

**STANDING COMMITTEE ON LABOUR  
(2007-08)**

**(FOURTEENTH LOK SABHA)**

**MINISTRY OF TEXTILES**

*[Action taken by the Government on the Recommendations/Observations contained in the  
Twenty-First Report of the Standing Committee on Labour on Demands for Grants of the  
Ministry of Textiles for the year 2007-2008]*

**TWENTY FOURTH REPORT**



**LOK SABHA SECRETARIAT  
NEW DELHI**

*August, 2007/Bhadrapada, 1929 (Saka)*

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Twenty-First Report of the Standing Committee on Labour on Demands for Grants of the  
Ministry of Textiles for the year 2007-2008]*

*Presented to Lok Sabha on 5.9.2007  
Laid in Rajya Sabha on 5.9.2007*



**LOK SABHA SECRETARIAT  
NEW DELHI**

*August, 2007/Bhadrapada, 1929 (Saka)*

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COMPOSITION OF THE STANDING COMMITTEE ON LABOUR  
(2007-2008)

Shri Suravaram Sudhakar Reddy – **CHAIRMAN**

**MEMBERS**

*LOK SABHA*

2. Shri Furkan Ansari
3. Shri Subrata Bose
4. Shri Santasri Chatterjee
5. Shri Thawar Chand Gehlot
6. Shri Munawar Hasan
7. Smt. Sushila Kerketta
8. Shri Mohammad Tahir Khan
9. Shri Virendra Kumar
10. Shri Rajesh Kumar Manjhi
11. Shri Basangouda R. Patil
12. Shri Devidas Pingle
13. Shri Chandra Dev Prasad Rajbhar
14. Shri Mohan Rawale
15. Shri Dhan Singh Rawat
16. Shri Kamla Prasad Rawat
17. Smt. C.S. Sujatha
18. Shri Parasnath Yadav
- \*19. Shri Ramdas Athawale
20. Vacant
21. Vacant

*RAJYA SABHA*

22. Chowdhary Mohammad Aslam
23. Shri Rudra Narayan Pany
24. Shri Narayan Singh Kesari
25. Shri K. Chandran Pillai
26. Shri Gandhi Azad
27. Ms. Pramila Bohidar
28. Shri Dilip Ray
29. Vacant
30. Vacant
31. Vacant

*SECRETARIAT*

- |                      |   |                                   |
|----------------------|---|-----------------------------------|
| 1. Shri S.K. Sharma  | - | <i>Additional Secretary</i>       |
| 2. Shri N.K. Sapra   | - | <i>Joint Secretary</i>            |
| 3. Shri R.K. Bajaj   | - | <i>Director</i>                   |
| 4. Shri N.K. Pandey  | - | <i>Deputy Secretary-II</i>        |
| 5. Smt. Mamta Kemwal | - | <i>Under Secretary</i>            |
| 6. Shri Suresh Kumar | - | <i>Senior Executive Assistant</i> |

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\* Changed the nomination from Committee on Railways to Committee on Labour *w.e.f.* 21 August 2007.

## INTRODUCTION

I, the Chairman of the Standing Committee on Labour having been authorised by the Committee to submit the Twenty-fourth Report on their behalf, present this Twenty Fourth Report on the action taken by the Government on the recommendations contained in the Twenty-First Report of the Standing Committee on Labour (Fourteenth Lok Sabha) on Demands for Grants of the Ministry of Textiles for the year 2007-2008.

2. The Twenty-First Report was presented to Lok Sabha and also laid in Rajya Sabha on 26 April 2007. The Ministry of Textiles furnished their replies indicating action taken on the recommendations contained in that Report on 26 July 2007. The report was considered and adopted by the Standing Committee on Labour at their sitting held on 30 August 2007.

3. An analysis of the action taken by Government on the recommendations contained in the Twenty First Report of the Standing Committee on Labour (Fourteenth Lok Sabha) is given in Appendix-II.

**4. For the facility of reference and convenience recommendations/observations of the Committee have been printed in thick type in the body of the Report.**

New Delhi;  
30 August, 2007  
8 Bhadrapada 1929 (Saka)

SURAVARAM SUDHAKAR REDDY,  
CHAIRMAN,  
STANDING COMMITTEE ON LABOUR.

## CHAPTER I

### REPORT

1.1 This Report of the Committee deals with the action taken by the Government on the recommendations contained in the Twenty-First Report on Demands for Grants (Fourteenth Lok Sabha) for the year 2007-2008.

1.2 The Twenty-First Report was presented to Lok Sabha and also laid in Rajya Sabha on 26.4.2007. It contained 16 recommendations. Replies of Government in respect of all the recommendations have been received and are categorised as under:-

- (i) Recommendations/Observations which have been accepted by the Government--Paragraph Sl. Nos. 1, 2, 3, 4 and 7.
- (ii) Recommendations/Observations which the Committee do not desire to pursue in view of the Government's reply --Paragraph Sl. Nos. 5, 8, 9, 14, 15 and 16.
- (iii) Recommendations/Observations in respect of which replies of Government have not been accepted by the Committee and which require reiteration--Paragraph Sl. Nos. 6, 12 and 13.
- (iv) Recommendations/Observations in respect of which replies of the Government are interim in nature--Paragraph Sl. Nos. 10 and 11.

**1.3 The Committee desire that action taken notes in respect of recommendations contained in Chapter I and final action taken notes in respect of recommendations contained in Chapter-V for which only interim replies have been given by the Government may be furnished to them at the earliest and in any case not later than 3 months of the presentation of the Report.**

1.4 The Committee will now deal with the action taken replies of the Government which need reiteration or merit comments.

## A. TEXTILE WORKERS' REHABILITATION FUND SCHEME (TWRFS)

### Recommendation (Sl. No. 6 Para - 3.25)

1.5 The Committee had noted that one of the eligibility criteria to avail of the benefit under the scheme is that the workers should have been drawing wage equivalent to Rs.2,500 per month or less from the mills, which had closed between 6 June 1985 and 1 April 1993 and Rs.3,500 on 1 April 1993 or thereafter. The Committee felt that the ceiling on the wages of Rs.2,500 between 6 June 1985 and 1 April 1993 and Rs.3,500 thereafter and the cut off dates for closure of mills to avail of the benefits under the Scheme are unrealistic and are definitely anti-worker. The Committee further observed that this Scheme is restricted only to private mills and is not applicable to mills of Public and Cooperative Sector. The Committee, therefore, called upon the Government to take all necessary steps including amendments, if necessary, in the relevant provisions of Acts, Rules and Statutes to make it more flexible and also to include the mills of Public and Cooperative Sectors closed between 6 June 1985 and 1 April 1993 and thereafter so as to protect the interests of workers of the closed mills to the maximum possible extent.

