



MOMENTUM JHARKHAND

The investment destination
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TEXTILE SECTOR



झारखण्ड सरकार

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Advantage Jharkhand



1st

- ✓ Ranked 1st in Labor reforms and inspection related compliances in India^[1]
- ✓ Endowed with 40% of India's mineral wealth. Leading producer of steel, coal, mica and copper in India (1st rank in Iron ore, coal, Uranium, Mica)
- ✓ Man days lost due to industrial strife lowest in India & Long history of industrial harmony^[2]
- ✓ 1st in country to have SWAN under NeGP and CSC in rural areas^[3]

2nd

- ✓ 10.5% GSDP^[4] growth rate - Second fastest in Eastern India^[5]

5th

- ✓ Ranked 5th Foreign Direct Investment (FDI destination in India)^[6]

7th

- ✓ Ranked 7th in Ease of Doing Business in India with an evaluation score of 96.57%

[1] World Bank Report on Assessment of State Implementation of Business Reforms

[2] Indian Labour Journal -2015

[3] SWAN: State wide Area Network; CSC: Common Service Centers

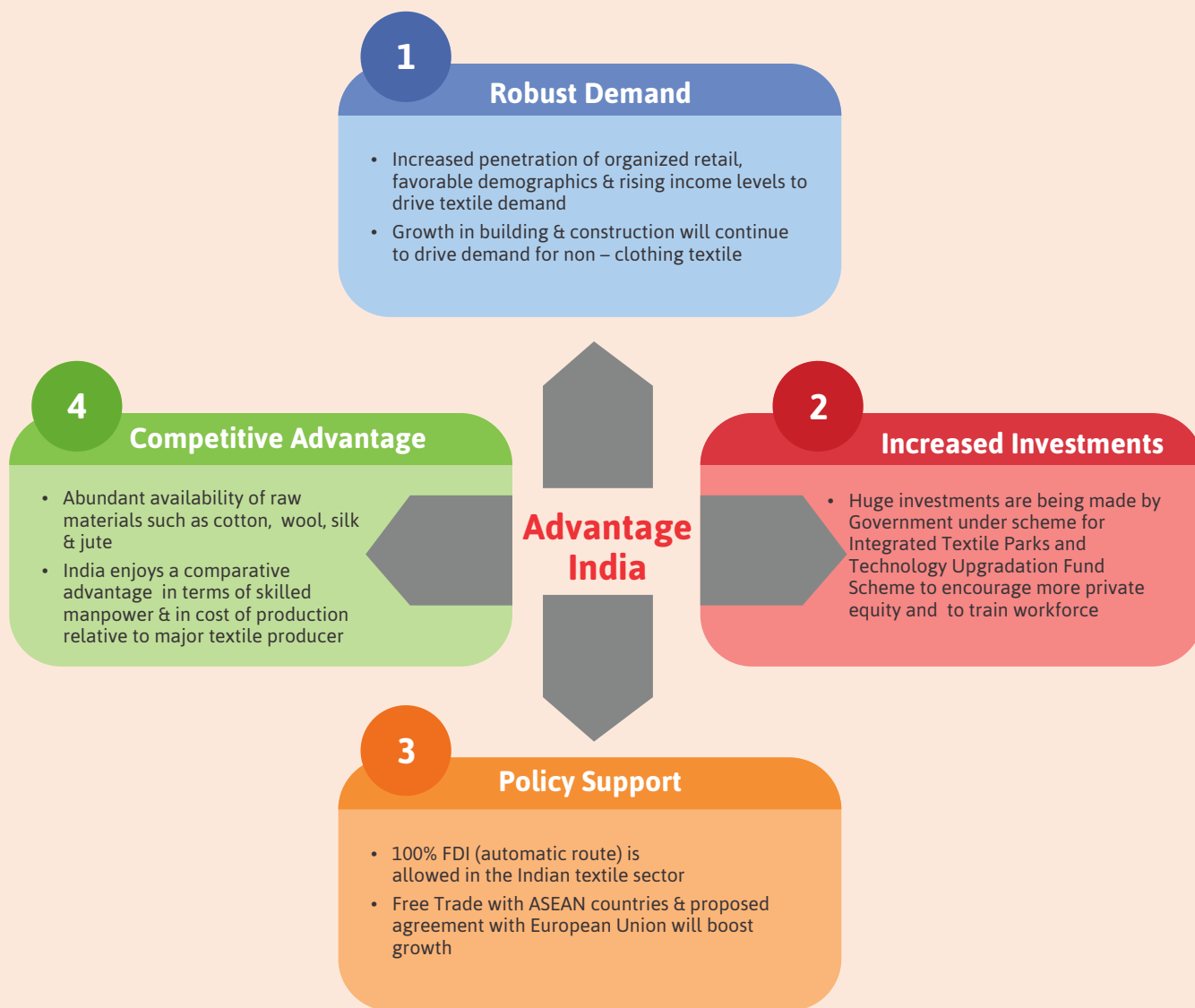
[4] GSDP – Gross State Domestic Product

