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**STANDING COMMITTEE ON LABOUR, TEXTILES AND
SKILL DEVELOPMENT**

(2022-23)

(SEVENTEENTH LOK SABHA)

MINISTRY OF TEXTILES

DEMANDS FOR GRANTS

(2023-24)

FORTY-SECOND REPORT



LOK SABHA SECRETARIAT

NEW DELHI

March, 2023/Phalguna, 1944 (Saka)

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Presented to Lok Sabha on 13.03.2023

Laid in Rajya Sabha on 13.03.2023



LOK SABHA SECRETARIAT

NEW DELHI

March, 2023/Phalguna, 1944 (Saka)

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*Not appended with this cyclostyled copy.

**COMPOSITION OF THE STANDING COMMITTEE ON LABOUR, TEXTILES AND
SKILL DEVELOPMENT (2022-23)**

Shri Bhartruhari Mahtab - Chairperson

MEMBERS

LOK SABHA

2. Shri Subhash Chandra Baheria
3. Kunwar Pushpendra Singh Chandel
4. Shri Pallab Lochan Das
5. Shri Feroze Varun Gandhi
6. Shri Satish Kumar Gautam
7. Shri Bache Gowda B.N.
8. Dr. Umesh G. Jadhav
9. Shri Dharmendra Kumar Kashyap
10. Adv. Dean Kuriakose
11. Shri Pakauri Lal
12. Prof. Sanjay Sadashivrao Mandlik
13. Shri Dayakar Pasunoori
14. Shri Khalilur Rahaman
15. Dr. D. Ravikumar
16. Shri Naba (Hira) Kumar Sarania
17. Shri Bhola Singh
18. Shri Ganesh Singh
19. Shri Nayab Singh
20. Shri K. Subbarayan
21. Shri Giridhari Yadav

RAJYA SABHA

22. Shri Naresh Bansal
23. Shri Neeraj Dangi
24. Shri R. Dharmar
25. Prof. Manoj Kumar Jha
26. Shri Elamaram Kareem
27. Ms. Dola Sen
28. Shri M. Shanmugam
29. Shri Shibu Soren
30. Shri Vijay Pal Singh Tomarp
31. Shri Binoy Viswam

SECRETARIAT

1. Shri T.G. Chandrasekhar - Additional Secretary
 2. Smt Shilpa Kant - Executive Officer
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INTRODUCTION

I, the Chairperson, Standing Committee on Labour, Textiles and Skill Development (2022-23) having been authorized by the Committee do present on their behalf this Forty-Second Report on 'Demands for Grants (2023-24)' of the Ministry of Textiles.

2. The Committee considered the Demands for Grants (2023-24) of the Ministry of Textiles which were laid on the Table of the House on 13th February, 2023. After obtaining the Budget Documents, Explanatory Notes, etc., the Committee took evidence of the representatives of the Ministry of Textiles on 20th February, 2023. The Committee considered and adopted the Report at their Sitting held on 10th March, 2023.

3. The Committee wish to express their thanks to the officers of the Ministry of Textiles for tendering oral evidence and placing before them the detailed written notes and post evidence information as desired by the Committee in connection with the examination of the Demands for Grants.

4. For ease of reference, the Observations and Recommendations of the Committee have been printed in thick type in the body of the Report.

New Delhi;
10th March, 2023
19 Phalguna, 1944 (Saka)

BHARTRUHARI MAHTAB
CHAIRPERSON,
STANDING COMMITTEE ON LABOUR,
TEXTILES AND SKILL DEVELOPMENT

REPORT
PART- I

INTRODUCTORY

The Indian textile industry is the second largest producer of MMF Fibre after China. India is the 3rd largest exporter of Textiles & Apparel in the world. India's textiles and clothing industry is one of the mainstays of the national economy. The sector holds importance from the employment point of view as well. It provides direct and indirect employment and source of livelihood for millions of people including a large number of women and rural population. The sector has alignment with Government's key initiatives of Make in India, Skill India, Women Empowerment and Rural Youth Employment.

2. In keeping with goal of making India's development inclusive and participative, the central focus has been on increasing textile manufacturing by building the best-in-class manufacturing infrastructure, upgradation of technology, fostering innovation, enhancing skills and traditional strengths in the textile sector. The share of textile and apparel (T&A) including handicrafts in India's total merchandise exports stood at a significant 10.5% in 2021-22. India has a share of 4.6% of the global trade in textiles and apparel.

3. Major textile and apparel export destinations for India are USA, EU-27 and UK which account for approximately 50% of India's textiles and apparel exports. The sector holds importance from the employment point of view as well.

4. The Ministry of Textiles is responsible for policy formulation, planning and development of the Textiles Industry. The Ministry works towards the Country achieving a pre-eminent global standing in manufacture and export of all types of textiles including technical textiles, jute, silk, cotton and wool and develop a vibrant handlooms and handicrafts sector for sustainable economic development and promoting and preserving the age old cultural heritage in these sectors.

5. The Demands for Grants of the Ministry of Textiles for the year 2023-24 are given under Demand No.98. The detailed Demands for Grants of the Ministry were laid in the Parliament on 13th February 2023. Comparison between the BE 2021-22 and 2022-23 and RE 2022-23 alongwith variations between RE 2022-23 and BE 2023-24 can be seen from the following statement:-

(Rs. in crore)

	Budget Estimate 2022-23	Revised Estimate 2022-23	Budget Estimate 2023-24	Variation b/w RE 2022-23 & BE 2023-24
Revenue	12357.11	3548.08	4362.53	814.45
Capital	25.03	31.53	26.81	-4.72
Total	12382.14	3579.61*	4389.34	+809.73

II. OVERALL FINANCIAL OUTLAYS AND PERFORMANCE

i. Proposals and Allocations for 2023-24

6. The total outlay proposed (Revenue and Capital) by Ministry of Textiles for the year 2023-24 was Rs. 4,545.61 crore. However Ministry of Finance allocated Rs. 4,389.34 crore for BE 2023-24 *vis-a-vis* amount proposed by Ministry of Textiles. Elaborating on the financial performance during last 2 years and current FY 2022-23, the Ministry submitted the following information:

(Rs. in crore)

Year	Budget Estimate	Revised Estimate	Actual Exp. Till 16.2.23	Expenditure as % of RE
2020-21	3514.79	3300.00	3148.97	95.42%
2021-22	3631.64	11449.32	11170.91	97.57%
2022-23	12382.14	3579.61	2919.63	81.56%
2023-24	4389.34	--	--	--

7. On the specific issue of huge difference between the BE allocated to Ministry of Textiles in 2022-23 and that in 2023-24 i.e. from Rs. 12,382.14 crore in 2022-23, the allocations were cut down to Rs. 4,389.34 crore, the Ministry stated in their reply as under:

“The main reason for significant reduction in the Ministry of Textiles outlays between BE 2022-23 and BE 2023-24 is on account of the difference in provisions for Price Support Scheme of Cotton Corporation of India (CCI). The allocation for the scheme that stood at Rs. 9243.09 crore in BE 2022-23 has ‘Nil’ requirements in BE 2023-24, as losses on account of MSP Operations by the CCI in providing price support and reimbursement of the same to CCI by the Government of India, are not anticipated in the ensuing FY.

Excluding CCI provisions, the outlay of the Ministry has in fact gone up by 39.8 percent in BE 2023-24 over BE 2022-23 allocation.”

8. The Budget proposals as submitted by the Ministry and Budget provision allocated for different schemes is as shown below:

(Rs. in crore)

S. No.	Establishment Expenditure/Scheme	BE 2023-24 (Proposed)	BE 2023-24 (allocated)
1	Sectt.	51.51	51.50
2	Textiles Commissioner	63.34	63.34
3	Jute Commissioner	12.40	12.40
4	Development Commissioner Handloom	106.96	106.96
5	Development Commissioner Handloom (Capital)	18.00	18.00
6	Development Commissioner Handicraft	119.61	119.61
7	Export Promotion Studies	5.00	5.00
8	<i>COP & COP Jute</i>	0.14	0.14
	Total Establishment Expenditure	376.96	376.95
	Central Sector Schemes		
9	TUFS	900.00	900.00
10	Cotton Corporation	0.01	0.01
11	National Handloom Development Programme	200.00	200.00
12	Raw material Scheme	160.00	160.00
13	Scheme for Protection of the Handlooms and Implementation of the Handlooms (Reservation of Articles for Production) Act, 1985	7.00	7.00
14	National Handicraft Development Programme	237.31	237.33
15	National Handicraft Development Programme (Capital)	1.00	1.00
16	Handicraft Mega Cluster	43.10	40.00
17	Integrated Wool Development Programme	27.11	27.11
18	Development of Jute Textiles (NJB)	100.39	100.00
19	Jute Corporation of India Subsidy	42.47	42.00
20	Textiles Cluster Development	151.00	141.54
21	Integrated Processing Development Scheme	70.00	60.00
22	PM-MITRA	245.00	200.00
23	Production Linked Incentives (PLI)	5.00	5.00
24	SAMARTH	120.00	115.00
25	Research and Development	0.02	0.02
26	National Technical Textiles Mission (NTTM)	500.00	450.00
27	Scheme for usage of Geo Textiles in NER	0.02	0.00
28	Central Silk Bord (Grants towards Development of Silk)	919.66	917.77
	Total Central Sector Schemes	3729.09	3603.78
	Other Central Sector Expenditure		
29	Assistant Textile Committee	56.55	56.55
30	NIFT	104.95	104.00
31	Support to PSU	252.84	222.84
32	International Contribution	1.50	1.50

33	SVPITM	0.50	0.50
34	IICT(Inst. Of Carpet Technology)	6.19	6.19
35	TRAs & IJIRA	17.00	17.00
36	BJEL	0.01	0.01
37	BIC	0.01	0.01
38	NJMC	0.01	0.01
	Total Other Central Sector Expenditure	439.56	408.61
	Grand Total	4545.61	4389.34

9. The Committee desired to have details of the plan of action of the Ministry to utilize the unspent budgeted amount in 2022-23 fiscal and the anticipated savings by the end of March, 2023. In reply, the Ministry stated as under:

“As on February 9, 2023 a total of Rs. 2893.72 crore has been spent, taking the total expenditure to 80.84% of the Revised Estimates of Rs.3579.61 crore in 2022-23. The remaining amount of Rs. 685.89 crore will be endeavored to be utilized fully during the remaining part of current Financial Year. As regards anticipated savings against revised estimates, it is not yet firmed up as the process of working out final estimates of expenditure is to be initiated shortly. However, based on final estimates in case any savings are projected, the same will be endeavored to be deployed in other schemes with higher demands/absorptive capacity, within the overall RE ceilings. The key risks that could lead to some savings are primarily:(i) unspent balances of past releases;(ii) delays in implementation of some schemes under the central sector schemes due to the revised payment procedures mandated during the current year. National handloom Development Programme and the Integrated Scheme for Skill Development are key schemes where the utilization of funds are slower, though they could still pick up in the remaining part of the FY.

The progress is however being closely being monitored by the respective Bureau Heads and in the weekly meeting chaired by Secretary Textiles. Efforts would be sustained and corrective measures as needed will be taken, to ensure full utilization of available funds in the current FY.”

10. When enquired further about the possibility of utilization of the unspent amount by the end of FY 2022-23, the Ministry while reiterating the submission *inter-alia* stated:

“The remaining amount as on date therefore stands at Rs.641.65 crore and is likely to be utilized fully in the remaining part of the year. Small amounts of savings/surrenders, in case arising in a few schemes (based on final assessments by the divisions), will be sought to be deployed in areas with higher absorptive capacity, as feasible and within the constraints of financial re-allocation/re-appropriation powers delegated to the Ministry. However, overall savings if at all, is likely to be very miniscule as a proportion of the total revised budget outlay.”

11. Scrutiny of the documents revealed that the Ministry have been failing in adhering to the Budget Division (Ministry of Finance) guidelines regarding ceiling limit of expenditure i.e. 33% in the last quarter and 15% in the last month of the fiscal year. In this regard, the Ministry were asked to explain the measures taken by the Ministry to address the concerns on this count. In reply, the Ministry submitted as under:

“In 2020-21 and 2021-22 the excess over the 33% last quarter expenditure ceiling was solely on account of Cotton Corporation of India. The provision for the same was made through supplementary Demands, and therefore exempted from the last quarter/month expenditure ceilings. There was therefore, no deviation from these expenditure ceilings.

(Rs. in crore)

	BE	Ex. Upto 3 rd quarter	Ex. Upto the end of the year	Variation	% in last quarter	Exp of CCI in last quarter	% of last quarter CCI Exp.
2020-21	0.01	1723.38	3146.97	1423.59	40.50%	662.71	18.85%
2021-22	136.00	2173.18	11170.91	8997.73	247.73%	8195.96	225.68%

The total expenditure of 40.50% in last quarter of 2020-21 included 18.85 % on account of CCI. Similarly, out of total expenditure of Rs. 11170.91 crore in the quarter four of 2021-22, 73.36 % was on account of CCI, and obtained through Supplementary Demands for Grants.”

12. Asked to specify the Schemes implementation of which has been slow and funds earmarked under them are likely to be under-utilised during 2022-23, the Ministry informed the Committee as under:

Schemes with comparatively lower pace of utilization as on date are as follows:

(Rs. in crore)

Sr. No.	Scheme	RE 2022-23	Expenditure as on 21 st Feb. 2023	Funds Remaining
1	National Technical Textiles Mission (NTTM)	37.00	0.32	36.68
2	National Institute of Fashion Technology (NIFT)	25.00	0.00	25.00
3	Assistance Textiles Committee	59.79	12.50	47.29
5	Production Linked Incentive (PLI)	7.50	0.50	7.00

13. When questioned on the major challenges faced by the Ministry while implementing these Schemes, the Ministry in their reply submitted as under:

“The utilizations under the schemes viz. National Technical Textiles Mission (NTTM), National Institute of Fashion Technology (NIFT), Assistance Textiles Committee, and Production Linked Incentive (PLI) even though very low, these together constitute only 3.61% of the Revised budget outlays. The release of funds under these schemes were delayed due to preparatory measures that took longer than anticipated. However, these are now in advanced stage of processing and most of these are likely to be utilized by the close of the financial year.”

14. The Committee have been informed that non-receipt of viable proposals and non-furnishing of utilization certificates by implementing agencies has resulted in underutilization of allocated fund. In this context, the Committee enquired about the specific efforts made/proposed by the Ministry to increase the receipt of viable proposals from the implementing agencies. In reply, the Ministry stated as under:

“To address constraints on adequate viable proposals from the implementing agencies and to push for achievement of the targeted physical targets, the divisional heads maintain a constant liaison with concerned agencies and conduct regular review meetings. Advisories and directions are also issued through issue of circulars from time to time to elicit and enhance viable proposals from the States and implementing agencies. Other opportunities like the recent North-East Regional Conference and Western Regional Conference of Ministry of Textiles for instance, are also gainfully utilized. These engagements provided the Ministry with the opportunity to encourage and request the states for proposing more viable projects, and focusing on the targeted expenditures and outcomes under various schemes of the Ministry.”

III. PHYSICAL TARGETS AND ACHIEVEMENTS

15. The Ministry was questioned on the extent and nature of shortfalls in the achievement of targets in case of some of the Projects and Schemes (sector-wise) during 2022-23. In this regard, the following information was furnished to the Committee:

(i) Procurement of Cotton: Cotton Corporation of India is nominated as Central Agency of Government of India to undertake Price Support Operations whenever the market prices of kapas fall below the support prices announced by Government of India, without any quantitative limit. During cotton season 2021-22 and the ongoing cotton season 2022-23, as seed cotton prices were ruling much above MSP level and farmers were getting higher prices for their cotton in the market, CCI intervention for MSP operations was not required.

(ii) National Handloom Development Programme: National Handloom Development Programme is a need based scheme. The shortfall in achievement of targets of National Handloom Development Programme is almost invariably due to non-receipt of viable proposals from the States/UTs.

(iii) Various schemes related to handicrafts industries: Various shortfalls in the achievement of targets of various schemes related to handicrafts industries during 2022-23 are as follows:-

- a. The Office of the Development Commissioner (Handicrafts) face problems of non-receipt of viable proposals and timely submission of Utilisation certificates by the implementing agencies
- b. The integration of CNA module with PFMS was live in August 2022 after that all funds would flow from the department to Implementing Agencies.

As a result of which, the time given for implementation of such sanctioned programmes and schemes was very less.

- c. Problems in opening of Zero Balance Subsidiary Account as per Central Nodal Agency (CNA) module
- d. Under-utilization of funds for existing projects by the implementing agencies.
- e. Also, implementing agencies delay in submission of necessary documents of fresh CHCDS projects.

(iv) Pashmina Wool Development Programme : Under implementation of Pashmina Wool Development Scheme during current FY 2022-23, the Board has received new projects from implementing agencies i.e. States amounting to total Rs. 17.70 crore likely to be approved in current financial year, after completing all the norms as per the guidelines of IWDP. Out of it, the Board will issue Sanction Order of earmarked Rs. 6.04crore as first installment to different implementing agencies to implement the projects in FY 2022-23.

(v) Grants towards Development of Silk Industry: In so far as Grants towards Development of Silk Industry is concerned, as against the outlay of Rs.875.00 crore approved for the current year 2022-23, Rs.626.36 crore has already been incurred as on date. The balance amount of Rs.248.64 crore would be utilized fully by 31.03.2023. Hence there will not be any shortfall in utilizing the funds during the current year 2022-23.

Similarly there will not be any shortfall in physical targets also during the current year 2022-23 as the entire set targets under the scheme will be achieved by 31.03.2023. The details are as under:

(As on 19.01.2023)

Sl. No.	Name of Scheme	Target	Physical Achievement		
			As on 19.01.2023	As on date	Anticipated Achievement
1.	New Projects to be initiated	35	21	23	35
2.	Number of Research projects to be concluded	33	14	18	33
3.	Capacity Building and Training under CSB Schemes	11120 (beneficiaries)	7940	9839	11120
4.	Cocoon and Raw Silk Centers	6	-	2 CTCs	6
5.	Programmes/Events/Expo/ Road show to be organized	600	700	754	760
6.	Production of basic and commercial seeds for Mulberry, Tasar, Muga	485.67	285.58	287.88 (latest progress reports are awaited from CSB nested units)	485.67
7.	Silk Marked Label distribution	27	29.16	33.32	35.00

As against the target of 35 new research projects to be initiated during 2022-23 by CSB R&D institutes, 23 new projects have been initiated as on date. The meeting of Research Coordination Committee (RCC) to approve project implementation / ratification was held in November,2022. Therefore, the remaining 12 projects would be initiated by end of the year 2022-23. Besides 112 ongoing projects are being continued. Similarly, as against 33 projects to be concluded, 18 projects have already been concluded as on date and the remaining 15 projects would be concluded by end of the year i.e., March,2023.

Under Capacity building, as against the target of 11120,9839 persons have been trained upto January, 2023 and the remaining persons would be trained by the end of the year.

Against a target of 485.67 lakhs dfls production, 287.88 lakhs dfls(both mulberry and Vanya)have been produced up to December, 2022 and expected to achieve the target by March, 2022. During the year 2022-23, the abiotic factors fluctuated to a great extent affecting the input raw material, which impacted the overall production target. The production targets are directly related to the prevailing a-biotic factors (like rain & high temperature). Hence, it can be attributed that target vis-à-vis achievement is combination of abiotic and biotic factors like plant & silkworm diseases etc.

Under the Quality Certification Systems, 700 programmes /events /exhibitions /road shows have already been organized upto December,2023 against the target of 600. Hence the achievement has exceeded the target. Similarly, as against the target of 27 lakhs silk mark labels to be distributed, 29.16 lakh silk mark labels have already been distributed (upto December).

In respect of Cocoon and Raw silk testing centers, the entire target could not be achieved due to lack of proposals from States. The States have been requested to submit proposals in this regard.

(vi) Scheme for Development of Jute Sector :The allocation of fund under BE 2022-23 to NJB is Rs. 70.00 crore which has been revised under RE 2022-23 to Rs. 30.00 crore. However, the actual expenditure upto 31.01.2023 is Rs. 41.24 crore (Estimated expenditure upto 31.03.2023 is Rs.67.00 crore) the excess amount has been utilized from the carry forward fund lying with the NJB due to non-utilization of the same in previous years. Therefore, by 31.03.2023, NJB may utilize funds nearly allocated funds under BE 2022-23.

Subsidy to the Jute Corporation of India towards Price Support, Jute Corporation of India (JCI): JCI has submitted that due to delay in the process of recruitment of regular cadre employees within the original targeted timelines and keeping a substantial portion of the estimated unutilized administrative expenses as the proposed shifting of the Head Office of the Corporation to the newly constructed Patsan Bhawan, are the reasons for shortfall in the achievement of the targets.

(vii) Integrated Process Development Scheme of Textiles Sector :As regards Integrated Processing Development Scheme (IPDS), 6 approved projects are under implementation. Most of these projects were approved in the year 2015-16 and it took about 5 to 6 month to channelize the construction work as

sought in scheme guideline. Out of six approved project, it is expected that one project will be completed by the end of current Financial Year. During 2023-24, two more projects are expected to get completed.

(viii) PM-MITRA: 7 PM-MITRA Parks are to be announced under PM-MITRA.

(ix) Production Linked Incentive (PLI) Scheme for Textiles :

(a) Cabinet, in its meeting held 08.09.2021, has approved Production-Linked Incentive (PLI) Scheme for Textiles products: MMF segment and technical textiles for enhancing India manufacturing capabilities and enhancing exports with an approved financial outlay of Rs 10,683 crore over a five year period. A total of 67 applications have been received. Selection Committee chaired by Secretary (Textiles) has selected 64 applicants under the scheme. In the approved 64 applications, the proposed total investment is Rs.19,798 crore and projected turnover of Rs. 1,93,926 crore with a proposed employment of 2,45,362 in the textile sector of MMF and Technical textiles. Letters of approval have been sent to 56 number of selected participants after fulfilling the mandatory requirement of creation of new company.

