



Threads of Progress

How Make in India is Shaping the Future of Textiles and Apparel Industry

Ministry of Commerce

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Introduction

The **Make in India** initiative, launched in **2014**, has played a crucial role in positioning India as a **global textile manufacturing and export hub**. The textile and apparel industry is **one of the largest contributors to India's economy**, providing employment to millions and generating substantial foreign exchange earnings. With strong policy support, infrastructure development, and a skilled workforce, India has emerged as a preferred investment destination in the global textile sector.

Overview of India's Textile Industry

The **textile and apparel industry** contributes **2.3%** to our **GDP**, **13%** to **industrial production**, and **12%** to **exports**. India exported textile items worth **US\$ 34.4 billion** in **2023-24**, with **apparel** constituting **42%** of the export basket, followed by **raw materials/semi-finished materials** at **34%** and **finished non-apparel goods** at **30%**. It is also the **second largest employment generators**, after agriculture, with **over 45 million people** employed directly, including many **women** and the **rural** population. As further evidence of the **inclusive nature** of this industry, nearly **80%** of its capacity is spread across Micro, Small and Medium Enterprises (**MSME**) **clusters** in the country.

The sector also has perfect alignment with the Government's overall objectives of **Make in India, Skill India, Women's Empowerment, Rural Youth Employment and inclusive growth**. The industry produces about **22,000 million** pieces of garments per year, with the market size projected to reach **US\$ 350 billion** by **2030**, from the current **\$174 billion**.

Recently, the **Ministry of Textiles** reported a **7% increase** in textile and apparel exports, including handicrafts, from **April to December 2024**, compared to the same period the previous year. In line with the growth roadmap, the Indian textile market currently ranks **fifth globally**, and the government is actively working to accelerate this growth to a rate of **15-20%** over the next five years.

Impact of 'Make in India' on the Textile Industry

The Make in India initiative has catalyzed textile manufacturing and exports through key policy interventions, enhanced infrastructure, and incentives. In the **Union Budget 2024-25**, to promote domestic textile production, **two more types of shuttle-less looms** are added to **fully exempted textile machinery** by the government. The government has introduced multiple schemes to enhance textile production, boost investments, and promote exports, including:

1. Production Linked Incentive (PLI) Scheme for Textiles

- **Objective:** To increase manufacturing in **man-made fibre (MMF)** and **technical textiles**.
- **Budget:** ₹10,683 crore.
- **Incentives:** **Financial incentives** for large-scale textile manufacturers.

2. PM MITRA (Mega Integrated Textile Region and Apparel) Parks

- **Objective:** To develop world-class industrial infrastructure for textile manufacturing.
- **Focus:** On developing **integrated large scale and modern industrial infrastructure facility** for total value-chain of the textile industry like spinning, weaving, processing, garmenting, textile manufacturing, processing & textile machinery industry.
- **Budget:** ₹4,445 crore for a period 2021-22 to 2027-28.
- **Key Benefits:** Reduced logistics costs, increased FDI, and better competitiveness in global markets.
- **Current Status:** A total of **7 Parks** established in states of Gujarat, Maharashtra, Madhya Pradesh, Tamil Nadu, Karnataka, Uttar Pradesh, and Telangana.



3. Amended Technology Upgradation Fund Scheme (ATUFS)

- **Objective:** To incentivise credit flow for benchmark **credit linked technology upgradation** in this MSME driven Textile Industry for supporting capital investment.
- **Budget:** ₹17,822 crore.
- **Incentives:** Capital subsidies for **technology upgradation**.

4. Samarth (Scheme for Capacity Building in Textile Sector)

- **Objective:** To provide **skill training** to workers in the textile industry, in partnership with the **Ministry of Skill Development & Entrepreneurship**.
- **Budget Allocation:** An amount of ₹115 crores was sanctioned during the FY 2023-24, out of which ₹114.99 crores (99.9%) were disbursed.
- **Current Status:** As of **March 27, 2025**, more than **4.78 lakh users** have been registered on the Samarth portal. As on **March 19, 2025**, a total of **3.82 lakh beneficiaries** have been **trained (passed)** and **2.97 lakh beneficiaries (77.74%)** have been **placed**.

