

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:1142

ANSWERED ON:28.11.2011

PACKAGE FOR TEXTILE INDUSTRY

Mahajan Smt. Sumitra;Nahata Smt. P. Jaya Prada;Reddy Shri K. Jayasurya Prakash;Sampath Shri Anirudhan;Thamaraiselvan Shri R.

Will the Minister of TEXTILES be pleased to state:

- (a) whether any survey has been conducted by the Government to assess the effect of the recession on the textile industry and if so, the details thereof;
- (b) whether the Government has announced a special package/sops for promotion of textile industry in view of recent slowdown and if so, the details thereof;
- (c) whether the Government has any proposals to introduce new textile mills in the country to increase the production of textile products;
- (d) if so, the details thereof, State-wise; and
- (e) the steps taken by the Government for development of textile industry and also to provide employment to the jobless weavers?

Answer

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

(a): No, Madam.

(b): In the handloom sector, Hon'ble Finance Minister, in his budget speech, 2011 has announced Financial Package of Rs. 3000 crores for providing loans to handloom sector at lower rate of interest, waiver of overdue interest and overdue loans of Weavers/ Private Weavers Cooperative Societies/Apex Societies.

The Cotton Advisory Board(CAB) and Cotton Yarn Advisory Board (CYAB) Meetings held on 15 November, 2011 assessed domestic mill consumption for 2011-12 at 210 lac bales down from 240 lac bales of cotton; and cotton yarn production down from 3900 million kgs to 3200 million kgs indicating the slowdown in Textiles Industry. Government is considering industry representations for a moratorium on loans for capital intensive loans and special relaxation in RBI's prudential norms to avoid asset reclassification or additional provisioning to address the textile industry slowdown.

(c): No, Madam.

(d): Question does not arise.

(e): TUFs allocations under the 11th Five Year Plan have been revised from Rs.8000 crores to Rs.15,404 crores in April, 2011. Government has sanctioned 21 new Textiles Parks under the SITP Scheme to catalyze an investment of Rs.2100 crores.

The Government is implementing following schemes for development of textile industry and to provide employment to the jobless weavers:

- (i) Technology Upgradation Fund Scheme (TUFs);
- (ii) Scheme for Integrated Textile Parks;
- (iii) Integrated Skill Development Scheme;
- (iv) Group Workshed Scheme;
- (v) Integrated Scheme for Powerloom Cluster Development;
- (vi) Group Insurance Scheme for Development of Powerloom Sector;
- (vii) Integrated Handloom Development Scheme;

- (viii) Handloom Weavers Comprehensive Welfare Scheme;
- (ix) Marketing & Export Promotion Scheme;
- (x) Mill Gate Price Scheme;
- (xi) Diversified Handloom Development Scheme;
- (xii) Development of Mega Clusters;
- (xiii) FDI Promotion Scheme;
- (xiv) Common Compliance Code Scheme;
- (xv) Scheme Under the Foreign Trade Policy;
- (xvi) Duty Drawback Scheme;
- (xvii) Participation in International Fairs & Exhibitions under the Marketing Development Assistance;and
- (xviii) Marketing Access Initiatives Scheme.