(b) As per PLI Scheme guidelines there will be two years of gestation period under the Scheme (FY: 2022-23 and FY: 2023-24). The performance years are from 2024-25 to 2028-29 and incentive claim years are from 2025-26 to 2029-30 and incentives are payable accordingly.

(c) As per the projection (by the applicants), investment would be Rs.7,781 crore and employment of 28,841 in the textile sector of MMF and Technical textiles by the end of March, 2023. As on date Rs.2183 crore (including land) invested by the applicants.

(x) SAMARTH-Scheme for Capacity Building in Textile Sector: The COVID-19 pandemic has resulted catastrophic impact on textile industry. Significant time was taken by the industry for normalizing the business affected due to pandemic situation. The impact resulted in significant reduction in hiring of new workers by the industry. In addition, due to fluctuation in yarn price in the country, global slowdown and recession in Europe etc., significant business contraction has been reported by textile exporters resulting reduction of new recruitment of workers.

NCVET has made certain modifications in the courses offered under Samarth. With the sudden change in notional training hours of some of the important courses also delayed training programmes for more than 2 months.

Fund flow mechanism under the Central Sector Schemes has been revised as per the direction of the Department of Expenditure M/o Finance vide order dated 09.03.2022. Considering the balance approved tenure of Samarth (i.e. upto March, 2024), Dept. of Expenditure M/o Finance was requested for exempting the Samarth scheme from the purview of revised procedure for flow of funds under Central Sector Schemes. However, the exemption was not granted, and it took considerable time in onboarding large number of implementing partners under the scheme in the new system after operationalizing fund flow mechanism through Central Nodal Agency. These

impediments have resulted in shortfall in the achievement of physical target in financial year 2022-23.

(xi) Grants to Institute of Fashion Technology :As regards NIFT is concerned, exemption from the revised fund flow mechanism through CNA was requested as the funds released to NIFT is mainly for construction works of campuses. However the exemption was not acceded to. As such, the formalities/ procedure for transition to the new procedure such as opening of bank account of CNA & child account of 18 campuses, mapping of accounts with PFMS, transfer of unspent funds of previous grant transferred into CNA account etc were carried out. Considerable time has been lost in the process of completing the compliance parameters with the procedures under the new fund flow mechanism through Central Nodal Agency (CNA). In the meantime, the allocation was reduced to Rs. 25 crore at RE Stage. Now, the process of release of Rs. 25 crore is at advance stage and the entire fund allocated in RE will be utilized. Plan for expenditure for the proposed BE 2023-24 has also been formulated.

(xii) Schemes for North Eastern Textiles Promotion etc.: A total of 38 projects under the Sericulture Sector were approved under NERTPS with a project cost of Rs.1,108 crore, having GoI share of Rs. 956 crore. So far, Rs. 845 cr has been released to the States. These projects are implemented in about 60 districts across all NE States. Around 38,000 acres of plantation under Mulberry, Eri, Muga and Oak Tasar sectors have been developed with supporting interventions, at individual beneficiary level across all NE States. The projects have contributed additional production of over 4,900 MT raw silk during the project period and 1,500 MT silk per annum involving around 63,000 families, which has generated additional employment to 3,15,000 persons.

During the current year, upto December, 2022, production of 6854 MT silk has been achieved in NE. Entire target of 8304 silk for NE during current year shall be achieved. Important crops of Eri and Muga are expected during the period from November to March, when the production of silk especially Eri is expected to go up enormously with the support provided under the projects taken up through NERTPS.

In terms of financial achievement, an amount of Rs.45.60 cr. has been released to NE States under Silk Samagra-2 scheme towards continuation of NERTPS projects and further release of Rs.30.00 cr. is in the pipe line. Therefore, in terms of financial achievement also for Sericulture projects, there shall not be any shortfall compared to the proposals received from States.

North East Region Textile Promotion Scheme (NERTPS) has been subsumed under Silk Samagra Scheme 2 approved for the period 2021-22 to 2025-26. Provisions have been made for committed expenditure of the ongoing projects under NERTPS in the Silk Samagra 2 under a separate budgetary head for NE in the initial two years of the scheme.

16. Asked further about steps taken/proposed by the Ministry to enhance the performance and achieving the physical targets of the Schemes/

Projects/Programmes during 2023-24 fiscal, the Ministry furnished the following reply:

(i) Silk Samagra

The following are the major interventions taken/ proposed under Silk Samagra-2 to enhance the performance of achievements of physical targets during 2023-24.

- Support to beneficiaries has been rationalized as bundle of packages from earlier individual / isolated components to provide full package of technology for desired outcome.
- Support to Seri-business Enterprise /Entrepreneurs and FPOs included to encourage entrepreneurship in sericulture activities to increase the profitability and making seri-culture a sustainable activity.
- Sharing pattern for support to the beneficiaries rationalized to support for up-scaling of the activities and making the activity viable, profitable & sustainable.
- Special focus has been given for tapping potential of ERI Silk outside NE (Tapioca based Eri culture in Tamil Nadu and Castor based sericulture in Gujarat)
- Focus will be on strengthening of market infrastructure and promoting start up in cocoon bank development, digitization of market
- Geo-tagging of assets made mandatory for monitoring of scheme benefits
- Special focus has been given for development of sericulture in North East. New sericulture projects in line with NERTPS are sanctioned under Silk Samagra-2 with necessary budgetary provision.
- Special focus will be on value addition to produce high value products, non-textile application of silk and by-product utilization.
- Incubation facility to R&D Institutes will be provided with linkages to start ups for commercialization and field application of technologies.
- Convergence of extension services in KVKs with CSB/States sericulture extension and training activities.
- Support will be provided to entrepreneurs for taking up bivoltine seed production and its distribution so as to promote private participation in Bivoltine seed production & supply.

(ii) Procurement of Cotton

During cotton season 2021-22 and the ongoing cotton season 2022-23, as seed cotton prices were ruling much above MSP level and farmers were getting higher prices for their cotton in the market, CCI intervention for MSP operations is not required.

(iii) SAMARTH-Scheme for Capacity Building in Textile Sector

In order to optimize physical achievement for financial year 2202-23, following steps have been taken: -

- (a) Additional training target has been allocated to performing implementing Partners
- (b) Addition of new training centers as per the requirement of Implementing Partners are allowed for expediting the sanctioned training target.
- (c) Empowered Committee under Samarth has approved rationalization of more than 80,000 targets from slow performing Implementing Partners and allocate these targets to agencies being newly empanelled.
- (d) RFP process has been initiated for empanelling of new Implementing Partners (industries/Industry associations) and allocation of training target.
- (e) State Governments yet to participate in the scheme are also being perused for submission of proposal

(iv) Pashmina Wool Development Programme

The Board has already received sufficient new project proposals under the component of Pashmina Wool Development Scheme for implementation during FY 2023-24 from UT of Ladakh and UT of J. & K. Board will facilitate the implementation of these projects to achieve the physical targets.

(v) Integrated Processing Development Scheme (IPDS)

As regards Integrated Processing Development Scheme (IPDS), 6 approved projects are under implementation. Most of these projects were approved in the year 2015-16 and it took about 5 to 6 month to channelize the construction work as sought in scheme guideline. Out of six approved project, it is expected that one project will be completed by the end of current Financial Year. During 2023-24, two more projects are expected to get completed.

As regard steps to enhance performance, Project Approval Committee (PAC) regularly reviews physical progress of the park and necessary directions if any are also issued. In addition, monthly progress report is also submitted by Project Management Consultants under IPDS. Further, O/o Textile Commissioner also submits physical and financial progress report as and when required.

(vi) Production Linked Incentive (PLI) Scheme For Textiles:

- Cabinet, in its meeting held on 08.09.2021, has approved Production-Linked Incentive (PLI) Scheme for Textiles products: MMF segment and technical textiles for enhancing India's manufacturing capabilities and enhancing exports with an approved financial outlay of Rs 10,683 crore over a five year period. A total of 67 applications have been received. Selection Committee chaired by Secretary (Textiles) has selected 64 applicants under the scheme. In the approved 64 applications, the proposed total investment is Rs.19,798 crore and projected turnover of Rs. 1,93,926 crore with a proposed employment of 2,45,362 in the textile sector of MMF and Technical textiles. Letters of approval have been sent to 56 number of selected participants after fulfilling the mandatory requirement of creation of new company.
- As per PLI Scheme guidelines there will be two years of gestation period under the Scheme (FY: 2022-23 and FY: 2023-24). The performance years are from

2024-25 to 2028-29 and incentive claim years are from 2025-26 to 2029-30 and incentives are payable accordingly.

- As per the projection (by the applicants), investment would be Rs.7,781 crore and employment of 28,841 in the textile sector of MMF and Technical textiles by the end of March, 2023. As on date Rs.2183 crore (including land) invested by the applicants.

(vii) PM - Mega Integrated Textile Region and Apparel (PM MITRA)

In respect of PM MITRA, detailed analysis is being done in consultation with participating state governments. The Ministry is also in consultation with team of Gati Shakti under National Master Plan so that additional information in respect of proposed site could be gathered. The process for finalization of sites is at advance stage.

(viii) Handlooms:

The following steps are proposed to enhance the performance of achievement of physical targets during 2023-24 fiscal:

(1) State governments will be pursued to submit viable proposals of new projects.

(2) Whenever a need is felt that adequate number of proposals are not coming through the State governments, field offices i.e., Weavers Service Centres (WSCs) are advised to prepare and submit proposals directly to O/o DC(Handlooms) for consideration. These proposals are implemented by WSCs.

(3) Timeline will be set for sanction of new projects and timely submission of Utilization Certificate of earlier releases for release of subsequent installments so that the projects are completed in a time-bound manner.

Intensive publicity through awareness camps, Chaupals are being organized in weavers' pockets highlighting benefits available under the scheme.

(ix) Handicrafts:

Office of Development Commissioner (Handicrafts) will take every possible step to enhance the performance of achievement of physical targets in the schemes. It will interact and guide to concerned State Governments, implementing agencies and other stakeholders to implementation of CNA module through PFMS and submit viable proposal in the beginning of the financial year. Further, various other measures taken by the O/o DC (HC) are as follows: -

- Various Training programmes are being conducted to provide the implementing agencies for better and effective implementation of CNA, PFMS and all the schemes.
- Timeline is being set for sanctioning of new projects, and submission of UCs for release of subsequent installment to complete the project on time.
- IT is being utilised to avoid the delay for processing the proposals and proper monitoring of the schemes.

- Co-ordination with bank to speed up opening of ZBSA under CNA and resolution of issues pertaining to account mapping and indexing.

(x) Scheme for Development of Jute Sector :During 2023-24, the following schemes have been approved under National Jute Development Program, for implementation at total financial outlay of Rs 100.39 crore by National Jute Board:

Sl. No	Name of the Scheme under National Jute Development Program (NJDP)	Target	
		Physical	Financial (Rs in Lakh)
1.	JUTE-ICARE (Improved Cultivation And Advanced Retting Exercise)	<ul style="list-style-type: none"> ➤ Land : 190893 hectares ➤ No of farmers : 418324 ➤ CRIJAF Sona – 600 M.Ton 	1444.00
2.	Capital Subsidy for Acquisition of Plant & Machinery (CSAPM) for Jute Diversified Products :	<ul style="list-style-type: none"> ➤ 20 Nos of jute mills/MSME JDP Units ➤ Investment in machinery Rs 20 crore 	600.00
3.	Jute Resource Cum Production Centre (JRCPC)	<ul style="list-style-type: none"> ➤ 30 JRCPC to be established 	720.00
4.	Jute Raw Material Bank (JRMB)	<ul style="list-style-type: none"> ➤ 30 JRMBs to be established 	360.00
5.	Jute Retail Outlets (JRO)	<ul style="list-style-type: none"> ➤ 30 JROs to be opened 	270.00
6.	Jute Design Resource Centre (JDRC)	<ul style="list-style-type: none"> ➤ No of designs : 300 ➤ No of artisans/exporters to be supported : 300 	110.00
7.	Production Linked Incentive (PLI)	<ul style="list-style-type: none"> ➤ Total 110 Units have to be supported 	1320.00
8.	Market Development & Promotion Scheme (MDPS)	<ul style="list-style-type: none"> ➤ No of domestic market promotion activities : 66 ➤ No of export market promotion activities : 19 	2590.00
9.	Scholarship Scheme for Girl Children of Workers of Jute Mills/MSME JDP unit	<ul style="list-style-type: none"> ➤ Secondary exam pass out : 3000 (@ Rs 5000) ➤ Higher Secondary Pass out : 1500 (@ Rs 10000) ➤ Total : 4500 	300.00

National Jute Board has been implementing the above approved schemes under National Jute Development Program. For quality/productivity improvement of Raw Jute, NJB has been implementing Jute ICARE in collaboration with the JCI and ICAR CRIJAF. Similarly, the product diversification studies / projects have been commissioned in association with various R&D Textile Research Organisations. Various Market Promotion activities are being implemented with active participation of jute entrepreneurs / exporters in consultation with jute industry bodies viz IJMA and JPDEPC. With involvement of professional organizations, various schemes are being implemented by NJB so as to achieve the targets.

Jute Corporation of India- The Administrative Ministry (MoT) conducts regular meetings to review the scheme under which the Corporation is given the Grant of Subsidy. As outcome of these meetings the Corporation has been advised to modernize its operations to keep pace with the changing needs and discharge

its obligations in a more systematic manner. In this direction, the following steps are being taken by JCI:

- (a) Modernizing the IT infrastructure of Departmental Purchase Centre (DPC), by ensuring Computer Equipment and broadband Internet connection at DPCs of JCI situated at remote locations for smooth MSP Operation.
- (b) Ensuring 100% online payment directly to the farmer's bank account against purchase of raw jute.
- (c) Installing firefighting equipment in all DPCs and CCTV cameras.
- (d) Estimation of jute crop quality and quantity through crop cutting experiment with the help of NRSC-ISRO which will be continued in future, as well.

(xi) Grant to Institute of Fashion Technology: Plan for expenditure for the proposed BE 2023-24 has been formulated. Various actions related to construction are being vigorously pursued with construction agencies. Activities have progressed beyond initial stages of obtaining estimates. In most of the campuses, MoU with construction agencies have been finalised and Work Orders have been issued. Procurement plan for IT and non-IT assets have been finalised. Multi-level mechanisms at Campus as well as at Head Office would be ensured by holding regular interactive meets with the construction agency and other stakeholders, review during Campus Director Meets, PERT charts, etc.

IV. CENTRAL SECTOR SCHEMES/PROJECTS

i. Procurement of Cotton

17. In order to ensure the benefit of MSP to large section of cotton farmers, with the approval of Cabinet Committee on Economic Affairs (CCEA), the Department of Agriculture appointed Cotton Corporation of India (CCI) as a Central Nodal agency, under Ministry of Textiles for undertaking MSP operations of cotton. In addition to CCI, Ministry of Textiles, Govt. of India also appointed Maharashtra State Co-Operative Cotton Grower's Marketing Federation Ltd. (MSCCGMFL) as sub agent since cotton season 2014-15 to 2020-21 for supplementing the MSP operations in the state of Maharashtra. In the event when prices of seed cotton (kapas) fall below the MSP level, CCI procures kapas offered by the cotton farmers at MSP rates, which is an open ended scheme. The CCEA also approves that the losses incurred towards this operations by CCI are fully reimbursable by the Government of India. Every year before the commencement of the Cotton Year (October to September), the Ministry of Agriculture, based on the recommendations of the Commission for Agricultural Costs and Prices (CACP), fixes the MSP for seed cotton (kapas) for medium staple length and long staple length. Based on the Support Price of these two basic varieties of Seed cotton (Kapas) and taking into account the quality differential, normal price differential and other relevant factors, the MSP for other classes of Seed cotton (Kapas) of Fair Average Quality (FAQ) is fixed by office of Textile Commissioner. The losses incurred by CCI and

MSCCGMFL in undertaking MSP operations are fully reimbursed by Ministry of Textiles, Government of India.

18. Regarding anticipated achievement under Procurement of Cotton Project during the year 2022-23, the Ministry informed the Committee as under:

"Since beginning of Cotton Season 2022-23, FAQ grade kapas prices are ruling above MSP level & farmers are getting higher prices. Thus, they do not require market intervention by so far as they are getting 30% to 35% higher above MSP rates by market forces itself."

19. Further, the Committee were informed that under cotton sector, as a nodal agency for undertaking MSP operations of cotton, CCI has taken following steps for the improvement in the implementation of MSP operations of cotton to protect the interest of cotton farmers in the country:

- (i) MSP operations are conducted directly from the cotton farmers duly identified by the State Government Officials without involving any middlemen.
- (ii) Set up adequate infrastructure on pan India basis i.e. 17 branches and more than 450 procurement centres in 143 districts.
- (iii) CCI Officials remain present at procurement centres right from the beginning of the cotton season till end to ensure minimum support prices to the cotton farmers wherever prevailing prices of FAQ grade kapas fall below MSP.
- (iv) Disseminating the necessary information regarding MSP rates to cotton farmers by displaying banners in APMCs, Advertisements in newspapers, Cott-Ally mobile app, etc.
- (v) Direct interaction and outreach with the cotton farmers through Cott-Ally mobile app and keep them updated about variety-wise MSP rates of cotton, nearest procurement centers of CCI along with contact details, payment tracking, complaint redressal, weather condition, crop situation & best farm practices etc, in their regional languages.
- (vi) To co-ordinate and monitor MSP operation MSP Cell constituted at Corporate Office, Zonal Office & Branch Office.
- (vii) Implemented 100% online payment of cotton purchased under MSP to the cotton farmers directly into their account through RTGS within three days.

20. The details of Budget allocation and utilisation under Procurement of Cotton during the last three years including the current year and BE for 2023-24 are as follows:

(Rs. in Crore)

S. No.	Year	BE	RE	AE
1	2020-21	0.01	865.00	662.71
2	2021-22	136.00	8439.88	8331.96
3	2022-23	9243.09	780.71	678.99 (as on 19.1.2023)
4	2023-24	0.01	-	-

21. On the issue of Price Support Operations undertaken by the Cotton Corporation of India, particularly in the year 2021-22 onwards, the Ministry informed as under:

- "The Cabinet Committee on Economic Affairs(CCEA) has given its approval on 10th November 2021 for committed price support of Rs.17,408.85 crore to the Cotton Corporation of India (CCI) for the cotton seasons from 2014-15 to 2020-21 for direct support to farmers.
- Accordingly, in the F.Y. 2021-22, BE of Rs.136 crore revised to Rs.8439.88 crore under this scheme for reimbursement of MSP losses to CCI and MSCCGMFL.
- However, with pragmatic sales policy and better price realisation of MSP stock in F.Y. 2021-22, the actual MSP price support substantially reduced to Rs.8,748.27 crore (i.e. Rs.7,635.93 crore to CCI and Rs.1,112.34 crore to MSCCGMFL), out of which Rs.8,535.99 crore (Rs.7,635.93 crore to CCI and Rs.900.06 crore to MSCCGMFL) has been released by Ministry of Textiles, Govt. of India till 19.01.2023.
- Since, major portion of MSP losses have been reimbursed to CCI and MSCCGMFL, hence, BE of Rs.9,243.09 crore revised to 780.71 crore in F.Y. 2022-23. Out of Rs.780.71 crore, Rs.678.99 crore has already been reimbursed to CCI and MSCCGMFL upto 19.01.2023 and there is balance MSP price support of Rs.101.72 crore is to be reimbursed to MSCCGMFL."

22. Questioned on the budgetary allocation for the current year, 2023-24 for MSP operations of Cotton Corporation of India, as may be needed, the Ministry informed:

"Minimum Support Prices (MSP) of cotton for cotton season 2023-24 (commencing from 1st October 2023) has not yet been announced by Ministry of Agriculture. However, the MSP procurement will depend on MSP declared by Govt. of India vis actual prices prevailing and MSP support required in upcoming cotton season 2023-24. Considering the prevalent market prices (which are ruling above MSP) there is a very less possibility of MSP operations by CCI in the year 2023-24. Moreover, under this scheme, the Government of India reimburses the losses made in MSP operations to CCI and therefore if CCI incurs any loss in the MSP operations in 2023-24, additional budget/funds will be sought as per the requirement."

23. When enquired about the proposed Scheme based on Public Private Partnership model for enhancing the productivity of extra-long staple cotton as announced in the Budget, 2023-24, the Ministry furnished the following information:

"The availability of adequate indigenous ELS cotton will provide the competitive advantage to the domestic textile industry in producing best quality of cotton yarn, textiles and niche value added products. This will help them to compete in global market by export of niche textile products and thereby increase in foreign exchange earnings.

In this regard a detailed scheme based on PPP model is to be framed by Ministry of Agriculture in consultation with MoT, ICAR-CICR, Research Institutions, Industry, farmers and other stake holders."

ii. Handloom Industries

24. To promote Handloom sector, the Office of the Development Commissioner for Handlooms, Ministry of Textiles, is implementing the following schemes across the country:

a. National Handloom Development Program:

- (i) Cluster Development Programme (CDP): Financial assistance upto Rs. 2.00 crore per CDP for various interventions such as Hathkargha Samvardhan Sahayata, product development, construction of workshed, project management cost, design development etc. is provided. The proposals are recommended by the State Government.
- (ii) Handloom Marketing Assistance (HMA) is one of the components of National Handloom Development Programme. In order to provide marketing platform to the handloom agencies/weavers to sell their products directly to the consumers, financial assistance is provided to the States/eligible handloom agencies for organizing marketing events in domestic as well as overseas markets.
- (iii) Infrastructure & Special Projects: Objective of the scheme is to set up project/s for product development/diversification, improving the productivity/ quality of handloom products, value addition of handloom products, marketing etc. to meet challenges of the dynamic market.
- (iv) Mega Handloom Cluster: Mega Handloom Clusters in various parts of the country will be taken up for their holistic development, drawing comprehensive development plans. Each Mega Handloom Cluster will cover atleast 10,000 handlooms with GoI contribution upto Rs.30.00 crore per mega cluster. Nature and level of assistance to each Mega Cluster will be need based.

