

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:4524
ANSWERED ON:23.12.2005
CESS ON TEXTILE
Singh Shri Chandra Bhushan

Will the Minister of TEXTILES be pleased to state:

- (a) whether a large amount of Textiles Cess is to be recovered from the textile processing units;
- (b) if so, the details thereof;
- (c) whether the Government is considering to withdraw/review the Textiles Cess; and
- (d) if so, the details thereof alongwith reasons therefore?

Answer

MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA)

(a) & (b): An amount of Rs.1104.95 lakh is outstanding against 428 textile processing units as on 30.11.2005, as per the assessment carried out by the Textile Committee. Most of the processing units have filed appeals before The Textile Committee Cess Appellate Tribunal. The Tribunal has ruled in favour of the Textile Committee in respect of 238 processing units involving an amount of Rs.427.66 lakh. Recovery proceedings have been initiated against them under the provisions of Textile Committee Act and Rules. The hearing of appeals of the remaining 190 assesseees is yet to be completed, involving an amount of Rs.677.29 lakh.

(c) & (d) : A proposal to withdraw the Textile Committee cess is under consideration of the Government, with a view to rationalise the tax and cess burden on the Indian textile industry and to improve its competitiveness in the global market in the post-quota regime.