



ISSUES IN TEXTILE INDUSTRY

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ABSTRACT

India is a fast developing country. The new industrial state developed in India as a result of the industrial development of the Western Countries. Industrial revolution in the West brought large scale industries and use of high grade technology for production; whereas in India the production was carried out with the help of human and animal labour and that too on a very tiny scale. Small units of textiles, oil, metal works, pottery, wood work, jewelry, ornaments, etc. were established on a very small scale.

KEYWORDS: fast developing country , high grade technology , help of human and animal labour.

INTRODUCTION

The new technology which resulted in large scale industrial units threw over the small scale tiny units spread over the rural India. After obtaining freedom in 1947 India had to decide its industrial policy. This resulted in Industrial Policy Resolution of 1948, 1956 and Licensing Policy of 1971. During the Five Year Plans various schemes were launched for protection of small scale industrial units, tiny industries and *Khadi* and village industry. This continued till the New Economic Policy under the new era of liberalization, privatization and globalization was adopted in 1991 in India. This brought new challenges for small scale industries.

OBJECTIVES:

1. To study the historical background of textile industry
2. To study the Issues in Textile Industry

HISTORICAL BACKGROUND:

The oldest books extant, the Riga Veda, written somewhere between 4000 and 1200 B.C., and Sanskrit records of about 800 B.C., make reference to cotton growing in India, and though the Riga Veda's passage seems to be somewhat uncertain, the evidence in the Asvalayajaa Srauta Sutra is fully established, as there silk, hemp and cotton are contrasted. In the "Laws of Manu" the sacrificial thread of the Brahmins which is worn to this very day is mentioned as having been made of cotton. The evolution of the Indian Textile Industry can be traced back to even as early as Rigveda. In India, cotton is called 'Kapas' in the vernacular Indian languages. It is derived from the Sanskrit *Kashyapi*. It denotes that the cultivation of cotton in India was introduced by the sage Kashyap and hence the name *Kashyapi* and *Kapas*. The Muslims of Dhaka were famous all over the world even the robes of the Queen of England were made of cloth imported from India when metal handicrafts existed in the society. This would bring the point home that handicrafts Textile Industry in India was as old as the human civilization itself, and was nurtured by the craftsmen as a part of their duty towards the society. Before India came into contact with the West, people were organized in a

particular type of economic and social system of the village community. Then the village community features the economic scene in India. The Indian towns were mostly religious and aloof from the general life of the country. The elaborated caste based division of workers consisted of farmers, artisans and religious priests. The majority of the artisans were treated as village servants. Such compact system of village community effectively protecting village artisans from the onslaughts of external competition was one of the important contributing factors to the absence of localization of industry in ancient India

ISSUES IN TEXTILE INDUSTRY:

1. The Problem of Wrong Policies

The mistaken priorities as between food and clothing led to adoption by Government of lopsided policies as between agriculture and textile industry for well over four decades from the Forties. Agriculture, particularly food production, which after all is an item of secondary importance, was the recipient of Governments' munificence in the shape of all sorts of incentives, price support — or rather price boosting operations, liberal concessions in direct and indirect taxes and so on to push up its production and development. Contrarily the textile industry turning out the top priority item was subjected to crippling handicaps like heavy tax burdens, unbearable increases in wages and bonuses, freezing of productive capacities etc. But what proved to be a near-fatal blow to the industry was the irrational price control clamped on it from 1949 for almost 30 years, inflicting on it annual losses in the region of Rs. 70/- to Rs. 100/- crores. This led to closure of hundreds of mills, sapped the finances of those that survived and demoralized and enervated the managements.

2. The Problem of International Restraints on Textile Trade

To blunt India's onslaught on their markets, Western countries manoeuvred to place, through the medium of an International Organisation called "General Agreement on Trade & Tariffs" (GATT), severe curbs on the flow of textile exports from India and other developing countries, on the specious plea of giving some temporary respite to these rich Western countries to adjust their textile economies to a transformation from being textile exporting countries to their new role as textile importing countries. That trade was facing the threat of getting choked through a spate of unilateral and indiscriminate protectionist measures increasingly resorted to by a number of rich countries by raising around themselves protectionist walls in the shape of higher and higher import tariffs and import quotas.

3. Problem of Fads & Fashions

the textile fraternity is concerned, be they manufacturers, technicians, workers, merchants or tailors, their interest lies not only in supporting, but advocating and even initiating those fashions which entail use of greater "milage". They fervently wish that ladies should wear maxis rather than minis, nine yard saris rather than five yard saris, and long sleeved blouses rather than the sleeveless variety. Turning to the male of the species, they would like them to wear ankle long sherwanis rather than short coats or bush shirts. They frown upon bare heads or even caps. Turbans particularly the bigger and the longer ones like the Porbandar variety, they feel, give more dignity to the appearance of a man and help him to hold his head high.

4. The Problem of Sector War

There are four distinct sectors engaged in the production of fabrics, namely, khadi, handlooms, cottage powerlooms and mills. Khadi certainly has a great sentimental value because of its association with the Father of the Nation. But productionwise it is negligible and can be ignored. However, purely from a dry statistical angle, only three sectors come into reckoning, viz. handlooms, power-looms and mills.

