

P R E F A C E

The textile industry, undoubtedly, one of the most important segments of the Indian economy is on the threshold of the exponential growth process. The factors like buoyant domestic economy, conducive policy environment and elimination of quotas in the international market are fueling its growth raising expectation of an unprecedented growth level.

2. Economic planning is an integral part of the development of any industry. The textile industry at this juncture needs an 'approach' which is based on 'out of box thinking' for addressing the issues which might hamper its growth.
3. The Working Group while drawing up its plan for the textile industry has critically examined the SWOT analysis of this industry; had extensive interactions with all the major segments of the industry to obtain their views and has taken into consideration the recommendations of the various industry specific Sub-Groups.
4. The strategy suggested to facilitate textile industry to grow at 16 percent in value terms and reach the level of US\$ 115 billion by the terminal year of the Eleventh Plan interalia include –
 - Continuation of the schemes to consolidate and provide competitive edge to our inherent strength in wide and diverse raw material base of cotton, man-made, silk, wool and jute.
 - Facilitate the modernisation and technological upgradation of the different segments of the industry to make it internationally competitive.
 - Address the problem of infrastructure bottlenecks by suggesting continuation of the textile specific infrastructure schemes.
 - To suggest schemes / policies for meeting the demand / supply gap in the critical inputs like textile machinery and human resources which have the capacity to hamper the growth of the industry.

- Labour law reforms to attract investment in large size units.
 - Liberalise procedures to attract Foreign Direct Investment (FDI) in specific areas of textile industry needing FDI to bridge the gap between domestic investment and required investment.
 - Brand promotion and support for quality design to increase the value addition of the industry.
5. The decade 2006-2015 is the decade of manufacturing for India. The National Manufacturing Competitive Council (NMCC) has emphasized on the need for focused attention to the specified sectors of the manufacturing which are labour intensive and also enjoy competitive advantage. The textile and clothing industry is identified as one such sector. The Working Group has suggested a plan of action including higher plan outlay to enable this industry to realize its full potential during this Plan period.
6. The implementation of the strategies proposed in this report would unleash the investment to the extent of Rs.1,50,600 crore and lead to speedy development of the textiles and jute sector resulting in achieving the desired objectives and targets.



A handwritten signature in blue ink, appearing to read 'A. K. Singh', with the date '11/21-2006' written below it.

(A. K. SINGH)

Secretary, Ministry of Textiles &
Chairman of the Working Group

New Delhi: 1st December 2006.