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STANDING COMMITTEE ON LABOUR

(2019-20)

(SEVENTEENTH LOK SABHA)

MINISTRY OF TEXTILES

DEMANDS FOR GRANTS

(2020-21)

SIXTH REPORT



LOK SABHA SECRETARIAT

NEW DELHI

March, 2020/Phalguna, 1941 (Saka)

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(SEVENTEENTH LOK SABHA)

MINISTRY OF TEXTILES

DEMANDS FOR GRANTS
(2020-21)

Presented to Lok Sabha on 13.03.2020

Laid in Rajya Sabha on 13.03.2020



LOK SABHA SECRETARIAT

NEW DELHI

March, 2020/Phalguna, 1941 (Saka)

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COMPOSITION OF THE STANDING COMMITTEE ON LABOUR

(2019-20)

Shri Bhartruhari Mahtab - Chairperson

MEMBERS LOK SABHA

2. Shri Subhash Chandra Baheria
3. Shri John Barla
4. Shri Raju Bista
5. Shri Pallab Lochan Das
6. Shri Pasunoori Dayakar
7. Shri Feroze Varun Gandhi
8. Shri Satish Kumar Gautam
9. Shri B.N. Bache Gowda
10. Dr. Umesh G. Jadhav
11. Shri Dharmendra Kumar Kashyap
12. Dr. Virendra Kumar
13. Adv. Dean Kuriakose
14. Shri Sanjay Sadashivrao Mandlik
15. Shri K. Navaskani
16. Shri Khalilur Rahaman
17. Shri D. Ravikumar
18. Shri Nayab Singh Saini
19. Shri Ganesh Singh
20. Shri Bholu Singh
21. Shri K. Subbarayan

RAJYA SABHA

22. Shri Husain Dalwai
23. Shri Ram Narain Dudi
24. Shri Oscar Fernandes
25. Shri Elamaram Kareem
26. Dr. Raghunath Mohapatra
27. Dr. Banda Prakash
28. Shri Rajaram
29. Ms. Dola Sen
30. Shri M. Shanmugam
31. *Vacant*

SECRETARIAT

1. Shri T.G. Chandrasekhar - Joint Secretary
2. Shri P.C. Choulda - Director
3. Ms. Miranda Ingudam - Deputy Secretary
4. Shri Devudu Babu Badireddi - Assistant Executive Officer

INTRODUCTION

I, the Chairperson, Standing Committee on Labour (2019-20) having been authorized by the Committee do present on their behalf this Sixth Report on 'Demands for Grants (2020-21)' of the Ministry of Textiles.

2. The Committee considered the Demands for Grants (2019-20) of the Ministry of Textiles which were laid on the Table of the House on 10th February 2020. After obtaining the Budget Documents, Explanatory Notes, etc., the Committee took evidence of the representatives of the Ministry of Textiles on 20th February, 2020. The Committee considered and adopted the Report at their sitting held on 12th March, 2020.

3. The Committee wish to express their thanks to the officers of the Ministry of Textiles for tendering oral evidence and placing before them the detailed written notes and post evidence information as desired by the Committee in connection with the examination of the Demands for Grants.

4. For ease of reference, the Observations and Recommendations of the Committee have been printed in thick type in the body of the Report.

New Delhi;
12th March, 2020
22nd Phalguna, 1941 (Saka)

BHARTRUHARI MAHTAB
CHAIRPERSON,
STANDING COMMITTEE ON LABOUR

REPORT
Part- I

INTRODUCTORY

The Indian textile industry is of vital importance to the Indian economy being the second largest manufacturer and exporter in the world, after China. The share of textile and apparels including handicrafts in India's total exports stands at a significant 12% in 2018-19 besides a share of 5% of the global trade in textiles and apparel. Major textile and apparel export destinations for India are EU-28 and USA with 43% share in total textile and apparel exports. The sector holds importance from the employment point of view as well with 4.5 crore people directly employed and another 6 crore people in allied sectors, employing a large number of women and rural population. The sector has perfect alignment with Government's key initiatives of Make in India, Skill India, Women Empowerment and Rural Youth Employment. The Ministry of Textiles is responsible for policy formulation, planning and development of the Textiles Industry. In keeping with goal of making India's development inclusive and participative, the Government's central focus has been on increasing textile manufacturing by building the best-in-class manufacturing infrastructure, upgradation of technology fostering innovation, enhancing skills and traditional strengths in the textile sector. Major initiative and highlights of 2018-19 include *inter-alia* (I) export promotion with India's Textile Industry occupying second largest exporter in the world; (II) Raw material Support for (i) Cotton Production with India occupying first position in cotton acreage amounting to 36% of the world area sustaining livelihood of an estimated 5.8 million cotton farmers and another 40-50 million engaged in related activities of cotton processing and trade; (ii) Jute Industry directly employing 0.37 million workers; (iii) Silk Industry with India presently being the second largest producer of silk and aspiring to be Number One (iv) Wool Industry with focus on 'Integrated Wool Development Programme' with separate allocation of Rs.50 crore for development of Pashmina Sector in J& K State; (III) Technology Support to promote and enhance Digital Readiness in the Ministry of Textiles; (IV) Skilling Support; (V) Infrastructure Support for Integrated Textile Parks, Technical Textiles considered a high technology sunrise sector with an estimated market size in India of Rs.2,00,00 crore, etc.

2. The Demands for Grants of the Ministry of Textiles for the year 2020-21 are given under Demand No.97. The detailed Demands for Grants of the Ministry were laid in the Parliament on 10th February 2020. The Budget

Estimate of the Ministry showing Revenue and Capital expenditure for the year 2020-21 is as under:-

(Rs. in crore)	
Expenditure Head	Budget Estimate
Revenue	3,463.70
Capital	51.03
Total	3,514.79

3. The financial performance for last 3 years are as follows:-

(Rs. In crore)					
Year	Budget Estimate	Revised Estimate	Actual Expenditure	Expenditure as % of BE	Expenditure as % of RE
2017-18	6226.5	6250.80	5940.19	95.40%	95.03%
2018-19	7147.73	6943.26	6695.47	93.67%	96.44%
2019-20	**4831.48	4831.48	*3828.53	79.24%	79.24%
2020-21	3514.79				

* Actual Expenditure till 19.02.2020 at 2.00pm

** Significant reduction happened due to substitution of RoSL scheme by a scrip based RoSCTL.

A. ALLOCATION AND UTILISATION OF FUNDS DURING 2019-20

4. A perusal of the documents furnished by the Ministry revealed that for the Annual Plan expenditure, the B.E and R.E during 2019-20 provided an amount of Rs.4831.48 crore. As on 24th January, 2020, the Ministry have been able to utilise Rs.3,464.81 crore. The Total Outlay proposed by the Ministry during 2020-21 was Rs.7,416.59 crore which has been reduced to Rs.3,514.79 crore by the Ministry of Finance. The percentage achievement of plan targets (financial terms), Scheme-wise during 2019-2020 is shown below:

The percentage achievement of plan targets (financial terms), scheme-wise during the preceding year of plan and the reasons for slow progress, if any, in achievements of the targets.						
		2019-20				
	Name of the Scheme/ Project/ Programme	BE	RE	Exp as on 24.01.20	%	
1	ESTABLISHMENT EXPENDITURE					
	Secretariat Economic Service	35.00	35.00	22.94	65.54	
	Textile Commissioner	36.00	40.99	29.43	81.75	

	Jute Commissioner	11.00	11.78	8.63	78.45
	TOTAL ESTABLISHMENT EXP	82.00	87.77	61.00	74.39
2	CENTRAL SECTOR PROJECT				
	Technology Upgradation Fund Scheme (TUFS)	700.00	494.37	151.11	21.59
	Procurement of Cotton	2017.57	2017.57	1893.39	93.85
3	<u>HANDLOOM INDUSTRIES</u>				
	Yarn Supply Scheme	195.00	172.17	124.54	63.87
	HandloomCHCDS-Handloom Mega Cluster	40.00	30.00	11.54	28.85
	Handloom Weavers Comprehensive Welfare Scheme	20.00	19.54	8.01	40.05
	National Handloom Development Programme	135.00	139.50	104.17	77.16
	Trade Facilitation Centre & Craft	3.00	7.93	4.18	139.33
	Weavers Service Centre	42.00	49.60	37.48	89.24
	Other Handloom Scheme	21.80	27.20	18.64	85.50
	Total - Handloom Industries	456.80	445.94	308.56	67.55
4	<u>HANDICRAFTS INDUSTRIES</u>				
	Design & Technical Upgradation	70.00	74.99	51.36	73.37
	Baba Saheb Ambedkar Hastshilp Yojana	6.00	11.50	2.33	38.83
	Marketing Support & Services	45.00	55.00	25.90	57.56
	Research and Development	9.50	9.65	2.21	23.26
	Handicraft Mega Cluster	30.00	34.98	24.62	82.07
	Integrated Dev. Package for J & K	0.01	0.01	0.00	0.00
	Infrastructure and Technology Development	11.71	16.71	10.71	91.46
	Training and Extension	18.50	20.60	13.12	70.92
	Handicraft Artisans Comprehensive Welfare Scheme	26.00	24.44	9.98	38.38
	Human Recourse Development	26.15	26.15	16.86	64.47
	Setting up Hastkala Academy in Delhi	2.00	1.00	0.00	0.00
	Others Handicraft Services	41.30	57.28	39.41	95.42
	Total - HANDICRAFTS	286.17	332.31	196.50	68.67
5	<u>Wool Industries</u>				
	Wool Development Board	29.00	29.00	3.00	10.34
	Pashmina Wool Development Programme	0.00	0.00	0.00	0.00
	Total : Wool	29.00	29.00	3.00	10.34
6	<u>SERICULTURE</u>				
	Grants towards Development of Silk Industry (CDP)	730.00	765.45	582.16	79.75
	Silk Mega Cluster	10.00	0.00	0.00	0.00
	Total - Sericulture	740.00	765.45	582.16	78.67

7	JUTE					
	Development of Mega Cluster	0.00	0.00	0.00	0.00	
	Scheme for Development of Jute Sector	25.00	55.00	25.00	100.00	
	Subsidy to JCI	8.00	28.00	7.90	98.75	
	Payment against cess collection	0.00		0.00	0.00	
	Payment against collection of jute	0.00		0.00	0.00	
	Others Jute	1.55	1.55	1.14	73.55	
	TOTAL-Jute	34.55	84.55	34.04	98.52	
8	POWERLOOM INDUSTRIES					
	Power Tex	129.08	130.36	26.73	20.71	
	Integrated Scheme for Powerloom Development	0.00	0.00	0.00	0.00	
	Others(comprehensive P. Loom Cluster- Dev. Prog- Pow.loom	25.00	17.42	0.00	0.00	
	Group Workshed Scheme	0.00	0.00	0.00	0.00	
	Group Insurance Scheme	5.00	5.00	0.00	0.00	
	Scheme for In-Situ up-gradation of Plain Powerlooms	0.00	0.00	0.00	0.00	
	NER (Poerloom)	0.00	0.00	0.00	0.00	
	Total - Powerloom Services	159.08	152.78	26.73	16.80	
	-					
9	TEXTILES					
	Integrated Processing Development Scheme	3.50	10.80	1.00	28.57	
	Scheme for Integrated Textile Parks(SITP)	20.00	40.00	19.33	96.65	
	Workers' Hostel	1.00	1.00	0.74	74.00	
	Assistant to Textile Committee	30.00	54.50	30.00	100.00	
	Flatted Factory cum Incubators	4.00	6.20	3.20	80.00	
	Remission of State leveis	0.00	0.00	0.00	0.00	
	PMRPY	0.05	0.05	0.00	0.00	
	TOTAL :- TEXTILES	58.55	112.55	54.27	92.69	
10	RESEARCH & CAPACITY BUILDING					
	Export Promotion Studies (Grants for Studies)	1.00	3.19	1.11	111.00	
	Textile Labour Rehabilitation Scheme	1.50	1.15	0.00	0.00	
	Others (TRAS COP)	10.20	10.78	6.97	68.33	
	Technical Textiles Including Jute	0.00	0.00	0.00	0.00	
	Human Resource Development (ISDS)	100.50	100.50	38.96	38.77	
	Research & Development in cluding TRAs	0.01	15.01	0.00	0.00	
	Grants to Institute of Fashion Technology	29.00	52.00	27.16	93.66	
	Grant to AEPC	0.00	0.00	0.00	0.00	
	Technology Mission	0.03	0.03	0.00	0.00	
	TOTAL:- RESEARCH & CAPACITY BUILDING	142.24	182.66	74.20	52.17	

11	NORTH EASTERN TEXTILES PROMOTION					
	NER Textile Promotion Scheme	124.98	109.99	83.65	66.93	
	Scheme for usage of Geo-textiles in NER	0.01	10.01	0.00	0.00	
	Scheme for promoting Agro Textiles in North East	0.01	6.01	0.00	0.00	
	TOTAL:- NER TEXTILES PROMOTION	125.00	126.01	83.65	66.92	
12	PUBLIC WORKS					
	NJMC	0.01	0.01	0.00	0.00	
	BJEC	0.50	0.50	0.00	0.00	
	BIC	0.01	0.01	0.00	0.00	
	Public sector under taking	0.52	0.52	0.00	0.00	
	GRAND TOTAL	4831.48	4831.48	3468.61	71.79	

5. On being asked about the unutilized funds, the Ministry submitted as under:

"The Ministry is making efforts to fully utilize the funds. As on 17.02.2020 an amount Rs. 3765.90 crore has already been spent against BE of Rs.4831.48 crore."

6. On scrutiny of the documents furnished by the Ministry, it is seen that while the Actual Expenditure for 2018-19 stood at Rs.6,695.76 crore a downward revision took place at the BE and RE for the succeeding year 2019-20 which stood same at Rs.4,831.48 crore. When asked to furnish reasons for the same, the Ministry furnished as under:

"The reason for downward revision during BE and RE 2019-20 is due to discontinuation of 'RoSL' Scheme where the Budget provision during the 2018-19 was Rs.2163.85 crore."

7. On a further query whether savings are anticipated by end of 31st March, 2020 and the precise reasons thereof, the Ministry replied that savings identified till date under ATUF Schemes have been re-appropriated to other schemes like Jute, Sericulture, NIFT, R&D and SITP etc.

8. The Ministry further supplemented as under:-

"The savings identified under ATUF scheme has been re-appropriated to other Schemes like Jute, Sericulture, NIFT, Research & Development and Scheme for Integrated Parts (SITP) etc. Jute, Sericulture, NIFT Divisions have already incurred the amount re-appropriated to these schemes. The expenditure proposals of SITP and R&D are in process."

9. The Committee were also apprised that in order to increase the receipt of viable proposals from implementing agencies, efforts have been made by the Ministry to Intensify monitoring by Senior Officers including field visits are being carried out to speed up projects which will result in receipt of more viable proposals.

10. On being sought the details of all the Schemes/ Budget heads where surrender of funds were likely to happen by the end of the year 2019-20 fiscal along with reasons thereof, the Ministry furnished the following:

“Savings are expected under ATUFS and Powertex. However, these savings are being re-appropriated to other Schemes keeping in view the requirement under various heads after obtaining supplementary from Parliament. Surrender if any, will be prepared by the Ministry in March, 2020. Efforts are being made to utilize the savings to other scheme as per requirement.”

11. On being asked to state the reasons for non-receipt of viable proposals and whether non-receipt of viable proposals and non furnishing of utilization certificates of past allocations from implementing agencies has resulted in under utilization of allocated funds, the Ministry submitted as under:

“Slow progress of the schemes is the main reason for non-receipt of viable proposals. Non-furnishing of utilization certificate by implementing agencies also results in delay in further release of funds.”

12. On a pointed query as to whether the Ministry were strictly adhering to the Instructions/Guidelines issued by the Ministry of Finance to Observe the ceiling of 33 percent expenditure in the last quarter and 15% in the last month of March each financial year, the Ministry stated as under:

"The Ministry is adhering to the instructions/guidelines issued by the Ministry of Finance to observe the ceiling of 25% expenditure in the last quarter and 10% in the last month of current financial year."

13. Total Outlay Proposed (Revenue and Capital) by the Ministry of Textiles for the year 2020-21 was Rs.7,416.59 crore out of which the Ministry of Finance has allocated Rs.3,514.79 crore for BE 2020-21. Scheme wise details are as below:

Rs. in crore

	Schems	BE 2020-21 (Proposed)	BE 2020-21 (Approved)
	Non-Scheme		
1	Sectt.	35.00	35.00
2	Textiles Commissioner	43.29	40.00
3	Jute Commissioner	11.00	11.00
	Central Sector Schemes		
4	TUFS	1500.00	761.90
5	Cotton Corporation	2585.00	0.01
6	National Handloom Development Programme	195.71	190.00
12	Handloom Weavers Comprehensive Scheme	10.00	10.00
8	Yarn Supply Scheme	200.00	155.00
9	Trade Facilitation Centre and Craft Museum	8.73	10.00
10	CHCDS - Handloom Mega Cluster	23.00	14.00
11	Weavers Service Centre (WSCs)	53.14	60.00
13	Development Commissioner(Handloom) (DC-HL)	8.37	9.00
14	Development Commissioner(Enforcement)	3.04	3.00
15	Reservation Act 1985	4.00	4.00
16	Institute of Handloom Technology(IIHT)	14.89	15.00
	Other Handloom Schemes		
17	Training and Extension	19.71	19.50
18	Design & Technical Upgradation	74.48	74.50
19	Baba Saheb Ambedkar Hastshilp Yojana	24.00	24.00
20	Market Support & Services	53.50	59.00
21	Handicraft Artisans Comprehensive Welfare Scheme	31.14	31.00
22	Research and Development	9.50	9.50
23	Human Resource Development	26.15	26.00
24	Infrastructure & Technology Development	6.00	6.00
25	Development of Other Craft in J&K	0.01	0.01
26	Handicraft Mega Cluster	35.50	35.00
	Other Handicrafts Schemes		
27	<i>Museum</i>	15.75	15.00
28	<i>Development Commissioner</i>	17.90	17.90
29	<i>Marketing and Service Extension</i>	24.83	24.50
30	<i>Economic & Crafts</i>	0.00	0.00
31	<i>Export Promotion</i>	0.00	0.00
32	<i>ICT(Inst. Of Carpet Technology)</i>	4.95	9.80
33	Setting up Hast Kala Academy in Delhi	0.00	0.50
34	Wool (Umbrella Scheme Integrated Wool Development programme)	29.00	20.00
35	Central Silk Bord (Grants towards Development of Silk)	932.24	800.00
36	Silk Mega Cluster	10.00	10.00

37	Payment against collection of Jute	0.00	0.00
38	Development of Jute Textiles (NJB)	95.00	95.00
7	Jute Corporation of India subsidy	50.00	40.00
	others (IJIRA, COPUJC)		
39	Commissioner of payment Jute	0.03	0.03
40	IJIRA	1.50	1.50
43	Power-tex India	130.11	110.00
41	Powerloom Mega Cluster	25.00	25.00
42	Group Insurance Scheme	5.00	5.00
44	Integrated Processing Development Scheme	13.80	50.00
45	SITP	80.00	80.00
46	Workers Hostel	1.00	5.00
47	Textile Committee	93.41	80.00
48	Flatted Factory cum Incubators	8.00	8.00
49	Remission of State levies (RoSL)	0.00	0.00
50	PMPRPY	0.00	0.00
51	Export Promotion Studies	2.00	34.00
52	Textiles Labour Rehabilitation Scheme (TWRFS)	0.00	0.00
53	AEPC	0.70	0.00
	Other (TRAs, COP)		
54	TRAs	9.00	10.00
55	Comissioner of Payment 1984 act	0.00	0.00
56	International Contribution	1.50	1.50
57	HRD (ISDS)	500.00	150.00
58	Research and Development (TRS)	0.01	23.00
59	NIFT	120.66	110.00
63	Others Technology Mission	0.03	0.01
60	NER Textile Promotion Scheme	221.00	125.00
61	Usage of Geo Textiles in North East	0.01	10.00
62	Promoting Agro Textiles in North East	0.01	0.60
	Total Revenue	7367.60	3463.76
	CAPITALS SECTION		
64	National Handloom Development Programme	15.00	15.00
65	BJEL	0.50	0.01
66	BIC	0.01	0.01
67	NJMC	0.01	0.01
68	Infr. & Technolgoy	36.00	36.00
69	Powertex	1.18	0.00
	Total Capital	52.70	51.03
	Grand Total	7420.30	3514.79

14. Asked to furnish the reasons for the curtailment and extent of impact on implementation of the ongoing and new schemes, the Ministry stated as under:-

“The Ministry has been allotted Rs.4,831.48 crore at BE and RE Stage. Out of which Rs.3,928.01 crore (81.30%) has been incurred on date *i.e* 26.02.2020. The reason for

curtailment of Budget during current year as compared to last year is due to discontinuation of RoSL Scheme where the budget was Rs.2,163.85 crore in 2018-19."

15. On the issue of curtailment in the Budgetary proposals of the Ministry, the Secretary, Ministry of Textiles further submitted during evidence.

“में इस विषय में थोड़ा जोड़ना चाहूँगा। पिछले करीब दस सालों में इस साल हमने कॉटन का मैक्सिमम प्रोक्वोरमेंट कॉटन का किया है। इस साल बहुत बंपर क्रॉप थी। इस साल हमारा लग भग लॉसेज एक्स्पेक्टिड करीब चार हजार करोड़ रुपये का है। यह अभी बजट रिफ्लेक्ट नहीं हुआ है। यह हम आर. ई. के समय पर जाएंगे तब हम माँगेंगे, करीब चार हजार करोड़ के आसपास एक्स्पेक्टिड लॉसेज है। हम आर.ई. के समय जाएंगे।”

16. On a pointed query as to whether the reduced BE for the fiscal 2020-21 would affect the effective implementation of schemes run by the Ministry of Textiles, the Ministry replied replying in the affirmative and further stated all efforts would be made to get the provision enhanced at RE Stage.

B. PHYSICAL TARGETS AND ACHIEVEMENTS

17. Physical targets set during 2019-20 and achievements made thereon as furnished by the Ministry is reproduced at **Annexure - I**.

18. A scrutiny of the details of the physical targets and achievements during 2019-20 has revealed that in a number of Schemes, the Ministry's performance has been poor in achieving the target set during the year. Moreover, in a number of Schemes like Comprehensive Handicrafts Clusters Development, Research & Development, Registration of Crafts Under Geographical Indication Act, Cluster development project under North East Region Textile Promotion Scheme (NERTPS), etc. census Handicraft workers etc. no target has been fixed during 2019-20. In this regard, the reasons for not fixing the targets and poor performance were sought. In reply thereto, the Ministry submitted as under:

“The reasons for poor performance/non-fixation of targets are due to:

(i) non-submission/non-receipt of viable proposals by implementing agencies/state govt./ sectoral organization

(ii) In respect of Research and Development, targets are not fixed due to need based. However, 45 workshop /seminars conducted during the period 2019-20.

(iii) In respect of NERTPS, the reasons for shortfall attributed to variation in climate, delay in obtaining state govt. clearance pertaining to land & environment, power, water difficulties in getting loans from banks by the SPV etc.”