- (v) Concessional Credit/Weavers' MUDRA Loan: Under the Scheme, margin money assistance for individual weaver and Handloom Organizations; interest subvention and credit guarantee fees on loans for a period of three years are provided. MUDRA Portal has been developed in association with Punjab National Bank to cut down delay in disbursement of funds for margin money, interest subvention and credit guarantee fee.
- (vi) Handloom Weavers' Welfare: Handloom Weavers' Welfare is providing life, accidental and disability insurance coverage under the components Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY), Pradhan Mantri Suraksha Bima Yojana (PMSBY) and Converged Mahatma Gandhi Bunkar Bima Yojana (MGBBY). This scheme also provides scholarship for higher education to handloom weavers/workers' children (upto 2 children) and financial support for Awardee weavers above 60 years of age in indigent circumstances.
- (vii) Hathkargha Samvardhan Sahayata (HSS): HSS was introduced on 1st December 2016 with an objective to provide looms/accessories to the weavers to enhance their earnings through improved productivity and quality of the handloom products. Under the scheme, 90% of the cost of loom/accessory is borne by the Government of India while remaining 10% is borne by the beneficiary. The Government of India's share is released to the supplier through Central Nodal Agency.
- (viii) "India Handloom" Brand- During the celebration of 7th August 2015 as National Handloom Day, 'India Handloom' Brand was launched for branding of high-quality handloom products to promote production of niche handloom products with high quality with zero defect and zero effect on environment. Since the launch of "India Handloom" Brand, 1,763 registrations have been issued under 184 product categories. Initiatives with various leading brands has been undertaken to bring out a separate range of handloom garments in their brand.
- (ix) Urban Haats are set up in the big towns/metropolitan cities to provide adequate direct marketing facilities to the craft persons/weavers and eliminate middle agencies. 38 such Urban Haats have been sanctioned across the country so far, of which 34 Urban Haats are functional and 4 are under process.
- (x) Producer Companies (PCs): Govt. of India is supporting in formation of PCs across the country in the handloom sector as a thrust area with the objective to extend the benefits of various handloom schemes to the weavers/workers, in particular to those who are either working independently or in the fold of Self-Help Groups/Producer Groups.

Suitable handloom pockets have been identified and being facilitated for formation of Producer Companies for catering to the needs of the weavers and craftsmen there. So far, 148 PCs have been registered as on 31.12.2022.

25. The details of Budget allocation and utilisation under National Handloom Development Programme (NHDP) during the last three years including the current year and BE provision for 2023-24 are as follows:

(Rs. in Crore)

S. No.	Year	BE	RE	AE
1	2020-21	205	165	179.56
2	2021-22	220	180	187.28
3	2022-23	200	156	139.40 (as on 14.02.2023)
4	2023-24	200	-	-

26. Asked about the reasons for under-utilization of budgetary funds under the scheme, the Ministry in their reply stated as under:

“National Handloom Development Programme is a need based scheme. The reason for under-utilization of budgetary funds is almost invariably due to non-receipt of viable proposals from the States/UTs.”

27. Questioned further whether the utilised funds under the Scheme in 2022-23 fiscal to the tune of around Rs. 40 crore would be optimally utilised in current financial year, the Ministry replied in affirmative.

28. Also asked whether BE of Rs. 200 crore for the fiscal 2023-24 would be sufficient for efficient implementation of the National Handloom Development Programme Scheme and the plan of the Ministry to raise requisite funds for the purpose, in reply, the Ministry stated as under:

“Yes, BE of Rs. 200 crore for the fiscal 2023-24 will be sufficient for efficient implementation of the National Handloom Development Programme (NHDP) scheme.”

29. Queried on the obstacles that may be faced by the Ministry in achieving the physical target set for National Handloom Development Programme during 2022-23 and the proposal, if any, mooted to overcome such hindrances, the Ministry submitted as under:

“Non-receipt of viable proposals is the major reason for not achieving the targets under NHDP during 2022-23. For MUDRA loans, applications are collected by the Weavers’ Service Centres in due collaboration with the participating banks. Appropriate advance is also placed with PNB for meeting the Margin Money,

interest subsidy and credit guarantee fee requirements. However, banks have been receiving fewer eligible applications than expected/projected for extending MUDRA loans.

To overcome such hindrances, following measures are proposed:

- (a) State governments will be pursued to submit viable proposals of new projects.
- (b) Whenever a need is felt that adequate number of proposals are not coming through the State governments, field offices i.e., Weavers Service Centres (WSCs) are advised to prepare and submit proposals directly to O/o DC(Handlooms) for consideration. These proposals are implemented by WSCs.
- (c) Timeline will be set for sanction of new projects and timely submission of Utilization Certificate of earlier releases for release of subsequent installments so that the projects are completed in a time-bound manner.
- (d) Intensive publicity through awareness camps, Chaupals are being organized in weavers' pockets highlighting benefits available under the scheme."

30. For supporting the handloom weavers during 2022-23 the Ministry informed the Committee that following extra measures have been taken:

"To support the handloom weavers, the following measures have been taken by the Ministry during 2022-23 (as on 31.01.2023):

- (a) To integrate Craft promotion with tourism, two Craft Handloom Villages are being set up at Pranpur-Chanderi (Madhya Pradesh) and Moirang (Manipur).
- (b) Financial assistance of Rs. 9.96 crore has been provided for East Imphal (Manipur) Mega Handloom Cluster.
- (c) 110 Handloom Clusters have been taken up for financial assistance.
- (d) 187 marketing events organised to facilitate and promote sales of Handloom Products.
- (e) 4,026 handloom workers provided loans under Weavers MUDRA loan Scheme.
- (f) To enhance productivity, marketing capabilities and ensure better incomes, 9 Handloom Producer companies have been formed during the year, making the total number to 148.
- (g) 5 Design Resource Centres have been set up with the objective to build and create design-oriented excellence in the Handloom Sector and to facilitate weavers, exporters, manufacturers and designers access design repositories for sample/product improvisation and development. After that, total number of Design Resource Centres in WSCs will become 13."

31. On the issue of promoting handloom products in the 'online market' and making the products of weavers available throughout the Country, the Ministry informed the Committee as under:

"Handloom weavers were on-boarded on Government e-Market place to enable them to sell their products directly to various Government Departments and organizations. An amendment was introduced in rule 153 of General Financial

Rule (GFR) 2017, according to which “Of all items of textiles required by Central Government Departments, it shall be mandatory to make procurement of at least 20% from amongst items of handloom origin, from KVIC and/or Handloom Clusters such as Co-operative Societies, Self Help Group (SHG) Federations, Joint Liability Group (JLG), Producer Companies (PC), Corporations, etc. including Weavers having Pehchan Cards”.

Handloom Producers were facilitated by organizing virtual fairs for showcasing Handloom products for B2B buyers/exports for Handloom Workers. 10 virtual fairs were organised in the year 2020-21 and 10 virtual fairs in 2021-22.”

b. Concessional Credit/Wavers’ Mudra Loan Scheme

32. Concessional Credit/Wavers’ Mudra Loan Scheme comes under National Handloom Development Programme. Regarding loan amount released under concessional credit/weavers MUDRA Loan and Handloom weavers welfare during the last two and current fiscal year, the following statement was furnished to the Committee:

“Amount released under Concessional Credit/Weaver MUDRA Scheme and Handloom Weavers’ Welfare, components of NHDP during last two fiscal years 2020-21 & 2021-22 and current year 2022-23 (upto 31.01.2023) is as under:

(Rs. in crore)

Year	Concessional MUDRA Scheme	Credit/Weaver	Handloom Welfare	Weavers’
2020-21	10.00		-	
2021-22	15.00		2.78	
2022-23 upto (31.01.2023)	-		0.14	

State-wise number of loan sanctioned with total loan amount sanctioned under Concessional Credit/Weaver MUDRA Scheme, a component of NHDP during 2020-21 to 2022-23 (upto 31.01.2023) is under:-

Status of number of loan and loan amount sanctioned under Concessional Credit/Weaver MUDRA Scheme, a component of NHDP during 2020-21 to 2022-23 (upto 31.01.2023)							
(Rs. in lakh)							
Sl. No.	Name of the State	2020-21		2021-22		2022-23 (upto 31.01.2023)	
		No. of loan sanctioned	Loan amount sanctioned	No. of loan sanctioned	Loan amount sanctioned	No. of loan sanctioned	Loan amount sanctioned
1	Andhra Pradesh	1858	1008.77	3409	2067.12	332	186.80
2	Arunachal Pradesh	10	6.00				
3	Assam	38	18.68	22	12.75		
4	Bihar	11	5.50			57	28.50
5	Goa					1	0.45

6	Himachal Pradesh					1	1.00
7	Jammu & Kashmir	287	280.64	781	704.91	653	668.04
8	Karnataka	40	13.80	14	7.90	32	20.75
9	Kerala	159	83.36	165	86.00	159	79.80
10	Madhya Pradesh	4	6.50	44	95.40	4	2.00
11	Manipur	9	4.50				
12	Odisha	9	6.90	20	13.20	5	4.00
13	Punjab					2	0.50
14	Rajasthan			4	2.00		
15	Tamil Nadu	4924	2467.88	4742	2345.61	2617	1337.75
16	Telangana	1073	814.44	243	291.90	123	112.50
17	Uttar Pradesh	34	21.46	72	57.92	40	40.35
18	West Bengal			10	4.75		
	Total	8456	4738.43	9526	5689.46	4026	2482.44

State-wise number of handloom weavers/workers enrolled under PMJJBY, PMSBY and Converged MGBBY during policy year 2020-21 to 2022-23 (upto 31.12.2022) is as under :-

State-wise enrollment of handloom weavers/workers under PMJJBY, PMSBY and Converged MGBBY of Handloom Weavers' Welfare for the policy year 2020-21 to 2022-23 (upto 31.12.2022)									
SN	States	2020-21		2021-22			2022-23 (upto 31.12.2022)		
		Con. MGBBY	PMJJBY/PMSBY	Con. MGBBY	PMJJBY	PMSBY	Con. MGBBY	PMJJBY	PMSBY
1	Assam							291	662
2	Gujarat							802	252
3	Jammu & Kashmir							35	
4	Kerala				9	10			
5	Madhya Pradesh				70	90			
6	Manipur				1441	107565		730	27488
7	Punjab				14	14		34	34
8	Telangana				963	1074			
9	Uttarakhand				23	23			
10	Uttar Pradesh				329	332		426	704
	Total				2849	109108		0	29140
	Grand Total				111957			31458	

The status of awardee weavers in indigent circumstances & weavers/workers' children received financial assistance during 2020-21 to 2022-23 (31.01.2023) under Handloom Weavers' Welfare, a component of NHDP is under:-

Status of Awardee weavers in indigent circumstances & weavers/workers' children received financial assistance under Handloom Weavers' Welfare during 2020-21 to 2022-23 (upto 31.01.2023)													
S. No	Name of the State	Financial support to Awardee weavers						Financial support as scholarship to children					
		2020-21		2021-22		2022-23 (upto 31.01.2023)		2020-21		2021-22		2022-23 (upto 31.01.2023)	
		No.	Amount (in Rs.)	No.	Amount (in Rs.)	No.	Amount (in Rs.)	No.	Amount (in Rs.)	No.	Amount (in Rs.)	No.	Amount (in Rs.)
1	Gujarat					3	240000						
2	Karnataka					9	144000						
3	Madhya Pradesh											2	151766
4	Odisha					2	32000						
5	Tamilnadu											2	71166
6	Uttar Pradesh											21	774338
Total				0	0	14	416000			0	0	25	997270

33. After scrutinizing the information furnished by the Ministry, the Committee learnt that the amount released under concessional credit (Weaver Mudra Scheme) and Handloom Weavers Welfare components of NHDP was to the extent of Rs.10 crore and Rs.15 crore (concessional credit / Weaver Mudra Scheme) during 2020-21 and 2021-22 and Rs. 2.78 crore under Handloom Weavers' Welfare Scheme in 2021-22. On the targets set and amount released under the Scheme, the Ministry also furnished the following information:

Year	Concessional Credit/Weaver MUDRA Scheme		Handloom Weavers' Welfare	
	Target	Amount (Rs. in Crore)	Target	Amount (Rs. in Crore)
2019-20	Not fixed	17.50	657125	7.95
2020-21	50000	10.00		- (*)
2021-22	50000	15.00	245989	2.78

* As per decision taken by DFS vide O.M. dated 13.05.2020, policies were not renewed by LIC from the policy year 2020-21 onwards."

34. On the matter of significant variation in the number of beneficiaries/loanees from different States, the Ministry furnished the following information:

“As the Scheme is voluntary, beneficiaries are required to approach participating banks concerned for availing the MUDRA loan along-with required documents. On receipt of viable application, banks are sanctioning loan to handloom beneficiaries. Due to inaction on the part of bank/ lack of awareness about the scheme at the branch level, weavers are not coming forward for getting MUDRA loan. Therefore, the number of loans and loan amounts sanctioned varies from State to State.”

35. The Committee further asked about the action taken by the Ministry for increasing the loan amount in other States. The Ministry submitted as under:

“In this connection, this office has written letters to Chairman/President/CEO/MDs of all banks to take following expeditious steps to extend the scheme benefits to more number of handloom weavers across the country: -

- Bank branches should be sensitized about the scheme and asked to register on the portal.
- Once Bank branches are registered on the portal, they should ensure to lodge the claims in respect of margin money assistance, interest subsidy and credit guarantee fee through the portal.
- Expeditious sanction/disbursement of loan to the handloom weavers.
- Make aware the participating banks to sanction fresh loan to the handloom weavers, who availed the loan in past and have re-paid.

In addition, this office is regularly approaching to States/UTs Govt. to conduct awareness camps/chaupals with close coordination with field offices of this office i.e. Weaver Service Centres to create awareness amongst the weavers and sensitize the scheme benefits across the country.”

36. The Ministry further informed the Committee that to create awareness about the Scheme benefit and for its effective implementation following steps are being taken:

- (i) Intensive publicity through newspapers, awareness camps and distribution of the pamphlets in weavers' pockets highlighting benefits available under the scheme.
- (ii) Field officials being deputed in handloom pockets along with State Government representatives for collecting the enrollment forms at their doorsteps.
- (iii) Cooperation from North East Council (NEC) is being solicited for motivating the handloom workers in NER for availing the scheme benefits.
- (iv) Local Public Representatives are being invited in awareness camps/chaupals for their affirmative impact on the handloom workers.
- (v) Camps/Chaupals are being organized in association with States/UTs Government in the rural and semi-urban areas across the country to encourage and educate handloom workers for availing benefits of handloom scheme.

37. In this regard, the Secretary of the Ministry candidly admitted before the Committee as under:

“कुछ स्टेट में इसका ऑफटेक काफी अच्छा रहा है और कुछ में नहीं रहा है। जिन स्टेट्स में इनका ऑफटेक इतना अच्छा नहीं रहा है कि उसमें हम लगातार आउटरीच का प्रोग्राम चला रहे हैं। हमारा एक चौपाल का सिस्टम होता है, उसके माध्यम से भी हम लगातार अवेयरनेस बढ़ाने का काम करते रहेंगे।”

38. Further, the Secretary assured the Committee by deposing as under:
 “Sir, we will do a special drive for MUDRA loans especially, and we work with the SLBC and the DLBC to do this.”

iii. Handicrafts Sector

39. The Office of the Development Commissioner (Handicrafts) is implementing two schemes viz. National Handicraft Development Programme (NHDP) and Comprehensive Handicrafts Cluster Development Scheme (CHCDS) for promotion and development of handicraft sector:

40. Details of plan outlays and expenditure during the last three years including current year and BE for 2023-24 under Handicrafts Sector are as under:

(Rs. in crore)

Year	BE	RE	AE
2020-21	398.21	284.77	271.95
2021-22	371.00	297.00	309.29
2022-23	354.00	344.65	232.04 (as on 14.02.2023)
2023-24	404.13		

41. Enquired whether the entire allocation made in 2022-23 (RE) would be utilized by 31st March, the Committee were informed as under:

"Yes, O/o DC (HC) would be able to fully utilise the RE up to 31st March, 2023 because all the funds are placed to the Implementing agencies and HSC's, and all the projects are underway. As per expenditure incurred in previous years the remaining fund may be utilised till 31st march, 2023."

42. Explaining the reasons behind 'nil' allocation of funds for a number of Schemes under Handicrafts Sector for 2023-24, the Ministry stated as under:

"After rationalisation of the old scheme of handicrafts sector it is only 4 schemes i.e.: (National Handicrafts Development Programme, Comprehensive Handicraft Cluster Development scheme, Central Liabilities Indian Institute of Carpet Technology, Development commissioner for Handicrafts). All the schemes/programmes under Handicrafts sector have been allocated and it has sufficient funds for the projects."

43. The Committee were further informed that the proposed BE 2023-24 is Rs. 404.13 and it would be sufficient for effective implementation of the various schemes/ projects/ programmes of Handicrafts Sector as proposed in budget outlay of schemes.

a. National Handicrafts Development Programme (NHDP)

44. The Office of the Development Commissioner (Handicrafts) is implementing the two schemes for promotion and development of handicraft sector:

"National Handicraft Development Programme which has following Sub-Schemes:

(a) Marketing Support & Services.

In order to promote and Market Handicrafts financial assistance is provided to different eligible organizations to organize/participate in domestic and international Craft Exhibitions/seminars in metropolitan cities/state capitals/places of tourist or commercial interest/other places. This will provide direct marketing platform to the handicrafts artisans/SHGs from various parts of the country.

(b) Skill Development in Handicraft Sector.

Handicrafts are known for their aesthetics, associated traditional values, uniqueness, quality and craftsmanship. The traditional knowledge and craft practices are commonly passed down from one generation to another through natural learning. However, with the advent of new tools & technology, the process of craft learning has changed dramatically. Standardized production processes, skilled manpower, design database for handicraft products, quick & efficient prototyping, communication skills and other soft skills have become indispensable requirements for the ever-changing handicraft sector. The sub-scheme "Skill Development in Handicraft Sector" has been conceptualized to fulfil these requirements and has the following four components Design and Technology Development Workshop, Guru Shishya Hastshilp Prashikshan Program, Comprehensive Skill Upgradation Program, Improved Toolkit Distribution Program.

(c) Ambedkar Hastshilp Vikas Yojana (AHVY)

This scheme aims to promote Indian handicrafts by developing artisans' clusters into professionally managed and self-reliant community enterprise on the principles of effective member participation and mutual cooperation. The thrust of the scheme is on a project based, need based integrated approach for sustainable development of handicrafts through participation of craftspersons, leading to their empowerment. The components of the scheme are Diagnostic Survey of identified craft cluster and mobilization of artisans into SHG, Preparation of DPR, Formation of Producer Company, Working Capital support assistance, Workshop cum Seminar, Entrepreneurship Development

Programme, Design Mentorship Programme, Project Implementation and Management, Design Assistance for overseas market, Study cum Exposure Tour.

(d) Direct Benefit to Artisans (Welfare).

The scheme envisages welfare measures like Health and Life insurance, recognition, extending credit facilities, supply of tools and equipment to the artisans etc. The major components are Support to artisans in indigent circumstances, Interest Subvention, Margin Money, Issue/Renewal of Photo Identity Cards and creation of data-base, Bima Yojana to Handicrafts Artisans, Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY), Pradhan Mantri Surksha Bima Yojana (PMSBY), Converged Modified Aam Admi Bima Yojana (Converged modified AABY), Awareness Camp/ Chaupal/ Shivar, Workshop cum Seminar, Handicraft Awards.

(e) Infrastructure and Technology Support

To ensure availability required technology, product diversification, design development, raw material banks, and marketing & promotion facilities in nearest vicinity possible and improve the resource pool of skilled persons in the country. This scheme aims at the development of world-class infrastructure in the country to support handicraft production, and enhance the product quality and cost to enable it to compete in the world market. The scheme has following components Urban Haat, Emporia, Marketing and Sourcing Hubs, Handicrafts Museum, Craft Based Resource Centre, Common Facility Center, Raw Material Depot, Technology Upgradation Assistance to Exporters/ Entrepreneurs Testing Laboratories, Crafts Village, Construction of office infrastructure/ institution and revitalizing/restructuring of existing infrastructure/ institution and any other infrastructure/ institution to be created at departmental level.

(f) Research and Development

Research and Development scheme was introduced to conduct surveys and studies of important crafts and make in-depth analysis of specific aspects and problems of Handicrafts in order to generate useful inputs to aid policy Planning and fine tune the ongoing initiatives; and to have independent evaluation of the schemes implemented. Some of the Survey & Studies on different topics which will be undertaken are as follows:

- a) Conducting Census of Handicraft artisans of the country.
- b) Registration of Crafts under Geographical Indication Act & necessarily follow up on implementation.
- c) Assisting handicrafts exporters in adoption of global standards and for bar coding, including handicrafts mark for generic products.
- d) Financial assistance for taking up problems/issues relating to brand building and promotion of Indian handicrafts.
- e) Conducting of Workshops/Seminars on issues of specific nature relating to handicrafts sector."

45. The details of Budget allocation and utilisation under NHDP for the current year and BE for 2023-24 are as follows:

(Rs. in crore)

Year	BE	RE	AE
2022-23	200	191.11	130.77 (as on 19.01.2023)
2023-24	238.33	-	-

46. The Committee noticed a remarkable shortfall in expenditure under the Scheme in the current year 2022-23 and enquired on reasons for the same. The Ministry in their reply stated as under:

"The reasons for shortfall in utilization of funds are:

- a. Problems faced by implementing agencies in opening of Zero Balance Subsidiary Account as per Central Nodal Agency (CNA) module and integration of the CAN module with Public Financial Management System (PFMS).
- b. New accounting procedure of CNA has been got active in August 2022 only."

47. The Committee desired to know the reasons for enhancing the Demand for Grants as BE 2023-24 to Rs. 238.33 crore, in the wake of non-utilisation of allocated RE in 2022-23 by around Rs. 60 crore (as on 19.01.2023). The Ministry in this regard, furnished the following reasons:

"The funds allocated for the year 2022-23 are being utilised as project sanctioned and all the projects are under implementation. The demand for the year 2023-24 was raised is the Rs. 404.13."

