

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:2839
ANSWERED ON:12.12.2011
CARPET INDUSTRY
Rajbhar Shri Ramashankar

Will the Minister of TEXTILES be pleased to state:

- (a) whether the Carpets Weaving in the country has slowed down in the country due to economic slowdown;
- (b) if so, the details thereof alongwith steps taken by the Government to help the Carpets Industry in the country;
- (c) the percentage of export of carpet from Uttar Pradesh vis-à-vis total carpet export from the country; and
- (d) whether the Government has provided any package / financial assistance to the Carpet Industry and if so, the funds allocated for the purpose during the current year State-wise including Uttar Pradesh?

Answer

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

(a): During 2008-09 and 2009-10, there was fall in Carpet Exports and Weaving due to economic slowdown. However, during 2010-11 and 2011-12, there is a positive growth in the exports of carpets and weaving.

(b): i). Government of India has placed Handmade Carpet Industry under Focus Product Scheme and the Exporters of Handmade Carpets & other Floor Coverings are getting 5% Duty Credit Scrip on FOB value of exports with Additional Bonus Benefit of 2% on exports. The Govt. of India has sanctioned 2 Mega Clusters for Carpets at Srinagar (J&K) and Bhadohi-Mirzapur Carpet Belt (U.P.) in which Carpet Weaving Training Scheme is also a component to tackle the problem.

ii). In order to protect, promote the Carpet Industry and to explore the new market for exports of handmade carpets, Government of India is implementing various schemes which includes participations in fairs/exhibitions abroad; holding thematic display and live demonstration of handicrafts/handmade carpets and other floor coverings in exhibitions abroad; organizing buyer-seller meets in India and abroad; brand image promotion of Indian handmade carpets and other floor coverings abroad through seminars and publicity, awareness programmes about technology, packaging and export policies in India to exporters; organizing Carpet Expo and Made in India show at New Delhi, besides providing assistance under Market Development Assistance and Market Access Initiative Schemes of Ministry of Commerce to exporter members.

(c): As reported by Carpet Export Promotion Council, the percentage of exports of Handmade Carpets & other Floor Coverings from Uttar Pradesh is approx. 55-65% of India's total exports. The total exports of Handmade Carpets & other floor coverings for the last three years is as under:

2008-09 : Rs.2708.73 crores
2009-10 : Rs.2505.33 crores
2010-11 : Rs.2992.70 crores.
2011-12 : Rs.2196.62 crores
(April-November)

(d): As regards Handmade Carpets & other Floor Coverings are concerned, the Govt. of India provides the following facilities to the Exporters of Handmade Carpets & other floor coverings to boost the exports:

i. Duty Credit Scrip under Focus Product Scheme of 5% on FOB value of exports & additional bonus benefit of 2% on exports of all sorts of Handmade Carpets and other floor coverings w.e.f. 1st January, 2011.

ii. Interest Subvention of 2% on pre-shipment & Post shipment export credit.

iii. MDA for participation in Fairs & Exhibitions/Buyer-Seller Meet.

iv. MAI Assistance for participation in Fairs/Exhibition/Buyer-Seller Meet in India & Abroad.

v. Assistance from Ministry of Textiles Fund for participation in Fairs/Exhibition/BSM in India & abroad.

As reported by Carpet Export Promotion Council, the Govt. has released the following grants for participation of Member-Exporters in

Fairs/Exhibitions/Buyer-Seller Meets in India and abroad during the current year:

Market Access Initiative Schemes of Ministry of Commerce : Rs.220.00 lakhs.
Market Development Assistance of Ministry of Commerce : Rs. 93.78 lakhs
Ministry of Textiles. : Rs.115.80 lakhs