

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:1427
ANSWERED ON:18.11.2010
TEXTILE INDUSTRIES
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Will the Minister of TEXTILES be pleased to state:

- (a) the details of major challenges faced by the Textile Industries and the measures taken by the Government to address these challenges;
- (b) the details of textile industries earning profit, sick and incurring loss and the measures taken to revive the affected ones; and
- (c) the details of assistance provided by the Government to the textile sector for its overall development?

Answer

MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SMT. PANABAAGA LAKSHMI)

(a): Textile industry is mainly facing the problem of increase in prices of raw materials, i.e., cotton and cotton yarn. During 2010, the prices of Hank yarn, Cotton Yarn and Hosiery yarn have increased to 41%, 56% and 34% respectively.

The Govt has taken various steps to protect these industries, i.e. Registration of Cotton Export Contract, Identification of Exportable Surplus, Expansion of Hank yarn obligation from 40s counts to 80s counts, strict monitoring of Hank yarn obligation, withdrawal of DEPB on export of cotton yarn, etc.

(b): Under the Ministry of Textiles, National Textile Corporation (NTC), National Handloom Development Corporation (NHDC) and Central Cottage Industries Corporation of India Ltd. (CCIC) are earning profit at present. The Handicrafts and Handlooms Exports Corporation of India Ltd.(HHEC) and British India Corporation (BIC) alongwith its subsidiaries are loss making while National Jute Manufacture Corporation (NJMC) is sick.

Government has setup Board for Industrial & Financial reconstruction (BIFR) under Sick Industrial Companies (Special Provisions) Act with a view to detect sick and potentially sick companies and also for determination of preventive, ameliorative and remedial measures need to be taken in respect of such companies.

(c): The government is providing assistance through various schemes for the overall development of textile sector. The schemes implemented in this regard are indicated below:

- # Technology Upgradation Fund Scheme (TUFS)
- # Scheme for Integrated Textile Parks (SITP)
- # Group Insurance Scheme
- # Group Work Shed Scheme (GWS)
- # Integrated Scheme for Powerloom Cluster Development
- # Marketing Development Programme for Powerloom Sector