

Govt to boost 'Make in Maharashtra', promote investment in garment and apparel sector to generate employment

To boost its 'Make in Maharashtra' plans and generate employment, the state government is working on a niche policy to promote investments in the garment and apparel sector considering its job creation potential.

The policy, which is being worked out by the state industries department, will focus on setting up garment and apparel units in the cotton-growing areas of Vidarbha and Marathwada, which are also known for agrarian distress and farmer suicides. Officials said that the economic benefits of value-addition to raw cotton would also percolate down to the farmers while generating direct and indirect employment. "Apparel is a sector that is low on investments and high on manpower," a senior state industries department official told dna, adding that they were considering a special policy for the garment and apparel sector. "We will promote such industries and units in Vidarbha and Marathwada," he added, explaining that this would create a larger supplier eco-system and increase employment opportunities.

The policy will look at granting fiscal and non-fiscal incentives like land in Maharashtra Industrial Development Corporation (MIDC) areas, grant of FSI and allotment of plots for garment and apparel units in the 10 textile parks to come up in Vidarbha and Marathwada. Though Maharashtra already has a policy for the textile sector, this niche, sectoral policy for garments and apparels will give a further boost to investments, the official said. "We are examining policies by the Centre and also by other states for the sector. This is a labour intensive area so we will focus on facilitation and ease of doing business... and at doing away with bottlenecks to investment and meeting stakeholder needs. After agriculture, the garments sector can be the second largest source of employment in Maharashtra," added another official from the industries department.

He added that the initiatives would benefit women as the sector employed them in large numbers. It would also create indirect employment due to various "job works" that were given out. "The value addition to cotton and cloth will trickle down and eventually ensure a better price for cotton cultivators," the official noted. He pointed to how the Union cabinet had approved a special package for employment generation and promotion of exports in the textile and apparel sector. The policy, which includes incentives and EPF reforms, comes after the package of reforms announced by the Centre to generate one crore jobs in the textile and

apparel industry over the next three years. These steps are expected to lead to a cumulative increase of US \$30 billion in exports and investments of Rs74,000 crore over the next three years.

"Similarly, our incentives may include sweeteners like the state government constructing major roads, sub-stations and infrastructure and set up of common effluent treatment plants," the official said.

The Maharashtra government has also unveiled policies for retail trade, electronics, single-window facilitation, for SC/ST entrepreneurs and for IT and ITeS. It is also working on niche policies for defence production and industrial parks.

According to the Centre's statistics, India is the largest cotton producer and has the second largest textile manufacturing capacity globally with 24% of the world's spindles and 8% rotors. While contributing 14% to industrial production and 4% to India's GDP, the textile industry employs over 45 million people directly.

According to the Economic Survey of Maharashtra 2015-16, between August, 1991 and October, 2015, a total of 19,053 industrial proposals with an investment of Rs 10,97,337 crore were approved in Maharashtra. Of these approved proposals, the major industries by number are chemical and fertilizers (14.9%), textiles (10.5%), metallurgical (10%), sugar (8%), electrical and electronics (6.2%), processed food (5.5%) and photographic raw film and papers (5.2%).