5. Problem of an Accursed Industry

The Ashok Mehta Committee, for instance, wanted hand-looms to be converted into powerlooms, while the Karve Committee recommended freeze on the number of power-looms and the greatest encouragement to handlooms, which, they thought should be entrusted with the task of supplying all the growing needs of the country, arising from increasing population and larger incomes expected to be generated by the country's planned progress.

6. Problem of A Thaw in the Freeze

This position remained unchanged till June 1985, when the New Textile Policy came along which brought a thaw in the freeze, permitting mills to expand (or contract) their loomage. Unfortunately the thaw came at a time when no mill either desired or was in a position to increase its loomage, as the whole mill sector was enveloped in an all-"pervasive gloom. The New Textile Policy of June 1985, which was by far the most or rather the only rational one was unfortunate to have been born under an ill star. It laid down that for all policy matters, including taxation, the industry should no longer be viewed in terms of sectors, namely, handlooms, powerlooms and organised mills, but in terms of processes namely spinning, weaving and processing. In other words no distinction should be made as between cottage power-looms and mill looms in all matters including taxation, both of them being treated on par.

7. Man Made Fibres & Their Blends

The advent and the rapid growth in the use of man-made fibres, filament yarns and their blends have had a very profound impact on the whole structure of the textile industry. The cellulosic man-mades like rayon staple fibre, rayon filament yarn, polynosics etc. are akin to cotton and their appearance on the textile scene did not make much of an impact. But it is the non-cellulosics viz. polyester, nylon, acrylic etc. particularly polyester, with its wash-and wear properties and extremely long wear life which revolutionised the clothing habits of the public. To the consumer, polyester of course has proved a great boon and convenience. His wardrobe has shrunk to a third or a fourth of what it used to be. While such is the plight of the existing plants, many new plants and expansion of the existing plants for the manufacture of polyester staple fibre (PSF) and polyester filament yarn (PFY) have been sanctioned and are in various stages, of erection/completion. One can well imagine the kind of chaotic situation that will prevail when such enormous capacity will chase a static or even shrinking demand for PSF and PFY. One thing is clear.

8. Consumer Preference


It is true that compared to cotton cloth, the price of Indian polyester blends is much higher and even the tailoring charges are heavy. The consumer preference is still for the costlier polyester blend, as he has to buy much less yardage and there is a lot of saving in the upkeep. In any case, what really matters from the point of view of national per capita consumption is the quantity purchased by the people in the upper income brackets. It is these people in the top bracket accounting for around 75% of total textile consumption, who have turned their back on cotton for purposes of wearing apparel and have shifted to polyester blends.

CONCLUSION

Cotton textile industry is one of the most ancient industry in India. It has been the means of livelihood of thousands of workers of weaver caste. A large strata of Indian population was engaged in this industry. In fact, there are two set backs to this industry in India of which modernization and large scale production was one. The second set back during the British period was due to the import export policy of the British Government. It is concluded from the above that the textile industry in India is facing lot many issues, since its historical evolution of textile industry.

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9. Cashless Economy: Is Society Ready for Transformation?

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Abstract

A Cashless Economy is an economy in which all types of transactions are carried out through digital means. It includes e-banking (Mobile banking or banking through computers), debit and credit cards, card-swipe or point of sales (POS) machines and digital wallets. The paper under study tries to throw light on the rising trend of digital transactions in India being carried out in various cashless modes over the last few years but simultaneously being ourselves making alert of the negative impact of going cashless thereby showing downside of digital India. As the people of India are showing amazing response towards move of digitalization, it is the big indicator of prosperous future for India to be cashless India. So the need of an hour is to spot the weaknesses involved in cashless transactions and work out on them to achieve the vision of Prime Minister Modi's Digital India.

Keywords: cashless, POS, digital India.

"We want to have one mission and target: Take the nation forward – Digitally and economically" ---Shri Narendra Modi

Introduction

Prime Minister, Mr. Narendra Modi launched the Programme "Digital India" with a vision to transform India into a digitally empowered nation and creating a cashless, paperless economy. As per the current status of India, only 7% to 8% of all the payments are taking place electronically. On Nov 8, 2016, a historical date, he talked about making India a cashless economy and on Nov 27 during an election rally in Uttar Pradesh, he again motivated the people of India to become familiar with cashless transactions. On the same day, during his radio Programme "Mann ki Baat", he said: "Learn how this digital economy works. Learn the different ways you can use your bank accounts and internet banking. Learn how to effectively use the apps of various banks on your phones. Learn how to run your business without cash. Learn about

card payments and other electronic modes of payment. Look at the malls and see how they function. A cashless economy is secure, it is clean. You have a leadership role to play in taking India towards an increasingly digital economy". According to the website of cashless India, the Digital India programme is a flagship programme of the Government of India with a vision to transform India into a digitally empowered society and knowledge economy. "Faceless, Paperless, Cashless" is one of professed roles of Digital India.

The ambitious mission of government of India to drive India towards a cashless economy was boosted with the announcement of demonetization on November 8, 2016.

Objective of the study

- To find out benefits in going cashless
- To chalk out the major challenges in making India cashless
- To know the advantages cashless economy.
- To know how far are we from becoming a cashless society.