1.6 In their action taken reply furnished to the Committee, the Ministry has stated as follows:

“TWRFS aims at providing relief to the workers of closed textiles mills for a transitional period so that they are able to get alternative employment. The funding of the scheme is through budgetary support and no cess of any kind has been imposed on the Indian textiles industry. Also no State Government shares the financial burden of the Union Government on the disbursement of TWRFS relief despite the fact that workers' welfare is the equal responsibility of the State Government. The Committee may thus appreciate that within a fixed budgetary provision involving public money, only the most needy target group can be provided relief. Therefore, the wage ceilings of Rs. 2,500/- between 6th June 1985 and 1<sup>st</sup> April 1993 and Rs. 3,500/- thereafter are fully justified. In so far as the Committee's recommendation to include mills of Public and Cooperative Sector is concerned, mills in these sectors have separate social security provisions, which private sector mills do not have”.



1.7 The Committee are not happy with the reply furnished by the Government, since the Ministry has not moved an inch from their stand with respect to removal of ceiling on the wages under Textile Workers' Rehabilitation Fund Scheme (TWRFS). The Committee reiterate that the existing ceiling on wages is not at all logical and is not in favour of workers, keeping in view the continuous rise in prices of all the basic essentials required for survival in the current scenario. They are of firm opinion that the welfare of workers cannot be compromised merely due to the reason that the State Governments are not sharing the financial burden and the Union Government has limited budgetary provisions for this Scheme. As it is a Central Scheme, hence contribution of State Governments is not mandatory. The Committee, therefore, reiterate their earlier recommendation and desire that relaxation should be made in the present Act to remove the ceiling on wages in the larger interest of workers. The Committee further desire that those workers of public and cooperative sector Textile Mills who are not covered under social security provisions available to workers of these mills, should also be covered under TWRFS. The steps taken and the progress achieved should be intimated to the Committee within a period of three months.

**B. WEAVERS WELFARE SCHEMES****(i) HEALTH INSURANCE SCHEME (HIS)****Recommendation (Sl. No. 12 Para - 3.58)**

1.8 The Committee had noted that the 'Health Insurance Scheme' for Handloom weavers was launched on 3 November 2005. ICICI Lombard General Insurance Company has been chosen to implement the scheme. The objective of the scheme is to financially enable the weavers to have access to the best medical facilities at an annual premium of Rs.1,000/- per weaver. The annual coverage per family is Rs. 15,000 under the scheme. The cap of Rs. 15,000 per family under Health Insurance Scheme is, however, too meagre. The Committee felt the weavers suffer from occupational health hazards in addition to normal diseases. The Committee, therefore, recommended that in view of the rising cost of consultation, tests, medicines, etc. the ceiling under the Scheme should be raised to at least Rs.1,50,000 per annum per family. Moreover, the areas of critical care like cancer, bye-pass surgery, brain surgery, etc. should also be brought within the ambit of the Scheme. The ceiling of proposed Rs.1,50,000 per annum should not, however, apply in such cases.

1.9 In their action taken reply furnished to the Committee, the Ministry has stated as follows:

"The matter regarding inclusion of critical illness cover under the Health Insurance Scheme was considered by the Government of India. The Ministry of Finance informed that the Life Insurance Corporation ( LIC) will be coming up with critical illness cover under a new product at a much lesser cost. It has therefore been decided to get details of the product, which is yet to be launched by the LIC".

1.10 While noting the reply of the Government, the Committee observe that the LIC is coming up with a new Scheme to provide critical illness cover to handloom weavers. However, no time frame has been indicated for the launch of the Scheme. The Ministry, at present, is providing general health cover to Handloom weavers under the "Health Insurance Scheme" which is being implemented by ICICI Lombard General Insurance Company. The Committee feel that it is not at all logical to run two different Schemes simultaneously to provide health insurance to an individual as this will create confusion and discomfort to the weavers due to lower literacy ratio and lack of awareness besides increasing the procedural formalities. The Committee, therefore, impress upon the Government that instead of launching a new scheme to cover critical illness, the features of the new scheme should be suitably included in the existing scheme, viz., the Health Insurance Scheme (HIS) only. The Committee are also unhappy to note that the Ministry has conveniently avoided the question of raising the cap of Rs. 15,000/- per family under Health Insurance Scheme. The Committee, therefore, strongly reiterate their earlier recommendation that the amount to cover general medical facilities should be raised to at least Rs. 1,50,000/- without any further delay. The Committee would like to be apprised of the concrete action taken by the Government in this regard.

**(ii) MAHATMA GANDHI BUNKAR BIMA YOJANA (MGBBY)****Recommendation (Sl. No. 13 Para - 3.59)**

1.11 The Committee noted that at present all the weavers, whether male or female, between the age group of 18 and 58 years are eligible to be covered under the Mahatma Gandhi Bunkar Bima Scheme. The Committee, however found that at present only 1,96,337 weavers have been covered under the Scheme which is quite inadequate. The Committee in their earlier Report (9<sup>th</sup> Report, 14<sup>th</sup> Lok Sabha) had recommended that the eligibility criteria regarding the upper limit in coverage under Mahatma Gandhi Bunkar Bima Yojana should be raised from 58 to 70 years. In this regard, the Committee were informed during evidence that the matter regarding extension of age limit under the Scheme was taken up with the Ministry of Finance and LIC. They opined that in case the age is extended to 70 years, the premium will substantially go up as the mortality rate after the age of 60 goes up steeply. Since the rate of premium is uniform in respect of age at entry, persons in younger ages will have to cross subsidize the premium for higher ages to a great extent. The Committee, totally disagreed with this contention and felt that the Ministry has demonstrated utter lack of empathy in the instant matter and has dealt with it in a routine manner. The Committee found that as per the existing scheme, the annual premium is Rs.330/- of which Government of India's share is Rs.150/-, weaver's share is Rs.80/- and LIC's share is Rs.100/- per annum. During 2005-2006, Rs.315 lakh were released towards Central Government share of premium to LIC against 1,96,337 weavers covered under the Scheme. Thus, the overall collection of LIC on account of Government's share and weavers contribution towards premium payments amounts to more than Rs.472 lakh excluding the share of LIC during 2005-2006. The total disbursement by LIC under the settlement of claims has been Rs.414.30 lakh upto January 2007. Thus, the Scheme prima facie appeared to be in favour of LIC. The Committee were of the opinion that the Government should have shown more concern for their socio-economic obligations towards weavers rather than watching the interest of insurance companies. The Committee, therefore, reiterated their earlier recommendation for extension of age limit from 58 to 70 for coverage under the Scheme. The Committee also desired to be apprised of the steps taken in this regard at the earliest.