19. The Ministry further supplemented as follows:

“The details are as under: -

S.No.	Name of the Scheme	Reasons for Shortfall in achieving target during 2019-20 DDG
(a)	NERTPS	In respect of NERTPS, the reasons for shortfall is attributed to variation in climate changes (like rain & high temperature). Abiotic factors fluctuated to great extent which affects the input raw material/ overall production. The delay in obtaining state govt. clearance pertaining to land & environment, power, water, difficulties in getting loans from banks by the SPV etc.
(b)	In-situ upgradation of plain Powerlooms	An amount of Rs.18.78 Cr. has been authorized to O/o the TxC for In-situ upgradation of Plain Powerloom Schemes. However, the same could not utilized till date due to want of clarification on the issue where CBI is investigating cases under In-situ Upgradation in respect of Machinery Manufactures who were involved in supply of kits on credit basis to the Powerloom units under the jurisdiction of Regional office of the Textile Commissioner, Mumbai.
(c)	Direct Benefit to Artisans	Under the component of PMJJBY/PMSBY and modified AABY, the provision is not attractive to the handicrafts artisans, as they are not interested in depositing their share of Rs.80.00 per artisan per year. Further, few State Governments are having more attractive schemes with the result the enrolment under the above scheme was very meager. The issuance of photo identity card under Pahchan is a continuous process. The task for issuance of identity card would be speed up through special camps.
(d)	Integrated Scheme for Powerloom Sector Development	Maximum cases are under Standup India pertaining to regional office of Textile Commissioner, Ahmedabad and they are engaging in clearing cases of A-TUFS/RR-TUFS
(e)	Group Insurance Scheme under Powertex	As per the demands for grants of the Ministry of Textiles for the year 2019-20, an amount of Rs.5.00 crores has been allocated for Group Insurance Scheme for Powerloom Weavers/workers. However, during the current financial 2019-20, O/o the TxC has enrolled 52073 Powerloom weavers/workers under the scheme upto 31st July 2019 with a total liability of Rs.88.31 lakhs as Government of India share of premium to the LIC of India. Whereas, O/o the TxC has already released an amount of Rs.1.95 crores as advance payment to the LIC of India during the year 2018-19 out of the budget allocation, towards the enrolments being made subsequently. Hence, O/o the TxC is unable to release any more Government of India share of premium to the LIC of India unless the amount of Rs.1.95 crore released to them in advance is exhausted fully. Based on tentative assessment made O/o the TxC would be in a position to utilize only Rs.0.50 crores for GIS premium as well as Administrative Expenses as permitted during the current

		<p>financial year 2019-20. Hence the balance amount of Rs.4.50 crores is proposed for surrender.</p> <p>The approved schemes under PowerTex India and Group Insurance Scheme is ending on 31.3.2020. Hence, pending approval or otherwise of the schemes beyond 2019-20, to meet the committed liabilities of certain schemes an amount of Rs.90.20 crores has been kept tentatively under BE 2020-21</p>
(f)	Capacity Building and Training under Central Silk Board Scheme	<p>The objective of this programme is conceiving, implementing and monitoring of Plan programmes in CSB HQs and Regional Offices, forging effective synergies in dovetailing assistance from schemes of other Ministries, implementation of SMOI programmes in Certification centers, Price Stabilization of tasar and muga cocoons through Raw Material Banks, administrative and financial managements of 176 CSB units spread over all the States, up-keep of the governing body of Central Silk Board, advising the GoI on policy issues related to Sericulture and silk industry, parliament related works (parliament questions, Committees, etc.), Statistical analysis, publicity, Official language implementation, and implementation of Silkworm Seed Act.. Hence the activities carried out under this programme cannot be quantified</p>
(g)	New Project to be initiated	N.A.
(h)	Number of employment generation under TUFs	<p>Major objective of TUFs/ATUFs is modernization of textile industry through technology upgradation of machinery across all value chain. The scheme caters to replacement of the existing obsolete technology with advanced technology intended at improvement in productivity/quality resulting. The scheme also facilitates capacity enhancement in the industry which provides new job opportunities. Under ATUFs, since inception a total number of 1,657 UIDs have been issued covering an investment of Rs. 3,085.29 crore and total employment of 4.37 lakh under garmenting and made-up.</p>
(i)	SITP	<p>The target was for completion of 30 Textile Parks, out of which 22 nos. of parks has been completed and 3 more parks are expected to complete soon.</p>
(j)	SAMARTH	<p>During 2019-20, Ministry has accorded in principal allocation of training target of more than 4 lakh persons to 21 State Government Agencies and Sectoral organisations of Ministry. However, State agencies took considerable time in submitting online Detailed Training Report (DTP) for carrying out physical verification of the proposed training centres. Upon physical verification and certification of the training centres, a training target of 43739 persons has since been allocated to 5 State agencies. Further, allocation of training target of 25888 persons to 7 State agencies is in the final stage. The process of physical verification of training centres of some States agencies and uploading of DTP by remaining State agencies are underway.</p> <p>In addition, a total of 70 textile industry/ textile industry</p>

		associations have been empanelled and allocated training target of more than 1 lakh persons. Another allocation of training target of 29250 persons to 7 industry/ textile industry association is in the final stage.
(k)	Sericulture Development Projects	The objective of this programme is Conceiving, implementing and monitoring of Plan programmes in CSB HQs and Regional Offices, forging effective synergies in dovetailing assistance from schemes of other Ministries, implementation of SMOI programmes in Certification centers, Price Stabilization of tasar and muga cocoons through Raw Material Banks, administrative and financial managements of 176 CSB units spread over all the States, up-keep of the governing body of Central Silk Board, advising the GoI on policy issues related to Sericulture and silk industry, parliament related works (parliament questions, Committees, etc.), Statistical analysis, publicity, Official language implementation, and implementation of Silkworm Seed Act.. Hence the activities carried out under this programme cannot be quantified

C. SOME MAJOR SECTORS UNDER MINISTRY OF TEXTILES

I. HANDLOOM SECTOR/INDUSTRIES

20. Details of Plan Outlays and expenditure of Major Schemes under Handloom Sector are as under:

(Rs. In crore)

S No.	Year Scheme	2017-18			2018-19			2019-20			2020-21
		B.E.	R.E.	A.E.	B.E.	R.E.	A.E.	B.E.	R.E.	A.E.	B.E.
1	Yarn Supply Scheme	242	200	199.84	150	157	126.84	195	172.17	128.46	155
2	Handloom CHCDS	44	32.28	31.81	35	21.50	16.38	40	30	13.24	14
3	Handloom Weavers Scheme	32	25	24.98	19	10.05	2.05	20	19054	8.01	10
4	National Handloom Development Programme	146	135	135	137.37	138.53	118.71	135	139.5	126.03	205

21. Asked to state the reasons for the downward trend in the values of B.E of 2020-21 as compared to BE of 2019-20 for most of the schemes, the Ministry stated as follows:

“Schemes under Handloom Sector are implemented on the basis of proposals received from the State Governments and in close coordination with the State Governments. The year-wise outflow of funds depends on the number of viable

proposals for release of funds under the various schemes. This leads to variations in the annual figures.

At the beginning, of the year 2019-20, the period of implementation of Handloom related schemes viz. National Handloom Development Programme (NHDP), Yarn Supply Scheme (YSS), Comprehensive Handloom Cluster Development Scheme (CHCDS) had sunset dates co-terminus with the 14th Finance Commission period i.e. ending on 31st March 2020. The Sunset date has been extended vide Ministry of Finance's OM no. 42(02/PF-II/2014) dated 10th January 2020 to 31st March 2021 or till the date the recommendations of 15th Finance Commission come into effect, whichever is earlier. Keeping in view the earlier sunset date of 31st March 2020, only those proposals were considered which could have been implemented during the scheme period, and now that the scheme period has been extended, fresh proposals would be considered.

The Yarn Supply Guidelines were amended in 2018 to exclude entrepreneurs and exporters from its ambit and therefore the Budgetary Estimate for 2020-21 is comparatively less than that of 2019-20.

The last Mega Handloom Clusters viz. Bhagalpur (Bihar) and Trichy (Tamilnadu) were announced by the Union Finance Minister in the Annual Budget 2014-15. Thereafter, No Mega Handloom Cluster has been announced and the interventions sanctioned in most of the 8 Mega Handloom Clusters are nearing completion. Accordingly, the budgetary expenditure under Comprehensive Handloom Cluster Development Scheme (CHCDS) is getting reduced year after year.”

22. On a further query about the reasons for the downward trend witnessed in actual expenditure for most of the schemes, the Ministry replied as under:

“The year-wise outflow of funds depends on the number of viable proposals received from the State Governments. Further, the handloom related schemes are Central Sector Schemes, and the Schemes were to end on March 31st 2020, co-terminus with the period of the 14th Finance Commission. Only those proposals which could have been implemented during the scheme period were considered and approved. Now that the scheme period has been extended to upto 31st March 2021 or till the date the recommendations of 15th Finance Commission come into effect, whichever is earlier, fresh proposals would be considered. Another factor that has led to downward trend in actual expenditure is non receipt of sufficient number of viable proposals from State Governments.”

23. On being asked to furnish a detailed note on the present status of implementation of the Yarn Supply Scheme, Handlooms CHCDS and Handloom Weavers Scheme indicating therein the number of total beneficiaries in each of these schemes during the last three years, the Ministry submitted the following:

“ Yarn Supply Scheme (YSS): In order to make available all types of yarn, used in the Handloom sector at Mill Gate Price, the Government of India is implementing Yarn

Supply scheme throughout the country to the eligible handloom weavers/agencies to facilitate regular supply of yarn to the handloom sector. Further, in order to facilitate handloom sector/weavers to compete with Mill Sector, 10% price subsidy is provided under Yarn Supply Scheme on cotton, domestic Silk, Woolen yarn and Linen yarn in hank form with quantity restrictions. The details of beneficiaries under Yarn Supply Scheme during last three years are as under:-

Year	No. of Beneficiaries Covered
2016-17	457986
2017-18	481335
2018-19	496889

Comprehensive Handloom Cluster Development Scheme (CHCDS) : The Comprehensive Handloom Cluster Development Scheme (CHCDS) is implemented for development of Mega Handloom Clusters in geographical locations covering atleast 15000 handlooms with the Government of India contribution upto Rs.40 crore per cluster over a period of 5 years.

Components such as conducting diagnostic study, corpus for raw material, etc. are fully funded by the Government of India (GoI) whereas components like lighting units, technology up-gradation of looms and accessories are 90% funded by the Government of India. Other components such as creation of infrastructure for design studio/ marketing complex/ garmenting unit, marketing development, assistance for exports and publicity are 80% funded by the GoI.

Handloom Weavers Comprehensive Welfare Scheme(HWCWS) :

The Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) and Pradhan Mantri Suraksha Bima Yojana (PMSBY) were launched by the Hon'ble Prime Minister on 9th May, 2015 for creating a universal and affordable Social Security System. While PMJJBY provides life insurance cover, PMSBY provides accidental insurance cover for accidental death or disability. For converging the schemes for life and accidental insurance into one insurance scheme for all the citizens, it was decided that handloom weavers/workers in the age group of 18-50 years will be provided life, accidental and disability insurance coverage under the PMJJBY and PMSBY. However, closed group of handloom weavers/workers in the age group of 51-59 years, which are already enrolled under the Mahatma Gandhi Bunkar Bima Yojana (MGBBY) on 31.05.2017 would continue to get covered under the Converged MGBBY.

The enrolment of weavers under Life & Accidental Insurance scheme during last three years and current financial year is as follows:

Year	Weavers enrolled
2016-17	5.32 lakh
2017-18	1.70 lakh
2018-19*	1.73 lakh
2019-20 (upto 15.02.2020)	1.38 lakh

* revised enrolment increased in Odisha State as intimated by LIC.”

24. On being asked to furnish the details of physical targets set and achievements under Yarn Supply Scheme, Handloom CHCDS and Handloom Weavers alongwith reasons for shortfalls, if any, the Ministry submitted as under:

“The details of physical targets and achievements under Yarn Supply Scheme are as under:-

Sl. No.	Year	Physical (Qty. in lakh kg)		Reason for shortfall	Financial (Rs in Crore)		Reason for shortfall
		Target	Achievements		Target	Achievements	
1	2016-17	1400	1791.20	-	261.50	261.35	-
2	2017-18	1800	1556.05	-	200.00	199.84	-
3	2018-19	2050	442.72	Due to excluding of entrepreneurs and exporters in the Yarn Supply Scheme	155.41	126.84	Due to some technical fault in PFMS system.
4	2019-2020	500	368.12(upto Jan, 2020)		155.00	-	-
5	2020-21	500	-	-	155.00	-	-

Comprehensive Welfare Cluster Development Scheme (CHCDS)

Mega Handloom Cluster has been taken up under Comprehensive Handloom Cluster Development Scheme (CHCDS) on announcement by the Finance Minister. Physical targets are not fixed under this scheme and sanction of the projects in a particular year depends on the proposals approved by Project Approval & Monitoring Committee (PAMC) and viable proposals received from State Governments.

After Union Budget 2014-15, no Mega Handloom Cluster has been announced. The interventions sanctioned in most of the 8 Mega Handloom Clusters are nearing completion and therefore the proposed budgetary expenditure for the year 2020-21 has been projected to be lesser than earlier years.

Handloom Weavers Comprehensive Welfare Scheme (HWCWS)

Name of activities	Year	Enrolment target of weavers/workers (lakh)	Achievement weavers/workers (lakh)	Reason for shortfall
PMJJBY, PMSBY and MGBBY converged	2017-18	5.32	1.70	Weavers/workers are not coming forward for enrolment as the scheme is voluntary.
	2018-19*	6.65	1.73	
	2019-20	6.57	1.38 (upto 15.02.2020)	

*The figure stands revised due to increase in enrolment numbers of weavers/workers of Odisha, as intimated by LIC.”

25. To a specific query seeking reasons for poor performance achievement figure of mere 1.38 lakhs against a set target of 6.57 lakhs

in respect of the Handloom Weavers Scheme, the Ministry submitted as under:

“LIC of India is the Implementing Agency for final enrolment of handloom weavers/workers on submission of data & their premium share by the State Governments. Under the Scheme, the enrolment period is from 1st June to 31st May, every year. The handloom weavers/workers who pay their share get covered for benefits/claim. The Central Government gives its share to LIC at the beginning of the policy year. The State Governments collect the weavers’ share of premium, and send the weavers’ premium and weavers’ details to the local unit office of LIC. However, it has been experienced that there are delays on the part of LIC’s local unit office in uploading the data on to their system which results in delays in issuing policies to the weavers. As a result, weavers/workers are not getting enrolled and deprived of the benefits/claim under the scheme. The Ministry of Textiles has taken up the matter with LIC to streamline their processes to cut unnecessary delays in issuing policies to the weavers/workers. As on 15.02.2020, the LIC of India has intimated that 1.38 lakh weavers/workers have been enrolled for the policy year 2019-20. ”

26. One being asked as to whether any remedial action has been taken by the Ministry in this regard, it was submitted that:

“The Ministry of Textiles has been actively pursuing the matter with LIC to streamline their processes to cut unnecessary delays in issuing policies to the weavers/workers. A D.O. letter addressed to Chairman, LIC was written by Secretary, Government of India on 27.01.2020 asking LIC to have the internal processes streamlined so that the policies are issued by LIC without any unnecessary delays. A meeting has been scheduled to be held in the first week of March 2020 under the Chairmanship of Secretary (Textiles) with Chairman, LIC and senior officers of Department of Financial Services, Ministry of Finance, to discuss pending issues and slow progress in implementation of the Government flagship Insurance Schemes i.e. PMJJBY, PMSBY and converged MGBBY.”

27. On being asked to stated the reasons for the increase in BE 2020-21 of National Handloom Development Programme (NHDP) standing at Rs.205 crore in comparison to the BE during 2019-20 which was Rs.135 crore, the Ministry informed as below:

“The BE of Rs. 205 crore for fiscal 2020-21 has been estimated after taking into account committed liabilities of the existing sanctioned interventions, expected receipt of fresh proposals from the State Governments, new initiatives proposed such as formation of producer companies, setting up of value-addition unit/garmenting unit/textile testing labs/ processing/dyeing unit, promotion of natural dyes and natural fibres, development of handloom villages as tourist spots, publicity, marketing projects etc.”

28. On being queried as to whether the BE of Rs.205 crore for the fiscal 2020-21 is sufficient for efficient implementation of the National

Handloom Development Programme (NHDP) scheme, the Ministry stated as follows:

“ The BE of Rs. 205 crore for fiscal 2020-21 has been estimated after taking into account committed liabilities of the existing sanctioned interventions, expected receipt of fresh proposals from the State Governments, new initiatives proposed such as formation of producer companies, setting up of value-addition unit/garmenting unit/textile testing labs/ processing/dyeing unit, promotion of natural dyes and natural fibres, development of handloom villages as tourist spots, etc.”

29. On being asked to furnish the reasons for under utilization of Rs.104.17 crore against the RE of Rs.139.50 crore under the NHDP Scheme, the Ministry stated that the actual expenditure figure for NHDP Scheme for the year 2019-20, as on 17.02.2020, stands at Rs.126.03 crore and it is expected that the remaining unutilised amount would be spent by the end of the Financial Year.

30. On being asked to state the obstacles that hindered the Ministry in achieving the physical targets set for the Handloom sector during 2019-20, the Ministry stated as under:

“Schemes under Handloom Sector are implemented on the basis of proposals received from the State Governments and require close coordination with the State Governments. Constant follow-ups are required with the State Governments for sending sufficient number of viable proposals, timely submission of weavers'/workers' share of premium and their details by the State Government to LIC for benefits under Handloom Weavers Comprehensive Welfare Scheme, and timely submission of Utilisation Certificates of existing sanctioned projects for release of subsequent installments.”

31. On a pointed query on the steps taken by the Ministry to improve their performance in achieving the set targets, the Ministry submitted as follows:

“The Office of Development Commissioner for Handlooms is in continuous touch with various State Governments, directly and through Weavers' Service Centres to study and forward proposals on regular basis. Also, wherever timely proposals are not being received from State Governments, the Weavers' Service Centres have been instructed to examine the need and feasibility of different requirements to boost handloom sector in the States, and forward the proposals directly to Office of DC (Handlooms) for necessary consideration and approval thereof.”

II. HANDICRAFT SECTOR

32. From the documents furnished by the Ministry, it has observed that the BE (2019-20) was Rs.286.17 crore which was enhanced at RE stage to Rs.332.31 crore. However, the actual Expenditure till 24th January, 2020 was only Rs.196.50 crore. In this regard, the reasons for enhancing the BE of Rs.86.17 crore of 2019-20 fiscal to Rs.332.31 crore at RE stage, when AE stood only at Rs.196.50 crore were sought. In reply thereto, the Ministry submitted as follows:

“The Office of the Development Commissioner (Handicrafts) is in the process to develop 50 clusters across the country to set up producer companies in these clusters. Out of these, producer companies have been formed in 10 clusters. Producer Company will play a key role in shaping the rural economy and overall rural development and pave a way for producer to overcome many constraints in handicrafts production and marketing. 65 clusters have been adopted across the country and need based interventions sanctioned for overall development of the artisans and to transform this clusters in a time period of 3 years by ensuring self- sustainment of the artisans/SHGs of the clusters. 08 craft villages have been identified to develop as tourist destination. The craft village is a modern concept where artisans lives and sell their products to the tourist directly simultaneously. The development of craft villages will be done with help of State agencies and DPR is in final stage. The efforts have been made to provide direct marketing platform to handicrafts artisans through organizing more number of marketing events. 09 handicrafts mega clusters are being implemented by Office of the Development Commissioner (Handicrafts). The period for implementation of different intervention has been extended upto 31st March 2020. There are pending liabilities in the mega clusters scheme. There is a requirement of funds to meet out establishment related expenditure.

Accordingly, Revised Estimates (amounting to Rs. 332.31 crore) has been enhanced by Rs.46.14 crore over BE 2019-20.”

33. The Ministry also stated the reasons for under utilization of BE during 2019-20 as below:

“The office of Development Commissioner (Handicrafts) implements programme through State agencies/cooperative societies/ NGOs etc. In some cases implementing agencies have submitted eligible proposals very late. Accordingly, the sanction / release of fund to the implementing agencies got delayed.

Further, the marketing events and other handicrafts related activities are generally being organized during the winter season. Hence, the utilization of funds is usually less during the first 3 quarters of financial year.”

34. On being queried about steps taken to improve utilization of funds under this sector, the Ministry replied in the affirmative and further

stated that the implementing agencies including State agencies have been requested to submit the proposals at the earliest and progress is being monitored on regular basis.

National Handicraft Development Programme (NHDP)

35. Details of plan outlays and expenditure during the last three years under NHDP are as under.

(in ₹ crore)

Year	BE	RE	AE
2017-18	289.70	229.82	217.06
2018-19	198.42	240.61	195.26
2019-20	286.17	332.31	196.50
2020-21	388.21	-	-

36. During the 2018-19 & 2019-20 fiscals the BE of NHDP shows an upward revision at the RE stage. However, the AE figures stood lower than even the initial BE figures. In this context, reasons for the poor utilization of funds under NHDP were sought. In reply, the Ministry stated as under:

“During 2018-19, the proposals were sanctioned well in advance however the bills amounting to Rs. 40.00 crores were not processed due to slow functioning of PFMS module in the month of March.

The Office of Development Commissioner (Handicrafts) mandatorily implemented EAT module of PFMS to implementing agencies. The implementing agencies took long time to update the respective details on EAT module of PFMS.

2019-20

The marketing events and other handicrafts related activities are generally being organized during the winter session. Hence, the utilization of funds is less during the first 3 quarter of financial year.”

37. On being asked of the steps taken for optimum utilization of increased RE 2019-20 of Rs.332.31 crore, the Ministry stated that State agencies have been requested to submit viable proposals in advance in consultation with field offices to speed up the process of sanctioning of grants. Further, all implementing agencies have been provided training on PFMS Module and file module has been implemented in the Office of

Development Commissioner (Handicrafts) to speed up the processing of proposals to obtain scope for delay.

38. On being enquired as to whether the BE 2020-21 of Rs.388.21 crore is sufficient for effective implementation of the NHDP scheme, the Ministry replied in the affirmative,

39. A detailed note on physical and financial targets of all schemes under National Handicraft Development Programme (NHDP) along with reasons for shortfall, if any was sought. The reply furnished by the Ministry is reproduced at **Annexure - II**.

40. On being asked of the reasons for under performance of the Ministry in achieving both financial and physical targets set during 2019-20 fiscal for Schemes *viz* Marketing Support and Services, Handicraft Artisan Comprehensive Welfare Scheme, Research and Development Scheme, Design and Technical Upgradation, Human Resource Development under NHDP, the Ministry submitted as follows:

“The scheme wise reasons for poor/under performance of the Ministry in achieving both financial and physical targets set during 2019-20.

(a) Marketing Support and Services: The marketing events are generally being organized during the winter session. Hence, the organizing marketing events and utilization of funds are less during the first 3 quarter of financial year. The physical targets for 2019-20 will be achieved.

(b) Handicraft Artisans Comprehensive Welfare Scheme: Under the component of PMJJBY/PMSBY and modified AABY is not attracting to the handicrafts artisans, as they are not interested in depositing their share of Rs.80.00 per artisans, per year. Further, few State Governments are having more attractive schemes with the result the enrolment under the above scheme was very meager. The issuance of photo identity card under Pahchan is a continuous process. The task for issuance of identity card would be speed up through special camps.

(c) Research and Development Scheme: Under this scheme the interventions are need based. During 2019-20, physical and financial targets will be achieved.

(d). Design and Technical Upgradation: Under this scheme, there are two major components Design Development Workshop and Integrated Design Development Projects have been sanctioned to implementing agencies for developing new designs. The physical and financial targets will be achieved.

(e). Human Resource Development: The most of the physical targets have been achieved under this scheme except target under Guru Shishya Parampara. The more number of trainings have been sanctioned under the component Handicraft Training Programme- Technical Training/ Soft Skill Training to fulfill NSQF compliance norms.”

III. POWERTEX

41. To address the long felt need of the powerloom sector and to strengthen its effective implementation, the existing schemes have been restricted by incorporating new components, a comprehensive scheme viz., PowerTex India for development of powerloom sector was launched w.e.f.1.4.2017 with an outlay of ₹487.07 crore with In-situ Upgradation of Plain Powerlooms, Group Workshed Scheme (GWS), Yarn Bank Scheme, Common Facility Centre (CFC), Pradhan Mantri Credit Scheme for Powerloom Weavers, Solar Energy Scheme for Powerlooms, Facilitation, IT, Awareness, Market Development and Publicity for Powerloom Schemes, Tex Venture Capital Fund, Grant-in-Aid to Powerloom Service Centres, Modernisation of Powerloom Service Centres.

42. Details of funds allocated and utilised for powertex during the last three years are as under:

(₹ in crore)

Year	BE	RE	AE
2017-18	--	114.15	114.15
2018-19	87.15	80.90	77.15
2019-20	129.08	130.36	26.71
2020-21	110.00	--	--

43. The above data revealed that during the fiscal 2019-20, the allocation for powertex scheme was Rs.130.36 crore at R.E stage whereas A.E was only Rs.26.71 crore. The Ministry Stated that this shortfall is due to want of clarification on the issue where CBI is investigating cases under In-Situ Upgradation in respect of machinery manufacturers who are involved in supply to kits on credit basis to the powerloom units under the jurisdiction of Regional office of Textile Commissioner/ Mumbai. In this regard, the Committee enquired whether the issue has since been resolved. In reply, the Ministry submitted as under:

“Due to the ongoing inactive position of In-situ upgradation of Plain powerloom schemes and also the deficiency in the proposals received in the Group Workshed Schemes caused reduction in expenditure. Further, some new clauses are added in the

guidelines for stand-up India schemes in the month of September 2019. The claim from respective banks are to be re-submitted as per revised guidelines for stand up India scheme.

In order to ensure the optimum utilization of the fund allocated under the In-situ upgradation of Plain Powerloom Schemes, a committee has been constituted under the chairpersonship of Special Secretary to decide whether to release the subsidy under In-situ upgradation fund scheme already processed/being processed by the Regional Offices of the Textile Commissioner other than Bhiwandi Region. First meeting of the committee held on 18th February 2020 at Udyog Bhawan, New Delhi. The banks are being persuaded for the submission of claim as per modified guidelines for stand-up India scheme. Regarding certain policy clarifications for considering the pending claim under GWS, a meeting of Project Approval Committee (PAC) held on 18.2.2020 at Udyog Bhawan, New Delhi so that the funds can be utilized.”

44. When asked about the action taken in order to iron out the issues pending with CBI. The Ministry stated as under:

“A Committee has been constituted under the chairpersonship of Special Secretary to decide whether to release the subsidy under In-situ upgradation fund scheme already processed/being processed by the Regional Offices of the Textile Commissioner other than Bhiwandi Region. First meeting of the Committee held on 18th February, 2020 at Udyog Bhawan, New Delhi to resolve the issue for pending claims.”

45. When asked about the status of the above mentioned case pending with CBI, the Ministry stated that investigation in the matter is under progress. CBI has lodged PEER (Preliminary Enquiry Report) in the matter.

46. On being asked about the current status of powerloom units other than those in Mumbai region, the Ministry submitted as follows:

“Schemes are already implemented however, due to CBI enquiries of claims under In-situ upgradation may be paid less as detailed below.

The claim of Bhiwandi region having estimated liability of Rs.100 crore can be considered only after concluding the CBI enquiry.

There are 3999 powerloom units (other than those covered under Bhiwandi) covering 16077 Powerlooms with an estimated subsidy of Rs.18.78 crore are pending for release.

47. State-wise details of the plan/ programme of upgradation of plain powerlooms and amount disbursed under them as furnished by the Ministry is as under:

“Excluding the claims of Bhiwandi region of Maharashtra, during the current financial year 2019-20, no releases has been done due to the ongoing inactive position.

The details of region-wise applications received and pending with Office of the Textile Commissioner is given hereunder:

RO	No of Units	No. of Looms	Total Eligible Subsidy (Rs)
Coimbatore	2765	11507	1353,53,750
Bangalore	903	3876	423,89,875
Guntur	151	268	53,82,000
Noida	179	422	46,88,500
Kolkata	1	4	32,000
Total	3999	16077	18,78,46,125

PowerTex India Scheme is effective till 31.3.2020. The claim (including of Bhiwandi Region) is about 120 crore.”

48. On being sought the reasons for allocation of Rs.25 crore as B.E. 2020-21 under CPCDS despite nil utilization during the previous year and also the Ministry’s plan of action to improve the dismal state of affairs in the implementation of the Powerloom Cluster Development Scheme during 2020-21, the Ministry submitted as follows:

“Release of funds under CPCDS is made after ascertaining the progress of Mega Cluster project(s) at ground level and fulfilling the certain criteria as mentioned in the CPCDS guidelines. Project Approval and Monitoring Committee meetings are held to review the progress of powerloom mega clusters. B.E.2020-21 has been proposed after assessing the physical/financial progress of the project(s). For further continuation and improvement in the scheme, a third party evaluation study of the scheme is under way.”