Research Methodology

This research paper is based on secondary data which were collected from research studies, book, journals, newspapers and ongoing academic working papers which focused on various aspects of cashless economy in India.

What is a cashless Economy?

Cashless Economy refers to a situation where there is a negligible flow of cash within an economy, and all transactions are settled digitally. This is achieved through extensive use of digital payment channels such as NEFT (National Electronic Funds Transfer), RTGS (Real Time Gross Settlement), credit and debit cards, digital wallets, IMPS (Immediate Payment Service), etc. Our Indian Economy has mostly been dependent on paper currency since ages. However, the current Indian Government has seriously been trying to make India a cashless economy. Demonetization was a big step in this direction and significantly promoted the use of digital payment channels over the traditional paper currency. A system where no physical cash is in circulation is a cashless system. Payments are made through credit and debit cards, bank electronic fund transfers or virtual wallets

Is India ready to be a Cashless Economy?

In Favor

- Long before demonetizing 500 & 1000 rupee notes, Indian government is trying to increase cashless transactions through Direct Benefit Transfer Scheme, Jan Dhan accounts etc.
- From the moment higher denomination notes are demonetized, cashless transactions have increased at a rapid rate.
- Though India has a huge proportion of digital illiteracy, using debit card does not require much digital literacy.
- Many state governments are working hard to spread the awareness of digital transactions.
- Indian Government rolled out incentives for going digital in financial transactions. It introduced daily and weekly lucky draws to encourage digital transactions.

Against

- Till the moment 500 & 1000 rupee notes are demonetized, cash transactions constituted 85% among all the financial transactions in India.
- Even after the demonetization move, cash transactions are still the king.
- India has a huge population of digital illiterates. It'll take a lot of time to transform everyone into digital literates.
- No country is a fully cashless economy yet. India is still a developing country, and needs a lot of time to transform itself into cashless economy.
- Though no. of accounts have increased drastically after the demonetization move, once the scarcity of new notes is reduced, there is no guarantee that everyone will use that bank accounts.
- With the recent hack of 32 lakh Rupay & Visa debit cards, there is a doubt in cyber security of Indian Banking. Before going for completely cashless economy, India needs to strengthen its cyber security first.

Facts

- 'Sweden' is closest to achieving cashless society. Cash transactions in Sweden constitutes to only 3%.

- M-Pesa created a revolution in 'Kenya'. The usage of M-Pesa is so high that even salaries are credited through it. Cash transactions decreased drastically in Kenya.
- South Korea gives tax incentives for cashless transactions, and could increase the share of non-cash transactions.

Benefits

- **Cost Reduction:** cashless system brings down the cost associated with printing, storing and transporting of cash.
- **Risk Reduction:** The risk of money getting stolen or lost is minimal. Even if the card is stolen or lost it is easy to block a credit/debit card or a mobile wallet remotely. It is also a safer and easier spending option while travelling.
- **Convenient:** The ease of conducting financial transactions is probably the biggest motivator to go digital. With the advent of digital modes, one can avoid queue for ATMs, transact 24*7 and save time. Additionally for service providers, with the emergence of e-KYC, it is no longer necessary to know your customer physically as the payments model has overcome limitations related to physical presence.
- **Tracking spends:** Spending done via mobile or computer applications can be easily tracked with a simple click. This allows users to keep a track of all their spending and manage their budget effectively.
- **Increase in tax base:** Traders, small businesses, shopkeepers, and consumers regularly use cash as a means to avoid paying service tax, sales tax, etc. However, in a cashless economy where all transactions will be done through organized channel, through banks and financial institutions, they can be monitored by the government and proper actions could be taken against the evaders. This will result in more transparent transactions which in turn lead to fall in corruption in the economy of the country.
- **Containment of parallel economy:** In a cashless economy it is easier to track the black money and illicit transactions unlike cash based economy in which money does not come into the banking system. In case of digital transactions it is easy to track and monitor suspicious transactions as all the records are available with the banks.
- **Financial Inclusion:** At present, India's low-income households access credit through informal systems, through relatives or private lenders. Forcing them to shift to cashless

payment platforms instantly formalizes this world of informality and include them in formal economy.

- **Discounts:** A lot of ecommerce websites offer huge incentives in terms of discounts, cash back, loyalty points to the customers for making digital transactions for shopping online.

Yes, India is ready for a cashless economy

- According to TRAI, as on 30 September 2016, 82 out of 100 citizens in India owned a mobile phone. The evolution of the telecom ecosystem, with significant reduction in call and data rates, along with the prices of smart phones, is propelling the shift to a cashless economy.
- The government of India is working dedicatedly to push India towards a cashless economy. With major initiatives such as demonetization, Direct Benefit Transfers, BHIM and many more. The intent is to streamline the economy and curb corruption.
- The government approved for a proposal, under which there would be no charge for BHIM, UPI, and debit card transactions up to ₹2000.
- Government also ran a DigiDhan campaign where 16 lakh lucky winners (users and merchants) were rewarded with prizes ranging from Rs 1000 to 1 crore.
- Further to incentivize behavior change and bring down the cost of digital payments, referral and cash back schemes have also been launched for BHIM where users and merchants receive cash back. Also, initiatives like USSD and the *99# service have ensured that non-Smartphone users are also on board the cashless wave.
- Demonetization has given an impetus to e-wallet services. According to a report "Securing the cashless economy", by PwC, India witnessed
- 100%: Day-on-day growth in customer enrolment with leading mobile wallets after demonetization..
- The smart phone revolution has led to the emergence of e-commerce, m-commerce and other services, including app-based cab aggregators, who encourage digital payments for use of various services. The value added services such as cash back, bill payment facilities, loyalty points, rewards and ease of use have resulted in surge of such digital platforms. These developments have given rise to a modern payment model.

