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**STANDING COMMITTEE ON LABOUR, TEXTILES AND
SKILL DEVELOPMENT**

(2021-22)

(SEVENTEENTH LOK SABHA)

MINISTRY OF TEXTILES

DEMANDS FOR GRANTS

(2022-23)

THIRTY-FIRST REPORT



LOK SABHA SECRETARIAT

NEW DELHI

March, 2022/Phalguna, 1943 (Saka)

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Presented to Lok Sabha on 15.03.2022

Laid in Rajya Sabha on 15.03.2022



LOK SABHA SECRETARIAT

NEW DELHI

March, 2022/Phalguna, 1943 (Saka)

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*Not appended with this cyclostyled copy.

**COMPOSITION OF THE STANDING COMMITTEE ON LABOUR, TEXTILES AND SKILL
DEVELOPMENT (2021-22)**

Shri Bhartruhari Mahtab - Chairperson

**MEMBERS
LOK SABHA**

2. Shri Subhash Chandra Baheria
3. Kunwar Pushpendra Singh Chandel
4. Shri Ravikumar D.
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 Kashyap
12. Shri Pakauri Lal Kol
13. Adv. Dean Kuriakose
14. Shri Sanjay Sadashiv Rao Mandlik
15. Shri Khalilur Rahaman
16. Shri Naba Kumar Sarania
17. Shri Bhola Singh
18. Shri Ganesh Singh
19. Shri Nayab Singh
20. Shri K. Subbarayan
21. Shri Giridhari Yadav

RAJYA SABHA

22. Shri Naresh Bansal
23. Shri Neeraj Dangi
24. Shri Dushyant Gautam
25. Shri Elamaram Kareem
26. Ms. Dola Sen
27. Shri M. Shanmugam
28. Shri Vivek Thakur
29. Shri Vijay Pal Singh Tomar
30. Vacant
31. * *Vacant*

SECRETARIAT

1. Shri T.G. Chandrasekhar - Joint Secretary
2. Shri D.R. Mohanty - Director
2. Shri Sanjay Sethi - Additional Director
3. Shri Devudu Babu Badireddi - Assistant Executive Officer

* Vacancy occurred *vice* Dr. Banda Prakash resigned *w.e.f* 04.12.2021.

INTRODUCTION

I, the Chairperson, Standing Committee on Labour, Textiles and Skill Development (2021-22) having been authorized by the Committee do present on their behalf this Thirty-First Report on 'Demands for Grants (2022-23)' of the Ministry of Textiles.

2. The Committee considered the Demands for Grants (2022-23) of the Ministry of Textiles which were laid on the Table of the House on 11th February, 2022. After obtaining the Budget Documents, Explanatory Notes, etc., the Committee took evidence of the representatives of the Ministry of Textiles on 24th February, 2022. The Committee considered and adopted the Report at their sitting held on 14th March, 2022.

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;
14th March, 2022
23 Phalguna, 1943 (Saka)

BHARTRUHARI MAHTAB
CHAIRPERSON,
STANDING COMMITTEE ON LABOUR,
TEXTILES AND SKILL DEVELOPMENT

REPORT
PART- I

INTRODUCTORY

The Indian textile industry is one of the largest in the world with a large unmatched raw material base and manufacturing strength across the value chain. India is the 6th largest exporter of Textiles & Apparel in the world. India's textiles and clothing industry is one of the mainstays of the national economy. The share of textile and apparel (T&A) including handicrafts in India's total exports stands at a significant 11.4% in 2020-21. India has a share of 4% of the global trade in textiles and apparel. The uniqueness of the industry lies in its strength both in the hand-woven sector as well as in the capital intensive mill sector. The mill sector is the second largest in the world. Traditional sectors like handloom, handicrafts and small scale power-loom units are the biggest source of employment for millions of people in rural and semi urban area. It provides direct and indirect employment and source of livelihood for millions of people 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.

2. 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.

3. The Ministry of Textiles is responsible for policy formulation, planning and development of the Textiles Industry. The Ministry carries out the implementation of various Schemes through their several attached and subordinate offices, Statutory and Autonomous bodies and the Central Public Sector Enterprises.

4. The Demands for Grants of the Ministry of Textiles for the year 2022-23 are given under Demand No.98. The detailed Demands for Grants of the Ministry were laid in the Parliament on 11th February 2022. The Budget Estimate of the Ministry showing Revenue and Capital expenditure for the year 2022-23 is as under:-

(Rs. in crore)

Expenditure Head	Budget Estimate
Revenue	12,357.11
Capital	25.03
Total	12,382.14

II. OVERALL FINANCIAL OUTLAYS AND PERFORMANCE

i. Proposals and Allocations for 2022-23

5. The total outlay proposed (Revenue and Capital) by Ministry of Textiles for the year 2022-23 was Rs. 13,209.91 crore. However Ministry of Finance allocated Rs. 12,382.14 crore for BE 2022-23 against the amount proposed by Ministry of Textiles. The Scheme-wise Budget proposals as submitted by the Ministry and Budget provision allocated for different schemes is as shown below:

(Rs. in crore)

Sl. No	SCHEME	Proposed Outlay	Outlay Allocated	Variations
1	Sericulture	946.99	875.00	-71.99
2	Cotton	9243.09	9243.09	0.00
3	Jute	139.75	115.00	-24.75
4	NER TPS	0.00	0.00	0.00
5	Handloom	494.92	410.00	-84.92
6	Handicraft	372.54	354.00	-18.54
7	NIFT	123.79	120.00	-3.79
8	Textiles Cluster Development	182.50	133.83	-48.67
9	TRAs	16.65	17.00	0.35
10	Research & Dev.	28.00	10.00	-18.00
11	IPDS	71.20	70.00	-1.20
12	Textiles Committee	30.00	25.00	-5.00
13	SAMARTH	100.00	100.00	0.00
14	ATUFS	700.00	650.00	-50.00
15	Powerloom	0.00	0.00	0.00
16	Wool	23.30	15.00	-8.30
17	PSUs	282.96	0.01	-282.95
18	NTTM	300.00	100.00	-200.00
19	Others	154.22	144.21	-10.01
	Total	13209.91	12382.14	-827.77

6. As would be seen from above, the total outlay proposed by the Ministry of Textiles for the year 2022-23 was Rs.13,209.91 crore whereas the Ministry of Finance approved Rs.12,382.14 crore only. The Committee desired to know the basis on which the Ministry of Finance curtailed the outlay proposed by the Ministry of Textiles from Rs. 13,209.91 crore to Rs. 12,382.14 crore for the year 2022-23. In reply, the Ministry stated as under:

"The Ministry of Finance conducts the budget allocation exercise in consultation with all the line Ministries/ Departments. It is understood that various factors such as adequacy of funds in the government exchequer vis a vis sectoral demands placed by different Ministries, pace of expenditure of any

particular Ministry, contingent and committed liabilities etc. are kept in view while making budgetary allocations."

7. The Committee then desired to know the reasons for reduction in proposed budget under almost all schemes except cotton sector for the 2022-23 and the major Schemes/projects that would likely to be adversely affected due to such curtailment. The Ministry replied as under:

"It is understood that various factors such as adequacy of funds in the government exchequer vis a vis sectoral demands placed by different Ministries, pace of expenditure of any particular Ministry, contingent and committed liabilities etc. are kept in view while making budgetary allocations.

Efficient and timely utilization of allocated funds under all the Schemes shall be pursued. The projects/Schemes are not likely to be adversely affected as the Ministry of textiles will approach Ministry of Finance for additional funds as soon as the allocated Budget is fully utilised."

8. Scrutiny of the documents revealed that the Ministry have been consistently failing in adhering to the Budget Division (Ministry of Finance) guidelines regarding ceiling limit of expenditure i.e. 33% in the last quarter and 15% in the last month of the fiscal year. In this regard, the Ministry were asked to explain these deviations along with the measures taken by the Ministry to address the concerns during 2021-22 and 2022-23. In reply, the Ministry submitted as under:

"The Ministry has been largely following the prescribed limits for expenditure in the last quarter of the financial year. The expenditure was 16.48% of RE in 2018-19 and 22.28% of RE in 2019-20, which is well within the limit prescribed by the Ministry of Finance. However, the expenditure in the last quarter of 2020-21 exceeded the limit (43.41 of RE) due to MSP support extended to Cotton Corporation of India for which supplementary grant was availed. Best efforts are being made to streamline the flow of expenditure by way of regular monitoring."

9. The Committee have been informed that non-receipt of viable proposals and non-furnishing of utilization certificates by implementing agencies has resulted in underutilization of allocated fund. In this context, the Committee enquired about the specific efforts made/proposed by the Ministry to increase the receipt of viable proposals from the implementing agencies. In reply, the Ministry stated that the States / stakeholders have been asked to monitor / clear all the pending Utilization Certificate under different schemes of Ministry of Textiles.

ii. Allocations and utilisations during last three years

10. The details of fund allocation to and utilisation by the Ministry during the years 2018-19 to 2021-22 are as under:

(Rs. in crore)

Year	Budget Estimate	Revised Estimate	Actual Exp.	Expenditure as % of BE	Expenditure as % of RE
2018-19	7147.73	6943.26	6696.28	93.68%	96.44%
2019-20	4831.48	4831.48	4455.19	92.21%	92.21%
2020-21	3514.79	3300.00	3148.97	89.59%	95.42%
2021-22	3631.64	11449.32	10012.79 (as on 22.02.22)	275.71%	87.45%

11. On being asked to attribute the reasons for consistent shortfall/reduction in Actual Expenditure during the last three fiscal years, the Ministry replied as under:

"The Ministry has been consistently pursuing the action under schemes to ensure that budget allocated to Ministry is gainfully spent. However, of late the pace of expenditure under some schemes has been slightly impacted by COVID pandemic."

12. Details of Scheme-wise expenditure for the year 2021-22 (as on 22.02.2022) are as under:

(Rs. in crore)

SI. No.	SCHEMES	Actual Exp. 2020-21	Budget Estimate 2021-22	Revised Estimate 2021-22	Actual Exp. 2021-22 (22.02.22)	% age Exp w.r.t. RE	Budget Estimate 2022-23
1	Sericulture	650.01	876.00	876.00	768.63	87.74%	875.00
2	Cotton	662.71	136.00	8439.88	7666.91	90.84%	9243.09
3	Jute	71.50	153.01	112.01	81.08	72.39%	115.00
4	NER TPS	78.38	75.00	49.94	13.60	27.23%	0.00
5	Handloom	298.13	481.82	378.50	289.62	76.52%	410.00
6	Handicraft	241.98	371.00	297.00	219.97	74.06%	354.00
7	NIFT	91.70	100.00	95.00	75.77	79.76%	120.00
8	Textiles Cluster Development	79.91	80.00	55.00	45.40	82.55%	133.83
9	TRAs	10.00	15.50	15.50	14.93	96.32%	17.00
10	Research & Dev.	3.57	10.00	10.00	0.27	2.70%	10.00
11	IPDS	49.71	75.00	45.00	30.77	68.38%	70.00
12	Textiles Committee	65.55	45.00	25.00	12.50	50.00%	25.00

13	SAMARTH	90.71	100.00	90.00	38.04	42.27%	100.00
14	ATUFS	556.39	700.00	650.00	511.96	78.76%	650.00
15	Powerloom	54.34	74.28	47.48	24.90	52.44%	0.00
16	Wool	9.93	16.50	10.00	5.95	59.50%	15.00
17	PSUs	0.00	85.00	85.00	85.00	100.00%	0.01
18	NTTM	0.00	100.00	60.00	48.97	81.62%	100.00
19	Others	132.45	137.53	108.01	78.52	72.70%	144.21
	Total	3146.97	3631.64	11449.32	10012.79	87.45%	12382.14

13. As would be seen from the above comparative data, the amount provided in the BE and RE 2021-22 were Rs. 3631.64 crore and Rs. 11449.32 crore respectively. As on 22nd February, 2022, the Ministry have been able to utilise Rs. 10012.79 crore leaving an unutilized amount of Rs. 1,436.53 crore. In this context, the Committee desired to know whether the Ministry would be able to utilise the remaining amount of Rs.1,436.53 crore in the last One month (approx) of the fiscal year 2021-22 and the areas in which savings anticipated by the end of 31st March, 2022. In reply, the Ministry of Textiles stated as under:

"The Ministry is making best efforts to utilize the funds provided as per the Revised Estimates for the year 2021-22. The savings available under some schemes will be utilized under the scheme where the Ministry has sought funds under 2nd & 3rd Batch of the Supplementary Demands. Once the Supplementary is approved and conveyed to Ministry of Textiles, necessary action for re-appropriating the funds to other schemes will be taken with the approval of Competent Authority."

14. In the above context, the Committee then desired to know how the Ministry justify that re-appropriation of funds would enhance the overall development of textile sector in the Country. In reply, the Ministry furnished as under:

"As per the extant procedure for budget management during the financial year, the Ministries may re-appropriate the budget between their Schemes, subject to the conditions as stipulated under Delegation of Financial Power Rules (DFPR). The savings under a particular Budget head is allocated to the other Budget head where more funds are required, through re-appropriation. In case of Token supplementary grant availed by the Ministry, savings are to be located within the existing budget, which are then re-appropriated as per the requirement and with reference to the token supplementary taken."

15. The Committee have been informed that due to non-receipt of viable proposals and non furnishing of utilization certificates by implementing agencies has resulted in under utilization of allocated fund. In this context, the

Committee enquired whether any specific efforts were made/proposed by the Ministry to increase the receipt of viable proposals from the implementing agencies during 2021-22 and also 2022-23 fiscal. In reply, the Ministry stated as under:

"The States / stakeholders have been asked to monitor / clear all the pending Utilization Certificate under different schemes of Ministry of Textiles."

16. Asked to state the measures taken/proposed to remove the impediments encountered during 2021-22 so as to maximize utilization of funds during 2022-23, the Ministry submitted as under:

"Ministry is vigorously persuing with the stakeholders for taking measures as per scheme guidelines and incur expenditure accordingly. Pace of expenditure is regularly & closely reviewed by the senior officers."

III. OVERALL ACHIEVEMENTS IN PHYSICAL TARGETS

17. Perusal of the documents has revealed that there have been shortfalls in the achievement of physical targets in some major schemes during 2021-22. Asked to state the reasons for shortfalls in the achievement of targets in a number of Schemes during 2021-22 (As on 10th January 2021) and measures taken to achieve maximum targets by 31st March, 2022, the Ministry submitted as under:

S.No	Name of the reasons	Reply
(i)	Number of employment generation and subsidy release under TUFs	Disbursement of subsidy under ATUFs is carried out after industry completing the machinery installation and operationalization duly verified by the Joint Inspection Team (JIT). The COVID-19 induced lockdown and restrictions thereon have resulted in delay in completing the installation of machinery projected in the subsidy claims and commencement of production by the industry. This resulted into shortfall in achieving the desired employment targets. Further, the delayed submission of request for verification by the industry coupled with restrictions for physical verification by the Joint Inspection Team led to piling up of cases for final settlement and disbursement of subsidy. However, efforts have been made to optimize settlement of claims and accordingly, a total of 2011 cases has been settled under ATUFs during the current Financial Year. A total subsidy amount of Rs.470.71 crore has been disbursed under ATUFs and older versions of TUFs till 08.02.2022. It is expected to utilize entire RE of Rs.650 crore upto 31.03.2022
(ii)	International events, Skill Development, Direct Benefit to	During fiscal 2021-22, due to the COVID Pandemic and the restrictions imposed by local administrator thereon mobility of the artisans was seriously affected and many of the programmes could not be undertaken for many months during lockdown period.

	Artisans, CHCDS under Handicraft Sector.	
(iii)	National Institute of Fashion Technology, Jammu & Kashmir.	The construction work of the NIFT J&K Campus was allotted to J&K State Industrial Development Corporation (SIDCO) in 2016 with a completion date of June 2021. However, the SIDCO could not complete the work in the allotted time and sought an Extension of Time in the project. NIFT has granted an Extension of Time till March 2022. NIFT is closely monitoring the construction work and has taken up the issue of the slow pace of work on higher-level including Chief Secretary, J&K. It is expected that the permanent Campus of NIFT J&K shall be completed by June 2022. The construction of NIFT permanent Campus at J&K Campus is slightly affected due to COVID-19 pandemic situation and winter climate conditions in NIFT Srinagar, J&K. In view of the above, it seems that the NIFT will achieve the Budget target for the year 2021-22 within schedule time. i.e. March 2022
(iv)	New projects no. of silk mark label sold, no. of programs/Events/Exhibitions/Road Shows under Silk Sector.	<p>In respect of silk sector -iv(a), the reasons for shortfall in achievements of targets during the year 2021-22 is as follows:</p> <p>(i) As against the target of 35 new research projects to be initiated during 2021-22 by CSB R&D institutes, 13 new projects have been initiated as on date. The meeting of Research Coordination Committee (RCC) to approve project implementation/ratification was held in Sept, 2021. Therefore, the remaining 22 projects would be initiated by end of the year 2021-22. Besides 96 ongoing projects are being continued. Similarly, as against 34 projects to be concluded, 23 projects have already been concluded as on date and the remaining 11 projects would be concluded by end of the year i.e., March, 2022.</p> <p>(ii) In respect of Capacity building Under Capacity building as against the target of 11100, 6718 persons have been trained upto January 2022. Due to second wave of pandemic covid-19, the training programmes could not be undertaken as per schedule during April and May, 2021. Similarly during the months December, 2021 and January, 2022 the 3rd wave pandemic has affected the training schedule. In view of this a shortfall of about 10% is anticipated in achievement during 2021-22.</p> <p>(iii) Under the Quality Certification Systems, 335 programmes/events/exhibitions/road shows have already been organized upto January, 2022 against the target of 300. Hence the achievement has exceeded the target. Similarly, as against the target of 20 lakhs silk mark labels to be distributed, 22.84 lakh silk mark labels have already been distributed.</p> <p>(iv) Against a target of 474.53 lakhs dfls production, 287.503 lakhs dfls (both mulberry and Vanya) have been produced up to January, 2022 and expected to achieve the target by</p>

