

## **Business Standard**

### **India's first textile city likely to come up in AP for creating jobs**

India's first integrated textiles city is likely to come up in Andhra Pradesh. The central government has already initiated the process of identifying land, technology and expertise for the same.

According to sources, Textiles Minister Smiriti Irani has spoken to Andhra Pradesh Chief Minister N Chandra Babu Naidu for providing land and other facilities.

With Naidu's Telugu Desam Party being an ally of the ruling National Democratic Alliance at the Centre, the proposal, mooted by the NITI Aayog, is likely to be accepted.

Officials said Irani, along with Naidu and top officials from NITI Aayog, would visit China to get a first hand information on the working and structure of the proposed mega textile city.

The city would be largely catering to the export market and build a brand for Indian textiles.

China is a pioneer in building such mega textiles cities. The China Textile City in Keqiao district is one such example.

Founded in the 1980s, China Textile City is the first national professional textile market spread over a construction area of 3.65 million square metres with 29,000 companies managing 40,000 kinds of products.

The textiles sector is the largest employer in the country, employing 32 million people and is critical to Prime Minister Narendra Modi's plans to create jobs in the country.

It announced a special package for the sector in June aimed at improving India's competitiveness, which would lead to greater production. The reforms, in turn, are expected to generate 10 million new jobs in the textiles sector in three years.

The package is estimated to cost Rs 6,000 crore, which includes funds for additional five per cent duty drawback for the garments sub-sector.

The government will also bear the cost of employers' contribution under the Employees' Provident Fund scheme for new employees of the garment sector earning less than Rs 15,000 a month for the first three years.

The government is also working on a revamped national textiles policy, which is expected to be placed before the Cabinet soon. The draft policy focuses on achieving \$300 billion exports and 35 million new jobs by 2024-25.

India exported \$36.25 billion worth of textiles and related goods in 2015-16 — a 2.4 per cent decline from 2014-15.