48. On being asked about the specific plans of the Ministry for gainfully utilising the budget allocation under the Scheme in 2023-24, it was submitted by the Ministry as under:

"Office of Development Commissioner (Handicrafts) will take every possible step to overcome the perennial problems of non-receipt of viable proposals and timely submission of Utilisation Certificates by the implanting agencies. Office of DC (HC) will interact and guide concerned State Governments, implementing agencies and other stakeholders to implementation of CNA module through PFMS and submit viable proposal in the beginning of the financial year. Further, timeline will be set for sanctioning of new projects, implementation of projects and submission of UCs for release of subsequent instalment to compete the project on time.

Further, IT is being utilised to avoid the delay, proper monitoring of the schemes and to achieve the physical target under national Handicrafts Development Programmes.

With the clarity on flow of funds through CNA module and streamlining of bank accounts with CNA, there will be better optimization of funds in the ensuing FY. Further, sufficient funds can be released under fresh CHCDS projects."

49. The Ministry furnished the following statement on State-wise details of the beneficiaries under NHDP in 2022-23:

The State-wise details of the beneficiaries under the NHDP Scheme is under :-

Artisan benefited in the Year 2022-23 under NHDP Scheme

Sl. No.	States	Beneficiaries
1	A & N Islands	593
2	Andhra Pradesh	3867
3	Arunachal Pradesh	500
4	Assam	4452
5	Bihar	3563
6	Chandigarh	270
7	Chhattisgarh	1090
8	Delhi	1482
9	Goa	760
10	Gujarat	6236
11	Haryana	2001
12	Himachal Pradesh	1111
13	Jammu and Kashmir	7473
14	Jharkhand	2410
15	Karnataka	3776
16	Kerala	2471
17	Ladakh	630
18	Madhya Pradesh	5058
19	Maharashtra	4028
20	Manipur	2906
21	Meghalaya	900
22	Mizoram	760
23	Nagaland	1022
24	Odisha	3204
25	Puducherry	1054
26	Punjab	2131
27	Rajasthan	7716
28	Sikkim	930
29	Tamil Nadu	2923
30	Telangana	2022
31	Tripura	1030
32	Uttar Pradesh	26481
33	Uttarakhand	2160
34	West Bengal	3760
TOTAL		110970

50. Regarding the budgetary allocation of funds for skill development in Handicrafts Sector under NHDP, the Ministry submitted before the Committee

that the amount allocated for skill development in Handicraft Sector is Rs. 4,138.83 lakhs.

iv. Wool Sector

51. For development of Wool Sector, the Ministry of Textiles has approved rationalization and continuance of Integrated Wool Development Programme (IWDP) through SFC Note for implementation during the period of 15th Finance Commission i.e. from 2021-22 to 2025-26 with total financial allocation of Rs. 126 Crore. Out of this, the Ministry of Textiles has approved financial allocation of Rs. 15.00 crore for financial year 2022-23 and released Rs. 4.75 crore upto 15th Dec., 2022. Out of Rs. 4.75 crore, the Board has utilized Rs. 2.52 crore (including Rs 2.00 crore under IWDP-Salary component) up to 15th Dec., 2022.

52. The details of funds allocated and utilised during the last 3 years including current year and BE 2023-24 under Wool Sector are as follows:

(Rs. In crore)

Year	B.E	R.E	A.E
2020-21	20.00	10.00	9.33
2021-22	16.50	10.00	6.25
2022-23	15.00	15.00	5.76 (as on 14.02.2023)
2023-24	27.11		

53. Asked about the reasons for very minimal utilisation of allocated budget under wool sector, the Ministry in their reply stated as under:

“Revision of fund flow process as per the Ministry of Finance OM dated 09-03-2022 and its implementation at different level by the implementing agencies resulted in slow and delay in utilization of funds.”

54. Further, the Ministry apprised the Committee of the surrendering the unutilised funds during 2021-22 as under:

"The surrender of the savings of Rs. 264,52,00,000/- (Rupees Two Hundred Sixty four Crore and Fifty Two Lakh only) under Revenue Section (Rs. 259,52,00,000/-) and Capital Section (Rs. 5,00,00,000/-) in Grant No. 97 was made by Ministry of Textiles during 2021-22."

55. The Committee further desired to know about enhancement in the demand for BE 2023-24 to Rs. 27.11 crore from Rs. 15.00 crore in 2022-23 and its utilisation for effective implementation of Schemes in 2023-24. The Ministry, in response, submitted the following reply:

“Yes the amount of Rs. 27.11 crore as provided in BE 2023-24 would be sufficient for effective implementation of the Scheme by the CWDB under IWDB during FY 2023-24.”

56. When asked about the reasons for enhancing the grants under Wool sector in the coming financial year 2022-23, the Committee were furnished the following information:

“CWDB has made necessary efforts to invite sufficient new project proposals from different implementing agencies by conducting visits in different States, organizing meetings on virtual modes to explain features of schemes/projects and holding the stakeholders meeting.”

57. For effective implementation of the IWDP during the period 2021-22 to 2025-26, the Ministry forwarded the following action plan:

“The Central Wool Development Board has been receiving sufficient new project proposals under different components of IWDP from various implementing agencies. Board’s officer is continuously conducting visit to different States and approaching with different implementing agencies to submit fresh project proposals for implementation in wool sector.”

58. When the Committee enquired about the hurdles being faced by the Ministry in effective implementation of Schemes under Wool Sector, it was stated by the Ministry as follows:

“No hurdle faced so far under implementation of Wool Sector scheme i.e. IWDP. Due to adoption of new funding pattern through PFMS, the concerned implementing agencies are facing difficulties in utilization of funds however the CWDB is coordinating with concerned agencies for resolve the issues with the help/Guidance of PFMS team.”

59. Elaborating the role of middlemen in Wool Sector and steps taken to eradicate it, the Ministry submitted the following information:

“Yes, there are middlemen involved in the process starting from production of wool to final finished products marketing.”

60. Questioned on the steps taken for creating awareness amongst general public and popularize the marketing of finished products by the small wool product manufacturers, the Ministry in their reply stated as under:

“There is a component under IWDP namely ‘Wool Marketing Scheme’ to organize Woollen Expo (Exhibition-cum-sale of woollen products) for marketing of finished woollen products manufactured by the small wool product manufacturers, woollen weavers/artisans etc.”

61. Elaborating on the concrete measures adopted by the Ministry for establishing proper co-ordination with the State/UT Governments for ensuring a stabilized and digitised price to wool growers, the Ministry apprised the Committee as under:

“There is a component under IWDP namely ‘Wool Marketing Scheme’ to create a digital platform for e-auction of raw wool for use of woollen producers, users, traders, manufacturers for stabilized and digitized price to wool growers. It will provide online facility for sale of wool, availability of online wool price with quantity and quality of wool for marketing/auction of wool.”

62. Regarding the progress made in terms of financial and physical achievements in the current fiscal 2022-23, the Ministry informed that the Project Committee and Technical Committee constituted under the guidelines of IWDP has appraised/ approved/ recommended sufficient new project proposals in current FY 2022-23. The CWDB has issued sanction orders amounting to 11.00 crore in favour of different implementing agencies under IWDP as on 8th Feb., 2023 during 2022-23.

63. Asked specifically about measures being taken to encourage the implementing agencies to actively participate in the Scheme during 2022-23 and ensuing financial year 2023-24, the Ministry in reply, stated as under:

“Under Integrated Wool Development Programme (IWDP) financial provision @ 2% of the project cost has been made as Administrative Expenses to Implementing Agencies to reimburse their overhead expenditure and to encourage for active participation in the implementation. All the projects would be inspected by a team constituted of minimum two members to monitor and guide to implementing agencies for effective implementation of projects.”

64. During the course of evidence on the examination of Demands for Grants (2023-24), the Committee raised a pointed query regarding the status of their earlier recommendation given in 31st Report on ‘Demands for Grants (2022-23)’ on setting up of Testing Lab/Centre for branding and marking of Pashmina Wool Products in Jammu & Kashmir and Leh. A representative of the Ministry apprised the Committee as under:

“सर, Leh Autonomous Hill Development Council (LAHDC) को हमने 29-30 लाख रुपए की एक निधि दी है। उसमें उन लोगों का प्रोक्योरमेंट का काम शुरू हुआ है। जैसे-जैसे प्रोक्योरमेंट पूरा होगा, वैसे-वैसे यह लैब एस्टैब्लिश हो

जाएगा। इस पर हमारी पूरी मॉनिटरिंग है। हम यह पूरा लैब लगभग दो सालों में सेट-अप कर पाएंगे।”

v. Silk Sector

65. The Central Silk Board (CSB) is a Statutory Body, established during 1948, by an Act of Parliament. It functions under the administrative control of the Ministry of Textiles, Government of India, having head quarter at Bengaluru. The Board comprises 39 members, appointed as per the powers and provisions under Sub-Section 3 of Section 4 of the CSB Act 1948, for a period not exceeding 3 years. The Chairperson of the Board is to be appointed by the Central Government and two officials are nominated by the Central Government, one of them shall be the head of the Silk Division in the Ministry of Textiles as the Vice-Chairperson and another one shall be the Secretary of the Board, both being the officers not below the rank of Joint Secretary to the Government. The mandated activities of CSB are being carried out by 159 units of CSB located in different States through an integrated Central Sector Scheme viz., “Silk Samagra-2” for the development of silk industry. The Union Cabinet has approved the “Silk Samagra-2” at a total outlay of Rs.4679.86 crore for implementation during 2021-22 to 2025-26.

66. While the core activities of Central Silk Board with four sub-components are implemented through a network of CSB units in the areas of R&D, seed production, project implementation & monitoring and brand promotion of silk in Indian and outside markets, the beneficiary-oriented components are implemented through State Sericulture Departments/other Line Departments with the fund support from Central Silk Board. Components of Silk Samagra are:

- (i) Research & Development, Training, Transfer of Technology and I.T. initiatives
- (ii) Seed Organization - Silkworm Seed Production and Supply
- (iii) Coordination and Market Development
- (iv) Quality Certification System:

67. The financial allocation and actual utilisation in Silk Sector for the last three years including current year and the BE for 2023-24 are as follows:

(Rs. In crore)

Year	B.E	R.E	A.E
2020-21	810.00	650.00	650.00
2021-22	876.00	876.00	854.08
2022-23	875.00	875.00	556.17 (as on 19.01.2023)
2023-24	917.77		

68. Asked whether the entire allocated fund under Silk Sector will be utilised by the Ministry by the end of March, 2023, the following information was furnished by the Ministry:

"Yes. As against the outlay of Rs.875.00 crore approved for the current year 2022-23, Rs.626.36 crore has already been incurred as on 09.02.2023. The balance amount of Rs.248.64 crore would be utilized fully by 31.03.2023."

69. When the Ministry was asked about the specific measures adopted to ensure optimal utilisation of budgetary funds and curb surrendering of funds at end of FY 2022-23, the Committee were informed as under:

"The un-utilized funds will be fully utilized to achieve the entire targets set for the year 2022-23. Besides, sufficient proposals of States have been approved /sanctioned for the year 2022-23 towards implementation of beneficiary oriented components, so as to optimally utilize the allocated funds."

70. The Committee desired to know about the major developments and achievements made under Sericulture Integrated Scheme for Development of Silk Industry (ISDSI) during 2022-23. In this regard, the Ministry in their reply have stated as under:

- Initiated large Scale Seri Mission in BTC Assam covering 40000 sericulture farmers & 10000 weavers.
- Introduction of sericulture in Gujarat; Successful trial of Mulberry sericulture in Navasari district and Eri culture in Sabarkantha district of Gujarat was conducted and MoU signed with Farmers Group.
- An innovative convergence programme for development of mulberry plantation on sides of carriageways of National Highways in Uttarakhand and Jammu Kashmir was taken up & MOU signed between CSB and NHAI.
- Signed MoU with State Forest Departments in Assam, Punjab, Chhattisgarh and Odisha states for increasing host plantation and integrating vanya silk production.
- Started manufacturing of indigenous Automatic Reeling Machine units, installed 5 indigenous ARMs and 3 more are under pipeline during the current year, taking the country towards Atmanirbhar in silk machinery manufacturing
- Launched Geo-tagging app for monitoring and verification of assets created at beneficiary level under Silk Samagra-2 scheme
- MIS for monitoring of Silk Samagra-2 scheme: Development of MIS for Silk Samagra-2 scheme and its integration with PRAYAS Portal of Govt. of India for monitoring of the scheme is at final stage.
- Collaborative projects taken up with nationally renowned research Institutes and a total of 10 research projects with external funding are being carried out at various units of CSB. Besides, 2 research projects are undergoing in collaboration with international institutes such as Tokyo University of Agri. & Technology-Japan, Yamaguchi University-Japan, Uzbek Research Institute-Uzbekistan.
- New innovative and high value products in silk has been developed including non textiles products.

- Entrepreneurship in marketing of silkworm cocoons /silk in private sector on a successful business concept have been initiated by M/s. ReshamMandi in Karnataka. The activities are being spread by the organization in other areas also.
- Bivoltine seed production is now being taken up by the private Silkworm seed producers.

71. Elaborating the status of exports and imports of silk products during the last three years (2019-20 to 2021-22), the Ministry forwarded the following information to the Committee:

Silk Exports:

As India has the largest silk consuming market in the world and inadequate production to cater to the domestic demand for silk, it does not have adequate export surplus to play a dominant role in the international trade in silk. However, India is one of the leading players in the global silk trade. India primarily exports finished goods such as silk fabrics, made-ups and readymade garments, which account for about 82% of the total export earnings. The USA, the UAE and the European Union are the major destination of silk exports. Silk exports from India increased from Rs. 1745.65 crores in 2019-20 to Rs.1848.96 crores in 2021-22 but declined during 2020-21(1466.60 Crore) as indicated in the table below:

(Value: Crore Rs.)

Items	2019-20	2020-21	2021-22
Cocoons	-	0.01	6.94
Raw Silk	1.15	1.43	11.27
Natural Silk Yarn	15.62	27.93	34.41
Fabrics, Made-ups	982.91	729.50	837.41
Readymade Garments	504.23	449.56	671.13
Silk Carpets	143.43	107.56	79.12
Silk waste	98.31	150.61	208.67
Total	1745.65	1466.60	1848.96

Silk Imports

As the domestic silk production is not able to suffice the requirement of the industry needs, India has to import about 3,000 MT of raw silk every year. Thus raw silk remains as a major item of imports, which accounts for about 71.68%of the total value of silk imports. The other items being imported are silk fabrics and made-ups. India imports raw silk mainly from China. However, the raw silk import from Vietnam has been increased in the recent years taking advantage of FTA. The silk imports reduced from Rs. 1535.72 crores in 2019-20 to Rs. 1143.59.75 crores in 2021-22.

(Value: Crore Rs.)

Items	2019-20	2020-21	2021-22
Raw Silk	1149.32	570.56	819.68
Silk Yarn	102.07	61.98	88.79

Fabrics, Made-ups	236.91	106.21	215.18
Readymade Garments	27.93	15.59	13.63
Silk Carpets	1.45	2.45	0.34
Silk waste	18.04	2.95	5.96
Total	1535.72	759.75	1143.59

72. Regarding physical targets and achievements under various schemes of silk sector during 2022-23, the Ministry furnished the following statement:

(As on 19.1.2023)

Sl. No.	Name of Scheme	Target	Physical Achievement	Targets to be achieved in 2023-24
1.	New Projects to be initiated	35	21	35
2.	Number of Research projects to be concluded	33	14	34
3.	Capacity Building and Training under CSB Schemes	11120 (beneficiaries)	7940	11120
4.	Cocoon and Raw Silk Centers	6	-	6
5.	Programmes/Events/Expo/Roadshow to be organised	600	700	625
6.	Production of basic and commercial seeds for Mulberry, Tasar, Muga	485.67	285.58	487.89
7.	Silk Marked Label distribution	27	29.16	28

73. When enquired about the reasons for non-achievement of physical targets under most of the components of Sericulture Scheme during 2022-23, specifically for Capacity Building and Training and Cocoon and Raw Silk Centres, the Ministry stated as under:

As against the target of 35 new research projects to be initiated during 2022-23 by CSB R&D institutes, 23 new projects have been initiated as on date. The meeting of Research Coordination Committee (RCC) to approve project implementation / ratification was held in November, 2022. Therefore, the remaining 12 projects would be initiated by end of the year 2022-23. Besides 112 ongoing projects are being continued. Similarly, as against 33 projects to be concluded, 18 projects have already been concluded as on date and the remaining 15 projects would be concluded by end of the year i.e., March, 2023.

Under Capacity building, as against the target of 11120, 9839 persons have been trained upto January, 2023 and the remaining persons would be trained by end of the year.

Against a target of 485.67 lakhs dfls production, 287.88 lakhs dfls (both mulberry and Vanya) have been produced up to December, 2022 and expected to achieve the target by March, 2022. During the year 2022-23, the abiotic factors fluctuated to a great extent affecting the input raw material, which impacted the overall production target. The production targets are directly related to the prevailing a-biotic factors (like rain & high temperature). Hence, it can be attributed that target vis-à-vis achievement is combination of abiotic and biotic factors like plant & silkworm diseases etc.

Under the Quality Certification Systems, 700 programmes/events /exhibitions /road shows have already been organized upto December, 2023 against the target of 600. Hence the achievement has exceeded the target. Similarly, as against the target of 27 lakhs silk mark labels to be distributed, 29.16 lakh silk mark labels have already been distributed (upto December).

In respect of Cocoon and Raw silk testing centres, the target could not be achieved due to lack of proposals from States.

74. In regard to the means and policy measures for achieving the physical targets under Sericulture during 2022-23 and 2023-24 fiscals, the Committee desired to know about the remedial measures adopted by the Ministry. The Ministry, in response, furnished the following information:

“The following are the major interventions taken/ proposed under Silk Samagra-2 for optimal achievement of physical targets.

- Support to beneficiaries has been rationalized as bundle of packages from earlier individual / isolated components to provide full package of technology for desired outcome.
- Support to Seri-business Enterprise /Entrepreneurs and FPOs included to encourage entrepreneurship in sericulture activities to increase the profitability and making sericulture a sustainable activity.
- Sharing pattern for support to the beneficiaries rationalized to support for up-scaling of the activities and making the activity viable, profitable & sustainable.
- Special focus has been given for tapping potential of ERI Silk outside NE (Tapioca based Eri culture in Tamil Nadu and Castor based sericulture in Gujarat)
- Focus will be on strengthening of market infrastructure and promoting start up in cocoon bank development, digitization of market
- Geo-tagging of assets made mandatory for monitoring of scheme benefits
- Special focus has been given for development of sericulture in North East. New sericulture projects in line with NERTPS are sanctioned under Silk Samagra-2 with necessary budgetary provision.
- Special focus will be on value addition to produce high value products, non-textile application of silk and by-product utilization.
- Incubation facility to R&D Institutes will be provided with linkages to start ups for commercialization and field application of technologies.
- Convergence of extension services in KVKs with CSB/States sericulture extension and training activities.
- Support will be provided to entrepreneurs for taking up bivoltine seed production and its distribution so as to promote private participation in Bivoltine seed production & supply.”

75. Asked further about the measures taken by the Ministry to ensure more viable proposals being forwarded by the States/UTs in time bound manner, the Ministry submitted as under:

"Under silk samagra-2 scheme sufficient proposals were received from States during the years 2021-22 and 2022-23 (till date) towards implementation of various beneficiary oriented components, for increased production of raw silk.

In so far as establishment of new cocoon and Raw Silk Testing Centres is concerned, there has been poor progress due to non-receipt of sufficient proposals from States. During the year 2021-22, support was provided for setting up of 2 cocoon testing centres and 1 Raw silk testing centre and during 2022-23, 2 cocoon testing centres were supported. However the States have been requested to submit proposals for the same."

76. The Ministry also apprised that with a view to ensuring involvement of more youth in Sericulture, the following measures were being taken by Central Silk Board:

Under Silk Samagra-2 scheme, following measures have been taken to attract more youth towards sericulture;

- a) Need based training programmes are organized with focus on skill seeding and skill up-gradation in silk sector so as to create employment opportunities (mostly self-employment) for the new entrants and also to increase in income level of the existing entrepreneurs by adapting improved package of practices. New initiatives are also being taken to undertake training programme in silk industry under SAMARTH.
- b) For self-employment to youth in pre-cocoon sector (mulberry, tasar, eri&muga), support is provided under beneficiary oriented components in the form of bundle of packages starting from plantation to cocoon harvesting and marketing.
- c) Under self-empowerment, support is also provided to set up CRCs, Private Seed production, Automatic Reeling Machines(ARMs), Multi-end Reeling units, Twisting machines, Improved Vanya reeling/spinning machines and post yarn related machineries.
- d) SHGs /Farmers Producers Organization/SPVsare promoted to encourage youth as industry partner in profit sharing.
- e) Incubation facility to CSB R&D Institutes will be provided with linkages to start ups for commercialization and field application of technologies.

77. When the Committee asked the Ministry about the position of Indian Sericulture Industry rising to be at par with its counterparts across the world, it was stated in the reply as under:

"India is the second largest producer in the world and only the country producing all five varieties of silk namely, mulberry, oak tasar, tropical tasar, eri and muga silks. India is the lone producer of appreciable quantities of non-mulberry silk and largest consumer of the silk. Though many countries produce silk across the world, China and India only produce appreciable quantity of raw silk.China and India together account for about 95% of the global raw silk production of 86,311 MT during 2021 as shown in the table below. The silk production in China is also reducing in the recent years due to fast industrialization and increase in labour wages. The silk production in other countries are also not expanding fast enough to supply for the global requirement of silk. This situation puts India in an advantageous position against other silk producing countries.