		March, 2022. During the year 2021-22, the abiotic factors fluctuated to a great extent affecting the input raw material, which impacted the overall production target. The production targets are directly related to the prevailing a biotic factors (like rain & high temperature). Hence, it can be attributed that target vis-à-vis achievement is combination of a biotic (like rain & high temperature) and biotic (like plant & silkworm diseases etc.,) factors. During the year 2020-21 and 2021-22 national wide lockdown due to pandemic (Covid-19) also affected production of dfls and subsequently production of raw silk.
(v)	Block Level Clusters (BLCs), marketing events, weavers MUDRA scheme, yarn supply under Handloom Sector	The period of earlier schemes having come to an end, after detailed evaluation of schemes and guiding principles thereof, schemes were rationalized at the EFC stage, and revised guidelines were issued on 25.10.2021. However, the O/o DC (Handlooms) is well on course to achieve the target of in NHDP and Raw Material Supply Scheme by March 2022.
(vi)	Integrated Wool Development Programme	Rs. 2.50 crore allocated under the head of Special Category Plan for Scheduled Caste (Capital) would be saved/unutilized under implementation of Wool Sector Scheme i.e. 'Integrated Wool Development Programme' (IWDP) during current FY 2021-22. There is no specific provision to utilize Rs. 2.50 crores allocated under IWDP scheme for SC category and no such fund has been demanded and utilized in the previous years.
(vii)	SAMARTH-Scheme for Capacity Building in Textile Sector	Training programme under the scheme was seriously impacted during COVID-19 pandemic. The number of dropout candidates increased significantly during this period. The skill development programme on going during March, 2020 was disrupted on account of Covid-19 pandemic and could only be resumed with the relaxation issued by Government in September, 2020. With the improvement in the situation since September, 2020, the training of the allocated target was progressing at various stages. Despite various measures initiated by the Ministry and efforts put in by various implementing partners in implementing the training programme, however, the sudden subsequent surge of the pandemic had further impacted the scheme implementation since April 2021.
(viii)	Scheme for Integrated Textile Park (SITP)	Under SITP, 3 projects have been accorded completion status during current financial year. Out of total revised allocation, about 82.5 % fund has been utilized and it is expected that balance fund could be utilized by the March 2022

18. As regards steps taken/proposed by the Ministry to enhance the performance of achievement of physical targets during the 2022-23 fiscal, the Ministry submitted as under:

Sl.No.	Name of the Scheme	Replies
(i)	SAMARTH-Scheme for Capacity Building in Textile Sector	The Ministry of Textiles has partnered so far with 13 State Government Agencies, 92 Textile Industry, 10 Industry Associations/ Councils and 4 Sectoral Organizations of Ministry of Textiles for training of 3.46 lakh beneficiaries in textile sector, allocated after physical verification of training centres. Another process of empanelling of Industry/ Industry Associations to allocate training target under Entry Level is also progressing. Further, broad-basing of panel of Implementing Partners and allocation of training target are also progressing.
(ii)	ATUFS	ATUFS scheme is valid upto 31.03.2022. Ministry has since initiated a process to formulate new scheme to replace ATUFS. The physical target for investment, employment and other parameters can be finalized only after approval of the new scheme by the competent authority. As such, physical target could be fixed for FY 2022-23 only after approval of the new scheme. It may be noted that, in addition to the to the new interventions proposed for supporting technology upgradation, setting up of new textile manufacturing facilities across various segments and promotion of indigenous textile machinery manufacturing, the new scheme is proposed to have provision to disburse the committed liabilities of ongoing ATUFS
(iii)	Handicrafts	<ul style="list-style-type: none"> a) Efforts are being made to maximize use of information technology in the process to enhance the performance of the schemes during 2022-23. b) Efforts also being made to organize maximum number camps /chaupals to extend the benefits of the schemes and cover maximum number of artisans under Pahchan Initiative, DBT schemes etc. c) A large number of training and skill upgradation programmes are also being planned for providing maximum benefit to artisans. d) Efforts are also being made to identify and develop export-oriented clusters and also identification and formation of producer companies in the handicrafts. e) Connect artisans on e-Marketing and other e-Commerce Platforms. f) To implement infrastructure project throughout the country in order. g) To provide direct access/reach of artisans and build robust and resilient infrastructure for handicraft Sector.
(iv)	Integrated Wool Development Programme	To enhance the performance of achievement of physical targets during 2022-23, the Central Wool Development Board, Ministry of Textiles will encourage the implementing agencies for sending new project proposal as per IWDP guidelines, under new scheme 100% funding pattern has been kept and also financial provision has made @ 2% as Administrative Expenses to reimbursement their overhead expenses under IWDP scheme. The CWDB intends to sanction major projects during 2022-23, for achieving the physical targets.
(v)	Silk Samagra	<p>In respect of silk sector (iv)(a), the corrective steps are taken/proposed for optimal achievement of physical targets under sericulture during 2022-23 is as follows:</p> <p>The ongoing Silk Samagra Scheme now proposed to be continued in an improved version as “Silk Samagra -2”, during</p>

	<p>five years coterminous with 15th Finance Commission cycle i.e, from 2021-22 to 2025-26 with an outlay of Rs.4,679.86 crore. Main objectives of the Scheme are (i) to make India Atma-Nirbhar in production of import substitute international grade Bivoltine silk & (ii) focus on inclusive development of small and marginal framers including women and tribal/SCs. The scheme also facilitates improvement in labour productivity right from Farm to Fabric in every stage of silk production chain through various R&D innovations, robust silkworm feed & breed, continued skilling & empowerment of the stakeholders and providing user friendly technology. During the year 2022-23, it is proposed to increase the raw silk production to 40,800 MT (including 9250 MT of 4A grade silk), raw silk productivity from existing 108 to 113 kg/ha and to generate cumulative employment of 98.60 lakh persons.</p> <p>The major core activities proposed to be taken up during 2022-23 are: (i) to carry out 35 new and conclude 33 R & D Projects besides continuation of 96 on-going projects & programmes in 9 Main Research Institutes in Mulberry, Tasar, Muga & Eri and PCT, (ii) to produce 485.67 lakh disease free layings(basic and commercial seed), (iii) to sell 27.0 lakh silk mark labels, (iv) to cover 275 authorized users and (iv) organize 600 number of programmes /exhibitions /road shows besides (v) establishing 4 cocoon testing and 2 raw silk testing centres.</p> <p>The following are the major interventions proposed under Silk Samagra-2 for optimal achievement of physical targets.</p> <ul style="list-style-type: none"> • Support to beneficiaries has been rationalized as bundle of packages from earlier individual / isolated components to provide full package of technology for desired outcome. • Support to entrepreneur and FPOs included to encourage entrepreneurship in sericulture activities to increase the profitability and making sericulture a sustainable activity. • Sharing pattern for support to the beneficiaries rationalized to support for upscaling of the activities and making the activity viable, profitable & sustainable. • Special focus has been given for tapping potential of ERI Silk outside NE (Tapioca based Eri culture in Tamil Nadu and Castor based sericulture in Gujarat) • Focus will be on strengthening of market infrastructure and promoting start up in cocoon bank development, digitization of market • Geo-tagging of assets made mandatory for monitoring of scheme benefits • The sericulture projects of NERTPS have been subsumed under Silk Samagra-2 with necessary budgetary provision • Special focus will be on value addition to produce high value products, non-textile application of silk and by-product utilization. • Incubation facility to R&D Institutes will be provided
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		<p>with linkages to start ups for commercialization and field application of technologies.</p> <ul style="list-style-type: none"> • Convergence of extension services in KVKs with CSB/States sericulture extension and training activities. • Support will be provided to entrepreneurs for taking up bivoltine seed production and its distribution so as to promote private participation in Bivoltine seed production & supply.
(vi)	SITP	<p>Project Approval Committee under SITP chaired by Secretary (Textiles) reviews progress of the project in at frequent interval. The major issues faced in implementation of the project are discussed in the meeting and suitable suggestions/measures are taken. The State Governments concerned are also invited in the meeting to offer their feedback/comments. Further, the PMCs appointed for each textile parks are in constant touch with the Ministry providing periodic progress report and acts as a bridge between the Government and the SPV.</p>
(vii)	Powerloom	<p>PowerTex India Scheme and Comprehensive Powerloom Cluster Development Scheme (CPCDS) were implemented during 01.04.2017 to 31.03.2020 and further continued for another one year i.e.2020-21 to consider the payment against the rolled over liabilities of the various components of PowerTex India Scheme and Comprehensive Powerloom Cluster Development Scheme (CPCDS). As such, no new application was considered during the year 2020-21.</p> <p>A meeting of Project Implementation Board (PIB) was held under the Chairmanship of the Finance Secretary and Secretary (Expenditure) on 6th October, 2021 for consideration of Textile Cluster Development Scheme (TCDS). The PIB has approved the TCDS with a total outlay of Rs.853 crore for five years w.e.f. 2021-22 to complete the ongoing projects under Powerloom sector Schemes (PowerTex India, CPCDS).</p>
(viii)	Handloom	<ul style="list-style-type: none"> • With the threat of COVID 19 largely behind, enhancing the number of physical marketing events/expos for Handlooms. • Undertake capacity building of Producers' Companies in phases. • Increase the number of Design Resource Centres to 18. • Include Dilli Haats at Janakpuri and Pitampura for marketing of Handloom products.
(ix)	Jute	<p>Under the National Jute Development Programme, the higher target has been fixed for implementation of schemes during 2022-23 to enhance the performance.</p>
(x)	NIFT	<ul style="list-style-type: none"> • Monitoring of project commences from the beginning of a project • A monitoring committee is constituted by NIFT for monitoring of the project • Physical and financial progress is monitored periodically by NIFT management • Frequently meeting with construction agencies & Physical implementation by Campus Director

IV. SCHEME-WISE ANALYSIS

(i) Handloom Sector

19. The details of Budget allocation and utilisation under Handloom Sector for the year 2021-22 and Budget allocated for the year 2022-23 are as under:

(Rs. in crore)

BE (2021-22)	RE (2021-22)	AE (2021-22)	% age w.r.t. RE	BE (2022-23)
481.82	378.50	289.62 (as on 22.02.22)	76.52%	410.00

National Handloom Development Programme (NHDP)

20. The details of Budget allocation and utilisation under NHDP during the last three years are as follows:

(Rs. in crore)

Year	2019-20			2020-21			2021-22			2022-23
Scheme	B.E	R.E	A.E	B.E	R.E	A.E	B.E	R.E	A.E	BE
National Handloom Development Programme	135	139.50	141.87	205	165	179.56	220	180	131.30 (as on 30.01.2022)	200

21. The Committee enquired whether BE of Rs. 200 crore for fiscal 2022-23 would be sufficient for efficient implementation of the National Handloom Development Programme (NHDP) scheme. The Ministry replied in the affirmative.

22. As would be seen from above, the Actual Expenditure figure for NHDP Scheme for the year 2021-22 stood at Rs.131.30crore (as of 30th January 2022). The Committee desired to know whether the Ministry would be able to utilize the RE amount of Rs. 180 crore by 31st March 2022. In reply, the Ministry replied in affirmative.

23. Asked to state whether non-receipt of viable proposals was the sole reason for not achieving the targets under NHDP during 2021-22 and other hindrances faced by the Ministry in achieving the physical target set for NHDP during 2021-22 and measures taken to overcome such hindrances. In reply, the Ministry submitted as under:

“The period for the earlier schemes having come to an end, after detailed evaluation of schemes and guiding principles thereof, schemes were rationalized at the EFC stage, and revised guidelines for the period 2021-26 were issued on 25.10.2021. The O/o DC (Handlooms) is accordingly well on course to achieve the target of Rs 180 Crores.”

24. The Committee desired to know the amount released under concessional credit/weavers MUDRA Loan and Handloom weavers’ welfare during 2020-21 & 2021-22 along with the State-wise details of the number of weavers and amount disbursed to them. In reply, the Ministry apprised as under:

“As regard MUDRA Loan, the details are shown below. So far as Handloom weavers welfare, a sum of Rs. 5.00 lakh and 29.00 lakh have been released during 2020-21 and 2021-22 respectively:

State-wise details of number of weavers and amount disbursed under Weavers MUDRA Scheme (under NHDP)							
SN	States	2020-21		2021-22		Total	
		No. of weaver beneficiaries	Loan amount disbursed (in crore)	As On	31/Dec/21	(2020-21 to 2021-22)	
				No. of weaver beneficiaries	Loan amount disbursed (in crore)	No. of weaver beneficiaries	Loan amount disbursed (in crore)
East Zone							
1	Arunachal Pradesh	10	0.06	-	-	10	0.06
2	Assam	38	0.18	4	0.02	42	0.20
3	Bihar	11	0.06	-	-	11	0.06
4	Jharkhand	-	-	-	-	0	0.00
5	Manipur	9	0.05	-	-	9	0.05
6	Meghalaya	-	-	-	-	0	0.00
7	Mizoram	-	-	-	-	0	0.00
8	Nagaland	-	-	-	-	0	0.00
9	Odisha	9	0.07	19	0.12	28	0.19
10	Sikkim	-	-	-	-	0	0.00
11	Tripura	-	-	-	-	0	0.00
12	West Bengal	-	-	10	0.05	10	0.05
	Total East Zone	77	0.42	33	0.19	110	0.61
West Zone							
13	Chhattisgarh	-	-	-	-	0	0.00
14	Dadra & Nagar Haveli	-	-	-	-	0	0.00
15	Gujarat	-	-	-	-	0	0.00
16	Goa	-	-	-	-	0	0.00
17	Madhya Pradesh	4	0.06	-	-	4	0.06
18	Maharashtra	-	-	-	-	0	0.00
	Total West Zone	4	0.06	0	0.00	4	0.06
North Zone							
19	Delhi	-	-	-	-	0	0.00
20	Haryana	-	-	-	-	0	0.00
21	Himachal Pradesh	-	-	-	-	0	0.00

22	Jammu & Kashmir	287	2.81	409	3.58	696	6.39
23	Laddakh	-	-	-	-	0	0.00
24	Punjab	-	-	-	-	0	0.00
25	Rajasthan	-	-	4	0.02	4	0.02
26	Uttrakhand	-	-	-	-	0	0.00
27	Uttar Pradesh	34	0.21	41	0.27	75	0.48
	Total North Zone	321	3.02	454	3.87	775	6.89
South Zone							
28	Andhra Pradesh	1858	10.09	2231	13.53	4089	23.62
29	Karnataka	40	0.14	4	0.02	44	0.16
30	Kerala	159	0.83	126	0.66	285	1.49
31	Pudducherry	-	-	-	-	0	0.00
32	Tamil Nadu	4924	24.68	4308	21.23	9232	45.91
33	Telangana	1073	8.14	-	-	1073	8.14
	Total South Zone	8054	43.88	6669	35.44	14723	79.32
	Grand Total	8456	47.38	7156	39.50	15612	86.88

25. The Comimittee then enquired about the reasons for disbursing majority of the funds to three States *viz.* Andhra Pradesh, Telangana and Tamil Nadu, while a meager amount has been disbursed to all other States. In reply, the Ministry furnished as below:

"Funds to the handloom agencies of various States are released on receipt of volume of viable proposals through their respective State Governments and subsequent installment of funds is released on receipt of utilization certificate of the funds released as first installment. As per 4th All India Handloom Census 2019-20, total number of handlooms are 28,23,382 and handloom workers are 35,22,512 in the country. State-wise number of handlooms and handloom workers in Andhra Pradesh, Telangana and Tamil Nadu is as under:

Sl.No.	State	No. of handlooms	No. of handloom workers
1	Andhra	93,375	1,77,447
2	Telangana	17,095	47,852
3	Tamil Nadu	2,18,748	2,43,575
	Total	3,29,218	4,68,874

11.66% of handlooms and 13.31% of handloom workers of the total handlooms and handloom workers in the country are in the above States, where the structure is more organised and cooperative based. Hence the outflow of funds in these States is generally higher compared to other States."

26. As regards the State-wise and year wise details of number of Pahchan Cards issued to handloom weavers during 2019-20 to 2021-22 alongwith the total number of weavers issued Pahchan Cards, the Ministry replied as under:

"The 4th Handloom Census work was completed in 2019-20 and the Pehchan Card distribution started in 2020-21 onwards. State-wise and year wise details of number of Pehchan Cards issued to handloom weavers during 2020-21 to 2021-22 are as under:

S. NO.	STATE NAME	2020-21	2021-22
1	ANDHRA PRADESH	37158	21777
2	ARUNACHAL PRADESH	6173	
3	ASSAM	108890	
4	BIHAR	3608	
5	CHHATTISGARH	2061	
6	DELHI	0	
7	GOA	0	
8	GUJARAT	0	
9	HARYANA	20240	
10	HIMACHAL PRADESH	0	
11	JAMMU AND KASHMIR	6718	
12	JHARKHAND	12278	
13	KARNATAKA	20030	
14	KERALA	861	
15	MADHYA PRADESH	6499	
16	MAHARASHTRA	2489	
17	MANIPUR	34190	102
18	MEGHALAYA	5191	
19	MIZORAM	4900	
20	NAGALAND	607	
21	ODISHA	33891	3003
22	PUDUCHERRY	0	
23	PUNJAB	0	
24	RAJASTHAN	1106	
25	SIKKIM	142	
26	TAMIL NADU	39611	
27	TELANGANA	3796	5859
28	TRIPURA	8412	
29	UTTAR PRADESH	45730	
30	UTTARAKHAND	251	
31	WEST BENGAL	242121	
	TOTAL	646953	30741
	GRAND TOTAL	677694	

27. Asked to state the measures taken to support the handloom weavers during 2021-22 and also the extent to which these measures mitigated the hardships faced by the weavers during the tough times of Covid-19 Pandemic, the Ministry stated as under:

“To overcome the challenges/problems being faced by handloom workers due to covid-19 pandemic, the Government has taken following proactive steps for their welfare and to promote the handloom sector across the country:

- (a) Steps have been taken to on-board weavers on Government e-Market place to enable them to sell their products directly to various Government Departments and organizations. So far about 1.50 Lakh weavers have been on-boarded on the GeM portal.
- (b) To enhance productivity, marketing capabilities and ensure better incomes, 133 Handloom Producer companies have been formed in different States.
- (c) Under Weaver MUDRA Scheme, financial assistance is provided as follows:
 - i. Margin money assistance:-
 - @ 20% of loan amount, subject to maximum of Rs. 25,000/- per weaver,
 - @ 20% of loan amount, subject to maximum of Rs. 20.00 lakh (@ Rs. 2.00 lakh for every 100 weaver/worker) per handloom organization,
 - ii. Interest subvention upto 7% for 3 years; and
 - iii. Credit Guarantee on loans for 3 years.
- (d) Design Resource Centres have been set up in Weavers’ Service Centres at Delhi, Mumbai, Varanasi, Ahmedabad, Jaipur, Bhubaneswar, Guwahati and Kancheepuram, through NIFT with the objective to build and create design-oriented excellence in the Handloom Sector and to facilitate weavers, exporters, manufacturers and designers access design repositories for sample/product improvisation and development.
- (e) To promote marketing of handloom products, Handloom Export Promotion Council (HEPC) has been organizing International Fairs in virtual mode. During the year 2020-21, 12 handloom fairs were organized in virtual mode. Besides, domestic marketing events were also organized in different parts of the country for the weavers to market and sell their products.”