49. Asked to furnish a brief note on current status of Comprehensive Powerloom Cluster Development Scheme including budget allocations for the Scheme, the Ministry submitted as under:

“The present status of Powerloom Mega Clusters under Comprehensive Powerloom Cluster Development Scheme is given as under:-

(a) powerloom Mega Cluster at Erode (Tamil Nadu): Powerloom Mega Cluster at Erode was announced in the Budget 2008-09 at a project cost of Rs.145.78 crore. Under the project, an Integrated Textile Market Complex consisting of Weekly Textile Shandy Market, Daily Market (Wholesale Market Complex) and Exposition Hall were approved. The constructions of Weekly Market and Daily Market have been completed.

(b) Powerloom Mega Cluster at Solapur (Maharashtra) : Powerloom Mega cluster at Bhiwandi was announced in Budget 2008-09. Due to non-availability of land and lack of willingness among the stake holders, State Government of Maharashtra proposed to setup the Powerloom Mega Cluster at Solapur in place of Bhiwandi. Accordingly, the location has been changed with the approval of Dept. of Expenditure, Ministry of Finance. M/s. Grand Thornton India LLP Gurgaon has been appointed as

Cluster Management and Technical Agency (CMTA). The Detailed Conceptual Report (DCR) of the project approved by the Cluster Coordination Group (CCG) has been received in the Ministry.

(c) Powerloom Mega Cluster at Bhilwara (Rajasthan) : Powerloom Mega Cluster at Bhilwara was announced in Budget 2009-10. Due to non-availability of land in Bhilwara it was decided to relocate the project at Karanpura in Bhilwara District. As no progress could be made by CMTA in the last 8 years in Bhilwara, PAMC decided to cancel the CMTA and advised the Textile Commissioner to re-float the RFP for selecting the new CMTA for the project, in accordance with the guidelines. Office of the Textile Commissioner had invited the RFP and EOI for several times but due to poor response from entrepreneur as well as the State Govt. of Rajasthan, O/o TxC recommended to cancel the Project. PAMC in its meeting held on 06.01.2020 accordingly decided to cancel this project.

(d) Powerloom Mega Cluster at Ichalkaranji (Maharashtra) : Powerloom Mega cluster at Ichalkaranji was announced in Budget 2012-13 with the total project cost of Rs.113.57 crore. Till date Rs.29.70 crore has been released to the project.

(e) Powerloom Mega Cluster at Surat (Gujarat) : Powerloom Mega Cluster at Surat was announced in Budget 2014-15. M/s. IL & FS has been selected as CMTA. Cluster Coordination Group (CCG) has been formed. The DCR approved by the CCG has been received in the Ministry.

During the year 2019-20, Rs. 25.00 crore has been allocated under the Scheme.”

50. In response to a specific query, the Ministry stated that out of 5 Powerloom mega clusters, only 2 Powerloom Mega Clusters i.e. Erode and Ichalkaranji are under progress. Two Powerloom mega clusters namely Solapur (Maharashtra) and Surat(Gujarat) are at DCR stage. It was further stated that on the recommendation of O/o the TxC, PAMC in its meeting held on 06.01.2020 cancelled the Bhilwara Powerloom Mega cluster due to poor response from entrepreneur as well as the State Govt. of Rajasthan for rendering their services as CMTA for setting up of Powerloom Mega Cluster at Bhilwara.

51. The Committee desired to be apprised of the challenges faced by the Ministry while setting up powerloom mega clusters in the country. In reply, the Ministry stated as under:

“(i) **Land Issue:** Due to non-availability of land at Bhiwandi and Bhilwara these projects could not take place.

(ii) **Clearances:** Bhilwara Powerloom Mega Cluster was shifted to Soniyana village, State Govt. did not give clearance for setting up processing unit at Soniyana village due to shortage of water .”

52. As regards, the efforts being made and progress achieved by the Ministry for development of all the powerloom clusters, the Ministry merely stated that for development of powerloom clusters, review meetings are conducted from time to time.

53. On a pointed query as to whether the budget allocated to CPCDS was exclusively used for the purpose of scheme, the Ministry replied in the affirmative and stated that in the case of non-utilisation of funds under CPCDS project, the fund is surrendered to Budget & Account (B&A) Division of the Ministry before closing of the financial year. The fund is re-appropriated to any other schemes by B&A Section as per the requirement of funds sought by other Divisions of the Ministry of Textiles.

IV. JUTE SECTOR

54. The Jute industry occupies an important place in the national economy of India. It is one of the major industries in the eastern region, particularly in West Bengal. Jute, the golden fibre, meets all the standards for 'safe' packaging in view of being a natural, renewable, biodegradable and eco-friendly product. It is estimated that the jute industry provides direct employment to 0.37 million workers in organized mills and in diversified units including tertiary sector and allied activities and supports the livelihood of several lakh farm families. In addition there are a large number of persons engaged in the trade of jute. The details of the fund allocated and utilised under Jute Sector during the last three years is shown below:

(Rs. In Crores)

FY	BE	RE	AE	Remarks
2017-18	97.52	135.92	149.18	There was a requirement of Rs. 149.18 cr. during FY 2017-18 for all the organization in the Jute Sector, hence the allocations were enhanced at RE Stage.
2018-19	28.14	28.04	28.00	There was a requirement of about nRs. 135.00 cr. during FY 2018-19. Due to short allocation of funds by the Ministry of Finance to the Ministry of Textiles, short allocations were made for the Jute Sector. This lead to enforced liabilities in the Jute Sector organizations.
2019-20	34.55	84.55	84.55	The funds have been fully utilized.
2020-21	136.53	-	-	Higher funds allocations are required for ICARE, Market Promotion and Diversification Schemes, Maintenance of Infrastructure for MSP operations etc. for overall development and promotion of the Jute Sector, as recommended by the PCC on Labour in its last meeting, PAC, GOS, SFC and other meetings.

An amount of Rs. 34.55 crore had been allocated for the Jute sector during BE 2018-19 and the same has been revised to Rs. 84.55 crore RE stage. The Ministry have utilized only Rs.34.04 crore.

The above figure mentioned by PCC is for FY 2019-20 and not for FY 2018-19. Against the allocation of fund of Rs. 84.55 crore at RE stage for FY 2019-20, total allocated amount has been incurred by the Ministry.

55. Asked to state the reasons for enhancing BE of 2020-21 in comparison to BE of 2018-19 and 2019-20, the Ministry stated as under:

“National Jute Board is required to complete its Patsan Bhavan and make it functional within June, 2020 for which about 15.00 cr. additional funds are required. NJB is required to make higher allocations for ICARE, Market Promotion and Diversification Schemes & Programs for development and promotion of the Jute Sector, as recommended by the Parliamentary Consultative Committee (PCC) on Labour in its last meeting and in meetings of Public Accounts Committee (PAC), Group of Secretaries and in other meetings. A Grant of subsidy amounting to Rs. 100 Crore for FY 2018-19 and 2019-20 (Rs 50 Crore for each FY) to Jute Corporation of India has already been approved by SFC to maintain its infrastructure for MSP operations. Under infrastructure for MSP operations, Rs. 64.60 Crore is liability to JCI. There are also other liabilities of the previous years which are required to be cleared during 2020-21. The average requirement of Funds for the Jute Sector has been around 135-140 cr. during the previous years. Due to short allocations of funds for Jute Sector during 2018-19 and 2019-20, there had been enforced liabilities which are being carried forward. Keeping in view the justified requirements of the Jute Sector, allocation for the same has been enhanced during 2020-21. The PCC on Labour had, in its last meeting, recommended for enhancing allocations for the Jute Sector as the short allocation had been compromising development and promotion of the Jute Sector.”

56. On the steps taken to ensure availability of adequate funds for Jute Sector, the Ministry stated that they have been regularly taking up the matter of higher allocation of funds for the Jute Sector with the Ministry of Finance.

57. Details of Jute export and imports both in quantity and amount during the last three fiscals as furnished by the Ministry is as under:

"The details of the Jute and Jute goods export and imports, both in quantity and value, are given below:

EXPORT PERFORMANCE: The Exports trends during the year 2014-15 to 2018-19 are as under: -

(Quantity in '000' MT Value Rs. in Crores)

Quality	2014-15		2015-16		2016-17		2017-18		2018-19	
	Qty. ('000 MT)	Value (Rs. Cr)								
Hessian	80.2	769.5	77.7	827.3	78.6	930.2	86.86	917.24	64.1	802.69

Sacking	46.9	296.6	38.7	307.5	46.6	411.9	44.75	407.20	37.0	432.91
Yarn	23.6	138.7	16.9	118.5	9.3	72.8	16.98	130.20	13.6	109.42
JDPs	NA	508.6	NA	562.3	NA	590.9	NA	631.50	NA	815.50
Others	7.7	100.4	5.1	73.7	4.1	68.5	19.63	72.43	7.0	112.75
Total	161.7	1813.8	155.2	1889.4	155.1	2074.2	168.22	2158.57	121.7	2273.27

Source: National Jute Board

IMPORT OF RAW JUTE AND JUTE GOODS PERFORMANCE

The Imports trends during the year 2014-15 to 2018-19 are as under:

S. No.	Product	Quantity in'000'MT/Value in Rs. Crores)			
		2015-16	2016-17	2017-18	2018-19
1	Hessian	181.41	57.57	122.38	184.40
2	Sacking	475.91	307.43	413.73	432.66
3	Yarn	509.81	502.43	310.94	292.13
4	JDPs	9.00	10.02	9.43	12.34
5	Others	80.41	54.17	23.82	30.39
	Total of All Jute Goods	1256.55	931.61	880.29	951.92

58. On being enquired whether Indian Jute Industry was able to generate profit and measures taken to overcome the impediments faced by the Jute Industry, the Ministry submitted a detail note which is reproduced at **Annexure-III:**

59. On a query as to whether the Ministry gives any special benefits to Jute exporters in order to enhance the export of Jute products, the Ministry stated as under:

“Government has been providing special benefits to the Jute Exports by way of subsidizing their cost of participation in International/export promotion fairs, exhibitions, delegations, BSM etc. Enabling them to enhance the exports of jute products. The details and performance of the Scheme are given below:

The Export Market Development Assistance (EMDA) Scheme facilitates registered manufacturers and exporters of jute products to participate in international fairs and business delegation abroad for export promotion of lifestyle and other JDPs. The performance under the Scheme during the last 5 years is given below:

Year	2014-15	2015-16	2016-17	2017-18	2018-19
Rs. In lakhs	272.78	306.48	428.12	384.39	329.22
No. of units	51	63	73	60	70

V. COTTON CORPORATION OF INDIA

60. Cotton Corporation of India (CCI) has been nominated by the Government of India for undertaking MSP operations in the event when prices of seed cotton (kapas) touch MSP level for procuring entire quantity of kapas offered by the cotton farmers in various APMC market yards at MSP rates without any quantitative limit. When prices below MSP, CCI procure cotton at MSP rate through its 348 procurement centres across the 11 cotton growing states. Besides this, additional 48 centres will also be opened on need basis. Details of the amount allocated and utilised under procurement of Cotton for the last three years are as under:

(₹ in crore)

Year	B.E	R.E	A.E
2017-18	₹0.01	₹302.67	₹102.68
2018-19	₹924	₹924	₹924
2019-20	₹2,017.97	₹2,017.57	₹1893.39
2020-21	₹0.01	-	-

61. On being enquired whether there is a decrease in production of cotton during 2019-20 as the allocation was only Rs.0.01 crore, the Ministry submitted as under:

- “There is no decrease in production of cotton during cotton year 2019-20 (1st October, 2019 to 30th September 2020). The Cotton Advisory Board (CAB) has estimated that production of cotton is expected to be increased by 9% to 360 lakh bales as against 330 lakh bales during previous cotton year 2018-19. ..Only Rs.0.01 crore has been allocated in B.E. 2020-21. For the expected losses on present price support operation, funds to the tune of Rs. 936.83 crore and Rs. 4594 crore were sought in R.E. 2019-20 and B.E. 2020-21 respectively. However, no fund has been received in R.E. 2019-20 and only a token amount of Rs. 1 lakh has been provided in the B.E. 2020-21.”

62. Reasons for substantial downward revision of B.E for the current fiscal in comparison to the BE of previous years were sought. In reply, the Ministry submitted as under:

“During the current cotton year 2019-20, it is expected that a large volume of cotton would be procured under Minimum Support Price (MSP) operations. During the

cotton year 2019-20, as on 14th February 2020, Cotton Corporation of India (CCI) Limited procured 63.29 lakh bales of seed cotton (kapas) under MSP operation as against 10.70 lakh bales during the entire cotton year 2018-19. In the wake of huge price support operation, the MSP losses to be reimbursed will also be huge. Hence, funds to the tune of Rs. 936.83 crore and Rs. 4594 crore were sought in R.E. 2019-20 and B.E. 2020-21 respectively. However, no fund has been received in R.E. 2019-20 and only a token amount of Rs. 1 lakh has been provided in the B.E. 2020-21.”

63. On being queried about reasons for not buying cotton directly from farmers and the role of Cotton Corporation Ltd. interventions made for buying Cotton directly from farmers after the harvest of cotton crop, the representative of the Ministry of Textiles elaborated during evidence as follows:

"

...सर, हमारे पास जो सबसे ज्यादा शिकायतें आती हैं तो कॉटन कॉर्पोरेशन के ऊपर सबसे बड़ा चार्ज यही होता है कि आप इसे ट्रेडर्स की तरह होर्ड करते हैं और आप इसे बाजारों में रिलीज नहीं कर रहे हैं। अगर मेरे पास दस शिकायतें आती हैं तो उनमें सात शिकायतें इसकी आती है कि कॉटन कॉर्पोरेशन एम.एस.पी. ऑपरेशन करके कॉटन को अपने पास रखे हुए हैं और उसे मार्केट में छोड़ नहीं रहा है और होर्डिंग कर रहा है। हमारे पास स्पीनिंग मिल्स आती हैं। वे कहती हैं कि इस कॉटन को आप तुरन्त छोड़वाएं। इसे कॉटन कॉर्पोरेशन होर्ड कर रहा है।...

....सर, हमारी कोशिश यही है कि जो एम.एस.पी. है, उसी लेवल पर इनके होल्डिंग कॉस्ट और इंटेरेस्ट कॉस्ट को जोड़कर उस प्राइस पर बिके। इनका सिस्टम यह होता है कि every day there is an auction done by the CCI. ऐसा नहीं है कि वे उसे अपनी मर्जी से छोड़ते हैं। रोज सबेरे उनकी लॉट्स है। वे उन्हें बताते हैं कि आज की तारीख में हम यह ऑक्शन खोल रहे हैं। फिर जो खरीदना चाहते हैं, वे उसे खरीदते हैं।

सर, जो आप कह रहे हैं, उसमें लॉसेज को कम करने के लिए हमारी कोशिश यही है कि जो हमारा एम.एस.पी. है, उस पर जो इंटेरेस्ट कॉस्ट है क्योंकि बैंकों से पैसे लेते हैं, उसकी जो होल्डिंग कॉस्ट है क्योंकि हम भाड़े पर गोदाम लेते हैं, सी.सी.आई. को चलाने की जो कॉस्ट है, इन सबको जोड़कर उस प्राइस पर रिलीज करें। हमारी कोशिश यही रहती है।“

64. On the specific steps taken by the Ministry to ensure adequate availability of cotton for domestic consumption in the textile industry, the Ministry in their written reply stated as under:

“India is a net cotton surplus country where cotton production is more than consumption. Hence, there is adequate availability of cotton for domestic consumption in the textile industry. Statement showing domestic cotton balance sheet as finalized by Cotton Advisory Board for cotton season 2016-17 to 2019-20 is as under:-

(Quantity in lakh bales of 170kgs)

Particulars	16-17	17-18	18-19(P)	19-20(P)
SUPPLY				
Opening stock	36.44	43.76	42.91	44.41
Crop (Production)	345.00	370.00	330.00	360.00

Imports	30.94	15.80	31.00	25.00
Total Supply	412.38	429.56	403.91	429.41
DEMAND				
Mill Consumption	262.70	280.11	274.50	288.00
S.S.I Consumption	26.21	26.18	25.00	25.00
Non Textile Consumption	21.50	12.77	16.00	18.00
Total consumption	310.41	319.06	315.50	331.00
Exports	58.21	67.59	44.00	50.00
Total Demand	368.62	386.65	359.50	381.00
Closing Stock	43.76	42.91	44.41	48.41

Source: Cotton Advisory Board (CAB) meeting dated 28.11.19

P-Provisional

65. On being asked about the incentives to encourage farmers to increase their crop area under cotton, the Ministry apprised as under:

“Every year, the Corporation is opening more than 400 procurement centres to avoid any eventuality of distress sale by farmers. CCI officials during their field visits motivates the farmers to adopt best farm practices for increasing cotton production, productivity and improving the quality of cotton and thereby increasing the income of cotton.

- The Corporation is promoting mechanization of cotton harvesting under Corporate Social Responsibility with a vision to equip all the marginal and small cotton farmers in the Country with hand held kapas plucker machines in a phased manner. This project will be helpful in increasing the cotton farmers’ productivity and cotton farm income by reduction in cost of production by about 20%. This will also reduce contamination at farm level, improve the quality of cotton and thereby better returns to the farmers.
- To have direct interaction and outreach with the cotton farmers, CCI has developed a farmer friendly mobile app, “Cott-Ally”. This app is a platform to keep the cotton farmers’ informed about Minimum Support price Operations and authentic information on quality management of cotton crop & other related information. ”

66. On being asked whether Indian cotton is competitive in the global market, the Ministry stated that Indian cotton is competitive in the global market and India is the second largest exporter of cotton having about 9% share in the World export of 553 lakh bales. Statement showing export of cotton from India vis-à-vis world export during last 5 years is given below:

Particulars	2014-15	2015-16	2016-17	2017-18	(Quantity in lakh bales)	
					2018-19 (P)	2019-20 (P)
Export from India	57.72	69.07	58.21	67.59	44.00	50.00
World Export	443.35	481.57	535.08	542.72	553.31	579.18

Source: ICAC journal, “cotton this month” dated 3rd February 2020 for world export and Cotton Advisory Board (CAB) for export from India P-Provisional

67. On the effective steps taken to make Indian Cotton competitive with its counterpart in other countries, the Ministry submitted as under:

“Steps taken by the Ministry in order to make Indian Cotton competitive are as under:-

- Cotton Corporation of India (CCI) Ltd. has provided digitalized moisture meters, micronaire testers and portable ginning machines to all its procurement centres, so that on the one hand farmers get right price for their produce based on scientific assessment of their quality at spot and better and textile industry get good quality cotton to be more competitive.
- Cotton Corporation of India (CCI) Ltd. has prescribed quality norms for ginning and pressing factories to give better quality of cotton as per parameters fixed for lint %, shortages, trash% and packing quality of bales to ensure supply of good quality cotton to the Textile Industry.
- CCI pricing system is flexible and value based and is decided as per market conditions of demand and supply. CCI is selling its stocks on daily basis through e-Auction without break so that textile mills including MSME units may cover their need of good quality cotton at reasonable prices. ”

68. As regards the details of India’s export and import of cotton products both in quantity and value during the last three fiscals, the Ministry furnished the following information:

(Quantity in lakh bales of 170 kgs/ Value in Rs.crores)

Cotton Exports by India			Cotton Imports by India		
Crop Year	Quantity	Value	Crop Year	Quantity	Value
2015-16	69.07	11434.80	2015-16	22.79	4231.72
2016-17	58.21	11676.00	2016-17	30.94	7679.00
2017-18	67.59	13976.71	2017-18	15.80	4224.84
2018-19	43.54	9502.72	2018-19	35.37	8339.26
2019-20*(P)	50.00		2019-20*(P)	25.00	

Source: Textile Commissioner Office/DGCIS Kolkata

*P-Provisional as per Cotton Advisory Board (CAB)

69. During evidence, the Committee enquired whether India would be able to take location advantage for export of Cotton to nearby countries like Bangladesh, Indonesia etc. as compared to USA. The Secretary, Ministry of Textiles in this regard, deposed as under:

“Sir, I will go one step backward and then I will come over the Bangladesh situation. Today, the cotton position in the world is like this. We are the second largest producer of cotton in the world. But, our area of cultivation

is the highest in the world. Our productivity of cotton today is about 450 quintals per hectare. The world average is about 800. पाकिस्तान में 750 क्विंटल होता है। The best countries which are there are producing is almost 2000 quintals per hectare. Now, I am going into a little detail. Our problem in cotton is that our productivity per hectare is very poor. अब आप कहेंगे कि प्रोडक्टिविटी क्यों पुराना है। सर, हमारी प्रोडक्टिविटी 250 क्विंटल प्रति हेक्टेयर थी। About six-seven years back GM was introduced. It may be a little earlier.....

.....सर, यह पार्ट-1 की बात हुई। आपने बिल्कुल सही बोला है कि हम बांग्लादेश के साथ क्या कर रहे हैं। अभी हमने एक इंडो-बांग्लादेश टेक्सटाइल फोरम बनाया है। हम 15 दिन पहले एक डेलिगेशन लेकर बांग्लादेश गए थे। इस बारे में हमने बांग्लादेश गवर्नमेंट से बात की। बांग्लादेश की जो टेक्सटाइल इंडस्ट्री है, इस समय वह बेसिकली अपरेल इंडस्ट्री है। वे फैब्रिक लाते हैं और उसको काटकर अपरेल बनाकर बेच देते हैं। Now, they are gradually getting into the yarn space. They are starting to make yarn and also some fabric. हमने उनसे कहा कि हम आपके प्रतिद्वंद्वी नहीं हैं। We are not competitors. Let us work as a local, regional supply chain. I will supply you, जो आपने बोला उसी तरह से हमने उनको कहा कि हम यहां से आपके यहां फैब्रिक सप्लाय करते हैं और आप अपरेल बनाकर आगे दीजिए। यह 15 दिन पहले की बात है। Bangladesh Government was very hesitant कि पता नहीं इंडिया गवर्नमेंट हमसे क्या मांगना चाहती है। हमारी अपरेल एक्सपोर्ट बंद करना चाहती है। Fortunately, the Textile Minister of Bangladesh, the Textile Secretary, they were all there in the meetings. They have agreed that this is a very good proposition.

सर, वे चीन से यार्न तथा फैब्रिक खरीदते हैं। हमने उनसे कहा कि आप वहां से मत खरीदिए। हम आपको अपने यहां से यार्न और फैब्रिक देंगे और आप अपरेल बनाकर एक्सपोर्ट करिए। So, we have just concluded this. I think, we will be able to have a strong agreement between Bangladesh and us, as you rightly say, to supply fabric to them, supply yarn to them and they make the apparel and export it. We are seized of the matter and we are working towards that.”

VI. DEVELOPMENT OF SILK INDUSTRY

70. Central Silk Board (CBS) is implementing “Integrated Scheme for Development of Silk Industry” which is known as “Silk Samagra” with the following 4 components viz. Research & Development, Training, Transfer of Technology and I.T. initiatives; Seed Organization; Coordination and Market Development; Quality Certification Systems, Export, Brand Promotion & Technology Up-gradation. The above four major Components of Silk Samagra are interlinked and aimed at a common goal. While the R&D units develop technology packages, impart training on improved technology programmes to stake holders and transfer the technology to the field through front line demonstration, the responsibility of seed production units is up-keep of the four tier seed multiplication network for maintaining the racial quality, hybrid vigor and robustness of breeds, production and supply of nucleus and basic seeds to own units and State seed production units and facilitate increase in the basic seed production in State units.

71. The financial allocation and expenditure incurred on Sericulture for the last three years were stated to be as follows:

(Rs. in crore)

Year	BE	RE	Actual expenditure
2017-18	575	600	542
2018-19	510.61	600.61	601.29
2019-20	740	765.45	582.16
2020-21	810	--	---

72. As regards, the financial and physical target and achievement of Sericulture during 2019-20, the Ministry furnished the following information:

(Rs. in crore)

Scheme	BE	RE	Actual
Sericulture	740	765.45	582.16

Sl. No.	Name of Scheme	Target	Physical Achievement
1.	New Projects to be initiated	50	24
2.	Capacity Building and Training under CSB Schemes	15750	3654
3.	Cocoon and Raw Silk Centers	18	15
4.	Programmes/Events/Expo/Roadshow to be organised	500	411
5.	Production of basic and commercial seeds for Mulberry, Tasar, Muga	595	289.60
6.	SMOI Activities (Members enrollment No.)	260	221

73. Asked to state the reasons for shortfalls during the fiscal 2019-20, the achievement of both financial and physical targets, the Ministry stated as under:-

“ Against the target of 50 new research projects to be initiated during 2019-20 by CSB R&D institutes, achievement was 24 as on 31.12.2019a and 27 more research projects have been approved by CSB for implementation. Besides, as on date, 37 research projects have been concluded during 2019-20 as per target, besides dissemination of 33 technologies. Hence, there is no shortfall.

Against a target of 595 lakhs, 393.35 lakhs dfls (both mulberry and Vanya) have been produced up to January, 2019 and is expected to achieve the target by March, 2020 as the remaining period is favorable for cocoon production.

Under the Quality Certification Systems, the set targets will be achieved by March, 2020.”

74. On steps taken to involve trained persons in sericulture and maintainance of database of persons trained, the Ministry stated as follows:

“(a) Need based training programmes are organized with a focus on skill seeding and skill up-gradation in silk sector so as to create employment opportunities (mostly self-employment) for the new entrants and also to increase in income level of the existing entrepreneurs by adapting improved package of practices.

(b) New initiatives are also being taken to undertake training programme in silk industry under SAMARTH.

(c) The new entrants after training, necessary Govt. support are been extended for self-employment in Cocoon production, CRC, Door to Door Disinfectant Agents, Seed production and PCT activities.

(d) The data base of persons trained is maintained by Central Silk Board.”