Table: Global silk production during 2017-2021

Countries	Raw silk production (MT)				
	2017	2018	2019	2020	2021

China	142000	120000	68600	53359	46700
India	31906	35468	35820	33770	34903
Uzbekistan	1200	1800	2037	2037	2037
Vietnam	520	680	795	969	1067
Thailand	680	680	700	520	503
Brazil	600	650	469	377	373
North Korea	365	350	370	370	370
Iran	120	110	227	270	272
Others	116	117	93	93	86
Total	177507	159855	109111	91765	86311

a. Scheme of Grants towards Development of Silk Industries in North Eastern Region

78. There is lumpsum provision of funds for the North-Eastern Region. Details of the funds allocation and utilisation of Grants towards Development of Silk Industries in North-Eastern Regions are as under:

(Rs. In crore)

Year	B.E	R.E	A.E
2020-21	63.00	50.75	54.25
2021-22	83.14	68.12	61.54
2022-23	75.36	75.36	37.68 (as on 19.01.2023)
2023-24	67.99		

79. Asked to elaborate on the efforts of the Ministry to gainfully utilise the allocated funds under BE of Rs. 67.99 crore in 2023-24, the Ministry submitted the following information:

"BE proposed for 2023-24 is Rs.67.99 cr. which includes a provision of Rs.20.00 cr. for beneficiary oriented support components. As per the fund requirement projected for 2023-24 based on approved 25 projects, Rs.70.27 cr would be required. Besides, for the spill over projects of NERTPS, another Rs.40.00 cr. will be needed in 2023-24, totaling to Rs.110.27 cr. Essentially additional funds over and above what has been projected in BE 2023-24 would be needed to support the sericulture projects under implementation in all eight NE States."

80. The Committee desired to know the indicators of physical achievements in promotion of silk industries in NER during 2022-23 and the targets set by the Ministry for 2023-24. The Ministry furnished the following information:

"In addition to the 38 projects for sericulture development taken up in NE under NERTPS of MoT which are continuing in 2022-23, another 25 new projects have also been sanctioned for NE from 2021-22, which are continued through 2022-23. These projects and additional projects freshly to be

sanctioned for NE shall continue in 2023-24. These projects, in addition to the facilities and infrastructure created at beneficiary level in all NE States have contributed in production of 5,144 MT silk till October, 2022, against the target of 8,304 MT during 2022-23. For the year 2023-24, a target of 8,502 MT silk is fixed for NE, which will be produced through supplementing and catalyzing various projects."

vi. Textile Sector

81. The details of funds allocated and utilised during the last three years and the BE for 2023-24 under Textiles Sector are as follows:

(Rs. In crore)

Year	B.E	R.E	A.E
2020-21	223.00	142.00	198.17
2021-22	204.00	126.50	121.26
2022-23	110.00	94.49	30.94 (as on 19.01.2023)
2023-24	316.55	-	-

82. When the Committee desired to know about very nominal actual expenditure incurred under Textile Sector in 2022-23 (upto 19.01.2023) out of RE 2022-23 and demand amounting to three times more than the allocated funds of 2022-23 as BE 2023-24, the Ministry submitted in their reply as under:

"Under the heading Textile Sector in respect of above mentioned and stated that there is no enhanced allocation. An allocation of Rs. 316 crore for 2023-24 includes an allocation of Rs. 200 crore for new scheme i.e. PM Mitra Scheme."

a. Integrated Processing Development Scheme (IPDS)

83. Integrated Processing Development Scheme (IPDS) has been approved by CCEA in October 2013 at a total cost of Rs.500 crore. The objective of the Scheme is to enable the textile processing sector in meeting environmental standards through appropriate technology including marine, riverine and Zero Liquid Discharge (ZLD). The State Governments have been requested to forward suitable proposals, duly recommended by the State Pollution Control Boards for upgradation of existing textile processing units or for setting up new processing units in their States for consideration of the Ministry along with their commitment to meet 25% of the project cost.

84. The details of funds allocated and utilised during the last three years including current year and BE for 2023-24 under Integrated Processing Development Scheme are as follows:

(Rs. In crore)

Year	B.E	R.E	A.E
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2020-21	50.00	40.00	49.71
2021-22	75.00	45.00	41.26
2022-23	70.00	31.20	30.53 (as on 14.02.2023)
2023-24	60.00	--	-

85. Enquired about the reasons for reduction of BE 2022-23 of Rs. 70.00 crore to Rs. 31.20 crore at RE stage under IPDS, the Ministry in their reply stated as under:

"Special Purpose Vehicles (SPVs) under IPDS could not come up with Ministry for further installment by December 2022. By December 2022 only three proposals for release of GoI share was received. Meanwhile fund was reduced to Rs. 31.20 crore."

86. Asked about the possibility of completely utilizing the earmarked funds in 2023-24 for the Scheme, which was raised to Rs. 60.00 crore, the Ministry submitted as under:

"As on date, Rs. 30.52 crore has been utilized under IPDS. As regards utilization of Rs. 60.00 crore during 2023-24, Ministry is regularly following up with SPV concerned and it is expected to utilize entire amount of BE."

87. On the proposals received from the State/UT Governments in the last three years, under the Scheme, the Ministry submitted the following statement: Under IPDS five fresh proposals have been received, State Wise details of which is as follows:-

Sl. No.	Name of project	State
1	Kakatiya Mega Textile Park, Warangal	Telangana
2	Jetpur Dyeing And Printing Association, Rajkot	Gujarat
3	Integrated E-green Textile Park, Ahmadabad	Gujarat
4	Water Factory Pachpadra Pvt. Ltd. Barmer	Rajasthan
5	Jodhpur Pollution Control & Research Foundation, Jodhpur	Rajasthan

88. On the issue of upgrading the existing textile processing units and setting up of new processing units throughout the Country, the Ministry furnished the following statement:

"It is expected that once projects will be completed about 1745 units will be added to CETP. Details of project wise units is as follows:

S.No.	Name of project	Units
1	Balotra CETP, Rajasthan	400
2	Jasol CETP, Rajasthan	400
3	Pali CETP, Rajasthan	775
4	Sanganer CETP, Rajasthan	111
5	Nextgen CETP, Rajasthan	26

5	Gujarat Eco Textile Park, Gujarat	33
	Total	0

89. On being asked about the impediments faced by the Ministry in implementing the Scheme effectively, the Ministry apprised the Committee as under:

"The major issue in implementation of project was co-operation from State Government. It was observed that in some of the cases, State Government does not release its share. To overcome the issue, SPV was empowered to bring its own matching share. In addition, protest by local people also affected implementation of some of the projects."

90. During the course of evidence a representative of the Ministry informed the Committee regarding the current status of projects under IPDS as under:

"...इसमें है कि टेक्सटाइल क्लस्टर में वाटर पॉल्यूशन की समस्या का किस तरह से समाधान किया जाए। यह स्कीम इसके लिए ही बनाई गई थी। इसमें 6 प्रोजेक्ट्स अभी भी अंडर इम्प्लीमेंटेशन हैं, जिसमें से 5 प्रोजेक्ट्स राजस्थान में है और एक प्रोजेक्ट गुजरात में है। इसका मेनकंपोनेंट बेसिकली यह होता है कि प्रदूषित पानी को कैसे रिसाइकल करके जीरो वेस्ट बनाया जाए और उस पानी को फिर उसी इंडस्ट्री में यूज़ किया जाए, न कि उसको नदी या नाले में बहाया जाए। जीरो लिक्विड डिस्चार्ज और सीईटीपी इसके दो मुख्य कंपोनेंट है। इन 6 प्रोजेक्ट्स में से दो प्रोजेक्ट्स इस साल कमीशन हो जाएंगे और बाकी चार प्रोजेक्ट्स को हम लोग वर्ष 2023-24 में पूरा करने की कोशिश करेंगे और वे हो भी जाएंगे..."

91. Another representative of the Ministry further deposed before the Committee elaborating the challenges faced by the Ministry while setting up a project in the States/UTs as under:

"जैसे कहीं लैंड एक्विजिशन की प्रॉब्लम होती है और कहीं स्टेटके कोऑपरेशन की प्रॉब्लम होती है। आपको तो मालूम है कि सांगानेर में प्रोजेक्ट शुरू हुआ और शुरू होने के बाद उसमें कुछ दिक्कत आ गई। वहां कहीं पर पाइपलाइन बिछाने में भी दिक्कत आई। विशेषकर लोकल लेवल पर डिफिकल्टीज आती हैं, पार्टिकुलरली इसमें एफ्लूएंटेड ट्रीटमेंट का आता है।"

b. PM Mega Integrated Textile Region & Apparel (PM-MITRA) Parks

92. PM MITRA Parks is envisaged to help India in achieving the United Nations Sustainable Development Goal 9 ("Build resilient infrastructure, promote sustainable industrialization and foster innovation"). The scheme is to develop integrated large scale and modern industrial infrastructure facility for entire value-chain of the textile industry. It will reduce logistics costs and improve competitiveness of Indian Textiles. The scheme will help India in attracting investments, boosting employment generation and position itself strongly in the global textile market. These parks are envisaged to be located at

sites which have inherent strength for Textile Industry to flourish and have necessary linkages to succeed.

93. The Government has approved setting up of 7 (Seven) PM Mega Integrated Textile Region and Apparel (PM MITRA) Parks in Greenfield/Brownfield sites in partnership with the willing State Governments with an outlay of Rs 4445 crores . The Scheme would lead to creation of a modern, integrated large scale, world class industrial infrastructure including plug and play facilities.

94. The details of funds allocated and utilised in 2021-22, 2022-23 and BE for 2023-24 under PM Mega Integrated Textile Region & Apparel (PM-MITRA) Parks are as follows:

(Rs. In crore)

Year	B.E	R.E	A.E
2021-22	00	0.50	00
2022-23	15.00	3.50	00
2023-24	200.00	-	-

95. The Committee desired to know the reasons for 'nil' utilisation of the allocated budget under PM MITRA Parks Scheme in 2022-23. The Ministry, in this regard, stated as under:

"As sites under PM MITRA is yet to be finalized, hence no expenditure could be booked."

96. Asked about the present status in regard to selection of adequate sites to establish Parks, the Ministry, stated in their reply as under:

"Under PM MITRA, 18 proposals from 13 State Government were received. The proposals are being scrutinized. The finalization of sites under PM MITRA is at advance stage."

97. When the Committee questioned on the hurdles faced by the Ministry while receiving proposals and the action taken by the Ministry to overcome the hurdles, the Ministry submitted in their reply as under:

"Ministry has requested all the State Governments to submit their proposal(s) under PM MITRA. 18 proposals from 13 State Government were received. As regards hurdles in taking action, only 7 projects are to be approved, however 18 proposals have been received. Each State have its separate textile policy and having also separate rate of wages, water, power, subsidy etc. It is very difficult to normalize these parameters to take rational decision."

98. When enquired about the reasons for significant enhancement in the grant under BE 2023-24 to Rs. 200.00 crore from Rs. 15 crore as BE 2022-23, the Ministry stated in their reply as under:

"Once 7 parks are announced, GoI share of Rs. 50 crore for each park will be required to be released. Accordingly, about Rs. 350 crore would be required. However, only Rs.200 crore was provided in BE stage."

99. The Committee were further informed that the PM MITRA parks will be completed by 2027-28.

100. The Ministry further forwarded the following information regarding incentives envisaged under investment for setting up the Parks:

Under PM MITRA, it is envisaged to provide Competitive Incentive Support (CIS). For incentivizing manufacturing units to get established early in PM MITRA Park, there is a provision of Rs. 300 Cr per park Incentive will be provided to manufacturing units up to 3% of the total sales turnover to the unit established in the PM MITRA Park to reduce its cost and offset its disadvantages to a certain extent.

- (a) The CIS will be Fund Limited and it will be available on a first come first serve basis.
- (b) Development Capital Support for creation of core Infrastructure @30% of the project cost with a cap of Rs.500 Cr and Rs.200 Cr per park for Greenfield and Brownfield PM MITRA Park, respectively.
- (c) The incentives will only be available to those manufacturing companies who are not availing benefits of Production Linked Incentive (PLI) for Textile Scheme.
- (d) There will be a cap of ₹10 Crore per annum on incentive and a maximum cap of ₹30 Crore on incentive for one anchor investor company with an investment of ₹300 Crore or above in its unit in PM MITRA Park.
- (e) There will be a cap of ₹5 Crore per annum on incentive and a maximum cap of ₹15 Crore on incentive for one investor company with an investment of ₹100-300 Crore.
- (f) There will be a cap of ₹1 Crore per annum on incentive and a maximum cap of ₹3 Crore on incentive for other investor companies and tenant companies, but they must have employment of 100 persons and above.

101. While tendering evidence on the Demands for Grants (2023-24) of the Ministry, the Textiles Secretary ensured that PM-MITRA Parks will be set up speedily. In this regard, she stated:

“सर, मित्रा की प्रोग्रेस की बात हुई थी। जैसे पहले बताया गया कि अभी हमारा इवैल्यूएशन प्रोसेस है। We are doing due diligence. हमने प्रोजेक्ट्स प्राप्त किया है। हमने स्टेट के साथ भी काफी इंगेज किया है। We are very hopeful. हम जल्द से जल्द इस स्कीम को एनाउन्स कर पाएंगे।

सर, हरेक मित्रा पार्क में, जैसे बताया गया कि 1000 एकड़ का लैंड है। उसमें एक एसपीवी बनाई जाएगी। बड़े इनवेस्टमेंट को आकर्षित करने के

लिए एक एक्शन प्लान बनाया जाएगा। इसमें 500 करोड़ रुपये खर्च का इनवेस्टमेंट होगा। यह हरेक पार्क के इंफ्रास्ट्रक्चर पर इनवेस्ट होगा। वहां पर जो अपनी यूनिट्स लेकर आएंगे, उनको करीब 300 करोड़ रुपये की इंसेंटिव दी जाएगी। हरेक मित्रा पार्क से लगभग 1 लाख एम्प्लॉयमेंट जेनरेशन की उम्मीद है।”

vii. Jute Sector

a. Jute Corporation of India:

102. The Jute Corporation of India Limited (JCI) was incorporated by the Govt. of India in 1971 as a price support agency with a clear mandate for the procurement of raw jute / mesta from growers at the Minimum Support Price (MSP) declared in each year by the Govt. of India based on the recommendations made by Commission for Agricultural Costs & Prices (CACP). This protects the jute growers from exploitation in the hands of the middle men and from losing the minimum rate of return. The basic objective of JCI is to serve the social cause of protecting the interest of about 4.00 million families engaged in farming of jute, most of whom are small/marginal farmers. Therefore, the presence of JCI in the market provides stability in the raw jute prices.

b. Scheme for Development of Jute Sector/National Jute Board (NJB)

103. National Jute Board (NJB), constituted under National Jute Board Act, 2008 (12 of 2009) has been established for development of cultivation, manufacture and marketing of jute and jute products and for matters connected therewith and incidental thereto. The National Jute Development Program (NJDP) - an Umbrella Scheme, for development and promotion of Jute Sector has been approved by the Govt. for implementation by National Jute Board (NJB). Given hereunder are the Schemes/Sub-Schemes with objectives for implementation during 2021-2022 to 2025-2026 (15th Finance Commission Period):

The schemes and activities under implementation during 2021-22 and 2022-23 are as follows:

- (a) Jute-ICARE (Improved Cultivation and Advanced Retting Exercise).
- (b) Jute Diversification Schemes (JDS):
- (c) Jute Resource Cum Production Centre (JRCPC)
- (d) Jute Raw Material Bank (JRMB)
- (e) Jute Retail Outlets (JRO)
- (f) Jute Design Resource Centre (JDRC)
- (g) Product Diversification (PD)
- (h) Production Linked Incentive (PLI)

- (i) Capital Subsidy for Acquisition of Plant & Machinery (CSAPM) for manufacturing of Jute Diversified Products.
- (j) Market Development & Promotion Scheme (MDPS)
- (k) Scholarship Scheme for Girl Children of Workers of Jute Mills/MSME JDP unit.

104. The details of the fund allocation and utilisation under Jute Sector for the last three years inclusive of current year and the BE for 2023-24 are as under:

(Rs. In crore)

Year	B.E	R.E	A.E
2020-21	136.53	71.53	71.50
2021-22	153.01	112.01	86.94
2022-23	115.00	62.20	44.15 (as on 14.02.2023)
2023-24	142.00		

105. Asked to know the reasons for under utilisation of the RE allocations under Jute Sector, the Ministry replied as under:

As for National Jute Board (NJB), given below is the statement with the details of Budget Estimate, Revised Estimate and Actual Expenditure incurred during the last 03 years (2020-21, 2021-22 and 2022-23).

(Rs. in Crore)

Year	Approved Budget Estimate (BE)	Revised Estimate (RE)	Achievement [Actual Expenditure]
2020-21	80.00	40.00	40.00
2021-22	65.00	45.00	36.00
2022-23	70.00	30.00	23.32*

*The actual expenditure upto 31.01.2023 is Rs. 41.24 crore (Estimated expenditure upto 31.03.2023 is Rs.67.00 crore) which has been incurred from the sanctioned fund and carry forward fund lying with the NJB due to non-utilization of the same in previous years. Therefore, in year 2022-23, the NJB will incur nearly the allocated budget under BE 2022-23.

Reason for under utilization of allocated fund in FY 2020-21 and 2021-22 as compared to BE: (i) Effect of Covid-19 Pandemic and non-functioning of jute production units. (ii) Slow/Lukewarm response from jute units and stake holders. (iii) Inadequate stakeholders awareness programme for participation.

Status of Grant of Subsidy of JCI

(Rs. in crore)

Year	B.E	R.E	A.E
2020-21	40.00	30.00	30.00
2021-22	69.90	49.29	49.29 (including committed liability F.Y 2018-21 Rs.24.75 Cr.)

2022-23	45.00	32.20	20.83
2023-24	42.00		

Reasons for under utilization of allocated funds-

- (a) The process of recruitment of regular cadre employees could not be completed within the original targeted timelines.
- (b) DA was frozen and consequently there was no enhancement in the DA part of the salary as well as terminal benefits.
- (c) The employees of the Corporation could not avail LTC, Leave encashment etc. benefits due to the restrictions imposed.
- (d) A substantial portion of the estimated administrative expenses also remained unutilised as the proposed shifting of the Head Office of the Corporation to the newly constructed Patsan Bhawan.

106. The Committee enquired about the action taken to utilise the rest of the unutilised allocated funds in 2022-23. In reply, the Ministry stated as under:

During 2022-23 as for NJB, RE is Rs 30.00 crore, out of which Rs 23.32 crore has been allocated / received / utilized by NJB. The balance fund of Rs 6.68 crore is yet to be received for utilization during February-March 2023. However, the actual expenditure made by NJB is Rs. 41.24 crore upto 31.01.2023 and the estimated expenditure upto 31.03.2023 is Rs.67.00 crore. The excess amount has been/to be utilized from the carry forward fund lying with the NJB due to non-utilization of the same in previous years. Therefore, in year 2022-23, the NJB will utilize total allocated amount under RE 2022-23.

JCI could not utilize its fund allocated under BE 2022-23 as the process of recruitment of regular cadre employees could not be completed within the original targeted timelines. However, the allocated amount under RE 2022-23 will be fully utilized.

107. Enquired about the measures being pursued by the Ministry for cent percent utilisation of allocated funds under Jute Sector during 2023-24 as the BE for 2023-24 has been raised to Rs. 142.00 crore from RE 2022-23 of Rs. 62.20 crore, the Ministry submitted as under:

"During 2023-24, the following schemes have been approved under National Jute Development Program, for implementation at total financial outlay of Rs 100.39 crore by NJB:

Sl. No	Name of the Scheme under National Jute Development Program (NJDP)	Target	
		Physical	Financial (Rs in Lakh)
1.	JUTE-ICARE (Improved Cultivation And Advanced Retting Exercise)	<ul style="list-style-type: none"> ➤ Land : 190893 hectares ➤ No of farmers : 418324 ➤ CRIJAF Sona - 600 M.Ton 	1444.00
2.	Capital Subsidy for Acquisition of Plant & Machinery (CSAPM) for Jute Diversified Products :	<ul style="list-style-type: none"> ➤ 20 Nos of jute mills/MSME JDP Units ➤ Investment in machinery Rs 20 crore. 	600.00
3.	Jute Resource Cum Production Centre (JRCPC)	<ul style="list-style-type: none"> ➤ 30 JRCPC to be established 	720.00

4.	Jute Raw Material Bank (JRMB)	➤ 30 JRMBs to be established	360.00
5.	Jute Retail Outlets (JRO)	➤ 30 JROs to be opened	270.00
6.	Jute Design Resource Centre (JDRC)	➤ No of designs : 300 ➤ No of artisans/exporters to be supported : 300	110.00
7.	Production Linked Incentive (PLI)	➤ Total 110 Units have to be supported	1320.00
8.	Market Development & Promotion Scheme (MDPS)	➤ No of domestic market promotion activities : 66 ➤ No of export market promotion activities : 19	2590.00
9.	Scholarship Scheme for Girl Children of Workers of Jute Mills/MSME JDP unit	➤ Secondary exam pass out : 3000 (@ Rs 5000) ➤ Higher Secondary Pass out : 1500 (@ Rs 10000) ➤ Total : 4500	300.00

National Jute Board has been implementing the above approved schemes under National Jute Development Program. For quality/productivity improvement of Raw Jute, NJB has been implementing Jute ICARE in collaboration with the JCI and ICAR CRIJAF. Similarly, the product diversification studies / projects have been commissioned in association with various R&D Textile Research Organisations. Various Market Promotion activities are being implemented with active participation of jute entrepreneurs/exporters in consultation with jute industry bodies viz IJMA and JPDEPC. With involvement of professional organizations, various schemes are being implemented by NJB so as to achieve the targets.

Jute Corporation of India- The Administrative Ministry (MoT) conducts regular meetings to review the scheme under which the Corporation is given the Grant of Subsidy. As outcome of these meetings the Corporation has been advised to modernize its operations to keep pace with the changing needs and discharge its obligations in a more systematic manner. In this direction, the following steps are being taken by JCI:

- (e) Modernizing the IT infrastructure of Departmental Purchase Centre (DPC), by ensuring Computer Equipment and broadband Internet connection at DPCs of JCI situated at remote locations for smooth MSP Operation.
- (f) Ensuring 100% online payment directly to the farmer's bank account against purchase of raw jute.
- (g) Installing firefighting equipment in all DPCs and CCTV cameras.
- (h) Estimation of jute crop quality and quantity through crop cutting experiment with the help of NRSC-ISRO which will be continued in future, as well."

