

**GOVERNMENT OF INDIA  
TEXTILES  
LOK SABHA**

UNSTARRED QUESTION NO:1448  
ANSWERED ON:03.03.2000  
ASSESSMENT BY ROLAND BERGER FOR TEXTILE SECTOR  
RAOSAHEB PATIL DANVE

**Will the Minister of TEXTILES be pleased to state:**

- (a) whether an investment of Rs.72,000 crore is required for textile sector to gain a global market share of 6% in garments, as per the study conducted by Roland Berger; an International Textile Consulting Organization.
- (b) if so, the details thereof;
- (c) whether the Government have since finalised any programmes in this regard; and
- (d) if so, the details thereof and by when it is likely to be implemented?

**Answer**

MINISTER OF STATE FOR TEXTILES

(SHRI GINGEE N. RAMACHANDRAN)

- (a) to (d) A statement is attached.

Statement referred to in reply to parts (a) to (d) of the Lok Sabha Unstarred Question No. 1448 for 03-03-2000

(a) to (d) The Study by Roland Berger has been commissioned by the Confederation of Indian Industries and not by the Government. The report inter-alia has estimated that an investment of Rs.72,000 crores is expected till 2005 to gain a market share of 6% in garments.

However, Government has been taking several steps from time to time to boost investments. Some of the important initiatives taken in this regard 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 Export Entitlement (Quota) Policies have Manufacturer Exporter Entitlement and New Investors` Entitlement systems to encourage new investment in the textile sector and greater weightage in the investment in weaving and processing, besides making them TUF consistent.
- 3) 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.
- 4) Government has been taking measures from time to time to liberalise policy for foreign direct investment inter-alia in the textile sector. Recently, Government has allowed foreign equity participation upto 100%, through automatic route, in the textile sector with certain exceptions.
- 5) Government has recently launched Technology Mission for Cotton. One of the important ingredients of the Mission is to improve cotton processing facilities by upgrading/modernising the existing ginning and pressing factories.