

**Steps to revive textile sector and to boost production**

699. SHRI M. P. VEERENDRA KUMAR: Will the Minister of TEXTILES be pleased to state:

(a) whether Government has proposed to revive the Textile sector, if so, the details thereof; and

(b) the steps taken by Government to provide incentives to boost production?

THE MINISTER OF TEXTILES (SHRIMATI SMRITI ZUBIN IRANI): (a) and (b) Yes, Sir. The Government has taken several steps to revive the textile sector.

1. Firstly, it has approved a special package for boosting the employment generation and export potential of the Textile and Apparel Sector. The salient features of the package are:

**Labour Law Reforms**

- (a) Government shall bear 3.67% of employer's Employee Provident Fund (EPF) contribution for new workmen in addition to existing reimbursement of 8.33% employer contribution under Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) for 3 years.
- (b) EPF will be made optional for employees earning less than ₹ 15,000 per month; thus, leaving more money in the hands of the workers.
- (c) Overtime cap will be raised from 50 hours per quarter to 100 hours per quarter leading to increased earnings of workers.
- (d) Considering the seasonal nature of the industry, fixed term employment will be introduced for the garment sector. A fixed term workman will be considered at par with permanent workman in terms of working hours, wages, allowances and other statutory dues.

**Additional incentives under ATUFS**

- The subsidy provided to garmenting units, under Amended-TUFS, is being increased from 15% to 25%, providing a boost to employment generation.
- The package breaks new ground in moving from input-based to outcome-based incentives; a unique feature of the scheme will be to disburse subsidy only after expected jobs have been created.

**Enhanced duty drawback coverage**

- In a first-of-its-kind move, a new scheme will be introduced to refund the State levies which were not refunded so far.

- This move will greatly boost the competitiveness of Indian exports in foreign markets
- Drawback at All Industries Rate will be given for domestic duty paid inputs even when fabrics are imported under Advance Authorization Scheme.

**Enhancing scope of Section 80JJAA of Income Tax Act**

- Looking at the seasonal nature of garment industry, the provision of 240 days under Section 80JJAA of Income Tax Act would be relaxed to 150 days for garment industry.
2. Secondly, Government has approved Amended Technology Upgradation Fund Scheme with an outlay of ₹ 17,822 crore. Incentivizing new investments in garmenting, weaving, processing and technical textiles.
  3. Thirdly, a total of 25 integrated textile parks are sanctioned in the last two years with an estimated investment of ₹ 7048 crore, employment of 71000 and subsidy of ₹ 1000 crore.

**Textile booster package**

700. SHRI D. KUPENDRA REDDY: Will the Minister of TEXTILES be pleased to state:

(a) whether Government has recently announced a Textile booster package, if so, the details thereof;

(b) whether any assessment/survey has been done to assess the existing plight of Textile sector in the country;

(c) if so, the details of outcome thereof; and

(d) to what extent the Textile booster package will help the ailing Textile sector and generate employment, investments, etc.?

THE MINISTER OF TEXTILES (SHRIMATI SMRITI ZUBIN IRANI): (a) Yes, Sir. Government has recently announced a booster package for apparel sector. The details of said package are given in the Statement-I (*See below*).

(b) and (c) A series of consultations have been held with all the stakeholders by the Ministry to assess the existing plight of textile industry in the country. Studies [as per Statement-II (*See below*)] have also been conducted by the Ministry.

(d) The expected impact of the Textile booster package on textile and apparel sector are:

- The new package is expected to boost up employment generation, exports and investment in textile and apparel industry.