108. Elaborating the details of Jute export and imports both in terms of quantity and money during the last three fiscals, the Ministry furnished the following statement:

Export Performance of Jute Goods: The Export trends during the year 2019-20 to 2021-22 and 2022-23 (April- Sept 2022) are as under:

(Quantity in '000' MT /Value Rs. in Crores)

Type	2019-20		2020-21		2021-22		2022-23 (Apr-Sept 22)	
	Qty.	Value	Qty.	Value	Qty	Value	Qty	Value
Hessian	56.3	758.42	56.4	805.72	90.6	1112.90	44.8	596.90
Sacking	38.9	489.49	31.0	438.48	51.5	640.58	28.3	370.98
Yarn	14.1	117.91	11.6	131.54	10.5	144.45	4.5	55.71
JDPs	-	963.44	-	1260.79	-	1743.95	-	828.34
Others	4.4	94.58	4.2	103.93	9.0	143.98	45.6	78.69
Total	113.7	2423.84	102.8	2740.46	161.6	3785.86	123.2	1930.62

Source: DGCI&S

(b) Import of Jute & Jute Goods into India

(Quantity in '000' MT /Value Rs. in Crores)

Year	Raw Jute		Jute Goods		Total Import (Jute & Jute Goods)	
2019-20	77.18	350.39	162.58	1362.77	239.76	1713.16
2020-21	28.88	179.28	111.18	1116.84	140.06	1296.12
2021-22	62.52	449.41	127.64	1392.65	190.16	1842.06
2022-23 (April-Sept 22)	64.89	458.15	96.59	667.21	161.49	1125.36

Source :DGCI&S

109. Enquired about the measures taken/proposed to increase the quality of Indian Raw Jute to ensure sizeable exports, the Ministry provided the following input:

"NJB has been implementing Jute-ICARE (Improved Cultivation and Advanced Retting Exercise) Programme for the last seven years in a phased manner. The programme introduces package of scientific methods of jute cultivation and retting exercises for improving fibre quality, productivity, reducing the cost of jute production and increasing farmers' income. Physical progress of Jute-ICARE are as follows: -

Particulars	ICARE-I (2015-16)	ICARE-II (2016-17)	ICARE-III (2017-18)	ICARE-IV (2018-19)	ICARE-V (2019-20)	ICARE-VI (2020-21)	ICARE-VII (2021-22)	ICARE-VIII (2022-23)
No. of Jute growing block / state covered	4 Blocks under W.B & Assam	14 Blocks under W.B, Bihar, Assam, Odisha, A.P & Meghalaya	30 Blocks under W.B, Bihar, Assam, Odisha, A.P & Meghalaya	69 Blocks under W.B, Bihar, Assam, Odisha, A.P & Meghalaya	72 blocks under W.B, Bihar, Assam, Odisha, A.P and Megh	130 blocks under WB, Bihar, Assam, Odisha, Meghalay, A.P & Tripura	140 blocks under WB, Bihar, Assam, Odisha, Meghalaya, A.P & Tripura	170 blocks under WB, Bihar, Assam, Odisha, Meghalaya, A.P & Tripura

					alaya			
Land covered (Ha) (cumulative Fig.)	12331	26264	70628	98897	106934	110893	125000	189483
No. of farmers covered (Cumulative fig.)	21548	41616	102372	193070	243549	258324	300000	420309
Certified Jute seed provided (JRO-204 JBO-2003H)	64 MT	160 MT	500 MT	755 MT	535 MT	604 MT	800MT	192 MT
CRIJAF SONA (MT)	83	273	206	610	612	500	650	600

The programme resulted in improving jute agriculture in the following manner:-

- (i) Increase in jute production (yield) from existing 22/23 quintals per hectare to 26/28 quintals per hectare.
- (ii) Quality upgradation at least one grade high.
- (iii) Increase in farmers' income by approximately Rs 10,000/- per hectare due to production and quality improvement.

The quality Indian Raw Jute being produced are used as Raw Material for production of value added Jute Diversified Products largely by Jute Mills and MSME JDP Producing Units. The Jute Diversified Products with major components of floor coverings and Hand & Shopping Bags are increasingly exported. During 2021-22, total JDP exports was Rs. 1744 crores registering an increasing trend by 38% as compared to 2020-21(Rs 1260 crore)."

110. The Committee desired to know the efforts made by the Ministry to promote the usage of jute instead of plastic. It was submitted in the reply as under:

"Ministry of Textiles, Government of India has been taking possible measures to promote jute gunny bags for packaging food grains and sugar. The Jute Packaging Material (JPM) – Compulsory Use in Packaging Commodities Act 1987 has been under implementation for procurement of Jute bags directly from Jute Mills for packing food grains and sugar. Ministry of textiles have issued an order vide Gazette Notification dated 27 December 2021 (extended upto 31.03.2023) stipulating 100% food grains and 20% sugar are required to be compulsorily packed in jute packaging materials. This reservation percentage is being continued from the last four years.

As measure to ensure sound supply chain of jute diversified products including jute bags for daily usages / mass consumption, NJB has been continuously imparting training programmes : basic, advance and design developments for production of JDPs including Jute Bags. Further, NJB in association with IJIRA developed low cost light weight eco friendly jute bag as an alternative to plastic bag for mass consumption. NJB has been organizing workshops / seminars with active participation of jute entrepreneurs for dissemination of technical know - how for production of such low cost jute bags for mass consumption."

111. The Committee desired to know about the proportion of the Budget that has been allocated for moderanisation/upgradation of jute machinery in the current fiscal and for upgradation of jute machinery in the Country to produce the state-of-the-art jute products. In reply, the Ministry stated as under:

"Under NJDP a scheme, Capital Subsidy for Acquisition of Plant & Machinery (CSAPM) for Jute Diversified Products is being implemented by NJB to facilitate modernization / Upgradation of the existing Jute mills and MSME JDP Units, for manufacturing Jute Diversified Products. The total budget under the scheme is Rs 6.00 crore for FY 2023-24. During 2021-22 – 2025-26 (15th Finance Commission Period) total financial outlay of Rs 30 crore has been earmarked under this scheme. Under the CSAPM Scheme, incentive @ 30% of the cost of machinery is provided to Mill / MSME JDP Units for production of Jute Diversified Products. During 2022-23, NJB has received 7 claim applications from 5 units amounting to Rs 1.84 crore being incentive value of total machinery cost Rs 6.13 crore. NJB has been organizing awareness programmes among the jute mills/JDP units to ensure their participation in the CSAPM Scheme and to produce value added jute diversified products."

viii. Research and Capacity Building

112. The details of funds allocated and utilised during the last three years including current year and BE for 2023-24 for the schemes provided under Research and Capacity Building category are as follows:

(Rs. In crore)

Year	B.E	R.E	A.E
2020-21	328.51	201.16	199.01
2021-22	357.00	276.10	259.44
2022-23	495.83	208.60	81.00 (as on 19.01.2023)
2023-24	832.56	-	-

113. Research and Capacity building caters mainly through SAMARTH, NIFT, NTTM and Research and Development etc. schemes.

a. Scheme for Capacity Building in Textiles Sector (SAMARTH)

114. Scheme for Capacity Building in Textiles Sector (Samarth) was approved from 2017-18 to 2019-20 with an outlay of Rs.1300 crore on 20th December, 2017. Guidelines of the scheme were issued on 23.04.2018. Scheme has now been extended upto March, 2024 on the recommendation of SFC (Standing Finance Committee) and approval of Hon'ble Minister of Textiles. Samarth was formulated with aim to incentivize and supplement the efforts of the industry in

creation of jobs in the organized textile and related sectors, covering the entire value chain of textiles, excluding Spinning and Weaving. Samarth Scheme was formulated under the broad skilling framework adopted by M/o Skill Development & Entrepreneurship. A robust digital platform linked with Aadhaar Enabled Biometric Attendance System (AEBAS) has been operationalized for ease of implementation and monitoring of training programme under the scheme. The skilling programme under the scheme is implemented through Implementing Partners (IPs) comprising Textile Industry/ Industry Associations, State government agencies and Sectoral Organizations of MoT

115. Details of funds allocated and utilised during last three years including 2022-23 and BE for 2023-24 under SAMARTH are as under:

(Rs. in crore)

Year	B.E	R.E	A.E
2020-21	Rs.150	Rs. 80	Rs. 90.97
2021-22	Rs. 100	Rs. 90	Rs. 59.76
2022-23	Rs. 100	Rs. 25	Rs. 22.71 (as on 14.02.2023)
2023-24	Rs. 115.00	-	-

116. The Committee desired to know the anticipated expenditure by the end of the 2022-23 fiscal and the reasons for any shortfall foreseen. The Ministry stated in their reply as under:

“The budget estimate for FY 2022-23 was kept as Rs. 100 crore. Considerable time has been lost in the process for transition to new fund flow mechanism through Central Nodal Agency (CNA) and effectively no fund could be released till November 2022. The allocation was accordingly reduced to Rs. 25 crore at RE stage. As of now, the transition to revised fund flow mechanism has been completed. Upon operationalizing the new fund flow mechanism after on-boarding all Implementing Partners, Rs. 17.31 crore could be released. Release of another Rs 6 crore is in the pipeline.”

117. Asked further about the reasons for under-utilisation of funds, the Ministry submitted as under:

The details are as under :-

- In addition to time taken for stabilization of business post pandemic situation, due to fluctuation in yarn price in the country, global slowdown and recession in Europe etc, significant business contraction has been reported by textile industry resulting reduction of new recruitment of workers.
- NCVET has made sudden modifications in certain courses offered under Samarth during the current financial year. With the sudden change in notional training hours of some of the important courses delayed enrollment of trainees. Discussion with NCVET and resolution of the issue resulted more than 2 months delay in commencing training programme for some of the demanding courses.

- Fund flow mechanism under the Central Sector Schemes has been revised as per the direction of the Department of Expenditure M/o Finance vide order dated 09.03.2022. Considering the balance approved tenure of Samarth (i.e upto March, 2024), Dept. of Expenditure M/o Finance was requested for exempting the Samarth scheme from the purview of revised procedure for flow of funds under Central Sector Schemes. However, the exemption was not granted, and it took considerable time in on-boarding large number of implementing partners under the scheme in the new system after operationalizing fund flow mechanism through Central Nodal Agency. Upto November, 2022, no fund could be released to eligible implementing partners.
- These impediments have resulted in under utilization of funds during 2022-23.

118. The Committee also enquired about the enhanced demand for BE in 2023-24 and questioned on the reasons for the same as well as the measures adopted by the Ministry for full utilization of the earmarked amount in the ensuing Financial Year. In reply, the Ministry submitted as under:

“The following measures initiated by the Ministry will significantly help in improving the physical achievements and thereby utilizing the entire allocation during 2023-24:

- (a) Additional training target has been allocated to performing implementing Partners.
- (b) Addition of new training centers as per the requirement of Implementing Partners are allowed for expediting the sanctioned training target.
- (c) Empowered Committee under Samarth has approved rationalization of more than 80,000 target from slow performing Implementing Partners and to allocate these targets to agencies being newly empanelled.
- (d) RFP process has been initiated for empanelling of new Implementing Partners (industries/Industry associations) and allocation of training target.

State Governments, which are yet to participate in the scheme are also being pursued for submission of proposal for target allocation.”

119. Elaborating the measures for ensuring imparting quality skill training to the youth under SAMARTH Scheme the Ministry furnished the following information to the Committee:

“The framework and implementation mechanism of the scheme has been aligned with overall framework of skilling programmes prescribed by M/o Skill Development & Entrepreneurship. All courses under the scheme are National Skill Qualification Framework compliant formulated in consultation with the user industry and after assessing the skill sets required for the workers to make them adaptable for the changing technological environment in the industry. All trainers providing training under the scheme are trained through defined Training of Trainers programme in advance and accredited after ascertaining their quality of teaching.

An end to end digital solution has been put in place for implementation and monitoring of the training programme under the scheme. During the training programme, the attendance of the trainees is captured through

Aadhaar Enabled Biometric Attendance System (AEBAS). Each trained beneficiary is subjected to an assessment through a third party assessment agency for analysing the level and quality of skill acquired through the programme before certification. Placement & post placement tracking data are captured and monitored through the system. In addition to this, an observer (RSA) has been appointed to oversee the assessment process. All the courses offered under the scheme

Training programme under the scheme was seriously impacted during COVID-19 pandemic. Training programme under the scheme was initiated in the last quarter of 2019-20. However, all the batches enrollment under the scheme during March 2020 had to be cancelled on account of the restrictions imposed due to COVID-19 pandemic and trainees were marked dropped out in the system. Effectively, no programme could be conducted for six months from March to August, 2020. Further, the second wave of the pandemic had impacted the programme severely since April, 2021. Effectively, the training programme was commenced after improvement of COVID-19 situation and now it is gaining momentum.”

120. The Ministry also forwarded the following statement regarding the details of persons trained under SAMARTH and their placement after completion of training:

“Web based centralized Management Information System (MIS) has been operationalized under the scheme for where real time data is captured for monitoring of the training programme under the scheme. Aadhaar Enabled Biometric Attendance System (AEBAS) is integrated with the MIS . The entire lifecycle of the training program of the beneficiaries starting from enrolment, batch formation, daily attendance through AEBAS, Batch Photograph via Mobile app, Assessment details, result of the beneficiaries, Placement, post placement tracking (Retention) are captured in the MIS.

The state-wise details of trained persons along with the placement status during the last three fiscals is as mentioned below:

S. No.	State	Beneficiaries trained	Beneficiaries placed
1	Andaman And Nicobar	25	0
2	Andhra Pradesh	2716	1252
3	Assam	1749	257
4	Bihar	878	147
5	Chandigarh	59	0
6	Chhattisgarh	1082	498
7	Delhi	1265	596
8	Goa	29	0
9	Gujarat	3946	2656
10	Haryana	4651	2990
11	Himachal Pradesh	28	0
12	Jammu And Kashmir	881	0
13	Jharkhand	884	407
14	Karnataka	12251	8248
15	Kerala	862	301

16	Madhya Pradesh	1749	467
17	Maharashtra	3928	2146
18	Manipur	844	29
19	Meghalaya	86	0
20	Mizoram	367	0
21	Nagaland	278	0
22	Odisha	1217	378
23	Puducherry	173	0
24	Punjab	432	148
25	Rajasthan	2303	1469
26	Sikkim	44	0
27	Tamil Nadu	16901	11197
28	Telangana	2773	1327
29	The Dadra and Nagar Haveli and Daman and Diu	922	654
30	Tripura	492	0
31	Uttar Pradesh	9407	2267
32	Uttarakhand	336	0
33	West Bengal	929	246
	Total	74,487*	37,680*

121. Enquired on the monitoring mechanism developed by the Ministry for ensuring the proper implementation of the Scheme, the Ministry in their reply stated as under:

“For ease of Implementation and monitoring a robust software platform with end to end solutions comprising of provisions for submission of online proposal by Implementing partners, online desk evaluation of proposals, mobile App enabled physical verification of training centres, online registration of trainees after Aadhaar authentication, Aadhaar Enabled Biometric Attendance System (AEBAS), separate module for assessment, online issuance of certificates etc., has been operationalized under the Samarth after extensive discussion with stakeholders. The data relating to the training programme including (AEBAS), assessment & placement details, placement tracking etc are captured in the MIS on real time basis and analyzed at each milestone of training programme for proper monitoring of the implementation. In addition, field level verification are also conducted during training and assessment process on random basis. The progress of the training programme is reviewed at various levels in the Ministry with Implementing Partners from time to time and remedial actions are taken for addressing issues reported.”

122. Elaborating the action plan prepared by the Ministry for optimally achieving the physical targets fixed during 2023-24 fiscal, the Committee were informed as under:

“In order to optimize physical achievement for financial year 2202-23, following steps have been taken: -

- (a) Additional training target has been allocated to performing implementing Partners.
- (b) Addition of new training centers as per the requirement of Implementing Partners are allowed for expediting the sanctioned training target.
- (c) Empowered Committee under Samarth has approved rationalization of more than 80,000 target from slow performing Implementing Partners and allocate these targets to agencies being newly empanelled.
- (d) RFP process has been initiated for empanelling of new Implementing Partners (industries/Industry associations) and allocation of training target.
- (e) State Governments, which are yet to participate in the scheme are also being perused for submission of proposal.”

123. The Committee further enquired about the current status regarding finalization of proposals for target allocation which were to be received from various Central/State Government Agencies. The Ministry stated as under:

“A total of 15 State Agencies were allocated training target previously. In addition, a total of 12 proposals were received from State / Central Agencies and the agencies were advised to submit Detailed Training Proposal for further processing. These agencies have been constantly pursued for completing the formalities of submission of Detailed Training Proposal in the online system. Out of these, target allocation has been completed in 2 cases, in 4 cases details of training proposal received recently are under physical verification process, in 2 cases details of training proposal are still awaited despite follow up and 5 cases have been rejected by Empowered Committee due non-response from the agencies.”

124. Elaborating the measures being taken by the Ministry to create awareness among the rural and semi-urban population regarding training programmes/projects, the Ministry informed the Committee as follows:

Under Samarth, the Implementing Partners are entrusted with the task to create awareness among the beneficiaries across all categories of people including rural and semi-urban population regarding the training programme. The implementing Partners use various media channels such as Print/Electronic Media, social media, organizing camps/rozgar melas, Posters, Flyers etc. for mobilization of candidates.

Cluster level review meetings and outreach programmes are also organized for disseminating the scheme information. Additionally, real time data on scheme progress is also made available in public domain.

b. National Technical Textile Mission (NTTM)

125. The Government has launched a National Technical Textiles Mission (NTTM) with an outlay of Rs. 1,480 crores. The key pillars of NTTM include ‘Research Innovation & Development’, ‘Promotion and Market Development’, ‘Education, Training and Skilling’ and ‘Export Promotion’. The focus of the Mission is for developing usage of technical textiles in various flagship missions, programmes of the country including strategic sectors. The Mission have four components *viz.* Research, Innovation and Development; Promotion

& Market Development; Export Promotion; and Education, Training, Skill Development.

126. Details of funds allocated and utilised under NTTM during 2021-22, 2022-23 and BE for 2023-24 are as under:

(Rs. in crore)

Year	B.E	R.E	A.E
2021-22	100.00	60.00	59.64
2022-23	100.00	37.00	0.32 (as on 14.02.2023)
2023-24	450.00	-	-

127. Noting that there was less expenditure to the tune of Rs. 32 lakhs only in 2022-23, the Committee enquired the reasons for the same. The Ministry stated in their reply as under:

Revised procedure for release of fund was advised by Ministry of Finance for all Center Sector Scheme having annual outlay of less than Rs 500 crores which came into effect from 1st April 2022. As the implementation of the revised procedure took time, funds could not be disbursed under the Scheme.

89 Research Projects of value Rs 264 Crores have been approved in 2022-23. The First installment for these sanctioned projects is under release and the funds received in RE 2022-23 is being disbursed.

128. Desired to know the reasons for enhancement of the allocation for BE in 2023-24 to Rs. 450.00 crore and the plan of action chalked out for maximum utilisation of earmarked amount in 2023-24, the Ministry stated in their reply as under:

“(a) 89 Research projects worth Rs 264 Crores are approved under NTTM and various outreach programmes including conferences, exhibitions, and skilling projects are earmarked for FY 2023-24.

(b) Further under NTTM, the following guidelines have been approved and released for submission of proposals.

- General Guidelines for Enabling of Academic Institutes in Technical Textiles’ Education in India : For Private and Public Institutes –The Component IV of NTTM - Education, Skilling and Training, which aims to create an effective knowledge and skill eco-system to increase the availability of quality manpower, specially educated and highly skilled workmen, both for manufacturing and application areas of technical textiles. Under this scheme grant to educational institutions in the form of procurement of lab equipments and training to faculty will be given.

- Guidelines for Indigenous manufacturing of Machinery/ tools/ Equipments/ Testing Instruments for Technical Textiles released: These Guidelines aimed to support development of high-end machinery, equipments, tools, and testing instruments for Technical Textiles in India and establish an indigenous platform for domestic design, development, and manufacturing. The initiative is launched as a part of "Make in India" programme.

- Grant for Internship Support in Technical Textiles (GIST) :As per the Guidelines financial assistance upto INR 20000 per student per month (for a period of 2 months) would be given to companies for students at UG level.

(c) Apart from this, 41 research projects of Rs 194 Crores (approx.) are under scrutiny and further outreach activities are planned for inviting research proposals

Further targeted segment wise conferences are planned in various states to create awareness. Climate Smart Agrotextile Demonstration Center at Navsari Agricultural University (NAU), Gujarat is being set up in collaboration with SASMIRA.”

129. In this regard, a representative of the Ministry deposed before the Committee elaborating NTTM as under:

“...पिछले छः महीनेमें 89 प्रपोजल्स सैक्शन किए हैं, worth Rs. 264 crore in different areas of specialty fibres और इसकी मॉनिटरिंग भी की जा रही है। Technical textile machinery भारत में बनें, इसके लिए भी गाइडलाइंस बन गए हैं। इसके लिए हम लोग प्रपोजल्स इन वाइट कर रहे हैं। This is a very fastest growing sector, and there is a lot of scope for exports. In another developed world, the penetration of technical textile is thirty to seventy per cent, and in India, it ranges from five to ten cent, which is very meagre. So, with the help of new Research and Development, we want to increase the penetration of technical textile in our country...”

... तीसरा इसका सबसे बड़ा कम्पोनैट Education Training and Skill Development है। इसमें हमारी कोशिश है कि हम विभिन्न आईआईटीज, विभिन्न टेक्निकल इंस्टीट्यूशंस में हम नया कोर्स बीटेक इंट्रोड्यूस करें या एग्जिस्टिंग कोर्सेज में एक module technical textile का इंट्रोड्यूस किया जाए। इसके लिए हम लोग 3 करोड़ से 20 करोड़ रुपए तक का अनुदान एजुकेशन इंस्टीट्यूशंस को दे रहे हैं। We have also launched a programme for Internships Support for Technical Textile at UG level for summer training...”