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Conclusion

Though cashless transactions have increased these days, right now India cannot completely become a cashless economy considering its high proportion of digital illiteracy and cash transactions. But Indian Government is working towards increasing the share of cashless transactions, which is a good thing for any economy.

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**National Agricultural Market : New Horizon for Agri-Business****Dr. B. V. Dakore**

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EMAIL- balajidakore@gmail.com**Abstract:**

Agricultural Marketing in India has evolved from being restricted to catering to local demand by having market yards within the range of farms to one which now aims to have interconnectivity between markets of other States to have value dispersion between farm and consumers. Emerging changes in agriculture marketing environment of the country i.e. electronic market, model act, warehousing, pledge loan, contract farming etc. are ushering in opportunities for new formats of markets which are effective in responding to demand and supply. These changes will require investment in infrastructure, infusion of technology and building awareness and capacity building. Electronic National Agriculture Market (E-NAM) is envisioned as a unified national electronic market bringing interconnectivity to markets across the country. The diffusion of E-NAM is through Organizations and intended through change in policy. The diffusion will be faster if the desired policy changes are made in the organization followed by change management in organizations. Three organizational characteristics will affect the rate of diffusion of technology in markets? E-NAM for agriculture marketing can be regarded as technology which will bring a social change in markets. The social change in relationships and networks that work between buyer and seller as they exist in traditional markets will change as the technology enabled E-NAM is adopted in agricultural markets. Successful adoption /diffusion will depend on easing the adoption barriers that can be categorized as technological and organizational.

Keywords: E-NAM, APMC**Introduction :**

National Agriculture Market (NAM) is a pan-India electronic trading portal which networks the existing APMC mandis to create a unified national market for agricultural commodities. The NAM Portal provides a single window service for all APMC related information and services. This includes commodity arrivals & prices, buy & sell trade offers, provision to respond to trade offers, among other services. While material flow (agriculture produce) continues to happen through mandis, an online market reduces transaction costs and information asymmetry. It promotes uniformity, streamlining of procedures across the integrated markets, removes information asymmetry between buyers and sellers and promotes real time price discovery, based on actual demand and supply and promotes transparency in auction process. With nearly 58 percent population continuing to depend upon agriculture for their livelihood, the critical role of this sector cannot be repudiated. Government has rolled out a large number of programmes to improve yield levels on substantial basis; it recognizes the need for creating a competitive market structure in the country that will generate marketing efficiency.

Small Farmers' Agribusiness Consortium (SFAC) is designated as Lead Agency, to roll out the NAM in partnership with a Strategic Partner (SP), which will be responsible for developing, running and maintaining the proposed e-marketing platform.



National Agriculture Market (NAM) is envisaged as a pan-India electronic trading portal which seeks to network the existing APMC and other market yards to create a unified national market for agricultural commodities. NAM will create a national network of physical mandis which can be accessed online. It seeks to leverage the physical infrastructure of the mandis through an online trading portal, enabling buyers situated even outside the State to participate in trading at the local level.

Objectives of National Agriculture Market (NAM)

- A national e-market platform for transparent sale transactions and price discovery initially in regulated markets.
- One license for a trader valid across all markets in the State.
- Liberal licensing of traders buyers and commission agents by State authorities without any precondition of physical presence or possession of shop premises in the market yard.
- One license for a trader valid across all markets in the State.
- Harmonization of quality standards of agricultural produce and provision for assaying infrastructure in every market to enable informed bidding by buyers.
- Single point levy of market fees, i.e. on the first wholesale purchase from the farmer.
- Provision of Soil testing Laboratories in or selected mandis to facilitate visiting farmers to access this facility in the mandi itself.

Benefits of Trading on NAM

- Transparent Online Trading
- Real Time Price Discovery
- Better Price Realization For Producers
- Reduced Transaction Cost For Buyers
- Stable Price and Availability to Consumers
- Quality Certification, Warehousing, and Logistics
- More Efficient Supply Chain
- Payment and Delivery Guarantee
- Error Free Reporting of Transactions
- Enhanced Accessibility to the Market

Some Basic Facts About National Agriculture Market (Nam)

Scheme Design

It is the objective to usher in reform of the agri marketing system and to provide farmers / producers with access to markets across the country. The scheme envisages implementation of the NAM by setting up of an appropriate common e-market platform that would be deployable in selected 585 regulated wholesale markets in States / UTs desirous of joining the e-platform.

National Agriculture Market Scheme Features

- National Agriculture Market (NAM) is a pan-India electronic trading portal which networks the existing APMC mandis to create a unified national market for agricultural commodities.
- The NAM Portal provides a single window service for all APMC related information and services. This includes commodity arrivals & prices, buy & sell trade offers, provision to respond to trade offers, among other services. While material flow (agriculture produce) continues to happen through mandis, an online market reduces transaction costs and information asymmetry.



