around US\$2,100bn by 2025.

The world's largest clothing exporter is China with a share of around 35-39 per cent of world clothing exports, followed by the EU, Bangladesh, Hong Kong, Vietnam, India, Turkey, Indonesia, the USA and Cambodia. The world's largest clothing importer is the EU with a share of around 35-38 per cent of world clothing imports while the USA has a share of around 18 per cent and Japan of about 6 per cent. Next in importance is Hong Kong,

If the textiles sector were to become a smaller part of the Chinese economy which is transiting to high-skilled jobs in other manufacturing sectors and in the rapidly expanding services sectors, this may trigger a new phase in global textiles trade and India should seize the opportunities that are likely to emerge.

followed by Canada, Russia, South Korea, Australia, Switzerland and China. But these seven importers have only a small share of world clothing imports.

China will continue to be the dominant supplier of textiles and apparel over the next five years or so. China has successfully attracted investment for construction and modernisation/upgradation of textile mills and facilities and is a leading importer of textile machinery. It will, therefore, need an expanding global market but increasing domestic demand is likely to offset any shrinkage in the global market.

India's Exports of Textiles & Clothing

As per WTO International Trade Statistics 2015, India is the third largest exporter of textiles in the world with

5.8 per cent of the global share in 2014. Out of the total exports of around US \$ 41 billion in 2014, \$18.3 billion was textiles export against the world trade of US \$314 billion. India is the sixth largest exporter of clothing (RMG) in the world with 3.7 per cent of the global share. Out of total exports of US \$ 41 billion, \$18 billion was clothing (RMG) export against the world trade of US \$483 billion in 2014.

The export earnings of the Indian textile industry give it added value and strength. However, despite poor global market conditions and domestic challenges which include escalating energy costs, high transportation costs and sticky labour laws, the textile industry did well as compared to other sectors on the export front and textiles accounted for as much as 14 per cent of India's total exports in 2015-16.

New Manufacturing Hubs

The competitive advantage that India had, in terms of its low labour costs, has been eroding slowly due to competition from countries like Bangladesh and Vietnam that offer a skilled workforce and cheaper labour. The export-oriented industrial sector in Bangladesh already accounts for more than a quarter of GDP and is expected to continue to develop as a global manufacturing hub. Other than Bangladesh and Vietnam, countries including Cambodia, Ethiopia and Myanmar are the newest potential competitors in world RMG trade. The clothing industry in Myanmar is forecast to grow significantly in coming years. It is predicted that there could be up to 1.5 million jobs in the garment industry by 2020 compared with approximately 230,000 in mid-2015. Myanmar has published a strategy for the textile and garment industry as part of a document, titled National Export Strategy 2015-2019 to push the industry to move from operating on a cutting, making and packaging (CMP) basis to operating on an FOB (free-on-board) basis to produce greater volumes and improve quality of knitted products with the aim of building export markets.

Ethiopia has all the essential ingredients for a competitive textile industry: raw materials, low wages and low energy costs. The basis for the enormous growth potential for the textile industry is the local production of cotton which is well integrated into the textile sector, with garment factories relying on domestically produced cotton. Ethiopia is actively promoting the further modernization of the textile sector with the aim of attracting foreign investors. New export opportunities were created through the AGOA (the African Growth and Opportunity Act), COMESA (the Common Market of Eastern and Southern Africa) and many bilateral trade agreements. Ethiopia is also part of the “Everything But Arms” program set up to provide access to the E.U. market for Lesser Developed Beneficiary Countries.

According to data published by the World Bank, the annual GDP growth rate in 2015 of Bangladesh, Cambodia, Ethiopia, Myanmar and Vietnam was 6.6 per cent, 7 per cent, 9.6 per cent, 7 per cent and 6.7 per cent respectively. These countries are the new manufacturing and export-oriented hubs, building capacities for job creation and benefiting with investment and manufacturing moving away from China. The SE Asian region is likely to develop a large consumer base in course of time.

According to Textile Intelligence Ltd., 2016, the African textile import market has grown significantly since the African Growth and Opportunity Act (AGOA) was implemented in 2000. The act was designed partly to boost garment manufacture in the region by providing exporters in certain Sub-Saharan African countries with duty-free and quota-free access to the US market. Since its enactment, garment exports from a number of Sub-Saharan African countries have increased; so has garment production in the region and this has led to greater demand for imported textile materials. However, the act aims to encourage

the development of a complete supply chain in Sub-Saharan Africa through the establishment of spinning, weaving, dyeing and finishing facilities and specifies that garments must be made from materials produced within the region (or in the USA) in order to qualify for preferential access to the USA.

Africa has huge potential if it pursues a strategy beyond resource commodities and agriculture as is being done by Nigeria and Ethiopia. It is understood that, in as many of the 11 countries which represent 50 per cent of Africa’s GDP, there are about 15 million households in the middle class which is predicted to grow to about 42 million by 2030. However, in Africa, challenges persist with security risks and political instability and with health risks and infrastructure problems that include insufficient access to water and electricity.

Emerging Markets

Interestingly, the top 10 markets for our textiles exports are also countries with which India has no FTA or PTA, with the exception of Bangladesh which is a part of SAFTA. Diversification of markets based on the changing dynamics of growth in the world economy is important to ensure sustained growth of exports and we need to look at engagements in countries/regions that are promising markets for our textiles. International demand is primarily for man-made fibres unlike natural fibres like cotton or wool. This may bring in elements of uncertainty as smaller enterprises can be affected by raw material price volatility and also by wage costs. Further, in order to be competitive in overseas markets, the sector needs to adapt and respond swiftly to fast moving fashion trends and consumer choices which vary by age groups.

Table-1: Indian Exports: Emerging Markets

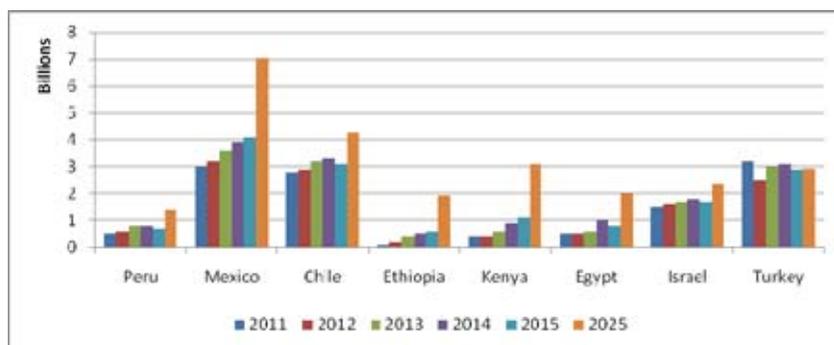
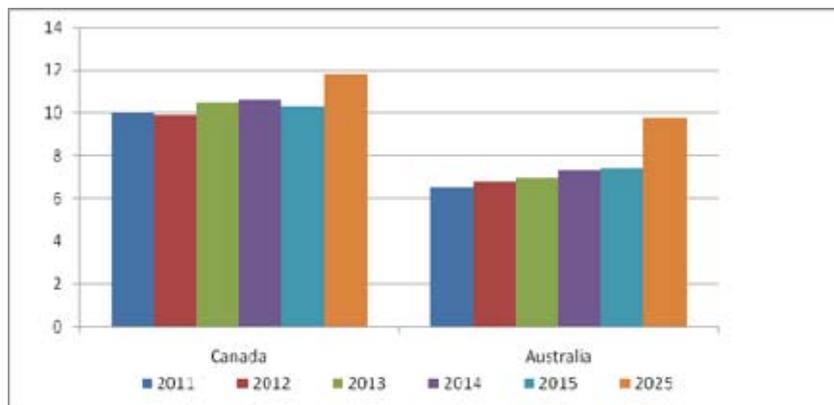


Table-2: Other Developed Markets: Oceania and Canada



The above graphs represent a trend analysis

The demand for Indian exports in the traditional developed markets i.e. North America and Europe is projected to slow down and from the trade angle will pose a challenge to Indian exports vis-s-vis our competitors if the TPP were to be ratified. As compared to this, the momentum of future growth would possibly lie with Developing and Emerging Economies which are expected to register relatively higher growth rates. Growth would be driven by long-term demand due to the emergence of stronger middle classes in these emerging markets. Markets in Latin America, ASEAN, Eurasia and WANA and others like Turkey, Canada and Australia should, therefore, be focus areas in any strategy for market diversification. The Table 1&2 indicate this.

The West Asia and North African region (WANA) is a dynamically growing region. India has been attempting to negotiate an FTA in this region with Israel. Israel's apparel industry relies on imports of most of its yarn and woven fabric requirements. Israel recorded a CAGR growth of 5 per cent in imports of apparel (US\$ 1.5bln in 2015) and India accounted for a share of only 1 per cent. India's share in imports of home textiles of Israel (0.2 bln in 2015) was higher at 6 per cent.

Egypt has the largest cotton and textile clusters in the African continent. The textile industry, the largest in Egyptian economy, also relies on imports of yarn, fabrics and other items. Egypt's imports of apparel recorded a whopping CAGR increase of 17 per cent in 2015 (0.2 bln) and India's share was only 1 per cent. The industry has a vertically integrated functioning model, from fibres to finished products of apparel and home textiles with latest technologies in all phases of production: pattern making, spreading, cutting, sewing, and packaging. The textile economy is predominantly cotton based, but in recent times, demand for man-made fibre textiles in the country has been increasing. MMF textile imports have

been growing steadily. CAGR of Egypt's MMF imports from the world has been around 3 per cent during the last five years. India is a leading supplier. Egypt had a GDP growth rate of 4.2 per cent in 2015 and continued investment is expected in Egypt's large manufacturing export base.

Turkey is one of the leading markets for Indian man-made fibre textiles. Domestic production of raw-materials and intermediaries like fibre, yarn and fabrics for the garmenting sector is understood to be inadequate, leading to substantial imports of textile material for export of fibres, yarn and fabric. Trade as a per cent of GDP in Turkey is around 58 per cent. In 2015, Turkey's imports of T&C was around US\$2.9 bln but showed negative growth. It would, therefore, be useful to focus on Turkey, as presently, India's share hovers around only 2-3 per cent of the market.

Over the years, India's ties with Latin America have expanded beyond trade and investment to cooperation in areas such as energy, knowledge sharing as well as in multilateral grade for areas such as G-20, BRICS and IBSA (India, Brazil, South Africa). India enjoys a Preferential Trade Agreement with Mercosur and Chile. These arrangements throw up huge opportunities for the business communities in India and the LAC region. Mexico, Peru and Chile are important from the textiles trade point of view and Mexico and Chile are among the largest importers of textiles and garments respectively. Total imports of apparel and home textiles (as per UN Comtrade) of Mexico, Chile and Peru in 2015 was US\$4.1 bln, US\$3.1 bln and US\$0.7 bln, respectively. It is understood that local industries in LAC countries have become less competitive and these countries are trying to reduce over dependence on China. However, India's share of these markets was only 1 per cent and 4 per cent for apparel and home textiles in Chile; 3 per cent each for apparel and home textiles to Mexico and 2 per cent each for apparel

and home textiles in Peru, indicating scope for substantial growth.

Other Developed Markets: Oceania and Canada

While focus in traditional markets (developed countries) would continue to be on exports of value-added products (apparel), Canada is a market where the share of commodity-type textiles has decreased, while the technical textile industry has experienced rapid expansion. Based on the latest data, technical textiles exports are projected to grow from \$8.6 billion in 2015 to \$9.3 billion by 2017. The technical textile industry is one where applications and technologies are constantly changing and therefore, exports tend to change as well. North America is the largest regional consumer of technical textiles due to the presence of the majority of end use industries. India can explore opportunities in export of technical textiles to Canada with which a Comprehensive Economic Partnership Agreement (CEPA) is being negotiated.

Technical textiles is one of the fastest growing sectors within India's textile industry. Currently, about 9 per cent of the world's total consumption of technical textiles is estimated to be made in India. India's market share in the technical textile sector is expected to grow from \$11.6 billion in 2013 to \$26 billion by 2017 as per ITA Technical Textiles Top Markets Report, 2016.

In Australia, textile, clothing and footwear (TCF) manufacturing industries are diverse and cover a range of different products including ready-for-use textiles, clothing, carpet, footwear and technical (non-aesthetic) textiles such as textiles for automotive applications. The Australia market size for apparel is projected to grow from US\$ 25 bln to US\$45 bln by 2025 at a CAGR of 5 per cent. India can build on opportunities in this market through the on-going CECA negotiations with Australia. □

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Technical Textiles: The Sunrise Industry

Prakash Vasudevan



India is today at an advantageous position compared to many technical textile manufacturing countries because of unique advantages like lower labour cost, raw material availability, a huge domestic market etc.

Textiles play a very important role in human life. The use of textile is not limited to apparels but is also widely used, from cradle to coffin, in many non-apparel areas. Such textiles which are engineered for specific end-use requirements are called as technical textiles. “Technical Textiles” are the materials and products manufactured for their technical and performance properties instead of their aesthetic or decorative characteristics.

Combination of textile materials, structures, finishing treatments and garmenting / conversion techniques can be used to produce different technical textile products as simple as a cleaning wipe to as strong as a composite structure and to as complex as a tissue engineered implant. Usage of textiles for technical purposes is not new to humankind. Earlier, usually such kinds of textiles were simpler in structure compared to technical textiles used now-a-days. Today’s technical textiles are far more advanced, in terms of performance and functionality requirements, due to the usage of new materials, structures, chemicals or combinations of them in their manufacturing.

These textiles are preferred for technical end-use over plastics, metals, papers and films due to their unique properties, porous structure, light

weight, high length to thickness ratio, drapability and many more attributes. Modern technical textiles are more functional, but complex in structure since the engineering of such textiles starts from selection of polymers / raw materials, fibre structures and properties, yarn / filament structure and properties, fabric structures and properties, garment / product structures and properties, to meet a specific end use.

Many technical textile products are manufactured as fibrous structures for e.g. surgical cotton products such as cotton wool roll, cotton buds, haemostatic fibrous pads, fibre fills sound proof, heat proof, pillow, hoses, filters, roof lines, etc. Products such as sutures, ropes, etc. are prepared from the yarns / filaments. Technical Textile products are also manufactured using different fabric structures such as woven (bed sheets, surgical gowns, carbon / glass woven fabrics for composites, carpets, seat fabrics, bandages, cut resistant fabrics), knitted (hernia mesh, sportswear, compression garments, spacer fabric etc., vascular grafts, tubular bandages, fish nets, satellite antenna etc.), non-woven (such as scaffolds for tissue engineering, filter membranes, wipes, disposables, crop covers, seed blankets, weed control fabrics, insulation tapes etc.), braided (sutures, ropes, stents, ligaments, tendons, floss, scaffolds), embroidered (rotator cuff, embroidered circuits) and

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combination of the above structures (baby diapers, sanitary napkins, etc).

Many of the Technical Textile (TT) products are manufactured with special / functional finishes/ coatings/ laminations (for e.g. Fire retardant, antimicrobial, breathable finishes, fluid repellent finish, etc).

Opportunities and Factors

- Increased income and hence increased purchase power of Indian consumer: Indian consumer is spending more now to have better comfort, improved lifestyle, luxury, hygiene, cleanliness, protection, etc. The usage of wipes, sanitary napkins, baby diapers have increased, which was not the case a few years ago.
- Demand of TT depends on growth of a particular sector. For e.g. demand for automobile textiles is increasing with the rapid growth of the automobile industry. With the growth of new modern hospitals in urban India, medical tourism is helping the growth of medical textiles.
- Majority of the Indian consumers are now well educated because of the penetration of internet / TV etc. about the benefits of the use of technical textiles and cost effectiveness. For e.g. many Indian farmers have already started adopting agro-textiles after understanding the utility of agro textile products.
- Technical Textiles is a highly technology oriented, interdisciplinary and relatively new to textile manufacturers in India; hence not much domestic competition exists for new entrepreneurs.
- Population hike and increased life span: India is the second most populous country in the world due to a higher birth rate and also an increased life span; which, in turn, would create and sustain the demand for technical textiles, like hygiene and healthcare textiles.

- Improved distribution and consumer reach system on account of a more organized retail and online businesses; which helps in the growth of TT business.
- Higher returns compared to conventional textiles attracts entrepreneurs.
- Very low usage of technical textiles: Domestic consumption of technical textiles is quite low in India compared to the average world consumption of TT and hence the potential for higher growth. The cultural shift of Indian consumer towards globalization/ westernisation and increased know-how of better products has already started increasing the use of many technical textile products, such as home textiles, mobiltech, sportech, etc.
- Growing industry demand for certain TT products.
- India is the second largest textile based economy in the world. Hence, there is a strong presence of entire supply chain, strong import-export relationships, infrastructures, which can benefit the technical textiles sector.
- Growing, globalizing international market.
- Cheap labour with a know-how in conventional textiles can be useful to the growth of technical textiles

Technical Textile Demand:

Based on volume, the technical textile market is expected to grow up to 42.2 million metric tons by 2020 at a CAGR of 4.68 per cent from 2015 to 2020. Another report predicts TT market growth at a CAGR 3.71 per cent during 2014-2019. However, in terms of value, the various segments of the TT in India are growing between 8 and 19 per cent p.a, with an average CAGR of 11 per cent for the total TT manufacturing sector. Technical textiles contribute to 0.75 per cent of Indian GDP and are at present 12 per cent of Indian textile manufacturing, which is 20 per cent in the case of

China. The Technical Textiles industry in India is expected to grow to 1,16,217 crores by 2017-18. India's share in global technical textiles manufacturing is a mere 3 per cent, whereas China and Europe manufacture 75 per cent of global technical textiles. Technical textile products are divided into 12 groups as given below.

- Agrotech (Agriculture, horticulture and forestry)
- Buildtech (building and construction)
- Clothtech (technical components of shoes and clothing)
- Geotech (geotextiles, civil engineering)
- Hometech (components of furniture, household textiles and floor coverings)
- Indutech (filtration, cleaning and other industrial usage)
- Meditech (hygiene and medical)
- Mobiltech (automobiles, shipping, railways and aerospace)
- Oekotech (environmental protection)
- Packtech (packaging)
- Protech (personal and property protection)
- Sportech (sport and leisure)

Challenges

- Lack of Specialty Raw Materials: India has a distinct advantage in terms of availability of raw materials for conventional textiles due to a well established supply chain. However, for technical textiles, there is a disadvantage in terms of non-availability of specialty/high performance raw materials, fibres, yarns, fabrics. India is almost importing such materials, which obviously adds to cost and time and hence affects the competitiveness.
- Lack of Technology: India has a stronghold on technologies required to manufacture conventional textiles, but lacks the advanced technologies required to manufacture

advanced TT products. Similar to raw material, most of the TT manufacturing machinery is still being imported and this adds to project costs significantly.

- Inter-disciplinary Approach, Scaling and Effective Marketing for New Products:

New product development in technical textiles requires a multi-disciplinary approach. Once the product is developed, the development of a cost effective industrial scale manufacturing technology and marketing would be the second challenge.

- Lack of Skilled Manpower: Since technical textiles are more functionality based complex structures which require a high inter-disciplinary knowledge, there is also a need to develop skilled work force from workers to managers. E.g. medical textiles require knowledge of medical science and textiles, geo textiles require knowledge of civil engineering and textile etc.
- Lack of proper norms / standards: Since TT is in an infancy stage, norms / standards for many TT products are not available or many of the existing ones are obsolete. There is an urgent need to update or formulate new norms / standards. This will help the industry to manufacture products that are appropriate for the consumers.
- Lack of Awareness: Even though urbanization and education is increasing in India, a large portion of Indian population is living in rural areas/ poor conditions. Many of them are either not aware or cannot afford technical textile products.
- Lack of World Class R & D Facilities: Indian Universities / Colleges/R & D Centres require to invest more to set up world class R&D Centres with a clear focus on product oriented R & D.

- Lack of a Uniform Coding System:

In order to identify and distinguish TT products for exports, a uniform coding system for technical textiles (HSN codes) is required.

- Lack of a well organized TT Sector:

TT sector in India is predominantly in the SME sector and more decentralized than conventional textile manufacturing.

- Lack of Business specific Infrastructure:

There is a need to develop new infrastructures to promote TT in terms of easy logistics, water, waste disposals, testing labs, telecommunications, high speed internet, etc.

- Competition from global players such as China.
- Lack of waste management systems and regulations:

There is an urgent need to install proper waste management solutions for certain TT products; especially for high volume products such as sanitary napkins, baby diapers, contaminated hospital waste, etc. which need to be disposed off safely in an environment friendly manner.

Government Initiatives to Promote Medical Textiles

Below are a few listed schemes that the government had announced to boost the technical textile sector.

- Scheme for Growth and Development of Technical Textiles (SGDTT) was aimed to develop Centres of Excellence (CoEs), to develop awareness about technical textiles and conduct base line survey to create accurate data related to technical textiles
- Technology Mission on Technical Textiles (TMTT): Ministry of Textiles launched the Technology Mission on Technical Textiles (TMTT) with two mini- missions. Mini-Mission-I & Mini-Mission-II Schemes are aimed to improve basic infrastructure in terms of testing facilities, skilled

manpower, R & D, improved regulatory majors, preparation of specifications and standards, promotion of entrepreneurship, market development support, identify HS codes, set-up of Focus Incubation Centres (FIC).