130. The Committee asked the Ministry about the concrete measures taken/proposed for promotion and market development of technical textiles for 2023-24 fiscal. The Ministry furnished the following information in the reply:

“(a) With a view to promote Technical Textiles in the country a number of targeted events both Sector-wise as well as state specific are planned for creating awareness and demand for promotion and market development of Technical Textiles.

(b) Further, Climate Smart Agrotextile Demonstration Center at Navsari Agricultural University (NAU), Gujarat is being set up in collaboration with SASMIRA.

(c) Line Ministries are being approached for mandating/ promoting usage of technical textiles.”

131. Asked whether the possibility of Public Private Participation (PPP) under NTTM has been explored, the Ministry, in reply stated as under:

“Yes, Public Private Participation (PPP) has been explored. In this connection, 89 research projects are approved under NTTM of approximate value of Rs. 264 Cr, wherein emphasis has been laid that these projects would be executed in association with Leading Industry as Partner for commercialization of deliverables of research projects. In most of the sanctioned projects, there are industry partners.

In addition Scheme for inviting research for development of Technical textiles machinery/ equipments/ tools instruments, private sector participation is also allowed.”

132. Elaborating the steps taken while imparting technical knowledge in Technical Textiles to the youth, the Ministry informed the Committee as under:

“General Guidelines for Enabling of Academic Institutes in Technical Textiles’ Education in India : For Private and Public Institutes –the Component IV of NTTM - Education, Skilling and Training, aims to create an effective knowledge and skill eco-system to increase the availability of quality manpower, specially educated and highly skilled workmen, both for manufacturing and application areas of technical textiles. Under this Guideline, Assistance in the form of procurement of Laboratory Equipment and Training of Lab Personnel and Specialized Training to faculty is proposed to be given, with respect to the undergraduate (UG) and Postgraduate (PG) degree programmes for introducing subjects on technical textiles under the relevant segment of technical textiles.

General Guidelines for Enhancement of Technical Textiles in Higher Education and Grant for Internship Support in Technical Textiles (GIST) have been approved under NTTM are approved under NTTM.As per the Guidelines financial assistance upto INR 20000 per student per month (for a period of 2 months) would be given to companies for bachelors and masters students

Further to promote Skilling and training in Technical textiles sector, a two-week Skilling of Design Commissioning technical personnel in "Applications of Geo-synthetics in Infrastructure Projects" for facilitating technical human resources in the related field has conducted as Pilot Project under National Technical Textiles Mission. The 1st batch in the series was conducted by Indian Institute of Sciences, Bangalore wherein 124 Design Engineers were trained in Geotextiles Applications in Highway, Railways and Water Resources.

Stakeholders Consultations were held to understand specific requirements of Technical Textiles sector.”

133. The Committee further enquired about the steps taken for inviting various State Governments/organisations to send their requests for proposals to participate in development of Technical Textiles. The Ministry submitted as under:

“The Scheme is open for submission of proposals under the heads of

- Research proposals in fundamental and applied research areas.
- Development of Indigeneous manufacturing of Machinery/ tools/ Equipments/ Testing Instruments for Technical Textiles.

Outreach activities undertaken with institutions/ industries/ organizations for inviting research proposals.”

c. Production Linked Incentive (PLI) Scheme for Textiles

134. The details of funds allocated and utilised since 2021-22,2022-23 and BE for 2023-24 under Production Linked Incentive (PLI) Scheme for Textiles Sector are as follows:

(Rs. In crore)

Year	B.E	R.E	A.E
2021-22	0.00	0.50	0.00
2022-23	15.00	7.50	0.50 (as on 19.01.2023)
2023-24	5.00	-	-

135. The Government has approved the Production Linked Incentive (PLI) Scheme for Textiles, with an approved outlay of Rs 10683 crore over a five year period, to promote production of MMF Apparel, MMF Fabrics and Products of Technical Textiles in the country to enable Textile sector to achieve size and scale and to become competitive. The Scheme has two parts; Part-1 envisages a minimum investment of Rs.300 crore & minimum turnover of Rs.600 crore per company; and Part-2 envisages a minimum investment of Rs.100 crore & minimum turnover of Rs.200 crore per company. There will be two years of gestation period under the Scheme (Financial Year(FY): 2022-23 and FY: 2023-24). The incentive will be provided to the companies under the scheme on achieving the threshold investment and threshold turnover and thereafter incremental turnover.

136. The Committee desired to know the reasons for extreme shortfall in expenditure under the PLI Scheme in 2022-23. The Ministry submitted in their reply as under:

“As per PLI scheme guidelines there will be two years of gestation period under the Scheme (FY : 2022-23 and FY 2023-24).

The performance year are from 2024-25 to 2028-29 and incentive claim years are from 2025-26 to 2029-30.

As Scheme outlay of Rs. 10,683 crore for PLI Scheme includes Rs. 50 crore as cost towards incurring administrative expenditure, development of software, third party evaluation/mid-term evaluation, cost accounting etc. Further, IFCI has been appointed as Project Management Agency (PMA) for providing secretariat, managerial and implementation support in the scheme implementation since 24.12.2021 to 31.03.2030. As per the agreement, the PMA charges in FY: 2021-22 is Rs.2.50 cr. (excluding taxes) and FY: 2022-23 onwards is Rs. 3.50 cr.(excluding taxes).

During FY: 2022-23, Rs. 50 Lakh was released as Part fee for FY : 2021-22 and remaining fee for FY: 2021-22 and full fee for FY: 2022-23 is being released to IFCI.

For the FY: 2023-24, Rs. 5.00 crore has been sought to pay PMA chages for that year as per agreement.”

137. The details of the Scheme were further elaborated by a representative of the Ministry during the course of evidence as follows:

“Already applications were invited; 64 applicants have been selected. Approximately, the subsidy involvement is Rs.6,328 crore. The total proposed investment by these 64 applicants is Rs.19,798 crore with a projected turnover of Rs.1,93,926 crore and employment of 2,45,362. The work at the ground has already commenced. So, far, investment to the tune of Rs.2183 has been made. This year and next year, there will be no outgo of subsidy. When they actually start production, from that year, the outgo of subsidy will commence.”

138. Further the Committee were informed that the total investment of Rs.19,798 crore will be made in the period of two years i.e. in the first year investment of Rs. 2183 crore has been done and the rest of the amount will be invested in 2023-24 under this Scheme.

ix. National Textile Corporation (NTC)

139. National Textile Corporation Limited, (NTC) is a schedule “A” public sector company under the ambit of Ministry of Textile, Government of India, engaged in production of yarn and fabric through its 23 mills in operation, located all over India with 7.68 lac spindles and 408 looms producing around 550 lac kgs of yarn and 200 lac meters of fabric per annum. NTC also manufactures garments through its JV Companies. In addition National Textile Corporation has well established retail network throughout the country with its 85 retail stores. The current employee strength is 10449. The present net worth of the NTC is Rs. 920.10 crores Approx. (Provisional).

140. National Textile Corporation Ltd. (NTC) was established primarily to manage the affairs of the sick textile undertakings taken over by the Govt. of India in three Nationalization Acts in the years 1974; 1986; and 1995. On account of obsolete technology; excess manpower; poor productivity, etc. 8 of its 9 subsidiaries were referred to BIFR in the year 1992-93. The BIFR approved Revival Schemes for all the 9 subsidiaries –8 of them in the year 2002-03 and 9th in the year 2005. The Company has been implementing the Revival Scheme since then. The original Sanctioned Scheme (SS-02) of 2002-03 was to be implemented at a total cost of Rs.3937 crores with a component of Rs.736 crores allocated towards modernization of 53 mills. This scheme was modified twice – first in the year 2006 (MS-06) at a revised total cost of Rs.5267 crores which included a component of Rs.530 crores for modernization of 22 mills and for the second time in the year 2008 (MS-08) at a revised total cost of Rs.9102 crores with component of Rs.1155 crores towards modernization of 22 mills with extended capacity including setting up of 4 new mills. This scheme was extended up to 31.03.2012 by BIFR.

141. The historical details of 119 mills referred to BIFR out of total 124 Nationalized through three Nationalization Acts and one new mill set up at Hassan is as under:

- 77 mills have been closed (78 mills closed under ID Act but one closed mill namely Vidarbha Mill, Achalpur was started again as Finlay Mills, Achalpur).
- 23 mills under operation by NTC. (Including one new mill set up at Hassan). However, the operations of these units are under suspension due to unavailability of working capital and other financial constraints.
- 16 units slated for revival through JV route 5 units have been revived and remaining 11 units where MOU for JV was signed were cancelled on review. Matter in case of these 11 mills is sub-judice before Court/Arbitral Tribunal.
- 2 mills transferred to Govt. of Pudducherry.
- 2 mills in Rajasthan at Udaipur & Beawar not operational.

142. Due to Covid-19 pandemic and nationwide lockdown imposed by the various State Governments, the production activities in all 23 mills of National Textile Corporation (NTC) Limited were put on hold since 25.03.2020. After lifting up of the lockdown and as per availability of raw material, NTC restored operation of 14 mill units from January 2021 onwards. The second wave of Covid-19 pandemic again led to closure of all NTC mill operations in April, 2021. Due to unavailability of working capital and other financial constraints, operation of NTC mills is presently under suspension.

143. When enquired about the possibility of reviving the NTC Mills in the near future, the Textiles Secretary responded by stating as under

“Sir, we have noted your comment. I just like to say that in so far as the public sector units and the National Textile Corporation are concerned, a number of units of NTC, over the past years, have been closed. There were a few which were operational but during the COVID-19, even they had to close operations. So, on the NTC as a whole, the Government is presently engaging with NITI Aayog, with the Department of Public Enterprises to see what is the best possible option. That is the position at this point. But I would certainly for this sector as a whole, feel that beyond hope, there is also work on the ground which we are wanting carry out and we will be grateful for your guidance.”

144. A representative of the Ministry further elaborated it as under:

“Sir, as you rightly observed, 23 mills were operational and they were closed down during COVID-19 and later on, they have not really begun their production. There are financial constraints and lack of working capital. We could not operationalize these 23 mills after the Covid pandemic. So, as of now, they are not operational.”

145. On a pointed query regarding payment of pending wages and dues of the erstwhile workers of NTC Mills which have been shut down after Covid, a representative of the Ministry deposed as under:

“...Just wanted to also mention that in 2023-24, we had asked for money for payment of some of the dues to the employees who are still with the NTC and also with the British India Corporation. So, we have received some money and we would be grateful for your support in this regard.

... This is salary and pensions of employees and retirement dues which have to be settled for which allocation has been made in the coming year 2023-24. Continuing support in that regard would be helpful from the Government.

Ultimately, in the past also, there have been attempts to revive the NTC which has not resulted in very good result but we are engaging, like I said, with NITI Aayog and we are also mindful of the Government of India’s new policy for public enterprises, a way forward will be decided for NTC.”

146. The Committee enquired about the action taken by the Ministry on their recommendation on National Textile Corporation (NTC) in their Thirty-First Report on Demands for Grants (2022-23). The Secretary of the Ministry deposed before the Committee as follows:

“You are very right in this meeting you referred to the Group of Officers, जो नीति आयोग ने अध्यक्षता की थी, उसमें डीपीई की जो गाइडलाइन्स हैं, जो यह कहती है कि स्ट्रैटजिक सेक्टर्स में पीएसयूज़ कंटीन्यू रहें और बाकी सभी से फेज-आउट करने की बात की गयी है, इसका संज्ञानलिया गया था। चूंकि एनटीसी काफी समय से लॉस मेकिंग रही है और इसमें पहले भी रिवाइवल के प्रयासों में सफलता नहीं मिल पाई थी, इन सब बातों पर चर्चा हुई है। इसके बारे में निर्णय अभी लिया जाएगा, क्योंकि the competent authority to decide is the Cabinet Committee on Economic Affairs. But this is the discussion which has happened. So, like I said, along with DPE and NITI Aayog, the proposal will be taken up for consideration of the Cabinet Committee on Economic Affairs.”

x. Cash Management Reforms

a. Treasury Single Account (TSA)

147. During the course of oral evidence, the representative of the Ministry informed the Committee about a new system of cash management known as Treasury Single Account (TSA). Elaborating this system, the representative deposed as under:

“...All autonomous bodies which receive grant from the Government of India in excess of Rs. 500 crore have been shifted to this system. The benefit of this system is that the money lies in the Consolidated Fund of India. It does not go out of Consolidated Fund of India unless it is actually spent on the ground. There is absolutely no question of now drawing the money from the Treasury

and giving it as advance from A to B and from B to C and so on. When the expenditure is incurred at the last mile, at that point of time the RBI account will be debited. This will lead to better cash management. This has been introduced in Central Silk Board.”

148. The Committee then enquired the Ministry about the timeline fixed by the Ministry to implement it in all autonomous bodies of the Ministry of Textiles. It was submitted by the Ministry as under:

“The Treasury Single Account (TSA) system is being rolled out in the Ministry of Textiles in terms of the directions of the Ministry of Finance (MoF). The MoF has sought to expand the coverage of TSA in a gradual manner: the threshold of Rs 500 crore budget outlay for an autonomous body to be brought within TSA coverage in 2022-23 has been lowered to Rs.100 crore from FY2023-24. In terms of these threshold limits, NIFT will get covered under TSA from April 1, 2023 in addition to the Central Silk Board that is already on board.

However, the aim of these cash management reform initiatives of the MoF is to expand TSA coverage to all autonomous bodies in the due course. The expansion of the coverage is gradual to ensure readiness and robustness of IT systems etc. both in the government agency and at the RBI, so as to preclude any payment disruptions during the transition phase.”

b. Central Nodal Account (CNA)

149. The Ministry further informed the Committee about another system introduced under cash management reforms known as Central Nodal Account (CNA). During the course of evidence, a representative of the Ministry informed the Committee as under:

“This is another system called Central Nodal Account. It is a kind of intermediary step. All the Central Sector Schemes have been brought under this system. For each scheme, an account is opened in a nationalized bank and all the implementing agencies down the line open a zero-balance child account in the same bank. Suppose for a particular scheme of handloom, if an account is opened in SBI, all the implementing agencies will open their accounts in the same bank in different branches. These accounts will be zero-balance accounts. Money will be drawn from the Treasury as and when needed and kept only in the Central Nodal Account. When the Bills are raised, money will be transferred to the child account and simultaneously remitted to the procurer or from whoever we have availed our services.

This is also a practice which has been initiated to ensure better cash management. It will lead to calibrated fund release. Money will be released only on the basis of actual utilisation when it is spent on the ground. The Administrator of CNA will have the flexibility to reallocate fund from one to other for better utilisation of cash. It will also lead to better monitoring of the schemes. The ultimate objective of the Government of India is transit from this to the Treasury Single Account. So may be in another one or two years, all the schemes will be directly implemented through TSA so that no money goes out of the Consolidated Fund of India.”

PART-II

OBSERVATIONS/RECOMMENDATIONS

OVERALL FINANCIAL PERFORMANCE

1. The Committee note that in 2022-23, the allocation at the RE stage was reduced to Rs. 3,579.61 crore *vis-à-vis* the BE of Rs. 12,382.14 crore. The allocation was slashed down by a substantial extent owing to the lower requirement for Cotton Corporation of India (CCI) for carrying out market support operations by way of extending Minimum Support Price (MSP) to cotton farmers. As informed by the Ministry, since the seed cotton prices were ruling above MSP levels and farmers were getting higher prices for their cotton in the market, the BE allocation for the year was cut down by more than Rs.8,400 crore and surrendered at the stage of RE in 2022-23. The Committee note that the total expenditure of the Ministry in 2022-23 as on 14 February, 2023 is only Rs.2,919.63 crore as against the RE amount of Rs.3,579.61 crore. The Ministry have, however, assured utilization of the entire allocated RE amount by the end of FY 2022-23. The Committee expect the Ministry to make concerted efforts and honour their commitment for optimal utilisation of the 2022-23 RE allocation.

2. The Committee find that for the year 2023-24, against the proposed outlay of Rs. 4,545.61 crore by the Ministry of Textiles, the Ministry of Finance have approved Rs. 4,389.34 crore. Reductions have been made in the proposed budget in case of some important schemes that include *inter-alia* SAMARTH, PM-MITRA as well as the allocation for providing support to PSUs. The Committee trust that reduction in the allocation of funds as compared to the proposals of the Ministry would not affect the implementation of the said schemes. Also, considering the shortfall in utilization of the budgeted funds being witnessed year after year, the Committee once again call upon the Ministry to leverage their

performance in utilisation of funds earmarked for various schemes. The Committee further recommend that to avoid savings or surrender of allocated funds, the Ministry should initiate the process of working out final estimates of expenditure well in advance before the commencement of fourth quarter of the Financial Year.

3. The Committee note that at the end of the Financial Year, the unutilized amount of allocated funds under a scheme is diverted to other schemes with higher demands/absorptive capacities. The Committee recommend that since the very purpose of the budgetary allocation for a particular scheme is defeated if funds are diverted to some other Scheme, the Ministry should take cogent and prudent measures to stop the off-repeated phenomenon.

4. The Committee are concerned to note that there is either very less or 'nil' utilization of funds in 2022-23 in case of few schemes such as National Technical Textiles Mission (NTTM), National Institute of Fashion Technology (NIFT), Assistance Textiles Committee, etc. According to the Ministry the release of funds under these Schemes was delayed due to preparatory measures that took longer than anticipated. The Committee exhort that the preparatory measures related with a scheme should be completed within the first quarter of the Financial Year itself so that the allocated budget under the Schemes could be gainfully and optimally utilized by the close of the Financial Year.

PHYSICAL TARGETS AND ACHIEVEMENT

5. The Committee are concerned to find that during 2022-23, the Ministry have not been able to achieve the physical target under several schemes such as National Handloom Development Programme, Grants towards Development of Silk Industry, Scheme for Development of Jute Sector, Integrated Process Development Scheme of Textiles Sector, PM-MITRA, Production Linked Incentive (PLI) Scheme, SAMARTH-Scheme for Capacity Building in Textile Sector, Grants to National Institute of Fashion Technology, Schemes for North-Eastern Textile Promotion,

National Technical Textile Mission (NTTM), etc. Non-receipt of viable proposals from States/UTs and late or non-receipt of Utilisation Certification by the Implementing Agencies are cited as main reasons for this under achievement of physical targets. The Ministry have assured that they are taking remedial steps to achieve the targets of these schemes in the next Financial Year i.e. 2023-24. The Committee, while taking note of the assurance, however, urge the Ministry to take productive action to overcome the perennial problems so that viable proposals as well as Utilization Certificates are received well in time for utilisation of the entire allocated funds by the end of Financial Year.

COTTON SECTOR

6. An amount of Rs. 17,408.85 crore was approved by the Cabinet Committee on Economic Affairs (CCEA) for the purpose of providing committed price support to cotton farmers by the Cotton Corporation of India (CCI) for the cotton seasons, 2014-15 to 2020-21. The Committee note in this regard, that while an amount of Rs. 9243.09 crore was allocated as BE 2022-23, this was significantly reduced to Rs. 780.71 crore at the RE stage. The actual expenditure as on 19 Feb 2022 was Rs. 678.99 crore. As informed by the Ministry, pragmatic sales policy and better price realization reduced the MSP price support substantially. Further, as per the Ministry's submission, considering the prevalent market prices, which are ruling above MSP, 'there is very less possibility of MSP operations by CCI in the 2023-24'. The Committee are appreciative of the fact that a number of measures are under implementation for protecting the interest of cotton farmers viz. conducting MSP operations directly from cotton farmers without the involvement of middleman; setting up adequate infrastructure on pan India basis; direct interaction and outreach with the cotton farmers through Cott-Ally mobile app; and keeping the farmers updated on the variety wise MSP rates of cotton etc. The Committee nevertheless also wish to highlight the fact that there has been a wide fluctuation in the market price of cotton, which has a bearing on the Textile industry as a whole. Consequently, the budget allocations

for the price support scheme has also been varying significantly over the years. For instance, the actual expenditure incurred on the support scheme varied from Rs. 662.71 crore in 2020-21 to Rs. 8,331.96 crore in 2021-22, Rs. 678.99 crore (as on 19 January 2023) in 2022-23, and the BE allocation for 2023-24 is only Rs. 0.01 crore. Considering these facts, the Committee reiterates the need for assessing the amount required for MSP operations pragmatically and cogently. More important, in this regard, is the need for assessing the reasons behind the wide fluctuations in the price of different varieties of cotton from season to season, and framing and implementing appropriate policy measures for protecting the interest of the farmers and thereby benefitting the Textile industry as a whole.

7. For providing competitive advantage to the domestic textile industry in producing best quality cotton yarn in particular, a scheme has been proposed in the Budget 2023-24 based on PPP model for enhancing the productivity of extra long staple cotton. According to the Ministry, the detailed scheme is to be framed by Ministry of Agriculture in consultation with Ministry of Textiles, ICAR-CICR, Research Institutions, industry, farmers and other stake holders. For benefitting the cotton sector and the Textile industry as a whole by way of giving a boost to niche Textile products and exports, the Committee desires that the contours of the scheme are worked out and implemented in a time bound manner. The Committee wishes to be informed of the progress made in this direction.

HANDLOOM SECTOR

8. The Committee notes that under the Scheme, National Handloom Development Programme, as on 14.02.2023 the Ministry has utilized Rs. 139.40 crore against the allocation of Rs. 200.00 crore as BE which was reduced to Rs. 156.00 crore at RE stage. The reason for this under-utilisation is attributed to non-receipt of viable proposals from the States/UTs by the Ministry due to which the physical and financial

targets are also not achieved. The Committee are dismayed to be apprised of the same reason every year as the cause of under- utilization in case of other Schemes also. The Committee are of the view that the steps to overcome this problem which are proposed by the Ministry *viz.* setting of timelines for sanction of new projects and submission of Utilization Certificates; submission of proposals directly to Office of DC (Handloom) for consideration; publicity through awareness camps; etc. should have been exercised by the Ministry during the current year. However, the Committee urge the Ministry that these remedial measures should be put in place at the earliest so that physical and financial targets may be achieved by the end of 2023-24. If need be, senior-most officials of the Ministry and State/UT Governments may be involved for receiving viable proposals in time.