- Agriculture marketing is administered by the States as per their agri-marketing regulations, under which, the State is divided into several market areas, each of which is administered by a separate Agricultural Produce Marketing Committee (APMC) which imposes its own marketing regulation (including fees). This fragmentation of markets, even within the State, hinders free flow of agri commodities from one market area to another and multiple handling of agri-produce and multiple levels of mandi charges ends up escalating the prices for the consumers without commensurate benefit to the farmer.
- NAM addresses these challenges by creating a unified market through online trading platform, both, at State and National level and promotes uniformity, streamlining of procedures across the integrated markets, removes information asymmetry between buyers and sellers and promotes real time price discovery, based on actual demand and supply, promotes transparency in auction process, and access to a nationwide market for the farmer, with prices commensurate with quality of his produce and online payment and availability of better quality produce and at more reasonable prices to the consumer.

Challenges :

- Although the system looks simple, for farmers, it may not be as simple as expected. Most of the farmers have the habit of selling their yield to a local produce aggregator than taking their crops to mandi.
- Even if some farmers take them to mandis, their yield would be very small to excite distant buyers binding online. In this context, the possibility for better price discovery is quite limited.
- Quality variations in commodities at both the state and national level pose a challenge. For example, Wheat in Punjab and Haryana is of medium quality whereas those from Madhya Pradesh and Gujarat are superior quality.
- Electronic platforms like NAM would be right platform only for trade standardized commodities and for the rest it may not be.
- e-NAM has the potential to transform Indian agriculture from traditional to entrepreneurial and profit making venture. But this will only be possible with supplementary additions in infrastructure, easy credit disbursal and vigilant inspection and implementation.

What are the constraints in implementation of e-NAM?

- Harmonization of quality standards of agricultural produce and provision for assaying infrastructure in every market to enable informed bidding by buyers is required. A wide correlation between value chains of the producer of the producer, market chains, retailer and consumer is required.
- There is a need for synergy of network organization and market agencies like warehousing and collateral management agencies, financial institutions, logistic providers training and extension organizations as markets are turning towards the digital phase.
- Farmers have to have the free access towards the information and the pricing mechanisms.
- As many farmers are digitally illiterate, again they will be at the mercy of someone to depend upon the rates and information.
- There is a possibility of self exclusion from this scheme by farmers due to the lack of access towards the technology.



Model Agricultural Produce and Livestock Marketing Act, 2017

- The Ministry of Agriculture and Farmers Welfare released the model Agricultural Produce and Livestock Marketing (Promotion and Facilitation) Act, 2017
- The model Act seeks to facilitate free flow of agricultural produce including livestock, provide a direct interface of farmers with the buyers and consumers, and create a barrier free single market in the country.

What are the Key feature of this Act

- **Unified market area:** A state government may declare the whole state as a single unified market area.
- In such an area, a single license will be applicable for the trade of agricultural produce and livestock.
- **Market Committee:** A Market Committee will manage market yards in a specified area, and is responsible for:
 1. Regulating the auction of agricultural produce and livestock, and
 2. Providing facilities for marketing of agricultural produce and livestock. The Committee may also link consumers with farmers through digital technology and manage these market yards through PPPs.
- **Setting up of private market yards:** Apart from market yards managed by the Market Committees, private market yards may be set up by private individuals to facilitate operations of traders, and commission agents.
- These can also include farmer-consumer market yards, which provide infrastructure access.
- **Single point levy of market fee:** The Market Committee shall levy a market fee from a buyer on sale of notified agricultural produce and livestock.
- This fee cannot exceed two percent ad valorem on transacted produce in case of nonperishable agricultural produce and one percent ad valorem in case of perishable agricultural produce and livestock

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"A STUDY OF INTEGRATED SKILL DEVELOPMENT SCHEME FOR TEXTILE INDUSTRIES"

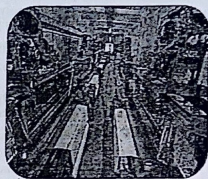
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ABSTRACT

Indian Textile Industry occupies a unique position in the national economy owing to its high employability and diversity of skill sets required in the wide range of segments, ranging from products of traditional handloom, handicrafts, wool, silk products to the organized textile industry comprising of spinning, weaving, processing, apparel and garment characterized by usage of capital intensive technology for mass production of textile products. The textiles sector has the second largest employment after agriculture sector and occupies an important position in the Indian economy. It also contributes 14% to industrial production, 4% to India's GDP and constitutes to 13% of country's export earning, with over 45million people employed directly. As per the NSDC report, the overall employment in the textile and clothing sector expected to increase from about 33 to 35 million in 2008 to about 60 to 62 million by 2022. This would translate to an incremental human resource requirement of about 25 million persons by 2022. With a view to address the manpower requirement of the diverse textile and related segments, the ministry of Textile introduced pilot of "Integrated skilled Development scheme" (ISDS) in the last two years of the 11th Five year plan 2010-2011. Subsequently, the scheme has been scaled up during the 12th plan with target of skilling 15 lakhs persons by the end of march 2017. The government provides a grant subsidy to the extent of 75% of product cost with a ceiling of Rs.10,000 per trainee. The scheme is being implemented by leveraging existing institutional strength and training experience through three components.