[5] CAGR during 2004-05 to 2014-15

[6] Source: FDI Intelligence Survey

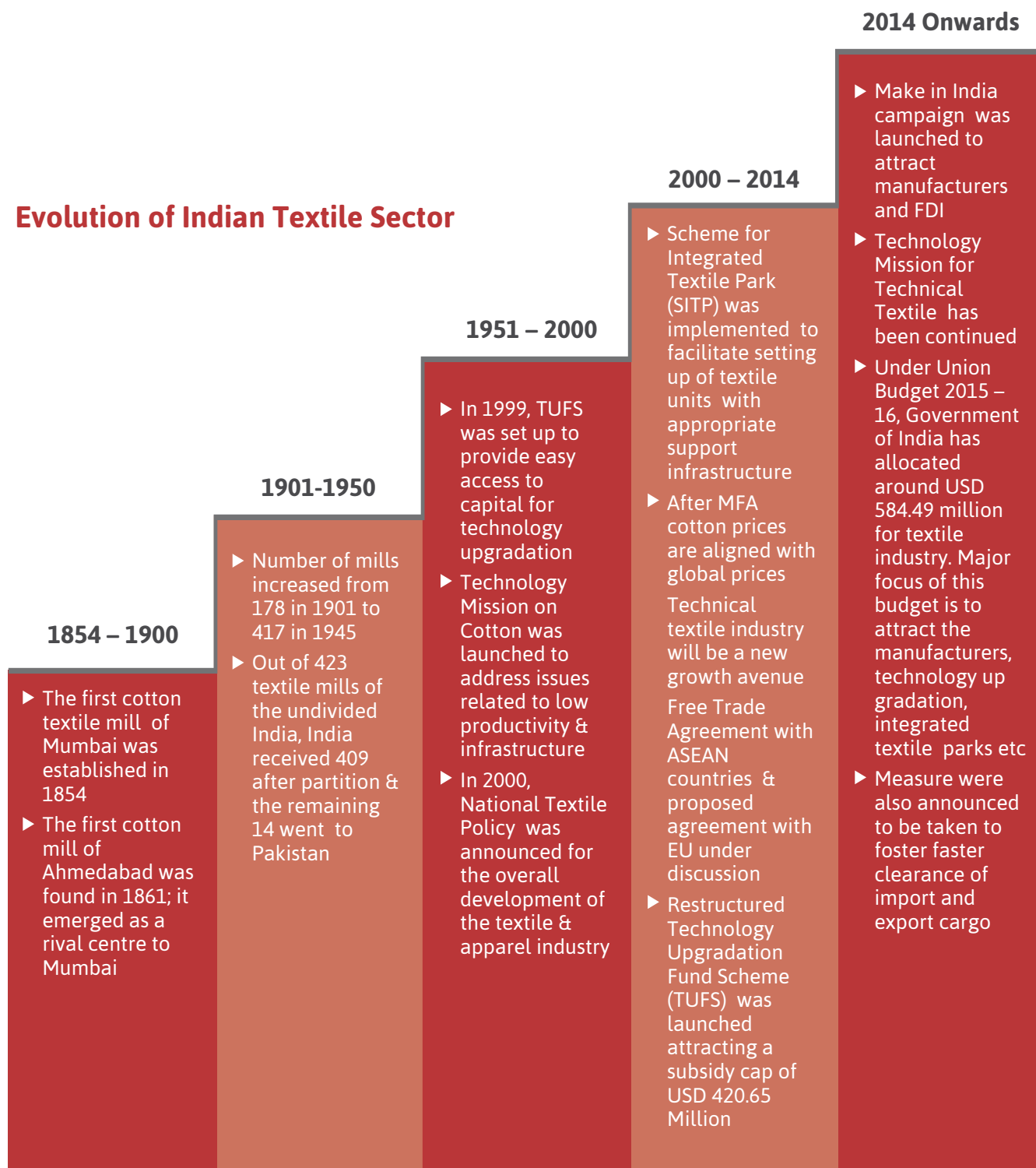
[7] World Bank Report

Textile Sector- Indian Scenario



Textile Sector- Indian Scenario

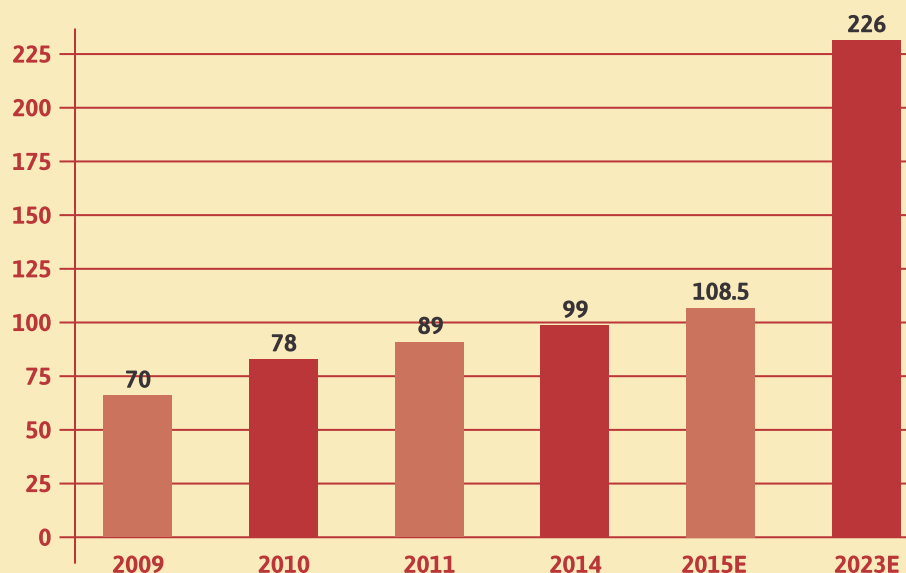
Evolution of Indian Textile Sector



Textile Sector- Indian Scenario

Growth Indicators

- Textile plays a major role in the Indian economy:
 - ✓ It contributes 14% to industrial production and 4% to GDP
 - ✓ With over 45 million people, the industry is one of the largest source of employment generation in the industry
 - ✓ The industry accounts for nearly 13% of total exports
- The size of India's textile market in 2014 was USD 99.0 billion which is expected to touch USD 226 billion market by 2023 at a CAGR of 8.7% between 2009 – 23 E



India's textile market size (USD billion)

Textile Sector- Indian Scenario

Export Market Share



- In 2014, textile had a share of 60% of the export market; apparels contributed the remaining 40%
- To improve technical skills in apparel industry Government established 75 apparel training and design centres across India