1.12 In response to the above recommendation, the Ministry of Textiles in its action taken reply has furnished as under:-

“The matter regarding extension of age limit to 70 years under the Mahatma Gandhi Bunkar Bima Yojana was taken up with the Ministry of Finance and the LIC. The LIC has informed that considering the impurity in age, the premium for persons between 60 and 70 years of age works out to Rs.1,650/-, out of which Rs.100/- will be borne from Social Security Fund and the remaining will have to be borne/shared by the members and/or Ministry. ”

Since the premium of Rs.1,650/- is very high, the Ministry of Finance have been requested to reduce the premium”.

**1.13 The Committee fail to understand that despite their repeated recommendations made regarding increase in upper age limit from 58 to 70 years for handloom weavers under MGBBY, the matter is still at the proposal stage and it has now been referred to the Ministry of Finance. It seems that the Government is not pursuing the matter at the desired pace and interest. The Committee feel that it only amounts to lack of will and the desired empathy on the part of the Ministry so far as the proposal of welfare schemes for the people is concerned. The Committee now expect this matter to be taken up on a top priority and a decision taken in the matter. The Committee would like to be apprised of the progress made within one month of presentation of this report.**

**CHAPTER-II****RECOMMENDATIONS/OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT****Recommendation (Sl. No. 1 Para - 3.11)**

2.1 The Committee observe that the annualized plan outlay for the 10<sup>th</sup> Plan has been Rs.4,852.50 crore whereas the utilization of plan outlay was Rs.4,452.60 crore (upto 31 March 2007), thus leaving an unspent amount of Rs.428.54 crore. Approximately, more than one hundred crore of rupees remained unspent at the end of each year of the 10<sup>th</sup> Five Year Plan. The Committee note that one of the major reasons for unspent balance has been the introduction of new schemes and modifications of existing one. As a result, the Ministry of Textiles could not forecast the exact amount of plan expenditure. The Committee further note that there has been withdrawal, modifications and merger of schemes with other schemes almost in all sectors of Textiles viz. handlooms, sericulture and handicrafts. The Committee have been informed during the course of evidence that in order to give a focussed thrust to the handloom sector, twelve existing schemes will be grouped into five schemes. Similarly, in handicrafts sector, the existing eleven schemes will be merged into seven with an emphasis on cluster development and welfare of artisans in the Eleventh Plan. The Committee are of the view that the modifications in existing schemes/introduction of new schemes which may be half-baked as well, would only hamper the pace of expenditure because it involves completion of fresh procedural formalities, the process undergoes a test of acceptance by the beneficiaries through implementing agencies and the assimilation of new schemes takes time. The Committee are skeptical that if this trend continues, the ambitious target set by the working group of Textiles and Jute Industries (2007-12) that the Textile Industry is expected to reach the market size of US\$ 115 billion by 2012 will remain a distant dream. The Committee in their earlier reports have been impressing that developmental and welfare schemes of the Textile sector should be selected carefully after a thorough study keeping in view the past experiences, ground realities and the future need. Instead of loading the sector with a plethora of half-baked schemes, a few effective and well planned schemes should be devised to assist the Textile Industry to achieve the desired growth of the sector and make it globally competitive. The Committee, therefore, reiterate their earlier recommendation and hope and trust that the Ministry will be more careful in formulation and selection of schemes. The Committee also desire the Ministry to adopt an innovative approach to improve utilization of the plan fund.

## Reply of Government

2.2 The suggestion of the Hon'ble Committee has been noted for compliance. Concerted efforts are being made to fully utilize the plan fund through regular monitoring of the performance. Such appraisal is necessary for identification of constraints, if any, and also timely introduction of corrective measures in implementation. Keeping this in view, the following steps have been taken/ proposed to be taken for full utilisation of the plan outlays and for improvement of the schemes being implemented for the textiles sector:

- The Ministry of Textiles had already sponsored the evaluation of the major plan schemes. A Committee was constituted to scrutinize the evaluation reports of the schemes. The Committee was mandated to ensure that the schemes were scrutinized before approving their continuation in the 11<sup>th</sup> Plan. Continuation of schemes from the 10<sup>th</sup> Plan to the 11<sup>th</sup> Plan is to be supported by in-depth and independent evaluation reports.
- The schemes of the handloom and handicrafts sector have been appropriately modified by adding new components, dropping some components and at the same time enlarging the scope of some of the components. In order to make the implementation more effective, guidelines are being revised & monitoring system is being further strengthened and broad based.
- A review of the progress of physical and financial targets in respect of the schemes is held at the meetings of the Senior Officers (SOM) of the Ministry chaired by the Secretary (Textiles). These are organised on a weekly basis. These meetings are in addition to various fora at which the review of the Plan schemes is undertaken. For example, periodical review reports are furnished to the Planning Commission. State Governments, and implementing agencies are also called for discussions from time to time.
- A Project Management Consultant (PMC) has been engaged for the implementation of the Scheme for Integrated Textiles Parks (SITP). The PMC submits a monthly progress report to the Ministry of Textiles. Moreover, a High Level Committee under the Chairmanship of Minister of Textiles has been constituted to monitor and review the implementation of the scheme periodically. Project Approval Committee chaired by Secretary (Textiles) regularly reviews the progress of project sanctioned under the scheme.
- In the Office of the Textiles Commissioner, Mumbai, a computerized monitoring mechanism with online connectivity with the nodal banks is being set up to maintain information in respect of all beneficiaries. This will help in efficient monitoring of disbursement of loans by banks as well as subsidy by Government to individual units.
- Efforts are being made to create awareness about the schemes and related requirements through workshops (local and regional), marketing events, training, etc. Interaction through reviews and meetings with State Governments has been increased.

- A major thrust is being made to promote cluster development leading to empowerment of artisans, capacity building of artisans, Self Help Groups (SHGs), entrepreneurs and NGOs, etc. This will facilitate Human Resource Development at all levels.
- State level Screening Committees have been constituted to screen proposals, and local and State level Monitoring Committees provide guidance for better implementation.
- Steps have been initiated to involve State and National Level NGOs as Mother NGO, with a view to build the capacity of local NGOs and improve the delivery mechanism, leading to better implementation of scheme/achieving the objectives.
- Initiatives have been undertaken in the form of the introduction of an Artisans Credit Card, the Credit Guarantee Scheme in J&K, etc., to provide financial linkage to the artisans/Self Help Groups of artisans through formal financial institutions to meet their working capital requirements.
- Periodic monitoring is undertaken to ensure utilisation of the Plan outlay.