INTRODUCTION:

The Textiles Sector has the second largest share of employment after agriculture. With technological modernization being the key to high industrial growth, labour intensive industries like textiles require not only skilled workforce, but also massive vocational training for skill up gradation of the existing workers engaged in the organized as well as unorganized sectors, (including handlooms, power looms, sericulture, wool, khadi, etc.). As per the NSDC report, the overall employment in the T&C sector would increase from about 33 to 35 million in 2008 to about 60 to 62 million by 2022. This would translate to an incremental human resource requirement of about 25 million persons. Of this the Mainstream T&C sector has the potential to employ about 17 million persons incrementally till 2022. It implies that by the end of the XII Plan (2016-17), which is roughly close to 2018, the textile sector's incremental human resource requirement would be about 17.8 million, of which 11.00 million human resources would be required in the Mainstream T&C sector. The approach paper of the XII Plan of the Planning Commission has laid emphasis on faster, more inclusive and

sustainable growth. A target range of GDP growth of 9 to 9.5% has been envisaged. The key instruments for making growth more inclusive, inter alia includes: (i) Faster creation of jobs in manufacturing (ii) Stronger effort at health, education and skill development. Plan Approach towards Skill Development focuses on enhancing skills and faster generation of employment, in order to reap the demographic dividend. Skill building can be viewed as an instrument to improve the effectiveness and contribution of labour to the overall production. It is an important ingredient to push the production possibility frontier outward and to take growth rate of the economy to a higher trajectory. Skill building could also be seen as an instrument to empower the individual and improve his/her social acceptance or value. To reap the benefits of "demographic dividend", the XI Five Year Plan had favoured the creation of a comprehensive National Skill Development Mission. As a result, a "Coordinated Action on Skill Development" with three-tier institutional structure consisting of: (i) PM's National Council on Skill Development (ii) National Skill Development Coordination Board (NSDCB) (iii) National Skill Development Corporation (NSDC) was created in early 2008, Prime Minister's National Council on Skill Development has spelt out policy advice and direction in the form of "Core Principles" and has given a Vision to create 500 million skilled people by 2022 through skill systems (which must have high degree of inclusivity). There is a serious gap between the training needs of the different segments of the textile industry and the training provided by the existing training institutes both in terms of volume and course contents. To fill up the demand supply gap, a focused and financially sustainable strategy needs to be put in place during the XII Five Year Plan. This Scheme seeks to make intervention to assist the textiles economy to meet the said gap in manpower requirement.

OBJECTIVE OF STUDY:

- To study the skill development schemes and programmes for textile industries.
- To study and find out the component of Integrated skill development programme.
- To study and find the performance of ISDP and also skill & efficiency improvement of employees in textile industries.

IMPORTANCE OF STUDY:

This research paper purely focused to know and study various schemes and programmes related to the skill development of employee's associated in the textile industry directly. The study is to find the opportunities are available for the development of human resource in the textile sector. The main importance of the research is to know the initiative take by the government of India for skill based training to the worker and employee in the textile industries by Integrated Skill Development Scheme. This research paper also emphasis on implementation of skill development scheme and its scope, fund allocated and actually fund utilized.

RESEARCH METHODOLOGY

The study involves the data collected from the secondary sources. The Secondary data will be collected and referred from journals, annual reports, news papers, books and references, diaries, websites, Government Circulars etc.

Objectives of the Integrated Skill Development Scheme:

1. To address the trained manpower needs of textiles and related segments including Handicrafts, Handlooms, Sericulture, Jute, Technical Textiles etc, by developing a cohesive and integrated framework of training based on the industry needs. Addressing this need is critical for enhancing the competitiveness of the industry in the globalized economy.
2. To increase the employability of residents of the target areas through imparting of skills in the above segments.
3. To ensure that the scheme is so designed as to cater to the wide range of skill sets required in various segments as listed above, while simultaneously ensuring sufficient flexibility to meet the dynamic needs of these segments over a period of the next five years.

SALIENT FEATURES OF THE SCHEME

1. The Scheme will work on the principle of leveraging on existing resources and infrastructure and participation of State Government agencies and private sector. The scheme would have three broad components:

(i) **Component I** - Skill development by augmenting and strengthening the capacity of institutions and schemes under Ministry of Textiles. Through this component, the target would be to train an estimated additional 5 lakh persons in various skill sets covering all segments under the ambit of the Ministry of Textiles over a period of 5 years

(ii) **Component II** - Skill development in partnership with the private sector viz industry, NGOs, institutions, Government and potential employers etc. The target would be to train an estimated 5 lakh persons in all segments through a PPP model over a period of 5 years

(iii) **Component III** - Skill development in partnership with State Government Agencies for training 5 Lakh persons over a period of 5 years 2. It would cover all segments under the ambit of the Ministry, viz. (i) Textiles and Apparel (ii) Handicrafts (iii) Handlooms (iv) Jute (v) Sericulture (vi) Technical Textiles

3. **Target:** The Scheme would target to train 15 lakh persons over a period of 5 years

4. All facets of skill development will be covered viz. Basic Training, Skill upgradation, Advanced Training in emerging technologies, Training of Trainers, orientation towards modern technology, retraining, skill upgradation, managerial skill, entrepreneurship development etc

5. The training programme will be designed based on industry demand in different segments. The emphasis will be on measurable outcomes, wherein it will be ensured that all successful trainees are certified by empanelled certification agency.