75. On a further query whether youth are not interested in Sericulture as under Capacity Building and Training (CBT) under Central Silk Board (CSB) Scheme, only 3654 candidates have enrolled against the CSB target of 15750, the Ministry submitted as under:

“Central Silk Board had envisaged to cover 15,750 persons during the year 2019-20, against which 8948 candidates have been trained so far. The break-up of target & achievement are as follows:

Training Segment	Target	Achievement so far
Existing stakeholders) Skill up-gradation	10,190	6,267
New entrants) :PGDS, Intensive Seri Trg, EDP	150	79
Skill Trg under SAMARTH)Initial formalities are in the process(1,360	--

Other need based progmmme] Sponsored by DoSs & other Agencies) Demand depended[(4,050	2,602
TOTAL	15,750	8,948

In view of delayed availability of funds (Sept'19), initial pace of the achievement was little slow. However, time bound actions were initiated by all the Institutes and cluster based on-field programmes were incorporated to fulfill the training need. So far, 8,948 persons have been trained and it is expected to achieve the target.”

76. Central Silk Board (CSB) has involved various State Departments/ Organisations/ Units in their programmes primarily in Eastern and North Eastern regions. On the measures taken to further enhance the collaboration so as to generate better response as well as employment opportunities, the Ministry stated as under:

“CSB has nominated Nodal Officers from CSB Hqs for each States for taking personal attention. CSB has also set up Regional Officers in these Zones f effective coordination with the States. State Level Sericulture Coordination Committees under the Chairmanship of the Secretaries / Principal Secretaries, Member Secretary, Central Silk Board and sister departments as Members are constituted between CSB & State for smooth coordination with the States for effective implementation of the Sericulture Programmes in States. The Project Monitoring Committee under the Chairmanship of the Commissioners / Directors of Sericulture in State with members from CSB Institutes and Nodal Officer nominated for States to review the progress of the Sericulture Development Programmes and recommend schemes to CSB for its implementation in States so as to achieve the set targets. Monthly, Quarterly, Half yearly and annual review meetings were conducted regularly at CSB, State level by Member Secretary to review the performance of the Schemes also video conferencing is also been conducted regularly with States, CSB Institutes and Sericulture Stakeholders level to review the progress of the Schemes of CSB. Since, CSB has been advised for right sizing its staff. the manpower constraints in CSB Regional Offices are hampering the coordination process with States. Under Silk Samagra-ISDSI, the CSB has been implementing various beneficiary oriented components in coordination with the states with special emphasis to ensure overall development of silk industry in the country including Eastern and NE States..”

77. Asked to furnish the details of recent Developments under ISDSI, the Ministry submitted as under:

The details of recent development / Key achievements under Silk Samagra (ISDSI) are as follows:

- (a) Patent obtained for 5 technology packages
- (b) Initiated 27 new research projects, 23 new research projects are in pipeline, concluded 33 research projects and 30 technology packages disseminated
- (c) 15 mulberry varieties and 25 silkworm breeds developed till 2019-20

- (d) 13,885 persons trained during 2018-19 and 8948 persons during 2019-20 (upto January) under various programmes organized by the Research & Training Institutes of CSB
- (e) The R&D institutes of CSB, in addition to the in-house funded projects, are also carrying out collaborative research projects with the financial assistance from DBT, DST, MNRE etc. As on date a total of 19 research projects with external funding are being carried out.
- (f) CSB Institutes are also collaborating with other research Institutes such as, IIHR Bengaluru, NCL Pune, JNU New Delhi, UDSC New Delhi, University of Bengal, MNRE Ministry of Renewable Energy Jharkhand, ICAR-NBAIR, Bengaluru, NESAC, Shillong, CSIR-NEIST Jorhat, Nagaland University, University of Kashmir, R.V. College of Engineering Bengaluru etc. At present, 13 such projects are being carried out in collaboration with some of these institutes.
- (g) MOU has been made with research institutions in Bulgaria, Japan, China, and Australia for exchange of Genetic material to improve hybrid vigor of mulberry silkworm.
- (h) Five pure breeds and one hybrid with higher shell ratio have been brought from Bulgaria and inducted into the breeding program of silkworm in India for developing Bivoltine silkworm breeds with higher yield potential suitable for Indian conditions. In the same line, biotechnological projects aiming at developing transgenic silkworm breeds resistant to deadly pathogens like Viruses (NPV, DNV, IFV), and microsporidians (Nosemaspp) have also been undertaken with Japanese Institutes. The transgenic silkworm resistant to NPV infection has been taken into the on-farm testing with the permission of RCGM.
- (i) A multi institution project is under progress to sequence the mulberry genome to utilize the information for genetic improvement of the host plant. Similar another such project on sequencing of genome of Muga silkworm is also under progress to understand its uniqueness.
- (j) Under Seed sector, the total Seed production has reached to 559.65 Lakhs during 2018-19 from 465.86 lakhs in 2017-18 registering increase of 20%. 393.35 lakhs dfls (both mulberry and Vanya) have been produced upto January, 2020
- (k) The total raw silk production increased by 11% (35,468 MT) during 2018-19 over the previous year 2017-18 (31,906 MT). The Bivoltine raw silk production achieved a record production of 6,987 MT during 2018-19 by registering 18.95% growth over previous year. During 2019-20 (upto December), the total silk production has reached 26251 MT, which includes 4740 MT of superior quality Bivoltine raw silk. As, the months February and March during the fiscal year are favorable rearing season, It is anticipated to achieve the target of 38,530 MT (including 8,500 MT of Bivoltine Raw silk) by end of March,2020.
- (l) The employment generation in the country is raised to 9.18 million persons in 2018-19 compared to 8.60 million persons in 2017-18, indicating a growth of 6.75%. During 2019-20, it is anticipated to reach 10.00 million persons.
- (m) Raw silk yield per hectare has increased to 105 kgs during 2018-19 compared to 96 kgs during 2014-15
- (n) Cauveri gold (MV11 X S8) an improved cross breed with 62 to 74 kg/100 dfls has been developed.
- (o) Developed a thermo-tolerant Bivoltine double hybrid (N21 x N56) with yield potential of 72 kg cocoons/100 dfls with 21.5% shell, through molecular marker assisted selection breeding. In addition to these two new productive Bivoltine hybrids viz., CSR52N x CSR26N and (CSR52N.S8N) x (CSR16N.CSR26N) with BmNPV tolerance and Improved cross breeds viz., ICB17 x S8 and ICB14 x N23

with a yield potential of 70kg/100 dfls and 2A-3A silk have been developed and are under testing in the field.

- (p) Developed a new reeling machine “Sonalika” as a replacement for “Bhir” reeling” of Muga cocoons.
- (q) Automatic Reeling Machine for mulberry and improved Vanya Reeling machine developed and commercialized. 32 Automatic Reeling Machines have been supported so far under Silk Samagra (2017-18 to 2019-20)
- (r) The GoI has launched a programme for eradication of the old age un-hygienic thigh reeling mostly practiced by women folk by replacing the Buniyaad reeling machine. A total of 4,500 Buniyaad Reeling Machines have been distributed under Silk Samagra mostly to tribal women.
- (s) Under Quality Certification Systems / Brand Promotion, 291 Members enrolled, 25.46 lakhs Silk Mark labels distributed 463 programmes/events/expos/road shows organized in 2018-19. During 2019-20 (Up-to Jan), 25.6 silk mark labels distributed, 235 members enrolled and 445 programmes/events /road shows organized and the set targets will be achieved.

78. On the steps taken by the Ministry to overcome impediments, the Ministry stated as follows:

"Major impediments in sericulture sector are:-

- (a) R & D on Increase Shell ratio (silk content / cocoon) from 22% to 25 % for quality silk production.
- (b) Import Dependence- 29% of total Bivoltine Silk consumption (2785 MT) is imported.
- (c) Absence of private enterprise / investments - Sericulture only household activity - Need of scaling up of Post Cocoon process.
- (d) Extension Constraint - Concentrated only in few traditional sericulture States, non-availability of land for host plant cultivation.
- (e) Taxation Issues - 18% GST on Post Cocoon Technology machines.
- (f) Lack of Marketing Linkage of Vanya Silk (Eri, Tasar, Muga).
- (g) Limited capacity with States for quality seed production.
- (h) Lack of sericulture infrastructure at State Level, Steps initiated to address the impediments.

Steps taken to overcome the impediments

- (a) Initiated Collaborative research for Breed improvement of Silk worm and plant - Genetic resources available internationally, R&D project.
- (b) R & D focus on utilization of Seri-wastes for cosmetic / biomaterials and biomedical applications.
- (c) Promote Large Scale Farming, Farmers Producer Organisation for sustainable growth in silk sector. ToT effort on Federating small clusters into Mega-cluster for up scaling silk production including Tribal Areas with special focus on NE Region.

- (d) Encourage private participation in Bivoltine Seed production & Silk Sector.
- (e) It is proposed for horizontal expansion in silkworm host plant acreage, increase the Silkworm Chawki Centres for the supply of healthy young silkworm to farmers, timely support of critical interventions including Automatic Reeling machines actually required in the field, increase the state silkworm seed production base, Increase the high yielding hybrid Silkworm Breed, Quality Control by new cocoon testing and raw silk testing centres, Increase in Bivoltine Silk Production with effective disease monitoring, it is proposed to overcome the impediments.
- (f) Besides, funds from other Central Schemes like RKVY (MoA), SGSY(NLRM), MKSP, MGNREGA, (MoRD), TDF (NABARD) MSME, NERTPS etc. are proposed to be dovetailed for sericulture development through the convergence mechanism instituted by CSB for better synergy ensuring that there shall be no overlapping of objectives, duplication of efforts and coverage with this scheme. It is planned to focus on the following areas to increase and improve the quality of silk to produce import substitute silk within India.
- (g) Thrust for improving the Silk Exports through Product Diversification to attract Western countries and expand Market Avenues to Third World Countries.
- (h) Promotion of Silk products at National & International Markets through selling of Silk Mark labels, organizing Awareness Programmes.
With above steps, it is planned to produce 8,500 MTs of import substitute Bivoltine silk in the country per annum by end of 2019-20 so as to bring the import to a bare minimal level."

79. During the evidence, the Committee sought the details of the promotional activities taken up for enhanced production of International Standard Quality Silk towards achieving this goal within a stipulated timeframe. In their subsequent written reply, the Ministry submitted as follows:

"The following promotional activities have been taken up for enhanced production of International Standard Quality Silk towards achieving the goal within stipulated period

- a) R&D has been focused to evolve productive bivoltine hybrids and package of practices for production of high quality bivoltine silk in the country. Efforts are made to develop new silkworm hybrids with higher productivity to suit to diverse agro- climatic conditions.
- b) Initiated Collaborative research for Breed improvement of Silk worm and host plants - Genetic resources available internationally. International collaboration with Deakin University, Australia on post cocoon technology, Research Institute in Bulgaria on breed improvement and with Swedish Research Council on molecular characterization of IFLA virus infecting tasar silkworm have been initiated. MOU has been made with Research Institutions in Bulgaria, Japan, China, and Australia for exchange of Genetic material to improve hybrid vigour. MoU is being entered with Uzbekistan.
- c) In-order to enhance the productivity, quality and reduce drudgery, Technology Up-gradation projects for making mechanization affordable was taken up in all the sub-sectors. Most of the technologies have been incorporated in SILK SAMAGRA for their dissemination.

- d) Transfer of Technology (ToT) effort on Federating small clusters into Mega-cluster for up scaling silk production including Tribal Areas with special focus on NE Region.
- e) Cluster Promotion Programme is being continued from 2017-18 to 2019-20 mainly to focus on enhancing the Country's bivoltine raw silk production target of 8500 MT at the end of 2019-20. 151 clusters have been organized across the country with the support of State Governments to augment the production of bivoltine silk. Against the target of 7200 MTs of Bivoltine silk, 6987 MTs of import substitute Bivoltine silk has been produced during 2018-19. The efforts are being carried forward during 2019-20 with more thrust on enhancing the production, productivity and quality of Bivoltine silk involving progressive farmers group.
- f) For production of 3A to 4A grade raw Silk using bivoltine cocoons 66 ARMs are have been established.
- g) Provide Critical input support to the beneficiaries from Kissan Nursery to Fabric production for productivity and quality improvement
- h) Quality Control through establishment of cocoon testing and raw silk testing centres,
- i) Focus on elite, nucleus and basic seed production of improved Bivoltine breeds. Strengthen and equip the Basic Seed Farms, Silkworm Seed Production Centres and Cold Storages.
- j) Encourage private participation in Bivoltine Seed production & Silk Sector.
- k) Technical Support the State Governments as well as private producers for production of quality mulberry (Bivoltine) seed.

With above steps, it is planned to produce 8,500 MTs of import substitute Bivoltine silk in the country per annum by end of 2019-20so as tobring the import to a bare minimal level.”

80. Details of export and import of Silk products during the last three years as the Ministry are as under:

“The details of exports and imports of silk products during the last three years 2016-17 to 2018-19 and 2019-20 (upto Nov) are as follows:

Imports

Year	Quantity (MT)	Value (Rs. in Crores)
2016-17	3795	1092.26
2017-18	3712	1218.14
2018-19 (P)	2785	1041.40
2019-20 (April-November)	2300	780.60

Exports:

Items	2016-17	2017-18	2018-19	2019-20 (Provisional) (April-Nov)
Natural Silk Yarn	15.33	15.67	24.72	5.7
Silk Fabrics	1051.65	864.81	1022.43	264.52
Readymade Garments	864.33	650.48	742.27	581.89
Silk Carpet	63.78	17.34	113.08	102.34
Silk Waste	98.33	101.19	129.38	67.59
Total	2093.42	1649.48	2031.89	1022.04

VII. AMENDED TECHNOLOGY UPGRADATION FUND SCHEME (A-TUFS)

81. To boost employment generation in the textile sector, the government provides an additional 10% capital investment subsidy (CIS) for garmenting and made ups units which have availed 15% CIS benefit under ATUFS based on the achievement of projected production and employment after a period of three years. ATUFS was notified in January 2016 with an outlay of Rs.17,822 cr to mobilize new investments of about Rs.95,000 crores and to create new employment for about 35 lakh persons by the 2022. As on 20.01.2020, a total of 9605 UIDs have been issued under ATUFS with estimated project cost of Rs. 39,826.28 crore.

The allocation and expenditure under TUFS during for the last three years are as follows:

(Rs. in Crore)

Year	BE	RE	Actual Expenditure
2017-18	2,013.00	1,956.00	1,904.95
2018-19	2,300	622.63	615.68
2019-20	700	494.37	151.11
2020-21	761.90	-	-

82. When asked to state the reasons for for reduction of BE at RE stage during 2017-18 to 2019-20 fiscal, the Ministry stated as follows:

“The important reasons for reduction of BE at RE stage during 2017-18 to 2019-20 are as follows:

- (a) Outstanding committed liability on account of repayment of loans progressively reduced over the years

- (b) Ceiling imposed under Amended Technology Upgradation Fund Scheme (ATUFS) led to better coverage of MSME and restricted large payment of subsidy to big players
- (c) Average project size/investment under ATUFS is smaller than previous versions of TUFs (MTUFS, RTUFS and RRTUFS)
- (d) Introduction of physical verification of machinery resulting in rejection of inadmissible claims
- (e) Spinning segment which requires large investment has been excluded under ATUFS, as it is fairly modernized
- (f) Joint Physical Inspection also introduced in previous version of TUFs, which is time consuming exercise .”

83. On being asked the reasons for reduction of BE 2020-21 vis-a-vis BE 20 under TUFs and its affect on implementation of the Scheme during 2019-20, the Ministry submitted as under:

During 2019-20, BE of Rs. 700 crore has been allocated based on the actual expenditure incurred during the previous year. The allocation of Rs. 700 crore has been made to meet the expenditure under (i) Committed liability cases of previous versions of TUFs (MTUFS, RTUFS and RRTUFS) and (ii) subsidy claims under the new scheme ATUFS introduced with effect from 13.01.2016. Under RE 2019-20, the allocation has been revised to Rs. 494.37 crore.

Though substantial number of claims has been received under ATUFS, large number of claims are getting rejected or objected on account of deficiencies in documents submitted by the units. Further, average subsidy outgo per claim under ATUFS is much less as compared to the previous versions of TUFs. As regards committed liability cases of previous versions of TUFs, though banks/lending agencies have submitted subsidy claims on quarterly basis, they have not uploaded requisite documents/information in i-TUFs portal to facilitate Joint Physical Inspection of machinery. The matter is being pursued with banks/lending agencies and DFS to expedite the submission of necessary documents.

As a result of various remedial action initiated by the Ministry, there is improvement in claims getting settled after physical verification under ATUFS as well as previous versions of TUFs during third quarter of 2019-20. If the situation continuously improve, the proposed allocation is likely to be sufficient for 2020-21. ”

84. On being asked to furnish State-wise details of funds utilised under TUFs during the last three fiscals, the Ministry stated that under the scheme, funds were not allocated state-wise as it was a demand driven scheme and claims were settled on first come first served basis irrespective of the location/state of the unit. State-wise details of funds released to the units located in various States under the scheme during last three year are reproduced in **Annexure-IV**

85. The Committee then desired to know the extent to which A-TUFs has benefitted the textile industry in increasing investment, employment,

generation and incentivise production in Garments units as well as Made-Up sector since its inception. In reply, the Ministry stated as below:

“Garment sector of the textiles industry, not only represents the top end of the value chain in the textiles industry but also has tremendous scope for generating employment. Accordingly, higher rate of subsidy is provided for Garmenting and made-up sector under ATUFS for boosting employment and exports. The rate of Capital Investment Subsidy (CIS) for garmenting and made-up under ATUFS is 15% subject to an upper limit of Rs. 30 crore. Further, the Scheme for Production and Employment Linked Support for Garmenting Units (SPELSGU) provides an additional incentive of 10% to garmenting sector over and above subsidy provided under ATUFS.

Under ATUFS, since inception a total number of 1177 UIDs have been issued covering an investment of Rs. 2428 crore and total employment of 3.56 lakh under garmenting and made-up.”

86. Asked to furnish the year-wise and state-wise details of textile units that have been upgraded under the scheme during the last three years, the Ministry furnished the detailed statement as shown at **Annexure-V**:

87. The Committee then enquired about the measures taken for ensuring optimum utilization of funds under TUFS, the Ministry submitted as follows:

"A number of steps have been taken to streamline the procedure under ATUFS as detailed below to expedite settlement of subsidy claims and release of funds, as given below:

- a) **Delegation of Powers:** Earlier all claims were approved by the Textiles Commissioner and subsidy released to the beneficiary by the Ministry. On 28.08.2019, powers have been delegated to Textiles Commissioner to approve all JIT reports and release payments upto Rs. 5 crore. Powers have also been delegated within the O/o Textiles Commissioner (on 10.09.2019) to different level officers (Additional TxC, DDG, Joint Textiles Commissioners, Deputy Directors) to approve the JITs. Nine Regional Offices have been delegated powers to approve JITs upto Rs. 25 lakhs for release of subsidy by the office of Textiles Commissioner. This is expected to expedite the process of approval of JITs and release of subsidy to the beneficiaries.
- b) **Geo-tagging and digital signature:** System of geo-tagging of machinery has been implemented in August, 2019 and digital signatures by the units/ banks/ offices of TxC have also been introduced in the iTUFS from August, 2019.
- c) **Financial Vetting of claims:** A team of 4 retired officers (01 Director level and 03 Senior Audit Officer Level) has been engaged in the office of Textile Commissioner to assist the office in financial vetting of subsidy claims so as to expedite approval of JITs / claims.
- d) Regional Offices of Textile Commissioner have been entrusted the responsibility of ensuring that the JIT reports are complete in all respects before forwarding them to the office of TxC for approval.
- e) To cut down delays in processing of claims, Regional Offices have been entrusted the responsibility of ensuring that the JIT reports are complete in all respects before forwarding them to the office of TxC for approval.

- f) Various Policy clarifications have been issued to streamline the procedure and remove ambiguities.
- g) To improve transparency in the implementation of the scheme, status of claims/cases received and pending under the scheme are displayed on the website.
- h) Physical verification of machinery procured under previous versions of TUFs has been ordered to verify authenticity of claims and ensure that benchmarked machinery has been procured."

88. In response to a specific query, the Ministry submitted that the reasons for shortfall in utilisation of the outlay was due to lending agencies/ banks non submission of sufficient claims against committed liability pertaining to previous version of TUFs, MTUFs, RUFs and RRTUFs. Inter- Ministerial Steering Committee in its meeting held on 27.2.2019, decided that release of subsidy was subject to compliance with requirement of physical inspection of machinery procured under TUFs because of which only limited number of subsidy claims could be settled as a large number of objections were reported in the Joint Inspection Report. Since three months of Financial Year 2019-20 was left, the funds will be utilized by 31.3.2020. In this regard, Ministry was asked to state the steps/ measures being taken by the Ministry in order to overcome the above challenges and to increase the submission of claims by lending agencies/ banks. In reply, the Ministry submitted as follows:

“Following steps have been taken by the Ministry to overcome the challenges and to increase the submission of claims by lending agencies/banks;

- a) A protocol has been issued on 14.06.2019 to banks/lending agencies for the conduct of Joint Physical Inspection and uploading of documents. Instructions have been issued by the Textiles Commissioner on 19.07.2019 and 05.09.2019 to banks/ lending agencies to upload the prescribed documents / information to facilitate JIT.
- b) i-TUFs portal has been amended to provide for uploading of basic documents / information such as Loan Sanction Letter, details of subsidy already disbursed etc., by the banks to facilitate conduct of JIT.
- c) Public notices have been issued for sensitizing and creating awareness among the lending agencies/banks and industry.
- d) Letters issued to CMDs of nodal banks/agencies to upload the documents prescribed by the Ministry.
- e) The Textiles Commissioner also held meetings with the representatives of the banks to expedite uploading of loan / subsidy related documents in i-TUFs portal.
- f) Additional manpower (75 officers) has been identified and deployed from Textiles Committee and Central Silk Board for conduct of these JITs.
- g) The matter of non-uploading of documents by the banks/ landing agencies has been brought to the notice of Secretary, Department of Financial Services by Secretary (Textiles) vide DO letters dated 01.08.2019 and 10.09.2019
- h) The matter relating to upload of document to facilitate verification of claims is being rigorously pursued with banks/lending agencies.
- i) The matter of non-uploading of documents by the banks/ landing agencies has been brought to the notice of Secretary, Department of Financial Services by Secretary (Textiles) vide DO letters dated 01.08.2019 and 10.09.2019. HMOT through her DO letter dated 01.10.2019 addressed to Hon'ble Finance Minister has also highlighted the issue of non-upload of documents by the banks. In addition,

Secretary (Textiles) has also vide D.O. letter dated 26.11.2019 wrote to Governor, Reserve Bank of India. ”

89. The Committee queried about the current status of the Joint Inspection report as the same was attributed by the Ministry for poor utilization of funds under TUFS Scheme during previous year. In reply, the Ministry stated as under:

“Under ATUFS, out of the 6284 requests received for JIT, a total of 4920 (78%) cases have been verified by JIT. The JIT reports are under process and 1522 cases have so far been settled.

The progress in conducting joint physical inspection and processing JIT reports under previous versions cases has been affected due to the following factors:-

- (a) Banks/lending agencies took considerable time in uploading prescribed information/documents which were a pre requisite for conducting physical verification.
- (b) Submission of incomplete documents by the bank
- (c) JIT has found certain machineries ineligible in some cases, thereby necessitating recovery of subsidy before release of subsidy for the remaining quarter.

The current status of Joint inspection and submission/processing of reports for claims under previous version of TUFS as on 17.02.2020 are given in the table below:

Sr. No.	Particulars	No. of claims
1	Accounts For which Claim Lodged	5930
2	Documents uploaded by Bank	3006
3	Accounts returned to Bank	2383
4	Accounts found fit for JIT	1626
5	Accounts assigned to JIT	467

90. On a specific query on the objections reported in the Joint Inspection Report along-with the remedial action initiated, the Ministry submitted as under:

“The scheme guidelines for ATUFS prescribe Joint Inspection of machinery to be conducted to verify procurement of benchmarked machinery by the unit from enlisted suppliers before release of subsidy directly to the beneficiary account. Following major deficiencies have been observed:

- (a) Machinery not purchased from enlisted manufacturer
- (b) Purchased machines are not benchmarked
- (c) Serial number of the purchased machinery not indicated in the invoice
- (d) Machines not found at the location during JIT inspection
- (e) Unit does not exist at the address provided
- (f) Incomplete documentation/information

- (g) Mismatch of address given in the application
- (h) Wrong calculation of subsidy by the bank/unit
- (i) Machines not procured from the term loan
- (j) Some units are not interested in getting the balance subsidy

The objections raised in the JIT reports have been analysed and a number of steps have been taken to address the issues/streamline the procedures as listed below:

- (a) Various Policy clarifications have been issued to streamline the procedure and remove ambiguities.
- (b) In consultation with D/o Revenue, it has been decided to accept Packing List as a valid document, in addition to Bill of Entry/Bill of Lading, to verify the serial number of imported machinery.
- (c) Considering the concern of industry, in case serial number of the machinery is not indicated in the invoice by the manufacturer, it was decided to accept a subsequent certificate issued by the manufacturer certifying the serial number of the machinery subject to verification by JIT.
- (d) To cut down delays in processing of claims, Regional Offices have been entrusted the responsibility of ensuring that the JIT reports are complete in all respects before forwarding them to the office of TxC for approval.
- (e) To improve transparency in the implementation of the scheme, status of claims/cases received and pending under the scheme are displayed on the website.
- (f) Physical verification of machinery procured under previous versions of TUFSS has been ordered to verify authenticity of claims and ensure that benchmarked machinery has been procured."

91. The Committee enquired whether BE of BE of Rs.761.90 crore for the current fiscal is sufficient for efficient implementation of the scheme as the proposed amount is Rs.1,500 crore. In reply, the Ministry stated as under:

"The proposed allocation of funds under ATUFS during 2020-21 will be for meeting the expenditure under(i) Committed liability cases of previous versions of TUFSS (MTUFS, RTUFS and RRTUFS) and (ii) subsidy claims under the new scheme ATUFS introduced with effect from 13.01.2016. Though substantial number of claims has been received under ATUFS, large number of claims are getting rejected or objected on account of deficiencies in documents submitted by the units. Further, average subsidy outgo per claim under ATUFS is much less as compared to the previous versions of TUFSS. As regards committed liability cases of previous versions of TUFSS, though banks/lending agencies have submitted subsidy claims on quarterly basis, they have not uploaded requisite documents/information in i-TUFSS portal to facilitate Joint Physical Inspection of machinery. The matter is being pursued with banks/lending agencies and DFS to expedite the submission of necessary documents.

