

**GOVERNMENT OF INDIA  
TEXTILES  
LOK SABHA**

STARRED QUESTION NO:164  
ANSWERED ON:16.07.2004  
HANDLOOM INDUSTRY  
Solanki Shri Bhupendrasinh Prabhatsinh

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

- (a) whether a demand is being made to the Union Government to save the handloom industry;
- (b) if so, whether the Government has considered it;
- (c) if so, the details thereof and if not, the reasons therefore;
- (d) whether the Government has any proposal to resume various assistance schemes that were in operation earlier to assist handloom industry; and
- (e) if so, the details thereof?

**Answer**

MINISTER OF TEXTILES ( SHRI SHANKERSINH VAGHELA )

- (a) Demands have been made to the Union Government to save handloom weavers and remove excise duty on hank yarn.
- (b) Yes, Sir.
- (c) The Finance Minister in his Budget Speech on 8th July 2004 has proposed to introduce a new tax regime for the textile sector, under which the mandatory CENVAT chain will stand abolished and there will be no mandatory excise duty on pure cotton, wool and silk, whether it is fibre, yarn, fabric or garment.
- (d) No, Sir
- (e) Does not arise.