5. Textile Cluster Development Scheme (TCDS)

- **Objective:** To create an **integrated workspace** and **linkages-based ecosystem** for existing as well as potential textile units/clusters to make them operationally and financially viable.
- **Benefits:** Cluster development model of TCDS will bring benefits of critical mass for **customization** of interventions, **economies** of scale in operation, **competitiveness** in manufacturing, **cost efficient**, better access to **technology** and information, etc.

- **Budget: ₹853 crore.**
- **Current Status:** As of **March 18, 2025**, about **1.22 lakh** employment opportunities have been generated under the scheme. During **2024-25**, **₹34.48 crore** have been released.

6. National Technical Textiles Mission (NTTM)

- **Objective:** To boost Technical Textiles in the country.
- **Target Years:** 2020-21 to 2025-26
- **Budget: ₹1480 crore**
- **Focus:** The Mission focuses on (i) research, innovation and development, (ii) promotion and market development (iii) education and skilling and (iv) export promotion in technical textiles to position country as global leader in technical textiles.
- **Current Status:** As on **January 1, 2025**, **168 projects** of value **₹509 crores** (approx.) have been approved in the category of Specialty fibres and Technical Textiles.

Union Budget Allocations for Ministry of Textiles

The Union Budget announced an outlay of **₹5272 crores** for the **Ministry of Textiles** for **2025-26**. This is an increase of **19%** over budget estimates of 2024-25 (Rs. 4417.03 crore).

Key Highlights

- **Cotton Mission:** A five-year plan to improve cotton productivity, especially extra-long staple varieties, with science and technology support.
- **Tax Exemptions on Looms:** Duty removed on select shuttle-less looms to reduce costs and modernize weaving.
- **Customs Duty on Knitted Fabrics:** Increased from “10% or 20%” to “20% or ₹115 per kg, whichever is higher” to curb cheap imports.
- **Handicraft Exports:** Time for export extended from six months to one year, with more items eligible for duty-free input imports.
- **MSME Boost:** Focus on exports, credit enhancement, and policies like the National Manufacturing Mission, Export Promotion Mission, Bharat Trade Net, and Fund of Funds to promote employment and entrepreneurship.

These measures aim to boost domestic manufacturing, support MSMEs, modernize the textile sector, and enhance India's global competitiveness.

Export Growth and Market Expansion

India is the **6th largest** exporter of **Textiles & Apparel** in the world. The share of textile and apparel (T&A) including handicrafts in India's total exports stands at a significant **8.21%** in **2023-24**. India has a share of **3.91%** of the **global trade** in textiles and apparel. Major

Value in USD Million	2022-23	2023-24
India's Export of Textile & Apparel	34,997	34,072
Export of Handicrafts	1,689	1,802
Total Export of T&A including Handicrafts	36,686	35,874
India's overall exports	4,51,070	4,37,072
% Share of T&A Exports (incl. Handicrafts) of overall exports	8.13%	8.21%