As a result of various remedial action initiated by the Ministry, there is improvement in claims getting settled after physical verification under ATUFS as well as previous versions of TUFSS during third quarter of 2019-20."

VIII. SAMARTH [Integrated Skill Development Scheme (ISDS)]

92. The Ministry has introduced new skill development scheme covering the entire value chain of the textile sector excluding spinning & weaving in organized Sector, titled समर्थ(Samarth)-Scheme for Capacity Building in Textile Sector (SCBTS) from 2017-18 to 2019-20 with an outlay of Rs.1300 crore. The scheme will have National Skill Qualification Framework (NSQF) compliant training courses with funding forms as per the Common Norms notified by Ministry of Skill Development and Entrepreneurship (MSDE). 10 lakh people are expected to be skilled and certified in various segments of Textile Sector through the scheme, out of which 1 lakh will be in traditional sectors. The objectives of the scheme are as given below:-

- i. To provide demand driven, placement oriented National Skills Qualifications Framework (NSQF) compliant skilling programmes to incentivize and supplement the efforts of the industry creating jobs in the organized textiles and related sectors, covering the entire value chain of textiles, excluding spinning and weaving. {Skill development in Spinning and Weaving to be done by Ministry of Skill Development & Entrepreneurship(MSDE)}
- ii. To promote skilling and skill upgradation in the traditional sectors of handlooms, handicrafts, sericulture and jute.
- iii. To enable provision of sustainable livelihood either by wage or self-employment to all sections of the society across the country.

Details of funds allocated and utilized under ISDS for the last three years is given below:

(Rs. in crore)

Year	B.E	R.E	A.E
2017-18	173.99	100	100
2018-19	200	42	18.39
2019-20	100.50	100.50	38.96
2020-21	150	--	--

93. During 2019-20, there was poor utilization of funds as A.E of 2019-20 was only Rs.38.96 crore against the RE of Rs.100 crore. The Committee desired to know the reasons for the same alongwith the remedial steps/ measures initiated by them. In reply, the Ministry stated as under:

"During 2019-20, Ministry has accorded in principal allocation of training target of more than 4 lakh persons to 21 State Government Agencies and Sectoral organisations of Ministry. However, State agencies took considerable time in submitting online Detailed Training Report (DTP) for carrying out physical verification of the proposed training centres. Upon physical verification and certification of the training centres, a training target of 43739 persons has since been allocated to 5 State agencies. Further, allocation of training target of 25888 persons to 7 State agencies is in the final stage. The process of physical verification of training centres of some States agencies and uploading of DTP by remaining State agencies are underway.

In addition, a total of 70 textile industry/ textile industry association have been empanelled and allocated training target of more than 1 lakh persons. Another allocation of training target of 29250 persons to 7 industry/ textile industry association is in the final stage.

It may be noted that after taking over of new government in June 2019, the process of selection of IPs was expedited. There was initial delay from the Training Partners (both Industry as well as the state government) on completing requisite procedural formalities. During the first half of FY, less than Rs. 13 crore was released. However during third quarter of financial Year more than Rs. 39 crore has been booked. As more cases are getting matured for release of first instalment, an additional amount of about Rs. 48 crore likely to be released in the balance period of 2019-20."

94. The Committee then queried whether the B.E of Rs.150 crore, for the current fiscal would be sufficient for effective implementation of the Scheme. In reply, the Ministry submitted as follows:

"As indicated in the reply to Question No.10 (X) above, an overall training target of about 2.5 lakh persons has since been allocated to various implementing partners after physical verification of the training centres. Only about 50 % of these agencies would be released first instalment of funds. Considering the ceiling in expenditure during last quarter, only 10% of cost of training programme is released industry/industry associations as against the 30% advance prescribed in the guidelines. All these agencies need to be released balance part of first instalment in the first quarter of FY 2020-21. Further, considering the duration of training programme, all these agencies will have be released with balance part of instalments during 2020-21. Also, the agencies getting empanelled for upskilling programme and MSME industry associations will have to be released the funds after their empanelment. Accordingly, not less than Rs.250 crore will be required to meet the expenses of training programme during 2020-21. "

95. As regards imparting quality skill training to the youth under ISDS scheme, the representatives of the Ministry deposed as under:

"The scheme is implemented as per the overall skilling framework adopted by Ministry of Skill Development and Entrepreneurship (MSDE). All the courses adopted under the scheme are aligned with National Skill Qualification Framework (NSQF). A robust implementation mechanism in lined with the broad policy guidelines of MSDE has been

put in place in consultation with all stakeholders including textile industry. The major steps adopted in this regard are given below:

- All implementing partners to mandatorily submit all kind of proposals/ applications for empanelment and target allocation under the scheme in the online system. The evaluation of the proposals is also carried out through the online system.
- Training Centres proposed by the implementing partners are physically verified through dedicated Government agencies for ensuring adequacy of requisite infrastructure as per the protocol adopted for each course under the scheme. A mobile app has been operationalized for this purpose. The capacity of training centre is accessed through the verification and actual allocation of the training target is based on the capacity assessed through the process.
- The complete life cycle of the training programme is captured in the online MIS. Aadhar Enabled Biometric Attendance System (AEBAS) has been made mandatory for the training programme which is integrated with online MIS for real time tracking of the entire training programme.
- A robust third party assessment and certification process has been adopted in which professional assessment agencies are empanelled through RFP process. A minimum 80% attendance is mandatory for a trainee to get accessed after the training.
- CCTV recording of entire training programme and assessment process is mandated and the records need to be kept for a minimum period of the one year.
- 70% mandatory placement within 3 months of completion of training and placed trainees to be retained for 3 months. The implementing partners are required to track the placed trainee for one year.”

96. On being asked to state whether the details of persons trained under ISDS and their placement after completion of training along with the State-wise details of trained persons during the last three fiscals were maintained, the Ministry apprised as under:

“Integrated Skill Development Scheme (ISDS) was implemented during 2010-11 to 30.11.2017. In order to continue the endeavour of the Ministry in addressing the skill gap in the textile industry, the Government has approved a new scheme titled “Samarth-Scheme for Capacity Building in Textile sector (SCBTS) for the entire value chain of textile sector, period of 3 years from 2017-18 to 2019-20. The State-wise details of trained persons during the last three fiscals are at **Annexure-VI**.

As mentioned in para no.86, the training target allocation under the scheme is progressing and the agencies allocated with the target are in the process of commencing the training programme.”

97. In response to another specific query on ISDS, the Ministry submitted as under:

“With a view to create robust human resources for the textiles sector, particularly the need for trained and skilled workforce in all segment of the textile sector, Ministry of Textiles has been implementing ISDS since the financial year 2010-11. Under ISDS, a total of 11.14 lakh persons have been trained during FY 2010-11 to 2017-18, in various diverse segments of textile sector covering textiles and apparel, jute, spinning, weaving,

technical textiles, sericulture, handloom and handicrafts. The training in ISDS also covered 33 States and Union Territories of the country, widely covering all sections of the society such as women(71.27%), Scheduled Caste(20.82%), Schedule Tribes (6.9%) and Divyang Jan(0.28%). Out of the 11.14 lakh persons trained, 8.43 lakh persons have been employed.

Samarth: Ministry of Textiles has expanded the skill development programme, called Samarth- Scheme for Capacity Building in Textile Sector, for the entire value chain of the textiles sector (except spinning and weaving in organized sector which are being trained under Pradhan Mantri Kaushal Vikas Yojana) with a target of 10 lakh persons at a total outlay of Rs.1300 crore during 2017-18 to 2019-20. The training programme and course curriculum have been rationalized keeping in view the technological and market demand status of the domestic and international economies.

2018-19 was a transition period of the scheme from previous version to current one. Major focus during the period was towards establishing a robust system for implementation of the scheme which includes alignment of various activities with overall framework prescribed by M/o Skill Development & Entrepreneurship, initiating process of empanelment of industry partners, finalizing modalities and delivering of various kinds of protocols and rolling out of end-to-end digital solution etc. As such, there has been no quantifiable physical achievement of skilling during the period under reference.

As mentioned in Para No. 86 and also, Separately, proposals were also called from Textiles Industry and Industry Associations for empanelling for undertaking upskilling/skill upgradation programme in various advanced courses. The process of empanelling is in the advanced stage. A separate RFP inviting proposal from Textiles Industry Associations working with MSME units has been floated with 2nd March 2020 as last date for submission.

It may be noted that after taking over of new government in June 2019, the process of selection of IPs was expedited. There was initial delay from the Training Partners (both Industry as well as the state government) on completing requisite procedural formalities. During the first half of Financial Year, less than Rs. 13 crore was released. However during third quarter of financial Year more than Rs. 39 crore has been booked. As more cases are getting matured for release of first instalment, an additional amount of about Rs. 48 crore likely to be released in the balance period of 2019-20.

The agencies allocated with the target and released with the first instalment of funds are in the process of commencing the training programme.”

98. The Committee desired to know the statewise details of the amount disbursed/ expenditure under the Scheme. In reply, the Ministry stated that under Integrated Skill Development Scheme/Samarth scheme, funds are not released State-wise but directly to the Implementing Agencies as per Scheme guidelines.

IX. NORTH EAST REGION TEXTILE PROMOTION SCHEME (NERTPS)

99. The North East Region Textile Promotion Scheme (NERTPS) is an umbrella scheme implemented in project mode to promote textiles industry in the NER by providing infrastructure, capacity building and marketing support to the industry. The scheme covers all sectors and subsectors of the value chain of textiles, apparel, handloom, handicrafts, sericulture, jute and powerloom. The details of fund allocation and utilisation during the last 3 years are shown below:

(Rs. in crore)

Year	BE	RE	AE
2017-18	220	220	239.98
2018-19	90	90	65.71
2019-20	124.98	109.99	83.65
2020-21	135.60	--	--

100. It may be observed from the above data that BE 2020-21 has been enhanced compared to the previous years, *i.e.* 2018-19 and 2019-20. On being asked to state the reasons therefore, the Ministry submitted as under:

“As envisaged under the project, during 2020-21 which is the terminal year of the project, various critical activities are required to be carried out as per the set targets to complete 14 new approved projects. As the required funds were not received during 2018-19 due to shortage of funds, the same have been carried forward to 2019-20 to 2020-21. Hence, there is increase in budget for terminal year 2020-21 compared to 2018-19.”

101. On being asked to state the reasons for under utilisation of funds during the last fiscal, the Ministry cited reason for the year 2018-19 was, due to non-receipt of viable funds release proposal from State implementing agencies and Model Code of Conduct coming into effect in March, 2019; resulting in bills amounting Rs.7.57 crore not be disbursed due to technical glitch in PFMS at the financial year.

102. On being asked to attribute the reasons for the poor allocation of funds for schemes for usage of Geo-Textile in NER and promotion of Agro Textiles in North East for 2020-21 fiscal in comparison to previous years, the Ministry submitted as under:

“The Scheme for promoting usage of Agro Textiles in North East Region (NER) was for period 2012-13 to 2016-17. However the same was extended up to 31.03.2020 to meet

committed liabilities only. Similarly, the Scheme for Promoting usage of Geo technical textiles in NER was for the period of 2014-15 to 2018-19. However, in order to meeting the committed liabilities, the said scheme was extended upto 31.03.2020.

The above two schemes have been extended up to 31.03.2021 to meet committed liabilities only. Since the majority of the work has been done under the scheme, there was little requirements of fund for meeting committed liabilities only.”

103. The Committee also desired to know how this under utilization of funds affected the effective implementation of North East Region Textile Promotion Scheme (NERTPS. In reply, the Ministry stated as under:

“Even though there was a shortfall in fund release during 2018-19, the same is being taken care during the years 2019-20. Hence, it will not affect the programme. Since most of sericulture projects are approved for 3 years period and many of the new projects were approved in 2018-19, the shortfall of 2018-19 would be achieved during 2019-20 and 2020-21 and the projects will be completed as per timeline. “

104. The Committee then desired to know the details of recent developments in the NERTPS and initiatives taken for development of textile sector in the North Eastern Region. The Ministry further stated as follows:

“Ministry of Textiles has approved 14 new projects for implementation from 2018-19 onwards with a total project cost of Rs.284.02 cr, of which GoI share is Rs.261.30 cr to cover 17,141 beneficiaries with an aim to produce 366 MT of silk during the project period covering 7,160 acres of plantation in Mulberry, Eri, Muga and Oak Tasar sectors. Besides 3 new Eri spun silk mills have also been established in Assam, BTC & Manipur States which will produce 165 MT of Eri spun silk yarn per annum. They are all part of 14 newly approved projects. The Government of India initiated development of silk industry in the Aspirational Districts in one/two blocks per district covering either Mulberry, Eri, Muga or Oak Tasar as per the potentiality of the district with the involvement of State Governments.

Progress (upto January,2020) : Covered 3,120 Acres of plantations with geo tagging and covered around 2,740 beneficiaries. Initiated construction of Eri spun silk mill in Assam, BTC and Manipur.”

105. In response to a specific query regarding employment generation in the NE Region and disbursement of funds under NERTPS, the Ministry apprised as under:-

“The details pertaining sericulture sector are furnished below:

Year	Fund released(Rs in Crore)	Beneficiaries covered (nos.)	Employment generated (nos.)
2017-18	217.72	6515	32575
2018-19	39.75	3737	18685
2019-20	77.24 (upto January, 20)	2750 (P)	13750 (P)

X. EXPORT PROMOTION OF TEXTILES AND APPARELS

106. The Indian Textile Industry is the second largest manufacturer and exporter in the world, after China. The industry is of vital importance to the Indian economy. The share of textile and apparel (T&A) including handicrafts in India's total exports stands at a significant 12% in 2018-19. India has a share of 5% of the global trade in textiles and apparel. Major textile and apparel export destinations for India are EU-28 and USA with 43% share in total textile and apparel exports. The sector holds importance from the employment point of view as well. It employs 4.5 crore people directly and another 6 crore people in allied sectors, including a large number of women and rural population. The sector has perfect alignment with Government's key initiatives of Make in India, Skill India, Women Empowerment and Rural Youth Employment.

EXPORTS

Values in Mn USD	2016-17	2017-18	2018-19	CAGR	2018-19 (Apr-Oct)	2019-20 (Apr-Oct)	% Change
India Textile & Apparel	35,472	35,723	36,558	1.5%	20,756	19,005	-8.4%
Handicrafts	3,639	3,573	3,804	2.2%	2,137	2,153	0.7%
Total T&A including Handicrafts	39,110	39,296	40,362	1.6%	22,894	21,158	-8%
India's overall exports	275,852	303,376	329,536	9.3%	191020	185720	-3%
%T&C Exports of overall exports	14%	13%	12%		12%	11%	

Data Source: DGCI&S

- Exports of textile and apparel products including handicrafts from India have increased to US\$ 40.4 billion during the year 2018-19 from US\$ 39.3 billion during 2017-18, registering a growth of 3%. The share of textiles & apparel in overall export basket of India was 12% in 2018-19 as compared to 13% in 2017-18.

107. As may be seen from above, the percentage of T&C Exports of overall exports has been consistently declining since 2015-16. Asked to state the reasons therefor, the Ministry deposed as under:-

“The total merchandise exports of India has increased from USD 310.4 billion to USD 329.5 billion from 2014-15 to 2018-19 at a CAGR 1.5%. Export of textile and clothing (T&C) including handicraft has increased from USD 40.06 billion to USD 40.36 billion from 2014-15 to 2018-19 with a CAGR of 0.2%. The share of T&C in India's total exports during 2018-19 is 12% as compared to 13% share in 2014-15. Due to increase in export of merchandise, share of T&C in India' total export is decreased from 13% to 12%.”

108. The Ministry has reportedly stated that the domestic industry should take advantage of the \$20 billion space vacated in the global apparel market by China which is going through a tough time following out-break of the corona

virus. In this regard, the Committee sought to have the Ministry's plan of action in enhancing the Indian apparel products in the global apparel market. In reply, the Ministry stated as under:

“Due to outbreak of COVID-19, supply chains originating from China have been significantly disrupted leading to closing of Chinese industry. Exports from China have also been affected significantly due to this outbreak. M/o Textiles conducted a Symposium with textile EPCs and other stakeholders on 19.2.2020. HS lines and markets against which exports of textile and apparel products can be enhanced, were presented. Ministry has shared the list of HS lines and markets with Indian Missions overseas to identify buyers for the listed products in the country and facilitate B2B meetings with Indian suppliers. Textile EPCs have been advised to identify suppliers in India and provide details to the Missions.”

109. The Committee further queried whether the Ministry would be able to achieve this huge extra market share of \$20 billion during 2020-21. In reply, the Ministry submitted as follows:

“To boost export, Ministry of Textiles has taken the following initiatives:

- (a) Abolished Anti-Dumping Duty (ADD) on PTA
- (b) Proposed rationalization of GST in the MMF value chain and correction of duty inversion.
- (c) Introduced scheme for rebate of all embedded State and Central taxes/levies (ROSCTL) to enhance competitiveness of apparel and made-ups exports. Rebate of taxes/ levies has been permitted through an IT driven scrip system at notified rates. Further, on 14th January 2020, Ministry of Textiles notified a special one-time additional ad-hoc incentive of upto 1% of FoB value to be provided for exports of apparel and made-ups to offset the difference between RoSCTL and RoSL + MEIS@4%, from 7.3.2019 to 31.12.2019.”

Imports

113. India is a major textile and apparel exporting country and enjoys trade surplus. Bulk of import takes place for re-export or for industry requirement of raw material.

Import of textiles and apparel products by India has increased by 6% to US\$ 7.5 billion in 2018-19 from US\$ 7.3 billion in 2017-18.

Import of textiles & apparel products has increased by 19% from US\$ 4.1 billion in Apr-Oct 2018-19 to US\$ 4.9 billion during same period of current fiscal year.

Values in Mn USD	2017-18	2018-19	2018-19 (Apr-Oct)	2019-20 (Apr-Oct)
T&A Imports including handicrafts	7,318	7,549	4,578	5,403
Change over same period in previous year		6%		19%

Data Source: DGCI&S

110. It may be seen from above that import of textiles & apparel products has increased by 3% from US\$ 7,319 million in 2017-18 to US\$ 7,555 million during 2018-19. Asked to state whether scarcity of domestic raw textile materials had resulted in the increase in import of textile material, the Ministry stated as follows:

“Imports of textile and apparel products including Handicrafts has increased by 3% from USD 7,318 Mn in 2017-18 to USD 7,549 Mn during 2018-19.

Import Trend of Textile and Apparel

Values in US\$ mn	2015-16	2016-17	2017-18	2018-19	CAGR	Y-o-Y
T&A Imports	6,021	6,293	7,318	7,549	8%	3%

111. In response to another specific query regarding measures taken to leverage the competitiveness of the T&A industry and the top global markets for Textile and Apparel Exports, Ministry submitted as under:

(i) “Implementation of Scheme Rebate for State and Central Taxes and Levies (RoSCTL) : Cabinet approved the scheme for RoSCTL to rebate all embedded State and Central taxes/levies. The scheme is expected to enhance competitiveness of apparel and made-ups exports. Rebate of taxes/ levies has been permitted through an IT driven scrip system at notified rates.

Further, on 14th January 2020, Ministry of Textiles notified a special one-time additional ad-hoc incentive of upto 1% of FoB value to be provided for exports of apparel and made-ups to offset the difference between RoSCTL and RoSL + MEIS@4%, from 7.3.2019 to 31.12.2019.

(ii) Revocation of Anti-Dumping Duty on PTA: Share of MMF in world textiles fibre consumption has been increasing steadily over the years. The global consumption pattern is in favor of synthetics (polyester, rayon, acrylic) and blends. In contrast with the global consumption pattern, in India, the domestic market has been dominated by cotton with MMF having a smaller share. To enable the textile sector to grow from its current market size, man-made fibre manufacturing base in India needs to be grow. Polyester Staple Fibre (PSF) and Polyester Filament Yarn (PFY) are the raw materials for the MMF textile value chain and Purified Terephthalic Acid or PTA is a key ingredient in the manufacture of PSF. As PTA is produced by limited number of producers in the country, it is also imported by textile MMF manufacturers. Imports of PTA until now were subjected to Anti-Dumping Duty (ADD) which was increasing the cost of MMF fibre/ filaments in the country thereby eroding the cost competitiveness of the MMF textile industry in global markets. In Union Budget 2020-21, ADD on PTA was revoked enabling MMF manufacturers to procure raw material at globally competitive prices and in turn provide Man-Made Fibre/Filament to downstream industry at competitive prices.

(iii) Institutionalization of India Bangladesh Textile Industry Forum: India has a robust upstream textile value chain while Bangladesh strength lies in downstream manufacturing (primarily apparel manufacturing). Bangladesh apparel industry works on minimal conversion basis by importing fabric from China and getting it converted

into apparel. This business model makes Bangladesh price competitive globally even without having an integrated manufacturing value chain. Further, Bangladesh under SAFTA, gets duty free access in Indian market. Due to this, apparel imports from Bangladesh has increasing significant in last five years. To ensure use of Indian fabric by Bangladesh for apparel exports to India, the India Bangladesh Textile Industry Forum (IBTIF), a B2B platform, was operationalized on 27.06.2019. The objective of the IBTIF is to discuss commercial viability of textile procurement from India. The first meeting of IBTIF was held under the chairmanship of Secretary (Textiles) on 4-5 February 2020 in Dhaka.

(iv) Comprehensive Export Strategy for Textiles Sector: A key element of export strategy, is to diversify textile and apparel exports to 12 region/emerging markets which are promising destinations for India's textiles export. To diversify markets, support under Market Assistance Initiative (MAI) Scheme of Department of Commerce is provided to textile industry for participation in focused international/ national events. In 2018-19, industry participated in 31 international events with a total outlay of Rs 24 crore. In current financial year, industry has proposed participation in 56 international events.

(v) Setting up of Japan Standard Desk and signing of MoU with Quality and Standard setting agencies in Japan: Textiles Committee under Ministry of Textiles has set up Japan Quality Standards Desk to address issues relating to quality and compliance pertaining to the export of Textiles and Textiles Articles including Technical Textiles to Japan. Textile Committee is in the process of signing a Memorandum of Understanding with Japanese Quality and Standard setting agencies to collaborate with Quality and Standard setting agencies in Japan for a better and pragmatic understanding of quality and standards requirements of Japanese customers.”

XI TECHNICAL TEXTILES

112. Technical Textiles is a high technology sunrise sector which is steadily gaining ground in India. Technical textiles are functional fabrics that have applications across various industries including automobiles, civil engineering and construction, agriculture, healthcare, industrial safety, personal protection etc. Based on usage, there are 12 technical textile segments viz., Agrotech, Meditech, Buildtech, Mobiltech, Clothtech, Oekotech, Geotech, Packtech, Hometech, Protech, Indutech and Sportech. The estimated market size of technical textiles by 2020-21 in India is Rs.2,00,000 crore. Eleven Focus Incubation Centers (FICs) have been established on plug and play model at a cost of Rs. 59.35 crore {five in TRAs /COEs & six in IITs (Delhi, Bombay, Kanpur & Kharagpur)} in order to help the potential entrepreneurs to enter into technical textiles. In order to support the manufactures of technical textiles, 8 Centre of Excellences (CoE) have been established at the cost of Rs.139.00 crore in the areas of Geotech (BTRA), Agrotech (SASMIRA), Protech (NITRA), Meditech (SITRA), Nonwovens (DKTE), Indutech (PSG College of Technology), Composite (ATIRA) and Sportech (WRA). Further, 10 Agrotexiles Demonstration Centers have been set up in Rest of India for promoting usage

of agro textiles. Under the Scheme for Promoting Usage of Agrotextiles in NER 44 Demonstration Centers in North-East (NE) Region have been set up, a total of 1218 Agrotextile kits have been distributed and a total of 5012 farmers have been trained under the Scheme. Under the Scheme for Promoting Usage of Geotechnical Textiles in North East Region, 40 Geotechnical Textiles projects of Roads, Water Reservoir and Slope Stabilization at the cost of over Rs.100 Crore (Roads-12, Water Reservoir – 11, Slope Stabilization – 17) have been sanctioned. The 8th international Exhibition and Conference on Technical Textiles ‘Technotex 2019’ was held during August, 29-31, 2019 at Bombay Exhibition Centre, Mumbai. Maharashtra was the host State and Gujarat, Telangana, Jharkhand and Chhattisgarh participated as partner states. The exhibition witnessed participation from more than 30 countries.

113. During the evidence, the Committee enquired whether there is any increase in technical textiles *viz* Mobiltech, Mobiltech, Packtech, Hometech, and Indutech . In reply, the representative of the Ministry deposed as under:

“सर, इंडिया में इस साल बढ़ोत्तरी है, लेकिन जो पोटेंशियल एरिया है, यह वह एरिया है जहां पर समाज को, देश को काफी फायदा हो सकता है। एग्रो टेक्सटाइल्स का मैंने फायदा बता दिया था। मेडिकल टेक्सटाइल्स में कुछ दिन पहले की बात है, कोरोना वायरस के लिए Health Ministry wanted to protect its health workers. जब हमने सर्वे किया, तो एक बात पता चली।

.... Only there are three or four companies. डुपपोन्ट और हनीबेल है। हम लोग पन्द्रह बीस दिन से ढूँढ रहे हैं कि कोई इंडियन मैन्युफ्रेक्चर बना दें, इम्पोर्ट अभी तक एक ही मैन्युफ्रेक्चर मिला है, जो सप्लाई कर सकता है। यह चंडीगढ़ की फैक्ट्री है। बाकी दूसरा कोई सप्लाई करने की स्थिति में नहीं है। इसको देखते हुए सोचने की बात है हम चीन डिपेंडेंट नहीं हो सकते, इस एरिया में चीन से काफी मात्रा में रॉ मेटेरियल इम्पोर्ट होता है। इंडिया में वैल्यू एड होता है। इंडिया का रॉ मेटेरियल जुट सेक्टर में है, जुट का बैग बनता है। जल जीवन मिशन Jal Jeevan Mission has the potential. जिससे वॉटर कन्जर्वेशन हो पाएगा, जल जीवन मिशन भी हो पाएगा .