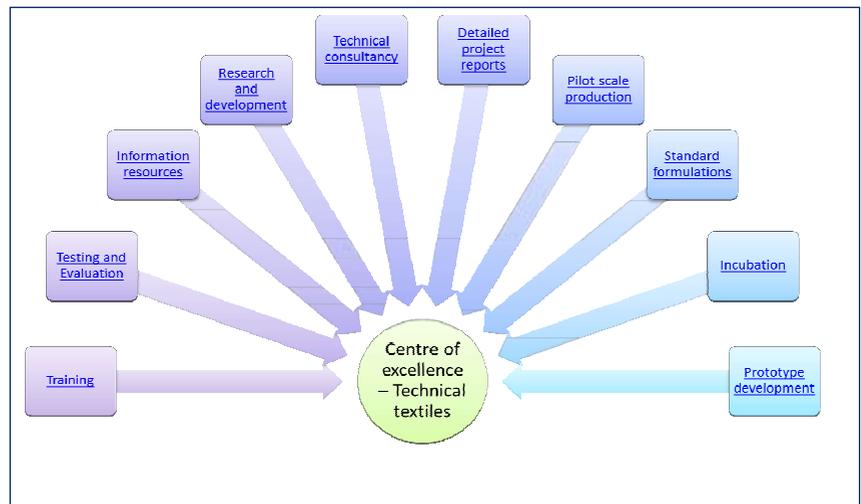
- FICs are to be developed as “Plug and Play” model with mentoring. Full scale production facilities will be provided by the concerned CoE for taking up commercial scale production.
- FICs would be provided to new entrepreneurs until they establish themselves in business and then they could shift to their own facilities.
- Scheme for promoting usage of Agro-textiles in India (excluding North East Region)
- Scheme for promoting usage of Agro-textiles in the North East Region.
- Scheme for promoting usage of Geotechnical textiles in the North East Region.
- Additionally, several state governments in India also offering incentives and assistance to investors and Loan subsidy schemes towards new and upgradation of machineries (TUFS) (Technology Upgradation Fund Scheme) and ATUF (Amended Technology Upgradation Fund Schemes)
- SITP (Scheme for Integrated Textile Parks).
- Concessional customs duty for major technical textile manufacturing machinery
- Focus Product Scheme for Technical Textiles :- MEIS – to promote technical textile exports by providing a duty credit scrip
- The Ministry of Textiles is working on regulatory norms for technical textile products, which will help to increase demand and consumption of technical textile products in India.
- Centres of Excellence (CoEs) for technical textiles: The centres of excellence for technical textiles have been set up to support the

industry with regards to testing, training, product development, information resource, etc.

The essential facilities created in the CoEs are as follows:

- Accredited facilities for testing and evaluation of products as per national/international standards.
- Resource Centre with books, standards, samples etc
- Facilities for world class research and development and prototype development in collaboration with foreign institutes/laboratories
- Training facilities for personnel engaged in the technical textile industry
- Knowledge sharing and consultancies to stakeholders
- Plug and play type incubation centre with a focus on a particular segment of technical textiles for new entrepreneurs
- Consultancy services by CoEs to businessmen and entrepreneurs
Government is also working towards
- Pushing PPP in R&D through the existing CoEs
- Development of skilled human resources
- Export promotion
- Identification of HSN codes for technical textiles

Figure 1: Services offered at Technical Textile CoEs.



- Promotion of investment in the technical textile industry by promotion of FDI in technical textiles
- Regulatory mechanism for promotion of usage of technical textiles
- Formulation of standards / norms for technical textiles
- Promotion of consumption of technical textiles among institutional users
- Promotion of technical textile machinery manufacturing
- Continuous monitoring of the fledgling industry

Conclusion

Technical textiles are new emerging areas in the field of textiles. Technical textiles are used in various fields such as medical, civil engineering, automobiles, etc with special functions such as filtration, protection, barrier, insulation, comfort, hygiene, strength, longer life etc. As per capita consumption of technical textiles is very low in India compared to the global average, India is today at an advantageous position compared to many technical textile manufacturing countries because of unique advantages like lower labour cost, raw material availability, a huge domestic market etc. Today, with helpful government policies in place, opportunities in this sunrise industry provides opportunities for the sagging conventional textile industry to re-energise and position themselves strongly by diversifying into TT manufacturing.

Readings

Baseline survey of the technical textile industry in India

<http://www.marketsandmarkets.com/Market-Reports/technical-textile-market-1074.html>

<http://www.businesswire.com/news/home/20141209005998/en/Research-Markets-Global-Technical-Textiles-Market-2015-2019>

(E-mail: director@sitra.org.in)

Table 1: List of Centres of Excellence for Technical Textiles in India

Sr. No.	Institute Name	Technical Textile segment
1	The Synthetic & Art Silk Mills' Research Association (SASMIRA), Mumbai	Agrotech
2	Ahmedabad Textile Industry's Research Association (ATIRA), Ahmedabad	Composites
3	Bombay Textile Research Association (BTRA), Mumbai	Geotech
4	PSG college of Technology, Coimbatore	Indutech
5	The South India Textile Research Association (SITRA), Coimbatore	Meditech
6	DKTE Society's Textile and Engineering Institute, Ichalkaranji,	Nonwoven
7	Northern India Textile Research Association (NITRA), Ghaziabad	Protech
8	Wool research association, Mumbai	Sporttech

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Accelerating Growth In Indian Textiles

Kavita Gupta



At present, Indian textiles have an excellent opportunity to penetrate global markets as China begins to vacate the space where it had reigned for so long. India must utilize this opportunity

The Indian textile industry is amongst the very few in the world that is truly vertically integrated from raw material to finished products, from fibre to retail, in other words from 'farm to fashion'. The Indian textile industry has leveraged its strong manufacturing position to improve its export performance. Indian textile sector is the second largest employer, next only to agriculture, generating employment to over 45 million people directly and to over 60 million people indirectly. It contributes nearly 4 per cent to the country's GDP and impacts Indian growth trajectory in a significant way. The Indian textile industry has inherent strengths in terms of rich legacy of textile production, strong multi-fibre raw material base, large and expanding production capacities, very low import intensity, vast pool of skilled workers and technical and managerial personnel, flexible production systems, large and expanding domestic market, dynamic and vibrant entrepreneurship, etc. However, these strengths have been somewhat diluted due to disadvantages suffered by the industry in certain other areas affecting its productivity, quality and cost competitiveness. Such factors are

technological obsolescence, structural anomalies, poor productivity of labour, relative inconsistency in fiscal policies, multiplicity of taxes and levies, high cost of capital, relatively restrictive labour and industrial laws, lack of aggressive marketing, poor infrastructure relating to transport, high power tariff, etc.

The technology obsolescence of the Indian textile industry can be overcome by modernization, which is a continuous process. Modernization increases production, enhances quality, reduces the cost of production, rationalizes labour, reduces maintenance and power cost per unit of production, etc. It is a general experience that only units which maintain the process of modernization systematically and continuously, manage to sustain their growth in the long run, since sporadic attempts of modernization cannot produce lasting results. Therefore, as a matter of long term strategy, the industry requires to divert sufficient resources to update technology on continuous basis.

Taking this into consideration, the Government of India introduced the **Technology Upgradation Fund Scheme (TUFS)** in 1999. Various studies have now shown that the TUF scheme has contributed significantly

The author is the Textile Commissioner, Ministry of Textiles, Government of India.

in the promotion and modernization of the textile sector. The advantage was predominantly taken by the spinning sector, followed by the composite sector. Other segments like weaving, processing and garmenting lagged behind in taking the benefit of TUFs, as a result of which these segments have remained weak links in the textiles value chain. Also, this has resulted in a somewhat unbalanced development of the textile value chain.

The Technology Upgradation Fund Scheme (TUFs) has, none-the-less, catalyzed investment to the tune of Rs. 2715 billion during the last 16 years as can be seen in Graph-1.

A quantum shift from one level of growth trajectory to another level of trajectory is being further facilitated now, both, through the process of modernization facilitated by **Amended Technology Upgradation Fund Scheme (ATUFs)** which has been brought into effect from 13th January 2016 and through the **Research and Development Schemes** of the Government wherein the Government gives full support for basic research, 70 per cent support in case of applied research and 60 per cent support in case of research contracted by the Industry. The support is given to Universities and Research Institutions including the Textile Research Associations (TRAs) who, in case of applied and

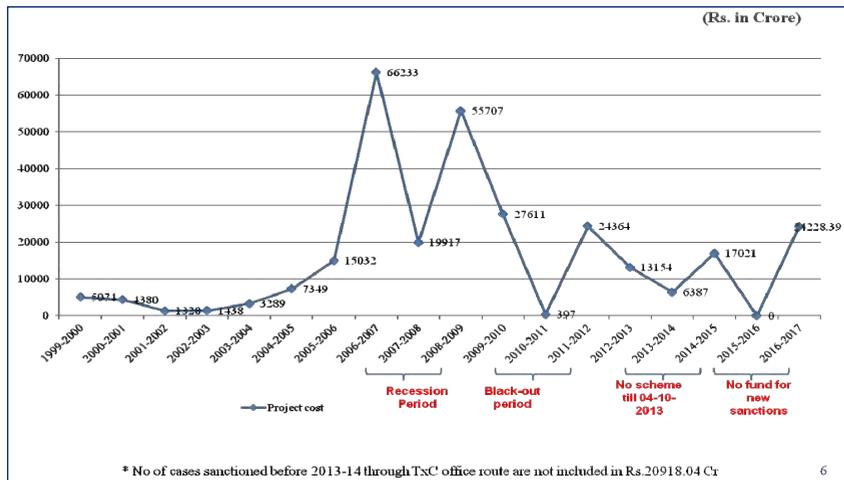
contract research, have **tied up** with industries.

In a recently concluded Study on TUFs, it is reported that TUFs has contributed nearly 79 per cent of the total investment in Indian textile industry since inception of the TUFs till 31-03-2015.

To further accelerate the process of modernization as well as employment in the textile industry, the Union Cabinet approved a Rs. 6000 Crore Special Package for Employment Generation and Promotion of exports in textile and apparel sector. The package includes a slew of measures which are labour friendly and would promote employment generation, economies of scale and boost exports. The steps will lead to a cumulative increase of US\$ 30 bn. in exports and investment of Rs. 74,000 crores over the next 3 years. The package breaks new ground in moving from input to outcome based incentives by increasing subsidy under Amended-TUFs from 15 per cent to 25 per cent for the garment sector to units which can show boost in production and employment generation.

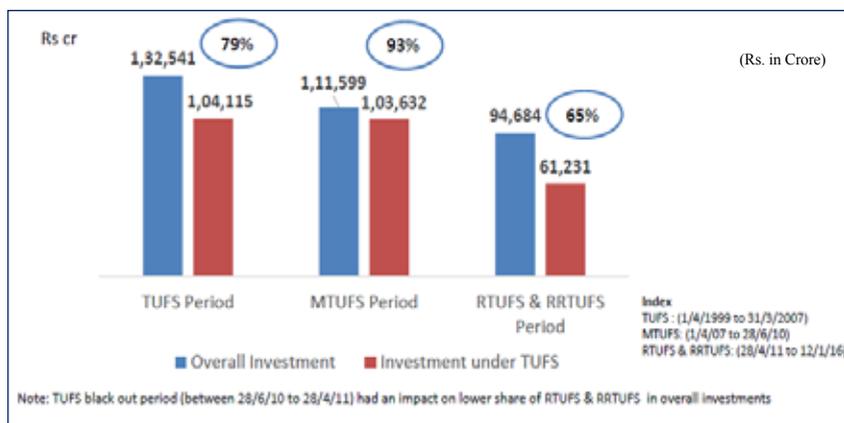
India, at present, has an excellent opportunity to promote Technical Textiles which is a sunrise sector for textiles in India. At present, Technical Textiles is at a nascent stage in India with only 2200 units in this sector. India itself offers a huge market for the consumption of Technical Textiles as there is an enormous potential to use **Geotextiles** in strengthening roads and in slope stabilization of fragile eco areas in the country including the North Eastern region and other hilly regions of the country. Geotextiles have a proven market in all infrastructure projects including lining of water reservoir, soil stabilization technologies and in environmental protection of dump yards. Similarly, the use of **Agrotextiles** can help enormously in increasing the per capita yield as well as in reducing the water requirement while at the same time improving the quality of the crop.

Graph-1: Year-wise Investment under TUFs



Source: Office of the Textile Commissioner

Graph-2 Investments in Textile Sector and under TUFs during various TUFs periods



Source: Wazir Study Report on Impact of RTUFs and RRTUFs 2014-15

Medical textiles is another area which has a huge market in the country especially with the improvement in medical services which is taking place at an exponential rate. Similarly, the defence sector, construction sector and the industrial sector has a huge requirement for **Protective textiles**. At present, Technical Textiles required in the country are largely being imported. The Government endeavors to attract investments in setting up joint ventures and indigenously funding units to manufacture Technical Textiles to cater for the huge Indian market.

In fact, to promote Technical Textiles in India, the Ministry of Textiles took concerted efforts through the **Technology Mission on Technical Textiles (TMTT)**. In the **Mini Mission I** and **Mini Mission II** mode, Eight **Centres of Excellence (CoE)** have been established/ upgraded in the areas of Agrotech (SASMIRA), Meditech (SITRA), Protech (NITRA), Geotech (ATIRA and BTRA), Indutech (PSG College of Technology), Sportech (WRA), as well as non wovens (DKTE) and Composites (ATIRA) to act as a one stop shop for their respective segments to provide facilities like testing, training, incubation center, information center and prototype development, etc to investors of their respective segment.

Focus Incubation Centers were established in these Centres of Excellence to provide new entrepreneurs to test and commercialize their products

on a “Plug and Play” model. Further, in order to find market for Technical Textiles within India and outside India the Government provides **Market Development Assistance** for participating in International exhibitions and organizing **Buyers Sellers Meets** in the Indian market.

Further, under TMTT, the Government earmarked about Rs. 427 crore over a period of 5 years to promote and utilize geotextiles in existing/new road projects/slope stabilization/lining of water reservoir. A number of projects which require incremental cost funding for the use of Geotextiles, have come up in Manipur, Mizoram, Tripura, Sikkim and Assam and there is an increase in confidence in the use of this technology for the propose of improving infrastructure and arresting land slides and other calamities. Similarly, the use of Agrotexiles with a fund outlay of Rs. 60 crore has been found rewarding in all the 53 demonstration centres and in all the agricultural farms where agrotexile kits were provided to farmers especially in the North Eastern region and also in other states.



A modern Garmenting unit

the **Mega Cluster Development Scheme**, by way of bringing in processing units as well as fashion and apparel design units or any such other interventions near the Powerloom clusters and create possibilities of bringing Integrated textile value chain within a smaller spatial radius.

In addition to this, the Ministry of Textiles has also taken several other initiatives to modernize and upgrade the textile sector by providing of Rs. 89 crore of assistance for **In-situ upgradation of 74500 Plain Powerlooms**, Rs.56.50 crore of subsidy support for the establishment of 44 **Group Worksheds**, support upto Rs. 2 crore per cluster to set up common facilities through Common Facility Centres (CFCs) to service the Powerloom cluster, giving Rs. 10.37 crore assistance through corpus funding to set up 29 **Yarn Banks** through Special Purpose Vehicles (SPV), funding 72 textile parks under **Scheme for Integrated Textile Parks (SITP)**, supporting the sector also through social welfare schemes for eg.

Further, as a strategic intervention, the Government of India also formulated schemes to create Common facilities in the textile cluster and to create forward and backward linkages in these clusters through



A Technical Textile unit



A modern Powerloom unit

GOVERNMENT STRATEGIES FOR COTTON

With a view to ensure better remunerative prices to cotton farmers, Government has set up a mechanism namely Commission for Agricultural Costs & Prices (CACP) which analyses the cost of cultivation and recommends remunerative prices for few agricultural commodities including Cotton. While recommending the Minimum Support Price (MSP), the CACP takes into account the cost of cultivation of various inputs, escalation in cost of inputs from time to time plus reasonable margin of profits to the cotton farmers to sustain their continued interest in cotton cultivation. Before announcement of the MSP, the CACP periodically reviews the MSP every year by obtaining information on prices in different cotton growing areas of various States, current level of taxes, cess, commission payable by the buyers/sellers in markets of various States, time series data on cost of cultivation/production generated, per unit cost of electricity for irrigation, prices of certified/improved seed, insecticides, pesticides, cattle feed, fodder etc.

Based on the above policy, on Ministry of Agriculture, every year fixes MSP for Kapas (seedcotton). When the ruling price of Kapas is below the MSP announced by the Central Govt., the designated procurement agencies viz. Cotton Corporation of India Ltd and National Agricultural Cooperative Marketing Federation of India Ltd. carry out the price support operations all over the country.

Technology Mission on Cotton and Modern Agronomic Practices:

Technology Mission on Cotton launched by Government in 2000 and the introduction of Bt. Technology in 2002 played major roles in converting the country from a significant importer of cotton to the world's second largest cotton exporter. Now, cotton policy in India places special emphasis on research and development of seeds, intensifying Modern Agronomic Practices in cotton and substantial improvement in irrigation facilities so as to increase yield.

India has endeavored to improve the quality of its cotton. With the improvement in the quality of Indian Cotton, its demand in the domestic as well as international market has been increasing over the years.

Textile Workers Rehabilitation Fund Scheme (**TWRFS**), Group Insurance Scheme (**GIS**), Pradhan Mantri Rojgar Protsahan Yojana (**PMPRPY**), etc.

Further, financial support was given to nearly 5000 weavers to visit other developed clusters and get themselves acquainted on the upgraded technology Diversification and adopting of modern marketing techniques to improve their levels of productivity and income.

The Government has also systematically facilitated the **modernization of Powerlooms** by giving a Credit linked Capital Subsidy at 20 per cent since 2004 which was later enhanced to 30 per cent Margin Money Subsidy (MMS) for installation of brand new shuttleless looms since 2013. Rs.563 crore was released which was taken advantage by nearly 4700 units and around 50,000 modern Shuttleless looms were installed in the decentralized sector.

The textile sector, however, faces challenges in terms of environmental concerns and the industry would have to meet the challenges by expeditiously setting up Common Effluent Treatment Plants to meet the directives of the Courts and also so that the textile manufacturers do not face technical barriers to trade in other countries. Similarly, India has to face challenges of strengthening its fibre base, both in terms of cotton and man made fibres. In addition to this, the Government is eager to penetrate international markets through working out Foreign Trade Agreements with countries having major markets for Indian textiles.

At present, Indian textiles have an excellent opportunity to penetrate global markets as China begins to vacate the space where it had reigned for so long. India must utilize this opportunity even though there is a trend of the textile production base shifting towards African countries

due to the cheap labour, lower power cost and the additional benefits that they enjoy due to Foreign Trade Agreements with major western countries. Hence, it is a critical time to initiate strategic steps to accelerate the development of the Indian textile industry in an urgent basis, failing which the large consumer base of Indian markets will be ruled by the textiles goods of other emerging economies like Bangladesh, Vietnam, Cambodia, Sri Lanka, Indonesia, Malaysia, etc.

In spite of all the challenges, India is well poised towards growth in textiles through a vibrant entrepreneurial base and a proactive Government support which provides important leverage to the industrial sector to grow to its fullest potential. ■

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YE-153/2016

Handlooms in India : Past, Present and Future

Jaya Jaitly



Today, there is a heartening resurgence of interest in handlooms. It can be seen as an interesting natural result of the monotony of globalized brands that are the very same across the world. In contrast, handlooms of India in pure yarns provide exclusiveness, customized products, the romance associated with tradition and heritage, a large variety from which to choose, ergonomic benefits and a cultural story associated with each textile

We have a cornucopia of riches in the heritage of our creative hand skills and aesthetic expressions in India. Often, we gloss over these and look eagerly at the blandness of other cultures that offer monotony and mechanized solutions because we seek the false confidence and security in a culturally alien but contemporary world. We forget, however, that our traditions, to which we are culturally rooted, are very much a part of the country's transition into new circumstances and realities. It is these very traditions that eventually make us secure in our own true identities as Indians.

Meaning, Identity and Style

India is often described as a country steeped in spirituality. Most cloths in India, from the painted and printed prayer flags that took Buddhism's message to the East, and the silken cloths with sacred shlokas woven in shining golden threads that adorned stone deities in temples and the shoulders of kings, were imbued with elements of sacredness. A blessing for a long and happy married life was woven onto the borders of saris for a bride, and woven texts from the epic poems or simple bhajans have adorned pallavs of Odisha's handloom ikat saris. In India, a blessing for any occasion is

sacred. Even a young man who buys a handwoven sari for his mother out of his first independent earnings performs a sacred traditional duty based on gratitude and respect.

Other than fabric for a basic garment worn according to the culture and specifications of a community, most other kinds of hand woven or decorative cloths have a special meaning or purpose. This is what makes Indian textiles so special and meaningful. A few ethnic communities in South America, Africa and South Asia still produce and use such textiles on special occasions but not to the wide and continuing extent as do people in India. Significant examples are seen in the many different shawls of the north east Indian states where weaves and patterns depict specific community affiliations and social status. Similarly, every handloom weave in India can be linked to a particular region.

Prior to the arrival of the Mughals in India, garments were largely unstitched and woven to be draped. Lungis, dhotis, veshtis, angavastrams, turbans, cloaks, waistcoats and shawls for men, and saris, lungis, knotted bustiers, head veils, scarves and shawls for women came out of assorted lengths of fabric woven on handlooms. The Mughal kings brought in artisans in many skills including tailoring. Persian sherwanis,

She is founder of the Dastkari Haat Samiti, and a renowned expert on Handlooms and Handicraft Sector.



Hand woven Kanjivaram silk with pure zari

pyjamas, salwars, kurtas, shararas and flared lehngas created a demand for elaborately woven silk textiles from Banares, and fine muslin from Bengal, stitched to perfection for courtiers in India and Europe in the 14th and 15th centuries. Later, after the British came to rule over India, because of the advent of mechanization in the textile mills of Manchester and

Lancashire, the colonial empire pointedly went about crushing Indian handloom weavers through inequitable taxes and worse. The fittest survived and the poorest, below the radar of competitive cloth survived too. Among these were the producers of the very simple multipurpose scarf for daily use that was also used as a headrest, towel, waist belt, turban, half-lungi, bedsheet, cover or wrap. Some ritualistic traditions survived, like the deep red handwoven shoulder cloth with bird motifs that Thigalru tribals of Karnataka wear to worship Dharmaraja (Yudhishtar) during ceremonies like piercing their cheeks or walking through fire at their festivals.

hereditary skills and being unable to move freely and fluidly to other professions considered superior. Rich and powerful weavers' guilds that financed temples and rulers in such times as the Vijayanagar and Bhamani kingdoms in South India never happened in later eras thanks to the vagaries of exploitative merchant traders and the social inequality that followed. The advent of mechanization in the textile mills of Britain was a major blow to a widespread and continuing tradition.

