

**GOVERNMENT OF INDIA  
TEXTILES  
LOK SABHA**

STARRED QUESTION NO:42  
ANSWERED ON:25.11.2005  
PROMOTION OF CARPET INDUSTRY  
Jogi Shri Ajit

**Will the Minister of TEXTILES be pleased to state:**

- (a) whether the Government has reviewed the condition of carpet industry in the country;
- (b) if so, whether the Government is contemplating assistance to the carpet manufacturers so as to promote the carpet industry;
- (c) if so, the details thereof, State-wise;
- (d) whether some States are not contributing their share for the development of the carpet industry;
- (e) if so, the details thereof; and
- (f) the steps taken/proposed to be taken by the Union Government in this regard?

**Answer**

MINISTER OF TEXTILES ( SHRI SHANKERSINH VAGHELA)

(a) to (f) : A Statement is laid on the Table of the House

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (f) OF LOK SABHA STARRED QUESTION NO.42 FOR ANSWER ON 25.11.2005

(a) Yes, sir. Carpet Industry is primarily an Export oriented Industry and its condition is assessed from the Export performance of this sector. The Export of Carpets has declined by 3.76% during 2004-05 and registered a growth of 6.83% in terms of US\$ during 2005-06 (up to November, 05).

(b) & (c) Yes, Sir. The Government has commissioned a study through Carpet Export Promotion Council (CEPC) on analysis of past trends of hand-made carpets, imports in markets, analysis of competition, condition of market access including trade channels, middlemen and their functions, price structure, purchaser categories, market prospects, etc. and to evolve marketing strategies for enhancing the sale of Indian hand-made carpets in US, EU and LAC. A comprehensive strategy shall be evolved, based on the findings of this study, to ensure a quantum jump in exports.

However, following assistance is being extended to carpet manufacturers/exporters for promotion of carpet industry in the country:

i) The India Carpet Expo has been started in the year 1984 for promotion of exports. This event is now organized bi-annually. In the Carpet Expo recently organized at Varanasi, 108 manufacturer/exporters participated and a business of Rs.100.00 crores was transacted.

ii) To provide training, technology and consultancy services to Carpet manufacturers, the Indian Institute of Carpet Technology has been set up at Bhadohi with two Satellite Centers in Jaipur and Srinagar.

iii) A Special Economic Zone has been sanctioned to be set up in the Carpet belt at Badhohi.

iv) Distribution of looms and tool-kits developed under UNDP Carpet Project to the carpet manufacturers/weavers at subsidized rates.

v) Workshops, seminars and training programmes are organized regularly for capacity building of weavers, manufacturers, etc.

vi) Financial assistance is sanctioned to carpet manufacturers/ exporters for participation in International fairs/exhibitions.

vii) Credit Guarantee Scheme has been launched recently, where artisans and producers can avail loan to meet their working capital needs up to Rs.25.00 lakhs without any collateral security. This initiative is expected to boost production and exports.

viii) Raw Material Bank has been set up in Srinagar to provide graded and certified wool and silk yarn to carpet manufacturers and weavers to enhance the quality of the carpets and Unit Value Realization. This scheme is being extended to the other parts of the country.

ix) The scheme for setting up Facility Centre by Exporters /manufacturers/entrepreneurs on Public Private Partnership model has been launched to augment production and export of carpets and handicrafts. The Government share would be limited to Rs.24.00 lakhs for investment upto Rs.60.00 lakhs in the ratio of 40:60.

(d) State Governments are not expected to contribute towards implementation of the schemes of Central Government for promotion and development of Handicrafts including carpets, as these schemes are central sector grant-in-aid schemes where assistance is provided directly to the Implementing Agencies.

(e) & (f) Does not arise.