114. The Committee further asked the Ministry to throw more light on the application of technical textiles. The representative of the Ministry elucidated as under:

“सर, इसका रॉ मेटेरियल पॉच-छह प्रकार के होते हैं। एक कार्बन फाइबर होता है, एक ग्लास फाइबर होता है, एक एरेमिडस होता है, कुल पॉलिमर्स होते हैं, इनका पेटेंट हमारे पास नहीं है। रॉ मेटेरियल का न कोई स्रोत है, न हम बनाते हैं। हमने मिशन कन्सिड किया है, मिशन हमने प्रिसिपल साइंटिफिक एडवाइजर, डीएसटी और डीआरडीओ बातचीत करके अगले दो-तीन साल रॉ मेटेरियल पर रिसर्च करके अपने पास पेटेंट कर लें, तब तक हम इसको प्रमोट करेंगे। अप्लीकेशन

बाहर से लाकर प्रमोट करेंगे। 1468 करोड़ रुपये की मिशन है, उसमें एक हजार करोड़ रुपये रिसर्च के लिए रख रहे हैं। 400 करोड़ रुपये इसके अप्लीकेशन डेवलप और प्रमोशन करने के लिए रख रहे हैं। यह हमारा मिशन का कम्पोनेंट है। ”

115. The representative further supplemented on the issue as under:-

“एनएचएआई 60 पर्सेंट रोड्स में यूज कर रहा है। रेलवे में इसका बहुत कम यूज हो रहा है। इसका केवल पांच-दस पर्सेंट यूज हुआ है, ज्यादा यूज नहीं हुआ है, लेकिन रेल मंत्री जी ने डिसाइड कर लिया है कि इसको यूज करना है, हंड्रेड पर्सेंट मैनुफैक्चरी यूज।

..... सर, टेक्नोलॉजी मिशन 1,468 करोड़ रुपये का है। इस साल बजट में एनाउंस हो गया है, कैबिनेट का अप्रूवल इस हफ्ते में होगा, उसके बाद हमें बजट एलाटमेंट होगा।

..... सर, फार्मली इस वीक में हमारा कैबिनेट में अप्रूव होगा, एनाउंसमेंट हो गई है।

XI. DEVELOPMENT OF SYNTHETIC /MAN-MADE FIBRE PRODUCTS

116. As regard to development of synthetic/ man-made fibre products the Committee enquired whether any specific attempt has been made by the Ministry to boost exports of polyster along with the constraints faced by the Ministry in this regard. In reply, the the Ministry submitted as follows:

“Polyester, a man-made fibre, is a raw material for value added products like synthetic apparel. The share of MMF in world textiles fibre consumption has been increasing steadily over the years. The global consumption pattern is in favor of synthetics (polyester, rayon, acrylic) and blends. In contrast with the global consumption pattern, in India, the domestic market has been dominated by cotton with MMF having a smaller share. To promote exports of polyester based value-added products, Anti-Dumping Duty (ADD) on a key raw material of polyester i.e. Purified Terephthalic Acid (PTA) has been abolished in Union Budget 2020-21.

117. On a specific query about the Indian polyster Industry, the Ministry stated that “Polyester industry in India is monopolistic in nature with few major manufacturers. Market of polyester based products is already established globally. Majority of the textile fibre consumption is MMF based (primarily polyester). Global market for MMF apparel is USD 172 bn. Therefore, there is good marketing potential for polyester value added products. This can receive a boost, if the duty inversion in the MMF value chain is corrected.”

118. The Ministry further submitted that Union Government would address all the structural issues in its national textile policy and the Textile Sector should diversify into polyester segment to boost exports. On being sought the details of the aforesaid policy, the Ministry stated as under:

“Structural issues : To achieve scale, Ministry of Textiles has proposed to establish 10 Mega Textiles Parks. Consultations with State Governments namely Maharashtra, Tamilnadu, Punjab, Odisha, Haryana, Assam, Gujarat, Telangana, Andhra Pradesh, Madhya Pradesh and Karnataka have been carried out to obtain their concurrence for provision of infrastructure support namely land, water, power, road connectivity etc. The presentation in this regard has already been made to concerned State Governments.”

119. On being asked to state the new initiatives taken by the Ministry in regard to enhancing the export of synthetic textiles in the previous years.

“Proposal for correction in Inverted Duty Structure: Ministry of Textiles has proposed rationalization of GST in the MMF value chain and correction of duty inversion. Currently, GST on MMF and MMF textiles are higher as compared to natural fibres. While GST on cotton is a uniform 5% across its entire value chain, the rates on manmade fibres and textiles are 18%, 12%, and 5% on fibre, filament yarn/ spun yarn and fabrics respectively. Thus, GST rate on MMF products is higher as compared to other segments of the textile value chain. Uneven rates of GST have led to an inverted duty structure and accumulation of tax at various stages of production. Correction of inversion will unshackle the MMF sector to achieve larger share in world market for synthetic products, especially apparel.

Abolition of Anti-Dumping Duty on PTA:PTA is produced by limited number of manufacturers in the country. Imports of PTA until now were subjected to Anti-Dumping Duty (ADD) which was increasing the cost of MMF fibre/ filaments in the country thereby denting the competitiveness of textile industry in global markets. In the Union Budget 2020-21, Anti-Dumping Duty on import of Purified Terephthalic Acid (PTA) has been abolished to ensure easy availability of PTA at competitive prices.”

PART-II

RECOMMENDATIONS/ OBSERVATIONS

FINANCIAL PERFORMANCE DURING 2019-20

1. The Committee note that the 2017-18 BE, RE and AE figures stood at Rs. 6,226.5 crore, Rs.6,250.80 crore and Rs.5,940.19 crore respectively thereby recording a utilisation of 95.03% of funds allocated at the RE stage. In a similar vein, the 2018-19 BE, RE and AE figures stood at Rs.7,147.73 crore, Rs.6,943.26 crore and Rs.6,695.47 crore implying thereby that the utilisation of funds allocated at RE stage has been to the extent of 96.44%.The Committee are, however, concerned to find that in the fiscal 2019-20, while the allocated amount of Rs.4,831.48 crore at BE has been retained at the RE stage, the AE (Actual Expenditure) at Rs.3,828.53 crore [as on 19.3.2020] is indicative of a utilisation rate of only 79.24% with an amount of Rs.1,002.85 crore remaining unspent. The Committee also note in this regard that there has been a decline in the outlay in the last two fiscals from BE 2018-19 of Rs.7,147.73 crore to Rs.4,831.48 crore in the BE 2019-20, which was further scaled down to Rs.3,514.79 crore in BE

2020-21. The reduction in BE from 2018-19 to 2019-20 has been attributed by the Ministry to the discontinuation of the Rebate on State Levies (RoSL) scheme, for which an allocation of Rs. 2,163.85 crore was initially made. The scheme was later substituted by a scrip based Rebate of State and Central Taxes and Levies (RoSCTL). The Committee find from the information furnished that the slow progress of the Schemes is the main contributory factor for non-receipt of viable proposals. This, combined with non-furnishing of utilisation certificates by implementing agencies are said to have resulted in slow pace of utilisation as well as release of funds. The Committee further find that savings or shortfall in utilisation of funds for the Amended Technology Upgradation Fund Scheme (ATUFS) have been re-appropriated for other Schemes like Jute, Sericulture, NIFT, R&D and SITP etc. The Committee feel concerned to note that the same reasons such as, non-receipt of viable proposals are being cited as the cause for under-utilisation of funds. The Committee had, earlier, in their 3rd Report on Demands for Grants (2019-20) of the Ministry of Textiles made their observation in this regard. The Committee once again urge upon the Ministry to make concerted efforts to effectively

tackle impediments and constraints so as to ensure timely and optimal utilisation of the funds.

Yet another aspect of concern that has engaged the attention of the Committee is the uneven pattern of expenditure by the Ministry. This is despite the Ministry of Finance's clear cut guidelines/instructions not to exceed the ceiling of 25% expenditure in the last quarter and 10% in the month of March of the Financial Year. As for 2019-20 fiscal, 20.76% funds remained unutilised. Uneven and disjointed pattern of expenditure hampers the planned implementation of the Schemes envisaged besides being violative of the 'measures of fiscal discipline' stressed upon by the Ministry of Finance. The Committee would, therefore, impress upon the Ministry to put in place a systematic mechanism to adequately monitor the implementing agencies and thereby ensure optimal utilisation of funds allocated so that the objectives of the Schemes are met in letter and spirit. The Committee further desire that the Ministry adhere to the principles of Budget Management and Financial Guidelines as bought forth by the Ministry of Finance with due care so that the targets set are

achievable and the budget proposals of the Ministry are not curtailed.

PHYSICAL TARGETS AND ACHIEVEMENTS

2. The Committee note with concern that during 2019-20, the Ministry have been unable to achieve the physical targets set in case of a number of schemes *viz.* NERTPS, INSITU Upgradation of Plain Powerlooms, Direct Benefit to Artisans, Integrated Scheme for Powerloom Sector Development, Group Insurance Scheme (Under Powertex), Capacity Building and Training under CSB (Silk) Scheme, Employment generation under TUFs, SITP, SAMARTH and Sericulture Development Project. The reasons attributed for the shortfall include *inter-alia* variation in climate (like rain & high temperature); delays in obtaining State Governments clearance pertaining to land & environment; difficulties in getting loans from Banks; non-utilisation of funds due to want of clarification on CBI investigating cases under In-Situ upgradation of Plain Powerlooms in respect of machinery manufacturers who were involved in supply of kits to the powerloom units under the jurisdiction of Textile Commissioner, Mumbai; inability to attract handicraft artisans to subscribe to the PMJJBY/PMSBY

and modified AABY Schemes due to unwillingness to deposit their share of Rs.80 per artisan per year; completion of only 22 Textile Parks out of SITP's target of setting up 30 Textile Parks; inability to adhere to the target of training of more than 4 lakh persons by 21 State Government Agencies etc. under SAMARTH; etc.

The Committee are of the considered opinion that while factors such as variation in climate can be considered as genuine impediments in effective implementation of the schemes, and may perhaps need mid-term course correction or re-alignment, other reasons as cited are only indicative of Bureaucratic delays and inefficiency in the system and cannot be accepted. The Committee, therefore, desire that the Ministry come up with concrete efforts and advance plan of action to overcome this in a conducive scenario. The Committee urge upon the Ministry to enhance their focus on overcoming the chronic impediments cited, which hinder the effective implementation of the schemes and thereby result in shortfall in achieving the targets set. The Committee would like to be apprised of the action taken in the matter.

HANDLOOM WEAVERS COMPREHENSIVE WELFARE SCHEME
(HWCWS)

3. The Committee note that the Handloom Weavers Comprehensive Welfare Scheme (HWCWS) has two components, namely the Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY);and Pradhan Mantri Suraksha Bima Yojana (PMSBY) for providing life and accidental insurance cover to handloom weavers/workers in the age group of 18-50 years. The closed group of handloom weavers/workers in the age group of 51-59 years enrolled under the Mahatma Gandhi Bunkar Bima Yojana (MGBBY) will continue to be covered under the converged MGBBY. Under the schemes, the weavers are covered for a sum of Rs.2 lakh both in case of natural and accidental death. The Committee note that the BE 2019-20 for the life and accidental insurance Schemes was Rs.20 crore initially, which was reduced to Rs.19.54 crore at the RE stage and the actual expenditure, as on 24.01.2020 has been Rs.8.01 crore only, which amounts to 40.99% of the allocated amount. The Committee, while expressing their concern on the low level of utilisation of the earmarked funds, also express concern on the fact that the total number of weavers enrolled under the life

and accidental insurance schemes during 2019-20 total to only 1,38,000 weavers as compared to the target of enrolling 6.57 lakh weavers for the year. The reasons attributed for a meagre number of weavers enrolling, as stated by the Ministry, is owing to the weavers/workers not showing enthusiasm for enrolment, as the scheme is voluntary. The Committee further express concern over the fact that there are delays on the part of LIC, the implementing agency for enrolment of weavers, in uploading the data on to their system, 'which results in delays in issuing the policies to weavers'. Consequently, as informed by the Ministry, the weavers/workers are 'not getting enrolled and are deprived of the benefit/claims under the Scheme'. The Committee, in this regard, desire that the Ministry take up the matter with LIC in right earnest for streamlining their processes and cut unnecessary delays in issuing policies to the weavers/workers. The onus mainly lies with the Ministry for creating awareness among weavers about the advantage of enrolment under the HWCWS and its benefits. The Committee therefore, impress upon the Ministry to make concerted efforts by coordinating with the State Governments, other implementation agencies like NGOs, Self-help Groups etc. to

encourage the weavers to enrol under the Scheme and thereby be benefitted by improving their living standard. The Committee wish to be apprised of concrete measures taken in this regard.

NATIONAL HANDLOOM DEVELOPMENT PROGRAMME (NHDP)

4. The Committee note that under the National Handloom Development Programme, Cooperative Societies, handloom agencies and individual weavers are given a marketing platform, through exhibition-cum-sale events, to sell their products in domestic and international markets. The Committee are, however, constrained to note that while 200 domestic events were targeted to be held during 2019-20, only 115 events could be organised; and as regards Block level clusters, out of the target of '80 block clusters', only 21 clusters could be achieved. The Committee are concerned to note that budgetary constraints are said to be the main reason for the shortfall in regard to Block level clusters. The reasons attributable for the shortfall in regard to holding marketing events have not been given by the Ministry. The Committee are of a view that such events serve as a platform for weavers to directly showcase and market their products both inside and

outside the Country and Block Level Clusters are the main components under NHDP for development of clusters. The Committee, therefore, desire that the Ministry take requisite corrective measures so that as targeted 200 events are held during 2020-21 and the weavers benefitted. The Committee further desire that concerted efforts be made by the Ministry to utilise the allocated funds gainfully and in time so that the benefits meant for the poor weavers are garnered by the deserving ones. The Committee may be apprised of the action taken in the matter.

NATIONAL HANDICRAFT DEVELOPMENT PROGRAMME (NHDP)

5. The Committee observe that the various Handicrafts Schemes have been subsumed into one umbrella Scheme namely the National Handicraft Development Programme (NHDP) to emphasise an integrated approach for development of handicrafts in a holistic manner. The Committee note that the BE (2019-20) which stood at Rs.286.17 crore was enhanced to Rs.332.31 crore at RE stage, whereas the actual expenditure as on 24th January, 2020 was only Rs.196.50 crore thereby revealing that the utilisation has only been to the extent of 59% of funds earmarked at RE stage. The Committee also find

that there have been many shortfalls in both physical and financial achievements under NHDP sub-Schemes viz. Marketing Support Service, Handicraft Comprehensive Welfare Scheme, Research & Development Scheme, Design and Technical Upgradation and Human Resource Development (HRD). The reasons attributed for the shortfalls include *inter-alia* unwillingness of Artisans to deposit their share of Rs.80.00 under PMJJBY/PMSBY and modified AABY, marketing events generally being organised during winter season etc. The Committee have been apprised that the Ministry has been making all remedial efforts in this regard which include, requesting State agencies to submit viable proposals in advance in consultation with field offices to speed up the process of sanction of grants; provision of training facility to implementing agencies on Public Financial Management System (PFMS) module to avoid delays, implementing e-file module in the Office of Development Commissioner (Handicrafts) to speed up process, etc. Keeping in view the fact that the Country is abundantly rich in cultural diversity and heritage, the Committee are of the considered view that the Government should provide adequate resources for developing

handicraft products and generate employment opportunities to gifted artisans across the Country. The Committee, therefore, recommend that the Ministry should explore Public Private Partnership (PPP) models to develop and give the needed thrust to the handicrafts sector. Simultaneously, creating awareness amongst the artisans and giving them effective skill training for design of new products and continuous value addition so that traditional Handicraft products can get their niche in the global market remains one of the important tasks. To this end, the Committee, desire that the Ministry should organise more adequate and effective awareness campaigns and training modules for the artisans so that requisite capacity building takes place to enable them to market their products on e-commerce platforms too.

POWERTEX

6. The Committee feel constrained to note that while a BE allocation of Rs. 129.08 crore has been made for Powertex during 2019-20, and the allocation marginally increased to Rs.130.36 crore at the RE stage, the actual utilisation of funds for the scheme thus far has been to the extent of Rs.26.71

crore only accounting to a mere 20.49% utilisation rate as per funds allocated at RE stage. The scheme, as conceived in 2017 to address the long felt need of strengthening the Powerloom sector *inter-alia* involves *in-situ* upgradation of Powerlooms, Yarn Bank Scheme, credit scheme for Powerloom Weavers, grant-in-aid to powerloom sector etc. As for the reasons for the huge shortfall in utilising the budgeted resources for the scheme during 2019-20, as per the information furnished by the Ministry this is mainly owing to the CBI investigation on aspects relating to *in-situ* upgradation in respect to machinery manufacturers involved in supply of kits to powerloom units falling under the jurisdiction of the Textile Commissioner, Mumbai. As regards the remedial measures initiated for resolving the issues and ensuring proper utilisation of earmarked funds, the Ministry has, apart from stating that a Committee has been constituted under the Chairpersonship of Special Secretary to look into aspects relating to releasing the subsidy under the upgradation fund scheme, have not given details of the outcome or progress made in this direction. Also, the Powerloom units eligible for subsidy, pertaining to which the investigation is said to be going on are confined to the

Bhiwandi/Mumbai Region. Therefore, there appears to be no problem in releasing the funds under the scheme for upgradation of Powerlooms in the other regions. Considering the fact that an allocation of Rs.110 crore has been made for Powertex during 2020-21, and the scheme is intended to strengthen the Powerloom sector, the Committee desire that appropriate focus be given to resolve the issues hampering the implementation of the Scheme so that the physical and financial targets envisaged under the scheme are achieved.

JUTE SECTOR

7. The Committee note that the allocation of Rs.34.55 crore (BE) for the Jute Sector for 2019-20 was enhanced to Rs.84.55 crore at RE stage with the entire amount having been utilised during the year. In the earlier year, 2018-19, however, there was a shortfall to the extent of Rs.50.51 crore in utilising the budgeted amount (i.e. RE amount) of Rs.84.55 crore. For the current year 2020-21, an enhanced amount of Rs.136.53 crore has been allocated for the sector with a view to meeting the increased requirements for marketing, promotion and diversification schemes, and overall development and

promotion of the jute sector. While promoting jute, ‘the golden fibre’ which meets all the standards of ‘safe packaging’, is an essential requirement, particularly in the current era where environmental issues are matters having serious implications and concern, the performance of the sector does not reveal an encouraging picture. The Committee note in this regard that the export trend of jute reveals that while there has been a marginal increase in the value of jute exports from Rs.1,813.8 crore in 2014-15 to Rs.2,273.27 crore in 2018-19, in terms of quantity of jute products exported, however, there has been a decline from 1,61,000.7 metric tonnes exported in 2014-15 to 1,21,000.7 metric tonnes in 2018-19. The import of raw jute and jute goods has almost remained stagnant, or at the same level, during the period 2015-16 to 2018-19 viz. the value of import of jute goods and products being of Rs.931.61 crore in 2015-16 and Rs.951.92 crore in 2018-19. These figures are indicative of the fact that the schemes for promoting the jute sector which *inter-alia* include the special benefits given to exporters, organising fairs etc. have not really shown positive results. The Committee, therefore, recommend that the Government needs to have a relook at the policies for overall

development and promotion of the jute sector. This is all the more essential in the current times where usage of viable alternatives to ‘plastics’ is a necessity.

COTTON CORPORATION OF INDIA (CCI)

8. Indian Cotton is competitive in the global market and India is the second largest exporter of cotton having 9% share in the World Export of 553 lakh bales. Cotton Corporation of India (CCI) has been nominated by the Government of India for undertaking MSP operations in the event when prices of seed cotton (Kapas) touch MSP level for procuring entire quantity of kapas offered by the cotton farmers in various APMC market yards at MSP rates without any quantitative limit. When prices go below MSP, CCI procure its cotton through its 348 procurement centres across 11 cotton growing States. The Committee note that while the BE, RE and AE figures of fiscal 2018-19 record the same amount of Rs.924 crore indicating 100% utilisation of funds, for the year 2019-20, BE and RRE stands at the same level at Rs.2,017.57 crore out of which AE (as on 19.02.2020) stands at Rs.1,893.39 indicating a utilisation rate of 93.85%. The Committee, however, note with

profound concern that as against the projected outlay of the Ministry for BE 2020-21 of an amount of Rs.4,594 crore, only a token amount of Rs.0.01crore has been allocated. The Committee note that during the Cotton year 2019-20, as on 14th February, 2020, CCI procured 63.29 lakh bales of seed cotton (kapas) under MSP operation against 10.70 lakh bales during the entire cotton year 2018-19. Keeping in view the fact that India is a net cotton surplus country where production is more than the consumption and Indian cotton is maintaining its competitiveness in the global market, the Committee are disheartened to note the present allocation of a mere Rs.0.01 crore for BE 2020-21. The Committee further note that CCI has taken a number of effective steps to maintain competitiveness of Indian Cotton in the global market *viz.* Provision of Digitised Moisture metres; Micronnaire testers and portable ginning machines to all procurement centres of CCI; Prescription of Quality norms for ginning and Pressing factories for better quality cotton; Flexible and Value band CCI Pricing System; etc. Admittedly, incentives towards encouraging farmers to increase the crop area under cotton include inter-alia, opening of more than 400 Procurement Centres to avoid any

eventuality of distress sale by farmers; motivating farmers to adopt best farm practices for increasing cotton production; productivity and improving quality of cotton through field visits by CCI officials; promotion of mechanisation of cotton harvesting under CSR with a vision to equip all the marginal and small cotton farmers with hand held kapas plucker machines via phased manner which will also reduce contamination at farm level; improve quality thereby giving better returns to farmers; launch of farmer friendly mobile App 'Cott-Ally' as a platform to inform about MSP operation and authentic information on quality management of cotton crop; etc. The Committee, in this regard, put on record their appreciation for the various initiatives taken towards encouraging cotton farmers. The Committee, however, desire that adequate and requisite budget allocation be requested at the earliest to ensure that the fund requirement of Cotton Corporation of India is adequately catered to at RE stage of 2020-21 fiscal. Funds should be readily available for effective reimbursement of MSP operations to lower losses/provide financial aid to cotton farmers and also for effective implementation of all Schemes under CCI. The Committee

further desire the Ministry to evolve a mechanism where only registered traders would be permitted for selling of quality cotton seeds with regular monitoring/ inspection/intervention to enhance production of quality cotton. The Ministry may also initiate steps towards procurement of cotton directly from cotton farmers as far as possible to avoid middlemen so as to ensure that cotton farmers get due benefit for their hard labour. The Committee may be apprised of the action taken in this matter.

SILK

9. The Committee note that the 2019-20 BE for sericulture stands at Rs.740.00 crore which was enhanced to Rs.765.45 crore at the RE stage with AE (as on 19.02.2020) standing at Rs.746.46 crore recording 97.52% utilisation of allocated funds at RE stage. The BE 2020-21 outlay stands at Rs.810 crore. The Committee note that while the imports of Silk has shown a decreasing trend standing at Rs.1,218.14 crore, Rs.1,041.40 crore and Rs.780.60 crore, the exports figure stands at Rs.1,649.48 crore, Rs.2,031.89 crore and Rs.1,022.04 crore in the fiscals 2017-18, 2018-19 and 2019-20 (April-November). The Committee are concerned to note that impediments faced

in regard to R&D on increasing shell ratio; Import Dependence on Bivoltine silk; inadequate private enterprise/investment with concentration only in few States due to non-availability of land; GST on post cocoon technology machines, lack of marketing linkages etc. have adversely impacted the quality and quantity of silk production in the Country. Ministry's efforts to counter the impediments include, initiating collaborative research with various international and national organisations/universities, promotion of large scale farming, encouraging private participation in Bivoltine seed production; dovetailing of funds from other central schemes through convergence mechanisms instituted by CSB; diversification and promotion of silk products in National and International markets using silk mark labels, etc. Key achievements highlighted in this regard, include, *inter-alia*, 7 patents for technology packages; MoU with Research Institutions in Bulgaria, Japan, China and Australia, increase in Raw Silk Production by 11% (35,468 MT) during 2018-19 over the previous year 2017-18 (31,906 MT); record production of Biovoltine new silk registering 18.95% etc. The Committee are happy to note that during 2019-20 (upto January, 2020), 25.6

silk mark labels were distributed, 235 members enrolled and 445 programmes/ events/ road shows organised. The Committee expect that the targets set during 2019-20 are achieved with time. While appreciating the Ministry's ongoing efforts in enhancing the quality and quantity of silk production, the Committee desire that the Ministry do not stop short of persisting with their endeavours on the current course of action. The Committee further desire that concerted efforts be made for overcoming the constraints currently faced for getting the requisite approval of Ministry of Environment and Forests; and also the State Governments concerned for procuring land for Sericulture under the CAMPA Act. The Ministry may also explore the feasibility of encouraging private enterprises through the PPP model to garner Infrastructure, Technology and Financial Support to the Sericulture Industry with the overall objective of enhancing the quality and quantity of silk; removing dependency on imports of silk and aspire to significantly/ enhance the export of Silk and silk products.