(Ministry of Textiles O.M. No.2(5)/2007-Parl. dated 26.7.2007)

### **Recommendation (Sl. No. 2 Para - 3.12)**

2.3 In respect of non-plan expenditure of the Ministry, the position is also not very promising. The Committee find that there is a huge variation in Budget Estimates and the actual expenditure during each year of the 10<sup>th</sup> Plan except for the year 2005-2006 when the actual expenditure was higher. As against overall Budget Estimate of Rs.5,274.90 crore, only Rs.4,231.08 crore were actually spent during the entire 10<sup>th</sup> Plan period. The reasons for huge variation in BE and actuals during the year 2006-07 have been stated as non-payment towards voluntary retirement scheme of NJMC, non-start of scheme regarding grant of special rebate @ 10% on sale of accumulated handloom stock and imposition of 5% cut of non-plan scheme by the Ministry of Finance, etc. The Committee are not convinced of the reasons adduced for non-utilization of funds and feel that it is more due to poor planning and short-sightedness on the part of the Government. The Committee, therefore, desire the Ministry to adopt a scientific approach of forecasting the Budget Estimates for non-plan expenditure so as to avoid surrender of huge unutilized amounts and consequential locking of precious financial resources.



## Reply of Government

2.4 Non-plan budget proposals are prepared after a detailed review with the concerned Divisions. Thereafter, Non-Plan budget estimates are discussed in detail with the officials of the Ministry of Finance. The expenditure is also monitored regularly in the Senior Officers Meeting. In view of the detailed scrutiny of budget proposals, budget estimates for the year 2007-08 were reduced to Rs.893.68 crore from Rs.1698.71 crore in the year 2006-07.

2.5 From the year 2007-08, Monthly Expenditure Plan (MEP) has been made applicable in the Ministry. According to the MEP, expenditure for the last quarter is restricted to 33 % of the budget provision and expenditure can not exceed 15% in the month of March. Savings, if any, incurred under Quarterly Expenditure Allocation (QEA) would not be available for automatic carry forward to the next quarter. Approval of Ministry of Finance is necessary for revalidation of such savings through modifications in the MEP and the QEA.

2.6 This Management System will improve the utilization situation in the year 2007-08 and prevent the surrender of funds.

(Ministry of Textiles O.M. No.2(5)/2007-Parl. dated 26.7.2007)

### Recommendation (Sl. No. 3 Para - 3.13)

2.7 The Committee find that the Ministry faces difficulties in implementation of various schemes due to inability of the State Governments to make adequate budgetary provision to meet the requisite State share as stipulated under guidelines of respective Centrally Sponsored Schemes (CSS). To overcome this shortcoming, the Ministry has converted all handloom related Centrally Sponsored Schemes into Central Schemes (CS). Similarly, to enable them to achieve the target fixed under various schemes, Catalytic Development Programme (CDP) has also been converted into Central Schemes for its better implementation. The Committee note that Handloom is the second largest sector in terms of employment, next only to agriculture. Taking into account the vastness and importance of the sector, the Committee feel that involvement of the State Governments, which have sufficient manpower and are better equipped with the monitoring machinery, is essential for successful implementation of various welfare schemes. The Committee therefore, recommend that the existing system of CSS in the handloom sector may continue for one year more in order that the Ministry gets fully acquainted with the new system.

### **Reply of Government**

2.8 The suggestion of the Hon'ble Committee has been noted for compliance.

(Ministry of Textiles O.M. No.2(5)/2007-Parl. dated 26.7.2007)

### **Recommendation (Sl. No. 4 Para - 3.14)**

2.9 The Committee are aware of the directive of the Government to earmark 10% of the entire allocation to the State Governments of North Eastern region of the country for their development. The Ministry had made a lump sum provision of Rs.134.95 crore at BE level for the year 2006-07 for textiles and textile- based schemes of the North Eastern region. However, the Committee are at a loss to understand the reasons for irrational share/outlay under various schemes of North Eastern region. For instance, out of the total outlay of Rs.185.00 crore and Rs.110.00 crore in respect of handlooms and sericulture sectors, the share of North Eastern region was Rs.35 crore and Rs.40 crore respectively whereas for segments such as TUFs and SITP out of the total outlay of Rs.550.00 crore and Rs.209.00 crore, the share was Rs.15.00 crore and Rs.20.00 crore, respectively. The amount spent on these sectors during the year was, however, nil. The shortfall is reportedly due to lack of basic facilities relating to development of large industry. The reason cited by the Ministry in this regard is not acceptable to the Committee. The Committee feel that there is need for some correction and adjustment in allocation of outlay to various schemes of North Eastern region particularly in the Sericulture sector where out of total plan allocation of Rs. 110 crore, Rs.40 crore i.e. about 37% has been reserved for the North- East during 2007-2008. Besides, the Committee also desire that the Government should take steps to strengthen the monitoring/evaluation of different schemes so that the allocation in respect of the North-Eastern States is better utilized.

### **Reply of Government**

2.10 The suggestion of the Hon'ble Committee has been noted for compliance.

2.11 It is again submitted that strict proportional allocation to the North Eastern Region (NER) is neither feasible nor practical, as some schemes are more relevant in the NER, due to the peculiar industrial and geographical circumstances prevailing in NER States.

2.12 The North Eastern Industrial and Technical Consultancy Organisation (NEITCO), Guwahati is conducting an evaluation study of textiles related schemes in the North Eastern Region to assess their effectiveness for future planning. Based on the recommendations of this evaluation study, appropriate steps will be taken during the implementation. Adequate care will also be taken to ensure that the flow of funds to the States falling under NER is fully utilized.

(Ministry of Textiles O.M. No.2(5)/2007-Parl. dated 26.7.2007)

### **Recommendation (Sl. No. 7 Para - 3.36)**

2.13 The Committee observe that the Government had launched the Apparel Parks for Export Schemes (APES) and Textile Centre Infrastructure Development Scheme (TCIDS) in 2002 with a view to create export zone of excellence of Apparel manufacturing and to modernize/fill in the gaps in the existing infrastructure at the major textile centres. An amount of Rs.131.55 crore were spent on these Schemes. After three years of implementation, in the year 2005, both these Schemes were merged with a new Scheme namely, SITP as these Schemes did not make much headway. The new Scheme SITP, as envisaged, has the involvement of Government of India, State Governments, State Industrial Development Corporations, Industry Associations, Group of Entrepreneurs, etc. for its funding and functioning. In addition, the Project Management Consultant has also been assigned an important role for identification of potential location, facilitating formation of SPV, project Report formation and assisting SPV in attaining financial closure, preparation of tender documents and execution of projects under the Scheme. Besides, SPVs have been given operational autonomy. Considering the involvement of multiple agencies and complex nature of the SITP Scheme, the Committee calls upon the Government to frame suitable guidelines to ensure that the execution of the Scheme is transparent, role assigned to each of the individual/agency is well defined, funding of the Scheme by private entrepreneurs/association of Industry is regulated in proper proportion and all functionaries involved are accountable towards the success of the Scheme. Besides, there should also be an effective monitoring mechanism to oversee the progress of these Parks with a view to ensure that they are being developed within the stipulated time frame and are in a position to achieve the set target.