28. The Committee further enquired whether the Ministry invariably followed the Reservation of Articles for Production Act, 1985 for protection and promotion of handlooms against powerlooms and the current status of implementation of this Act to protect the handloom products from powerlooms. In reply, the Ministry submitted as under:

" The Handlooms (Reservation of Articles for Production) Act, 1985 is being implemented by the Central and State Governments enforcement agencies by way of carrying out powerloom inspection in the field. In order to implement the Act effectively, targets to all the implementing agencies for inspection of powerloom units are fixed by the Office of Development

Commissioner for Handlooms under annual action plan. Wherever any violation is detected, suitable action under the provisions of the Act is initiated.

Presently 11 textile articles with certain technical specification are reserved under the Act for exclusive production on handlooms.

Total number of 1,25,539 powerloom inspections have been carried out during the year 2021-22.

Further in order to supplement the efforts of State Governments, financial assistance is provided to the State Governments for establishment of Enforcement Machinery under the Act. Apart from the above, the scope of the scheme has been expanded to include inspection of products being sold with India Handloom Brand/Handloom Mark & Geographical Indication tags in markets/expos, in order to curb sale of fake handloom products."

(ii) Handicraft Sector

29. Details of plan outlays and expenditure during the last three years and BE 2022-23 under Handicraft Sector are as under:

(Rs. in crore)

Year	BE	RE	AE
2019-20	286.17	332.31	282.16
2020-21	398.21	284.77	260.55
2021-22	371.00	297.00	219.97 (as on 22.02.2022)
2022-23	229.00	--	--

30. From the above data, it would be seen that the Actual Expenditure under Handicrafts Sector was lower than the BE and RE in all the last three fiscal years. In this regard, the Committee asked the reasons for consistent shortfalls in the utilisation of funds. In reply, the Ministry stated as under:

- "(a) The actual expenditure during the last 3 fiscal years of National Handicraft Development Programme is lower than BE and RE due to following reasons:
- (b) Non-submission/Non-receipt of viable proposal from Implementing agency within the time frame resulting in delay in processing/sanctioning of the projects/programmes.
- (c) Pending utilization certificates, unspent balances of earlier sanctioned grants, procedure delays etc. on the part of implementing agency/State Government agencies and financial concurrence.
- (d) During fiscal 2021-22, due to the COVID Pandemic and restrictions imposed thereon mobility of the artisans was seriously affected and many of the projects/ programmes which attracts mass gathering such as marketing events, Training Programmes, Workshops/Seminars etc. could not be materialized in time."

31. The Committee then asked the specific measures contemplated to overcome the above bottlenecks. In response, the Ministry stated as under:

"In order to boost up implementation of schemes, the following steps have been taken by the Office of Development Commissioner (Handicrafts):

- AADHAR linked artisans ID cards have been issued by the office of Development Commissioner (Handicrafts) to handicrafts artisans for availing benefits of the schemes.
- An integrated MIS portal has been developed by office of D.C. (Handicrafts) to receive proposals by various agencies (Govt. agencies/ Corporation/ State Govt. Agencies/ NGO.) for enhancing the transparency and timely implementation of programmes.
- All 6 DBT applicable schemes of O/o DC(Handicrafts) have been onboarded on DBT Bharat Portal.
- All the Implementing agencies (Govt/NGO) have been empaneled with O/o DC(HC) with due verification and by law as per GFR 2017.
- Preference has been given to Govt. agencies/ State Govt. agencies for implementation of programmes.
- Three level of Monitoring and control is affected by O/o Development Commissioner (Handicrafts) i.e., Handicrafts Service Centers, then Regional Offices and finally the Headquarter. Timely reminders are sent to the concerned implementing agencies for submission of utilization certificates."

National Handicrafts Development Programme (NHDP)

32. As regards the present Status of physical targets of all components under the National Handicraft Development Programme during 2021-22, the following details have been furnished:

S. N	Name of Sub-Scheme	2021-22	
		Target	Achievement Upto (Dec. 2021)
1	Marketing Support and Service	Domestic <ul style="list-style-type: none"> • Gandhi Shilp Bazar-20, • Craft Bazar-30, • Exhibition-40, • Th. Exhibition/Craft Awareness Programme/ Craft Demonstration Programme/Hiring of Stalls-20 39:International	Domestic <ul style="list-style-type: none"> • Gandhi Shilp Bazar-57. • Craft Bazar-63, • Exhibition-92, 23 : International
2	Skill Development In Handicrafts sector	<ul style="list-style-type: none"> • 110 Design and Technical Development Workshop • 114, Guru Shishya 	<ul style="list-style-type: none"> • Design and Technical Development Workshop-328. • Guru Shishya Hastshilp

		<p>Hastshilp Prashikshan Yojna</p> <ul style="list-style-type: none"> • 08, Comprehensive Skill Upgradation Program • 8000, Distribution of Improved Toolkits 	<p>Prashikshan Yojna- 53.</p> <ul style="list-style-type: none"> • Comprehensive Skill Upgradation Program- 01. • Distribution of Improved Toolkits-14382. • Handicrafts Technical Training programme- 179 • Integrated Design and Technology Development projects - 14
3	Ambedker Hasthild Vikas Yojana	<ul style="list-style-type: none"> • 60 (adopted and export oriented clusters) • 40 producer company 	<ul style="list-style-type: none"> • Adopted and Export oriented clusters - 73
4	Infrastructure and Technology support Scheme	<ul style="list-style-type: none"> • Urban Haat-1 • Emporia-1 • Craft Based Resource Centre-1 • Common Facility Centre-1 • Raw Material Depot-1 • Technology Upgradation Assistance to Exporters/Entrepreneurs -1 • Testing Laboratories-1 • Craft Village-1 	<ul style="list-style-type: none"> • Common Facility Centre-2 • Emporia- 1.
5	Direct Benefit to Artisans	<ul style="list-style-type: none"> • 365 artisans, Support to artisans in indigent circumstances • 4000 artisans, Interest Subvention • 1500 artisans, Margin Money • 2 Lakhs artisans , Issuance of Identity card • 80 Awareness Programme, 49645 beneficiaries 	<ul style="list-style-type: none"> • Support to artisans in indigent circumstances 365 artisans. • Interest subvention -25 • Margin Money – 25 • Artisans enrolled 1.70 lakhs • Craft Awareness programme 6, -1200 artisans benefitted. • Seminar Workshop 08, • Chaupals conducted : 670 Beneficiary : 33500
6	Research and Development	<ul style="list-style-type: none"> • Survey/Study:17 • Workshop/Seminar:55. (Total:72 programmes) 	<ul style="list-style-type: none"> • Survey/Study:02 • Workshop/Seminar:139
7	Comprehensive Handicrafts Cluster Development Scheme (CHCDS)	<ul style="list-style-type: none"> • 1- Mega cluster • 4- Integrated Dev. and Promotion of Handicrafts Projects 	<ul style="list-style-type: none"> • IDPH – 02 1. Varanasi-Part-II 2. Himachal Pradesh

33. The Committee then desired to know the specific constraints faced by the Ministry in the implementation of the Scheme and measures taken to alleviate them. In reply, the Ministry submitted as under:

“It has come to the notice of Office of DC [Handicrafts] that many a time while implementing infrastructural and mega clusters projects (which requires acquiring of land) were not implemented within timeframe due to non-acquisition of land for the sanctioned projects. To overcome this problem all-out efforts are undertaken by the office in coordination with State Govts. District Magistrate (DM) for implementation of projects. ”

34. The Committee, further desired to be apprised of the specific welfare measures taken by the Ministry for the welfare of the Handicraft artisans during the second and third waves of the Covid-19 Pandemic. In response, the Ministry apprised as under:

“The Office of the Development Commissioner (Handicrafts) has undertaken the following initiatives during the second and third wave of Covid-19 pandemic for handicraft’s artisans:

- (a) It was not feasible to hold conventional marketing events such as exhibitions, melas, etc. due to COVID-19 pandemic. Initiative were taken with the Export Promotion Council for Handicrafts (EPCH) and Carpet Export Promotion council (CEPC) to virtually connect the handicrafts artisans and exporters from different corners of the country with the International Market. Total 12 virtual marketing events have been conducted by EPCH and CEPC.
- (b) A social media campaign was launched on 9th November, 2020 by the Government, in partnership with all stakeholders, to promote handicrafts and to ensure people’s support for the artisan’s community. It has been reported that the social media campaign has resulted in renewed interest of the Indian public in handicrafts and handmade product.
- (c) All-out effort has been made for providing direct marketing platform to handicraft artisans in collaboration with GeM to sell their products/ items.
- (d) Directly involving Ministries/ Departments and other government agencies and eliminating intermediaries for selling product. So far, approx. 28403 artisans have been registered on the GEM portal. Artisans/sellers have fulfilled INR 90.57 Crore from the handicraft product categories.
- (e) Crafts Tourism villages have been sanctioned wherein craft promotion and tourism are being taken up simultaneously. As on date total 13 Crafts Villages have identified in both handicrafts and Handloom sector with 8 (Eight) identified are as handicrafts village and 5 (five) as handloom craft Tourism Village across the country.
- (f) In addition to the above initiatives; the Office of Development Commissioner (Handicrafts) is implementing various programmes through “National Handicraft Development Programme (NHDP)” and

“Comprehensive Handicrafts Cluster Development Scheme (CHCDS)” extending the benefits and provide sustainable livelihood opportunities to the handicraft’s artisans.”

35. As regards the issuance of Pahchan Card to handicraft artisans and grievance redressal mechanism/helpline available to facilitate the registration process, the Secretary, Ministry of Textiles deposed as under:

"Sir, I would like to tell about the Pahchan Card. This scheme was started in the beginning of the year 2017. Its purpose was to identify the genuine Handicraft Artisans and issue a card that is Aadhaar linked, account number linked. So that we may monitor all their activities. It developed quite quickly in first three years. More artisans came under this. We have 60 handicraft service centers all over India plus six regional officers. We surveyed in the areas of all these field offices, did the chapel and told everyone that this is a scheme. In the first three years, more than twenty lakh artisans got themselves registered. Once they give the application. Our team goes to their place. They check if they know the job or not and also take their photograph. Later it has also been added that District Industry Center, State Government also cross verifies it. Many States also issue their own identity cards. When we started this in a big way in 2019-20, a general consensus was formed among all the States that they will also follow our identity card only. There are only a few States left who issue their I-Card whereas most of the States follow our Pahchan card. So far we have reports that till last week, 28.4 lakh artisans have registered themselves. It is a continuous process. Not everyone has been issued an identity card, about 26 lakh have got it. It takes nearly two to three months to apply, verify, print and distribute. Normally we distribute ID cards in a programme..."

36. Asked to furnish State-wise details of number of Pahchan cards issued to handicraft artisans separately during 2019-20 to 2021-22, the Ministry submitted the following information in a tabular form:

S. No	States	2019-20	2020-21	2021-22(up to January 2022)	Total cards issued
1.	A & N Islands	430	200	642	2243
2.	Andhra Pradesh	1354	3775	2049	57736
3.	Arunachal Pradesh	312	102	112	8461
4.	Assam	1530	6565	10405	66360
5.	Bihar	1249	2522	3379	104738
6.	Chandigarh	340	0	240	758
7.	Chhattisgarh	1065	620	1269	12251
8.	Delhi	728	2227	3341	16907
9.	Goa	130	0	820	7939
10	Gujarat	1906	5176	8041	120813
11	Haryana	1321	1232	13513	27564
12	Himachal Pradesh	1595	7445	5402	16597
13	J & K	665	1366	10632	69999

14	Jharkhand	1500	1930	4607	85852
15	Karnataka	1007	875	4660	30996
16	Kerala	971	2325	2225	44741
17	Ladakh	81	60	2542	2766
18	Madhya Pradesh	3355	4326	8989	70577
19	Maharashtra	1698	3640	19426	53900
20	Manipur	257	3410	305	69159
21	Meghalaya	510	126	1346	3092
22	Mizoram	40	62	281	1449
23	Nagaland	970	431	1387	6693
24	Odisha	895	1886	9016	147828
25	Pondicherry	330	1030	1344	13102
26	Punjab	1781	1971	3974	30373
27	Rajasthan	8544	5775	22574	128543
28	Sikkim	770	60	147	1750
29	Tamil Nadu	517	1789	6346	54594
30	Telangana	861	1345	932	35730
31	Tripura	383	1193	123	11801
32	Uttar Pradesh	6458	23630	49851	879765
33	Uttarakhand	810	1290	5446	35750
34	West Bengal	1324	2635	26652	257591
	Total	45687	91019	232018	2478418

(iii) Powerloom Sector and Textile Cluster Development Scheme (TCDS)

37. The details of funds allocated and utilised during the last three years under the Powerloom Sector are as follows:

(Rs. in crore)

Year	BE	RE	AE
2019-20	159.08	152.78	41.53
2020-21	140.00	60	55.01
2021-22	74.28	47.48	24.90 (as on 22.02.2022)

38. It may be seen from above that AE under Powerloom Sector has consistently remained lower *vis-a-vis* the BE/RE for the last three fiscals. Further, no fund has been allocated under the Powerloom sector for the 2022-23 fiscal. In this context, asked to attribute the reasons for no-budget allocation under the powerloom sector during 2022-23, the Ministry stated as under:

“PowerTex India Scheme and Comprehensive Powerloom Cluster Development Scheme (CPCDS) were implemented during 01.04.2017 to 31.03.2020 and

further continued for another one year i.e.2020-21 to consider the payment against the rolled over liabilities of the various components of Powertex India Scheme and Comprehensive Powerloom Cluster Development Scheme (CPCDS). As such, no new application was considered during the year 2020-21.

A meeting of Project Implementation Board (PIB) was held under the Chairmanship of the Finance Secretary and Secretary (Expenditure) on 6th October, 2021 for consideration of Textile Cluster Development Scheme (TCDS). The PIB has approved the TCDS with a total outlay of Rs.853 crore for five years w.e.f. 2021-22 to complete the ongoing projects under Powerloom sector Schemes (PowerTex India, CPCDS) and Scheme for Integrated Textile Parks (SITP).

The component-wise outlay for Powerloom sector schemes under TCDS is as under:

S.No.	Components	Outlay(in crore)
1	Group Work Shed Scheme	55.80
2.	Facilitation , Publicity, IT ,MIS and Administrative Expenses	9.00
3	Grant in Aid to Non TxC Powerloom Service Centers	23.55
4	PM credit Scheme for Powerloom Weavers	93.60
5.	In-situ Upgradation of Powerlooms	1.90
6.	Comprehensive Powerloom, Knitwear & Silk Mega- Cluster	101.00

Roll over liabilities will be paid for the components viz. Group Work Shed Scheme, PM credit Scheme for Powerloom Weavers, In-situ upgradation of Powerlooms, Comprehensive Powerloom, Knitwear & Silk Mega-Cluster and SITP. Under TCDS, outlay of Rs.133.83 crore has been made for 2022-23 for ongoing projects.”

39. The Committee then desired to know the reasons for under-utilisation of allocated funds during 2021-22. In reply, the Ministry stated as under:

“The new scheme (TCDS) was approved in Project Implementation Board (PIB) meeting held on 6th Oct, 2021, is one of the reason for less utilisation of fund under Powerloom sector schemes during the year 2021-22, besides receipt of less claims from the lending agencies under PM credit Scheme for Powerloom Weavers as well as less verification of claims under Group Workshed scheme due to affects of Covid related restrictions. Under CPCDS, release of fund is based upon achievement of certain milestones and actual progress at ground level. The projects under CPCDS were affected due to Covid related restrictions.”

40. On being queried as to whether the Ministry would be able to optimally utilise the remaining RE amount by the end of 2021-22 FY, the Ministry stated that they were making efforts to utilise RE amount during the remaining period of 2021-22.

41. The Committee then enquired whether all the previous rolled over liabilities under PowerTex have been settled in 2021-22. In reply, the Ministry submitted as below:

“The major portion of pending liabilities of In-situ Upgradation Fund Scheme of Powertex India Scheme can be considered after the outcome of CBI inquiry. For remaining components i.e. PM credit Scheme for Powerloom Weavers and Group Workshed scheme, the previous rolled over liabilities will be carry-forward for the year 2022-23. The lending agencies are being followed-up for submission of their pending claims under PM credit Scheme for Powerloom Weavers supported with proper documents and efforts are being made to conduct pending verifications of the claims under Group Workshed schemes so that their due subsidy may be released at the earliest.”

42. The Committee desired to know the status of major schemes under the powerloom sector *viz.* In-Situ up-gradation Fund Scheme, Group Work Shed Scheme, Common Facility Centre, PM-credit Scheme for Powerloom Weavers. In reply, the Ministry furnished as under:

“The rolled over liabilities of In-Situ upgradation Fund Scheme, Group Work Shed Scheme, PM credit Scheme for Powerloom Weavers sub-components of Powertex India Scheme are being considered under Textile Cluster Development Scheme (TCDS) based on the eligible claims received.”

43. As regards the SITP, out of the 56 parks sanctioned, 26 have been completed and 30 are ongoing at different stages of implementation. However, from 2021-22 an amount of Rs. 568.15 crore has been provided under TCDS for completion of 30 ongoing textile parks. The Committee enquired about the specific measures taken/proposed by the Ministry to complete the remaining 30 parks, now being implemented under TCDS, in the stipulated time. In reply, the Ministry submitted as under:

"The Project Approval Committee (PAC) is mandated to approve and monitor the projects under SITP. The PAC hold meeting to review the progress of the project and also take care of obstacles in implementation of the Scheme. In PAC meeting, Secretary/Principal Secretary/Commissioner Industry of the State concerned are invited to discuss the challenges.

