

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:4862
ANSWERED ON:23.05.2006
EXPORT ORIENTED UNITS
Ahir Shri Hansraj Gangaram

Will the Minister of TEXTILES be pleased to state:

- (a) whether Government has any proposal to ease labour laws for textile industry to help them control costs and stay competitive globally;
- (b) if so, the details thereof;
- (c) whether there are fewer number of export oriented units in the country compared to China leading to lesser exports from the country; and
- (d) if so, the steps taken by the Government to establish more export oriented units in various parts of the country?

Answer

MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI E.V.K.S. ELANGO VAN)

- (a)&(b)The Indian textile industry has been representing inter-alia for certain flexibilities in labour laws. Such proposals can be given effect to only after wider consultations with the concerned stakeholders and after forging a consensus.
- (c)Government does not maintain comparative data in this regard.
- (d)Under the Export Oriented Unit Scheme, Government gives a package of incentives such as duty free import of capital goods, raw material and components; exemption from Central Excise duty and other levies on local purchase; deemed export benefits on capital goods and other inputs from Domestic Tariff Area; reimbursement of Central Sales Tax paid on purchase of capital goods and Income Tax exemption etc.