### **Reply of Government**

2.14 Guidelines for SITP have been issued by the Government in 2005, which lay down role and responsibility of the project specific Special Purpose Vehicle (SPV), the Project Management Consultant (PMC) and the Government.

2.15 Government of India support is released in a phased manner after ensuring appropriate matching contribution by the member entrepreneurs.

2.16 The PMC is helping the SPVs for the speedy implementation of the Projects in a professional manner from the formulation of the project report to the execution of the project.

2.17 A Project Approval Committee regularly reviews the progress of the projects. Moreover, to monitor the projects efficiently, representatives of the Government of India and PMC have been nominated on the Board of Directors of the SPV.

(Ministry of Textiles O.M. No.2(5)/2007-Parl. dated 26.7.2007)

## CHAPTER-III

### RECOMMENDATIONS/OBSERVATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF THE GOVERNMENT'S REPLY

#### **Recommendation (Sl. No. 5 Para - 3.24)**

3.1 The Committee are deeply distressed to note that a large number of mills are being closed every year and lakhs of workers are being rendered without any job or assistance. As many as 3,22,855 workers of 462 mills have so far been displaced in the country. But, as per the norms decided by the Government, only 99,780 workers of 47 mills have been found eligible to get benefit under Textile Workers' Rehabilitation Fund Scheme (TWRFS). Moreover, out of the eligible workers, only 82,262 workers have been disbursed the assistance thus leaving 17,518 workers without any benefit despite being eligible under the Scheme. The Committee feel that the benefits under the TWRFS have not only been delayed but denied to the eligible workers due to statutory requirements of permission under section 25(O) of the Industrial Disputes Act, 1947, appointment of official liquidator under Companies Act, 1956 and scrutiny of applications by the State Governments. The Committee, therefore, strongly recommend that the compensation/relief due to a huge number of 17,518 eligible workers of the closed mills be disbursed to them without any delay in a time-bound manner. The Ministry is advised to expedite the matter in consultation with the State Governments. The progress in this regard may be reported to the Committee within three months of submission of this report. The Committee also reiterate that the role and responsibilities of the office of Textile Commissioner may be suitably redefined vis-à-vis this scheme so as to cut short the delays in process. While doing so, the provision be made of holding the concerned officer accountable in the office of the Textile Commissioner, in case of undue delay.

#### **Reply of Government**

3.2 It is brought to the kind notice of the Committee that as on 11.06.2007, 51 mills have been covered under the Textiles Workers' Rehabilitation Fund Scheme (TWRFS). These Mills have a strength of 1,02,244 workers and out of these 82,297 have been paid relief to the extent of Rs. 195.06 crores. From the remaining 19,947 workers who have to be paid relief, about 15,000 workers have been found to be ineligible under the Scheme by the concerned State Governments thus leaving only about 5000 workers to be paid relief. These pertain to 2 mills namely M/s Mahendra Textile Mills, Kalol (Gujarat) and M/s Nandi Hasbi Mills, Nargund, Karnataka which were identified under TWRFS recently. As on 11.06.07, 2779 applications amounting to Rs. 8 crores are under scrutiny in the offices of the Regional Textiles Commissioners / State Governments. The

Government of India has released Rs. 2.5 crores during 2007-08, which has been allocated to various Regional Offices by opening Letters of Credit in their favour. Government would like to apprise the Committee that disbursement is expeditious once applications are received from the competent authority (State Governments). It may also be mentioned that the Office of the Textiles Commissioner is always in contact with the State Governments for speedy scrutiny of applications of workers. The O/o TXC also helps the workers in opening bank accounts.

(Ministry of Textiles O.M. No.2(5)/2007-Parl. dated 26.7.2007)

### **Recommendation (Sl. No. 8 Para - 3.37)**

3.3 The Committee further observe that due to involvement of various Government agencies like Planning Commission, Ministry of Finance, etc. and also for completing various procedural formalities, a lot of time is taken in the clearance of the project. The Committee, therefore recommend that there should be close liaison and coordination among various Government agencies for expeditious clearance of the projects so as to avoid time and cost overruns. The Committee further recommend that the procedural formalities required for clearance of such projects should also be simplified.

### **Reply of Government**

3.4 Involvement of the Planning Commission and Ministry of Finance is initially limited to the allocation of funds and approval of the scheme. Approval of individual project is considered by a Project Approval Committee (PAC) which include representatives of Planning Commission and Ministry of Finance. Approval of projects during the 10<sup>th</sup> Five Year Plan was done expeditiously, and 30 projects were sanctioned as per target.

(Ministry of Textiles O.M. No.2(5)/2007-Parl. dated 26.7.2007)

**Recommendation (Sl. No. 9 Para - 3.38)**

3.5 The Committee also note that there is a great demand of Textile Parks from all over the country. As many as 30 Parks have already been sanctioned covering the States of Andhra Pradesh, Gujarat, Maharashtra, Tamil Nadu, Rajasthan, Karnataka, Punjab and West Bengal. However, more and more demands for setting up Parks from the entrepreneurs are pouring in. The Committee, therefore, recommend that the Ministry should make a realistic assessment as to the number of Parks to be opened keeping in view the demands from entrepreneurs in the overall perspective. The establishment of these Textiles Parks should be decided in such a manner that as far as possible a balance is maintained among various regions/States of the country so that the benefits accruing with the setting up of Textile Parks are equally divided throughout the nation. Simultaneously, it should also be kept in view that the areas with high density of weavers and other handloom workers are given priority while taking a decision regarding establishment of such Parks in a State/UT. This will go a long way in the development of Textile sector and generation of employment opportunities.

**Reply of Government**

3.6 The scheme has received overwhelming response from entrepreneurs. Only those projects, which are considered to be viable are approved by the Project Approval Committee (PAC).

3.7 In the 1<sup>st</sup> phase, proposals from traditional textiles producing areas were received. Entrepreneurs are the main promoters of these Textiles Parks. Entrepreneurs of States/UTs, from where no proposal was approved during the 10<sup>th</sup> Plan, will be sensitized to develop Textiles Parks as soon as a decision is taken to sanction more projects during the 11<sup>th</sup> Plan..

3.8 During the 10<sup>th</sup> Plan one Handlooms Park was approved. Efforts will be made to set up more such parks during the 11<sup>th</sup> Plan.

