

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:392
ANSWERED ON:25.02.2000
DIVERSIFICATION OF TEXTILES INDUSTRY
PRABHAT KUMAR SAMANTARAY

Will the Minister of TEXTILES be pleased to state:

- (a) whether Government have any proposal to diversify the textile industry with a view to achieve a greater stake in the global market;
- (b) whether any guidelines have been issued to the textile industry in this regard; and
- (c) the various steps taken by the textile industry on its diversification to promote export?

Answer

MINISTER OF STATE FOR TEXTILES

(SHRI GINGEE N. RAMACHANDRAN)

(a) to (c) A Statement is attached .

Statement referred to in reply to part (a) to (c) of the Lok Sabha Unstarred Question No. 392 for 25-02-2000

Government have been taking several steps from time to time to encourage exports of more value added products for achieving a greater stake in the global market. Some of the important initiatives taken specifically in respect of the textile sector are as under :- 1) The Technology Upgradation Fund Scheme has been made operational with effect from 1-4-1999 to facilitate the modernisation and Upgradation of this sector.

2) The New Export Entitlement (Quota) Policy for the period 2000-2004 has been announced recently to provide stability and continuity and encourage competitiveness in textile exports.

3) In the new Export Entitlement (Quota) Policy, the quota for new investments under Manufacturer Exporters' Entitlement (MEE) and New Investors Entitlement (NIE) Systems have been linked to plant and machinery identified as necessary for technology upgradation under Technology Upgradation Fund Scheme.

4) Non-Quota Entitlement (NQE) System for encouraging non-quota exports to quota and non-quota countries has been retained to boost exports in apparel sector-value added segment of Indian textiles.

5) Threshold limit under the Zero Duty Export Promotion Capital Goods (EPCG) Scheme has been reduced to Re. 1 crore in respect of certain prescribed textile machinery.

6) Exports of cotton yarn by Export Oriented Unit (EOU)/Export Promotion Zone (EPZ)/EPCG units has been liberalised.

7) Zero Duty import of certain categories of trimmings & embellishments has been allowed.

8) Jute Manufacturer Development Council (JMDC), a statutory body of Government of India has commissioned market research and disseminated information on diversified jute goods by participating in important fairs and exhibitions abroad.