Ministry of Textiles (MOT) appointed Project Management Consultants (PMCs) having considerable experience and expertise in the area of infrastructure development and implementing of the Scheme. The PMCs are also responsible for the speedy implementation of the Projects in a transparent and professional manner so as to achieve high degree of quality. PMCs monitor the implementation and submit periodical progress reports to the Ministry. It also liaise with the State Governments to resolve state- related problems and ensure timely completion of project.

In addition, the Office of Textile Commissioner provides inspection reports as and when requested by the Ministry. Further, there is close coordination amongst the Ministry, the SPV and the State Government (through the PMU and office of Textile Commissioner) to execute and monitor the project. State

Governments provides a Single Window Clearance mechanism by constituting an empowered committee of Principal Secretary/ Secretary/ HOD level officers of the Departments concerned.

Rs. 568.15 crore has been provided as committed liability. Out of 56 approved projects, 27 projects have been completed and remaining 29 projects are at various stages of implementation. It is expected that remaining projects will be completed by 2023-24.

As regard survival of SITP in the competitive world of PM-MITRA, it may be noted that projects under SITP are ongoing and 27 projects have been completed and fully operational. As per Cabinet approval, only 7 PM- MITRA Parks will be established across the country and PM-MITRA will not be a threat for SITP parks."

44. The Committee further enquired about the mechanism proposed for the development of the Powerloom Sector after the completion period of extension of PowerTex. In reply, the Ministry furnished as under:

"It is proposed to conduct the base-line survey of decentralised powerloom sector in association with the state governments. On the basis of technological gap and outcome of the strength & weakness of the each powerloom clusters, it is proposed to initiate cluster based upgradation support in association with the concerned state governments so that in accordance to the needs of each powerloom cluster, their capacity building may be ensured."

(iv) Jute Sector

45. The details of the fund allocation and utilisation during the years 2019-20 to 2021-22 and B.E for the year 2022-23 for Jute Sector are as under:

(Rs. in crore)

Year	B.E	R.E	A.E
2019-20	34.55	84.55	104.42
2020-21	136.53	71.53	71.50
2021-22	153.01	112.01	81.08 (as on 22.02.2022)
2022-23	115.00	--	--

46. It may be seen that an amount of Rs.153.01 crore had been allocated for the Jute sector during BE 2021-22 and the same was revised downwards to Rs.112.01 crore at the RE stage. The Ministry have utilized only Rs.81.08 crore. The Committee desired to know the reasons for the mismatch between the fund allocated and actually utilised during 2021-22 (as on 22nd February, 2022). In reply, the Ministry stated as under:

"The National Jute Board (NJB), a statutory body under Ministry of Textiles, Govt. of India has been constituted under National Jute Board Act, 2008 (No 12 of 2009), for development of cultivation, manufacture and

marketing of jute and jute products and for matters connected therewith and incidental there to.

As per approved National Jute Development Programme (NJDP), for implementation by NJB during 2021-22 to 2025-26 (15th Finance Commission Period), the Annual Action Plan (AAP) of NJB covers the details of promotional activities / schemes for implementation during 2021-22 for development and promotion of jute sector. As per approved AAP, BE was Rs.77.06 crore. Further, due to Covid-19 spread, some of the approved Jute Diversification Schemes (JDS) and Market Development & Promotion Scheme (MDPS) viz Jute Resource cum Production Centre, participation in International fairs & Export Market Promotion Assistance (EMPA), Production Linked Incentive Schemes (PLI) could partially implemented upto December 2021. Accordingly, RE for 2021-22 has been reduced to 60 crore. However, from January 2022, consequent upon stake holders consultation, NJB has started receiving application from Jute Mills/MSME-JDP Units for participation in the various approved schemes under NJDP during 2021-22, which are under process.

Keeping in view, the total fund allotment at RE stage was Rs 60 crore, NJB utilized Rs 20.20 crore (upto 31st January 2022) for implementation of approved AAP 2021-22. The expenditure to be incurred during February – March 2022, has been estimated at Rs 40.30 crore.”

47. On being asked to state the steps taken to ensure optimum utilisation of funds under the Jute Sector by the end of 2021-22 fiscal as well as during 2022-23, the Ministry stated *inter-alia* as below:

“During 2019-20, NJB commissioned a study on Evaluation of various schemes being implemented by NJB for promotion and development of jute sector. The final report submitted by the Agency on Evaluation of the Schemes contains observation / recommendations and suggestions against each schemes. National Jute Board initiated necessary action to revamp the schemes. An Umbrella schemes - National Jute Development Programme (NJDP) encompassing various schemes/sub schemes starting from Jute Agriculture, Jute Diversification and Market Development and Promotion has been prepared and approved in the Standing Finance Committee (SFC) held on 20th May 2021 at total Financial Outlay of Rs 485.58 crore for implementation by National Jute Board during 15th Finance Commission Period (2021-22 to 2025-26).”

48. Asked to furnish the details of Jute Export and imports both in terms of quantity and value during the last three fiscals, the Ministry replied as under:

“The details are as under :-

(a) EXPORT PERFORMANCE OF JUTE GOODS: The Exports trends during the year 2018-19 to 2020-21 are as under:

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

Type	2018-19		2019-20		2020-21		2021-22 (Apr-Oct 21)	
	Qty.	Value	Qty.	Value	Qty.	Value	Qty	Value
Hessian	64.1	802.69	56.3	758.42	56.4	805.72	53.5	622.99
Sacking	37.1	432.91	38.9	489.49	31.0	438.48	25.1	305.15
Yarn	13.6	109.42	14.1	117.91	11.6	131.54	5.9	83.91
JDPs	-	815.51	-	963.44	-	1260.79	-	931.60
Others	6.9	112.74	4.4	94.58	4.2	103.93	3.6	77.80
Total	121.7	2273.27	113.7	2423.84	102.8	2740.46	88.1	2021.45

Source: DGCI&S

(b) IMPORT OF RAW JUTE AND JUTE GOODS INTO INDIA

Year	Raw Jute		Jute Goods (Value : Rs in Crore)					
	Qty (000 M Ton)	Value (Rs in Crore)	Hessian	Sacking	Yarn	JDPs	Total (incl. others)	
							Qty	Value
2018-19	57.3	235.93	184.40	432.66	292.13	12.34	0.13	951.92
2019-20	77.2	350.39	237.84	666.32	404.78	11.72	0.16	1362.77
2020-21	28.9	179.28	267.11	428.99	338.48	6.07	0.11	1116.84
2021-22 (Apr-Oct 21)	19.68	138.39	229.43	236.52	210.26	2.21	0.17	729.07

Source : DGCI&S”

49. The Committee desired to know the measures taken/proposed to increase the quality of Indian Raw Jute to ensure sizeable exports. In reply, the Ministry submitted *inter-alia* as follows:

"NJB has been implementing Jute-ICARE (Improved Cultivation and Advanced Retting Exercise) project for the last 07 years in a phased manner in association with Jute Corporation of India Ltd. (JCI) and Central Research Institute for Jute & Allied Fibres, (CRIJAF), and Ministry of Agriculture.

The objective of the Jute-ICARE is to introduce package of scientific technique for jute cultivation and retting exercises for improving fibre quality and productivity and reducing cost of jute production. Registration of farmers, supply of certified seeds, seed driller, nail weeder and CRIJAF Sona are main activities under the programme."

50. On being enquired about the efforts made to enforce mandatory use of jute in the packaging as well as to increase the usage of jute instead of plastic, the Ministry submitted as below:

“Keeping in view, the plastic pollution and the restrictions imposed by the local self/State Govt. on use of plastic bags, NJB has been implementing promotional activities for creating awareness regarding usages of jute and eco friendly jute products – including jute sacks / bags as an alternative to Poly sacks / plastic bags. Jute being a natural product is bio degradable and pollution free.

As measure to ensure sound supply chain of jute diversified products including jute bags for daily usages / mass consumption, NJB has been continuously imparting training programmes: basic, advance and design developments for production of JDPs. Further, NJB in association with IJIRA developed low cost eco friendly jute bag as an alternative to plastic bag for mass consumption.

Ministry of Textiles, Govt of India has been taking possible measures to promote jute gunny bags for packaging food grains and sugar. The Jute Packaging Material (JPM) – Compulsory Use in Packaging Commodities Act 1987 has been under implementation for procurement of Jute bags directly from Jute Mills for packing food grains and sugar. Govt of India, Ministry of textiles have issued an order vide Gazette Notification dated 27.12.2021 stipulating 100% food grains and 20% sugar are required to be compulsorily packed in jute packaging materials. ”

51. The Committee desired to be apprised of the budget allocated for modernisation/upgradation of jute machinery in 2021-22 fiscal along with the measures taken for upgradation of jute machinery in the Country. In reply, the Ministry apprised as under:

“Under approved National Jute Development Programme(NJDP), there has been an approved scheme : Capital Subsidy for Acquisition of Plant & Machinery (CSAPM) for Jute Diversified Products : To Facilitate modernization /Upgradation of the existing Jute mills and MSME JDP Units, manufacturing Jute Diversified Products. Total budget approved for implementation of the CSAPM scheme during 2021-22 is Rs 6.00 crore. ”

52. Further, the Committee enquired about the extent to which the Covid-19 Pandemic has affected the Jute Industry and its workers and the measures taken to support the Jute workers during 2021-22 fiscal. In reply, the Ministry submitted as under:

"In the second wave of Covid-19 pandemic, the production of jute mills had been affected due to declaration of restriction in operations in jute mills. Operations in the Jute Mills have been restricted ranging from 30% to 50% of the total strength of workforce in each shift. From 16-08-2021, the jute mills have been allowed to function with 100% strength of workforce. No information has been received in O/o Jute Commissioner about the affect of the workers of jute mills in the third wave. To mitigate immediate cash requirement, payment terms temporarily relaxed to enable Jute Mills to get 100% payment for the

entire supply immediately after supply as against normal 90% payment after dispatch and next 10% after 60 days."

(v) Cotton Sector

53. Details of the amount allocated and utilised under procurement of Cotton during 2019-20 to 2021-22 and BE provision for 2022-23 are as under:

(Rs. in crore)

Year	B.E	R.E	A.E
2019-20	2,017.57	2,017.57	2017.57
2020-21	0.01	865	662.70
2021-22	136.00	8,439.88	7,666.91 (as on 22.02.22)
2022-23	9,243.09	--	--

54. The Committee enquired whether the remaining 2021-22 RE amount of Rs. 772.97 crore and 2022-23 B.E amount of Rs. 9,243.09 crore would be fully utilised and sufficient to settle all dues under CCI during the year 2022-23. In reply, the Ministry submitted as under:

"The remaining amount of RE 2021-22 and BE 2022-23 would also be sufficient to settle all dues. During current cotton year 2021-22, the prices of cotton are ruling above MSP in the market, hence, there is no procurement by CCI under MSP operations. Farmers are getting remunerative prices of their cotton. Due to no procurement under MSP, there may be not be any requirement for price support during current cotton year."

55. The Committee desired to know the measures taken to ensure adequate availability of cotton for domestic consumption in the Textile Industry during 2021-22 and also 2022-23. In reply, the Ministry submitted as under:

"During F.Y. 2021-22, Opening stock of cotton available with CCI was around 105 lakh bales valuing Rs.22500 crore. These stocks were offered to the domestic textile industry through daily e-Auction. CCI has been giving preference to domestic textile mills including MSME mills by keeping their sales terms more attractive whereas stringent terms for other buyers. Further, the entire stocks were sold in F.Y. 2021-22. For F.Y. 2022-23, CCI has already deployed adequate manpower at procurement centres to keep a close watch on kapas arrivals, market rates and to meet any eventuality for procurement of cotton under MSP operations, wherever required."

56. Asked to state the steps taken to make Indian Cotton competitive at par with its counterparts in other Countries, the Ministry stated as below:

"CCI is giving preference to domestic textile mills including MSME mills by keeping their sales terms more attractive whereas stringent terms for other buyers. Domestic mills are given lifting period of 45 days on purchase of 3000

bales and above while, for traders the same is on minimum 10000 bales. Besides this mills are being provided lock-in period facility at a nominal cost of Rs.350 per bales for 60 days and up to 90 days on further paying Rs.350 per bale. Deposit money requirement for mills are only 15%, while for traders the same is 25%.”

57. The Committee also desired to know the measures being taken to distribute the quality seeds to farmers and also to encourage the farmers to adopt the cotton crop in their farming along with the details of inspections conducted to check the quality of seeds distributed. In reply, the Ministry submitted as under:

"Department of Agriculture & Farmers Welfare is implementing Cotton development programme under NFSM in 15 major cotton growing states from 2014-15, with an aim for enhancing production and productivity. Under this scheme thrust has been given on transfer of technology through frontline demonstrations and training in order to extend benefits to the farmers. The main focus under the scheme is to encourage farmers to grow cotton in sequence or with food crops so that benefits are availed under both cotton & food crops. Under the scheme, assistance is provided to Front Line Demonstrations (FLDs) on Integrated Crop Management (ICM), Extra Long Staple (ELS) & Desi Cotton, intercropping, natural colour cotton, trials on High Density Planting System (HDPS), distribution of plant protection chemicals and trainings. Besides NFSM, the States can support cotton development programme under Rashtriya Krishi Vikas Yojana (RKVY). Further, in their EFC proposal of NFSM –Cotton upto 2025-26, Department of Agriculture has made provision for a project mode programme for new public sector Bt-cotton varieties.

India is a cotton surplus country wherein production is more than consumption. The current cotton season 2021-22 commenced with an estimated carry over stock of 73.20 lakh bales & the estimated production is 362.18 lakh bales. The estimated consumption is only 338 lakh bales. There is sufficient availability of cotton in the country.

There is no such mechanism in Ministry of Textiles to check the quality of seeds. The matter of production and productivity is dealt by Ministry of Agriculture."

58. On being enquired about the exact incentives being provided to encourage the farmers to increase the quality and production of cotton especially during the Covid-19 Pandemic, the Ministry replied as under:

“During last two pandemic years when there were no takers of farmers’ cotton safeguarded around 45 lakh cotton farmers from distress sales by disbursement of Rs.62,377 crore directly into their bank accounts. CCI being a Nodal Agency for procurement of cotton under MSP operations, it has taken the following steps to protect the interest of cotton farmers in the country:

- i. MSP operations are conducted directly from the cotton farmers duly identified by the State Government officials without involving any middlemen.
- ii. Set up adequate infrastructure on pan India basis i.e. 17 branches and more than 450 procurement centres in 143 districts.
- iii. Implemented 100% online payment of cotton purchased under MSP to the cotton farmers directly into their account through RTGS within three days".

(vi) Silk Sector

59. The details of Budget allocation and utilisation under Silk sector for the year 2021-22 and Budget allocated for the year 2022-23 are as under:

BE 2021-22	RE 2021-22	AE 2021-22	% w.r.t. RE	BE 2022-23
876.00	876.00	768.63	87.74%	875.00

60. On being queried as to whether the Ministry would be able to utilise the remaining Rs. 107.37 crore by 31st March, 2022, the Ministry replied as under:

“ As against RE of Rs.875.00 crore, Rs.768.63 crore has been incurred upto January, 2022). The balance amount of Rs.106.37 crore would be utilised fully by end of the year i.e., March,2022.”

61. Asked to state the measures taken/proposed to ensure optimal utilisation of Rs. 875 crore as allocated during BE 2022-23, the Ministry submitted as under:

“The ongoing Silk Samagra Scheme now proposed to be continued in an improved version as “Silk Samagra -2”, during five years coterminous with 15th Finance Commission cycle i.e, from 2021-22 to 2025-26 with an outlay of Rs.4,679.86 crore. Main objectives of the Scheme are (i) to make India Atma-Nirbhar in production of import substitute international grade Bivoltine silk & (ii) focus on inclusive development of small and marginal framers including women and tribal/SCs. The scheme also facilitates improvement in labour productivity right from Farm to Fabric in every stage of silk production chain through various R&D innovations, robust silkworm feed & breed, continued skilling & empowerment of the stakeholders and providing user friendly technology. During the year 2022-23, it is proposed to increase the raw silk production to 40,800 MT (including 9250 MT of 4A grade silk), raw silk productivity from existing 108 to 113 kg/ha and to generate cumulative employment of 98.60 lakh persons.

The major core activities proposed to be taken up during 2022-23 are: (i) to carry out 35 new and conclude 33 R & D Projects besides continuation of 96 on-going projects & programmes in 9 Main Research Institutes in Mulberry, Tasar, Muga & Eri and PCT, (ii) to produce 485.67 lakh disease free layings(basic and commercial seed), (iii) to sell 27.0 lakh silk mark labels, (iv) to cover 275 authorized users and (iv) organize 600 number of programmes /exhibitions /road shows besides (v) establishing 4 cocoon testing and 2 raw silk testing centres.

The following are the major interventions proposed under Silk Samagra-2 for optimal achievement of physical targets.

- Support to beneficiaries has been rationalized as bundle of packages from earlier individual / isolated components to provide full package of technology for desired outcome.
- Support to entrepreneur and FPOs included to encourage entrepreneurship in sericulture activities to increase the profitability and making sericulture a sustainable activity.
- Sharing pattern for support to the beneficiaries rationalized to support for up scaling of the activities and making the activity viable, profitable & sustainable.
- Special focus has been given for tapping potential of ERI Silk outside NE (Tapioca based Eri culture in Tamil Nadu and Castor based sericulture in Gujarat)
- Focus will be on strengthening of market infrastructure and promoting start up in cocoon bank development, digitization of market
- Geo-tagging of assets made mandatory for monitoring of scheme benefits
- The sericulture projects of NERTPS have been subsumed under Silk Samagra-2 with necessary budgetary provision
- Special focus will be on value addition to produce high value products, non-textile application of silk and by-product utilization.
- Incubation facility to R&D Institutes will be provided with linkages to start ups for commercialization and field application of technologies.
- Convergence of extension services in KVKs with CSB/States sericulture extension and training activities.
- Support will be provided to entrepreneurs for taking up bivoltine seed production and its distribution so as to promote private participation in Bivoltine seed production & supply.”

62. When the Committee desired to know the details of Research and Development in the Silk Sector, the representative of the Ministry submitted in evidence as under:

“...the Central Silk Board is a research and development organization. It has established institutes in the country since the time of independence. In every sector, across the value chain, whether it is related to farming, silk worm seed or breed improvement or a matter of making machines or related to reeling and spinning, all the components of research in every field are done by the Central Silk Board only.