(Ministry of Textiles O.M. No.2(5)/2007-Parl. dated 26.7.2007)

**Recommendation (Sl. No. 14 Para - 3.60)**

3.9 The Committee are disheartened to note the position of settlement of claims under the schemes. 811 cases of natural death and 11 cases of the accidental death have been settled as on January 2007 while some cases yet remain to be settled. This reflects the lackadaisical attitude of the Government agencies in settling the due claims of the poor and needy families of the weavers. The Committee, therefore, strongly recommend that the Government should take immediate steps to settle all the pending cases of claims under the scheme and devise a proper mechanism to make the process of claim settlement quick and hassle free in future.

**Reply of Government**

3.10 As regards the settlement of claims under Mahatma Gandhi Bunkar Bima Yojana is concerned, the LIC has informed that 1345 natural death claims and 14 accidental death claims (totalling 1359 claims) have been received by the LIC and all the 1359 claims amounting to Rs.6.84 Crores have been settled by the LIC up-to March 2007. Thus it may be stated that the claims have been settled by the LIC promptly.

(Ministry of Textiles O.M. No.2(5)/2007-Parl. dated 26.7.2007)

**Recommendation (Sl. No. 15 Para - 3.71)**

3.11 The Committee note that the Technology Mission on Cotton was launched by the Government of India on 21 February 2000 with the aim of addressing issues relating to the increase in productivity, improvement of quality and reduction in the cost of production and thus providing the much needed competitive advantage to the textile industry along with ensuring attractive returns to the farmers. The Mission comprises four Mini Missions, which are being implemented jointly by the Ministries of Agriculture and Textiles. Research and Development on cotton and dissemination of technology to farmers are being undertaken by the Ministry of Agriculture through Mini Missions I and II respectively. The objectives of Mini Missions III and IV are to improve marketing infrastructure and modernization of ginning and pressing factories, respectively. The Committee prima facie feel satisfied with the performance of Mini Missions III and IV. They, however, note with distress that no evaluation study with regard to the performance of Mini Mission I and II seems to have been done, although they are meant for research and development of cotton sector and dissemination of technology to farmers. These activities are of vital importance and have direct bearing on the functioning of Mini Missions III and IV. Lack of information regarding performance of Mini Missions I and II may have a bearing on the functioning of Mini Mission III and IV. Hence, in the opinion of the Committee, the integrated functioning



of all the four Missions is the need of the hour. The disparate functioning of the Technology Mission on Cotton, despite the existence of co-ordination mechanism may not yield the desired results as integrated and unified approach of all these Missions may do. The Committee, therefore, strongly recommend that an appropriate mechanism be devised to make sure that all the Mini Missions meant for the development of cotton sector are brought under a single and unified command for their better, integrated, result oriented and cohesive performance.

### **Reply of Government**

3.12 There is an Empowered Committee under the Chairmanship of the Cabinet Secretary to oversee the implementation of the Technology Mission on Cotton (TMC). Issues pertaining to Mini Missions I and II of the Ministry of Agriculture and Mini Missions III and IV of the Ministry of Textiles are taken up in the Empowered Committee. There is no problem of coordination between the Ministries of Agriculture and Textiles in the implementation of the TMC project. There does not appear to be any need for such a mechanism to be devised at this stage.

(Ministry of Textiles O.M. No.2(5)/2007-Parl. dated 26.7.2007)

### **Recommendation (Sl. No. 16 Para - 3.72)**

3.13 The Committee observe that the allocation of funds for Mini Missions III and IV for the years 2004-05, 2005-06 and 2006-07 were Rs.40 crore, Rs.70 crore and Rs.50.50 crore, respectively whereas the expenditure during the aforesaid period has been to the tune of Rs.30.33 crore in 2004-05, Rs.26.33 crore in the year 2005-06 and Rs.25 crore in the year 2006-07. Thus, the expenditure during the last three years has been far less than stipulated. However, the performance of these two Missions has been stated to be satisfactory as the targets were over achieved. The Committee are surprised to note that the targets were achieved with under utilization of funds. The Committee, therefore, feel that there should be correlation between the budgetary allocations and physical targets and desire that the Ministry should take corrective action in this regard and ensure that B.E is projected on a realistic basis.

### Reply of Government

3.14 The original target for the X Plan under Mini Missions III and IV of the TMC was the development of 60 Market Yards, and the Modernization of 350 Ginning and Pressing factories. The Government of India share was fixed at Rs. 152.60 crores. The year-wise targeted expenditure, and the allocation of funds (Budget Estimates and the actual expenditure) is given below: -

(Rupees in crores)

Year	Targeted Expenditure	Funds allocated	Funds utilized
2004-05	38.40	40.00	30.33
2005-06	38.40	70.00	26.33
2006-07	38.40	50.50	25.00

3.15 The variation between the budget estimates and the expenditure incurred in the past years was due to the fact that the estimates were based on the assumption that the Market Yards and the G & P factories approved under the project would be completed within a period of 1 year. To implement the TMC approved projects, both APMCs and G & P factories have to face various problems such as financial limitations, weather conditions, non-availability of machinery etc., Hence the development of Market Yards actually takes two to three years once the approval is accorded.

3.16 The utilisation of funds during 2004-05 and 2005-06 was slow because projects approved earlier i.e., during 2002-03 and 2003-04 were at the completion stage. New and additional targets were fixed during June 2005 and approvals were accorded thereafter. As such the projects under the Mini Missions were at different stages of progress after June 2005. The Government of India released funds to those projects only which had achieved their target whereas for the remaining projects, funds will be released as and when completion is achieved.

3.17 It was proposed to extend Mini Missions III and IV to complete targets. This extension will be for another two years i.e., up to 31.03.09 and has been agreed to by the Empowered Committee on TMC under the Chairmanship of Cabinet Secretary.

3.18 A sum of Rs. 220 crores was released to the CCI for the implementation of the TMC (MM III and MM IV) up to 2006-07. The same has since been utilized. Additional funds would be required for the completion of the targets during the XI Five-Year Plan. A sum of Rs. 241.35 crores has been allotted up to 31.3.09 in the XI Five Year Plan. Rs. 50.00 crores have been provided in the current financial year 2007-08.