6. Private sector participation will be ensured, and outcomes will be strengthened by incentivizing training where the trainees get employed/self-employed after training is imparted.

7. The max cost per trainee (for the government) to be borne through the scheme would be Rs. 10,000/-

8. The Govt will meet 75% of the total cost of the project, and balance 25% would be met from Fee/ Industry Contribution. However, in courses/ programmes (of Component - I & Component III) where it is not feasible to organise the beneficiary contribution, the Empowered Committee shall be authorised to approve a higher level of government assistance

9. A budget line for a new IIRD Scheme under new initiatives of the Ministry of Textiles already exists, which will be operated for this scheme. The Scheme has been formulated within the approved outlay of Rs.

1900 Crore for the 12th Plan

10. The evaluation would be carried out through a reputed independent agency. The Scheme also provides for an MIS system to ensure transparency, a Skills exchange

11. Placement and tracking will be mandatory under the scheme with provisions for placement in the organized sector and the informal sector or self-employment

12. There will be institutional bodies namely Sector Skill Councils and Resource Support Agencies for developing curricula, methodology and assessment standards; provide certification and formulate standard systems & procedures for scheme implementation

13. An Empowered Committee under Chairpersonship of Secretary (Textiles) would be constituted. The Empowered Committee shall have members from Planning Commission, Finance Ministry & Ministry of Labour (DGET). The following shall be the TOR of the EC:

COMPONENT-I & III:

Skill development by augmenting and strengthening the capacity of institutions and Schemes under the Ministry of Textiles, Government of India and State Government Agencies

1. There is a strong institutional structure and several instruments and valuable training experience available within the ambit of the Ministry of Textiles, Government of India & State Government Agencies towards skill development, and it is estimated that with these existing resources, 10Lakh persons can be trained in different

segments over the next 5 years. The Scheme proposes to leverage on these existing resources and maximize their potential through upgradation/ enhancement/ deepening of these capacities.

2. The components proposes to upgrade the training facilities in the Powerloom and Weaver's Service Centres, Textile Research Associations (TRAs); Apparel Training and Design Centres (ATDCs); Indian Institutes of Handloom Technology (IIHTs); Research and Training institutes under the Central Silk Board for Sericulture; Institute for Jute Technology (IJT); Centres of Excellence for Technical Textiles, institutes that have institutional tie-ups under the schemes set up for training in Handicrafts etc and State Government Agencies
3. The programme aims to address the shortage of trained manpower and to tap the huge employment potential of the sector to achieve the aim of inclusive growth through economic empowerment.
4. As far as may be feasible, for each of the sector (in the Textiles value added chain) projects would be sanctioned in proportion to the identified skill gap in the sector.

Implementation Mechanism for various segments under Component I & III:

The most important feature of the component funding is that the expansion of the training institutions is demand driven. Thus the strategy for implementation of this component shall be as follows:

1. Proposals shall be invited from the institutions for funding under the scheme
2. The training courses/ curriculum, methodology etc. shall be designed by RSA. The Cost of content development shall be borne by the Government.
3. The proposals submitted for the Capacity & Infrastructure building should be planned preferably for 5 years and the financial commitments/ Outcome targets should be clearly laid out for the 5 year period.
4. The Cost of Land would NOT form part of the Project Cost. Further not more than 25% of the project cost would be spent on construction of building.
5. Releases to the IAs would be securitized through mortgaging of capital assets created under the scheme in favour of government. The mortgages to be released on successful completion of targets.
6. For training of persons in unorganized sector, (such as Handicraft, Jute Diversified Products etc.) the tie-up with private partner would be preferable, but not be mandatory.
7. The Nodal Agencies for execution and operation would be RSA and RRSAs.
8. **Trainers:** Each of the training centres will be run by qualified trainers and support staff. The capacity of the trainers shall be strengthened through a comprehensive Training of Trainers (TOT) Programme.
9. **Mobilisation and Selection of Trainees:** One of the key challenges of the programme is to identify the youth who are willing to undergo training and work in the industry. The trainees will be identified and selected to meet the requirements of the industry, in consultation and support of local self-Government bodies and other stakeholders. The IA shall adopt a comprehensive strategy for such mobilization of the trainees. Preference will be given to marginalised social groups like women, SC/ST and Handicapped persons, minorities and persons from the BPL category.
10. **Content:** The content for each of the skill sets shall be need-based to meet the highest standards and requirements of the related industry segment and will be designed and developed by RSA. Use of multimedia content and other applications of Information Technology (IT) would be encouraged.
11. **Soft Skills:** In addition to the targeted domain specific hard skills, the programme shall also aim at imparting life management skills (Soft Skills) to the trainees.
12. **Assessment and Certification:** Scientific criterion would be evolved by empanelled assessment agencies in consultation with RSA for assessing the proficiency of skills of the trainees based on the standards used by the related industry segment.
13. **Employment Linkages:** One of the key outcomes of the programme is the number of trainees who are successfully engaged in the related occupations after the training. The IA would take all steps to partner with industry and obtain the commitment of Industrial units for employment of the successfully trained candidates
14. There should be a concurrent evaluation of the projects sanctioned under the component.
15. Project Implementation Committee will be constituted by the designated Nodal Agencies to oversee the implementation of the projects and periodically monitor performance outcomes.