I would also like to inform that unfortunately or fortunately there is no other organization in the whole country which undertakes research in silk sector. Only IIT, Delhi works in a few sectors. Apart from this, no other university works in the silk sector. There is only one university in Jammu and Kashmir, that does some work through students. The impact of the output of these research organizations, the indicators that I see, are that if our total production was 16,500 MT in the year 2000, at present we have reached about 35,000 MT. Production has almost doubled in these twenty years. Similarly, there are other parameters, such as we talk about Rendita silk and about how much silk can be made from one kilo of cocoon, we find that all these have also increased quite well.

The amount of research output on this entire system, we are nowhere less than the organizations that are in the whole world. Our only shortcoming is the adaptability of the research output, that is, whether they are able to go to Haffield or not, whether the states are able to adopt it or not, otherwise the states which are adopting this in a complete way, our technology, the performance there. China, which is considered the best in this, is much more than that. I would also like to inform you that about 20 silk producing countries look to India to give us training, you transfer technology to us, give us silk worm seeds. Therefore, there is talk of silk requirement from many such countries like Uganda, Iran, Taiwan, Thailand. Slowly we will work on it.

I want to give one more indicator of research. There were some countries in the world like France and Europe, where there was a severe disease, due to which the entire silk sector was cleared. This disease has never come in India in 20 years, because our research organization has very good control over it. I would like to bring one more thing to your attention that out of all the machines made in the silk industry, only one machine was imported from outside, now that too is going to be made in India. It will be installed in the next two months. In this way also we are completely self-sufficient in machine manufacturing...

...Sir, I would just like to mention the last point. The whole silk sector is so incurable, about which you all will be happy to know that now a private sector is also coming in it. Now a sector has come in this, which I would not like to name here, in which an American company has invested Rs 500 crore that you should add to this value chain. This is the first time some private player is getting involved."

63. As regards the status of exports and imports of Silk products during the last 3 year, the Ministry furnished the following details:

Silk Exports: As India has the largest silk consuming market in the world and inadequate production to cater to the domestic demand for silk, it does not have

adequate export surplus to play a dominant role in the international trade in silk. However, India is one of the leading players in the global silk trade. India primarily exports finished goods such as silk fabrics, made-ups and readymade garments, which account for about 80% of the total export earnings. The USA, the UAE and the European Union are the major destination of silk exports. Silk exports from India increased from Rs. 1649.48 crores in 2017-18 to Rs. 2031.88 crores in 2018-19 but declined during 2019-20(1745.65 Crore Rs.) and 2020-21 (1466.60 Crore Rs.) as indicated in the table below:

(Value: Crore Rs.)

Items	2018-19	2019-20	2020-21
Cocoons	0.01	-	0.01
Raw Silk	1.36	1.15	1.43
Natural Silk Yarn	23.34	15.62	27.93
Fabrics, Made-ups	1022.43	982.91	729.50
Readymade Garments	742.27	504.23	449.56
Silk Carpets	113.09	143.43	107.56
Silk waste	129.38	98.31	150.61
Total	2031.88	1745.65	1466.60

P: Provisional

Silk Imports: As the domestic silk production is not able to suffice the requirement of the industry needs, India has to import about 3,000 MT of raw silk every year. Thus raw silk remains as a major item of imports, which accounts for about 75.10% of the total value of silk imports. The other items being imported are silk fabrics and made-ups. India imports raw silk mainly from China. However, the raw silk imports from Vietnam have been increasing in the recent years taking advantage of FTA. The silk imports reduced from Rs. 1497.46 crores in 2018-19 to Rs. 759.75 crores in 2020-21.

(Value: Crore Rs.)

Items	2018-19	2019-20	2020-21
Raw Silk	1041.40	1149.32	570.56
Silk Yarn	114.26	102.07	61.98
Fabrics, Made-ups	249.85	236.91	106.21
Readymade Garments	55.55	27.93	15.59
Silk Carpets	0.03	1.45	2.45
Silk waste	36.37	18.04	2.95
Total	1497.46	1535.72	759.75

P: Provisional

64. The physical targets and achievements of Sericulture during 2021-22 were stated to be as follows:

Sl. No.	Name of Scheme	Target	Physical Achievement
1.	New Projects to be initiated	35	5*
2.	Number of Research projects to be concluded	34	16*
3.	Capacity Building and Training under CSB Schemes	11100	6171*
4.	Cocoon and Raw Silk Centers	6	-
5.	Programmes/Events/Expo/Roadshow to be organised	300	171*
6.	Production of basic and commercial seeds for Mulberry, Tasar, Muga	474.53	235.98*
7.	Silk Marked Label distribution	20	18.47**

*Upto November, 2021

**Upto December, 2021

65. Asked to state the reasons for under achievement of physical targets in all the above seven components of the Sericulture Scheme during 2021-22, the Ministry apprised as under:

“As against the target of 35 new research projects to be initiated during 2021-22 by CSB R&D institutes, 13 new projects have been initiated as on date. The meeting of Research Coordination Committee (RCC) to approve project implementation / ratification was held in Sept,2021. Therefore, the remaining 22 projects would be initiated by end of the year 2021-22. Besides 96 ongoing projects are being continued. Similarly, as against 34 projects to be concluded, 23 projects have already been concluded as on date and the remaining 11 projects would be concluded by end of the year i.e., March,2022.

In respect of Capacity building Under Capacity building as against the target of 11100, 6718 persons have been trained upto January 2022. Due to second wave of pandemic covid-19, the training programmes could not be undertaken as per schedule during April and May,2021. Similarly during the months December, 2021 and January, 2022 the 3rd wave pandemic has affected the training schedule. In view of this a shortfall of about 10% is anticipated in achievement during 2021-22.

Under the Quality Certification Systems, 335 programmes /events /exhibitions /road shows have already been organized upto January, 2022 against the target of 300. Hence the achievement has exceeded the target. Similarly, as against the target of 20 lakhs silk mark labels to be distributed, 22.84 lakh silk mark labels have already been distributed.

Against a target of 474.53 lakhs dfls production, 287.503 lakhs dfls (both mulberry and Vanya) have been produced up to January, 2022 and expected to achieve the target by March, 2022. During the year 2021-22, the abiotic factors fluctuated to a great extent affecting the input raw material, which impacted the overall production target. The production targets are

directly related to the prevailing abiotic factors (like rain & high temperature). Hence, it can be attributed that target vis-à-vis achievement is combination of abiotic (like rain & high temperature) and biotic (like plant & silkworm diseases etc.) factors. During the year 2020-21 and 2021-22 nation wide lockdown due to pandemic (Covid-19) also affected production of dfls and subsequently production of raw silk.”

66. The Committee desired to know the specific measures taken/proposed for the development of sericulture in the North-Eastern Region, especially after the North East Region Textile Promotion Scheme (NERTPS) scheme was discontinued. In response, the Ministry submitted as under:

“The discontinued umbrella scheme NERTPS implemented for sericulture sector has now been subsumed under the Silk Samagra-2 scheme proposed for continuation during the next five years (2021-22 to 2025-26). CSB has proposed an allocation of Rs.230.00 Crores for next five years towards implementation of specific need based projects for the region. In addition, a provision of Rs.154.85 crores for meeting the future expenses of the on-going NERTPS projects. Besides, various beneficiary oriented scheme components will also be implemented under the scheme through bundle of packages with an outlay of Rs.1050 Crores for sericulture development.”

(vii) Wool Sector

67. The details of funds allocated and utilised during the years 2019-20 to 2021-22 and BE for 2022-23 under Wool sector were stated to be as follows:

(Rs. In crore)

Year	B.E	R.E	A.E
2019-20	29	29	16.50
2020-21	20	10	9.33
2021-22	16.50	10	5.95 (as on 30.01.2022)
2022-23	15	--	--

68. The Committee enquired whether the Ministry would be able to utilise the remaining amount of Rs. 4.05 crore by 31st March 2022. In reply, the Ministry stated as under:

“Rs. 2.50 crore allocated under the head of Special Category Plan for Scheduled Caste (Capital) would be saved/unutilized under implementation of Wool Sector Scheme i.e. ‘Integrated Wool Development Programme’ (IWDP) during current FY 2021-22. There is no specific provision to utilize Rs. 2.50 crores allocated under IWDP scheme for SC category and no such fund has been demanded and utilized in the previous years. Beside it, other funds would be utilized by 31st March, 2022 under IWDP.”

69. On being queried as to whether the amount of Rs. 15 crore as provided in BE 2022-23 would be sufficient for effective implementation of the scheme, the Ministry responded as under:

"Proposed outlay for Financial Year 2022-23 under implementation of Wool Sector Scheme i.e. 'Integrated Wool Development Programme' (IWDP) was Rs. 23.30 crore and Rs. 15 crore as provided would not be sufficient under this scheme."

70. The Committee then desired to know whether the Ministry have sent any communication to the States/Central Government implementing agencies for fresh projects proposals. In reply, the Ministry apprised as below:

"Central Wool Development Board has circulated the guidelines of 'Integrated Wool Development Programme' (IWDP) for inviting fresh project proposals from States and other stakeholders as Implementing Agencies for sanction in Financial Year 2022-23 vide CWDB's OM No. CWDB/New Plan/2019-20/1136, dated 21.09.2021."

71. The Committee then desired to be apprised of the measures taken to encourage the implementing agencies to actively participate in the Scheme during 2022-23. In reply, the Ministry apprised as below:

"To encourage the implementing agencies for active participation, 100% funding pattern has been kept under scheme and also financial provision has made @ 2% as Administrative Expenses to reimburse their overhead expenses under IWDP scheme and intends to sanction major projects during 2022-23."

72. During oral evidence the representative of the Ministry in response to some specific queries elaborated as under:

"Sir, we have revamped the actually Integrated Wool Development Scheme for Pashmina. In that we have tried to focus on three things. You also talked about Base Line Surveys. Wool does not have Base Line Survey. Testing Facilities for Pashmina , whether it is pure or not, for that also, we are trying to set up centers in Srinagar and Leh. To upgrade the existing centers whether it is pashmina or not..."

...Sir, we have two committees, all its proposals have been approved by one of our committees. Proper proposals were not coming from the State Governments, now they have finally come and they have been approved and the approval of Next, which is under the Textile Commissioner, will also be approved..."

...Sir, Leh and Srinagar, will be at both the places.

Sir, Secretary Consumer Affairs also had a meeting and had a conversation with the people working in Pashmina. They wanted to establish a center trade takes place basically about shawls. There is a lab of Textile Committee in Gurgaon, we are trying that Pashmina testing can be done there too. The textile

committee is proposing a pashmina mark for branding, that too will be approved under this scheme. It's about sericulture."

73. The Committee further enquired about the measures taken to popularise Pashmina craft and patronise the craftsmen, manufacturers and exporters alongwith the progress made in the development of Pashmina wool. In reply, the Ministry submitted as under:

"The following measures has been taken by the Ministry of Textiles :-

i. For development of wool sector, Ministry of Textiles (MoT) has approved Integrated Wool Development Programme (IWDP) for implementation during FY 2021-22 to 2025-26 with total budget allocation of Rs.126 Crore.

ii. A component of Pashmina Wool Development Scheme (PWDS) has been included in the IWDP of CWDB for FY 2021-22 to 2025-26 with following sub-components for the schemes to benefits Pashmina wool growers, weavers and industries:-

- a. Revolving funds for Pashmina Marketing.
- b. Setting of machines for Pashmina wool processing including construction of building for spinning, knitting, dyeing, weaving, finishing, product manufacturing.
- c. Construction of shelters sheds with guard room for Pashmina goats.
- d. Distribution of portable tents and accessories.
- e. Distribution of predator proof corrals with LED lights
- f. Testing equipments including DNA analyzer for identification/testing of Pashmina products.
- g. Development of Showroom at Dehairing Plant at Leh.
- h. Development of fodder land/Govt. farms for Pashmina goats

iii. Special focus has been given to Pashmina sector and Pashmina Wool Development Scheme (PWDS) is being implemented in Ladakh region for setting up the facilities for value addition of Pashmina wool on latest Pashmina processing machines and production of Pashmina products, improving social economic condition of Pashmina nomads, fodder availability and marketing of Pashmina and its products.

iv. For branding of woollen products in India and in international market, MoT is going to develop Indian Wool Mark for woollen apparel, Kaleen mark for Indian handmade carpets and Pashmina mark for Pashmina products during FY 2021-22 to 2025-26 including facility for testing of pashmina products.

v. Under Reconstruction Plan for UT of J&K and UT of Ladakh for Pashmina promotion, CWDB has benefited pashmina weavers and nomads by providing following facilities:

- Development of one fodder land for 30 hectare at Leh.
- Development for two fodder land for 10 hactare at Leh and Kargil.
- Setup of one feed pallet making plant at Leh.
- Construction of 80 shelters sheds with guard room and 100 predator proof corrals with LED lights at Leh & kargil.
- Distribution of 600 portable tents to Nomads for Leh.
- Strengthening of Health Care Delivery System at Leh and Kargil..

- Distribution of Pashmina Goat Units (Mini farm) at Leh and Kargil.
- Wool marketing project for Pashmina wool by creation of Revolving Fund in UT of Ladakh & UT of J&K.
- Setting up of Pashmina Dehairing Plant at Leh."

(viii) Amended Technology Upgradation Fund Scheme (A-TUFS)

74. The financial allocation and utilization under A-TUFS during the last three years and the BE for 2022-23 are as follows:

(Rs. in Crore)

Year	BE	RE	Actual Expenditure
2019-20	700	494.37	317.90
2020-21	761.90	545	556.38
2021-22	700	650	511.96 (as on 22.2.22)
2022-23	650	-	-

75. Asked to state the reasons for reduction of Rs. 50 Crore in BE 2022-23 in comparison to BE of 2021-22 under A-TUFS and the extent to which this reduction in BE 2022-23 would affect the implementation of the Scheme, the Ministry submitted as under:

“Disbursement of subsidy under ATUFS is carried out after verification of machinery installed by the applicant industry by Joint Inspection Team. The COVID-19 induced lockdown and restrictions thereon have resulted in delay of verification process and final settlement of claims. This is major reason for shortfall in achievement of the financial target during 2021-22. In addition, large scale recovery reported under committed liability cases of older versions of TUFS upon physical verification also resulted in less utilization of funds expected to be disbursed against the older version cases.

However, Inter Ministerial Steering Committee in its meeting held on 22.10.2021 has approved various measures including automated/graded verification of machinery and timeline relaxations for streamlining of the procedure under ATUFS. These measures will expedite settlement of claims in the coming weeks.”

76. On being enquired about the extent to which the A-TUFS has benefitted the textile industry in increasing investment, employment generation and incentivising production in Garments units as well as the Made-Up sector especially since the Covid-19 Pandemic, the Ministry stated as follows:

“During the COVID-19 pandemic period (since 2020-21), a total of 4145 subsidy applications covering projected investment of Rs.20,452 crore and potential for new employment of 87,590 persons have been registered for subsidy. Out of the registered application 409 cases covering projected investment of Rs.768 crore and potential for new employment of 15,516 persons are under garmenting and made-up sector. Despite constrains of COVID-19 induced lockdown and other restrictions a total of 4250 cases have been settled during

the period. A total subsidy of Rs.1027 crore has been disbursed during 2020-21 and 2021-22 (till 08.02.2022). ”

77. The Committee then enquired about the number of textile units upgraded year wise and State wise under this scheme during last three years. In reply , the Ministry submitted as under:

“Year-wise and State-wise details of upgraded cases (requested for inspection after machinery installation) under ATUFS in the last 3 years and current year is given below-

State	2018-19	2019-20	2020 - 21	2021 - 22
ANDHRA PRADESH	5	4	1	2
ASSAM	1			
BIHAR		1		
CHATTISGARH		1	2	
DADRA & NAGAR	25	43	15	20
DAMAN & DIU	7	11	4	2
DELHI	6	8	4	1
GUJARAT	1549	1277	893	864
HARYANA	79	103	62	84
HIMACHAL PRADESH	1	6	5	3
JHARKHAND	1	1	5	
KARNATAKA	34	37	20	7
KERALA	1	4	1	
MADHYA PRADESH	11	11	17	20
MAHARASHTRA	332	468	200	136
ORISSA		1		1
PUNJAB	140	192	109	89
RAJASTHAN	64	67	47	40
TAMIL NADU	228	236	147	143
TELANGANA	3	11	3	
UTTAR PRADESH	57	52	24	28
UTTARANCHAL	3	4	3	1
WEST BENGAL	40	35	34	14
Grand Total	2587	2573	1596	1455

Source:iTUFS Portal

78. The Committee desired to know whether the Ministry have settled the previous years' subsidies which were pending due to the requirement of physical inspection of machinery procured under TUFS. In reply, the Ministry stated as follows:

“ATUFS is a reimbursement scheme which is dependent on installation and commissioning of claimed benchmark machinery (ies), efficacy of

documentation by the Lending Agencies, physical verifications of claimed machineries by the Joint Inspection Team (JIT). It was also decided to verify the machinery and compute the committed liability under older version cases which were completely bank driven.

Various factors viz., delay in physical inspection by the Joint Inspection Team (JIT) due to the restriction related to COVID-19 pandemic, delay on part of Lending agencies/banks in submission of requisite documents etc. Hence, the cases have legacy issues are being targeted to streamline and settle.

In addition to operationalizing an end to end online solution, measures such as issuance of policy clarification, Delegation of financial powers, organizing outreach camps, re-distribution of cases among regional offices of the Textile Commissioner etc. have been taken to speed up settlement of claims and disbursement of subsidy.

Further, Inter Ministerial Steering Committee in its meeting held on 22.10.2021 has approved various measures including automated/graded verification of machinery and timeline relaxations for streamlining of the procedure under ATUFS. These measures will expedite settlement of claims under ATUFS.