- National Institute of Fashion Technologies played pioneering role in growth of apparel industry & exports
- To promote apparel exports 12 locations have been approved by the Government to set up apparel parks for exports

Textile Sector – Jharkhand Scenario

- ▶ Textile Sector in the State of Jharkhand primarily thrives on Tasar silk and its products
- ▶ Jharkhand is known for its Tasar silk variety across India and with the growing impetus on exports
- ▶ Jharkhand has made marching strides in developing capacity, improving production & enhancing quality of Tasar silkr
- ▶ Jharkhand had a share of 62% of Tasar silk production
- ▶ Jharkhand is producing nearly 1200 MT of tassar silk
- ▶ Jharkhand has blessed with immense natural advantage of rearing wild tassar silk

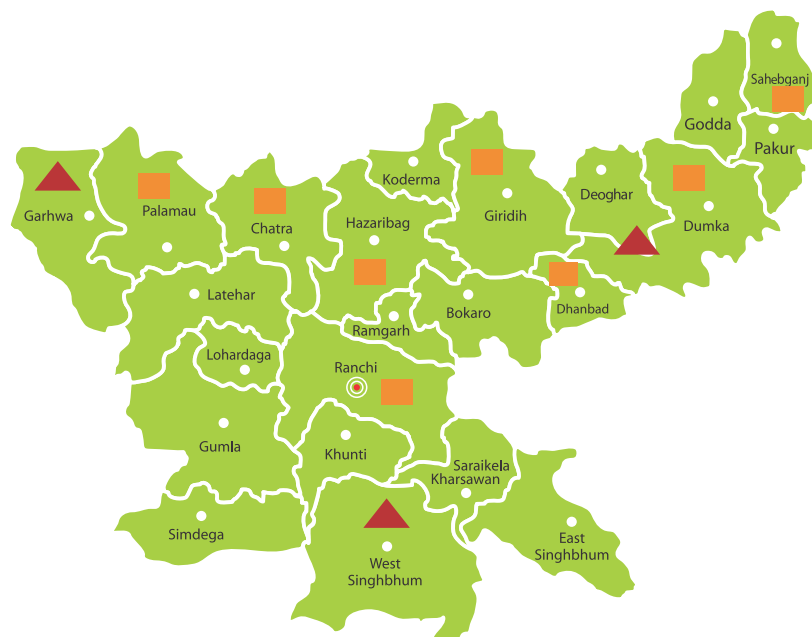


**Silk Production:
The backbone of
Jharkhand's
Textile
Industry**

Textile Sector – Jharkhand Scenario

Tasar Rearing, Reeling & Weaving Centres

Jharkhand had a decadal share of more than 40% of Tasar silk production for the cumulative period from 2004 to 2014