(Ministry of Textiles O.M. No.2(5)/2007-Parl. dated 26.7.2007)

**CHAPTER-IV****RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH REPLIES  
OF THE GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE AND  
WHICH REQUIRE REITERATION****Recommendation (Sl. No. 6 Para - 3.25)**

4.1 The Committee further note that one of the eligibility criteria to avail of the benefit under the scheme is that the workers should have been drawing wage equivalent to Rs.2,500 per month or less from the mills, which had closed between 6 June 1985 and 1 April 1993 and Rs.3,500 on 1 April 1993 or thereafter. The Committee feel that the ceiling on the wages of Rs.2,500 between 6 June 1985 and 1 April 1993 and Rs.3,500 thereafter and the cut off dates for closure of mills to avail of the benefits under the Scheme are unrealistic and are definitely anti-worker. The Committee further observe that this Scheme is restricted only to private mills and is not applicable to mills of Public and Cooperative Sector. The Committee, therefore, call upon the Government to take all necessary steps including amendments, if necessary, in the relevant provisions of Acts, Rules and Statutes to make it more flexible and also to include the mills of Public and Cooperative Sectors closed between 6 June 1985 and 1 April 1993 and thereafter so as to protect the interests of workers of the closed mills to the maximum possible extent.

**Reply of Government**

4.2 TWRFS aims at providing relief to the workers of closed textiles mills for a transitional period so that they are able to get alternative employment. The funding of the scheme is through budgetary support and no cess of any kind has been imposed on the Indian textiles industry. Also no State Government shares the financial burden of the Union Government on the disbursement of TWRFS relief despite the fact that workers' welfare is the equal responsibility of the State Government. The Committee may thus appreciate that within a fixed budgetary provision involving public money, only the most needy target group can be provided relief. Therefore, the wage ceilings of Rs. 2,500/- between 6th June 1985 and 1<sup>st</sup> April 1993 and Rs. 3,500/- thereafter are fully justified. In so far as the Committee's recommendation to include mills of Public and Cooperative Sector is concerned, mills in these sectors have separate social security provisions, which private sector mills do not have.

(Ministry of Textiles O.M. No.2(5)/2007-Parl. dated 26.7.2007)

**Comments of the Committee**

(Please see Para No. 1.7 of Chapter I of the Report)

### **Recommendation (Sl. No. 12 Para - 3.58)**

4.3 The Committee note that the 'Health Insurance Scheme' for Handloom weavers was launched on 3 November 2005. ICICI Lombard General Insurance Company has been chosen to implement the scheme. The objective of the scheme is to financially enable the weavers to have access to the best medical facilities at an annual premium of Rs.1,000/- per weaver. The annual coverage per family is Rs. 15,000 under the scheme. The cap of Rs. 15,000 per family under Health Insurance Scheme is, however, too meagre. The Committee feel the weavers suffer from occupational health hazards in addition to normal diseases. The Committee, therefore, recommend that in view of the rising cost of consultation, tests, medicines, etc. the ceiling under the Scheme should be raised to at least Rs.1,50,000 per annum per family. Moreover, the areas of critical care like cancer, bye-pass surgery, brain surgery, etc. should also be brought within the ambit of the Scheme. The ceiling of proposed Rs.1,50,000 per annum should not, however, apply in such cases.

### **Reply of Government**

4.4 The matter regarding inclusion of critical illness cover under the Health Insurance Scheme was considered by the Government of India. The Ministry of Finance informed that the Life Insurance Corporation ( LIC) will be coming up with critical illness cover under a new product at a much lesser cost. It has therefore been decided to get details of the product, which is yet to be launched by the LIC.

(Ministry of Textiles O.M. No.2(5)/2007-Parl. dated 26.7.2007)

### **Comments of the Committee**

(Please see Para No. 1.10 of Chapter I of the Report)

### **Recommendation (Sl. No. 13 Para - 3.59)**

4.5 The Committee note that at present all the weavers, whether male or female, between the age group of 18 and 58 years are eligible to be covered under the Mahatma Gandhi Bunkar Bima Scheme. The Committee, however find that at present only 1,96,337 weavers have been covered under the Scheme which is quite inadequate. The Committee in their earlier Report (9<sup>th</sup> Report, 14<sup>th</sup> Lok Sabha) had recommended that the eligibility criteria regarding the upper limit in coverage under Mahatma Gandhi Bunkar Bima Yojana should be raised from 58 to 70 years. In this regard, the Committee were informed during evidence that the matter regarding extension of age limit under the Scheme was taken up with the Ministry of Finance and LIC. They

opined that in case the age is extended to 70 years, the premium will substantially go up as the mortality rate after the age of 60 goes up steeply. Since the rate of premium is uniform in respect of age at entry, persons in younger ages will have to cross subsidize the premium for higher ages to a great extent. The Committee, totally disagree with this contention and feel that the Ministry has demonstrated utter lack of empathy in the instant matter and has dealt with it in a routine manner. The Committee find that as per the existing scheme, the annual premium is Rs.300/- of which Government of India's share is Rs.150/-, weaver's share is Rs.80/- and LIC's share is Rs.100/- per annum. During 2005-2006, Rs.315 lakh were released towards Central Government share of premium to LIC against 1,96,337 weavers covered under the Scheme. Thus, the overall collection of LIC on account of Government's share and weavers contribution towards premium payments amounts to more than Rs.472 lakh excluding the share of LIC during 2005-2006. The total disbursement by LIC under the settlement of claims has been Rs.414.30 lakh upto January 2007. Thus, the Scheme prima facie appears to be in favour of LIC. The Committee are of the opinion that the Government should have shown more concern for their socio-economic obligations towards weavers rather than watching the interest of insurance companies. The Committee, therefore, reiterate their earlier recommendation for extension of age limit from 58 to 70 for coverage under the Scheme. The Committee also desire to be apprised of the steps taken in this regard at the earliest.

### **Reply of Government**

4.6 The matter regarding extension of age limit to 70 years under the Mahatma Gandhi Bunkar Bima Yojana was taken up with the Ministry of Finance and the LIC. The LIC has informed that considering the impurity in age, the premium for persons between 60 and 70 years of age works out to Rs.1,650/-, out of which Rs.100/- will be borne from Social Security Fund and the remaining will have to be borne/shared by the members and/or Ministry.

4.7 Since the premium of Rs.1,650/- is very high, the Ministry of Finance have been requested to reduce the premium.

4.8 As regards the settlement of claims under the Mahatma Gandhi Bunkar Bima Yojana, it is stated that 1359 claims (1345 cases of natural death and 14 cases of accidental death) amounting to Rs.6.84 Crore have been settled up to March 2007. Besides this, Scholarships for 29127 cases amounting to Rs.1.99 Crore has been disbursed by the LIC up-to March 2007. The total amount disbursed by LIC towards settlement of claims and scholarship was Rs.8.83 Crore. During the year 2005-06 and 2006-07, a sum of Rs.6.15 Crore was released to LIC towards Central Government Share of Premium. The premium amount towards Central Government share and the weavers share works out to Rs.9.43 Crore. Against Rs.9.43 Crore, Rs.8.83 Crore has been disbursed by the LIC towards settlement of claims and scholarship which works out to 93.63%.