Details of cases settled year-wise under ATUFS are given below:

2016-17	2017-18	2018-19	2019-20	2020-21	2021(upto 08.02.2022)
12	47	466	923	2236	2011

79. The Committee enquired about the measures taken/proposed to enhance the technical upgradation in textile sector after completion of ATUFS, which would be valid upto 31.03.2022. In reply, the Ministry stated as under:

"An impact assessment study of Technology Upgradation Fund Scheme (TUFS)/ Amended TUFS has been carried out by the Development Monitoring and Evaluation Office (DMEO), NITI Aayog during 2019-20. As per the study, the Scheme had a positive impact on the performance of the Indian textiles industry and played a major role in improving technology levels, increasing investments, production, product quality, exports and increasing employment generation. The study made following key recommendations for continuation of the Scheme for Technology Upgradation:

- Support Domestic Machine Manufacturers
- Promote Industry 4.0 Technology
- Focus on strengthening fabric segment of Textile Value Chain
- Focus on Man Made Fiber (MMF) Value Chain
- Promotion of Technical Textiles
- Differential Technology Specifications for MSME

Based on the recommendations of the impact assessment study of NITI Aayog and technology gap analysis carried out separately, a new scheme to replace

ATUFS is being formulated with following major components to incentivize modernization of textile industry to become globally competitive :

- i. Support for textile machinery /critical component manufacturing and R&D, innovations in textile machinery
- ii. Support for setting up of new modern manufacturing facilities under various textile segments
- iii. Support for setting up of testing labs at various textile processing stage
- iv. Support for technology upgradation in various textile segments as provided under ATUFS
- v. Committed liabilities of ongoing ATUFS and older versions of TUFS.

The concept of the new scheme has been discussed with stakeholders at various levels and process of formulation is progressing."

80. The Committee enquired about the concrete measures taken/proposed for settling all the liabilities under the ATUFS during the 2022-23 fiscal. In reply, the Ministry submitted as under:

"ATUFS scheme is valid upto 31.03.2022. Ministry has since initiated a process to formulate new scheme to replace ATUFS. It has been proposed to carry forward the liability of subsidy applications registered upto closure of ATUFS for settling the cases under the outlay of new scheme within 4 years of its commencement.

It may be noted that various measures have already been taken to streamline the procedure under ATUFS and improve the pace of settlement of claims. An online end to end solution (iTUFS) with following features such as auto registration of subsidy application, geo-tagging of assets, online tracking of claims, use of digital signature etc. has been operationalized for implementation and monitoring of the scheme. In addition, following measures have also been taken to streamline the procedure under the scheme:

- i. Delegation of financial powers to O/o Textile Commissioner
- ii. Special assistance provided to the industry for liquidity outflow during COVID-19 pandemic by release of part subsidy against Bank Guarantee prior to process of the claim
- iii. Organizing outreach camp in the major city clusters for resolving the queries across the table.
- iv. Re-distribution of Cases among the Regional offices of Textile Commissioner according to workload.
- v. Issuance of various policy clarifications.

Further, Inter Ministerial Steering Committee in its meeting held on 22.10.2021 has approved various measures including automated/graded verification of machinery and timeline relaxations for streamlining of the

procedure under ATUFS. Protocol for automated/ graded verification of machineries has already been issued. Approval has also been accorded to reduce redundancies and document load as part of reducing compliance burden. These measures will expedite settlement of claims under ATUFS.”

(ix) SAMARTH

81. Details of funds allocated and utilized during the years 2019-20 to 2021-22 and BE for 2022-23 under SAMARTH are as under:

(Rs. in crore)

Year	B.E	R.E	A.E
2019-20	100.50	100.50	72.07
2020-21	150	80	90.97
2021-22	100	90	38.04 (as on 22.02.2022)
2022-23	100	--	--

82. The Committee desired to know the anticipated expenditure by the end of the 2021-22 fiscal along with the reasons for shortfall foreseen. In reply, the Ministry stated as under:

“The BE 2021-22 is Rs. 100 crore and RE 2021-22 is Rs.90 crore. It is expected to utilize the complete RE 2021-22 by March, 2022. The shortfall in utilization compared to BE is due to the second wave of COVID-19 pandemic during first quarter, during which the training programme under the scheme was seriously impacted. The slow progress in training programme resulted in implementing partners getting eligible for subsequent installments. Therefore, upto November, 2021, only Rs. 5.47 crore could be released. After improving the pandemic situation and upon training programmes gaining momentum, training partners become eligible for subsequent installment of funds as per scheme guidelines. A total of Rs. 35.32 crore has been released to eligible implementing partners upto 07.02.2022. Another disbursement of Rs. 7.5 crore concurred by IFW is under process of release. Now, with the release proposals getting matured in terms of scheme guidelines and considering the first installments to be disbursed to Implementing Partners getting empanelled afresh under the scheme, it is expected to utilize the entire RE of Rs.90 crore by March, 2022.”

83. Asked to specify the steps taken to ensure quality skill training to the youth under SAMARTH Scheme especially during the challenges arisen out of the Covid-19 Pandemic, the Ministry stated as under:

“The framework and implementation mechanism of the scheme has been aligned with overall framework of skilling programmes prescribed by M/o Skill Development & Entrepreneurship. All courses under the scheme are National Skill Qualification Framework compliant. An end to end digital solution has been put in place for implementation and monitoring of the training programme under the scheme. A third party assessment of the beneficiaries is carried out

after completion of training programme and issued with QR code enabled certificate. During the training programme the attendance of the trainees is captured through Aadhaar Enabled Biometric Attendance System (AEBAS). Placement & post placement tracking data are captured and monitored through the system. The all quality parameters are to be strictly adhered to by all implementing partners and exemption has not been allowed to any agency even during pandemic period.”

84. The Committee then desired to know whether the State-wise details of persons trained under SAMARTH and their placement after completion of training were being maintained. In reply, the Ministry submitted as under:

“Web based centralized Management Information System (MIS) has been operationalized under the scheme for monitoring of the training programme under the scheme which is integrated with Aadhaar Enabled Biometric Attendance System (AEBAS). The entire lifecycle of the training program of the beneficiaries starting from enrolment, batch formation, daily attendance through AEBAS, Batch Photograph via Mobile app, Assessment details, result of the beneficiaries, Placement, post placement tracking (Retention) are captured in the MIS. Details of beneficiaries provided placement under the scheme during 3 years is given below: -

Sl. No.	Name of State	Number of Beneficiaries
1	ANDHRA PRADESH	1156
2	ASSAM	257
3	BIHAR	96
4	CHHATTISGARH	440
5	DELHI	455
6	GUJARAT	2365
7	HARYANA	2371
8	JHARKHAND	331
9	KARNATAKA	6951
10	KERALA	301
11	MADHYA PRADESH	467
12	MAHARASHTRA	1858
13	ODISHA	269
14	PUNJAB	148
15	RAJASTHAN	1265
16	TAMIL NADU	8407
17	TELANGANA	1205
18	THE DADRA AND NAGAR HAVELI AND DAMAN AND DIU	654
19	UTTAR PRADESH	1985
20	WEST BENGAL	183
	Total	31164

85. The Committee then enquired about the measures taken to enhance the skill development and employment generation across the Country under textile sector. In response, the Ministry stated as under:

"One of the major objectives of Samarth is to provide demand driven, placement oriented National Skills Qualifications Framework (NSQF) compliant skilling programmes to incentivize and supplement the efforts of the industry in creating jobs in the organized textile and related sectors, covering the entire value chain of textiles, excluding Spinning & Weaving. In order to ensure employment linkage of the programme in organized sector, mandatory placement of 70% of trained beneficiaries under entry level courses and 90% under up-skilling/ re-skilling courses has been prescribed in the scheme guidelines. Also, training target allocation to industry is done based on the captive skilled manpower requirement. In the case of industry association, target allocation is to meet the captive manpower requirement of their active member partners. Release of payment is also linked to requisite percentage of placement.

Ministry of Textiles has partnered with 13 State Government Agencies, 92 Textile Industry, 10 Industry Associations/ Councils and 4 Sectoral Organizations of Ministry of Textiles for training of 3.46 lakh beneficiaries in textile sector. Another process of onboarding of Industry/ Industry Associations/ State & Central agencies to allocate training target is also progressing.

As per the approval for extension of scheme upto 2024, budget allocation of Rs.100 crore has been kept for the scheme during FY 2021-22. Based on the cost norms followed as per MSDE norms, about 80,000 beneficiaries are expected to be skilled during FY 2021-22 in proportionate to the budget outlay. A total of 58,231 beneficiaries have been completed training during 2021-22 of which about 28,000 have been provided placement. In addition, another 21,900 beneficiaries are undergoing training."

86. The Committee then enquired about the extent to which the implementation of SAMARTH Scheme enhanced the skilling under textile sector. The Ministry replied as under:

Samarth Scheme has been formulated as per the overall skill policy framework adopted by the nodal Ministry for Skill Development i.e., Ministry of Skill Development and Entrepreneurship (MSDE). Under the Scheme, skilling programmes are offered in various textile related courses aligned with National Skill Qualification Framework (NSQF), formulated in consultation with stakeholders. During 2018-19, there were about 50 NSQF aligned courses under the scheme. However, the programme has been enhanced with inclusion of more number of courses and now there are 165 NSQF aligned courses under the Scheme. A total of 83 courses are of level 2 & 3 of NSQF and remaining are higher order courses (level 4 & 6) meant for upskilling programme. Level 2 & 3 in mainstream textile sector courses are basically for skilling the entry level fresh workers. Upskilling courses are provided in garmenting sector to upgrade the skill level of existing workers to improve their productivity and career progression. In addition, the courses are offered in traditional textile sector such as handloom, handicraft, sericulture and jute for up-skilling/ re-skilling of

artisans and weavers to improve their livelihood. After completion of training programme, the skill level attained/ enhanced by the beneficiaries is assessed through a systematic assessment process by third party agencies and issued with certificates. Details of beneficiaries enhanced skilling through the Scheme is given below:

Sector	Programme	Target Allocated (No. of Beneficiaries)	Target Achieved (No. of Beneficiaries)
Main Stream	Entry Level	225333	39133
Organized Textile Sector	Up-skilling/ Re-skilling	28979	5785
Traditional Textile Sector	Up-skilling/ Re-skilling	92091	21143
Total		346403	66061

87. The Committee desired to know whether the progress achieved so far under SAMARTH Programme to enhance the skilling capacity under textile sector was upto the mark. In response, the Ministry stated as under:

"Due to the time taken during the initial two years for streamlining of implementation mechanism under the scheme, the actual programme was slated to be commenced during last quarter of 2019-20. However, all skilling programme initiated under the scheme in February, 2020 had to be cancelled on account of the restriction imposed for skilling during the nationwide lockdown imposed in view of COVID-19 pandemic. Significant time and efforts of the implementing partners have been lost due to the pandemic and all batches ongoing during March, 2020 had to be cancelled. Ministry of Home Affairs has allowed commencement of skill development training programme only from mid-September, 2020. Effectively, no programme could be conducted for six months from March to August 2020. Pandemic has resulted catastrophic impact on textile industry such as contraction of business, loss of orders, closure of units etc and on account of various reasons, 23 empanelled industry partners have withdrawn from implementation of the training programme under the scheme. Also, large scale dropout of beneficiaries was reported during the training programme. With the improvement in pandemic situation, the training programme was marginally picked up and gaining momentum after September, 2020. However, a subsequent surge of pandemic in the form of second wave during April-August, 2021 has further impacted the progress. As per the approval for extension of scheme upto 2024, budget allocation of Rs.100 crore has been kept for the scheme during FY 2021-22. Based on the cost norms followed as per MSDE norms, about 80,000 beneficiaries are expected to be skilled during FY 2021-22 in proportionate to the budget outlay. A total of 58,231 beneficiaries have so far been completed training during 2021-22 and another 21,900 beneficiaries are undergoing training."

88. In response to a pointed query relating to implementation of SAMARTH, the representative of the Ministry of Textiles deposed as under:

"...Sir, as the Secretary said that during the time of Covid the 'Samarth' scheme was not working properly, but now it has been taken-up. At present there are 21,549 people in in-training and more than 65 thousand have been trained. In this, more than 33 thousand placements have been done. We have kept the placement criteria. Entry level training requires 70% placement from industry. They train their people and put them in their industry. In the bigger training than that, we have made 90% placement mandatory. As far as the running of the scheme is concerned, we monitor it end-to-end, the attendance is strictly monitored, it is aadhaar based, cameras are installed to know whether the training is going on or not."

89. The Committee further enquired about the action plan being prepared to optimally achieve the physical targets set during the 2022-23 fiscal. In reply, the Ministry submitted as under:

"In order to optimize physical achievement for financial year 2022-23, following steps have been taken: -

- i. Proposals have been invited from the State governments who are yet to participate in the scheme.
- ii. Additional training target has since been allocated to good performing implementing Partner
- iii. RFP process initiated for empanelling of new Implementing Partners (industries/Industry associations) and allocation of training target.
- iv. Rationalization of the training target allocated non-performing/ slow progressing implementing Partners"

V. OTHER PROGRAMMES/PROJECTS/ISSUES

(i) Export Promotion

90. With regard to the year-wise details of India's textile and apparel as well as handicraft exports for the last 3 Financial Years i.e 2019-20 onwards alongwith details of the percentage share of exports in the Textiles and Clothing (T&C) Sector, the following detailed information was furnished:

Values in Mn USD

Year/ Description	2018-19	2019- 20	2020-21	CAGR	2020-21 (Apr-Dec)	2021-22 (Apr-Dec) (Provisional)	% Change
India Textile & Apparel	36,558	33,379	29,872	-9.6%	20011	30450	52%
Handicrafts	3,804	3,564	3,443	-4.9%	2377	3323	40%
Total T&A including Handicrafts	40,362	36,943	33,315	-9.1%	22388	32029	43%
India's overall exports	3,30,078	313,361	2,91,808	-6.0%	201380	305046	51%
%T&C Exports of overall exports	12.2%	11.8%	11.4%		11.1%	10.5%	

Data Source: DGCI&S

91. Asked to state the steps taken to ensure adequate availability of quality raw material in the Country, the Ministry apprised as under:

"In order to ensure adequate availability of raw material at competitive price in the country, Government has removed anti-dumping duty (ADD) on PTA (a key raw material for the manufacture of MMF fibre and yarn) originating in or exported from the People's Republic of China, Iran, Indonesia, Malaysia, Taiwan, Korea R P and Thailand to India. Government has also removed anti-dumping duty on acrylic fibre (raw material for acrylic yarn and knitwear industry) originated in or exported from Thailand to India. Removal of ADD on Viscose Staple Fibre (VSF) will leverage the capacity of viscose textile value chain by providing a level playing field and improve the export competitiveness."

92. The Committee then desired to know the extent to which the Covid-19 Pandemic had affected the supply of raw material to the Textile Industry and the remedial measures taken consequently. In reply, the Ministry stated as under:

"Due to the COVID-19 pandemic, borders were sealed; lockdown was in force in many countries. Hence, there was a disruption in movement of goods, services and individuals. The textiles sector has also been severely impacted by the COVID-19 pandemic.

The Government of India announced a special economic and comprehensive package viz. Aatma Nirbhar Bharat package for boosting economy of the country and making India self-reliant. Relief and credit support measures have been announced for various sectors including MSMEs. Textiles manufacturing mostly comes under MSME."

93. On being asked to state the main challenges faced by the Indian Textile and Apparel Industry to compete with its counterparts and steps taken to bolster the performance of Indian Textile Industry in global market, the Ministry submitted as under:

"Indian textiles and apparel industry inter-alia are facing following challenges: India faces duty disadvantage of upto 9.6% in important market like the EU as compared to competing countries viz. Bangladesh, Sri Lanka, Turkey and Pakistan which have zero duty access.

- i. Disruption in supply chain amid COVID-19 pandemic
- ii. Lack of size and scale in textiles value chain
- iii. Increased cost of yarn and rising cotton prices

Steps taken to bolster the performance:

- i. India is currently engaged with UK, European Union (bloc of 27 European countries) and European Free Trade Association (bloc of 4 European countries) for Free Trade Agreements, wherein Government is aiming to conclude mutually beneficial agreements.
- ii. In order to make textiles products cost competitive and adopting the principle of zero rated export, the Union Cabinet has given its

approval for continuation of Rebate of State and Central Taxes and Levies (RoSCTL) on exports of Apparel/Garments (Chapters-61 & 62) and Made-ups (Chapter-63) till 31st March 2024. The other textiles products (excluding Chapter 61, 62 and 63) which are not covered under the RoSCTL shall be eligible to avail the benefits, if any, under RoDTEP along with other products.

- iii. The Government has approved the Production Linked Incentive (PLI) Scheme for Textiles, with an approved outlay of Rs 10,683 crore to promote production of MMF Apparel, MMF Fabrics and Products of Technical Textiles in the country to enable Textile sector to achieve size and scale and to become competitive.
- iv. The Government has approved setting up of Seven PM Mega Integrated Textile Region and Apparel (PM MITRA) Parks in Greenfield/Brownfield sites including plug and play facility with an outlay of Rs. 4445 cr for a period of seven years upto 2027-28. These parks will enable the textile industry to become globally competitive, attract large investment and boost employment generation. The scheme will enable creation of global champions in exports.
- v. Department of Commerce, under its Market Access Initiative (MAI) scheme provides financial support to various Export Promotion Councils (EPCs) and Trade Bodies engaged in promotion of textiles and garments exports, for organizing and participating in trade fairs, exhibitions, buyer-seller meets etc in foreign markets including American and European countries. Further, in the times of Covid-19 pandemic, virtual exhibitions are being organized by textile EPCs as an alternative mode of marketing, in order to tap opportunities in the global markets.

Ministry is constantly engaged with various stakeholders across the entire cotton value chain in respect of the prices of cotton and cotton yarn to harmonize their interest. Prices are affected by market forces of demand and supply. In addition, cotton being an internationally traded commodity, its price is also affected by the price in the international market."

(ii) National Technical Textile Mission (NTTM)

94. Details of funds allocated and utilised during the year 2021-22 and BE 2022-23 under NTTM were stated to be as under:

(Rs. in crore)

BE 2021-22	RE 2021-22	AE 2021-22	% w.r.t. RE	BE 2022-23
100.00	60.00	48.97 (as on 22.02.2022)	81.62%	100.00

95. Asked to state the reasons for reduction of the BE of Rs. 100 crore to Rs. 60 crore at RE stage in 2021-22 fiscal, the Ministry stated as under:

“Funds to the tune of Rs.100 Cr were provided under BE 2021-22 for National Technical Textiles Mission (NTTM) as per following bifurcation:

S.N	Budget Head	Budget allocated
1	Grant for creation of Capital Assets	Rs.40 Cr
2	Grant-in-Aid-General	Rs.60 Cr

As available funds under Grant for creation of Capital Assets were exhausted in its entirety and additional funds were required in the said Budget Head for meeting financial commitments in the remaining period F.Y. 2021-22, it was requested to revise the budget allocation for F.Y. 2021-22 as under:

S. N	Budget Head	Requested Budget allocation
1	Grant for creation of Capital Assets	Rs.75 Cr
2	Grant-in-Aid-General	Rs.25 Cr

Instead of the requested reallocation, the R.E for F.Y. 2021-22 fund allocation under NTTM has been reduced from Rs.100 Cr to Rs.60 Cr. [Grant for creation of Capital Assets: Rs.57 cr.; and Grant-in-Aid-General: Rs.3 cr.]”