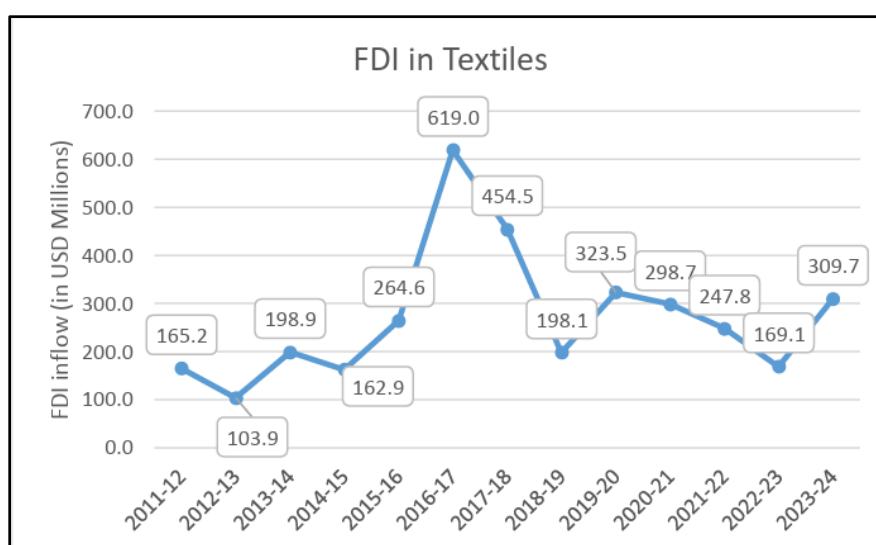
textile and apparel export destinations for India are **USA** and **EU** and with around **47%** share in total

textile and apparel exports. The textile and apparel sector has witnessed significant export growth due to government incentives and trade agreements.

The government has taken several steps to enhance exports in textiles and apparels, including:

- **Rebate of State and Central Taxes and Levies (RoSCTL):** On 7th March 2019, Government approved Rebate of State and Central Taxes and Levies (RoSCTL) Scheme to rebate all embedded State and Central taxes/levies on export of Apparel/Garments and Made-ups to provide support and enhance competitiveness of these sectors.
- **Production Linked Incentive (PLI) Scheme for Textiles:** Under this scheme, as per the Quarterly Review Reports (QRRs) released on 31.03.2024, the turnover achieved was Rs. 1,355 crore including export of Rs.166 crore.
- **Free Trade Agreements:** India has so far signed **14 Free Trade Agreements (FTAs)** including recently concluded agreement with United Arab Emirates (UAE), Australia and TEPA (Trade and Economic Partnership Agreement) with EFTA (European Free Trade Association) countries comprising Switzerland, Iceland, Norway & Liechtenstein. India has **6 Preferential Trade Agreements (PTAs)** with various trading partners. India is presently engaged in FTA negotiations with some of its trading partners notable among these FTAs are India-UK Free Trade Agreement, India- EU Free Trade Agreement, and India-Oman FTA.
- **Quality Control Orders:** The Ministry has actively taken up notification of standards for textile products in co-ordination with Bureau of Indian Standards and Quality Control Orders (QCOs) are issued to regulate quality and curb sub-standard imports.
- **Textile Advisory Group on Man-Made Fibre (MMF):** The Ministry has constituted a “Textile Advisory Group on Man-made Fibre (MMF)” comprising stakeholders of the country’s entire Man-Made Fibre (MMF) including viscose to deliberate and make recommendations on the issues and concerns of the sector.
- **Exports Promotion Councils (EPCs):** There are eleven Exports Promotion Councils (EPCs) representing various segments of the textiles & apparel value chain from Fibre to finished goods as well as traditional sectors like handloom, handicrafts and carpets. These Councils work in close cooperation with the Ministry of Textiles and other Ministries to promote the growth and export of their respective sectors in global markets.

FDI in Textile and Apparel Industry



Foreign Direct Investment (FDI) plays a role in the Indian textile and apparel sector. From January

2000 to March 2024, the textile sector received **US\$ 4,472.79 million (₹28,304.10 crore)** in FDI equity. FDI in textile sector over the years can be traced in the graph below:

BHARAT TEX 2024

Bharat Tex 2024, a global textile expo was successfully organized during **February 26 to February 29, 2024** by the consortium of **11 Textiles Export Promotion Councils** with the support of **Ministry of Textiles**. Built on the twin pillars of **trade** and **investment** and with an overarching focus on sustainability, the 4-day event attracted besides policymakers and **global CEOs, 3,500 Exhibitors, 3,000 Buyers** from **111 Countries** and **over one lakh trade visitors**. An exhibition spread across nearly **2 million sq ft** of area and encompassing the entire textile value chain, including an artistically curated story of textiles- **Vastra Katha** were the highlights of the event. The event was hosted **simultaneously** at two state of the art venues in Delhi - **Bharat Mandapam** and **Yashobhoomi** with both venues fully subscribed.