Concessional Credit/Weavers' Mudra Loan Scheme

9. The Committee note that under Concessional Credit/Wavers' Mudra Loan Scheme which is a component of National Handloom Development Programme, the amount released was to the extent of Rs. 10 crore in 2020-21 and Rs. 15 crore in 2021-22. The physical target for both the years was 50,000 beneficiaries. There was no amount sanctioned in 2022-23 under this Scheme and Rs. 0.14 crore was sanctioned under Handloom Weaver's Welfare Scheme in 2022-23. The Committee are constrained to find that the loan amount availed varies to a great extent from one State to another. While the number of loanees as well as the loan amount sanctioned is significantly high in States such as Tamil Nadu, Andhra Pradesh and Telangana, it is very meagre in States like Punjab, Rajasthan, West Bengal. The Committee, therefore, urge upon the Ministry to ascertain the reasons for this variation and desire the Ministry to make concerted efforts to create awareness about this Scheme in the rural and semi-rural parts of the Country where these handloom clusters are located by involving local village heads and self help groups. The Committee appreciate the efforts of the Ministry for proposing to run a special drive for MUDRA Loans and desire that, as proposed, the special drive in

coordination with State Level Bankers' Committee (SLBC) and District Level Bankers' Committee (DLBC) may be carried out without any delay.

HANDICRAFTS SECTOR

10. The Committee note that under the National Handicraft Development Programme (NHDP), in 2022-23, BE of Rs. 200 crore has been reduced to Rs. 191.11 crore at the stage of RE and the Actual Expenditure (AE) was Rs. 130.77 crore as on 19th January, 2023. For the year 2023-24, BE of Rs. 238.33 crore has been proposed for NHDP. As per the information furnished by the Ministry, shortfall in utilization of the budgeted funds occurred because the Implementing Agencies (IAs) faced teething problems in operating the new cash management system under Central Nodal Agency (CNA), non-receipt of viable proposals and delayed receipt of Utilization Certificates from the implementing agencies. Some projects under the handicrafts sector that have been sanctioned and are under implementation in 2022-23 are expected to absorb funds in the forthcoming Financial Year, 2023-24 owing to which the BE for the year has been raised to Rs. 238.33 crore. The significance of the Handicrafts Sector in the country's economy cannot be undermined. The sector not only provides employment to a vast segment of craftspersons in rural and semi urban regions but also generates substantial foreign exchange for the Country while facilitating in preserving the cultural heritage. While the achievements made in this sector are laudable, nevertheless, the Committee urge upon the Ministry to take stringent and efficacious measures for monitoring and coordination between different Implementing Agencies and States/UT Governments where clusters of handicraft industries are located so that the physical targets are achieved and the funds earmarked are utilized gainfully. The Committee also impress upon the Ministry to explore the possibility for formalization of enterprises in the Handicraft sector for providing sustainable livelihood/ employment opportunities to handicraft manufacturers/ workers in this sector.

WOOL SECTOR

11. The Committee note that Integrated Wool Development Programme (IWDP) has been launched by the Ministry for development of Wool Sector, to be implemented during the period, 2021-22 to 2025-26 with total financial allocation of Rs. 126 crore. The Committee find very meagre allocation i.e. Rs. 15 crore as BE and RE 2022-23 as well as utilization i.e. Rs. 5.76 crore upto 14th February, 2023. To their consternation, out of this allocated budget only Rs. 2.52 crore has been utilized by the Board. The Ministry has cited the revision of fund flow process under new cash management system by Ministry of Finance and its implementation at different levels as the main reason for slow and delayed utilization of funds. In the previous year also i.e. 2021-22 total expenditure in Wool Sector was Rs. 6.25 crore against RE of Rs. 10.00 crore. Taking note of the fact that there is very little progress visible in the Wool Sector, the Committee opine that the efforts put forth by the Ministry viz. introducing Wool Marketing Scheme/ organizing Woollen Expos (Exhibition cum sale), creating a digital platform and e-auction of raw wool etc. are not sufficient to augment the production, sales and export of wool products and gainful utilization of the earmarked budget. The Wool Sector, although very small in size, yet plays an important role in linking the rural economy with the manufacturing industry. The Committee are of the considered view that now, when fund flow process has been stabilized, the Ministry should make all concerted efforts to expedite the process of implementation of already sanctioned projects in the current Financial Year i.e. 2022-23 and in the ensuing year also so that the huge quantum of allocated funds are utilized judiciously and no amount is surrendered at the end of Financial Year.

12. The Committee in their earlier Report on 'Demands for Grants (2022-23)' have desired the Ministry to establish more research labs and for testing the quality of Pashmina wool products in Jammu & Kashmir and Leh. As there is no progress observed in this regard, the Committee reiterate that the Ministry should take appropriate measures to increase

the pace as well as proper marking of Pashmina Wool products in Jammu & Kashmir and Leh to cut the transportation and labour costs and making the wool products market competent.

SILK SECTOR

13. The Committee had, in their Report on the Demands for Grants (2022-23) of the Ministry emphasised on obtaining adequate funds and maximum utilisation of R&D activities under Silk Samagra-2. From the information now furnished by the Ministry, the Committee note that a major proportion of the core activities planned during 2022-23 have been implemented *viz.* as against the target of initiating 35 new projects in the sector, 21 have been completed and 12 are to be initiated by the end of the current year 2022-23; and 700 programmes/events have been organised as against the target of 600. As regards production of basic and commercial seeds for Mulberry, Tasar, Muga, however, the achievement has been to the extent of 285.58 lakh layings *vis-à-vis* planned target of 485.67 lakh layings. For the year 2023-24, the activities proposed *inter-alia* include, initiation of 35 new projects and producing 487.89 lakh Mulberry, Tasar, Muga seeds/layings. In view of the potential of the silk market and the need for enhancing silk production, the Committee desire that adequate attention be paid to implement the schemes of the silk sector gainfully during the current year as well as ensuing FY 2023-24.

14. As informed by the Ministry, the domestic silk production does not suffice to meet the requirement of the industry owing to which the country has to import about 3,000 MT of raw silk every year. The Committee, in this regard, express satisfaction on the fact that the value of silk imports has reduced from Rs. 1,535.72 crore in 2019-20 to Rs. 1,143.59 crore in 2020-21. While the value of import of raw silk has reduced from Rs. 1,149.32 crore to Rs. 819.68 crore in 2019-20, the import value of fabrics and made ups has witnessed only a marginal decrease from Rs. 236.91 crore in 2019-20 to Rs. 215.8 crore in 2020-21. The Committee desire that this issue be looked into for reducing

import of fabrics/made ups which also constitute a significant part of the country's silk exports. The Committee also express satisfaction on the increase being witnessed in the value of silk exports. Silk exports increased from Rs. 1,745.65 crore in 2019-20 to Rs. 1,848.96 crore in 2020-21 with readymade garments and fabrics and made ups constituting a significant part of the exports. In the light of the facts and figures pertaining to silk imports and exports as furnished by the Ministry, the Committee recommend that cohesive efforts be made for boosting silk production, reducing dependence on import of raw silk and promoting export of silk products.

Development of Silk Industry in North-Eastern Region

15. The Committee note that special focus has been given for development of sericulture in the North-Eastern Region. As informed by the Ministry, new sericulture projects are sanctioned in the North East with necessary budgetary provision. For development of silk industries in North-Eastern Region, the actual expenditure incurred in 2020-21 was Rs. 54.25 crore as compared to RE of Rs. 50.75 crore and BE of Rs. 63 crore; Rs. 61.54 crore *vis-à-vis* RE amount of Rs. 68.12 crore in 2021-22 and Rs. 37.68 crore (as on 19.01.2023) as compared to RE amount of Rs. 75.36 crore in 2022-23. As per the Ministry's submission, Rs. 20 crore of the BE amount of Rs. 67.99 crore for 2023-24 is intended for 'beneficiary oriented support component'. The Committee note in this regard that in addition to the 38 projects for sericulture production that are continuing in the Region in 2022-23, and spill over of the projects from 2021-22, additional projects are in the pipeline for sanction for the North East in 2023-24. Further, for 2023-24, production target of 8,502 MT silk has been fixed for the North East. The Committee desire that appropriate interventions be made for effective implementation of the schemes for promoting silk industry in the Region and achieving the targets set; and ensure that inadequacy of funds does not become a constraint in ensuring effective implementation of the scheme/projects in the Region.

Integrated Processing Development Scheme (IPDS)

16. The Committee find that there has been very less utilization of the allocated funds under the Integrated Processing Development Scheme (IPDS) for the year 2022-23. The BE of Rs. 70.00 crore for the scheme was cut down to Rs. 31.20 crore at RE stage and the total expenditure up to 14.02.2023 has been to the extent of Rs.30.53 crore. The substantial cut in the funds allocated at the RE stage during the year has been attributed mainly to receipt of only 3 proposals for release of the Government of India share of funds i.e. 75% of the project cost with the rest borne by the State Government concerned. The scheme, as initiated in 2013 at a total cost of Rs. 500 crore aims at enabling maintenance of environmental standards through usage of appropriate technology and includes aspects such as Zero Liquid Discharge (ZLD). The Committee feel dismayed to note that six projects, that are under implementation, and of which five are in Rajasthan and one in Gujarat that were approved in 2015-16 are yet to become operational owing to challenges faced *viz.* problems pertaining to acquisition of land, lack of proper co-operation from the State/UT Governments, installation of pipelines and treatment plants, etc. From the information made available, the Committee cannot help noting that the approach of the Ministry has been lukewarm in implementing this scheme which is of importance from the environment point of view. The Committee, therefore, exhort the Ministry to issue proper guidelines for completion of projects under IPDS, and take up the matter vigorously with the State Governments concerned. A strict timeline should be issued to the Implementing Partners for operationalizing the projects already sanctioned. The Committee accordingly expect the Ministry to make all concerted efforts to ensure that the projects are commissioned without further delay. The Committee also desire to be apprised of the measures taken in this direction.

PM Mega Integrated Textile Region and Apparel (PM-MITRA) Parks

17. The PM-MITRA Scheme, announced in 2021-22 envisages in helping the country in achieving the United Nations Sustainable Development Goal 9 (Build resilient infrastructure, promote sustainable industrialization and foster innovation). To this end, the scheme aims to develop integrated large scale and modern industrial infrastructure facility for entire value-chain of the textile industry. No expenditure has been booked under the scheme in the Financial Years 2021-22 and 2022-23. For 2023-24, an amount of Rs. 200 crore has been allocated for the scheme. As informed by the Ministry, the Government has approved setting up 7 PM-MITRA Parks in partnership with the willing State Governments for which an outlay of Rs. 4,445 crore is proposed. Presently, 18 proposals for setting up PM MITRA Parks have reportedly been received from 13 State Governments and the process of finalisation of the sites for setting up the parks is in an advanced stage. The Textiles Secretary, while deposing before the Committee stated that the Government is in the process of doing 'due diligence' in regard to the proposals received from the State Governments and the process would be completed speedily. In view of the laudable objectives with which the scheme has been proposed, whereby the competitiveness of Indian textiles would be improved, logistic costs reduced, investment on large scale attracted, employment generated and the country facilitated in strongly positioning itself in the global textile market, the Committee once again urge upon the Ministry to diligently undertake the measures needed so that the scheme fructifies at an early date and the Mega Parks are set up.

JUTE SECTOR

18. The Jute Corporation of India (JCI) was incorporated in 1971 to serve as a price support agency with a clear mandate for procuring raw jute/mesta at the MSP, thereby serving a social cause of protecting the interest of millions of families engaged in farming of jute. The National

Jute Board (NJB) was constituted in 2008 for promoting cultivation, manufacture and marketing of jute and jute products and for matters incidental thereto. The Committee had, in their reports for Demands for Grants of the Ministry for the earlier years examined and commented/recommended on measures for promoting the Jute sector. From the information pertaining to utilization of funds for the jute sector, the Committee feel constrained to note that the actual expenditure incurred for the sector in the last 3 financial years has been significantly lower *vis-a-vis* the budget estimate and revised estimate *viz.* in the year 2020-21 the actual expenditure incurred was Rs. 71.50 crore as compared to BE of Rs. 136.53 crore and RE of Rs. 71.53 crore; in 2021-22, the actual expenditure was Rs. 86.94 crore *vis-a-vis* BE of Rs. 153.01 crore and RE of Rs. 112.01 crore; and in 2022-23, the budgeted amount utilized (as on 19th January, 2023) has only been Rs. 44.15 crore as compared to BE of Rs. 115.00 crore and RE of Rs. 62.20 crore. As for the National Jute Board, the agency responsible for implementation of schemes and activities that *inter-alia* include, Jute-ICARE, Jute Diversification Schemes and Jute Retail Outlets, the allocation made at the stage of BE since 2020-21 has been lowered significantly at the stage of RE and the actual expenditure too has been below the BE/RE allocations for the years i.e. while Rs. 80.00 crore allocated at the stage of BE was reduced by half to Rs. 40 crore in 2020-21, for the year 2021-22, the actual expenditure incurred by NJB was Rs. 36 crore *vis-a-vis* the approved BE of Rs. 65 crore and RE of Rs. 45 crore for the year. In the current year 2022-23, the expenditure incurred by NJB (as on 31st January, 2023) has been to the extent of Rs. 23.32 crore as compared to the BE allocation of Rs. 70 crore and RE allocation of Rs. 30 crore. The Committee do not find the reasons attributed for under utilisation of the allocated fund to be convincing i.e. slow/lukewarm response, inadequate stake-holders' awareness programmes etc. developing and modernising the jute industry being an imminent necessity, the Committee recommend that measures undertaken towards diversification of products, market promotion and involvement of professional organizations are taken up for

implementation in right earnest so as to ensure the growth and development of jute industry.

Promotion of Jute Products

19. The Committee are appreciative of the fact that the Ministry of Textiles has been taking measures towards promoting usage of jute products in lieu of plastics. While the Jute Packaging Material (JPM) – compulsory use in Packaging Commodities Act, 1987 has been under implementation for procurement of jute bags directly from jute mills for packing food grains and sugar, the Notification of December 2021 stipulates that 100 per cent food grains and 20 per cent sugar are compulsorily packed in jute packaging material. These measures, apart from being environment friendly, also serve as an impetus to the jute industry and, therefore, need to be continued with and implemented in right earnest. The Committee trust that the measures taken in this direction are further fortified by way of imparting appropriate training/programmes in production of jute bags, promoting jute entrepreneurs for dissemination of technical know how etc.

SAMARTH- Scheme for Capacity Building in Textiles Sector

20. The Committee note that SAMARTH, the Scheme for Capacity Building in Textiles Sector was formulated with an aim to incentivize and supplement the efforts of the industry in creation of jobs in the organized textile and related sectors, covering the entire value chain of textiles, excluding spinning and weaving. With a total outlay of Rs. 1300 crore the Scheme launched from 2017-18 to 2019-20 has now been extended upto March, 2024. The Committee express concern over the trend of expenditure under SAMARTH. The Ministry have been able to utilize Rs. 22.71 crore as on 14th February, 2023 *vis-à-vis* BE of Rs. 100 crore which was cut down to Rs. 25 crore at RE stage in 2022-23. In 2021-22 also, the Ministry had utilized Rs. 59.76 crore against RE of Rs. 90.00 crore. Main reasons, according to the Ministry for this under-utilization are, significant business contraction in the textile industry resulting in reduction in new recruitment of workers; delay in commencement of

training programmes; revision of fund flow mechanism as per the direction of the Ministry of Finance due to which no funds could be released to the implementing partners up to November, 2022. The Committee are not satisfied with this explanation and urge the Ministry that now when the fund flow mechanism has been stabilized under Central Nodal Agency (CNA) and several measures to improve physical and financial performance under the Scheme have been initiated, the Ministry should act with all seriousness to chalk out a robust monitoring mechanism to check and verify the performance of the Implementing Agencies(IAs)/Partners and empanel more IAs in order to achieve the physical target. This would also help in release of allocated funds in time.

The Committee find that in some states such as Himachal Pradesh, Jammu & Kashmir (881), Mizoram (367), Nagaland (278), Puducherry (173), Tripura (492) and Uttrakhand (336) there is zero placements of the hundreds of trained beneficiaries. SAMARTH Scheme aims to train the untrained labour force and place them in various industries. The Committee, therefore, recommend the Ministry to find out the reasons for no job placements at all in some States and work diligently to address the matter. The Committee desire the Ministry to take up this matter seriously with the respective Implementing Agencies of these States to make arrangements for proper placement of labour work force in the related industries without any further loss of time.

National Technical Textile Mission (NTTM)

21. The Committee note that the Government has launched a National Technical Textiles Mission (NTTM) with an outlay of Rs.1,480 crores. The key pillars of NTTM include 'Research Innovation & Development', 'Promotion and Market Development', 'Education, Training and Skilling' and 'Export Promotion'. The Committee find that there was an expenditure of Rs. 32 lakhs only (as on 14th February, 2023) against RE of Rs. 37.00 crore and in 2023-24 the Ministry has sought BE of Rs. 450 crore. The reason for this less expenditure has been attributed to late implementation of the revised procedure by the Ministry for release of

funds by Ministry of Finance. The Committee further learn that 89 research projects worth Rs. 264 crore have been approved in 2022-23 and the first installment for these projects is to be released. The Committee, therefore, exhort the Ministry to expedite the procedure of approval of research projects and disburse the requisite amount so as to utilize the allocated budget gainfully in 2022-23. The Committee recommend the Ministry to sort out their procedure of selection and approval of proposals prudently and confine it to the first three quarters of the Financial Year so that the earmarked funds could be spent within the time frame of the Financial Year and additional funds as needed could be sought at the stage of Supplementary Grants.

The Committee further desire that as proposals have been invited for developing State-of-the-art indigenous machinery infrastructure for technical textiles, Ministry should actively involve private players also in partnership with the public enterprises to develop, manufacture and install the infrastructural facilities for technical textiles in India at the earliest.

22. The Committee further note that under Education, Training and Skill Development under NTTM, grants up to Rs. 20 crore have been sanctioned to the educational institutions for introducing a fresh module on technical textiles. The Committee desire that as technical textiles is a very fast growing sector and there is a lot of scope for exports under this sector, to popularize the field, new courses/programme regarding technical textiles should be introduced at Diploma and Undergraduate level in educational institutions.

Production Linked Incentive (PLI) Scheme

23. The Committee note that Production Linked Incentive (PLI) Scheme for textiles aims at promotion of production of Man Made Fibre (MMF) Apparel Fabrics and products of Technical Textiles to enable Textiles Sector to achieve size and scale and to become competitive. Under this Scheme, the Committee are constrained to note the extreme shortfall in

expenditure in 2022-23, as only Rs. 0.50 crore has been utilized till 14th February, 2023 against the RE of Rs. 7.50 crore which is half the amount of BE i.e. Rs. 15.00 crore; and BE 2023-24 is only Rs. 5.00 crore. The Committee learn that there is a gestation period of two years under the Scheme i.e. FY 2022-23 and 2023-24. The performance years are from 2024-25 to 2028-29. As informed by the Ministry, for 64 applicants selected, total proposed investment is of Rs.19,798 crore, out of which investment to the extent of Rs. 2183 crore has already been made as on date and bulk of the expenditure is expected to take place in the current Financial Year i.e. 2022-23 and 2023-24 which are declared as gestation period for the Scheme. The Committee are of the view that this a very ambitious target for being achieved in a time frame of two years and therefore, urge upon the Ministry to make conscientious efforts for releasing funds to the shortlisted applicants within a fixed time frame and also to select more deserving candidates under this Scheme so as to serve the purpose of enhancement of India's manufacturing capabilities as well as its exports to a substantial level.

National Textile Corporation (NTC)

24. The Committee had, in their 31st Report on Demands for Grants (2022-23) of the Ministry *inter-alia* noted the fact that an amount of Rs. 1646.07 crore had been invested for the purpose of modernization of 23 existing mills under revival scheme for NTC. Further, the Committee had also taken note of the fact that the Department of Public Enterprises (DPE) under Ministry of Finance formed a Sub-Committee comprising of Secretary, DPE; Secretary, Ministry of Textiles and an expert from NITI Aayog for assessing the feasibility of disinvestment of NTC mills. As informed by the Ministry, the guidelines pertaining to the policy on Public Sector Enterprises (PSE) *inter-alia* propose discontinuation of operation of CPSEs in non-strategic areas, and the matter, including the recommendations of the Sub-Committee are to be considered and decided upon by the Cabinet Committee on Economic Affairs. The Committee also note in this regard that the 23 mills, for revival of which a substantial

amount was invested are no longer functional and have incurred a loss of about Rs. 210.18 crore in 2020-21. And the net loss incurred by NTC mills as a whole during the year, 2020-21, add up to Rs. 329.32 crore. The Committee desire, in this regard, that issues concerning viability of the NTC mills be considered holistically keeping in view *inter-alia* the interest of the large work force of the NTC mills. Continued support of the Government for the livelihood of the work force of the mills by way of payment of pensionary benefits, salary dues, etc. will be a necessity. The Committee also wish to highlight the fact that as per the submission of the Ministry, presently the net worth of NTC is Rs. 920.10 crore and the corporation has a land bank of around 3661.20 acres. The Committee wish to be apprised of the measures taken towards addressing issues pertaining to operation of NTC mills.

Cash Management Reforms

25. The Committee note that a new system of cash management i.e. 'Treasury Single Account (TSA)', introduced by the Ministry of Finance, has been implemented by the Ministry of Textiles in Central Silk Board. All autonomous bodies which receive grants from the Government of India in excess of Rs. 500 crore have been shifted under this TSA system. The benefit of this system is that the money lies in the Consolidated Fund of India (CFI) and does not go out of CFI unless it is actually utilized on the ground. The Committee commend this step of the Ministry and hope that, as proposed, this TSA system would be implemented in NIFT in 2023-24 and desire that the Ministry should leave no stone unturned in implementing it across all sectors/divisions of the Ministry expeditiously.

New Delhi;
10th March, 2023
19 Phalguna, 1944 (Saka)

BHARTRUHARI MAHTAB
CHAIRPERSON,
STANDING COMMITTEE ON LABOUR,
TEXTILES AND SKILL DEVELOPMENT