

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:1438
ANSWERED ON:16.07.2004
DECLINE IN TEXTILE TRADE
Solanki Shri Bhupendrasinh Prabhatsinh

Will the Minister of TEXTILES be pleased to state:

- (a) whether there is decline in the trade of textile for the last three years; and
(b) if so, the steps taken by the Government to promote textile industry;

Answer

MINISTER OF TEXTILES(SHRI SHANKERSINH VAGHELA)

(a)As per Directorate General of Commercial Intelligence & Statistics (DGCI&S) data, the trade of textiles during the last three years i.e. 2000-01, 2001-02 and 2002-03 have been as follows:

(Value in US\$ Million)

	Apr.-Mar. 2000-2001	Apr.-Mar. 2001-2002	Apr.-Mar. 2002-2003	Apr. 2002- Feb. 2003	Apr. 2003- Feb. 2004
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Exports	12037.6	10764.7	11842	11142.2	11698.5
% Growth	-10.6%	10.0%		5.0%	

Imports	1168.2	1539.4	1578.9	1497.7	1824.9
% Growth	31.8%	2.6%		21.8%	

Total Trade	13205.8	12304.1	13420.9	12639.9	13523.4
% Growth	-6.8%	9.1%		7.0%	

(b) To strengthen domestic textile industry for meeting the growing global competition, the following important announcements has been made in the Union Budget 2004-05:

Except for mandatory excise duty on polyester filament yarn including texturised yarn, synthetic and artificial fibres and synthetic and artificial filament yarns, the whole value addition chain has been given excise exemption option.

Additional Excise Duty on Textiles & Textile Articles (AT&T) and Additional Excise Duty (Goods of Special Importance) Act have been abolished.

Basic customs duty on various textile machinery and spare parts has been reduced to 5%.

Beside, Government has been taking a number of steps from time to time to strengthen and promote the Indian textile industry. Some of the important initiatives taken are:

i) The Technology Upgradation Fund Scheme (TUFS) has been made operational from 1-4-1999 to facilitate the modernisation and upgradation of the sector.

ii) Weaving, processing and garment machinery, which are covered under TUFS, have been extended the facility of accelerated depreciation at the rate of 50%. Cost of machinery has also been reduced through Fiscal Policy measures. This further encourages modernisation.

iii) The Government has launched a centrally sponsored scheme titled `Apparel Park for Export Scheme` for imparting focused thrust for setting up of apparel manufacturing units of international standards at potential growth centres and to give fillip to exports.

iv) For upgrading infrastructure facilities at important textile centers, a scheme `Textile Centre Infrastructure Development Scheme`

(TCIDS) has been launched.