This global scale conference with **70 sessions** and **112 international speakers** saw engaging discussions on key textile issues of the day including **Textile Mega Trends, Sustainability**, resilient global supply chains and **Manufacturing 4.0**.

BHARAT TEX 2025

Bharat Tex 2025, India's largest global textile event, was successfully organized from **February 14 to 17, 2025**, at **Bharat Mandapam, New Delhi**. The event spanned **2.2 million square feet** and featured **over 5,000 exhibitors**, providing a comprehensive showcase of India's textile ecosystem. More than **1,20,000 trade visitors**, from **120+ countries** including global CEOs, policymakers, and industry leaders, attended the event.

Bharat Tex 2025 served as a platform to accelerate the government's "**Farm to Fibre, Fabric, Fashion, and Foreign Markets**" vision. India's textile exports have already reached **₹3 lakh crore**, and the goal is to triple this to **₹9 lakh crore by 2030** by strengthening domestic manufacturing and expanding global reach. The event demonstrated India's leadership in the textile sector and its commitment to innovation, sustainability, and global collaboration.

Innovation in Textile Sector

As far as innovation in textiles sector is concerned, Ministry of Textiles has conducted an **Innovation Challenges** in collaboration with **Startup India & DPIIT**. In this challenge, **9 winners** were recognised and awarded, while incubation opportunities were presented to **6 awardees** under the **Atal Innovation Mission (AIM)**. Apart from this, **3 separate innovations challenges** were conducted by **nature fibre boards** on their respective problem statements i.e.

- **NJB Technological Innovation Grand Challenge** in which 3 winners were recognised and awarded out of 125 applicants.
- **CSB Start-up Grand Challenge** in which 4 winners were recognised and awarded out of 58 applicants.
- **CWDB Wool Innovation Challenge** in which 3 winners were recognised and awarded out of 24 applicants.
- **17** of the total above-mentioned winners are **directly engaging** in activities such as **textile waste recycling, biobased fibres or sustainable garment production**.

Cotton Industry in India

Cotton is a **vital commercial crop** in India, contributing about **24%** to **global cotton production** and sustaining the livelihoods of millions of farmers and workers. It plays a crucial role in India's foreign exchange earnings through exports of raw cotton, intermediate products, and finished goods. India holds the **largest cotton acreage in the world**.

- **Acreage and Yield:** India has the largest cotton acreage globally; ranks **36th** in **productivity**.
- **Production and Consumption:** India is the **2nd largest producer** and **consumer** of cotton in the world.
- **Cotton Species:** India grows **all four species** of cotton: *G. Arboreum*, *G. Herbaceum* (Asian cotton), *G. Barbadosense* (Egyptian cotton) and *G. Hirsutum* (American Upland cotton).
- **Major Growing Zones:** Cotton is primarily grown in the **Northern, Central, and Southern** zones of India.

Production and Consumption of Cotton (in lakh bales)

Cotton Year	Production	Consumption
2021-22	311.17	322.41
2022-23	336.60	313.63
2023-24 (P)	325.22	323.00

Import and Export of Cotton (in lakh bales)

Cotton Season	Import (in lakh bales)	Export (in lakh bales)
2021-22	21.13	42.25
2022-23	14.60	15.89
2023-24*	6.73	26.24

** Position up to 30.06.2024*

Government Schemes and Initiatives:

- **Minimum Support Price (MSP) Operations** to ensure remunerative prices to cotton farmers.
- **"Cott-Ally" mobile app** for cotton farmers.
- Aadhar-based **farmer registration** for MSP benefits.
- **E-auction** for transparent sale of cotton stock.
- **QR code** using Block Chain Technology for traceability of cotton.
- **Kasturi Cotton Bharat programme** for branding Indian Cotton.