(Ministry of Textiles O.M. No.2(5)/2007-Parl. dated 26.7.2007)

**Comments of the Committee**

(Please *see* Para No. 1.13 of Chapter I of the Report)

**CHAPTER-V****RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH REPLIES OF THE GOVERNMENT ARE INTERIM IN NATURE****Recommendation (Sl. No. 10 Para - 3.46)**

5.1 The Committee note that the Technology Upgradation Fund Scheme (TUFS), the flagship scheme of the Ministry of Textiles, was launched with the objective of making funds available to the domestic textile industry to upgrade the technology of existing units and also to set up new units with the state of the art technology to enhance competitiveness in the domestic and international markets. To achieve the objective, an outlay of Rs. 911 crore has been earmarked in the year 2007-08 as against Rs. 550 crore in the year 2006-07. Reasons advanced for the substantial step-up in TUFS is to make Indian textile industry globally competitive and to equip it to face fierce competition as a result of phasing out of agreement on Textiles and Clothing (ATC). The scheme is implemented on reimbursement basis, i.e. funds are released after the expenditure is incurred. The scheme has been extended beyond 31 March 2007 reportedly because it has been found to be working satisfactorily towards its goal. The Committee further find that the quarterly payments of subsidy due in September 2006 and December 2006 have not yet been released in quite a few cases for want of funds. The Committee, therefore, feel that Rs.911 crore allotted under the scheme may turn out to be inadequate. In order to make the scheme highly effective and successful, the Committee observe that a result - oriented scheme should not prove a laggard merely due to non-availability of sufficient funds. They, therefore, strongly recommend that the Ministry may urge upon the Planning Commission to allocate the additional amount of Rs. 500 crore, or even more, if needed.

**Reply of Government**

5.2 Ministry of Textiles has estimated that the net requirement of funds under the Technology Upgradation Fund Scheme (TUFS) would be approximately Rs. 2,600 crores. This has already been communicated vide EFC Note to the Ministry of Finance and the Planning Commission. No commitment in this regard has been received from them so far.

(Ministry of Textiles O.M. No.2(5)/2007-Parl. dated 26.7.2007)



**Recommendation (Sl. No. 11 Para - 3.49)**

5.3 The Committee note that the handloom sector is providing livelihood to a large number of weavers in the country. As per the joint census of handlooms and powerlooms done in 1995-96, about 65.51 lakhs persons are engaged in weaving and associated activities in handloom sector. Most of the weavers are scattered in rural areas and remote parts of the country. It is more than a decade since last census was conducted by the Government to assess the number of weavers in the country. The Committee are of the opinion that in the absence of latest and updated figures, hypothetical data is relied on, which adversely affects policies and programmes designed to strengthen the sector. The Committee, therefore, calls upon the Government to take immediate and urgent steps to conduct a fresh census of handloom weavers and allied workers engaged therein as of now so that realistic allocation for this sector could be made. The Committee also desire to be apprised of the efforts initiated in the matter within three months of presentation of this report.

**Reply of Government**

5.4 The recommendation has been noted for compliance.

(Ministry of Textiles O.M. No.2(5)/2007-Parl. dated 26.7.2007)

NEW DELHI;

30 August 2007

8 Bhadrapada, 1929 (Saka)

SURAVARAM SUDHAKAR REDDY,  
Chairman,  
Standing Committee on Labour.

## APPENDIX-I

**MINUTES OF THE SECOND SITTING OF THE STANDING COMMITTEE ON  
LABOUR HELD ON THURSDAY, 30 AUGUST 2007**

The Committee met from 1000 hours to 1055 hours in Committee Room "C", Parliament House Annexe, New Delhi.

**PRESENT**

**Shri Suravaram Sudhakar Reddy – CHAIRMAN**

**MEMBERS  
LOK SABHA**

2. Shri Furkan Ansari
3. Shri Santasri Chatterjee
4. Shri Thawar Chand Gehlot
5. Shri Virendra Kumar
6. Shri Mohan Rawale
7. Smt. C.S. Sujatha
8. Shri Parasnath Yadav
9. Shri Ramdas Athawale

**RAJYA SABHA**

10. Chowdhary Mohammad Aslam
11. Shri K. Chandran Pillai
12. Shri Gandhi Azad

**SECRETARIAT**

- |    |                   |   |                     |
|----|-------------------|---|---------------------|
| 1. | Shri N.K. Sapra   | - | Joint Secretary     |
| 2. | Shri R.K. Bajaj   | - | Director            |
| 3. | Shri N. K. Pandey | - | Deputy Secretary-II |
| 4. | Smt. Mamta Kemwal | - | Under Secretary     |

2. At the outset, the Hon'ble Chairman welcomed the Members to the sitting particularly a new Member, Shri Ramdas Athawale who has been nominated by the Hon'ble Speaker w.ef. 21.8.2007 to the Committee for the term 2007-08. He then apprised the Members about the two draft reports on the action taken replies received from the Ministry of Labour and Employment and the Ministry of Textiles on the Twentieth and Twenty-First Reports on the Demands for Grants for the year 2007-2008 respectively.

3. XX

XX

XX

4. The Committee then took up the draft Twenty-Fourth Report on the Action taken by the Government on the Recommendations/Observations contained in the Twenty-First Report of the Standing Committee on Labour on Demands for Grants for the year 2007-2008 of the Ministry of Textiles for consideration and adoption. After some discussion, the Committee adopted the report with the following modification.

**Page no. 3, Para no. 1.7, Line no.13-after workers insert " The Committee further desire that those workers of public and cooperative sector Textile Mills who are not covered under social security provisions available to workers of these mills, should also be covered under TWRFS".**

5. The Committee then authorised the Chairman to finalise the above Reports and present the same to the Parliament on their behalf.

**The Committee then adjourned.**

**APPENDIX-II****(Vide Para No. 3 of the Introduction)****ANALYSIS OF ACTION TAKEN BY THE GOVERNMENT ON RECOMMENDATIONS CONTAINED IN THE TWENTY-FIRST REPORT OF THE STANDING COMMITTEE ON LABOUR (FOURTEENTH LOK SABHA)**

	<b>Total</b>	<b>Percentage</b>
I. Total number of Recommendations	16	
II. Recommendations/Observations which have been accepted by Government (Sl. Nos. 1,2,3,4 and 7)	5	31.25%
III. Recommendations/Observations which the Committee do not desire to pursue in view of Government's replies (Sl. Nos. 5,8,9,14,15 and 16)	6	37.50%
IV. Recommendations/Observations in respect of which Government's replies have not been accepted by the Committee and which requires reiteration (Sl. Nos. 6, 12 and 13)	3	18.75%
V. Recommendations/Observations in respect of which final replies of Government are of interim in nature (Sl. Nos. 10 and 11)	2	12.50%
		----- 100% -----