Clientele

In an assessment of the past, one should also examine the clientele of those times. As mentioned above, half a millennia ago, when the 'drape' mattered more than the 'shape', everyone draped themselves in handwoven cloth. Handloom weavers supplied fabric to every class of client. With the Mughal's stitched clothing, the nobility and upper classes turned to expensive weaves, while the lower classes carried on with the use of



Hand woven weave of Manipur

Continuity

Continuity has enabled the handloom tradition in India to survive; first, by imbuing sacredness and meaning to the very nature and pattern of the cloth; second, by offering an individual wearer a sense of identity and belonging to a community, region or religion, and, third, through the sheer continuity of the caste system which ensured immobility. It kept weavers trapped and depressed within their known profession, practicing only their



Ritual scarf of Tribal community in Karnataka



Sada Saubhagyavati blessing on Chander Silk Handloom Sari. (Contemporary)

routine textiles with some additional stitched garments like trousers, blouses and kurtas.

Today, the urban middle class is turning to imported garments from other cultural lifestyles, losing its connectedness with India's varied textile heritage.

Global fashions do not involve the use of handloom and the glitter of important synthetics often lures customers away. Even when many local communities have valued heritage handlooms as part of their living tradition, they remained under the radar. There is a reassuring resurgence

in recent times which will be referred to later in this article.

Administration in Independent India

Prior to Independence, the market for any kind of textiles from India were governed by market forces with some regulations enforced by the rulers of the day. The welfare, development and support system provided by government post 1947 began through the efforts of Mahatma Gandhi and the nationalist khadi movement, followed by the structured revival efforts of people like Kamaladevi Chattopdhyay, and later Pupul Jayakar who were in effective

positions of influence. However, post Independence industrialization brought mill cloth, synthetics and powerlooms which were cheaper and more convenient for the working class due to which, the weaver population diminished considerably.

The focus was first, on revival and in later decades on markets, exports or subsidies without a serious survey mapping what was existing, growing, fading away or really needing sustenance. While the knowledge of current situations is available from multiple sources, its consolidation, analysis and assessment have not happened in a genuinely professional way. When funds are targeted randomly or without transparency and monitoring, they often miss the true beneficiary, thereby leaving deprived weavers in further penury. They ultimately give up weaving in their rural habitats and take to pulling rickshaws or selling peanuts in cities.

The rapid growth of powerlooms after the mid 1980s was not matched with consumer education on how to tell the difference, or regulate encroachment. This worked to the detriment of handlooms. Even the promotion of handlooms by government agencies grew increasingly ineffective in the face of glossy private sector advertisements. Unfortunately, the initial commitment and zeal was dissipated and became dispersed into many small channels of social and commercial work, state marketing bodies and government structures. Official interventions have ranged from well-meaning but indifferently implemented, to unimaginative and neglectful. In the absence of courtly patronage and free market opportunities across the world during these past decades, it would only be fair to acknowledge that it was a variety of government interventions that helped to keep handlooms and khadi alive at all, even if greatly diminished in number.

The best interventions for revival and innovation in this field can be



Setting the yarn on large spindles in Chanderi



Women are active in all processes of handloom weaving

traced to effective partnerships between experienced creative individuals and organizations rooted in the field of crafts and textiles. Some examples are the government's Vishvakarma project and exhibitions of the 1980s and the hundreds of Handloom Expos the government organized all over the country in the late 70s and 80s. In the past two decades, market forces are slowly coming into play again. This has revived handlooms in situations when they are linked to effective marketing platforms, elements in the fashion industry and are recognised by a growing number of promoters of Indian weaves.



Yarn stretched on a street in Kanjivaram

Rejuvenating Support Systems: New Approaches

Administrative systems to rejuvenate the handloom sector requires urgent review of approach. It should be seen as a sector with vast potential rather than a declining one deserving pity. More realistic formats must replace existing schemes and 'yojanas' for development. A more flexible approach is needed for the informal, largely self-employed sector to guide crafts persons on how to avail of MUDRA loans, assistance for Start-Up and Skill India programs. Bankers need more training and sensitization to be adequately responsive to this sector. MNREGA programs do not benefit weavers and do not teach any lost skills. Often it is a disincentive to preserve skills. Better coordination between officials handling skilling, handlooms and MNREGA may help to avoid working at cross purposes.

Accessing Quality

The lack of knowledge of substitute yarns like jute, organic cotton and linen needs to be overcome. This is an area where textile and fashion designers can step in with innovative explorations in creating new fabrics and textures suitable for weaving on handlooms and adapting to the needs of the fashion

industry. Serious work for 2 years will give results better than hasty fashion shows and quick fix promotional events.

Focused encouragement to train, revive and practice natural dyeing will help tremendously in reducing pollution of the environment and a worldwide acceptability. Effluents from natural dyeing processes are soil-friendly. Natural dyes can be an asset for the future since India still has a vast bank of knowledge of natural dyeing all over the country.

The use of multifarious natural fibres from hill and coastal regions, can be developed with international technological collaborations in bamboo, pineapple and banana fibres. Such new raw materials could draw weavers back into creating new organic resources in the handloom sector.

Marketing opportunities are expanding rapidly with online giants like Amazon, Flipkart and the new Indimart expanding into the craft and handloom sector. There are many smaller private bodies selling unique handlooms online to a limited clientele. Weavers need to understand the benefits and pitfalls of these markets so that they can gear themselves to supply on



Children learn processes before school begins.

schedule and as per the order. Crafts persons themselves are learning to set up Facebook accounts and even websites to project their work.

Most simple but talented weavers and weaver enterprises are unable to understand the paperwork required for despatching goods for sale from one state to another. Until the new GST system becomes a reality, present rules for despatch and receipt of interstate goods is complicated and unknown to many. Taxation fears and general ignorance of procedures of the modern day are extremely detrimental to smooth market outreach and expansion.

A special effort could be made to increase sales in the domestic market which has increased purchasing power, cultural affinity and aesthetic affinity. Multiple and multi-layered niche markets must be developed to suit Indian tastes. This should not be neglected in favour of the export market for which handlooms is not geared, as it cannot produce standardized mass quantities. In such circumstances, powerlooms are sold and exported as handlooms. This will, someday, invite serious questions of credibility.

The NGO sector has not been tapped enough to work closely and collaborate in an open, transparent and honest partnership with the government. This untapped resource should be developed. Special efforts to invite submissions by NGOs for examples of best practices in their location of work will assist in formulating more effective programs based on actual ground realities.

Many Weavers Service Centres were set up across the country which functioned effectively in the 1980s and are carrying on till today. Those doing

good work locally are not known to others. These centres can be made lively exhibition, demonstration and development centres with stronger interactions and linkages with weavers. Their appearances can be upgraded and systems updated and organized digitally for transparency and collection of data to be shared. It is well worthwhile to have an independent study of their functioning and greater potential to guide weavers and make places receptive to the public. They can also bring master weavers closer to groups of apprentice weavers to assist, learn and produce when demands increase. As documentation is very important for posterity, this area of activity should be encouraged at the centres and placed online to share.

A major skill survey programme is needed to assess the way forward. This would include mapping the existing skills among weaver communities and their present economic and social status. This would help in planning how to develop their potential in a systematic way. By adding new skills such as photography, accounting, show window presentation, exhibition display, ergonomic packaging and methodology for online sales, it would expand the skill sets of this sector considerably.

Resurgence

Today, there is a heartening resurgence of interest in handlooms. It can be seen as an interesting natural result of the monotony of globalized brands that are the very same across the world. In contrast, handlooms of India in pure yarns provide exclusiveness, customized products, the romance associated with tradition and heritage,

a large variety from which to choose, ergonomic benefits and a cultural story associated with each textile.

Social media has helped disseminate many campaigns to promote handlooms. The #I wear hand looms tag launched by the Ministry of Textiles, older efforts like #100 saris pact and many similar promotions by dedicated individuals have brought a new set of customers towards handlooms.

There is international interest generated by India as the fastest growing economy with 'Make in India', Skill India, and the increasing recognition that India should no longer be counted as a Third World country but as a land of potential with rich cultural and philosophical traditions with the latest facets of modernity emerging alongside. This story also catches the imagination of clientele for crafts, traditional arts and handlooms across the world. The more that is done to showcase, highlight, improve upon and present these creative cultural properties, the greater will be the encouragement to handloom practitioners and the better their integration with the story of a growing and dynamic India.

The potential is infinite and the problems may be many. However, the challenge is a creative and inspiring one as it will help the survival of India's multi-layered heritage, a variety of unique skills, techniques and processes lost to the rest of the world, and, most importantly, provide meaningful livelihoods with true economic empowerment to the weaver community. □

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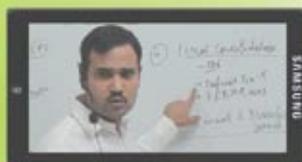
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YE-143/2016

Khadi: A Zero Carbon Footprint Industry

V K Saxena



At a time now when the world is talking very seriously about the ill effects of climate change and the enlarging carbon foot prints of industrialization, India needs to establish on world stage the zero carbon footprint of Khadi industry, against the inadequately studied environmental harm being done by the synthetic textile industries

We are increasingly talking about building a modern nation. While it is important to develop infrastructure, scientific spirit, technical strength, military might, artistic excellence and all those diverse faculties that characterize modernity, it is more important for us to recognize our foundational capacities, going forward. A nation owes much to the grain it is made of. And building a dream depends much on the foundations that have stayed with us for long.

Even after centuries of British rule, we, as a nation, have remained distinctly grooved to the cultural and traditional ways of lives. Mahatma Gandhi was quick to perceive that our future lies in our core strength at the grass root level and that it cannot be built on a foundation of imported values. In 1920, in the middle of British imperialism in India, Gandhiji launched 'Khadi' as a political weapon of nationalism within the Swadeshi Movement. By calling it 'the livery of freedom', he brought the eternal symbolism of self sufficiency to India. He demonstrated to the British that India could sustain on its own, while at the same time, gave the pride to Indians that they were free to weave

the prosperity of their own lives from the fabric of their daily lives.

Khadi and village productivity became a grand source of nationalism and India demonstrated to the world that our society is uniquely founded on the efforts and contributions of the rural masses. As such, Khadi came to be known not just a piece of cloth, it came to be a harbinger of peace and an icon of our freedom and national existence.

After independence, the Khadi and Village Industries Commission (KVIC) was established as a statutory body by the Government of India under the KVIC Act 1956. This was a tribute to the power of self sufficiency that built a nation. A nation that had a huge human resource that was willing to work but was bereft of economic resources had to channelize the collective human power and talents to produce useful national products, while also supporting individuals to earn a livelihood and prosper. And India could never have pursued anything more significant and suitable than this aspiration of encouraging Khadi and Village Industries.

Production of Khadi is by far the largest rural productivity programme in the world, wherein thousands of families directly reach their produce to the consumer without the menace

The author is Chairman, Khadi and Villages Industries Commission, under Ministry of Micro, Small and Medium Enterprises, Government of India.

of middlemen or complex marketing apparatus. It provides the rural communities a high value for their effort while providing the consumers a great value for money. For the nation, it is undoubtedly an invaluable asset of heritage.

Over 5000 institutions and more than 3.20 lakhs micro entrepreneurs form the vast network machinery, implementing the objectives and programmes of KVIC in India. Over one crore persons are engaged in productive activities under KVICs various schemes. The Khadi activity is predominantly women based and over 80 per cent artisans of Khadi are women. In the Village Industry Programme, the share of women is 30 per cent. Khadi & Village Industry sector generates over Rs. 40000/-crores turnover of Khadi & Village Industry products, out of which 40 per cent flows back under Khadi activities to rural communities as livelihood support.

At a time now when the world is talking very seriously about the ill effects of climate change and the enlarging carbon foot prints of industrialization, India needs to establish on world stage the zero carbon footprint of Khadi industry, against the inadequately studied environmental harm being done by the synthetic textile industries. Based on estimated annual global textile production of over 60 billion kilograms (KG) of fabric, the estimated energy and water needed to produce it is: 1,074 billion KWh of electricity (or 132 million metric tons of coal) and between 6–9 trillion litres of water. The synthetic textile industry is one of the largest green house gas emitters, amounting to about 1/20th of the total carbon produced.

However, Khadi is hand spun and hand woven, using no electricity in the process of production. It is completely organic and carbon neutral. In more ways than one, Khadi should occupy a coveted place in the fabric industry



Newly established Charkha and Looms Unit near Pampore in Srinagar.

as the yarn of future. This is the fundamental basis on which, we need to take Khadi to the global stage and demonstrate its modern relevance and future role for a cleaner and sustainable world.

Hon'ble Prime Minister in his "Mann Ki Baat" rightly said that "We want to establish Khadi Gramudyog network in the villages of India. Khadi has the potential to generate employment for millions."

The importance the Hon'ble PM attaches to Khadi particularly to the cause of artisans, mirrors the role of that

the sector can play in nation building. The Hon'ble PM has very recently given a slogan "**Azadi ke pehle khadi for nation and azadi ke baad khadi for fashion**" He further said "We must promote the use of Khadi. Buy at least one khadi article. If you buy Khadi, you light the lamp of prosperity in the house of a poor person." After this appeal, Khadi fabric and garments showed a 29 per cent surge last year. This trend is still continuing.

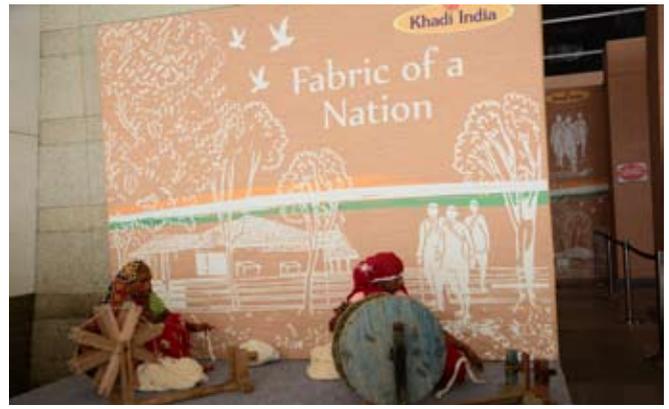
Khadi, as a fabric has adapted to changing needs of modern society and today, the thousands of production centers have been producing fusion



Napkin stitching center at Nagrota, Jammu.



A lady working on Charkha at Dausa, Rajasthan.



More than 65 years old ladies working on traditional charkha.

fabric products, combining the strengths of cotton, polyester, silk and other material in different proportions, depending on user requirements.

“One Yarn, One Nation” is now the new tag line. The branding has been changed from ‘Khadi’ to ‘Khadi India’. Under 'One Yarn One Nation' tag line, KVIC organized a one month National Khadi Exhibition from 5th May to 4th June 2016, in Srinagar-the first such exhibition after independence in militancy- affected J&K. It showcased products made by 198 Khadi Institutions from all over the country -56 of them were from Jammu & Kashmir. More than 1 Lakh visitors and sales of Rs. over 2 crore sealed its success. In May 2016, KVIC started a unit of 25 Charkhas and 5 Looms near Pampore in Kashmir and also started a napkin stitching project for militancy – affected families in Village Nagrota in District Jammu employing 296 women there.

To make a grand entry into the global fashion scene, KVIC appointed international fashion designer Ms.Ritu Beri as Advisor to the Commission to advise on introduction of state of the art multi-fashion designs and styles in khadi readymade garments and on promotion of Khadi in the country and abroad.

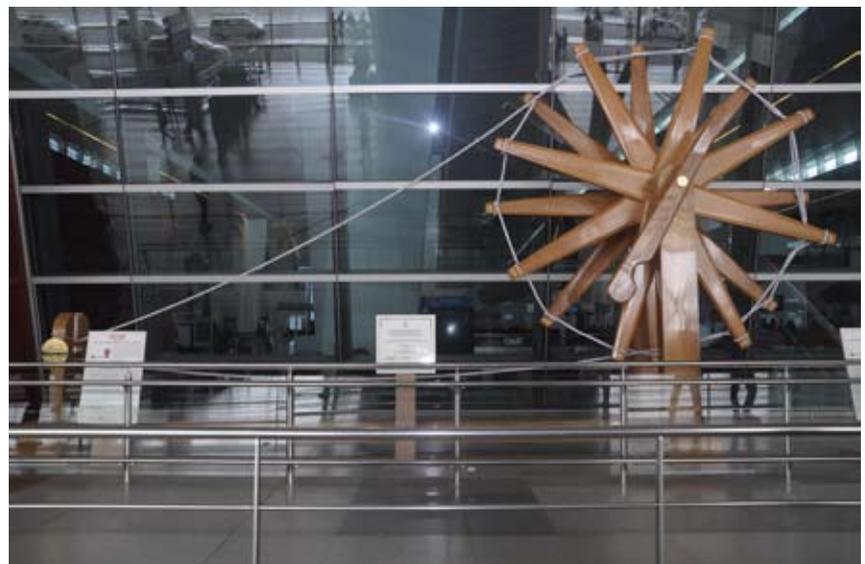
With this background, KVIC has an onerous responsibility of engaging the poorer and rural masses in productive

employment. KVIC has thus, been mandated to serve as one of the main vehicles for rural development in India, by way of creating, promoting, encouraging and sustaining village enterprises of a very large diversity, among which, Khadi is the prime product.

I have always believed that Charkha, like our memorial to unknown soldiers, is a memorial to the unknown rural masses, who heard the call of the Father of the Nation and took to his demonstrated ways of self reliance and dignity of labour. We may not have fully documented or remembered every person who became the foot soldier of the non-violent freedom movement by

weaving a yarn, but when we celebrate Charkha, we pay tribute to all of them symbolically. From this point of view, I believe that installing this symbol of Swaraj in a prime place in the capital was a very appropriate way of bringing to our constant attention what we should not forget.

Keeping in mind the importance of Charkha, world’s largest Charkha, 30 feet long,17 feet tall, 9 feet wide, weighing more than 4 tons and made of Burma teak was installed by KVIC at T-3 IGI Airport, New Delhi, where millions of people from all over the world will have an opportunity to pause for a moment and appreciate its historic symbolism to India. Notwithstanding



World's Largest Wooden Charkha installed at Terminal 3 , at IGI Airport New Delhi



Stitching training to a young lady in Village Jayapur, Varanasi.

that, the International Airport in New Delhi is our gateway to the National Air Space. And Charkha's presence at this gateway to sky reminds us of Mahatma Gandhi's clarion call for Swaraj in 1924, giving wings to our aspiration to freedom.

people, thereby encouraging the indigenous talent to prosper in rural areas.

Besides the many programmes and initiatives being pursued by KVIC, it is important to revive

One of the main missions of KVIC is to generate employment in the rural areas. Over 2 million employment opportunities have been created by PMEGP since its inception in the country. One of the main contributions of the employment schemes of KVIC is to halt the urban migration of rural

sick village industries, double the sales and develop a mechanism of providing higher remuneration to the artisans. KVIC also wishes to utilize solar energy to run the weaving units, thereby reducing the dependence on physical labour. Bringing insurance to weavers, including them in a reliable network of health services, enhancing their educational capacity and bringing recognition for them and their efforts in the global mainstream of life are the most coveted objectives being pursued by KVIC.

In all, the Khadi and Village Industries are increasingly proving their high relevance to modern India and the modern world as one of the most sustainable socio-economic models developed in human history. □

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YE-156/2016

The Birth of Khadi

Extracts from 'An Autobiography' or The Story of My Experiments with Truth'

By Mahatma Gandhi

I do not remember to have seen handloom or a spinning wheel when in 1908² I described it in Hind Swaraj as the panacea for the growing pauperism of India. In that book I took it as understood that anything that helped India to get rid of the grinding poverty of her masses would in the same process also establish swaraj. Even in 1915, when I returned to India from South Africa, I had not actually seen a spinning-wheel. When the Satyagraha Ashram was founded at Sabarmati, we introduced a few handlooms there. But no sooner had we done this than we found ourselves up against a difficulty.¹¹ All of us belonged either to the liberal professions or to business; not one of us was an artisan. We needed a weaving expert to teach us to weave before we could work the looms. One was at last procured from Palanpur,¹² but he did not communicate to us the whole of his art. But Maganlal Gandhi was not to be easily baffled. Possessed of a natural talent for mechanics, he was able fully to master the art before long, and one after another several new weavers were trained up in the Ashram.

The object that we set before ourselves was to be able to clothe ourselves entirely in cloth manufactured by our own hands. We therefore forthwith discarded the use of mill-woven cloth, and all the members of the Ashram resolved to wear hand-woven cloth made from Indian¹³ yarn only. The adoption of this practice brought us a world of experience. It enabled us to know, from direct contact, the conditions of life among the weavers, the extent of their production, the handicaps in the way of their obtaining their yarn supply, the way in which they were being made victims of fraud, and, lastly, their ever-growing indebtedness. We were not in a position immediately to manufacture all the cloth for our needs. The alternative therefore was to get our cloth supply from handloom weavers. But ready-made cloth from Indian mill-yarn was not easily obtainable either from the cloth-dealers or from the weavers themselves. All the fine cloth woven by the weavers was from foreign yarn, since Indian mills did not spin fine counts. ... It was after the greatest effort that we were at last able to find some weavers who condescended to weave swadeshi yarn for us, and only on condition that the Ashram would take up all the cloth that they might produce. By thus adopting cloth woven from mill-yarn as our wear, and propagating it among our friends, we made ourselves voluntary agents of the Indian spinning mills. This in its turn brought us into contact with the mills, and enabled us to know something about their management and their handicaps. It was clear that, until we could do this ourselves, dependence on the mills would remain. We did not feel that we could render any service to the country by continuing as agents of Indian spinning mills...

...So the time passed on, and my impatience grew with the time. I plied every chance visitor to the Ashram who was likely to possess some information about handspinning with questions about the art. But the art being confined to women and having been all but exterminated, if there was some stray spinner still surviving in some obscure corner, only a member of that sex was likely to find out her whereabouts.