96. On being enquired about the reasons for the underutilisation of funds as on 30th January 2022 against the allocated RE of Rs. 60 crore, the Ministry submitted as below:

“As on 30.01.2022, as noted above an expenditure to the tune of Rs.49 Cr. approx. has already been made during Financial Year 2021-22, which is well above 80% of R.E. allocation for the Financial Year 2021-22.

Further, 20 new research projects have been approved by Mission Steering Group of National Technical Textiles Mission in its 2nd meeting held on 17th January 2022 under the chairmanship of H'MoT. 1st installment to the tune of Rs 15.64Cr will be released in the said approved projects (during Financial Year 2021-22), after completing requisite formalities like signing of the MoU with the concerned Institutions etc.

Apart from this, funds are required for meeting expenditure towards Pilot project on Skilling of Design / commissioning technical person in the field of Geo-synthetics on Technical Textiles being undertaken under NTTM and for salary of staff deployed under Project Management Unit / Knowledge Partner for NTTM. The entire fund will be utilized in the current Financial Year 2021-22.”

97. As regards the current status of above-mentioned 20 new research projects, the Ministry submitted as under:

"These 20 approved research projects are being implemented/initiated in various Indian Institute of Technology (IIT), Defence Research & Development Organisation (DRDO), IISER (Kolkata), Institute of Nano Science and Technology, Mohali along with various industry partners in respective projects. The projects are aimed at focussed research in various areas of Specialty fibre & composites, Geo Technical Textiles and Agro Technical textiles, with an aim to patent the defined outcome / commercialize the end product/ provide the desired technology for enabling growth of Technical Textiles sector in India. These research projects are focused in the areas of Speciality fibre & composites (including High molecular weight/ High strength polyethelene

fibres, Acrylic fibres, Carbon fibre from coal tar/ petroleum pitch, Glass fibres, Surface modification of carbon fibres, Scaling up of electro spinning process for nano fibres, Development and manufacturing of specific hybrid fibres, including Carbon- Glass fibre, Development and manufacture of Aramid fibre,) , Geo Technical Textiles and Agro Technical textiles.

98. The Committee desired to know the plan of action for maximum utilisation of 2022-23 earmarked amount. In reply, the Ministry replied as under:

“2nd installments in 31 approved research proposals is to be released in F.Y. 2022-23. Additionally, approx. 130 projects with cumulative value of over under NTTM are at various stages of consideration. As and when the same are approved, substantial amount of funds would be required to be released in various stages of the approved projects.”

99. As regards the recent research developments in Technical Textile Sector during 2021-22, the Ministry apprised as under:

“Under NTTM, 31 research projects in niche areas of technical textiles undertaken in the country, which is at par with developed nations to curb dependency on US/EU. After completion, the country would be reducing imports and would be able to produce indigenous high-end items in the sector.”

100. The Committee then desired to know the concrete measures taken/proposed for promotion and market development of technical textiles. In reply, the Ministry stated as below:

“For promotion and market development of technical textiles in F.Y. 2022-23, participation in National and International Technical Textiles Events / Exhibitions and organizing of workshops for promoting various of Technical Textiles is being contemplated.”

101. As regards, Research & Development under NTTM, the the Ministry submitted as under:

“Research Proposals have been sought from the Premier Research Organisations like Defence Research and Development Organisation, Indian Council of Agricultural Research etc. & Premier Research Institutes including IITs, NITs, IISc etc for sending their requests for proposals to participate in development of Technical Textiles.”

102. As regards Public Private Participation (PPP) under NTTM, the Ministry stated that various projects which have been approved under NTTM were being undertaken by Premier research Institutes/ Research Organisations of the country in association with Leading Industry as Partner.

103. The Committee then enquired about the steps taken for imparting technical knowledge in technical textiles to the youth of India. In reply, the Ministry submitted that the Pilot project on Skilling of Design / commissioning technical person in the field of Geo-synthetics was being planned to be conducted through IISc Bangalore, IIT- Madras and IIT- Roorkee.

(iii) PM Mega Integrated Textile Region and Apparel (PM-MITRA) Parks

104. The details of fund allocated and utilised during 2021-22 and BE for 2022-23 under PM-MITRAS was as under:

BE 2021-22	RE 2021-22	AE 2021-22	% w.r.t. RE	BE 2022-23
0.00	0.50	0.00	0.00	15.00

105. As may be seen from the above data, only a paltry sum of Rs. 15 crore has been allocated as BE 2022-23 under MITRAS. The Committee enquired about the Ministry's action plan for effective implementation of MITRAS during 2022-23 fiscal with such a meagre allocation. In reply, the Ministry stated as under:

“PM-MITRA is presently in initial stage. State Governments have been requested to submit their proposal by 15th March 2022. Liabilities under PM MITRA for Development Capital Support (DCS) and Competitiveness Incentive Support (CIS) will accrue from 2023-24 onward once work for building parks starts. Rs. 15 crore for 2022-23 will be sufficient for administrative expense purpose.”

106. The Committee desired to know about the funding pattern for the establishment of MITRAS. In reply, the Ministry submitted as under:

“For a Greenfield MITRA park, GoI Development Capital Support (DCS) will be 30% of the project Cost, with a cap of Rs 500 Cr. per park. This capital support will be given in 2 phases on the basis of achievement of pre- defined milestones. In respect of partly developed Brownfield sites, an assessment will be made of infrastructure already developed and also the textile specific infrastructure yet to be developed. Based on such assessment, Development Capital Support @ 30% of project cost of balance infrastructure and other support facilities to be developed and restricted to a limit of Rs 200 Cr. per Brownfield Park will be provided by GOI.

Development Capital Support- Rs. 500 Crore for Development Capital Support (DCS) is to finance the development of Core infrastructure (CI –comprising incubation Centre & Plug & Play facility, Developed Factory Sites, Roads, Power, Water and Waste Water system, Common Processing House & CETP and other related facilities e.g. Design Centre, Testing Centres etc.) and part of mandatory Support Infrastructure (SI – comprising facilities such as workers' hostels & housing, logistics park, warehousing, medical, training facilities, etc.)

in the form of a grant to enable speedy development and operationalization of MITRA Parks. It is assumed that Commercial Development (CD) in some limited area up to 10% of the park area can be done on self-financing model. Revenue stream from CD may help maintenance of common assets and facilities by SPV after completion of this scheme.

Competitiveness Incentive Support (CIS): It is proposed that competitiveness incentive be provided to the units in MITRA Parks in the form of approximately 30% of such additional costs. On overall basis and after rounding up, it is proposed to provide an incentive of up to 3% of the total sales turnover to the unit established to reduce its cost and offset its disadvantages. This provision will be fine-tuned by the project Approval committee based on the requirement of early operationalization of units prior to actual investments by units in the MITRA park.”

107. Highlighting the phase-wise implementation of the MITRA Parks, the Ministry submitted as follows:

“MITRA Parks will be developed in phases, in Phase 1 ~600 acres will be developed with 300 Acres of manufacturing zone. Phase 1 envisaged to be completed by end 2025-26. In order to proceed to Phase 2, the Master Developer will have to achieve its Key Performance Indicators for Phase I, which are as below:

- i. Land occupancy along with construction of factory buildings achieved (minimum 60% of the 300 acre manufacturing zone taken up for development) and any of the following. (The numbers will be finalised by PAC before RFP and other concession documents are prepared.)
- ii. 3yrs Cumulative Investments attracted, or
- iii. 3yrs Cumulative Employment generated, or
- iv. 3yrs Cumulative Sales Turnover achieved

The concession period for the MITRA Park will be for 25 years in first instance. This concession period may get extended to 50 years, if Phase 1 development is completed successfully on time and the Master Developer starts Phase 2 development.”

108. The Committee desired to know whether the proposed PM-MITRAS would be having the skilling centres with required skill programs in side these mega parks so that the Local Youth can join these skill programs. In reply, the Ministry apprised as under:

Under PM-MITRA, the SPV/ Master Developer may liaise with Other Developers (ODs) i.e. other private players for provisions such as R&D Centre, Testing Centres, Laboratories, Skill Development Centre, Training Institutions, Logistics Providers, Commercial Development etc. to develop specific component of the MITRA Parks. These will help local youth to join skilling programs.

109. The Committee then enquired about the estimated time period for completion of the setting up of the MITRAs. In reply the Ministry stated that the seven PM MITRA Parks would be set up by 2027-28.

110. Asked about the criterion being followed for setting up of PM-MITRAS and details of proposals received from the State Governments, the Ministry apprised as under:

"PM MITRA Parks will be set up on the basis of proposals received from State Governments having ready availability of contiguous and encumbrance-free land parcel of minimum 1000 acres. The State Government will transfer land to the Special Purpose Vehicle (SPV) at notional price. The land asset will be used to leverage/attract investment in the PM MITRA parks for development and maintenance of the parks with high standard specifications.

So far, nine states have submitted proposal for setting up of PM- MITRA Park, details of which is as follows:

Name of the State	Proposed Place
Odisha	Vicinity of Dharma Port
Andhra Pradesh	Kopparthy YSR Kadapa Distt
Maharashtra,	Malegaon, Nashik
Karnataka	Kadechur in Yadgir and Kolar Distt
Rajasthan	Kakani Industrial Area, Jodhpur, Bhilwara Industrial area and Kota-Baran Region
Punjab	Mattewara, Ludhiana
Madhya Pradesh	No area mentioned
Manipur	Sought Relaxation in land area
West Bengal	Sought Relaxation in land area

(iv) National Textile Corporation (NTC)

111. National Textile Corporation Limited, (NTC) is a schedule "A" public sector company under the ambit of Ministry of Textile, Government of India, engaged in production of yarn and fabric through its 23 mills in operation, located all over India with 7.68 lac spindles and 408 looms producing around 550 lac kgs of yarn and 200 lac meters of fabric per annum. NTC also manufactures garments through its JV Companies. In addition National Textile Corporation has well established retail network throughout the country with its 85 retail stores. The current employee strength is 10449. Within the meaning of section 3(1)(0) of Sick Industrial Companies Act (SICA), because of its net worth turning to positive, vide BIFR order dated 20/10/2014, NTC had ceased to be a sick industrial company. The present net worth of the Company is Rs. 920.10 crores Approx. (As on 30.09.2021) (Provisional). NTC has total land bank admeasure around 3661.20 acres (1010.27 acres- lease hold, 2650.93 acres- freehold).

112. Presently NTC is operating following 23 Textile Mills located throughout the country:

	Sr. No.	Name Of The Mills	Location
Andhra Pradesh			
	1	Tirupathi Cotton Mills	Renigunta
Gujarat			
	2	Rajnagar Mills	Ahmedabad
Karnataka			
	3	New Minerva Mills	Hassan
Kerala			
	4	Algappa Textile Mills	Alagappanagar
	5	Cannanore Spg.& Wvg.Mills	Cannanore
	6	Kerala Laxmi Mills	Trichur
	7	Vijayamohini Mills	Trivandrum
Madhya Pradesh			
	8	Burhanpur Tapti Mills	Burhanpur
	9	New Bhopal Textile Mills	Bhopal
Maharashtra			
	10	Podar Mills	Mumbai
	11	Tata Mills	Mumbai
	12	India United M III No.5	Mumbai
	13	Barshi Textile Mills	Barshi
	14	Finlay Mills	Achalpur
Mahe			
	15	Cannanore Spg.& Wvg.Mills	Mahe
Tamil Nadu			
	16	Pioneer Spinners Mills	Kamudakudi
	17	Kaleeswarar Mills 'B' Unit	Kalayarkoil
	18	Cambodia Mills	Coimbatore
	19	Coimbatore Murugan Mills	Coimbatore
	20	Pankaja Mills	Coimbatore
	21	Sri Rangavilas S.& W. Mills	Coimbatore
	22	Coimbatore Spg & Wvg Mills	Coimbatore
West Bengal			
	23	Arati Cotton Mills	Dass Nagar

113. The Committee enquired about the action taken by the Ministry for revival/turnaround of the NTC mills. In reply, the Ministry submitted as under:

"The following action has been taken by the Ministry of Textiles. The details are as under

(i) In accordance with the Board for Industrial and Financial Reconstruction (BIFR) approval for revival scheme of National Textile Corporation Ltd. (NTC), till date Rs.1646.07 Crore has been invested in modernizing 23 existing Mills with different levels of modernizations. Despite such investment NTC continues to remain unviable entity. The cash profit projected as per the scheme was in the range of Rs.300 crore per year, however, the company has sustained cash loss continuously from 2014-15 onwards, which increased from (-) Rs. 80.64 crore in 2015-16 to (-) Rs. 210.18 crore in the year 2020-21.

(ii) An analysis of the cost parameters, actually incurred by NTC during subsequent years vis-à-vis the BIFR projected parameters shows that, whereas the cost of raw materials as a percentage of turnover has remained nearby the

BIFR projections, there have been large variations in respect of other cost parameters eg. Power, wages. Subsequently higher inputs costs, over that projected in BIFR Revival plan had resulted in the Company never been able to achieve operating profit even after substantial amount of investments during the past 10 years. While the production cost had substantially increased in actual practice, over that of BIFR projection, the sale price of the products of NTC have not increased substantially in the market. This has led to continuous increase in losses. The average cost of production of yarn over last 3 years has substantially increased mainly due to high labour cost and high power cost in metro city like Mumbai & Kolkata, whereas average sale price of yarn in the market is much less. Similarly, the average cost price of cloth is higher against the sale price. The sales realisation as a percentage of cost price in NTC product is, thus 73-78 %, indicating a loss of Rs. 25 per every Rs.100 spent for production. This is not a viable commercial operational parameter for any business ventures, which has completely eroded the cash reserves of the company.

(iii) In view of the above facts, matter is with Department of Public Enterprises (DPE) under Ministry of Finance as per new guidelines dated 13.12.2021 for implementation of New Public Sector Enterprises (PSE) policy for CPSEs in Non-Strategic Sector. The DPE has constituted a Committee of Group of Officers (CGO) under the Chairmanship of CEO, NITI Aayog for identification of CPSEs falling under non-strategic sector on privatization or closure. In regard to NTC, the CGO in its meeting dated 27.01.2022 recommended that a sub-committee comprising of Secretary, Department of Public Enterprises, Secretary, Ministry of Textiles and Sh. Ajit Pai, distinguished Expert, NITI Aayog shall first analyse the feasibility of disinvestment of 12 mills recommended by Ministry of Textiles, taking into consideration their location, availability of land and other assets and submit a report to CGO. Based on the report of the said sub-committee, the CGO will take a view on the closure or disinvestment of 12 mills of NTC Ltd."

114. As most of the NTC mills have been closed due to Covid-19 Pandemic, the Committee enquired whether these mill workers were getting salaries/reliefs from the Textile Workers' Rehabilitation Fund Scheme. In reply, the Ministry stated as under:

"As regard payment of salaries to the employees/workers of NTC Mills, they are being paid as per mutual agreement between management and representing workers of the mill. It is mentioned that the Textile Workers Rehabilitation Fund Scheme (TWRFS), introduced with effect from 15.09.1986, provides relief to the workers rendered jobless due to permanent closure of Non-SSI Textile Mills in private sector. The TWRFS has since been merged with Rajiv Gandhi Shramik Kalyan Yojna (RGSKY), under Ministry of Labour and Employment, with effect from 01.04.2017. Workers rendered jobless can avail benefits under the said scheme."

PART-II

OBSERVATIONS/RECOMMENDATIONS

OVERALL FINANCIAL PERFORMANCE

1. The Committee note that against the Ministry of Textiles' proposed outlay of Rs. 13,209.91 crore during the year 2022-23, the Ministry of Finance have approved Rs. 12,382.14 crore imposing reduction in the proposed budget under almost all the Schemes except the Cotton Sector. According to the Ministry of Textiles, allocation of funds depends on various factors such as adequacy of funds in the Government exchequer *vis-a-vis* Sectoral demands placed by different Ministries, pace of expenditure of any particular Ministry, contingent and committed liabilities etc. The Ministry have assured that the reduction of proposed funds of the Schemes would not affect the implementation of various schemes as they will pursue for efficient and timely utilisation of allocated funds and also approach Ministry of Finance for additional funds after utilising the allocated funds. As pace of expenditure and the trend of fund utilization is one of the foremost reasons for budget allocation, the Committee exhort the Ministry to make earnest efforts and exercise due diligence in leveraging their performance in fund utilization so that they are able to convince the Ministry of Finance and obtain additional funds at the Supplementary Grants Stage.

2. The Committee note that an amount of Rs. 3,631.64 crore was allocated as BE 2021-22 which was significantly enhanced to Rs. 11,449.32 crore at the RE stage whereas the actual expenditure as on

22.02.2022 was Rs. 10,012.79 crore, depicting under utilisation of funds in almost all the schemes. Non-receipt of viable proposals and non-furnishing of utilisation certificates by the implementing agencies have been cited as reasons for under utilisation of allocated fund. In order to increase the receipt of viable proposals and submission of utilisation certificates by the Implementing Agencies, the States/Stakeholders have been asked to monitor and clear all the pending utilisation certificates under different Schemes of Ministry of Textiles. While expressing their concern over the under utilization of allocated funds during 2021-22, the Committee impress upon the Ministry to strengthen the monitoring mechanism and fortify the measures initiated so as to timely obtain utilization certificates from the Implementing Agencies which would consequently lead to utilization of the remaining allocated funds by 31st March, 2022.

