

INTRODUCTION

1. The Indian Textiles and Garments sector is envisaging a long term growth trajectory, which entails huge requirements of fibres (natural as well as man-made). Thus, in order to augment the value-added segments of the textiles value chain, it is extremely important to boost the fibre availability in the country and resolve all inherent issues associated with different fibres. There is a growing concern that the fibre sector requires special attention, especially in view of the fact that presently the fibre consumption in India is in the ratio of 59:41 between cotton and man-made fibres, as against 40:60 ratio worldwide.
2. Ministry of Textiles, Government of India constituted a Working Group to formulate a **National Fibre Policy** for Textiles and Garments sector of India with a view to strengthen the fibre economy of the country and make Indian textiles and garments sector competitive in the near, medium as well as long-term. Within the Working Group, eight **Sub-groups** were formed, viz. **Cotton, Man-made fibres, Jute, Silk, Wool, Other Natural fibres, Speciality fibres (Technical Textiles), and Speciality (Suvin and Organic) Cotton**. The constitution of each Sub-group comprised of a Convener from the Government's side and a Co-Convener from the Industry side along with other members, representing officials from concerned Ministries, Boards, Associations and Industry/ Sector.
3. Dun and Bradstreet was appointed as the **Knowledge Partner** to assist the Working Group and Sub-groups in collection and collation of data and related inputs to facilitate formulation of National Fibre Policy based on requirement of different fibres in the future. Each Sub-group held four to five meetings between October 2009 and January 2010 to deliberate on various issues facing their respective sector and arrived at recommendations and policy interventions to address the concerns of the sector and to meet the overall objectives of the study.
4. During the initial meetings of respective Sub-groups, members raised various issues and problems faced by their sectors. The Knowledge Partner provided research inputs, information and analysis to facilitate examination of issues raised by the members. The Knowledge Partner also provided forecasts for respective sectors, which were examined and deliberated by the members of the sub-group. Based on the information, forecasts and other inputs provided by the Knowledge partner, the sub-group examined various possible solutions to address the concerns and a consensus approach was adopted towards arriving at recommendations that supported sustained growth of fibres without adversely impacting any part of the value chain.
5. The recommendations made by all Sub-groups are directed towards the objective of formulating a fibre policy that will be fibre neutral and would seek to enhance the production and availability of fibres in India to ensure sustained growth for the textile value chain. Recommendations have been made to correct fiscal anomalies and policy limitations that are currently present in the textile eco-system, with



a view to ensure a balanced growth of the textile industry in the future. The Sub-groups representing fibres which currently have limited production in India (Speciality fibres and Other Natural fibres) have recommended policy interventions towards developing a conducive environment to facilitate growth and development of such fibres.

6. The report is a compilation of fibre reports of each Sub-group (viz. Cotton, Man-made fibres, Jute, Silk, Wool, Other Natural fibres, Speciality fibres, and Speciality Cotton), which broadly comprise overview of the respective fibre sector, highlights the key issues and constraints facing the fibre sector and provides policy recommendations for each fibre sector. The individual reports of each Sub-group have been presented as separate sections in this report.