In the year 1917 I was taken by my Gujarati friends to preside at the Broach Educational Conference. It was here that I discovered that remarkable lady Gangabehn Majmudar. She was a widow, but her enterprising spirit knew no bounds. Her education, in the accepted sense of the term, was not much. But in courage and common sense she easily surpassed the general run of our educated women. ...I came to know her more intimately at the Godhra Conference. To her I poured out my grief about the charkha, and she lightened my burden by a promise to prosecute an earnest and incessant search for the spinning-wheel....

Key: ² Slip for 1909 ¹¹ For "much less should I be willing to", Guj. has "how could I". ¹² Guj. adds "while he lives in the body". ¹³ For "that the very existence of society involves", Guj. has "committed by society". Guj. has "that is, of my people".

Source: CWMG VOL 39, PART V, CHAPTER XXXIX, Page 389 to 391

Khadi : The Icon of Indian Independence

A Annamalai



If we want a sustainable, eco-friendly development, khadi should be the foundation of all our developmental activities. Khadi Movement should become the people's movement and we should make khadi our national dress. The mindset of the people is mostly created and we have to create a favourable atmosphere to use khadi for our own cloth needs. By using khadi, we are preserving one of the oldest skills of mankind

“**K**hadi spirit means fellow-feeling with every living being on earth. It means a complete renunciation of everything that is likely to harm our fellow creatures. And if we are to cultivate that spirit amongst the millions of our countrymen, what a land this India of ours would be!” (CWMG, Vol. 34, p.520) Gandhi wanted everybody to have the spirit of *khadi* and spirit of oneness of human beings. *Khadi* is not a piece of cloth to cover the body, but a philosophy to imbibe and follow.

It was during the Champaran Satyagraha in 1917, that Gandhiji encountered the plight of the farmers of Bihar. He met a woman in the Bhilwara village and it was during his discussion with her that he realized that she was unable to change her *sari* simply because she did not have another one. The plant which is the source of indigo dye for clothing was the central issue of the Champaran Satyagraha and the same cloth was the costly commodity for the farmers. At one time in the past, we were one of the top cotton cultivators. But our cultivators were deprived of the same product made of the cotton. The cotton had gone to England as raw material and again came back to India as the finished

product as cloth from Manchester and Lancashire.

Where was our glorious past? Gandhiji also came from a place where a spinning and weaving culture prevailed. After the East India Company got control of the market of the Indian subcontinent, things changed drastically. To cater to their own needs, English rulers destroyed the textile culture of Indian rural people.

Traditional Textile Knowledge:

Indian indigo-dyed cotton *ikat* was found in a Pharaoh's tomb, the rose madder cloth was unearthed at a Mohenjo-daro site along with spindles, Greek and Roman traders' accounts describe the fine fabrics from the Indian sub-continent. Ajanta and Ellora paintings depict the various designs and styles in the textile materials. Each and every part of India had its own style of textile design – design while weaving, dyeing, printing, etc. The quality of the cloth also varied from region to region. In fact, we have pioneered in the art of textile technology.

India's cloth was the pride and glory of the country and even some countries banned the import of cloth from India! Our cloth decorated the royals of many countries. These were also the hand-spun and hand-woven cloth, *Khadi* of the past!

The author is Director and Secretary of the National Gandhi Museum, New Delhi. Currently engaged in digitising Gandhi Papers, books by Gandhi, Photographs etc. He is also engaged in producing a Multi-Media Kit as the resource on Gandhi and in the process of making a multi media exhibition on Gandhi.

Industrial Revolution extended its ugly tentacles and power-loom industries in England crushed Indian textiles. The newly enacted laws, in consonance with the British colonial policy, paved the way for a new trade practice. All the cotton grown in India was to be exported to England at very low prices while British mill cloth flooded the Indian markets.

Lakhs and lakhs of Indian spinners and weavers became unemployed and were literally thrown out on the streets. The pride of India— hand-spun, hand-woven cloth— was forcibly allowed to die and with it, the vast reservoirs of precious traditional textile knowledge too disappeared.

Khadi Movement:

As Gandhiji put it. “It was in London in 1908 that I discovered the wheel. I had gone there leading a deputation from South Africa. It was then that I came in close touch with many earnest Indians – students and others. We had many long conversations about the condition of India and I saw as in a flash that without the spinning-wheel there was no swaraj. I knew at once that everyone had to spin. But I did not then know the distinction between the loom and the wheel, and in *Hind Swaraj* used the word loom to mean the wheel.” (CWMG, Vol.37, p.288)

As suggested by Gokhale, Gandhiji toured India to have hands on experience with the conditions of the Indian people. He saw face to face the poor conditions of the villages. The farmers were out of employment for almost half the year. The Champaran incident also intensified his feeling and he wanted to identify a supplementary occupation for the farmers which would help utilize their time and energy for gainful employment. Spinning and weaving came to his mind. He introduced weaving in the Ashram with the support of the textile mill owners of Ahmedabad. He soon realized that this process again supported the Indian industries and did not directly benefit the farmers. Gandhiji met an energetic

lady, Gangabehn Majumdar at the Second Gujarat Education Conference in Broach, and entrusted her with the work of finding out the traditional way of spinning and its instruments. That was the situation in India!

“At last, after no end of wandering in Gujarat, Gangabehn found the spinning-wheel in Vijapur in the Baroda State. Quite a number of people there had spinning-wheels in their homes, but had long since consigned them to the lofts as useless lumber. They expressed to Gangabehn their readiness to resume spinning, if someone promised to provide them with a regular supply of slivers, and to buy the yarn spun by them. Gangabehn communicated the joyful news to me.” (CWMG, Vol.39, p.391)

He ignited the spirit of nationalism through swadeshi Movement and made khadi as the symbol of nationalism. He, through Khadi Movement, positioned his non-violent weapon to strike at the very foundation of the colonial exploitation!

Reinvention of hand spinning and hand weaving were put in place by Gandhiji through his trusted friends like Gangabehn, Maganlal Gandhi and other ashram friends. *Khadi* was tested first among the Ashramites and Gandhiji decided to take it forward on a nationwide movement later on.

Gandhiji introduced the new piece of hand-spun, hand-woven cloth under a new ‘brand name’ *khadi*. He also gave a philosophical foundation to *khadi* and made it a new programme for the Congress.

Spirit of Swadeshi:

“Khaddar is the concrete and central fact of Swadeshi. Swadeshi without Khaddar is like the body without life, fit only to receive a decent burial or cremation. The only Swadeshi cloth is Khaddar. If one is

to interpret Swadeshi in the language and in terms of the millions of this country, Khaddar is a substantial thing in Swadeshi like the air we breathe. The test of Swadeshi is not the universality of the use of an article which goes under the name of Swadeshi, but the universality of participation in the production or manufacture of such article. Thus, considered mill-made cloth is Swadeshi only in a restricted sense. For, in its manufacture only an infinitesimal number of India’s millions can take part. But in the manufacture of Khaddar millions can take part.” (Young India, 17-6-1926)

He had the ground for the revival of the Swadeshi Movement and he insisted that his countrymen should boycott the foreign cloth. He ignited the spirit of nationalism through Swadeshi Movement and made *khadi* as the symbol of nationalism. He, through *Khadi* Movement, positioned his non-violent weapon to strike at the very foundation of the colonial exploitation!

He proposed *Khadi* as part of the programme to reconstruct the rural economy in a decentralised pattern. It became the part of the freedom struggle. He toured countrywide to popularise the *Khadi* Movement.

A major handicap in the introductory stage was the colour of *khadi* – white. They could not produce coloured *sari* for women. White *sari* even without coloured border was considered to be a symbol of a widowhood and no family woman would accept this costume. Therefore, Gandhiji reinterpreted the concept of white as purity and simplicity. He asked his wife Kasturba to wear the white *sari* and asked other women in the ashram to also wear white *sari* to set an example for the people to follow.

Khadi Economics:

Khadi Movement also paved the way for the empowerment of the villagers and specially women. One of the major reasons for the large number of women’s participation in the Indian freedom movement was certainly the *Khadi* Movement.

He said, “Khadi is the only true economic proposition in terms of the millions of villagers until such time, if ever, when a better system of supplying work and adequate wages for every able-bodied person above the age of sixteen, male or female, is found for his field, cottage or even factory in every one of the villages in India; or till sufficient cities are built up to displace the villages so as to give the villagers the necessary comforts and amenities that a well-regulated life demands and is entitled to. I have only to state the proposition thus fully to show that Khadi must hold the field for any length of time that we can think of”. (*Khadi – Why & How*, p.35)

The decentralised system of production would certainly lead to equal distribution of income. Rajaji observed, “You cannot distribute the wealth equally ‘after’ producing it. You won’t succeed in getting men to agree to it. But you can so produce wealth as to secure equitable distribution ‘before’ producing it. That is Khadi”.

“Khadi is the sun of the village solar system. The planets are the various industries which can support khadi in return for the heat and the sustenance they derive from it. Without it, the other industries cannot grow. But during my last tour I discovered that, without the revival of other industries, khadi could not make further progress. For villages to be able to occupy their spare time profitably, the village life must be touched at all points.” (*Harijan*, 16-11-1934)

Gandhi also realised the pressure inside the Congress and decided to separate *khadi* work from the organisational support of the Congress. He established All India Spinners’ Association in 1925. *Khadi*, under the guidance of the All India Spinners’ Association, reached out to corners of India, attracted new supporters and widened its support base throughout India.

Icon of Independence Movement:

Charkha became the icon of the independence movement and *khadi*

became the identity of nationalism. India witnessed a major shift from colonial power to people’s power. Common people once feared policemen in this country but with Gandhi’s introduction of non-violent strategy, policemen feared ‘*khadi* people’. Purely an economic activity became a powerful political weapon!

As observed by Lisa Trivedi in her book, ‘Clothing Gandhi’s Nation’, “Khadi also transformed the bodies of colonial subjects into national subject-citizens. By inventing a new style of dress, swadeshi proponents provided a simple way through which elites could identify themselves with a broader national community. Adopting new forms of dress both challenged colonial and traditional norms of comportment. The so-called

Charkha became the icon of the independence movement and khadi became the identity of nationalism. India witnessed a major shift from colonial power to people’s power. Common people once feared policemen in this country but with Gandhi’s introduction of non-violent strategy, policemen feared ‘khadi people’. Purely an economic activity became a powerful political weapon!

“habitual khadi wearer” celebrated the principle of universal labor and self-sufficiency as the basis of political community... Quite simply, khadi enabled people across colonial India to see each other as members of the same or similar communities. Even if khadi could not completely transform everybody into that an “Indian”, it certainly offered a visual rejection of both colonial and traditional norms of comportment”.

“The mission of Khadi is not merely to supply the townspeople with fashionable khadi that will vie with

the mill manufactures and thus, like other industries, supply a few artisans with employment, but is to become a supplementary industry to agriculture. This mission still remains unfulfilled.

In order that it may fulfil this mission, it has to be self-sustained and its use must spread in the villages. Just as the villagers cook their own *roti* or rice, so must they make their own khadi for personal use. The surplus if any they may sell.” (*Harijan*, 6-7-1935)

Challenge Before Us:

Now the greatest challenge for *khadi* is how to make it more affordable to the people and how to make it more attractive without compromising the basic philosophy of dignity of labour, decentralization, non-violence and simplicity. In the absence of powerful influences like ‘freedom struggle’ or ‘swadeshi movement’, now *khadi* has to stand on its own strength and on its philosophical foundation.

No doubt, cotton is environmental friendly, suitable for our weather conditions, good for skin and body and a natural product. It is applicable to all cotton products including mill-made. But the testing stone will be the production, distribution and consumption. For *khadi*, the production itself will be eco-friendly with appropriate technology to suit the producer. The decentralized production will also help in the distribution of income to masses through which we can increase the purchasing power of the people.

If we want a sustainable, eco-friendly development, *khadi* should be the foundation of all our developmental activities. *Khadi* Movement should become the people’s movement and we should make *khadi* our national dress. The mindset of the people is mostly created and we have to create a favourable atmosphere to use *khadi* for our own cloth needs. By using *khadi*, we are preserving one of the oldest skills of mankind. □

(E-mail: nationalgandhimuseum@gmail.com)

Promoting the Indian Jute Sector

Subrata Gupta



For the past 200 years, jute has proven to be a useful natural fibre which, because of its strength, has been used in the manufacture of packing materials and ropes. The fibre being coarser than cotton was not considered suitable for use in clothing; its principal use remained in packing. With the advent of synthetic fibres which are cheaper to produce and also can be engineered to specific requirements, the popularity of jute textiles as a packing material waned. Of late, due to environmental concerns, along with other natural fibres, jute is poised to make a comeback

The Jute Sector in India is protected through the Jute Packaging Materials Act, 1987. This article argues that while the Act has protected farmers and jobs to a large extent, it may also have lulled it into complacency with the industry not developing a competitive edge and becoming more and more dependent on a single product and a single buyer for its survival.

Jute is the second most important natural fibre produced in India after cotton. Jute has several socio-economic and environment related advantages. It is a natural biodegradable fibre which can substitute pollution causing plastics in several applications. On the agriculture side, it provides supplementary income to farmers cultivating low lying land in relatively high rainfall areas, where it is difficult to grow other cash crops. About 40 lakh farmers are believed to be involved in jute cultivation. The processing of the fibre and production of jute goods employs another 3.5 lakh workforce. Expectedly, jute plays an important role in the economy of the eastern and north eastern states spanning both agriculture and industry sectors.

For the past 200 years, jute has proven to be a useful natural fibre which, because of its strength, has been used in the manufacture of packing

materials and ropes. The fibre being coarser than cotton was not considered suitable for use in clothing; its principal use remained in packing. With the advent of synthetic fibres which are cheaper to produce and also can be engineered to specific requirements, the popularity of jute textiles as a packing material waned. Of late, due to environmental concerns, along with other natural fibres, jute is poised to make a comeback.

The much cheaper plastic packing materials pushed jute out of the market and manufacturers of commodities such as cement and fertilizers shifted away from jute for their packing materials. In the absence of other jute products which could sustain the jute mills and jute farmers, a law was conceived to create a demand for jute sacking, the most important jute product.

The Jute Packaging Materials Act : Boon or a Bane?

The Jute Packaging Materials (Compulsory Use in Packing Commodities) Act, 1987 was notified on 11th May 1987. Through this act, every year, government specifies the commodities and the extent to which they are mandatorily required to be packed in Jute Packaging Materials. This law has given tremendous support to the jute industry in India over the last three decades.

The author is Jute Commissioner in the Ministry of Textiles, Government of India.



Jute Packaging Material

Bangladesh, the other major jute producing country did not have the protection of a similar law till very recently. The Mandatory Jute Packaging Material Act, 2010 of Bangladesh was enacted on October 12, 2010 and the law was made effective from September 2012. It is reported that its implementation did not take place at least till late 2014. Unlike in India, Bangladesh government does not directly purchase jute sacking for packaging commodities. Their support is indirect, in the form of requiring users to use jute packaging material. This implies that the effectiveness of the law in protecting the jute sector in Bangladesh would be dependent upon ability of the government to

encourage private commerce to use jute packaging.

In India, currently foodgrains and sugar are required to be packed in jute sacking. Bulk of the sacking required that for foodgrains packing is purchased by the government directly from the jute mills. Table-1 presents the extent of protection provided by the JPM Act both in terms of the ratio of jute sacking used in mandatory packaging of foodgrains to the total production of jute goods and also raw jute used in mandatory packaging to total raw jute produced in the last decade (2006-07 to 2015-16).

Although, there have been consistent demand for 100 per

cent mandatory packaging for both foodgrains and sugar, the fact is that in absolute terms, the quantity procured by way of reservation has only increased over the last decade. Against 4 lakh MT of B-Twill purchase by the government in 2006-07, around 8.3 lakh MT of B-Twill sacking has been purchased in 2015-2016, an increase of over 107 per cent in a decade! During the same period, production of raw jute declined from 18 lakh MT to about 14.4 lakh MT. The effective protection in terms of utilisation of raw jute by government rose from 22.3 per cent to 57.6 per cent during the same period! B-Twill purchase by government has in the meantime grown from 29.5 per cent to 68.1 per cent of all jute goods produced by the industry during the same period! The following graphs show how the effective reservation has increased over the years.

During this period of protection, it was hoped that the Indian jute industry would diversify, develop new products and create new markets. On the contrary, it was observed that the industry has progressively become more and more dependent on the JPM Act for its survival; the industry also lost its ability to sale in the private market, both domestic and export. At present, the industry is critically dependent on one product, namely B-Twill sacking for packing foodgrains and one buyer, the government, for its survival. The lack of competitiveness of the Indian jute industry vis a vis the Bangladesh jute industry can at least be partly attributed to this protection. It is evident that the JPM Act has not incentivized the Indian jute industry to diversify adequately. The extent of development of new products and creation of new markets has remained at a very modest level.

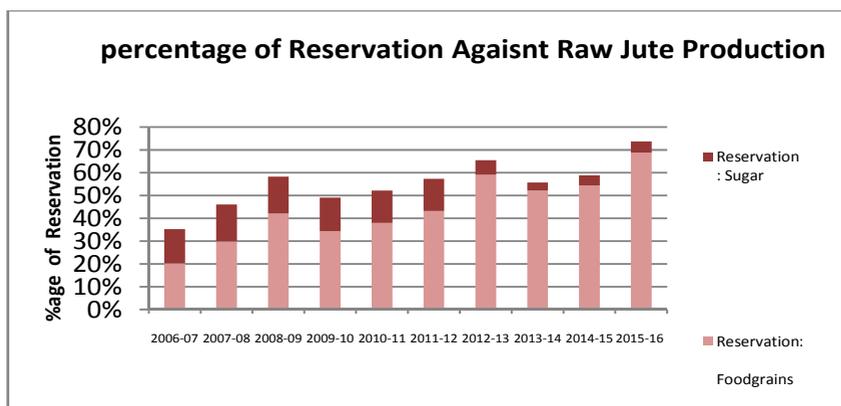
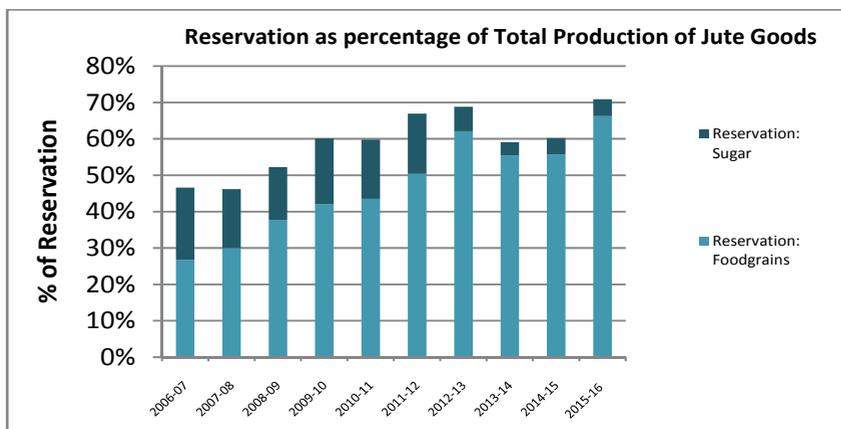
In Bangladesh, the jute industry was exposed to market forces. The jute industry in Bangladesh seems to have done significantly better than India both in terms of production of raw jute and exports. Table-3 provides a comparison of the raw jute production in India and Bangladesh

Table-1: Protection Provided by JPM Act

Year	Total Production of Raw Jute ('000 MT)	Total Production of Jute Goods ('000 MT)	Total requirement on Govt A/c. (B-Twill) ('000 MT)	per cent of B-Twill to total Jute Goods Production*	per cent of jute in B-Twill to raw jute production*
2006-07	1800.0	1356.3	400.7	29.5 per cent	22.3 per cent
2007-08	1782.0	1776.0	557.9	31.4 per cent	31.3 per cent
2008-09	1476.0	1633.7	572.2	35.0 per cent	38.8 per cent
2009-10	1620.0	1323.3	530.7	40.1 per cent	32.8 per cent
2010-11	1800.0	1565.7	688.6	44.0 per cent	38.3 per cent
2011-12	1845.0	1582.4	864.2	54.6 per cent	46.8 per cent
2012-13	1674.0	1591.5	884.1	55.6 per cent	52.8 per cent
2013-14	1782.0	1527.7	778.1	50.9 per cent	43.7 per cent
2014-15	1296.0	1267.1	727.5	57.4 per cent	56.1 per cent
2015-16	1440.0	1217.2	829.0	68.1 per cent	57.6 per cent

*Note: Here B-Twill refers to sacking purchased directly by government.

Table-2



respectively since 2008-09 and the exports of jute goods from each country (converted to equivalent INR based on the respective year's average exchange rate). It is clear that despite protection given to the Indian jute sector, raw jute production has seen a downward trend while in Bangladesh, the production has increased. Even on the export front, Bangladesh has done consistently better than India, averaging INR 88787 million annually against INR 17308 million for India.

While Indian jute mills have not been able to make any significant inroads into foreign markets, on the other hand, they have been steadily losing the domestic market to cheaper imports from Bangladesh. The competitiveness of the industry compared to the major competitor has apparently declined both due to policies followed by the Bangladesh government, certain inherent cost advantages in Bangladesh and the

relatively sluggish efforts on the part of the Indian producers. It is reported that there is a 15 per cent to 20 per cent cost advantage for jute mills in Bangladesh as wages are stated to be at least 30 per cent lower than that in



Jute Plants

India and power tariff is also about 35 per cent less. Together with the export subsidy of 10 per cent for jute goods (7.5 per cent on yarn), Bangladesh is able to out price India in all foreign markets. However, even in India, a zero duty import of jute goods from Bangladesh means that the imports are steadily replacing Indian jute goods from the Indian market. Cattle feed and poultry industry, big consumers of jute sacking are believed to have shifted entirely to exports. The twine mills in Andhra Pradesh have closed in the recent months due to cheap imports from Bangladesh.