COMPONENT II

Skill development through partnership with the private sector

2. **Objective:** To impart employable skills through a demand driven programme in partnership with the private sector to meet the skilled manpower requirements of the textiles and handicrafts sectors.

3. **Strategy:** To leverage on the existing infrastructure and substantial experience of all stakeholders viz industry, NGOs, institutions, Government and potential employers etc by ensuring their active participation from the design to the implementation stages of the project.

4. **Coverage:** Need based skill sets ranging from entry/basic to supervisory level in the segments of Handicrafts, Handlooms, Jute Industry, Sericulture, Spinning, Powerloom Weaving, Processing, Knitting, and Apparel manufacturing. Given the wide spectrum and range of activities proposed to be covered, the scheme provides for enough scope for flexibility to ensure that a gamut of need-based skill development options received coverage under the scheme. The resources of the private sector will be harnessed by incentivizing training through an outcome based approach.

IMPLEMENTATION FRAMEWORK:

1. **Formulation of Projects:** The Implementing Agency is required to formulate a comprehensive project for the proposed skill development, clearly highlighting the targets, the strategy for mobilization of trainees, availability of sufficient trainers, industry linkages for the purpose of placement, training methodology, assessment and certification, training centres and other relevant details.

2. **Training Centres and Infrastructure:** The scheme does not envisage construction of any new buildings for the purpose of implementation of this programme. The existing infrastructure available with the industry, Governments, Educational Institutions and others will be utilized to set up the training classrooms and workshops. Each training centre shall be equipped with necessary machinery, tools and teaching aids required to conduct the training effectively.

3. **Trainers:** Each of the training centres will be run by a qualified trainer and support staff. The capacity of the trainers shall be strengthened through a comprehensive Training of Trainers (TOT) Programme.

4. **Mobilisation and Selection of Trainees:** One of the key challenges of the programme is to identify the youth who are willing to undergo training and work in the industry. The trainees will be identified and selected to meet the requirements of the industry, in consultation and support of local self-Government bodies and other stakeholders. The IA shall adopt a comprehensive strategy for such mobilization of the trainees. Preference will be given to marginalised social groups like women, SC/ST and Handicapped persons, minorities and persons from the BPL category.

5. **Content:** The content for each of the skill sets shall be need-based to meet the highest standards and requirements of the related industry segment and will be designed and developed by RSA. Use of multimedia content and other applications of Information Technology (IT) would be encouraged.

6. **Soft Skills:** In addition to the targeted domain specific hard skills, the programme shall also aim at imparting life management skills (Soft Skills) to the trainees.

7. **Assessment and Certification:** Scientific criterion would be evolved by empanelled assessment agencies in consultation with RSA for assessing the proficiency of skills of the trainees based on the standards used by the related industry segment.

8. **Employment Linkages:** One of the key outcomes of the programme is the number of trainees who are successfully engaged in the related occupations after the training. The IA would take all steps to partner with industry and obtain the commitment of Industrial units for employment of the successfully trained candidates. Further, a bonus equal to 5% of the financial support sanctioned through the Scheme will be given to the IA, if at least 75% of such trainees become employed self-employed within 3 months of receiving the training.

ISDS REACH

The scheme has a wide spread reach with training being conducted in almost all Indian States' UTs etc. Around 3,250 training centers are present across different Indian States, cities and rural areas including remote location, backwards region, left wing extremist affected area etc. Out of the total 664 districts Indian

districts, around 357 districts have been covered under the scheme and trainees from different strata of the society are the major beneficiaries.

ISDS SPREAD ACROSS INDIA

Under ISDS scheme, special emphasis has been laid on selecting the trainees from the job seekers amongst the rural youth having educational qualification preferably 10+2 standard. Key focus has been give to target weaker/underprivileged section of the society for the upliftment of their economy status and provide opportunities for livelihood. The scheme reach has been highly inclusive and major stress has been laid on targeting backward section and reaching the lowest stratum of the society. Out of the total successful trainees trained till July 2015, around 55% of the trainees belong to backward section including the SC/ST/OBC/Minority. Further majority of the candidates trained under the scheme are women.

CONCLUSIONS

To meet the needs of the industry for a skilled workforce and thereby support its competitiveness, the Integrated Skill Development Scheme has so far imparted training to a total of 8.49 lakh people, out of which 7.50 lakh have been assessed and 5.79 lakh placed. The scheme has largely aligned been with the common norms of Ministry of Skill Development & Entrepreneurship. The skilling targets for the coming years are given here. As of now a total of 11.3 lakh training targets have been sanctioned under 76 projects to around 58 implementing agencies spread across all India. Variety of shareholders like Textile research associations, private training, industry associations, state Government institution are working in cooperation and coordination under the ambit of the Ministry of Textile for fulfilling the skilling requirement of the textile and related sector.

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