

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:1977
ANSWERED ON:30.11.2000
PRODUCTION COST OF COTTON MILLS
DAGGUBATI RAMANAIDU

Will the Minister of TEXTILES be pleased to state:

(a) the steps taken to adopt modern cotton technology; and

(b) the steps taken by the Government to reduce the cost of production in the cotton mills, particularly in NTC mills to face competition with the private entrepreneurs?

Answer

MINISTER OF STATE FOR TEXTILES (SHRI V. DHANANJAYA KUMAR)

(a) Government of India has launched the Technology Mission on Cotton (TMC), a Centrally Sponsored Scheme, to improve the productivity and quality of cotton, ensuring the availability of quality cotton to the textile mills. The TMC consists of four Mini Missions, viz, Mini Mission I & II with objectives of 'Research' and 'Dissemination of Technology to farmers' are being implemented by the Ministry of Agriculture, and Mini Mission III & IV with objectives of 'Improvement of market infrastructure' and 'Modernisation of Ginning & Pressing Factories' being implemented by the Ministry of Textiles.

(b) The Government has taken several steps to enhance the competitiveness and overall viability of the textile industry, including the NTC Mills. Some of the main steps are as follows:

(i) For modernization of textile and jute industries, the Technology Upgradation Funds Scheme (TUFS) has been launched with effect from 1st April, 1999 for a period of five years.

(ii) Import of cotton is under OGL to help industry to import requisite quality of raw cotton.

(iii) A chain of textile testing laboratories has been set up to help industry in assessing the quality of textiles.

(iv) For import of capital goods, the Export Promotion of Capital Goods (EPCG) scheme has been simplified.

(v) Efforts are on to rationalize fiscal duty structure in consultation with industry and other organizations concerned.

(vi) Initiated measures for application of information technology in the textile industry.

(vii) The performance of the NTC mills has been subjected to studies by Textile Research Associations (TRAs) and short term measures suggested by them to improve the performance of the mills have been implemented.