Improvement of the Fibre and Fabrics

One of the constant refrains from the Indian jute industry is that the fibre quality produced in India is primarily of average and below average quality (TD-5 to TD-8) which accounts for more than 2/3rd of the total production. This quality of fibre is primarily used in making coarser yarn which is suitable for weaving coarser fabrics such as B-Twill sacking. The argument is that since India produces coarser fibre, the jute mills are constrained to produce sacking and government is obliged to provide a market for this sacking. This logic is not entirely correct. The farmers really do not have any incentive to produce better

Table-3 India & Bangladesh: Production and Export of Jute Goods

Raw Jute Production ('000 Bales)			Total Exports (Million INR)	
Year	India	Bangladesh	India	Bangladesh
2008-09	8200	5172	12161.6	56045.8
2009-10	9000	5945	8594.6	NA
2010-11	10000	7803	18541.5	90946.0
2011-12	10250	7405	20949.6	81941.4
2012-13	9300	7572	19918.0	96578.7
2013-14	9000	8000	21219.5	89172.7
2014-15	7200	NA	18138.1	97295.9
2015-16	6500	NA	18893.9	109565.5

Raw Jute Production (India): Jute Advisory Board

Raw Jute Production (Bangladesh): FAO

Exports (India): DGCI&S, Kolkata

Exports (Bangladesh): Export Promotion Bureau of Bangladesh

(www.epb.gov.bd)

quality fibre if there is not sufficient demand and premium for high quality fibre. Since bulk of the demand is for the average and below average quality of fibre, the farmers are not inclined to put in the extra care and effort needed to produce better quality fibre.

The challenge for promotion of jute lies in processing the jute fibre with value addition for high end products. This would, on the one hand, call for improving quality of fibre produced and on the other, improving the processing line for production of better quality of yarn and consequently better quality of fabric for production of items which can command a premium in the market. This shift in the jute economics will allow the jute farmers a better price for their fibre and the artisans and workmen a better profit/wage from the value added premium products.

Production of higher quality fibre would require encouraging farmers to adopt better agronomic practices such as use of certified seeds, line sowing and timely weeding. The present practice of broadcasting does not encourage a uniform and healthy growth of the plant. Timely access to manures and pesticides is also essential.

One extremely critical step in the production of the fibre is retting of the

whole jute plant for extraction of the fibre. With increasing demand on the limited sources of water in rural India, the availability of quality water for retting of jute has dwindled, forcing farmers to perfunctory jute retting in road side ditches, in dirty and muddy water in unhygienic conditions. This results in the production of an average to below average quality of fibre which is not suitable for high end products.

Jute-ICARE (Jute: Improved Cultivation and Advanced Retting Exercise) project launched in 2015 aims at specifically addressing these issues by providing certified seeds to farmers at subsidized rates, seed drills to facilitate line sowing, nail-weeders to carry out periodic weeding and by popularizing several newly developed retting technologies under water limiting conditions.

Three technologies of retting have shown promise. One involves decortication of the plant to extract the ribbons and

then carrying out retting in synthetic tanks with different combinations of enzymes. Novozymes, the world's largest manufacturer of industrial enzymes in collaboration with IJIRA and JCI, has prepared recipes of these enzymes to achieve retting with very limited quantity of water and within a weeks' time (against the usual retting time of 18-22 days).

The second technology which is at pilot scale trial under Jute-ICARE involves the use of a consortium of bacteria in their natural habitat for encouraging faster retting of the whole plants within 10-12 days in the traditional source of water accessible to farmers. The third technology under trial by IJIRA also involves use of consortium of different microbes for the same purpose. These two technologies would be the easiest for farmers to adapt as they are closest to the traditional retting method they currently follow. These technologies, apart from cutting down retting time will also guarantee improvement in fibre grades by at least 1 to 1 ½ grades.

Altogether, better agronomic practices and improved retting technologies are expected to increase productivity by at least 15 per cent which, together with the improvement in variety, is likely to enhance income of the farmers by at least 25 per cent.

With the shift from average and lower grades of jute fibre to the better grades, there will be a requirement to



Retting of Jute



Jute Weaving Machine

substantially improve the machinery used in processing of jute fibre for production of fine yarn and ultimately high value fabrics. The technology level of machineries used in composite jute mills dates back to a large extent to the British era. Even in the latest machineries which were introduced recently with support of the Jute Technology Mission, the technology belongs to the 1980s.

The latest development in the textile sector which has transformed the economies of other fibres such as cotton and synthetics in India is yet to make inroads in jute sector. Several projects are on the anvil to develop jute processing machinery by leveraging technologies developed for other fibres. With availability of more modern machines and larger quantity of finer jute fibres, composite mills would be encouraged to produce finer yarn which is the essential starting material for high value products.

These modern production lines will not only help the industry to produce good quality fabrics according to the requirements of the downstream industries and consumers, but also help them to improve labour productivity.

Products and Possibilities – Endless

Non-traditional and value added products using processed jute fibre yarn and fabrics including blended fabrics have been developed over the years. These include a large variety

of jute hand bags/ shopping bags, soft luggage, footwear, jute decorative items such as ‘flower bouquets’, jute ornaments, wall hangings of jute. Jute has been used to produce tapestry and furnishings. Jute floor coverings including hand-woven rugs and carpets are

popular especially in Western and Middle-Eastern countries.

To a lesser extent, other items such as handmade paper from jute waste, dining table accessories, table mats, bed room/ drawing room accessories such as cushion covers, mattress, TV cover and office stationary such as pen stand, stationary tray, file cover and calendars are becoming popular. Among the environmentally conscious segments of the population who are ready to pay a little more, jute products as substitutes to synthetic products are gradually becoming a choice. The small scale segment of Jute Diversified Products, which includes bags, home-decorations, accessories, etc., provides an opportunity of self-employment for people living in the jute growing areas, particularly for women who have organised themselves into self-help groups.

Internationally acclaimed brands like Harrods, Salvatore Ferragamo, Marks & Spencer and IKEA market products of jute and jute blended fabrics. Even in the economy sector, well known shopping chains such as Walmart and Carrefour and

British hypermarkets such as Tesco, ASDA, Waitrose and Sainsbury’s are selling jute shopping bags.

The need of the hour is to, therefore, create more and more designs and in accordance with the changing taste of the customer and provide good quality and variety of products to the western markets. Indian brands such as Gloster Lifestyle, Anges, Clubb, Aarbour, Ballyfabs have made some inroads in these markets.

Apart from woven fabrics, a very important product using coarser variety of jute fibres are non-woven textiles forming a part of the technical textiles segment. Non woven jute fabrics are being used in home insulation and air conditioning and in automobile interiors. Composite materials with both woven and non-woven jute fibres have been developed particularly in building components, in auto-trims as well as furniture industry.

The coarser fibres can be used alone or spun into coarser yarns which go into the production of non-woven and woven jute geo-textiles (JGT). There are innovative technical textiles which can replace man-made (synthetic) geotextiles in a variety of civil engineering applications. These speciality fabrics have been designed and manufactured to address a host of soil-related problems, find applications in road constructions, river bank protection, slope management and



Hand-Woven Jute Rugs

even in construction of railway tracks. Ministry of Textiles decided to introduce jute geo-textiles in civil engineering works across the country in view of their eco-friendliness and bio-degradability.

Jute geo-textiles have been used in more than 210 field applications across the country in different climatic and soil conditions. Bio-degradability of JGT after it has achieved its purpose is its greatest advantage over other types of geo-textiles. In view of the global concern for preservation of environment, JGT with its strong eco-concordance becomes a natural choice for policymakers and engineers alike for addressing various geotechnical problems in civil engineering.

Looking Beyond JPM Act:

The possibilities for jute are endless. Technologies and products are in place. What is lacking is entrepreneurship to position these products on a scale which would propel this sector to a higher level of income generation through production of high value items. The example of Bangladesh shows that they allowed the jute sector to grow on their own. Their 'hands off' policy saw growth in raw jute production and exports. Competition for market made the jute industry in Bangladesh competitive. Once they had achieved a certain level, the Bangladesh government has come in with support in the form of mandatory packaging which presumably would provide the industry residual support. Even for this, individual jute mills have to compete in the market.

India has followed an exactly opposite route. JPM Act provides a bulk of the support for the industry; the residual is left for the other products. The evidence is that the industry has become more and more dependent on the law for its survival and the administered price regime has further eroded its competitiveness. It is therefore, time to take a fresh look at the protection offered by the JPM Act and modulate it in a manner to encourage competitiveness and growth of the sector. The objective of increasing the income for jute mills workers and farmers can be served much better if the value addition in jute products increase and that is possible with diversification and creation of new markets. As long as the Indian jute industry does not look beyond the JPM Act and orients itself to be globally competitive, that is not likely to happen. The JPM Act would still be required to protect the industry during the period of its transformation. Perhaps a gradual reduction in the extent of reservation under the law coupled with support for the industry to modernize and diversify would save the jute sector from oblivion. Much as this may be required, this may not happen soon enough unless the forward looking stakeholders focus their effort at dominating the global market and lobby for different model of state support – a model that incentivises modernisation, promotes diversification and makes the Indian jute manufactures globally competitive. ■

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I want to thank God, my family, friends and finally guidance provided by Alok Sir and Amit Sir. I secured very valuable right to improve my life through writing and solving tests. I met all this when they were head of expert brainz team which started just as weeks before in 2015. The Sir's cultural and sibling whom were responsible for my preparation which lead to my respected success especially in these areas. Thank you Sir.

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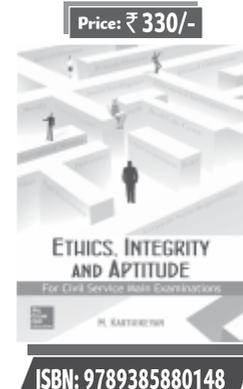
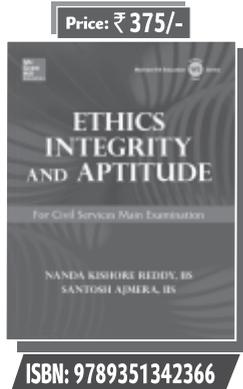
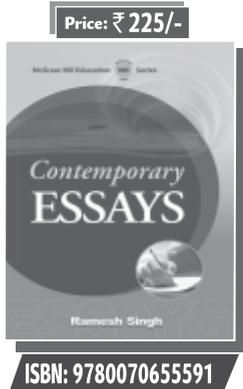
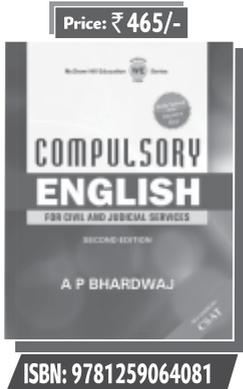
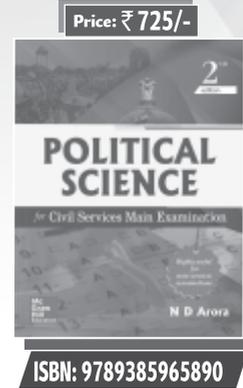
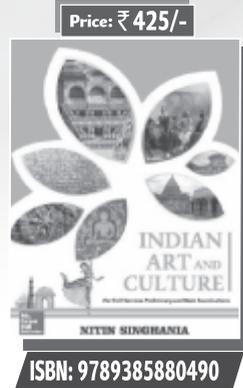
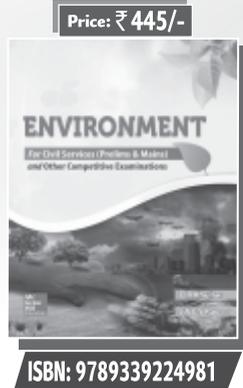
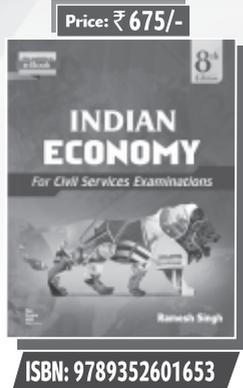
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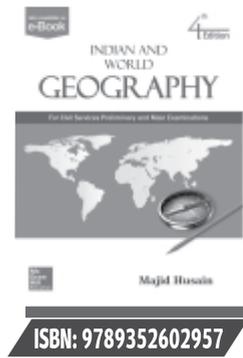
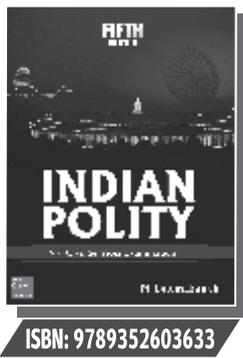
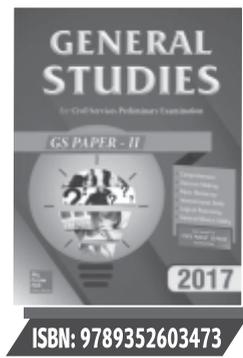
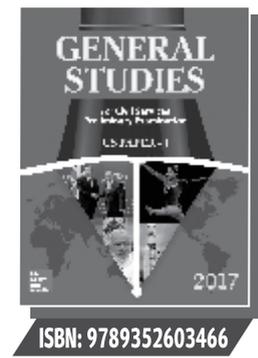
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Silk Textile Industry: Challenges and Way Forward

B S Angadi, K K Shetty, H Nagesh Prabhu



The potentials of an ever growing global and domestic market for silk products, clubbed with the unique features like, providing downstream employment, income generation in rural and semi-urban areas, high participation for low income and socially under privileged groups, a larger role for women in development and huge potential for contribution to export earnings would make the silk industry a predominantly attractive segment for further expansion through prudent investment and farsighted development planning

Silk, the ‘Queen of Textiles’ has not only withstood the test of time, but also has emerged as a much sought after textile fibre all over the globe, due to its lustre, softness, light weight, isothermal properties, outstanding affinity for dyes, durability and aesthetic values. It has also borne the onslaught of synthetic and non-synthetic fibers to hold its own unique position. There are five commercially traded varieties of natural silks viz., Mulberry, Tropical Tasar, Oak Tasar, Eri and Muga. Of these, mulberry silk is produced by the insect *Bombyx mori*, which is domesticated and the food plant is mulberry. Silk, produced by other insects other than mulberry have now been given a new identity and are collectively known as ‘Vanya Silks’.

Sericulture refers to the mass-scale rearing of sericigenous insects in order to obtain silk. Sericulture is one of the most labor intensive sub-sectors of the Textile Sector, combining both on-farm and non-farm activities like;

- Cultivation of silkworm food plants;
- Rearing of silkworms for the production of cocoons;
- Reeling the cocoons for unwinding the silk filament and;

- Other post-cocoon processes such as twisting, dyeing, weaving, printing and finishing.

Silk textile industry activities align with the 5 major Sustainable Development Goals (SDGs) out of 17 goals set by United Nations like: poverty alleviation, empowering women, sustained, inclusive and sustainable economic growth, full and productive employment and rejuvenation of forest flora and reverse land degradation through increasing green cover. The other significant merits of this industry are:

- High Labour Force Participation Rate (LFPR) with potential to generate huge employment (11.03 man-days/kg of silk produced)
- Involvement of women (>60 per cent) and family members leading to higher income flow to the family;
- 60 per cent of the income flows back to the farmers i.e. the primary producers;
- Enable flow of equity from rich consumers to poor (the farmers, reelers and weavers);
- Eco-friendly operations help in preserving the bio-diversity and natural Vanya food plant forest areas;
- The by-products of silk like, sericin, pupae etc., provide

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Five Commercially Traded Varieties of Natural Silks

	Mulberry	Tropical Tasar	Oak Tasar	Eri	Muga
Moths					
Eggs					
Host Plant					
Larvae					
Cocoons					
Silk Fabric/garment					

maximum scope for generating extra income.

Status:

Indian Silk Industry is an integral part of Indian Textile Industry. It is also the world's largest after China and contributes about 14 per cent to the world's production.

The strengths of Indian silk industry are:

- The 2nd largest producer of Silk in the world after China;
- The largest consumer of silk in the world;
- The only country in the world that produces all 5 varieties of silk on a commercial scale;

- Holds the global monopoly for production of the famed golden 'Muga' silk;
- Mighty southern zone agro-climatic conditions are suitable for practicing sericulture throughout the year;
- Has abundant arable land for sericulture expansion;
- Has developed world class research organization with highly qualified and experienced Scientists and Technicians;
- Possess enough skilled man power.

India's raw silk production has grown from 23,060 MT during 2011-12 (end of XI Plan) to 28,472 MT in 2015-16 at a compound growth rate of 5.4 per cent per annum. The bivoltine silk production recorded a compound growth of 28 per cent per annum. Similarly, the Vanya silk production achieved 13.8 per cent growth during the period. The import of raw silk has consistently reduced from 5,685 MT during 2011-12 to 3,529 MT during 2015-16 due to improvement in

import-substitute bivoltine raw silk production.

Raw Silk Imports

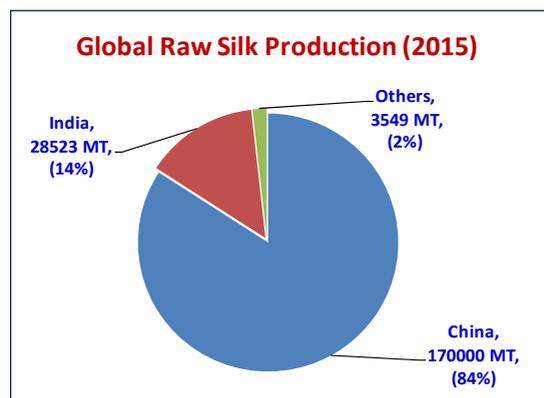
It is noteworthy to mention here that the increased import substitute bivoltine raw silk production in the country over the last five years has resulted in the decline of silk imports significantly from 5683 MT (2011-12) to 3529 MT during 2015-16. It is aimed to make India self-sufficient in import substitute bivoltine raw silk production with zero imports by the year 2019- (Source: DGCIS, Kolkata)

Exports:

Although, India is the second largest silk producer in the world, the market share of Indian silk exports in the global silk trade is not significant (< 10 per cent), owing to the fact that India has a large domestic market for silk goods and about 85 per cent of silk goods produced are sold in the domestic market. However, India's exports to the extent of 15 per cent consist of all types of silk goods (including value-added items) like, natural silk yarn, silk fabrics, ready made garments, silk carpets and silk waste. The Indian silk goods are being exported to the traditional major markets like the USA and European countries and small markets of the Asia Region. The silk goods export earnings decreased over the years due to global recession and reduction in demand for silk goods in western countries. The export earnings during 2015-16 were Rs.2,495.99 crores. Export value of silk goods during XI Plan and during the first 4 years of XII Plan are furnished in Table 2.

Productivity and Employment Generation: Impact of R & D

The research and development efforts of Central Silk Board and other States have led to the significant improvement in the quality, quantity and productivity of silk production. While the productivity of mulberry silk per hectare has gone up to 101 kg during 2015-16 from around 46 kg in



1997, the renditta has come down to 7.4 from 8.9 for the similar period. These significant achievements could be attributed to the development and introduction of improved silkworm food plants, high yielding silkworm breeds, production and supply of quality silkworm seed, adoption of advanced cultural and rearing practices and improvement in the post-cocoon processes.

Indian Silk Industry with about 1.2 million practitioners and employment potential of 8.28 million people, accounting for over 20 per cent share of Textile sector has maintained its momentum in growth and sustainability, in spite of rapid industrialization and increasing pressure on arable land.

Competitiveness of 'Indian Silk' in the Global Scenario

Sea changes are taking place in the global sericultural scenario in the recent past. We are witnessing a decline of silk production in many countries because of industrialization leading to rise in input costs and realignment of agriculture labour to other industrial and service sectors. Countries like undivided USSR, South Korea, Brazil and Thailand are finding it difficult to accelerate their silk production at internationally competitive prices.

India's comparative advantages are plenty as against any other silk

producing country. International silk production trends indicate that sericulture has tremendous scope for growth in India. While the silk production in Japan has totally declined, mighty China is making efforts to shift its production base to non-traditional areas for keeping up the pace of production. India which has more arable land than China has a comparative advantage of favourable climate (in major silk producing southern States) that allows year around cocoon production. Thus, India has a better prospect for stepping up its production, holds substantial potential for increase of exports and establishing its own brand identity in the global market.

Table-1: Mulberry Cultivation : China vs India

Particulars	China	India
Climatic conditions	Temperate	Tropical/Sub-tropical/ Temperate
Production system	Organised large pre-cocoon and post-cocoon sectors	Unorganised small scale
Economy	Government controlled	Market driven
Mulberry area (ha)	8.22 lakh	2.10
Races reared	All bivoltines	78% Cross breed 22% Bivoltines
Bivoltine silk grade	Up to 6A	Up to 3A
Consumption pattern	80% export	85% domestic, 15% export and 11% imports
Export earnings (Million US\$) 2015-16	3068.95	389.53

Table-2: Export of Silk Goods and their Value

Items	Export Value in Crore Rs				
	XI Plan (2011-12)	2012-13	2013-14	2014-15	2015-16
Natural Silk Yarn	19.68	21.96	36.25	25.40	30.32
Silk Fabrics	1497.97	1410.31	1455.63	1465.44	1280.60
Readymade Garments	765.83	787.15	874.00	1214.01	1078.39
Silk Carpets	20.08	21.14	15.71	15.97	16.88
Silk Waste	49.77	62.97	99.30	109.12	89.80
Total	2353.33	2303.53	2480.89	2829.94	2495.99

(Source: FTSI & MSFTI, DGCIS, Kolkata)

Table 1 provides comparative information about China and India. It is evident that the area under Mulberry cultivation is almost 4 times than that of our country, which in turn, is resulting in the massive production.