Silk Industry in India

Silk is an **insect fibre** known for its **lustre, drape, and strength**. It is called the **"Queen of Textiles"** worldwide. India has a long history with silk and is the **second largest producer** and the **largest consumer of silk in the world**. India is unique in producing all **four commercial varieties** of silk:

Mulberry, Tropical & Oak Tasar, Muga, and Eri. The Indian sericulture industry is important because it provides a lot of employment, requires low capital, and gives good income to silk growers. India produced **38,913 MT** of silk, making it the second largest producer globally, after China.

Years	Mulberry	Tasar	Eri	Muga	Total
2004-05	14,620	322	1,448	110	16,500
2014-15	21,390	2,434	4,726	158	28,708
2020-21	23,896	2,689	6,946	239	33,770
2021-22	25,818	1,466	7,364	255	34,903
2022-23	27,654	1,318	7,349	261	36,582
2023-24	29,892	1,586	7,183	252	38,913
2024-25 (April-September)	14,233	106	3,924	92	18,355

Source: Central Silk Board, Bengaluru

The Indian government supports the silk industry through various **initiatives** and **schemes**:

- The **Central Silk Board (CSB)** is a statutory body under the Ministry of Textiles that was established in 1948 to develop the silk industry.
- The Ministry of Textiles is implementing the **Scheduled Caste Sub Plan (SCSP)** and **Tribal Sub Plan (TSP)** under the **Silk Samagra Scheme**.
- In **2023-24**, the Ministry of Textiles, Government of India, allocated **₹25 crore** for the implementation of the SCSP for sericulture. The entire funds allocated under SCSP were fully utilized/released for implementation of beneficiary-oriented components.
- The government is also working on **research and development** in the silk sector to improve productivity and quality. This includes promoting soil testing, organic farming, and the use of silkworm by-products. They are also upgrading reeling technology and promoting indigenous automatic reeling machines to boost the Make in India program.
- The industry also focuses on product design development and diversification to promote Indian silks and help manufacturers and exporters create innovative designs and fabrics.

Jute Industry in India

The **jute industry** is a major player in India's economy, particularly in the **eastern regions** like **West Bengal**. It's a vital source of employment, providing livelihoods for workers in organized mills and diversified units, and supporting numerous farm families. The Indian government actively supports the jute sector through various initiatives aimed at improving productivity, ensuring fair prices for farmers, and promoting the use of jute products.

- The jute industry provides **direct employment to 4 lakh workers** in organized mills and diversified units, including the tertiary sector and allied activities.
- It supports the livelihood of **40 lakh farm families**.
- As per the Office of Jute Commissioner, there are **116 composite jute mills**.

- **West Bengal** has the highest number of jute mills (86).
- Government of India provides support to the jute growers through **MSP operations** by the **Jute Corporation of India** and also through direct purchase of jute sacking.
- Average land area under raw jute & mesta cultivation is **799 thousand hectares** (average of last four years).
- Average production of raw jute & mesta is **10,990 thousand bales** (average of last four years).
- Average export of jute goods is **133 thousand MT per annum** with a value of **Rs. 21,150 million per annum** (average of last four years).
- **Jute - ICARE** has been launched for improving fibre quality and productivity, reducing the cost of jute production, and increasing the income of jute farmers.
- The schemes for the promotion of the jute sector are primarily implemented by the **National Jute Board**.

Conclusion

The Make in India initiative has significantly enhanced India's position in global textile manufacturing and exports through targeted policies, infrastructure development, and investment promotion. With sustained efforts, India is poised to become a global textile leader, driving economic growth and employment generation.

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