

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:2613
ANSWERED ON:07.03.2003
CONCESSIONS TO TEXTILE INDUSTRY
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Will the Minister of TEXTILES be pleased to state:

- (a) whether the Government propose to give special concessions to textile industry with a view to make it globally competitive;
- (b) if so, the details thereof; and
- (c) the time by which a final decision in this regard is likely to be taken?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI BASANAGOUDA R. PATIL (YATNAL))

(a) to (c) Taking note of the new challenges and opportunities presented by the changing global environment including an integration of the world textile and clothing markets by end 2004, the Government of India have announced a National Textile Policy in November 2000 to develop a strong and vibrant textile industry capable of producing cloth of good quality at acceptable prices as well as of competing with confidence with other textile producing countries for an increasing share of global market. Some of the major concessions given to textile industry under the Policy are as under:

- (i) De-reservation of woven readymade garment sector from SSI.
- (ii) Announcement in three consecutive Budgets aiming inter-alia at further rationalisation of duty structure in the textile sector and reducing costs of raw material and machinery critical to technology upgradation;
- (iii) Launching of schemes of Apparel Parks for Exports and Textile Centre Infrastructure Development Scheme for upgrading infrastructure facilities at important textile centres;
- (iv) Concerted action for implementation of Technology Upgradation Fund Scheme and Technology Mission on the Cotton schemes;
- (v) Allowing foreign equity participation upto 100% through automatic route in the textile sector with certain exceptions;
- (vi) Launching of a programme as part of Technology Upgradation Fund Scheme for modernisation of weaving capacities.