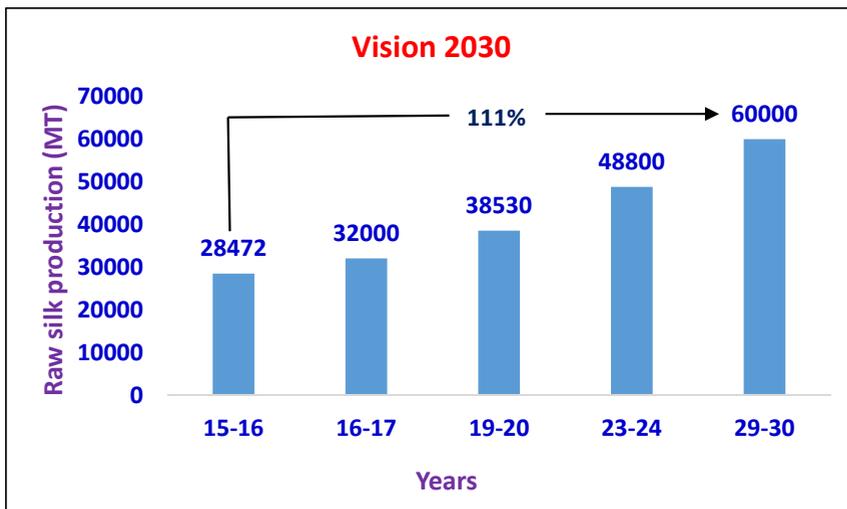
Vision:

Central Silk Board that is shouldering the responsibility of developing the silk sector across the country has plans to produce about 8500 MT of bivoltine raw silk by 2020 to make India import free country as far as silk is concerned. It also has a vision to see India emerge as the leader in the world market for silk. In the process, it is contemplated to take the overall silk production to 60,000 MT by 2030, simultaneously increasing the production of import substitute bivoltine raw silk to 20,000 MT. Short term and long term production targets are depicted in the following graph.

Challenges and Way Forward:

1. Urbanization in Traditional Sericulture Areas

Alongwith the rapid economic development in the traditional areas of the country, the industrialization and urbanization process has accelerated significantly. This, clubbed with the rising land and labour costs, are



hampering the horizontal expansion of sericulture there.

Expanding the production base to the non-traditional areas where abundant land and labour resources are available like States of Madhya Pradesh, Maharashtra etc., will certainly augment the raw silk production to a great extent. Such places will also have the natural conditions and social base to develop sericulture.

2. Augmentation Bivoltine Raw Silk Production

The bivoltine breeds alone can produce the gradable raw silk with the strength and tenacity required for our power looms. However, we are unable to produce appreciable quantity of import substitute bivoltine raw silk, even to meet our own domestic demand. We are dependent on imports to cater to the needs of our power looms. Tropicalisation and popularization of bivoltine sericulture in our country is a big challenge.

Bivoltine sericulture is not only technology- intensive, but also capital- intensive. Under this challenging circumstance, we need to invest more for quality bivoltine seed production, strengthening farmer level infrastructure, creating advanced post-cocoon facilities and empowering the industry. The time

tested tropical bivoltine sericulture technology is available, but it needs to be expanded on a massive scale in the potential pockets. The popularization of bivoltine sericulture depends on the three pillars "*Scale, Speed and Skill*". It is proposed to scale bivoltine production at 20,000 MT by developing skills of our farmers, reelers and weavers and execute with speed so as to reach pinnacle of glory making India truly a global silk leader.

3. Bivoltine Commercial Seed:

Silkworm seed is a basic input for the production of quality raw silk. While we are aiming for accelerating the production of import substitute bivoltine raw silk in the country, the requirement of commercial bivoltine seed will also increase proportionately.

This calls for roping in the private silkworm seed producers for the production of commercial bivoltine seed on a massive scale. As bivoltine silkworm seed production requires huge investments for creation of infrastructure like cold storage plant, modern gadgets for manipulation of micro-climatic conditions and for purchase of seed cocoons, adequate financial support and technical hand holding must be extended to such private seed producers who wish to shift their production to bivoltines from

traditional multibivoltines. Virtually, "*Zero Defect Zero Effect*" approach in the silkworm seed production will take our nation to newer heights.

4. Depleting Water Table:

Sericulture in India is practiced in select areas that depend largely on rain. Hence, water resource for irrigation has been a major concern and depleting water table is a big threat for the industry.

In order to combat this problem, the thrust on rain water harvesting and water conservation is being laid, by making drip irrigation system mandatory to prevent over exploitation of underground water resources. Dissemination of technologies to farmers in simple and acceptable manner is also being carried out to make "*Per Drop, More Crop*" approach to promote sericulture through optimum utilization of water.

5. Conversion Task:

Production of quality commercial cocoons and usage of improved machineries clubbed with adoption of modern reeling technologies will only ensure the production of internationally competitive raw silk in the country.

To facilitate reeling of gradable silk, simultaneous improvement in reeling technologies and machines is the need of the hour. However, Central Silk Board has already developed indigenous Automatic Reeling Machine (ARM) for extracting silk from mulberry cocoons promoting "*Make in India*". This must be popularized on a war footing. Besides, spinning devices for Vanya silk need modernization.

6. Improvement of Genetic Base:

Since India has a very narrow genetic base required for developing the high yielding, disease tolerant breeds with better survival under fluctuating tropical conditions, international collaboration for exchange of genetic resources and development of hardy breeds is the only way out. In fact, Central Silk Board has already initiated

such collaborative projects with NIAS, Tsukuba, Japan, Bulgaria, Uzbekistan, Romania and China.

7. Global Brand Recognition:

Though India is the second largest producer of silk in the world, India is yet to find a top place in the international silk trade and global recognition for want of brand image as China and Thailand possess for their silks. A generic silk promotion campaign could be a solution to improve the image of Indian Silk in the international markets.

The brand building exercise should include activities such as conducting exclusive international silk expos in India in a professional way, participation of Indian exporters in international expos, creating new fashion oriented exclusive Indian products, arranging media campaigns, etc.

8. Thrust for Vanya Silk:

Vanya silk production of the country is less than 25 per cent of the total raw silk production, mainly due to limited area under Vanya silk host plants, high gestation period of the host plants and demand supply gap in the silkworm seed production.

In order to ensure better productivity and quality of cocoons, there is a need to conserve the natural host flora and also take up block plantations of vanya host plants in forest, revenue and private lands. Identification of high rooting, early sprouting and fast growing genotypes to reduce gestation period, development of dwarf and bushy genotypes to maximize leaf yield, tolerant towards biotic and abiotic stress, package of practices will help to improve the Vanya silk production. Strengthening the silkworm seed production system and taking up seed research for Vanya on par with mulberry will address the issues related with short and timely supply.

9. Corporatization of Sericulture

The Indian sericulture continues to remain with small, marginal farmers and

small reelers, unlike China which has small producers but large converters.

Although, we continue to support small and marginal farmers, we can always introduce large scale farming with mechanization and relevant support structure, besides promoting large scale converters, in the direction of corporatization of sericulture as a viable business enterprise.

10. Demographic Dividends and New Hopes

India is the only country in the world which will have more than 60 per cent of young generation (<35 years) in the near future unlike other countries, which will be an added advantage for this industry. Role of women is

...there is a need to conserve the natural host flora and also take up block plantations of vanya host plants in forest, revenue and private lands. Identification of high rooting, early sprouting and fast growing genotypes to reduce gestation period, development of dwarf and bushy genotypes to maximize leaf yield, tolerant towards biotic and abiotic stress, package of practices will help to improve the Vanya silk production. Strengthening the silkworm seed production system and taking up seed research for Vanya on par with mulberry will address the issues related with short and timely supply.

also becoming more conspicuous in industry and as a result their economic empowerment is gathering speed resulting in *Sab Ke Sath Sab Ka Vikas*.

11. Poor Credit Flow

Adequate institutional credit to the needy farmers, reelers, weavers etc., would help to improve the quality and

productivity, there by increasing the net income.

Inclusion of sericulture under agriculture and allied activities and reeling sector fulfilling the criteria of Micro, Small and Medium Enterprises (MSME) qualify for priority sector lending. CSB's initiatives through 'Bankers Awareness Programmes', support to Community Based Organizations (CBOs) acting as the Joint Liability Groups (JLGs) to avail institutional credit has helped increased credit flow to some extent. Future initiatives shall include intensifying sensitization of bankers for higher lending in non-farm sector; awareness programmes in the reeling clusters in collaboration with NABARD for better understanding on financial requirements of the sector; policy level intervention to create Credit Guarantee Fund (CGF) for sericulture in NABARD and other financial institutions to increase the flow of credit to sericulture and review; revision of tripartite marketing tie-up for the recovery of sericulture loan by developing a strong linkage amongst the beneficiaries; and development agencies and Banks/ Financial Institutions for improving the recovery and recycling of funds.

12. IT and Remote Sensing Applications

The existing and potential areas for developing sericulture in selected States in the country are mapped through ISRO remote sensing satellite images and schemes implemented in a concerted manner in non-traditional new areas as well. This exercise is proposed to be included as policy initiatives throughout the country, both in mulberry and non-mulberry sector. Information Technology (IT) tools like App.net, Kiosk etc. are required to be harnessed to provide right information to the farmers/reelers/weavers and thereby empower them. The SILKS (Sericulture Information Linkage Knowledge System) portal developed by the Central Silk Board



Mulberry Cultivation

in association with North Eastern Space Application Centre (NESAC) during XII Plan would go a long way in promoting sericulture in the country by identifying the potential areas for sericulture expansion using Remote Sensing (RS) and GIS tools.

13. Mechanization in Sericulture:

In sericulture, efforts made for modernization through mechanization in mulberry cultivation, silkworm rearing, seed production, disinfection and cocoon harvesting have not only added to the production potential, but also save time, labour and reduce drudgery. This is going to be a boon for large scale farming.

14. Price Volatility:

Stable and remunerative prices for cocoons and raw silk should be ensured to the farmers and reelers for their produce to encourage higher investment and production at reasonable prices with low cost of intermediation.

In order to improve the marketing facilities and efficiency the following interventions are suggested:

- Unified National Cocoon Marketing;
- Introduction of e-auctioning

in government markets;

- Creation of Price Stabilization Fund;
- Establishment of cocoon banks;
- Establishment of yarn banks;

15. Climate Resilient Sericulture:

Evolving Climate Resilient sericulture technologies that would increase farm production and productivity vis-à-vis continuous

management of natural and manmade resources constitute an integral part of sustaining sericulture in the era of climate change. The thrust areas identified under this are development of hardy bivoltine breeds and host plant varieties which can survive under sub-optimal conditions.

16. By-product Utilization:

Sericulture provides maximum scope for generating extra income when several byproducts like silkworm pupae, sericin, silk waste, basin refuge etc., are effectively utilised.

17. Silk for Non-Textile Purposes:

Apart from the regular use of silk as yarn to make fabrics, there are ample avenues to utilize the by-products of sericulture, which, if used prudently and judiciously, can help increase the value of sericulture products to maintain a healthy level of profitability. Owing to the recent advances in biomedical sciences, silk has increasingly been used as biomaterial to make scaffolds, sponges, films, gels, nano particles and nano fibrils. These high value products can definitely bring additional benefits to the sericulture industry.

Conclusion:

The potentials of an ever growing global and domestic market for silk products, clubbed with the unique features like providing downstream employment, income generation in rural and semi-urban areas, high participation for low income and socially under privileged groups, a larger role for women in development and huge potential for contribution to export earnings would make the silk industry a predominantly attractive segment for further expansion through prudent investment and farsighted development planning.

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Cluster Approach: A Strategy for Development

A K Krishna Kumar



...the textile industry is manpower intensive and can provide jobs to millions of youth and women in rural areas. India definitely has certain competitive advantages, and in order to attract and sustain both domestic and foreign investments in the sector, it is necessary to create a conducive ecosystem for promoting private investments by appropriately incentivizing the sector so that the returns on investments are sufficiently attractive

Growth of world textile industry and trade during the last decade has been influenced largely by phasing out of the multi-fibre arrangement (MFA) which stipulated quotas for each country in global trade. This has significantly increased the trade in textiles and clothing as orders moved towards production centres with lower production costs, particularly labour. Large brands began outsourcing to low cost producing countries in Asia

These developments have had substantial impact on the global value chains in textiles and clothing sector, with developed countries such as US, EU and Japan concentrating more on the high value stages such as designing, marketing and retail, while developing countries such as China, India, Bangladesh and Vietnam focussed on the manufacturing part of the value chain. Since the abolition of the quota system in 2005, the world trade in textiles and clothing increased by 6 per cent from USD 454 billion in 2004 to USD 766 billion in 2013. Today, developing countries and less developed countries contribute to almost 70 per cent of world exports of textiles and clothing. Almost 75 per cent of the global textile trade market is concentrated in Europe, U.S., China, and Japan. (Fig 1 & 2)

Going forward, the global textile trade is expected to grow by at least 6 per cent every year, to USD 1,600 billion by 2025, with the growth rate in apparel being higher, thus giving ample opportunities for the developing countries and LDCs to increase their exports and also increase realizations/ value-add.

Textile Sector in India

India holds a very prominent position in the global textiles market by virtue of contributing to the textile trade through its high natural resource base and large up-stream capacities as evidenced by the facts given below:

- 2nd largest producer of Silk and Cotton;
- 2nd largest textile manufacturer in the world;
- Has the highest loom capacity with 63 per cent share of the world's market;
- Accounts for 24 per cent of the world's spindles and 8 per cent of world's rotors;
- Comparative advantage in terms of cost effective skilled manpower and government subsidies for SMEs, in textile sector.

The domestic textile and apparel industry is projected to grow from USD 99 billion in FY14 to reach

Figure 1: Share in World Exports of Textiles

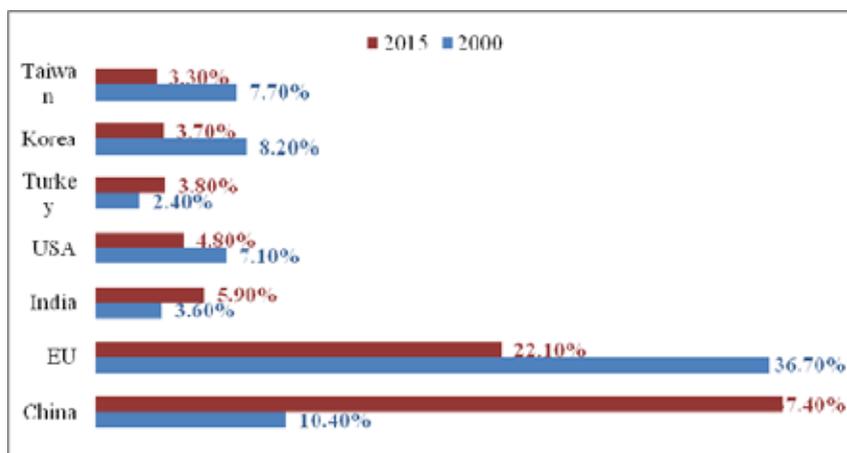
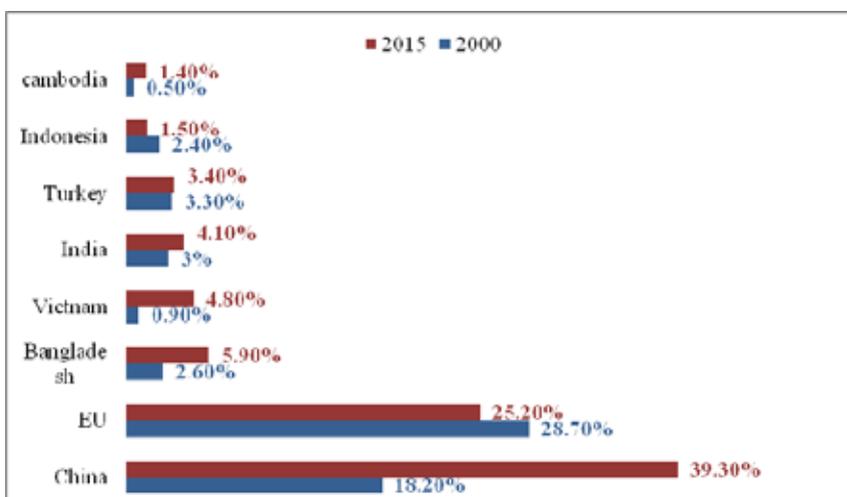


Figure 2: Share in World Exports of Apparel



Source: WTO Reports on World Textile and Apparel Trade 2015

USD 223 billion in FY23. Exports of textiles and apparels are expected to grow from USD 40 billion in FY14 to USD 220 billion by FY23. Apparel exports contribute to around 40 per cent of total textile exports from India.

Relevance of the textile industry to the Indian economy is substantiated by its contribution to:

- 13 per cent of country's overall export earnings;
- 14 per cent of total industrial production;
- 2nd largest employer after agriculture, providing direct

employment to 45 million people; and

- 4 per cent of the country's GDP.

India has competitive advantages in terms of a strong production base of a wide range of fibre /yarns from natural fibres like cotton, jute, silk and wool to synthetic /man-made fibres like polyester, viscose, nylon and acrylic, low cost labour force, low cost of production and favourable government policies. Within textiles, the apparel segment gives the highest value addition and also contributes to larger share in employment. The apparel segment is also suited for employment for women and thus plays a critical role in improving the

social dynamics. The industry is also characterized by the presence of strong niche segments like handlooms, hand crafted printed textiles, silk weaving, sarees, etc. operating in various clusters across the country.

The structure of the Indian textile industry comprises of medium and large spinning units, a highly fragmented weaving sector consisting of several SME units, an inadequately invested processing sector and a fast growing apparel segment. The industry operates in several clusters which specialize either in a particular segment of the value chain or product profile, as shown in Table 1.

Table -1 shows that the textile industry is predominant in some states like Gujarat, Maharashtra, Tamil Nadu, etc. However, there is no cluster/location where the entire integrated value chain is present.

Global Competitiveness

China is global leader in textile and apparel trade with 36.13 per cent share, India is second with 5.13 per cent share. Bangladesh is third with 4.39 per cent share. Vietnam is rapidly growing and is ranked sixth with 3.71 per cent share. But in apparel, India's share in global trade is only 4.33 per cent and is ranked only 5th. Bangladesh (2nd), Vietnam (3rd) and Italy (4th) are above India in global apparel trade.

The above facts point to the fact that while India has inherent strengths through availability of resource base, existing eco system, and entrepreneurial skills, apart from lower labour costs, it is facing competition from other countries in export of value added products. Going forward, FTAs are expected to play a major role in shaping the global textile & apparel trade. The FTAs are targeted towards supporting certain economies like Bangladesh, Vietnam, Cambodia, Central American countries and Sub-Saharan African countries. Thus, India needs to improve the share of

Table 1: Textile Clusters in India

Location	State	Key Characteristics
Surat	Gujarat	Synthetic fibre based Weaving & Processing
Ichalkaranji	Maharashtra	Cotton fibre based Weaving
Tirupur	Tamil Nadu	Cotton Knitting, Weaving, Processing Dominates in cotton knitwear exports
Bhiwandi	Maharashtra	Cotton Weaving
Ludhiana	Punjab	Synthetic & Cotton Specializes in synthetic knitwear and woollens
Pali/Balotra	Rajasthan	Synthetic Processing
Kolkata	Bengal	Cotton/Synthetic Specializes in kids' wear
Bangalore	Karnataka	Cotton/Synthetic Garments
Ahmedabad	Gujarat	Cotton Weaving, Processing, Garments Denim
Solapur	Maharashtra	Cotton Bedsheets/ terry towels
Karur	Tamil Nadu	Cotton Home Textiles

apparel trade besides bridging the gaps in the broken value chain to emerge as a leading global player in all segments of textile industry for which there is immense potential.

Clustering for Textiles

Indian textile sector is characterised by fragmentation in key segments like weaving and apparel with large number of SMEs operating. This is primarily due to decentralization of the mills which could not invest in new technologies and lower overheads of smaller units which gave them cost advantages. Further, several Government schemes provided capital subsidies to SMEs which made them competitive. Thus, the weaving segment is characterized by traders who get fabric woven/knitted on job work basis while the apparel segment also works on job work basis whereby the material and trims are provided by the larger sourcing companies.

The decentralized powerloom sector represents the SMEs in weaving segment. This sector has more than 5.40 lakh powerloom units with a total of 24.69 lakh powerlooms contributing 60 per cent of the cloth production and generating employment of close to 62 lakh persons in the industry. The technology level of this sector varies from plain loom to high tech shuttleless looms. There are approximately 1.25 lakh shuttleless looms in this sector. It is estimated that more than 75 per cent of the shuttle looms are obsolete and outdated with a vintage of more than 15 years and have virtually no process or quality control devices / attachments. However, there has been significant up-gradation of the technology level of the powerloom sector during the last 7-8 years. Out of the approximately 5.45 lakh powerlooms added in last 8 years, about 1 lakh are shuttleless looms.

Like powerlooms, the readymade garment segment (apparel making) is also characterized by high proportion

of SMEs, working on job work basis for larger brands and retailers as well as exporters.

The higher number of units in weaving and garmenting is typical of the Indian textile sector. Due to higher subsidies and other structural issues like labour laws and difficulty in mobilizing resources like finance and land faced by larger units, going forward, it is felt that SMEs will continue to play an important role in the textiles landscape

With the abolition of MFA in 2005, there was an urgent need to invest in better infrastructure in the textile sector. As the sector is dominated by SMEs who were facing similar challenges and threats, it was realised that a cluster approach would be the best option to ensure creation of world class infrastructure for development of the textile sector in the country which also will help in adherence to standards of compliance which were stipulated internationally

Integrated Textile Parks

The Ministry of Textiles (MoT), Government of India had introduced the Technology Up-gradation Fund Scheme (TUFS) in 1999 which resulted in considerable investments being made by the industry, supported by credit at competitive rates. MoT also had cluster level schemes for infrastructure and export promotion which could be availed by the clusters. However, there were inherent drawbacks in these schemes which were affecting their off-take. During 2005, there was a need for a relook at these initiatives and create conditions to facilitate investment in infrastructure in the textile sector considering the impending challenges the sector would face in a liberalised global trade regime.

In order to have a structured approach for infrastructure development for SMEs in the textile sector, a new scheme was launched in 2005 viz. Scheme for Integrated Textile Parks (SITP). The primary objective of the SITP is to provide the industry with

world-class infrastructure facilities for setting up their textile units. The scheme would facilitate textile units to meet international environmental and social standards.

