

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:2983

ANSWERED ON:10.08.2000

ROLL BACK OF POWER TARIFFS FOR TEXTILE INDUSTRY

ASHOK NAMDEORAO MOHOL;GADDE RAMAMOCHAN;M.V.V.S MURTHI;SHIVAJI MANE

Will the Minister of TEXTILES be pleased to state:

- (a) whether the Government have urged all the State Governments to roll back the power tariffs for the textile industry;
- (b) if so, the details thereof;
- (c) whether the Government also urged the States to bring down the charges to reasonable level and called for rationalisation of the power tariffs for the textile industry on the lines of the sale tax throughout the country to prevent unhealthy competition among the States;
- (d) if so, the response of the State Governments in this regard, State-wise; and
- (e) the further steps likely to be taken by the Government to boost the textile industry in the country?

Answer

MINISTER OF STATE FOR TEXTILES (SHRI GINGEE N RAMACHANDRAN)

(a) to (c): Yes Sir. All the Chief Ministers of States (except the States of Jammu & Kashmir, Goa, Sikkim and the 7 North Eastern States) have been requested on 14th July, 2000 to bring down power tariffs for the textile industry to reasonable level as the textile industry is under tremendous pressure due to high costs of production as a result of unusually high power tariffs in different States. State Governments have also been requested to rationalise the power tariffs for the textiles sector on the lines of sales tax.

(d) Response of State Governments has not yet received.

(e) Government has also taken following steps to boost the textile industry:

(i) the Government has launched the Technology Mission on Cotton(TMC) to improve the production, productivity and quality of cotton, ensuring the availability of quality cotton to the textile mills.

(ii) For modernisation of textile and jute industries, the Technology Upgradation Fund Scheme (TUFS) has been launched w.e.f. 1.4.99 for a period of 5 years.

(iii) A chain of textile testing laboratories have been set up to help the 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) Import of cotton is also under OGL to help industry to import requisite quality of raw cotton.