



सत्यमेव जयते  
Department of Industrial Policy and Promotion  
Ministry of Commerce and Industry  
Government of India

## TEXTILES SECTOR OVERVIEW

- Current Scenario
  - Growth in FDI in sector
    - 124% growth in FDI for the 3year period 2014-17 as compared to 2011-14
    - More than doubled (169% growth) to \$618.9Mnduring 2016-17 from \$230.1Mn in the previous fiscal
  - Current year FDI inflow: \$618.95 Mn
  - Current market size: \$137bn expected to grow to \$223bn by 2021
  - Sector Ranking:
    - Largest producer of cotton and jute, second largest producer of silkand textiles & apparel exporter; 95% of the world's hand -woven fabrics are made in India; second largest employment generator
  - Other current facts about the sector in India:
    - Contributes to 10% of the country's Manufacturing Production, 2% of the GDP and 13% of country's export earnings
    - 8 centers of excellence have been set up to promote technical textiles
    - 6 Focus Incubation centers (FIC) set up under Technology Mission on Technical Textiles
    - Scheme for Integrated Textile Parks: 74 Integrated textile parks sanctioned at investment of \$692 Mn to create 66,000 jobs

## DEMAND DRIVERS

- Favorable demographics, increasing disposable incomes and emergence of retail sector; growing consumer market- 3rd largest by 2025
- Government policy support and availability of skilled and employable workforce
- Easy availability of raw material- cotton,jute, silkand fiber

## POLICY SUPPORT & INCENTIVES

- FDI limits:
  - 100 % FDI (automatic route) in the Indian textile sector
  - 100% FDI in single brand retail; Upto 51% FDI in multi brand retail
- Highlight Sector Specific policies/incentives:
  - Amended Restructured Technological Upgradation Fund Scheme (ATUFS)
  - \$882 million 'special package' for the textiles sector (2017): 10 million new jobs, investments of \$11 billion and \$30 billion in exports in 3 years

## RECENT INVESTMENTS

- Unicharm (Japan) to invest \$176 Mn in its third daily lifestyle products unit in Gujarat (Nov 2017)
- Toray (Japan) announced the investment of \$153 Mn in a technical textiles unit in Andhra Pradesh(Aug 2017)
- Ahlstrom (Finland) to partner with Tech Mahindra as its digital transformation partner (Oct 2017)