SITP was structured to have the projects implemented through project specific Special Purpose Vehicles (SPVs) promoted by the industry, mostly SMEs. The textile parks would be implemented by these SPVs, and the ownership of these SPVs would be with the private sector. All the units in the textile park would own equity in the SPV in proportion to the land allotted to them. This has been SITP's most prominent innovation and was a pioneering move by the Government. To quote from a World Bank study¹;

“The SITP's most prominent innovation is the far greater, and far earlier, role it gives to the users of the park. In contrast to almost all other schemes the authors are aware of, the roles of the Centre and State are diminished, consultants are used quite differently than in common practice, and third-party developers are conspicuous by their absence. The former two concentrate on organizing, supporting and monitoring groups of firms, who must then navigate the formal and informal requirements for getting the park built”.

Thus, SITP promoted setting up of greenfield industrial parks specific to the textile sector. The advantage of SITP led textile parks was that the infrastructure could be designed specific to the requirements of the industry. Thus, textile parks had effluent treatment plants designed to treat textile effluents, water supply and power supply networks were designed based on the demand of the units in the Park, and so on. Common facilities relevant to the textile sector, like testing labs, inspection centres, skill development centres, etc. were planned in the textile parks. Thus, these textile parks would become nodes of development around which a textile ecosystem would prosper.

Another key feature of the SITP was appointment of professional agencies to assist MoT in implementing the Scheme. Such agencies would disseminate information about the scheme, source proposals, prepare DPRs, present them to the sanctioning authority and then periodically monitor the implementation and report to MoT. To quote from the World Bank study.

“In more detail, the policy makes the entrepreneurs the drivers and ultimate decision-makers of the entire initiative for the creation and functioning of the park, but with support from the PMC across the steps of industrial park development. The PMCs are required to possess “considerable infrastructure development experience”, for “speedy implementation of the project”.”

SITP was the first instance of a sector specific investment programme being launched by the Government on a cluster development mode. Subsequently, similar schemes were introduced in food processing, electronics, leather, and capital goods.

SITP has been largely successful and so far, 72 textile parks have been approved. Out of these 32 are under operation. The Parks hold huge potential for socio-economic impact which is shown in Table 2:

Table 2: Socio-Economic Impact

Investments in machinery	Rs 30,000 crores
Annual production	Rs 8,700 crores
No of units expected	4,000
Employment potential	450,000

The SITP is based on a cluster model where the user industry comes together and forms the project SPV to set up the textile park, unlike SEZ, which is on the developer model. The World Bank study had noted that despite significant fiscal and regulatory advantages offered, the performance of manufacturing SEZs was at par with that of SITP Parks.

It is also to be mentioned that previous textile cluster schemes,

referred to earlier, were less successful than SITP, despite offering higher levels of support. In these schemes, the Governments (Central and/or State) were responsible for key activities like identification of land, finalizing the configuration, O&M, etc. This highlights the advantage of vesting ownership of the project with the industry to ensure success.

SITP has seen a range of Parks being approved – from a 65 acre weaving park near Tirupur, an existing cluster, to a 1000 acre park-cum-SEZ at Visakhapatnam, which did not have any textile activity. Most of the Parks are in or near existing textile clusters, since the enterprises at these clusters took the initiative of setting up Parks.

SITP Scheme was successful in attracting investments from a wide range of investors ranging from a FDI in Vishakhapatnam, Brandix India Apparel City, to a consortium of 90 SMEs in Palladam near Tirupur promoting the Palladam Hitech Weaving Park. The scheme also encouraged weavers and master weavers in Pochampally in Telengana, forming an SPV and establishing a Handloom Park.

Case Studies:

1. Brandix India Apparel City Pvt. Ltd (BIAC) is a vertically integrated apparel and textile park spread across 1000 acres, which provides state -of -the-art world class infrastructure and common facilities to the manufacturing units set up at a project cost of Rs 134.00 crores under SITP. The Park houses 19 units (17 already operational) with an investment of about Rs 1100 crores as FDI (\$ 200 million) covering spinning, yarn processing (dyeing, weaving preparatory etc), fabric processing, apparel manufacturing, etc and currently employs 19000 people and has a potential to employ 60,000.

The Park has created enabling infrastructure such as an 200-MW substation ensuring reliable power supply, water supply with 60 MLD (million liters per day) of raw water supply through a 26-km pipeline, 9-km marine outfall pipeline to carry treated effluent, of which 2.5 km is offshore, 400-ML rain water harvesting pond integral to green environment, etc. The Park has a turnover of about Rs 1400 crore annually and has the potential to achieve about Rs 4800 crore turnover.

2. **Palladam Hi-Tech Weaving Park (PHWP)** is the first of its kind integrated textile park in the country and is spread over 65 acres established with a project cost of Rs 55.42 crores set up under the SITP. The Park, which houses 90 units has been successful in attracting small weavers in and around Palladam who were introduced to the latest modern weaving technology, implemented through a Special Purpose Vehicle (SPV) promoted by the entrepreneurs, banks and the Government. The Park employs about 2500 people directly and another 3500 indirectly. The Park has further attracted investment to the tune of about Rs 230 crore and has achieved an annual turnover of Rs 1100 crore, the potential being Rs 2000 crore.

Way Forward:

SITP has been able to create green field clusters in 'non-traditional' textile industrial belts such as the case of Brandix India Apparel City Ltd (BIAC) in Vishakhapatnam and brown field clusters like the Palladam Hi-Tech weaving park near Tirupur which is a traditional textile cluster. Many Parks have a predominance of SME units. These units are extended investments by existing entrepreneurs who are operating in these clusters and who are expanding their operations through these Parks. The units in

the Park would continue to rely on the ecosystem of the nearby textile industry for sourcing, marketing, manpower, etc. In the case of Brandix (BIAC), the model is different and it has an integrated value chain and has made an ecosystem within the Park. The SPV has invested heavily towards social welfare like skill development, providing transport facilities, etc to create a base of skilled manpower. The Park is close to a port which helps in export logistics

Going forward, the lessons from SITP needs to be used for creating a large integrated textile manufacturing facility in the country. This is exceedingly important based on the fact that the textile industry is manpower intensive and can provide jobs to millions of youth and women in rural areas. India definitely has certain competitive advantages, and in order to attract and sustain both domestic and foreign investments in the sector, it is necessary to create a conducive ecosystem for promoting private investments by appropriately incentivizing the sector so that the returns on investments are sufficiently attractive. India will, therefore, need to build more vertically integrated facilities which will be competitive on a global level. Therefore, large scale capacities with facilities like spinning, dyeing, processing, cutting, sewing, labelling, and packaging are the key. This will ensure that, the entire value chain is available in one place.

It is in this context that developing Manufacturing Regions for Textile and Apparel Sector (MRTA) achieves significance. In order to promote and sustain investments in the sector, specifically delineated investment regions may be planned for the establishment of manufacturing facilities for domestic and export led production in apparel and other textile-related sectors, by horizontally and vertically integrating the value chain. It would be developed as self-sustained investment nodes over an area of 1500-2500 acres approximately,

to house production units, public utilities, logistics, and environmental protection mechanisms, residential areas, along with knowledge and health infrastructure.

The MRTAs would be developed by the State Government by earmarking a particular district or blocks as the Textile Manufacturing Regions which would be developed as an eco-system for encouraging manufacturing in the textile and apparel industry. The proposed region would be strategically selected by the applicant state to ensure robust infrastructure, sea/airport connectivity, etc. The state government may commit for providing infrastructure support, institutional linkages, fiscal incentives, manpower development and capacity building as per their existing policy and any other additional benefit over and above existing provisions to attract investment. The apparel centres of the state may be proposed in the region to address the skill gap and ensure availability of skilled manpower. Textile engineering courses through ITI's and other institutional support can be proposed by the state governments.

The proposed region will further be strengthened with support from Central Government towards common infrastructure and facilities development channelled through convergence of existing schemes and additional support as deemed appropriate for setting up of such regions, by the central government. Such infrastructure can attract FDIs as well as domestic investment and can accelerate the *Make in India* initiatives of the Government of India. These initiatives will definitely help India to emerge as a leading global player in the textile industry.

Endnotes

1. *The Implementation of Industrial Parks – Some Lessons Learned in India*; by Yannick Saleman & Luke Simon Jordan, World Bank. April 2013. □

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Indian Textiles: Global Scenario

R K Dalmia



Despite challenges, there are opportunities available for the growth of the Indian textile industry. Some of these include manufacturing of high value premium items by moving up the value chain through the production of value added products. Technical textile offers a good scope for manufacture of innovative and technologically superior products

Global recovery continues, but at an ever-slowing and increasingly fragile pace. In 2015, the volume of world trade continued to grow slowly, recording a weak but positive growth of 2.7 per cent, broadly in line with world GDP growth of 2.4 per cent. According to a recent WTO Report (July, 2016), the weakness can be attributed to a variety of factors, including economic slowdown in China, severe recession in large developing economies, falling prices of oil and other commodities and strong fluctuations in exchange rates.

Looking at the present situation of world trade growth, a few emerging patterns are worth mentioning as per the WTO Report. Firstly, while the dollar value of trade growth has declined, the volume growth has remained stable and in fact, shown an increase. Secondly, the composition of trade has evolved with a decline in commodity trade and increase in finished goods trade. Thirdly, decline in the contribution of “Factory Asia “ on the supply side, coupled with a shift in demand from Asia (which had driven growth in 2011-2013) to USA and Europe, have also contributed to these modest levels in trade growth.

The positive growth in volume in 2015, however, undermined the

global economic growth prospects as the world merchandise trade in dollar value declined by (-) 13 per cent in 2015, to US\$16 trillion mainly due to a fall in export prices.

While demand in the global market across sectors remains muted amid a slowdown, India’s textile sector managed to grow approximately 1 per cent in FY16. While this may be termed as modest at best, it stands out in comparison to a 5 per cent slump in the global textile market in the same period.

Textile Industry Trade: India and the World

Indian textiles and clothing industry has been the backbone of the Indian economy, by accounting for 4 per cent to the National GDP, 21 per cent on employment, 14 per cent on industrial production, exporting 1/3rd of its production, earning 12 per cent forex and attracting over Rs.3 lakh crores investments during the last 15 years and creating new jobs for 10 million people. The industry is predominantly cotton based (over 65 per cent).

The world trade in textile and clothing was estimated at USD 745 billion in the year 2015 and is expected to grow at a CAGR of 6 per cent in the coming years, increasing to USD 1,120 billion by 2020 with clothing occupying the major share followed by

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madeups, fabrics and yarn. The textile and clothing sector employs well over 170 million people worldwide, predominantly in Asia.

During the period of 2011– 2015, the T&C sector has grown at a CAGR of 0.54 per cent in value terms during the five year period. After the financial crisis of 2008-2009 and upto 2014, Asia contributed to the recovery of world trade more than any other region. However, their regional impact on global import demand was modest in 2015 as China and other Asian economies recorded a slowdown.

The top ten suppliers of textile and clothing exported goods worth USD 525.38 billion to the world during the period January-December 2015 accounting for a share of 70.53 per cent.

In 2015, India achieved a level of USD 37.22 billion in exports of textiles and clothing, and its share in world trade in textile and clothing was estimated to be 5 per cent in 2015.

The top ten suppliers of textiles exported goods worth USD 319.35 billion globally during the period January-December 2015, accounting for a share of 71.21 per cent. USA was the largest importer of textiles in 2015, with imports reaching a level of USD 29.01 billion.

India continues to be the second largest exporter of textiles to the world after China, exporting textile goods worth USD 20.05 billion in January-December 2015 with a share of 6.28 per cent in world trade in these items. India, with 3rd largest share of 9.05 per cent in EU (28), exported textile goods worth USD 2.88 billion during 2015.

While many countries reported negative growth in import of textiles, Vietnam imported textiles worth USD 19.16 billion registering the highest growth of 5.47 per cent followed by Bangladesh which imported goods worth USD 8.94 billion, marking a growth of 5.45 per cent.

During this period, India exported textile products (all fibers) worth

USD 18.64 billion and cotton textile products worth USD 11.13 billion. Cotton made-ups dominated the Indian cotton textile basket with a share of 46.09 per cent, followed by cotton yarn (34.05 per cent) and cotton fabrics (19.86 per cent).

The Indian cotton textile industry over the years, has always maintained a healthy growth rate. It has a share of 14 per cent in industrial production and 4 per cent in India's GDP and 13 per cent in export earnings. It employs over 45 million people directly and 60 million people indirectly.

The industry continued to face various challenges during the fiscal year 2015-16 relating to global recession, price fluctuations of raw materials like cotton, high cost of utilities like power and fuel and infrastructural bottlenecks including high logistics and transaction costs.

The textile industry in India is characterized by extremely low overheads, a tiny fraction of the overheads of similar size companies in any other industry. Five decades of benchmarking of production and cost data has helped the textile industry remain competitive. Most mills follow 'Lean Manufacturing' with 30 per cent higher operating machine speeds in spinning and weaving compared even to China.

The phase also marked the consolidation of operations in competing countries like Bangladesh, Vietnam and Cambodia as "garmenting hubs" and their steady growth due to the tariff preferences accorded to them by developed economies like EU, Canada and Australia. This preferential access also contributed to India losing its market share in many garment/textile items.

Indian Textile Industry : Lesser Known Facts

The textile industry in India is characterized by extremely low

overheads, a tiny fraction of the overheads of similar size companies in any other industry. Five decades of benchmarking of production and cost data has helped the textile industry remain competitive. Most mills follow 'Lean Manufacturing' with 30 per cent higher operating machine speeds in spinning and weaving compared even to China. India's manufacturing cost competitiveness in spinning, weaving and processing relative to other textile producing countries has significantly improved which needs to be maintained.

Employment in Textile Sector

Over 5000 textile companies have an export turnover exceeding Rs. 50 crores and the industry has the lowest cost of creating jobs while having the highest per cent of women employees. The textile product basket has more employment per rupee of exports compared to the other commodities while also having the highest net foreign exchange earnings. The industry is making a significant contribution to employment generation as every \$ 1 billion of output is estimated to generate 25,000 direct jobs and foreign exchange earnings. According to a report by Ministry of Skill Development and Entrepreneurship, Government of India, the textiles and apparels industry has a major role to play in the Government's 'Make in India' campaign through its contribution to employment generation. The report states that the overall employment in the sector would increase from about 33-35 million in 2008 to about 60-62 million by 2022.

Strength and Opportunities: An Analysis

The Indian textile industry has many strengths when compared to industries in other markets. India has high self-sufficiency in raw material particularly natural fibres and is currently a leading producer of cotton in the world. There is easy availability of low cost and proficient manpower that contributes extensively to the

growth of the industry. Strong entrepreneurial skills have always been the backbone of the Indian textile Industry.

India accounts for around 29 per cent share of the global trade in cotton yarn and the varied sizes of manufacturing units allows for greater flexibility to service smaller and customised orders.

The formation of Trading Blocks like Trans-Pacific Partnership (TPP), Trans-Atlantic Trade and Investment Partnership (TTIP), North America Free Trade Agreement (NAFTA), Central America Free Trade Agreement (CAFTA), etc, has resulted in a change in the world trade scenario which is likely to impact Indian exports. Moreover, non-fiscal issues like stringent compliance to environmental and international labour laws may affect the industry if proper measures are not taken.

Despite challenges, there are opportunities available for the growth of the Indian textile industry. Some of these include manufacturing of high value premium items by moving up the value chain through the production of value added products. Technical textile offers a good scope for manufacture of innovative and technologically superior products.

Increase in retail outlets also provide opportunities to industry segments like the handicrafts and handloom sectors which have global appeal.

Conclusion:

The textile sector needs to be empowered to ensure that over 20 million farmers, who produce cotton and the textiles and clothing industry directly employing over 35 million people which uses cotton as the basic raw material, need to derive advantage from the home grown cotton to achieve the vision set out by our Hon'ble Prime Minister for increasing textile business size from the current US \$ 108 billion to US \$ 300 billion by 2023.

Some of the measures that can be taken to move towards this goal include:

- i) Focus on building research, design, development and marketing capabilities;
- ii) Building Indian Home Textile and Garment brands for the world as well as the domestic market;
- iii) Create a minimum of 10 million jobs in the next 3-5 years in this already internationally competitive sector by opening doors for exports through reduction of relatively higher tariffs;
- iv) Expedite negotiations on Indian FTAs with EU, Canada and Australia;
- v) India will have to diversify its product mix especially in Clothing, if it has to show a significant increase in exports to USA & EU, where countries like Vietnam will benefit from TPP;
- vi) FDI and investment;
- vii) International Quality Standards need to be maintained across all levels of production;
- viii) Improving productivity of sector through training, skill building and managerial capabilities and through retention of work force. □

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Textile Exports: Current Scenario and The Way Forward

Vijaya Katti



The Indian textiles and clothing industry has a huge potential and with the right mix of prices from the government and some positioning by the industry it can occupy a pride of place in world markets

The Textile industry is one of the oldest industries in India. Indian Textile Industry occupies a very important place in the economic life of India.

The sector has made significant contributions in terms of forex earnings and employment and is one of the mainstays of the economy. This industry is one of the largest in the world with a massive raw material and textiles manufacturing base. About 27 per cent of the foreign exchange earnings are on account of export of textiles and clothing alone. India is the second largest producer of textiles and garments in the world. This industry accounts for almost 24 per cent of the world's spindle capacity and 8 per cent of global rotor capacity. Abundant availability of raw materials such as cotton, wool, silk and jute as well as skilled workforce have made the country a sourcing hub. The textiles industry has made a major contribution to the national economy in terms of direct and indirect employment generation and net foreign exchange earnings. The sector contributes about 14 per cent to industrial production, 4 per cent to the gross domestic product (GDP), and 27 per cent to the country's foreign exchange inflows. The Indian textile industry provides employment to over 45 million people directly and 60 million people indirectly

and is the second largest provider of employment after agriculture. Thus, growth and all round development of this industry has a direct bearing on the improvement of the India's economy.

Sustainability in textile and Apparel industry has three facets Social, Economic and Environmental. Globalization has had a positive impact on textile exports of India. Countries producing and exporting textiles have increased investment in spinning and weaving equipment. Even though developing countries have comparative cost advantage in domestic and international market, still they are implementing structural changes to meet the needs of the global stringent buyer.

The Indian textiles industry is extremely varied, with the hand-spun and handwoven textiles sectors at one end of the spectrum, while the capital intensive sophisticated mills sector is at the other end of the spectrum. The decentralised power looms/ hosiery and knitting sector forms the largest component of the textiles sector. The close linkage of the textile industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles make the Indian textiles sector unique in comparison to the industries of other countries. The Indian textile industry has the capacity to produce

The author is Professor and Chairperson of Management Development Programmes in Indian Institute of Foreign Trade.

a wide variety of products suitable to different market segments, both within India and across the world.

The Indian textile industry has the potential to reach US\$ 500 billion in size soon. The growth implies domestic sales to rise to US\$ 315 billion from current US\$ 68 billion. At the same time, exports are implied to increase to US\$ 185 billion from approximately US\$ 41 billion currently. The textiles sector has witnessed a spurt in investment during the last five years. The industry (including dyed and printed) attracted Foreign Direct Investment (FDI) worth US\$ 1.77 billion during April 2000 to September 2015.

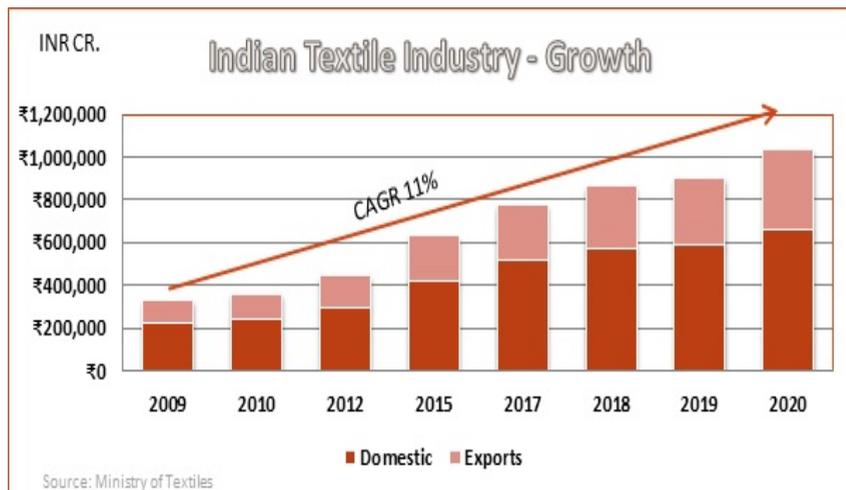
Indian Textile Industry: Market Size and Growth

The most significant change in the Indian textiles industry has been the advent of man-made fibres (MMF). India has successfully placed its innovative range of MMF textiles in almost all the countries across the globe. MMF production recorded an increase of 10 per cent and filament yarn production grew by 6 per cent in the month of February 2014. MMF production increased by about 4 per cent during the period April 2013–February 2014.

Textile Export:

India's share in Global Textiles has increased by 17.5 per cent in the year 2013 compared to the previous year. Currently, India's textiles exports to the world is US\$ 40.2 billion. This growth is phenomenal as the global textiles growth rate is only 4.7 per cent compared to India as it has registered the growth of 23 per cent beating China and Bangladesh which has registered 11.4 per cent and 15.4 per cent, respectively.

Total global textiles exports is to the tune of US\$ 772 billion with India commanding 5.2 per cent of the share. This growth in the increase in share of the Textiles Exports from India is largely attributed to the growth in the Apparel and Clothing sector as it



Source: Ministry of Textiles

accounts for the almost 43 per cent of the share alone. The Apparel Exports ranking has also improved from 8th position in 2012 to 6th position in 2013. India's apparel exports, was to the tune of US\$ 15.7 billion in 2013, as against US\$ 12.9 billion in 2012. Among the top five global clothing suppliers except for the Vietnam, India's Apparel Exports growth was highest registering 21.8 per cent growth during the year 2013. Apparel exports from India accounts for 3.7 per cent of share in the global readymade garment exports.

As can be seen from the Table 1, the top 5 exporting countries in world are China, India, Bangladesh, Germany & Italy. The top 5 importing countries are United States, Germany, Japan, United Kingdom, France. India stands prominently in top 5 exporters

but is not figuring in the list of top importers.