■ **Tasar Silkworm Rearing Areas**
▲ **Reeling & Weaving Areas**

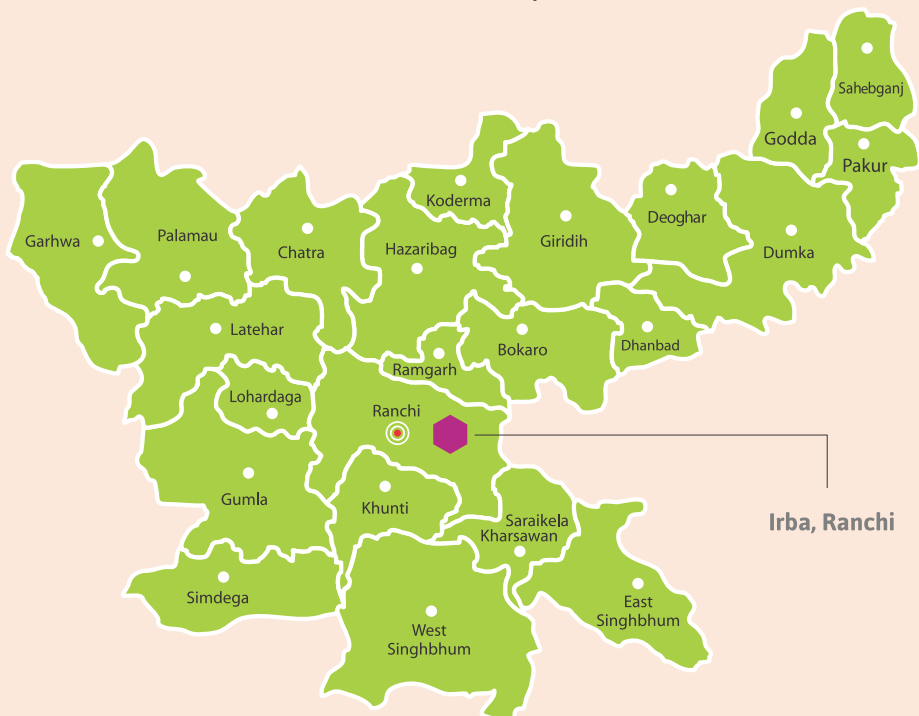
Product	District
Tasar Silkworm Rearing Areas	Singhbhum, Dumka, Giridih, Hazaribagh, Ranchi, Palamau & Dhanbad
Reeling & Weaving Areas	Kharsawa (Saraikela), Chaibasa, Puraini & Katoria

Textile Sector Opportunity Assessment

Advantage:

- Abundant raw material and silk
- Jharcraft – renowned brand in India
- Presence of National Institute of Fashion Design (NIFD) and some other reputed organization
- For development tassar silk, training centers being setup in collaboration with NIFT, Kolkata.
- Presence of good number of quality handloom weavers and looms.
- Adequate skilled man power reasonably priced.

Investment opportunities: Textile and Apparel Park at Irba, Ranchi Silk Park at Irba, Ranchi



Policy Interventions

Jharkhand Textile, Apparel, Footwear Policy 2016

Vision

- i. To establish the textile and garment industry of Jharkhand, as a producer of internationally competitive value added products thereby maintaining dominant presence in the growing domestic and international market and contributing to the sustainable employment and economic growth of the State
- ii. To reinforce the value chain of the textile industry across the State through capital infusion, technology transfer, skill up-gradation and handholding

Jharkhand Textile, Apparel, Footwear Policy 2016

In addition to the incentives provided by Government of India, the units shall also be eligible for following incentives offered by the State Government:

Capital Incentive Subsidy (CIS)
of 20% with an upper cap of Rs 50 Cr

Interest Subsidy
@7% per annum or 50% of Interest rate per annum

Incentive on VAT
100% NET VAT for 7 years
40% next 3 years

Stamp duty and registration fee
100% reimbursement

Quality Certification
@ 50% of the expenditure incurred up to maximum of Rs. 10.00 lakh.

Patent Registration
50% of the expenditure incurred, up to a maximum of Rs. 10 lakh

Cluster Development
15% of the grant released by Government of India shall be offered by states.

Power Tariff reimbursement
of 50% of power tariff for 7 years

Export Subsidy
As specified in Jharkhand Export Policy 2015

Skill Development
One-time support of Rs. 13,000 or actual cost

Other exemptions
Mandi fee exemption, electricity duty, Land allotment

Establishment of new Textile/Apparel/Footwear Parks

Capital Investment Subsidy
50% of the project cost or Rs 40 crore, as per Industrial Park Policy

Stamp Duty Exemption
50% stamp duty to the developer

Export Exhibition financial assistance
of Rs. 20 crore

Stamp duty and registration fee
100% reimbursement



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