AMENDED – TECHNOLOGY UPGRADATION FUNDS SCHEMES
(A-TUFS)

10. The Committee note that the BE 2019-20 for the ATUF Schemes was Rs.700 crore which was reduced at RE stage to Rs.494.37 crore and actual expenditure was Rs.151.11 crore only showing a utilisation rate of 30.57% of funds at RE stage. An amount of Rs.761.90 crore is allocated for the BE 2020-21 fiscal year. The Committee have been informed that the reasons for under-utilisation of the funds during 2019-20 include *inter-alia* inability of lending agencies/banks to submit sufficient claims against the committed liabilities pertaining to previous versions of TUFS, MTUFS, RTUFS and RRTUFS; Inter-Ministerial Steering Committee's decision that release of subsidy was subject to compliance with the requirement of physical inspection of machinery procured under TUFS because of which only limited number of claims could be settled as a large number of objections were reported in Joint Inspection Reports; etc. The Committee also note that remedial action initiated by the Ministry *viz.* delegation of powers to Textile Commissioner to approve all JIT reports; implementation of geo-tagging of machinery system and digital signature of

banks/implementing agencies; Financial vetting of claims, displaying status of claims/cases on website, regional officers being entrusted the responsibility of ensuring that the JIT reports are completed before forwarding them to the Textile Commissioner for approval; A-TUFS portal for uploading of documents in order to expedite settlement of subsidy claims and release of funds; etc. The Committee further note that since inception of ATUFS, a total number of 1177 UIDS have been issued covering an investment of Rs.2,428 crore and generating total employment of Rs.3.56 lakh under 'garments' and 'made-ups'. In this regard, the Committee desire that besides pursuing the current measures more diligently, the Ministry may coordinate with the implementing agencies. Also, the Office of Textiles Commissioner may take measures towards creation of more awareness about the process of submission of documents in the web-portal and for faster submission of documents for approval of JIT reports etc. so that claims can be settled within the set time. The Committee hope that all the pending claims would be cleared in this year. The Committee also desire that the Ministry should focus on upgrading the looms in all the regions across the country

instead of concentrating only on specific clusters. The Committee may be apprised of the action taken in the matter.

SAMARTH (ISDS)

11. The Committee note that the SAMARTH Scheme which is currently in its 3rd year of implementation, envisages with a goal to cover the entire value chain of Textile sector excluding spinning and weaving and was pitched as a scheme for capacity building in Textiles Sector (SCBTS). The Committee further note that the trend of underutilisation and erroneous estimation of funds at RE from BE stage continued in the year 2019-20 with BE for the year 2019-20 revised downwards from Rs.200 crore to Rs.100.50 crore with substantial underutilisation in AE figures standing at Rs.38.96 crores showing utilisation rate of a mere 38.76% of RE Funds. The Ministry are confident that another Rs.48 crore would be released during the balance period of 2019-20. As regards, the physical targets during 2019-20, the Ministry has accorded in principle allocation of training target of more than 4 lakh persons to 21 State Government Agencies and sectoral Organisations. There has been a significant shortfall in meeting the targets, which as per the Ministry's submission is owing to

delays on the part of the State Agencies in furnishing online reports on training etc. As for the persistent under-utilisation and downward revision of the budgeted amounts in 2017-18 and 2018-19 at RE stage, the Ministry have *inter-alia* stated that the dull response from the State Governments and sectoral organisations has been a contributory factor for the downward revision of the budget allocation. The Committee expect a through relook and re-assessment of budgetary provisions of the Schemes so as to tackle the road blocks which are leading to under-utilisation of funds year after year. The Committee urge the Ministry to take effective measures by encouraging the youth to enrol under the Scheme by way of measures such as addition of attractive and popular skill training components and also facilitating award of certificates to trainees, which can be used for future employment.

NORTH EAST REGIONAL TEXTILES PROMOTION SCHEME

12. The Committee note that the NERTPS is an umbrella scheme implemented in project mode to promote textiles industry in the NER through augmentation of infrastructure, capacity building and marketing support to the industry. As stated, the Schemes cover all sectors and subsectors of the

value chain of textiles, apparel, handloom, handicrafts, sericulture, jute and powerloom. The Committee are concerned to note that in the fiscal 2019-20, despite a downward revision at RE stage, the Actual Expenditure was only to the extent of Rs.83.65 crore out of Rs.109.99 crore allocated at RE stage, thereby recording a utilisation figure of only 76%.The Committee are, therefore, surprised that the BE 2020-21 stands at a higher figure of Rs.135.60 crore. The Ministry have attributed the enhanced BE to the fact that being the terminal year, various critical activities are sought to be carried out to complete 14 new approved projects. The Committee were apprised that under-utilisation of funds during the last fiscal was due to non-receipt of viable funds release proposals from State implementing agencies, model code of conduct coming into effect from March, 2019; Non-disbursement of bills amounting to Rs.7.57 crore due to technical glitch in PFMS etc. The Committee were further assured that programmes/ projects would not be affected and were expected to be completed as per time lines. The Committee are happy to note that recent developments/initiatives taken for development of textiles sector in the North East Region include *inter-alia* 14

new projects with total cost of Rs.284.02 crore out of which Rs.261.30 crore would be the share of the Government of India to cover 17,141 beneficiaries with an aim to produce 366 MT of silk during the project (covering 7,160 acres of plantation in Mulberry, Eri, Muga and Oak Tasar Sectors). In addition, 3 new Eri Spun silk mills have also been established in Assam, BTC and Manipur which will produce 165 MT of Eri Spun silk yarn per annum which, are part of the 14 newly approved projects. The Committee are, however, perturbed to find that there has been a decreasing trend in the number of beneficiaries and number of employments generated in the last three fiscal years 2017-18, 2018-19 and 2019-20. While the number of beneficiaries covered decreased from 6515 to 3737 and further to 2750, the figures on employment generation show that there has been a decrease from 32575 to 18685 to 13750 during the years. The Committee are of the considered view that the NER remains a big potential area in so far as silk and sericulture related activities are concerned and, therefore, applauds the Government's thrust in this area. In recognition of the internationally acclaimed silk handloom works emanating for the North East Region, especially from the States of Assam and

Manipur, the Committee desire that the Ministry continue with renewed endeavour their thrust in this area so that the potential of the region is harnessed to its optimum level. The Committee may be apprised of the action taken in the matter.

EXPORTS

13. The Committee express satisfaction to note that export of Textiles and apparel products including handicrafts from India have increased to US\$40.4 billion during the year 2018-19 from US\$39.3 billion during the year 2017-18, registering a growth of 3%. The Committee were apprised that \$20 billion space has been vacated in the global market by China due to outbreak of Corona Virus and in an attempt to fill this vacuum, the Ministry has initiated a slew of measures which include *inter-alia* (i) Conducting symposium with textile EPCs and other stakeholders in February, 2020; (ii) Launch of HS lines and markets for enhancing exports of textiles and appraisal products; (iii) Sharing list of HS lines and markets with India Missions overseas to identify buyers for the listed products in the Country and facilitate back to back meetings with Indian suppliers; and (iv) Adjustments with Textile EPGs to identify

suppliers in India and provide details to the Missions. In view of this development in the global market, the Committee recommend that the Ministry remain proactive in their approach so as to enable in a substantial increase in export of Textiles and Apparels from India; and also to retain these markets in the future. The Committee may be apprised of the action taken by the Ministry of Textiles in the matter and the progress achieved thereon.

TECHNICAL TEXTILES

14. The Committee have been informed that technical textiles is a high technology sunrise sector which is steadily gaining ground in India. Technological textiles are functional fabrics divided into 12 segments that have applications across various industries including automobiles, civil engineering, health, agriculture and Industry etc. The Committee find that Technical Textiles has a huge scope in India with the domestic market projected to reach Rs.2,00,000 crore by 2020-21. The Committee note that as of now eleven Focus Incubation Centers (FICs) have since been established on plug and play model at a cost of Rs.59.35 crore in order to help the potential

entrepreneurs to enter into technical textiles. Further, 8 centres of excellence have been established at a cost of Rs.139.00 crore in various areas to support the manufacturers of technical textiles. Admittedly, the Ministry of Textiles has set up 10 Agro Textiles Demonstration centres; 44 demonstration centers in North East India; sanctioned 40 Geo technical textiles projects under NERTPS; held 8th International Exhibitions and Conferences on Technical Textiles' TechnoTex 2019' during 29-31 August, 2019, with Mumbai, Maharashtra as the host State and Gujarat, Telangana, Jharkhand and Chattisgarh as partner States with participation of 30 Countries; etc. Keeping in view the encouraging trend, the Committee are of the considered opinion that besides Agrotech and Geotech, the Ministry should focus on other technical textiles like Meditech, Clothtech, Indutech, etc. As stated, keeping in view the nascent stage of Indian Textile Industry with neither source of raw material nor patent of technical textile materials, the Ministry is launching the Technical Textile Mission for development of Technical textiles including Rs.400 crore being allocated under this sector. The Committee appreciate the laudable initiations taken by the Ministry and

desire that they would earnestly strive towards optimal achievement of the domestic market size of Rs.2 lakh crore by drawing up requisite RoadMap and time bound action plan. To this end, the Committee would like the Ministry to explore the feasibility of encouraging PPP models and also provide adequate Financial and technological support to individuals and entrepreneurs working on technical textiles. The Committee may be apprised of the action taken in the matter.

DEVELOPMENT OF SYNTHETIC/MANMADE FIBRE PRODUCTS

(MMF)

15. The Committee note that the share of MMF in world textiles fibre consumption has been increasing steadily with a global market share of \$172 billion. In contrast with the global consumption pattern, the domestic market in India has been dominated by cotton with MMF having a smaller share. To promote export of polyester based value-added products, the Anti-Dumping Duty (ADD) on Purified Terephthalic Acid (PTA) has since been abolished in the Union Budget 2020-21. The Committee note that with the polyester industry in India being monopolistic in nature with only few major manufacturers in

the fray, the scope for the MMF market in India is high. In order to achieve the space in global market for Indian products and to enhance the India Textile exports, the Ministry has proposed to establish 10 Mega Textiles Parks in consultation with the State Governments of Maharashtra, Tamil Nadu, Madhya Pradesh, Punjab, Odisha, Haryana, Assam, Gujarat, Telangana, Andhra Pradesh and Karnataka. The Committee further note that Ministry has also proposed rationalisation of GST in the MMF value chain and correction of duty inversion which may help the MMF sector to achieve larger share in world market for synthetic products and also abolish the ADD on PTA to ensure easy availability of PTA at competitive price. Keeping in view the nascent stage of the MMF market in India as compared to the Global market, the Committee desire that the Ministry should take initiatives in consultation with Ministry of Finance to give financial support for growth of this Industry. Towards this end, the Committee are of the view that decreasing GST on MMF polyester; increasing GST on imports of finished MMF products; continued abolition of DD on polyester PTA; greater encouragement to private enterprises by way of machinery/enforcement and financial support;

encouraging State Governments for easy process of paperwork towards establishing MMF/ polyesters may help Indian MMF companies to compete in the global market. The Committee may be apprised of the action taken in the matter.

**New Delhi;
12th March, 2020
22nd Phalguna, 1941 (Saka)**

**BHARTRUHARI MAHTAB
CHAIRPERSON,
STANDING COMMITTEE ON LABOUR**

ANNEXURE - I

STATEMENT-9

Sl. No.	Name of the Scheme/Project/ Programme	2019-20			2020-21
		Targets	Anticipated Achievements	Shortfall, if any, indicate reasons in brief	
(1)	(2)	(3)	(4)	(5)	(6)
	A. Village & Small Industry				
1	Handlooms				
(i)	Handloom Weavers Comprehensive Welfare Scheme with the Components of - a) Mahatma Gandhi Bunkar Bima Yojana(MGBBY) (Enrollment of weavers/workers target in lakh) PMJBY/PMSBY and converged MGBBY	6.57	0.34		
(ii)	National Handloom Development Programme (NHDC) (a)Block Level Clusters(BLCs) (b)Handloom Marketing Assistance	80	21	Due to budget constraints	
(iii)	Yarn Supply Scheme/Mill Gate Price Scheme (Qty. in lakh kg)	200	115	85	200
(vi)	Comprehensive Handloom Cluster Development Scheme (CHCDS). (a) Handloom Mega Cluster.	500	343.25	156.75	
			5 new projects and subsequent installments of ongoing projects		The physical targets is not fixed as the sanction of projects in a year depends on approval of PAMC, and the viable proposals received from State Govt.
2	Handicrafts				
(i)	Baba Saheb Ambedkar Hastshilp Vikas Yojana (AHVY)/Dastkar Shashktikaran Yojana	65	65		50
	Part-I Social Intervention and Extension Support Part-II Comprehensive Development support				
(ii)	Design & Technical Upgradation Scheme				
(a)	Financial Assistance for supply of tools, safety equipment etc.	3750	1875	1875	3750

Scheme-wise physical targets and achievements along with reasons for shortfall, if any, in the achievements of the targets during 2019-20 and target for 2020-21					
Sl. No.	Name of the Scheme/Project/ Programme	2019-20			2020-21
		Targets	Anticipated Achievements	Shortfall, if any, indicate reasons in brief	Targets
(b)	Number of Design Workshops	120	76	44	120
(c)	Number of Integrated Design Projects	50	72	-	50
(d)	Number of Ship gurus/National Award/National Merit Certificate	1	-	1	-
(iii)	Marketing Support & Services Scheme				
(a)	Gandhi Shilp Bazaar	54	20	34	60
(b)	Craft Bazaar	60	22	38	71
(iii)	Exhibitions	79	27	52	90
(iv)	Craft Awareness/Craft Demonstration/Special Marketing Event	95	95	-	110
(V)	International Marketing	92	48	44	100
(vi)	Publicity	2	1	1	2
iv.	Human Resource Development Scheme(Handicraft)				
(i)	Training Through Establishment Institutions	2	1	1	2
(ii)	Design Mentorship and apprentice Programme	2	-	2	2
(iii)	Handicrafts Training Programme-Technical Training	75	244	-	200
(iv)	Handicrafts Training Programme-Soft Skill Training	50	64	-	100
(v)	Guru Shishya Parampara	100	-	100	70
(vi)	Training of Trainers (ToT)	5	3	2	26
v.	Research and Development Scheme(Handicraft)				
(i)	Survey/Studies	Need Based (15)	15	-	Need Based
(ii)	Conducting of Workshop/Seminar	44	45	-	Need Based
(iii)	Registration of Crafts under Geographical Indication Act.	-	-	-	-
(iv)	Financial Assistance to taking up issues relating to Brand building and Promotion of Indian Handicrafts.	-	-	-	-
(v)	Census of handicraft artisans.	-	-	-	-

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Scheme-wise physical targets and achievements along with reasons for shortfall, if any, in the achievements of the targets during 2019-20 and target for 2020-21					
Sl. No.	Name of the Scheme/Project/ Programme	2019-20			2020-21 Targets
		Targets	Anticipated Achievements	Shortfall, if any, indicate reasons in brief	
vi.	Direct Benefit to Artisans				
(i)	PMJBY/PMSBY/Converged AABY (in lakhs)	2.00 lakh Artisans		2.00 lakh	2.00 lakh Artisans
(ii)	Support To Artisans In Indigent Circumstances	300 Artisans	246 Artisans	54	350 Artisans
(iii)	Interest Subvention Scheme	50000 Artisans		50000	50000 Artisans
(iv)	Issue of Identity Cards (in lakhs)	3.50 lakh	1.62 lakh	1.88 lakh	4.00 lakh
vii.	Infrastructure and Technology Development Scheme(Handicrafts)				
(i)	Urban Haat	1	1	-	1
(ii)	Mini Urban Haat	-	-	-	1
(iii)	Emporia	1	-	-	1
(iv)	Sourcing Hub (Metro)	-	-	1	1
(v)	Sourcing Hub (Non Metro)	-	-	-	-
(vi)	Design School	1	-	-	1
(vii)	Handicraft Museum	-	-	1	1
(viii)	Craft Based Resource Centre	-	-	-	-
(ix)	CFC	1	-	-	1
(x)	Raw material Depot	-	-	1	1
(xi)	Testing Lab	-	-	-	1
(xii)	Craft village	-	-	-	4
(xiii)	Restructuring/revitalizing of existing institutions	-	-	-	1
(xiv)	Committed liabilities	-	-	-	-
3	Powerloom schemes				
3.1	Power Tex				
1.	In-situ up-gradation of plain powerlooms (No. of looms ('000))	35.05	0.047	35.003	-

Scheme-wise physical targets and achievements along with reasons for shortfall, if any, in the achievements of the targets during 2019-20 and target for 2020-21					
Sl. No.	Name of the Scheme/Project/ Programme	2019-20			2020-21
		Targets	Anticipated Achievements	Shortfall, if any, indicate reasons in brief	Targets
ii.	Group Workshed Scheme (GWS) (No. of projects)	26	26	0	
iii.	ISPSD				
(a)	Modernization up gradation of PSCs(Nos.)	No target, on need based			
(b)	Grant-in-aid to Non-Tx.C-PSCs (No. Of PSCs)	62	32	30	
(d)	Exposure visits of powerloom weavers (No. of persons)				
(e)	Buyer seller Meet for Powerloom weavers (No. of Clusters to be covered)				
(f)	Seminars./Workshops conducted (No. of Clusters)				
iv	Common Facility Center (CFC) – (From the year 2013) (No. of Centre)	9	3	6	
v	Corpus Yam Bank (No. of Projects)	0	2	-	
(vi)	Solar Energy Scheme (No. of Projects)	50	0	50	
(vii)	PM Credit Scheme for Powerloom Weavers (No. of projects)	75	20	55	
3.2	Group Insurance Scheme (GIS) (No. of workers to be covered) in (000')	275	70	205	The scheme is approved upto 31.03.2020
3.3	Comprehensive Powerloom Cluster Development Scheme (Rs. in crore)				
4	Wool				
	(i) Integrated Wool Improvement and Development Programme (IWIDP/IWF)	Test 2500 wool samples and to train 60 persons at Weaving & Designing Training Centre which will benefit 3000 sheep breeders	Operated Wool Testing Centre and provided training to 40 artisans at Weaving & Designing Training Centre. Conducted Evaluation study of ongoing Wool Sector Schemes (IWDP) through a third party. Dissemination of fortnightly raw wool price under Market Intelligence Network.		(i) Procurement of 3.20 lakhs Kg. wool. (ii) To sponsored to training programme for skill development and 1 R&D project for value addition diversification/modification etc.

Scheme-wise physical targets and achievements along with reasons for shortfall, if any, in the achievements of the targets during 2019-20 and target for 2020-21					
Sl. No.	Name of the Scheme/Project/ Programme	2019-20			2020-21
		Targets	Anticipated Achievements	Shortfall, if any, indicate reasons in brief	Targets
(ii)	Wool Processing Scheme (Quality Processing of Wool and Woollen)	To establish one CFC for wool processing facilities, To provide 10 sheep shearing machines, procurement of one equipments for projection microscope for Micron testing of fibre as well as procurement of one Bale press machine.			<ul style="list-style-type: none"> 2 Common Facility Centres (CFCs) for wool processing machines. 20 sheep shearing machines. Assistance for 2 bale press machine/testing equipment's. Distribution of 100 small tools for manufacturing of woolen items.
iii	(iii) Reconstruction Plan for J. & K. State fo pashmina promotion (Pashmina Wool Development Scheme)	<ul style="list-style-type: none"> Establishing one CFC for Pashmina Dehairing Plant with other ancillary machines at Leh, GI Registration of Pashmina wool in Ladakh region and Setting up of Pashmina Raw Material Bank (RMB) for Srinagar division. 	Projects are sanctioned and work progress in going on		<ul style="list-style-type: none"> Procurement of 3,700 Kg. pashmina wool under Revolving Fund for marketing. Establishment of one CFC, development of a mark for pashmina branding. Construction of 100 shelter sheds with guard rooms; Distribution of 100 portable tents Distribution of 100 predator proof corral with LED lights.
iv	(iv) Insurance coverage to sheep breeders under Social Security Scheme	Included under IWDP scheme as per financial allocation.	Insured 1,648 Sheep Breeders from the States of Maharashtra and UT of Ladakh under Sheep Breeders Insurance scheme.	Nil	Nil
5	SILK (Sericulture)				
(i)	Research & Development, Training, Transfer of Technology & IT Initiatives				
(a)	New Projects to be initiated (Nos.)	50	24	26	35
(b)	No. of Research Projects to be concluded (Nos.)	35	37		30
(c)	Technologies to be disseminated (Nos.)	56	33	23	30
(d)	Capacity Building & Training Under CSB Schemes(Nos.)	15750	3654	12096	15000
ii.	Silkworm Seed Production				
(a)	Production of basic and commercial seeds for mulberry (Bivoltine, ICB, and CB), Tasar, Muga and Eri Sectors.	595.00	289.60	305.4	542.50
iii.	SMOI Activities				
	Members Enrollment (Nos.)	260	221	37	280

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Scheme-wise physical targets and achievements along with reasons for shortfall, if any, in the achievements of the targets during 2019-20 and target for 2020-21					
Sl. No.	Name of the Scheme/Project/ Programme	2019-20			2020-21
		Targets	Anticipated Achievements	Shortfall, if any, indicate reasons in brief	Targets
(a)	Silk Mark Label distribution (lakh Nos.)	30	23.72	6.28	28
(b)	Programmes/events/Expos/Road shows etc. to be organized (Nos.)	500	411	89	600
(c)	Cocoon & Raw silk Centres (Nos.)	18	15	3	6
iv.	Co-ordination & Market Development	The objective of this programme is Conceiving, implementing and monitoring of Plan programmes in CSB HQs and Regional Offices, forging effective synergies in dovetailing assistance from schemes of other Ministries, implementation of SMOI programmes in Certification centers, Price Stabilization of tasar and muga cocoons through Raw Material Banks, administrative and financial managements of 176 CSB units spread over all the States, up-keep of the governing body of Central Silk Board, advising the 'Gol on-policy issues related to Sericulture and silk industry, parliament related works (parliament questions, Committees, etc.), Statistical analysis, publicity, Official language implementation, and implementation of Silkworm Seed Act. Hence the activities carried out under this programme cannot be quantified			
6	Technology Upgradation Fund Scheme (TUFS)				
(a)	Target in terms of investment (Rs. in crore)	12207	13977	-	12207
(b)	Target in terms of employment generation (Numbers)	436793	99756	-	436793
(c)	Target in terms of subsidy release (Rs in crore)	700	145.86	-	1500
7	Scheme for Integrated Textile Park (SITP)	* not cleared			
8	Integrated Processing Development Scheme(IPDS)	2	1	1	1
i	Workers Hostel	2	2	-	-
ii	SIAM (Flatted Factory cum Incubation)	1 incubation centre with 3 incubates	-	1	1
9	Samarth Scheme for Capacity Building in Textile Sector (Earlier it was ISDS) (No. of persons to be trained under skill training)	400000 (No. of persons to be trained under skill training)	-	During 2019-20, Ministry has allocated training target of more than 4 lakh persons to 21 State Government Agencies and Sectoral organization of Ministry of Textiles. In addition, a total of 70 textile industry/ textile industry association have been empanelled and allocated training target of 1,06,823 persons. Separately, proposals were also called for from Textiles Industry and Industry Associations for empanelling for undertaking upskilling/skill upgradation programme in various advanced courses. The process of empanelling is in the advanced stage. Upon empanelling, agencies have been released first instalment of the cost of the	300000 (No. of persons to be trained under skill training)

Scheme-wise physical targets and achievements along with reasons for shortfall, if any, in the achievements of the targets during 2019-20 and target for 2020-21					
Sl. No.	Name of the Scheme/Project/ Programme	2019-20			2020-21
		Targets	Anticipated Achievements	Shortfall, if any, indicate reasons in brief	Targets
				training programme for commencing the training programme. There is substantial progress in releasing of fund in FY 2019-20. It is expected that Budget Allocation of FY. 2019-20 could be fully utilized	
10.	NER Textile Promotion Scheme (NERTPS)				
i.	Integrated Sericulture Development Project (ISDP)				
(a)	Plantation (Acres)	27010	26710	300	
(b)	Raw Silk (MT)	938	403	535	
ii.	Intensive Bivoltine Sericulture Development Project (IBSDP)				
(a)	Plantation (Acres)	4000	4000		
(b)	Raw Silk (MT)	130	57		
iii.	Cluster Development Project & Technology up gradation under NERTPS	Nil			
iv.	Marketing Promotion of Handloom Products under NERTPS	34	13	11.	Due to non-viable
v.	Integrated Development of Hand-crafted Bamboo, Natural Fibre and textile based Clusters for Nagaland 1. Skill mapping	1.Skill Mapping and Baseline Survey- In 6 clusters. 2.Skill Training to the arisans-550. 3.Promoting Social Enterprise (Awareness camp & formation of SHGs)-9 Nos. 4.Construction of CFC- 6 (1 in each clusters) 5.Market Promotion Initiatives -Participation in exhibition, Development of Product Catalogues, E-Commerce etc.	1.Baseline survey in 6 cluster-Completed. 2.Skill training for 250 artisans completed. 3. Promoting Social enterprises-Completed-9 (9 SHGs formed) 4.CFC- Construction of 4 bldg. for CFC completed. 5. Participated in 2 Trade fair. & printed catalogue.		
vi.	Comprehensive Development of Terracotta unit (Setting up of CFC) in Manipur	Setting up of Common Facility Centre for production of Terracotta/ Ceramic items at Thongjao village, Kakching District, Manipur.	Construction of the building for Teracotta unit completed. Tender process for procurement of machines is at advance stage.		
vii.	Setting up of Integrated Textile Tourism Complex at Nongpoh, Meghalaya	Setting up of Integrated Textile Tourism Complex at Nongpoh, Ri-bhoi District for HL weaver, HC artisans & Sericulture farmers; alongwith following soft interventions:- 1.Baseline survey & mobilisation. 2.Skill Training-12 nos.	Baseline survey completed. Land identified/ lay down of foundation stone made by Hon'ble MOT on 26.8.2019. Very slow progress.		

