

**GOVERNMENT OF INDIA  
TEXTILES  
LOK SABHA**

STARRED QUESTION NO:379

ANSWERED ON:22.03.2001

EFFECT OF EXCISE DUTY HIKE ON DOMESTIC TEXTILE INDUSTRY

A. VENKATESH NAIK;RAMSHETH THAKUR

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

(a) whether the Textile Minister has called a meeting of the representatives of domestic textile industry to assess the likely impact of recent hike in excise duty on branded and trade name garments;

(b) if so, the details and outcome thereof;

(c) the extent to which the garments industry is likely to be affected due to recent hike in excise duty; and

(d) the steps the Government propose to take to safeguard and encourage the garments industry?

**Answer**

MINISTER OF TEXTILES (SHRI KASHIRAM RANA)

(a) Yes, Sir.

(b)&(c) Many segments of the industry have represented against the proposal, in the budget 2001-2002, to introduce a 16% excise duty on registered branded garments.

(d) To encourage the garment industry, the Government has announced a `Textile Package` in the budget 2001-2002, which includes, inter-alia, setting up of Integrated Apparel Parks, development of Infrastructural facilities in predominantly textile and approved export oriented areas.