- World Export trade in T&C declined by (-) 2.25 per cent from US \$ 175.97 Bn during Jan-Mar 2015 to US \$ 172.01 Bn during Jan-Mar 2016.
- Amongst the top ten markets, Bangladesh reported the highest growth of 7.91 per cent followed by Spain reporting second highest growth rate of 6.33 per cent during Jan-Mar 2016.
- India reported a decline of (-) 4.62 per cent with exports falling from US\$ 9.94 Bn in Jan-Mar 2015 to US\$ 9.48 Bn in Jan-Mar 2016
- China being the largest exporter with US \$ 54.87 Bn showed an decline of (-) 5.30 per cent

Table 1: World Trade in Textiles & Clothing - Export

Rank	Reporting Country	Million United States Dollars			% Change 2016/2015
		2014	2015	2016	
	World	186271	175976	172019	-2.25
1	China	56458	57944	54873	-5.30
2	India	10944	9942	9482	-4.62
3	Bangladesh	8126	8244	8896	7.91
4	Germany	9508	7952	7969	0.22
5	Italy	9795	8002	7899	-1.29
6	Vietnam	5928	6590	6923	5.04
7	Turkey	7322	6207	6493	4.61
8	United States	7107	6635	5845	-11.90
9	Hong Kong	6609	6015	5202	-13.52
10	Spain	4219	3718	3953	6.33

Top 10 countries cover around 66% of Trade

Source : GTIS, Geneva

followed by Italy with (-) 1.29 per cent.

Table 2 shows India's exports of Textile and Clothing to world in last

three years. There is a slight decline in total textile exports. This can be explained in the context of global economic slowdown. India's exports to the following countries have increased

- United States, UAE, Pakistan, Spain, Sri Lanka, Canada etc.

Exports have declined to Vietnam, Belgium, Egypt, Netherlands, Turkey, China etc.

Table 2: India's Exports of Textile and Clothing to World

Rank	Partner Country	Year / Value / per cent Share			per cent change
		2013-14	2014-15	2015-16	2016/2015
	World	37517.11 (100.00)	37661.47 (100.00)	36762.00 (100.00)	-2.39
1	United States	6712.50 (17.89)	7155.38 (19.00)	7523.88 (20.47)	5.15
2	UAE	2679.93 (7.14)	3773.82 (10.02)	4466.66 (12.15)	18.36
3	United Kingdom	2271.14 (6.05)	2483.76 (6.59)	2399.11 (6.53)	-3.41
4	Bangladesh	1928.20 (5.14)	1973.77 (5.24)	2088.46 (5.68)	5.81
5	China	4075.23 (10.86)	2593.54 (6.89)	1970.60 (5.36)	-24.02
6	Germany	1822.91 (4.86)	1827.74 (4.85)	1682.87 (4.58)	-7.93
7	France	974.32 (2.60)	1102.50 (2.93)	1028.52 (2.80)	-6.71
8	Pakistan	639.16 (1.70)	387.55 (1.03)	990.17 (2.69)	155.49
9	Spain	828.06 (2.21)	907.09 (2.41)	963.06 (2.62)	6.17
10	Italy	872.21 (2.32)	861.76 (2.29)	776.82 (2.11)	-9.86
11	Turkey	868.42 (2.31)	737.48 (1.96)	619.16 (1.68)	-16.04
12	Sri Lanka	574.35 (1.53)	571.06 (1.52)	594.84 (1.62)	4.16
13	Netherlands	647.33 (1.73)	643.73 (1.71)	569.83 (1.55)	-11.48
14	Canada	449.64 (1.20)	440.14 (1.17)	480.65 (1.31)	9.21
15	Saudi Arabia	467.93 (1.25)	446.09 1.18	440.14 (1.20)	-1.34
16	Belgium	550.69 (1.47)	500.33 (1.33)	395.73 (1.08)	-20.91
17	Australia	319.56 (0.85)	364.95 (0.97)	384.55 (1.05)	5.37
18	Japan	425.29 (1.13)	407.52 (1.08)	373.12 (1.01)	-8.44
19	Egypt	402.61 (1.07)	432.00 (1.15)	362.86 (0.99)	-16.00
20	Vietnam	435.65 (1.16)	540.92 (1.44)	362.13 (0.99)	-33.05

Source: GTA/Ministry of Commerce
(Value in brackets indicate per cent Share)

Rate of growth of expenditure of textiles in 2015-16 over 2014-15 declined for 12 countries and increased for only 8 countries. Increase in rate of growth was maximum for Pakistan followed by UAE. Reason for extraordinary exports might be indirect entry of Indian Textiles to some other countries. But reasons need to be explored.

- India remains the third largest supplier of T&C to USA during Jan-Apr 2016, (recording a growth 0.21 per cent in Jan-Apr 2016) after China and Vietnam
- Overall imports of T&C into EU (28) have reported a growth of 1.49 per cent increasing from US \$ 40.16 Bn during Jan-Apr 2015 to US \$ 40.75 Bn during Jan-Apr 2016
- Import from leading supplier China have declined by (-) 7.47 per cent in Jan-Apr 2016 while Bangladesh reported a growth of 8.90 per cent in Jan-Apr 2016 and Turkey reported a growth of 7.65 per cent in Jan-Apr 2016
- Cambodia recorded highest growth of 23.12 per cent followed by Vietnam and Morocco with 10.49 per cent and 11.94 per cent respectively in Jan-Apr 2016. Pakistan (6th supplier) reported a growth of 6.66 per cent during this period
- India (4th largest supplier) reported a marginal growth of 0.34 per cent in Jan-Apr 2016

Latest Initiatives

Over the last few years, apparel manufacturing had shifted to countries like China which had cost advantages. However, China's cost advantage has been neutralised to some extent

because of increase in labour wages. India has advantages of economies of scale. Therefore, government initiated steps to give a boost to the sector.

Government has approved a Rs 6,000 crore special package for textiles & apparel sector to create one crore new jobs in 3 years, attracting investments of \$11 billion and generating \$30 billion in exports. The measures approved include additional incentives for duty drawback scheme for garments, flexibility in labour laws to increase productivity as well as tax and production incentives for job creation in garment manufacturing.

The Indian government has come up with a number of export promotion policies for the textiles sector. It has also allowed 100 per cent FDI in the Indian textiles sector under the automatic route.

Some of initiatives taken by the government to further promote the industry are as under:

- The Union Ministry of Textiles, which has set a target of doubling textile exports in 10 years, plans to enter into bilateral agreements with Africa and Australia along with working on a new textile policy to promote value addition, apart from finalising guidelines for the revised Textile Upgradation Fund Scheme (TUFS).
- The Ministry of Textiles launched Technology Mission on Technical Textiles (TMTT) with a total fund outlay of Rs 200 crore (US\$ 29.6 million). The objective of TMTT is to promote technical textiles by helping to develop world class testing facilities at eight Centres of Excellence across India, promoting indigenous development of prototypes, providing support for domestic and export market development and encouraging contract research.
- Subsidies on machinery and infrastructure
- The Revised Restructured Technology Upgradation Fund

Scheme (RRTUFS) covers manufacturing of major machinery for technical textiles for 5 per cent interest reimbursement and 10 per cent capital subsidy in addition to 5 per cent interest reimbursement also provided to the specified technical textile machinery under RRTUFS.

- Under the Scheme for Integrated Textile Parks (SITP), the Government of India provides assistance for creation of infrastructure in the parks to the extent of 40 per cent with a limit up to Rs 40 crore (US\$ 6 million). Under this scheme, the technical textile units can also avail its benefits.
- The major machinery for production of technical textiles receives a concessional customs duty list of 5 per cent.

Specified technical textile products are covered under Focus Product Scheme. Under this scheme, exports of these products are entitled for duty credit scrip equivalent to 2 per cent of freight on board (FOB) value of exports

Textile Sector in North-East

The Union Government undertook a Rs. 1,038 crore (\$156 million) scheme in the northeast to boost textile exports, increase jobs and curb the migration of workers. The project would develop and modernize the sector by providing region specific flexibility in execution. The Union Ministry of Textiles would fund the project under the North-East Region Textile Promotion Scheme (NERTPS). Under the NERTPS, the Textile Ministry had been providing Rs. 18 crore each for setting up of a ready-made garment manufacturing unit or 'Apparel and Garment Making Centre' (AGMC) in each of the eight North-eastern States. It would also provide financial assistance to run the units after their commissioning,

Investments

One important factor for building the industry is investment, especially to infuse technology or introduce new products. As per official figures, the textiles sector has witnessed a spurt in investment during the last five years. The industry (including dyed and printed) attracted Foreign Direct Investment (FDI) worth US\$ 1.77 billion during April 2000 to September 2015. Importantly, the government has allowed 100 per cent foreign direct investment in the textiles sector under the automatic route.

An E-Portal for Pashmina Products

An E-commerce portal to sell famous brands of Pashmina products was launched to boost global sale of this hand-woven fabric Divisional Commissioner, Kashmir, launched the e-commerce portal, www.phamb.co.in, for Pashmina products.

Challenges and Path Forward:

Indian Garment Companies set up production base in Bangladesh

Exporters were shifting to Bangladesh where ease of doing business existed. Faster import-export was possible along with faster R&D on new styles, speedier import of fabrics, etc. While India's garment exports stagnated at \$17 billion a year, Bangladesh's apparel exports were seeing double digit growth. Since the CGST and SGST rates are likely to be higher than the corresponding textile sector RNRs, the textile prices would go up. This will adversely affect demand for textile products.

Minimum Wages Increasing

The minimum wage in the apparel industry continues to rise in most Asian countries in 2016. Apparel producers across Asia may face a more than 5 per cent minimum wage increased in 2016, according to an industry source. India, Malaysia, Thailand and Pakistan may see the biggest increase of minimum wage (up more than 15 per cent) among the leading Asian

apparel producers, whereas minimum wage in Bangladesh and Philippine may remain roughly unchanged from the last year.

Impact of GST on Textile Industry

As per the Report on “Implications of Goods and Services Tax (GST) for Indian Textiles Sector”, Ministry of Textiles, Government of India further estimates that for the textile sector as a whole, the adverse effect of a price rise on demand will be just neutralized by a positive income effect if the GST rate applicable to all textile segments is 12 per cent. But demand in the case of three textile segments, namely Khadi and Handloom, Cotton Textiles and Carpets would be adversely affected while there will be a net positive effect on the other sectors. This will lead to substitution effects within the textile sector encouraging greater use of man-made fibre based textiles and blends that use relatively more of synthetic fibres.

All effects other than the first will have a positive impact on the industry. The first effect, namely the increase in tax revenues through a hike of tax rates under GST, will have an adverse impact as it would lead to a price increase.

Under GST, exports will be fully and automatically zero-rated. This will cover all domestic taxation of inputs used for products that are exported. This will reduce the scope of duty drawback scheme considerably as all input taxes paid in regard to domestic indirect taxes, namely, central excise duties, service tax, state sales tax, inter-state sales tax, and entry tax will be rebated. The money that will be released from duty drawback scheme could then be used for supporting the sector.

Impact of Brexit on Indian Textile Industry

India is the third biggest foreign investor in the UK, after US and France, according to UK Trade and Investment. Total trade between India and UK was £16.55 billion last year.

India saw UK as a gateway to enter the rest of Europe by setting up factories in UK which enable their products to be sold in the rest of Europe. Would Brexit change this is a big questionnaire.

Textile industry is always one of the key industries in India, generating huge employment after agriculture. India’s traditional export markets such as US and the EU account for over 60 per cent of India’s textiles and apparel exports. India exports \$10 billion worth of textiles and apparels to the EU of which nearly 23 per cent (\$2.5 billion) goes to Britain.

With such close trading relationship, the country sees Brexit as an opportunity to develop a closer trade partnership with UK. Trade/ Industry and government need to harness efforts in close co-ordination to reap the benefits.

Technical Textiles is a high technology sunrise sector which is steadily gaining ground in India. Technical Textiles encompass a wide range of products such as Protech, Agrotech, Geotech, Meditech, Sportech, etc. To promote this sector, it is recommended that segment specific approaches may be adopted wherein, a strategy is developed and implemented to increase production of identified technical textile products which may be chosen on the basis of the anticipated demand. The objective should be that India avoids becoming a major importer of technical textiles and tries to become a significant manufacturing hub and a net exporter.

Path Forward

As per the Ministry of Textile’s Report on Vision, Strategy and Action Plan for Indian Textile and Apparel Sector, the following things can be considered as path for Ministry of Textiles.

With a 20 per cent CAGR in exports, India would be exporting about US\$ 300 billion of textile and apparel by 2024-25 while with the lower 15 per cent CAGR in exports, India would be exporting about US\$

185 billion of textile and apparel by 2024-25. Considering the targeted growth in exports, India should, by then, have a market share of 15 per cent to 20 per cent of the global textile and apparel trade from the present level of 5 per cent. During this period, India should also attempt a structural transformation whereby it becomes a net exporter of finished products. This would imply that growth rates in exports of fibre and yarn should start declining and growth rates of apparel, home furnishing, technical textiles and other finished products should grow very rapidly. This would maximise employment generation and value creation within the country and the fulfilment of the Prime Minister’s Vision of “Make of India”. In the process, investment of about US\$ 180 billion to US\$ 200 billion would take place and about 35 million additional jobs would get created.

India needs to seek improved export market access from export markets in emerging regions of Africa, South Asia, CIS and Latin America. The country will need to address the issue of inverted duties (that is a situation of higher duties on fibre and lower duties on apparel), push aggressively for inclusion of textile and apparel items under India-Mercosur PTA, expedite FTA with Russian Customs Unions (it can be a big market in the coming years), make it mandatory for all least developed countries to use fabrics made in India if they want to export their apparels to India duty free and request the US to include apparel items in its GSP programme

Over the years, the Indian textile and clothing industry has hugely benefitted from government policy and has remained a significant part of the export basket. However, with growing number of trade agreements, especially, mega free trade agreements there may be a shift in preference for countries that import textile and clothing. Given the importance of the sector for the Indian economy, it will be desirable for the government

and industry to ensure that the trade policy reflects the needs of today to keep the industry strong in a highly competitive global environment. The Indian textiles and clothing industry has a huge potential and with the right mix of prices from the government and some positioning by the industry, it can occupy a pride of place in world markets.

Indian exports of textile and apparel products have been growing steadily; but they have been limited to only a few markets. The EU and the US remain the major export destinations with 50 per cent share of the Indian export market.

The higher share of global trade that is envisaged can be attained only if Indian exporters also start looking beyond traditional products and markets and begin succeeding soon.

Specific strategies for achieving a significant share would need to be evolved for individual countries such as Japan, China, Brazil, Russia, etc. The product mix would need to be

tailor made for each major market. This would need to be worked out by the Ministry of Textiles in partnership with the Indian industry. Country specific market studies by institutions in that country would need to be financed by the Ministry for this purpose. The study would form the basis for implementation of the country specific marketing strategy.

The future for the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as export demand. With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with the entry of several international players like Marks & Spencer, Guess and Next into the Indian market. The organised apparel segment is expected to grow at a Compound Annual Growth Rate (CAGR) of more than 13 per cent over a 10-year period.

There are several finished goods categories such as suits, women's

western wear, intimate wear, swimwear, outerwear, etc. which have multibillion dollar trade globally but India's share in them is quite nominal. Also, there are several large markets like Japan, Russia, China, Brazil, South Korea, etc. in which India's trade share is very low. To increase India's share, it is recommended that country specific export strategies should be developed and implemented. Initially 4 -5 major markets should be identified in which the share of Indian exports can be increased. For each market, professional agencies should be hired from the target country to advice on an appropriate market specific strategy. While this may appear expensive, there is no real alternative for success of the kind envisaged. Implementation of recommendations for each market should be fully supported by Ministry of Textiles in partnership with industry. The initiative should subsequently be extended to cover all major markets by 2020. □

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YE-147/2016

Reinventing Textile Trends

Anju Modi



...in the world of today, where cultural and design boundaries have become increasingly fluid, it is imperative that Indian designers reinterpret and reinvent traditional approaches to make our textiles and apparel globally viable, without compromising on the Indian essence

It is ironic, but the further I move forward, the more I feel compelled to look to the past. For as long as I can remember, I have been endlessly inspired by our country's incredible cultural legacy and have felt compelled to absorb and preserve its beauty and vivacity. For the past 25 odd years of my life, it is this endeavor that has taken me on a fascinating journey through the depths of our country, to remote villages and communities, which taught me traditional techniques in textile weaving and design from craftsmen – from basic weaving, vegetable dyeing, block printing and embroidery techniques to the new and evolving trends in style and design.

What is absolutely clear is that the beauty of our design heritage is timeless. But in the world of today, where cultural and design boundaries have become increasingly fluid, it is imperative that Indian designers reinterpret and reinvent traditional approaches to make our textiles and apparel globally viable, without compromising on the Indian essence. This makes me to maximize the use of handloom fabrics and traditional surface treatments in my designs, but adapt them into a modern aesthetic by crafting contemporary silhouettes.

The overarching forecast for textiles in 2016-17 is, therefore, to be dynamic, to blend the old with

the new for a fresh interpretation on classic Indian themes and designs. Here are some of the key trends in textile design:

Colours: Our country is synonymous with colours and 2016-17 continues to celebrate that richness. Indian design has always been deeply inspired by nature and the focus for 2016/17 will be on the freshness of 'leaf' green and the beauty of 'lotus' pink as well as other earth elements such as warm ochre and honey/caramel wheat. The mood is happy and energetic. Beyond these colours, monochrome occupies an eternal place in textile colour schemes.



Fabrics in 'Leaf' Green and 'Lotus' Pink

The author is one of the founder members of the FDCI (Fashion Design Council of India).

Material: While researching costume design for the film *Bajirao Mastani*, I stumbled upon some 500-count Khadi fabric, a find that was extremely exciting for me as it only reaffirmed the exquisite craftsmanship of our country's handicrafts. Khadi is having a tremendous resurgence in apparel and has



become an increasingly coveted fabric. The texture trend for 2016-17 is soft, but with a raw vintage finish. Blended yarns, such as cotton and silk or cotton and viscose, will continue to be popular, as this technique imparts antique, handloom weaves the strength and durability to withstand contemporary treatments, texturing and detailing. The focus is on bringing the past into the modern, with ancient fabrics revitalized with a modern touch. 'Melange' is also a top 2016-17 trend. This fabric, made from mixing different coloured fibres to create a heathered effect lends a very cool and casual vibe to garments.

Design: Vintage motifs mixed with contemporary, geometric checks or stripes are on trend for 2016/17. Once again the motifs draw from nature and 'shikaar ka jaal', Indian birds such as 'mor' and 'tota', flowers and other elements of nature are strong design trends. Iconic Indian patterns, such as sanganeri, bagru, ajrakh, continue to be hugely popular and will be seen everywhere – from garments and accessories to home furnishings. The emphasis is on classic and rich decorative elements reinterpreted for a modern, global aesthetic. □

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YOJANA WEB- EXCLUSIVES

Yojana publishes articles on various topics in its 'Web-Exclusives' column for the benefit of its readers on the website of Yojana : www.yojana.gov.in. Announcements about the articles under the Web-Exclusives section are carried in the Yojana magazine of the month. We are carrying the following articles under the Web-Exclusives section of Yojana for October 2016.

- Role of textile in manufacturing and service sector by Dibakar Lenka
- Antimicrobial drugs resistance - Its causes and implications by Dr. Varun Dhamija, Dr. Ruchi Juneja

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YE-145/2016

NEED TO MAKE OUR HANDLOOM TRADITION THE CENTERPIECE OF FASHION FOR INDIA AND THE WORLD

PRIME MINISTER

Prime Minister's Message on National Handloom Day: 7th August, 2016

- “On National Handloom Day, let us affirm that we will give an impetus to the handloom sector and use more handloom products in our daily lives.
- Our handloom sector is diverse, eco friendly and is a source of employment for countless weavers, who will be very encouraged by our support.
- Since there are many women associated with the handloom sector, growth of the handloom sector is an important means of women empowerment also.”

Excerpts from ‘Man ki Baat’, 31st January, 2016

- Khadi has now become a symbol, it has a different identity. Now, Khadi is becoming the centre of attraction for the young generation and has become a perfect solution for those who have an inclination for organic and holistic health care.
- Khadi has carved out a niche for itself in the fashion world.
- Khadi has the potential to provide employment to millions.
- Bapu was always aware and insistent of technological up-gradation and also remained in the forefront for the same.
- And on January 30, when we remember Respected Bapu, at least make it necessary to keep one khadi among many of your garments, and become an supporter for the same

PM's address at National Handloom Day 2015

- “The Handloom sector has inherent strengths that we need to market. Handloom mainly uses natural fiber like cotton, silk, wool, jute etc. Therefore it is eco-friendly. We can make it even more eco-friendly by using vegetable dyes and other organic products”
- We need to make our handloom tradition the centerpiece of fashion for India and the world. ...India Handloom Brand has been launched with the sole objective of winning the trust and confidence of customers.
- Recently, we have launched the “Digital India Movement”, which will soon connect all Indians through the Internet. Young consumers are now buying extensively through e-commerce platforms. Therefore, we should enlarge the scope of e-commerce for sale of handloom products.
- Innovative design backed by good marketing is essential for promotion of handlooms.
- Assistance to individual weavers for building work sheds and purchasing loom and accessories will now be directly transferred to their bank accounts. We have taken a major step for developing handloom clusters at the block level. Earlier, assistance of only about 60 lakhs rupees was being given for one handloom cluster. This has now been increased up to 2 crore rupees.
- We also need to improve technology to enhance productivity and reduce labour in the pre-loom activity.
- To address financing problems of Micro, Small & Medium Industries, the Government has announced the creation of a MUDRA Bank. This bank has a corpus of Rs. 20,000 crores and a credit guarantee corpus of Rs. 3,000 crores. MUDRA Bank would ensure that at least 60 per cent of the credit flows to loans of less than Rs. 50,000. I am sure this initiative will benefit handloom weavers in a big way.