

**GOVERNMENT OF INDIA  
TEXTILES  
LOK SABHA**

UNSTARRED QUESTION NO:2869

ANSWERED ON:17.12.2004

STRENGTHENING OF TEXTILE SECTOR

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

- (a) the location-wise number of Textile handloom, powerloom, synthetic yarn, ready-made garments and hosiery items manufacturing units in the country particularly in Uttar Pradesh as on date;
- (b) the amount spent by the Government on development of textiles, handloom and handicraft industry during the last three years; and
- (c) the steps taken or proposed to be taken by the Government to promote export of fabrics manufactured in the said units?

**Answer**

MINISTER OF TEXTILES ( SHRI SHANKERSINH VAGHELA )

(a) As on date there are considerable number of manufacturing units in handloom, powerloom, synthetic yarn, ready-made garments and hosiery sectors in SSI/ non-SSI sectors, and it is not feasible to furnish the location wise number of such units. However, there are more than 4 lakh powerloom and 25 lakh handloom units in the country and of these 0.25 lakh units in powerloom and 1.37 lakh units in handloom sectors are in Uttar Pradesh.

(b) The amount spent by the Government for development of Textile Industry, Handloom & Handicraft sectors in the country during the last three years is as under:-

( Rupees in crores )

Year    Funds released in Textile Industry    Funds released in Handloom    Funds released in Handicraft

2001-02	220.14	112.37	26.19
2002-03	225.25	150.38	27.42
2003-04	266.61	184.65	40.30

(c) The Government has taken various measures to increase export of textile items including fabrics. Some of the measures are given below:

(i) The mandatory Central Value Added Tax (CENVAT) chain has been abolished. The CENVAT Scheme has been made optional. Consequently, no mandatory excise duty is leviable on pure cotton yarn, fabrics or garments;

(ii) All Textiles and textile articles falling under chapter 50 to 63 have been fully exempted from duties leviable under additional Excise duty (Goods of Special Importance) Act and Additional Excise Duty (Textiles and Textile Articles) Act, where ever applicable;

(iii) Availability of incentives to exporters under the different export promotion schemes such as Duty Entitlement Pass Book Scheme/Duty Drawback Scheme etc;

(iv) Financial assistance provided under the Handloom Export Scheme for development of exportable products and publicity & marketing thereof;

(v) Ceiling and restrictions on export of cotton yarn to non quota countries was removed

w.e.f. 1st January, 2002;

(vi) Organization of Buyer-Seller Meets in important markets abroad and Participation in leading International fairs & exhibitions; and

(vii) Financial assistance to handloom exporters through Handloom Export Promotion Council under the MDA Scheme for market promotion activities.