Scheme-wise physical targets and achievements along with reasons for shortfall, if any, in the achievements of the targets during 2019-20 and target for 2020-21					
Sl. No.	Name of the Scheme/Project/ Programme	2019-20			2020-21
		Targets	Anticipated Achievements	Shortfall, if any, indicate reasons in brief	Targets
		3. Market Devt. (Ahimsa silk Festival-2, Exhibition-4, Buyer-seller meet-3, Brand promotion & development of e-portal). 4. Design Development:- 12 Nos.			
viii.	Integrated Design Development Project with Marketing linkage in NER States	10 Design Project for Design/ Product Development and Marketing linkage of NER product throughout the region.	7 Design project under implementation and at advance stage.		
Ix	Comprehensive Development of Terracotta unit (Setting up of CFC) Crafts in Tripura	Setting up of Common Facility Centre for production of Terracotta/Ceramic items at Thongjao village, Kakching District, Manipur.	Nil		
X	Workers' Hostel				
-	Incubation Centre				
11.	Jute Sector: Grants-in-aid to Jute Corporation of India (JCI) to maintain its infrastructure for MSP Operations for Raw Jute.				
(a)	Number of Departmental Centre for ensuring MSP operation	141	141	-	141
(b)	Number of Regional Officers for ensuring MSP operation	14	14	-	14

ANNEXURE-II

Physical Targets and Achievements under National Handicraft Development Programme (NHDP) for the Year 2019-20

S. No.	Component	Targets	Achievements
1.	Baba SahebAmbedkar Hastshilp VikasYojana (AHVY)/ Dastkar Shashktikaran Yojana		
	Base line surveys and Mobilization (Clusters)	65	65
2.	Design & Technology Up-gradation Scheme		
	Financial Assistance for supply of tools, safety equipment etc.	3750	2815
	Number of Design Workshops	120	83
	Number of Integrated Design Projects	50	100
	Number of Shilp gurus/ National Award/ National Merit Certificate.	1	*
3.	Marketing Support Services Scheme		
	Gandhi Shilp Bazaar	54	27
	Craft Bazaar	60	27
	Exhibitions	79	43
	Craft Awareness/ Craft Demonstration/ Special Marketing Event	95	95
	International Marketing	92	54
	Publicity	02	01
4.	Human Resource Development Scheme		
	Training Through Established Institutions	02	01
	Design Mentorship and apprentice Programme	02	**
	Handicrafts Training Programme –Technical Training	75	244
	Handicrafts Training Programme – Soft Skill Training	50	64
	Guru ShishyaParampara	100	-
	Training of Trainers (ToT)	05	03
5.	Research and Development Scheme		
	Survey/Studies	Need Based(15)	15
	Conducting of Workshop/Seminar	44	45
6.	Direct Benefit to Artisans		
	PMJJBY/PMSBY/Converged AABY	2.00 Lakhs artisans	10634 artisans
	Support To Artisans In Indigent Circumstances	300 artisans	246 artisans
	Interest Subvention Scheme	50000 artisans	***
	Issue of Identity Cards	3.50 Lakhs	1.62 Lakhs
7.	Infrastructure and Technology Development Scheme		
	Urban Haat	1	1

	Emporia	1	-
	Design School	1	-
	Design Bank	1	-
	CFC	1	-

* The process of awarding design awards during 2019-20 has already been started.

** The proposals for sanctioning design mentorship and apprentice programme has been initiated and will be sanctioned during the current financial year.

*** Issue has been taken up with PNB bank to expedite the process.

Financial Status under National Handicraft Development Programme (NHDP) for the Year 2019-20

Rs. In crores

S.No	Officers & Schemes	BE 2019-20	RE 2019-20	Exp. Upto 18.02.2020
1	Baba Saheb Ambedkar Hastshilp Yojana	6.00	11.50	3.69
2	Design & Tech. Upgradation Schemes	70.00	74.99	58.14
3	Marketing Support and Services.	45.00	55.00	32.83
4	Research & Development	9.50	9.65	8.03
5	Handicrafts Artisan Comprehension Welfare Scheme	26.00	24.44	10.51
6	Human Resource Dev.	26.15	26.15	17.31
7	Handicrafts Mega Cluster	30.00	34.98	27.71
8	Infrastructure & Tech. Dev. Project	11.71	16.71	10.71
9	Training and Extension	18.50	20.60	14.19
10	Setting of Hast Kala Academy	2.00	1.00	0.00
11	Museum	9.00	14.78	11.54
12	Development Commissioner	10.00	15.32	11.03
13	Marketing & Service Extension	17.50	22.38	16.93
14	Dev. Of other Crafts in J&K	0.01	0.01	0.00
15	IICT	4.80	4.80	3.46
	Total	286.17	332.31	226.08

JUTE SECTOR

Jute Mills, Exporters and Jute Diversified Products manufacturing Units are not statutorily bound to submit their profit & loss accounts to the Government, being private entities. However, Government has been taking all possible measures for development and promotion of the Jute Sector including protection of the interest of the Jute Farmers, Workers, Manufacturers and Mills. Some of the major Schemes and Initiatives being implemented by the Government to counter challenges of Quality, Productivity, Modernization, Skilled workforce, Marketing & Export, faced by the Jute Industry are given below:

(a) Incentive Scheme for Acquisition of Select Machinery:

To increase the productivity of the jute machinery and make them efficient by replacing the old machines by new and technologically advanced machines, NJB has been implementing scheme for modernization of jute industry for quite a long time. During the Jute Technology Mission (2007-2013), the scheme known as Acquisition of Plant and Machinery (APM) (Capital subsidy) scheme was instrumental in bringing in investment of more than Rs. 500 crores. Considering its success of the JTM scheme, the ISAPM scheme was launched in 2013. The scheme in its present form is valid upto 31st March, 2020. A total fund of Rs.50 crores has been provided by the Ministry of Textiles to NJB for three years (2017-18 to 2019-20). During 2014-15 to 2018-19, capital subsidy amounting to Rs. 4971.19 lakhs to jute mills and JDP units has been released.

Year	2014-15	2015-16	2016-17	2017-18	2018-19
Rs. In lakhs	362.18	355.57	1739.21	1427.23	1087.00
No. of Mills / unit	18	22	39	52	27

(b) On- Going Scheme for Jute Farmers: JUTE -ICARE

NJB has been implementing a project Jute-ICARE (Improved Cultivation and Advanced Retting Exercise) for the last four years in a phased manner. The project is being implemented by NJB in association with Jute Corporation of India Ltd. (JCI) and Central Research Institute for Jute & Allied Fibres, (CRIJAF), Ministry of Agriculture. Encouraged by the success of this pilot project, the project has been extended till 31st March, 2020. This Ministry has given a total of Rs. 45.35 crores grant to NJB for a period of three years (2017-18 to 2019-20). The details of Jute-ICARE Project for the year 2015 (ICARE-I), 2016 (ICARE-II), 2017 (ICARE-III) and ICARE-IV in 2018 are given below:

Particulars	ICARE -I (2015-16)	ICARE - II (2016-17)	ICARE -III (2017-18)	ICARE-IV (2018-19)
No of jute growing block / state covered	4 Blocks under Assam & W.B	14 Blocks under W.B, Bihar, Assam, Orissa, A.P, Meghalaya	30 Blocks under W.B, Bihar, Assam, Orissa, A.P, Meghalaya	69 Blocks under W.B, Bihar, Assam, Orissa, A.P, Meghalaya
Land Covered (Ha)	12331	26264	70628	98897
No of farmers covered	21548	41616	102372	193070
Supply of Certified seeds(in	64 MT	160 MT	500 MT	900 MT

MT)				
No. of Seed Drillers m/c	350	700	1200	1950
No. of Nail Weeders m/c	500	700	1200	1950
CRIJAF SONA (in MT)	83 MT	273 MT	500 MT	610 MT
SMS sent to each farmer	46 sets	52 sets	55 sets	60 sets
Sowing & Retting Demonstrations	50	132	200	400

Year	2015-16	2016-17	2017-18	2018-19
Rs. In lakhs	256.98	527.55	1526.21	790.55
No. of farmers	21548	41616	102372	193070

The Ministry of Textiles has held meetings with the Hon'ble Minister of Agriculture and Farmers Welfare and the State Governments for expanding the reach of Jute ICARE with the help of States extension machineries.

(c) SCHEME FOR JUTE MILL / MSMEs' WORKERS & WORKERS' FAMILY

(i) Workers' Welfare Scheme (Sulabh Sauchalaya):

NJB provides assistance to the jute mills for improvement of sanitation, health facilities and working conditions of jute mill workers. The rate of assistance is @90% of actual expenses subject to maximum of Rs. 60.00 lakh (per mill / annum). Under this scheme, 1365 Toilet units have been constructed in 46 Jute Mills from 2014-15 to 2018-19.

Year	2014-15	2015-16	2016-17	2017-18	2018-19
Rs. In lakhs	194.33	249.46	274.13	280.47	300
No. of Toilet units	340	252	323	210	240
No. of Mills	12	9	10	7	8

(ii) Scholarship Scheme for the girl children of the workers of jute mills, MSMEs:

NJB provides Scholarship / Incentive support to the girl children of the workers of Jute Mills / JDP – MSME units on passing out secondary and higher secondary examinations. Scholarship / Incentive of Rs. 1133.05 lakh have been given to 17,722 girl children of Jute Mill / JDP MSME workers for being successful in secondary and higher secondary examinations from 2014-15 to 2018-19.

Year	2014-15	2015-16	2016-17	2017-18	2018-19
Rs. In lakhs	187.20	238.74	354.74	277.87	254.50
No. of girl children	2721	3151	4442	3835	3573

(d) INITIATIVES& SCHEMES FOR UNORGANIZED/DECENTRALIZED JUTE SECTOR

(i) Export Market Development Assistance Scheme- The Export Market Development Assistance (EMDA) Scheme facilitates registered manufacturers and exporters of jute products to participate in international fairs and business delegation abroad for export promotion of lifestyle and other JDPs. The performance under the Scheme during the last 5 years is given below:

Year	2014-15	2015-16	2016-17	2017-18	2018-19
Rs. In lakhs	272.78	306.48	428.12	384.39	329.22
No. of units	51	63	73	60	70

(ii) Retail Outlet of Jute Diversified Products and Bulk Supply Scheme-

Retail Outlet scheme supports supply chain and bulk supply of JDPs for selective and mass consumption to enhance the spread of JDPs all over the country, particularly in the regions where polythene bags have been banned. During 2014-15 to 2018-19, an amount of Rs. 347.90 lakhs have been provided to 80 beneficiaries/entrepreneurs under this scheme.

Year	2014-15	2015-16	2016-17	2017-18	2018-19
Rs. In lakhs	71.11	94.75	95.15	51.87	35.02
No. of units	11	20	25	14	10

(iii) Design Development Scheme - NJB Jute Design Cell at NID:

A Jute Design Cell for development of Jute Shopping Bags and Lifestyle Accessories has also been set up at the Innovative Centre for Natural Fibres (ICNF) of NID (National Institute of Design), Ahmedabad whose prime objective is to develop newer and innovative Products through design and technology intervention for value addition and better market at home and abroad. NID has already developed more than 100 woven, dyed, finished samples for jute lifestyle accessories and has showcased low cost jute carry bags as an alternative against plastic bags, collapsible jute bags etc. Jute bags namely fashion, Tote Bags, Foldable hand bags (natural & dyed) has been awarded India Design Mark (I Mark), 2017.

(iv) Jute Integrated Development Scheme (JIDS) –

JID Scheme aims at setting up local units and agencies at distant locations around the country through collaboration with bona fide bodies to carry out various activities. JID agencies will also act as a facilitator for rendering the backward and forward linkages to the existing and potential entrepreneurs, imparting awareness and training at grass-root levels mainly on technology application and design /product development and disseminations. JID agencies will also be a prime source for market facilitation to the Jute Diversified Products (JDP) units, SHGs, WSHGs, NGOs. Thus help creating and sustaining the production units thereby generating employment to thousands of people in the rural areas through entrepreneurship development and the setting up of Self Help Groups, particularly Women Self Help Groups (WHSGs).

The performance of JIDS scheme for last two years, since its inception in 2016-17, is given hereunder:

Year	2016-17	2017-18	2018-19
Rs. In lakhs	39.68	62.20	33.17
No. of units	18	25	10

(v) Jute Raw Material Bank (JRMB) Scheme –

This scheme aims at accelerating the pace of JDP activities in the country by catering to the jute unorganized sector and the production units so that jute raw material is supplied to them regularly at economic rates i.e. mill gate price plus actual transportation cost, to help them manufacture high value products, both for domestic and international markets. This is a sustainable process to increase production base for JDPs and to provide employments to rural masses particularly the women for which competent organizations/agencies having backward and forward linkages. The JRMBs act as a complement to the training & skill development efforts being made by the JIDSs in their respective regions to develop new WSHGs, artisans & entrepreneurs in addition to serving the existing WSHGs, artisans & entrepreneurs. The performance of JRMB scheme for last two years, since its inception in 2016-17, is given hereunder:

Year	2016-17	2017-18	2018-19
Rs. In lakhs	14.87	34.30	55.61
No. of units	9	11	15

(vi) Indexing of Composite Jute Mills-

NJB has conducted a detailed study in 67 Jute mills to ascertain the health performances of the workers working in the existing noise, dust, illumination etc. in the Jute Mills. The outcomes of the Study have been disseminated to 67 Jute Mills for taking cognizance of the recommendations of the Study and for initiating suitable remedial proposal/action for the same.

(vii) Techno-Economic Feasibility Studies-

Techno Economic Feasibility Studies have been undertaken by NJB for 15 R&D projects implemented under JTM. The feasibility reports have been disseminated to the jute mills and the prospective and existing entrepreneurs. One of the major outcomes of the feasibility report is the development of low cost sanitary napkins with the use of jute pulp for menstrual hygiene of women and girls. This jute pulp was developed by NJB in association with IIT, Kharagpur. NJB has funded a project to IJIRA under which automatic and semi-automatic machines for manufacturing jute sanitary napkins have been developed and production started in IJIRA. The technology as well as the machinery is being disseminated among the jute industry members as well as the interested entrepreneurs. This technology will open up new avenues for income generation and employment in the decentralized jute sector particularly for the women beneficiaries of the Women Self Help Groups (WSHGs).

(viii) Common Facility Centre (CFC) Scheme-

Common Facility Centre Scheme for supporting Women Self Help Groups, was launched in September, 2015 for providing support to Women Self Help Groups (WSHG) on training, infrastructure/ machinery and marketing to artisans in development of Jute Diversified Products in 5 WSHG clusters; NJB has set up 3CFCs in West Bengal and 1 each in Assam and Bihar. Two more CFCs have been announced in the State of West Bengal. Further 6 CFCs in other states will be set up in IIInd phase. Under these CFCs, about 348 beneficiaries have been trained and gainfully employed so far.

	2015-16	2016-17	2017-18
Support provided (Rs. In Lakhs)	65.02	61.84	30.02
No. of CFCs	5	5	5

(ix) Usage of Jute Geo-Textiles in NER States:-

This scheme has been initiated to promote usage of Jute geo-Textiles in North Eastern regions with outlay of Rs.427 crores on 24.3.2015 for five years (2014-15 to 2018-19).

(x) Skill Development Program –

Various Skill Development program were conducted for providing training on manufacture of jute diversified products to correctional homes like inmates of Tihar Jail, New Delhi, families/beneficiaries of the Delhi Police, Border Security Force (BSF) and other institutions. Many of the beneficiaries have started production and marketing of jute products with the support of NJB.

(xi) Continuous Market Support-

Under this scheme market support is provided to jute artisans, entrepreneurs, weavers, NGOs, Women Self Help Groups (WSHG) for selling, marketing and promotion of their products in India and abroad. The fairs organized by NJB are means of livelihood to these groups of people. Some of the prominent events among others were – IITF, Delhi, Surajkund Mela, Tex Trends, Delhi, Taj Mahotsav, Lucknow Mahotsav, Shilpgram Udaipur, Giftex, Mumbai, Indian Handicrafts and gift fair, Greater Noida etc.

(xii) Pilot Scale Manufacturing of Jute Based Low Cost Sanitary Napkins

NJB assigned a project to IJIRA for carrying out jute based low cost Sanitary napkin – Low cost Jute Absorbent Pulp and production model for WSHG along with setting up of Raw material Bank for Jute based Sanitary Pads. Automation in development of napkin manufacturing process and commercialization of jute based Sanitary Napkins through PSU and other Govt. Bodies & setting up quality parameters and assurance. A pilot scale production of sanitary napkins (Target 2400 pieces per day) from Jute pulp at IJIRA. The product so develop has been medically certified as hygienic by Indian Council for Medical Research. For upscaling the production technology transfer has been done by IJIRA to M/s. Intech Safety Pvt. Ltd. A memorandum of agreement has been made on 18th March, 2016 between NJB and IJIRA incorporating proposed activity, deliverables, timeline, etc.

(xiii) Development & Promotion of Jute Diversified Products:-

Due to the long-standing absence of diversification and modernization in jute industry, there is absolute necessity to produce and market different JDPs such as jute shopping bags,

Jute floor coverings, Jute based home furnishings & wall coverings, and Jute based handicrafts. Several steps have been taken for promoting better agronomic practices in jute farming, promotion of the Jute Diversified Products (JDPs) and their marketing, support for technological up-gradation of jute mills, etc

(d) DEVELOPMENT & PROMOTION OF JUTE DIVERSIFIED PRODUCTS:

The jute industry is predominantly leaning on jute sacking to the detriment of the industry as is evident from the long-standing absence of diversification and modernization. There is a need for enabling the jute sector to develop of various other diversified products. The recent interventions undertaken by NJB have helped in overall growth in the export of jute goods during the current year, indicating a rising global demand for such products. It is necessary to produce and market different JDPs such as jute shopping bags, Jute floor coverings, Jute based home furnishings & wall coverings, and Jute based handicrafts. The promotion of diversification will help in making the jute industry less dependent on state support and will also ensure that the industry becomes competitive and self-sustaining so that the opportunities prevailing in the global and domestic markets are tapped successfully.

ANNEXURE-IV**Year wise and state wise release of funds during last three year under TUFs/ATUFs****(In Rs. Crore)**

S No.	Name of State/UT	2016-17	2017-18	2018-19	Total
1	ANDAMAN & NICOBAR ISLANDS	0.00	0.00	0	0.00
2	ANDHRA PRADESH	74.82	58.86	24.218	157.90
3	ARUNACHAL PRADESH	0.00	0.00	0	0.00
4	ASSAM	0.85	0.86	0.13	1.84
5	BIHAR	2.18	0.55	0.09	2.82
6	CHANDIGARH	4.99	21.81	0.12	26.92
7	CHATTISGARH	1.49	1.10	0	2.59
8	DADRA & NAGAR	40.77	29.64	10.54	80.95
9	DAMAN & DIU	6.17	13.72	1.3589	21.25
10	DELHI	34.88	21.63	6.0502	62.57
11	GOA	1.01	0.44	0.19	1.64
12	GUJARAT	693.46	608.60	244.9398	1547.00
13	HARYANA	72.21	36.13	12.1568	120.49
14	HIMACHAL PRADESH	19.49	20.37	25.57	65.43
15	JAMMU & KASHMIR	2.74	1.18	0.76	4.68
16	JHARKHAND	0.48	0.14	0.02	0.64
17	KARNATAKA	33.19	41.36	10.7119	85.26
18	KERALA	13.59	4.47	0.23	18.29
19	MADHYA PRADESH	110.42	78.62	21.4953	210.54
20	MAHARASHTRA	516.26	398.38	112.7785	1027.41
21	MIZORAM	0.00	0.00	0	0.00
22	ORISSA	0.13	0.06	0	0.19
23	PONDICHERY	0.20	0.02	0	0.22
24	PUNJAB	376.51	226.14	58.7841	661.44
25	RAJASTHAN	184.95	89.89	27.79	302.64
26	TAMIL NADU	328.30	178.71	51.9291	558.93
27	TELANGANA	23.58	11.80	1.86	37.25
28	UTTAR PRADESH	39.87	22.64	4.1237	66.64
29	UTTARANCHAL	2.99	3.38	0.11	6.48
30	WEST BENGAL	36.44	42.65	5.9686	85.05
Grand Total		2621.98	1913.15	621.9249	5157.06

ANNEXURE-V

State-Wise and Year-wise UIDs issued (applications registered) under ATUFS is given in the table below:

State Name	Years			
	2016- 17	2017 - 18	2018 - 19	2019-20 (as on 17.02.2020)
Andhra Pradesh	1	7	2	5
Assam	0	0	1	0
Bihar	1	0	0	0
Chandigarh	0	0	0	0
Chattisgarh	1		1	0
Dadra & Nagar	9	23	20	45
Daman & Diu	4	8	4	8
Delhi	6	8	5	11
Goa	0	0	0	0
Gujarat	1400	1162	1271	1483
Haryana	122	86	69	80
Himachal Pradesh	4	2	1	10
Jammu & Kashmir	0	0	0	0
Jharkhand	0	1	0	4
Karnataka	38	30	23	37
Kerala	2	1	2	5
Madhya Pradesh	20	11	12	28
Maharashtra	198	282	291	426
Orissa		1		1
Puduchery	0	0	0	0
Punjab	328	177	230	186
Rajasthan	66	56	64	71
Tamil Nadu	279	231	187	244
Telangana	2	2	3	110
Uttar Pradesh	42	44	43	64
Uttarakhand	6	4	2	4
West Bengal	29	34	23	38
All India	2558	2170	2254	2761

STANDING COMMITTEE ON LABOUR

(2019-20)

Minutes of the Twenty Second Sitting of the Committee

The Committee sat on Friday, the 20th February, 2020 from 1100 hrs. to 1400 hrs. in Committee Room No. '1', Parliament House Annexe - Extension Building, New Delhi.

PRESENT

Shri Bhartruhari Mahtab - CHAIRPERSON

MEMBERS

LOK SABHA

2. Shri Subhash Chandra Baheria
3. Shri John Barla
4. Shri Satish Kumar Gautam
5. Dr. Umesh G. Jadhav
6. Shri Dharmendra Kumar Kashyap
7. Dr. Virendra Kumar
8. Shri Nayab Singh Saini
9. Shri Bhola Singh

RAJYA SABHA

10. Shri Husain Dalwai
11. Dr. Banda Prakash
12. Shri Rajaram
13. Shri M. Shanmugan

SECRETARIAT

- | | | | |
|----|-------------------------|---|---------------------|
| 1. | Shri T.G. Chandrasekhar | - | Joint Secretary |
| 2. | Shri P.C. Choulda | - | Director |
| 3. | Shri D.R. Mohanty | - | Additional Director |
| 4. | Shri Kulvinder Singh | - | Deputy Secretary |

Witnesses

Representatives of the Ministry of Textiles

Sl. No.	Name	Designation
1.	Shri Ravi Capoor	Secretary
2.	Shri P.K. Kataria	Special Secretary
3.	Shri Vijoy Kumar Singh	Additional Secretary & Financial Advisor
4.	Shri Moloy Chandan Chakraborty	JC & TXC
5.	Shri Jogiranjana Panigrahi	Joint Secretary
6.	Shri Nihar Ranjan Dash	Joint Secretary & CMD (NTC)
7.	Shri Sanjay Sharan	Joint Secretary
8.	Shri Sanjay Rastogi	DC (Handlooms)
9.	Shri Shantmanu	DC (Handicraft) & DG (NIFT)
10.	Ms. Sherry Lalthangzo	Economic Advisor
11.	Ms. Aditi Das Rout	Trade Advisor
12.	Shri Sanjeev Dua	MD (NHDC)
13.	Ms. Bindu Sharma	CMD (HHEC)
14.	Shri Arvind Kumar M	Secretary (NJB)
15.	Dr. Shakuntla	CCA
16.	Shri K.S. Shekhawat	ED (CWDB)
17.	Dr. P. Alli Rani	CMD (CCI)
18.	Shri Ranjit Ranjan Okhandiar	MS (CSB)
19.	Shri Ajay Kumar Jolly	CMD (JCI)
20.	Shri Ajit Chauhan	Secretary (Textile Committee)
21.	Ms. Usha Pol	DDG (Textiles)
22.	Shri Balram Kumar	Director & CMD (BIC)

2. At the outset, the Chairperson welcomed the Members of the Committee and the representatives of the Ministry of Textiles to the sitting of the Committee, convened to take oral evidence of the Ministry on 'Demands for Grants (2020-21)'. Drawing the attention of the representatives to Direction 58 of the 'Directions by the Speaker' regarding confidentiality of the proceedings during deposition before the Parliamentary Committees, the Chairperson asked

the Secretary, Textiles to give an overview of the actual expenditure for the previous year (2019-20) and Budgetary provisions for the year 2020-21 for various programmes/activities/schemes and the plan of action on the part of the Ministry for optimal utilisation of the earmarked funds and maximum achievements in physical targets.

3. The Secretary, Textiles accordingly gave a brief overview of the implementation of Schemes/Programmes by the Ministry of Textiles and apprised the Committee of the achievements, physical performance and measures taken for overall utilisation of funds and implementation of various Schemes/programmes currently in operation. Thereafter, a representative of the Ministry gave PowerPoint Presentation *inter-alia* highlighting financial performance for last 3 years; scheme wise expenditure; Proposed/Actual Outlay for 2020-21; expected outcome of Silk Samagra (2020-21); performance of Cotton Corporation of India; Jute Sector; Technical Textiles; New Initiatives in Technical Textiles; North Eastern Region Textile Promotion Scheme; Handloom and Handicraft Sectors; Scheme for Integrated Textile Parks (SITP); National Institute of Fashion Technology; Smarth Scheme for Capacity Building in Textiles Sector; Amended Technology Up-gradation Fund Scheme; PowerTex India; etc.

4. The Secretary and other representatives of the Ministry also responded to various queries raised by the Members which *inter-alia* included promotional activity being done towards production of International Standard Quality Silk; social security available to weavers; gradual decrease of allocation in the textile budget; policy paper on the impact of the Government's intervention to help cotton farmers especially with Minimum Support Price (MSP); efforts made towards making adequate silk yarn; outcome of Research done in the Silk Research Centre at Warangal; overall debt burden on handloom workers; credit cards to Handloom Workers; Plan of Action for Revival of the Handloom Sector; establishment of Mega Textile Parks on the lines of Kakatiya Textile Park at Warangal; Public-Private-Partnership (PPP) Model in the Textile Sector; specific target under Technical Textiles for the year 2020-21; attempts made by the Ministry to boost exports of polyester; funds utilised by the Ministry under the

Technology Upgradation Fund Scheme (TUFSS); plan of action in enhancing the Indian apparel products in the global apparel market; Jan Shakti Mission; Relocation of mills which are closing down to places where land is less costly; Skilling of North-Eastern Region; etc.

5. As some points required detailed and statistical reply, the Chairperson asked the Secretary, Ministry of Textiles to furnish written replies thereon within a week. The Secretary assured to comply.

6. The Chairperson, then thanked the Secretary and other representatives of the Ministry for furnishing valuable information on the subject and responding to the queries of the Members.

(The witnesses then withdrew)

[A copy of the verbatim proceedings was kept on record]

The Committee then adjourned.