

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:619
ANSWERED ON:05.12.2003
PRODUCTION OF COTTON TEXTILES
ALE NARENDRA

Will the Minister of TEXTILES be pleased to state:

- (a) The production of cotton textile during each of the last three years;
- (b) Whether its production has registered steep fall during the aforesaid period;
- (c) if so, the reasons therefor; and
- (d) the measures taken by the Government to arrest such declining trend and to increase the production of cotton textiles?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI GINGEE N. RAMACHANDRAN)

- (a) The production of cotton fabrics during each of the last three years is as follows:-

Year of production	Production (Million square meters)
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2000-01	19718
2001-02	19769
2002-03	19300

- (b) & (c) The production of any item is based on its demand. In the year 2001-02 there is increase in production of 51 million square meters but in the year 2002-03 there is a decrease of 469 million square meters which may not be assumed as steep.

- (d) For the growth and development of textile industry the measures taken by the Government include:

- i) Introduction of Technology Upgradation Fund Scheme (TUFS) to facilitate modernisation and upgradation of textile sector.
- ii) Completion of CENVAT chain in entire Textile Value Chain with simultaneous rationalization excise duty on fibres, yarn, fabric/made-ups and readymade garments (RMG) in Union Budget 2003-04.
- iii) Concessional rate of import duty of 5% on specified, textile machinery with state of art technology.
- iv) Dereservation of woven readymade garment from SSI sector.
- v) Development of apparel parks for production and export of garments.
- vi) Launch of Cotton Technology Mission for boosting production and quality of cotton.
- vii) Allowing foreign equity participation upto 100% through automatic route in this sector with certain exceptions.
- viii) Rationalisation of DEPB rates for certain textile products.
- ix) A programme has also been launched to induct 50,000 shuttleless looms and to modernize 2.5 lakh powerlooms in the decentralised sector by 2004.
- x) Announcement of a package for restructuring of debt portfolios of potentially viable textile units having debt exposure of Rs 2.00 crores and above.