3. The Committee note the Ministry's submission that savings available under some schemes will be re-appropriated between other schemes, subject to the conditions as stipulated under Delegation of Financial Power Rules (DFPR) i.e. the savings under a particular Budget head (scheme) is allocated to other Budget head (scheme) where more funds are required. The Committee desire that re-appropriation of funds be made in such a manner that implementation of no scheme is adversely affected and the entire process strictly conforms to the DFPR conditions so as to secure fiscal prudence. The Committee also recommend that initial planning and projections for implementation of the individual

schemes be made more robust and scientific so that cases of re-appropriation of funds are confined to the barest minimum.

4. One disquieting aspect that has engaged the attention of the Committee is that the Ministry's proposed Budgets are curtailed at the BE stage and the allocated BEs are again reduced at the RE stage. Even then reduced REs are not fully utilised by the Ministry. It speaks volumes of deficient planning and inaction on the part of the Implementing Agencies. The Committee, therefore, urge the Ministry to bring in systemic improvements so as to ensure maximum utilization of the earmarked annual funds.

PHYSICAL TARGETS AND ACHIEVEMENTS

5. The Committee are concerned to note that during 2021-22, the Ministry have been unable to achieve the physical targets under many schemes *viz.* Amended Technology Upgrade Fund Scheme (A-TUFS), National Handicraft Development Programme (NHDP), National Institute on Fashion Technology (NIFT), Research & Development under Silk, Block Level Clusters (BLCs) & MUDRA Scheme under Handlooms, Integrated Wool Development Programme (IWDP), SAMARTH and SITP etc. Covid-19 induced lockdown and restriction thereon, non-receipt of viable proposals and non-furnishing of utilisation certificates in time etc. are cited as the reasons for non-achievement of targets in the above mentioned schemes. The Ministry are reportedly making number of efforts to enhance the achievement of physical targets. The Committee appreciate that outbreak of Covid-19 and resultant lockdown restrictions have impacted the

effective implementation of the Scheme under the Ministry. However, the Ministry's inability to achieve the physical targets under the above schemes like ATUFS, SAMARTH, SITP, etc. have been observed during pre Covid time also. The Committee, therefore, impress upon the Ministry to take requisite measures to overcome the perennial problems of non-receipt of viable proposals and furnishing of timely Utilisation Certificates by the Implementing Agencies so as to optimally achieve the physical targets set during 2022-23.

NATIONAL HANDLOOMS DEVELOPMENT PROGRAMME (NHDP)

6. The Committee note that an amount of Rs. 220 crore was allocated as BE 2021-22 under National Handlooms Development Programme (NHDP) which was revised to Rs. 180 crore at RE stage and the actual expenditure has been Rs. 131.30 crore as on 10th January, 2022. An amount of Rs. 200 core has been allocated as BE 2022-23. The Committee are also concerned to note that against a target of 100 Block Level Clusters (BLCs) during 2021-22, only 64 BLCs have been achieved and against a target of 200 marketing events, 175 events have been achieved as on 22nd February, 2022. Non-receipt of viable proposals, outbreak of Covid-19 pandemic and consequent restrictions imposed, the period of earlier schemes having come to end etc. have been cited as the reasons for shortfalls in utilisation of funds as well as under-achievement of physical targets. In view of the fact that marketing events (domestic and international) are the most important platforms for weavers to showcase their products directly to the customers both inside and outside the

Country, the Committee exhort the Ministry to make concerted efforts, now that the Covid-19 situation has eased to a greater extent, so as to ensure holding of the remaining marketing events by the end of 2021-22 fiscal and achievement of targets set for 2022-23.

7. The Committee are concerned to note that during the year 2021-22 only Rs. 39.50 crore could be disbursed as MUDRA Loan to 7,156 weavers which is lower than the previous year i.e. 2020-21 when Rs. 47.38 crore was disbursed to 8,456 weavers. Out of the disbursed amount of Rs. 39.50 crore, the major chunk of the amount i.e. Rs. 34.70 crore has been disbursed in the two Southern States of Andhra Pradesh and Tamil Nadu where the structure is more organized and cooperative based besides having a higher percentage of handlooms and handloom workers there. The Committee call upon the Ministry to coordinate with other States/UTs, where sizeable handlooms/handloom workers are there, to adopt similar organized and cooperative approach, as followed by Andhra Pradesh and Tamil Nadu, so that more handloom workers across the Country are benefitted. Requisite measures be also taken to disseminate the information about the facility of MUDRA Loan so that more weavers are enabled to register under the Scheme in the coming years.

8. The Committee appreciate that in order to support Handloom weavers during the Covid-19 Pandemic, the Ministry have taken a number of initiatives like on boarding 1.50 lakh weavers on Government e-market; forming 133 Handloom producer companies to ensure better incomes; financial assistance under MUDRA Loan; setting up of 7 Design Resource

Centres in weavers service centres through NIFT; engaging 23 e-marketing entities for online marketing and sale of Handloom products, organising 12 virtual handloom fares by HEPC etc. Taking note of the efforts made to enhance the livelihood of the Handloom weavers especially during the tough times of Covid-19 Pandemic, the Committee desire that the monitoring and follow up mechanism be strengthened so as to ensure that the benefits intended to mitigate the Covid-19 induced sufferings of the Handloom Weavers are actually accrued to them.

9. The Committee note that presently 11 textile articles with certain technical specifications are reserved under the Handlooms (Reservation of Articles for Production) Act, 1985 for exclusive productions on handlooms. The Committee also note that the Ministry are providing financial assistance to the State Governments for establishment of enforcement Machinery to carryout powerloom inspections. The Committee are of the considered opinion that carrying out inspections of powerloom units in the field and providing financial assistance to the State Governments to supplement assistance are steps in right direction to curb the sale of fake handloom products. Needless to say, the joint efforts of the Central and State Government enforcement agencies need to be continued and intensified further to protect the interests of Handloom Weavers as stipulated under the Act.

National Handicraft Development Programme

10. The Committee note that the BE 2021-22 for National Handicraft Development Programme was Rs. 371 crore which was reduced to Rs.

297.00 crore at RE stage and the Actual expenditure has been Rs. 219.97 crore as on 22nd February, 2022. An amount of Rs. 354.00 crore has been allocated as BE 2022-23. During the 2021-22 fiscal, there have been shortfalls in terms of both financial and physical achievements under a number of Schemes *viz.* International marketing events, Skill Development, Direct Benefit to Artisans etc. The reasons cited for slow progress of the Scheme *inter-alia* include the adverse effect of Covid-19, non-submission of viable proposals by the Implementing Agencies, pendency of utilisation certificates, proposals not duly recommended etc. The Ministry are reportedly making all the efforts *viz.* issuance of Aadhar linked artisans ID Cards by O/o DC Handicraft, Development of Integrated MIS portal to receive proposals by various agencies; all 6 DBT applicable schemes of O/o DC Handicraft have been on boarded on DBT Bharat portal etc. for achieving the physical targets for the year 2021-22. The Committee find that the oft-repeated reasons like non-submission of viable proposals; pendency of utilisation certificates and proposals not duly recommended have time and again resulted in under-achievement of targets under National Handicraft Development Programme. The Committee call upon the Ministry to fortify their monitoring and coordination mechanism to stop reoccurrence of the same bottlenecks every year so that targets set for various schemes under National Handicraft Development Programme are achieved optimally.

11. The Committee note that the issuance of Pahchan Card was initiated in the year 2017 for identifying the genuine artisans and to issue

a card that is Aadhar linked through which all the activities of the artisans concerned could be monitored. The Committee find that out of the 28.4 lakh artisans registered so far through 60 handicraft service centres all over India, 24.78 lakh artisans have got their ID Cards. There was a consensus among all the States that ID Card issued by the Ministry would be followed, but a few States are permitting usage of their own card. The Committee are of the considered opinion that use of one card in all the States/UTs across the Country on a single platform would facilitate a structured and uniform approach and effective monitoring. The Committee, therefore, desire that the Ministry should coordinate with the States concerned and encourage them to adopt usage of one Central Card so that the intended benefits can be availed by the artisans without any difficulty. The Committee also desire the Ministry to accelerate process of enrollment and issuance of Pahchan cards by increasing the number of handicraft service centres across the Country so that all the genuine artisans are brought under one single platform/database.

Textile Custer Development Scheme (TCDS)

12. The Textile Custer Development Scheme (TCDS) erstwhile Comprehensive Powerloom Cluster Development Scheme (CPCDS) was implemented during the period from 01.04.2017 to 31.03.2020 and further continued for one year i.e. 2020-21 to clear the rolled over committed liabilities of CPCDS. The Committee are concerned to note that the 2021-22 BE for powerloom sector was Rs. 74.28 crore which was reduced to Rs. 47.48 crore at RE stage and the actual expenditure has

been Rs. 24.90 crore as on 22.02.2022. A meeting of Project Implementation Board (PIB) was held under the Chairmanship of Finance Secretary (Expenditure) on 06.10.2021 for continuation of the TCDS with an outlay of Rs. 853 crore for five more years w.e.f. 2021-22 to complete the ongoing projects under Powerloom Sector Schemes i.e. CPCDS and Scheme for Integrated Textile Parks (SITP). Out of the earmarked amount of Rs. 853 crore, an amount of Rs. 133.83 crore has been allocated under TCDS for 2022-23 financial year. The same reasons as cited for shortfalls in other Schemes have also been highlighted for under-achievement of financial/physical targets under TCDS. The Ministry are reportedly making efforts to utilise the RE funds in the remaining period of 2021-22. The Committee exhort the Ministry to intensify their efforts in removing the recurring impediments which have been hampering the implementation of TCDS so as to ensure maximum achievement of financial and physical targets.

13. The Committee note that out of the 56 parks sanctioned under Scheme for Integrated Textile Parks (SITP), 27 Parks have been completed and remaining 29 Parks are at different stages of implementation. An amount of Rs. 568.15 crore has been provided for 5 years w.e.f. 2021-22 under TCDS to complete the remaining 29 parks. The Committee desire that prudent strategies be chalked out to fully utilize the earmarked amount of Rs. 568.15 crore so as to ensure that the 29 remaining Parks are established within the timeline for the overall development of the Textile Sector.

14. The Committee note that the Ministry are proposing to conduct a baseline survey of decentralised powerloom sector in association with the State Governments on the basic technological gap and outcome of strength and weakness of each powerloom cluster and also to initiate cluster based upgradation support in association with the State Governments in accordance to the needs of each powerloom cluster. The Committee feel that cluster based upgradation of each powerloom cluster in association with the State Governments concerned is an apt move for a decentralized powerloom sector. They therefore, desire that the proposal be translated into concrete action and gainful outcome.

Jute Sector

15. The Committee are concerned to note that there has been a gradual decrease in the quantity of export of Jute and Jute products during 2018-19 to 2020-21 i.e. 1.21 lakh MT in 2018-19 to 1.02 lakh MT in 2020-21 and 88,100 MT during April-October 2021. However, there has been a significant growth in the value of exports of Jute Diversified Products (JDPs) from Rs. 815.51 crore to Rs. 1,260.79 crore during the same period. As regards imports, there has been significant reduction in imports of the jute goods and raw jute. The Ministry are reportedly taking a number of measures to increase the quality of Indian raw jute so as to ensure sizeable exports. Such measures have resulted in improving the overall position like increase in yield, Jute production, quality upgradation and increase in farmers income etc. The Committee also appreciate that keeping in view the plastic pollution and the restrictions

imposed by the local self/State Government on the use of plastic bags, the Ministry through National Jute Board are creating awareness regarding usage of jute and eco-friendly jute products including jute sacks/bags as an alternative to poly sacks/plastic; ensuring sound supply chain of Jute Diversified Products (JDPs) including jute bags for daily usages/mass consumption; imparting training programme for design and development of JDPs etc. The Committee recommend that the measures initiated be further fortified with special emphasis on research activities on Jute Diversified Products to promote their development, expansion and usage in both domestic and international markets.

Cotton Sector

16. The Committee note that an amount of Rs. 136 crore was allocated as BE 2021-22 under Cotton Sector which was significantly enhanced to Rs. 8,439.88 crore at the RE stage. The actual expenditure as on 22nd February, 2022 was Rs. 7,666.91 crore. An amount of Rs. 9,243 crore has been allocated as BE 2022-23. According to the Ministry, they had decided to clear all dues together from 2014-15 and earlier estimated that around Rs. 17,000 crore losses for Cotton Corporation of India (CCI) in 2020-21. However, due to the better prices for cotton in the market, CCI has sold the whole stock of 105 lakh bales for which the due/liability amount has come down to less than Rs. 10,000 crore. Out of this the Ministry have already received Rs. 8,439.88 crore at RE stage for 2021-22 fiscal and requiring Rs. 1,000 crore (approximately) more to settle all liabilities. The Ministry have assured that all the liabilities would be

cleared during 2022-23 fiscal. The Committee trust that with prudent planning and strategy, the Ministry would be able to fully utilize the budgetary allocations and clear all the liabilities of CCI by 2022-23 Financial Year. The Ministry should estimate the losses within the least possible time and request the requisite amount from Ministry of Finance. The Committee desire that the Ministry should make cogent efforts for estimating the amount required for carrying out the MSP operation for cotton, so as to save the accrued interest over the years.

17. The Committee appreciate that the Ministry are reportedly taking a number of measures to ensure availability of adequate cotton for domestic consumption in the textile industry during 2021-22 and also 2022-23 as well as to make Indian cotton more competitive with its counterparts of international market. Such measures *inter-alia* include CCI has sold around 105 lakh bales valuing Rs. 22,500 crore in 2021-22 to domestic textile mills through e-auction; the CCI has been giving preference to domestic mill including MSME mills by keeping their sales terms more attractive etc. Similarly, during the Covid-19 pandemic the Ministry have disbursed an amount of Rs. 62,377 crore directly to the bank account of 45 lakh cotton farmers and safeguarded them from distress; MSP operations are conducted directly from cotton farmers duly identified by the State Governments without involving middlemen and setting up of infrastructure on Pan India basis i.e. 17 branches and more than 450 procurement centres in 143 districts with a view to encourage the farmers to increase the production of quality cotton. While appreciating

the measures initiated/proposed to enhance the competitiveness of the Indian cotton with its counterparts in global market as well as to encourage the farmers, the Committee desire that the momentum be maintained throughout with a stricter monitoring mechanism to ensure that the objectives of overall development of the Cotton Sector and benefits to cotton farmers through a slew of initiatives are truly achieved.

Silk Sector

18. The Committee note that the Ministry are embarking upon a number of measures under Silk-Samagra 2 with an aim to make India Atma-Nirbhar in production of import substitute international grade Bivoltine Silk, focus on inclusive development of small and marginal farmers including women and tribals/SCs, etc., increase production and improve quality and productivity of Indian Silk to international standards through the Central Silk Board's Research & Development. The above measures include providing training in pre & post cocoon activities; development & maintenance of Nucleus and Basic Silkworm Seed supporting State Sericulture Department in adopting R&D output through Silk Samagra, etc. The major core activities proposed to be taken up during 2022-23 by the Ministry *inter-alia* include to carry out 35 new and conclude 33 R & D Projects, to produce 485.67 lakh disease free layings, to sell 27.0 lakh silk mark labels, organize 600 number of programmes /exhibitions /road shows etc. While appreciating the measures initiated to step up their efforts so as to achieve the proposed targets during 2022-23

and ensure overall development of the silk sector, the Committee desire that greater attention be paid towards obtaining adequate funds and their maximum utilization for R&D activities in the Silk Sector.

19. The Committee also recommend that the Ministry should make concerted efforts through Central Silk Board (CSB) to train the small scale organisations about the process of manufacturing the reeling, spinning and other machineries required in the value chain of the silk sector which would consequently lead to self-reliance in production and marketing silk.

Wool Sector

20. The Committee note that an amount of Rs. 16.50 crore was allocated as BE 2021-22 for the wool sector which was revised downwards to Rs. 10 crore and the actual expenditure has been Rs. 5.95 crore only, and the 2022-23 BE is Rs. 15 crore for the sector against the proposed amount of Rs. 23.30 crore. The Ministry have contended that the allocated amount would not be sufficient to carry out the schemes under the wool sector. The Committee further note that Central Wool Development Board (CWDB) has circulated the guidelines of Integrated Wool Development Programme (IWDP) for inviting fresh project proposals from States and other stakeholders as Implementing Agencies (IAs) for sanction of funds in FY 2022-23. The Committee desire that the process of all required formalities be accelerated and closely monitored so as to ensure timely implementation of the targeted projects and resultant utilization of earmarked funds to the optimum which would place the

Ministry on a strong footing to get additional funds at the Supplementary Grants Stage.

21. The Committee note that the Ministry have approved IWDP for implementation during FY 2021-22 to 2025-26 with total allocation of Rs. 126 crore and special focus has reportedly been given to Pashmina sector and Pashmina Wool Development Scheme. The Committee appreciate that the Ministry contemplate to initiate branding of woolen products in india and in international market for which they are going to develop Indian wool mark for woolen apparel, Kaleen mark for Indian Handicraft carpets and Pashmina mark for Pashmina products including facility for testing of Pashmina products during FY 2021-22 to 2025-26. The Committee are of the considered opinion that branding of woolen products *viz.* Pashmina mark, Kaleen mark and Indian wool mark would not only enhance the sale and export of wool products in the coming years but also make Indian wool products get a niche in the global market. As the absence of DNA Analyser with the State Governments/Implementing Agencies impedes to test the purity of Pashmina products which delays the product to reach the market and increases the chances for sale of fake products, the Committee exhort the Ministry to take urgent measures for establishing more research labs for testing the quality of Pashmina wool products so as to effectively address the concerns of the Implementing Agencies.

22. It is an established fact that Pashmina is one of the most important products of Kashmir, and a brand in itself which is famous both in domestic and international markets. As special schemes aimed at the

revival of all the traditional crafts of Kashmir with focus on weavers, manufacturers and exporters is the need of the hour, the Committee urge the Ministry to explore the feasibility of promotion of G.I. tagging, establishment of Raw Material Banks, Common Facility Centre for Traders and Exporters, timely NOC Certification, Domestic and International road shows and exhibitions, corpus funding for unsold inventories etc. for the revival/betterment and prosperity of the Heritage Industry.

Amended Technology Upgradation Fund Scheme (A-TUFS)

23. The Committee note that the BE 2021-22 for ATUF Scheme was Rs. 700 crore which was revised downwards to Rs. 650 crore at RE stage and the Actual Expenditure has been Rs. 511.96 crore as on 22nd February 2022. An amount of Rs. 650 crore has been allocated as BE for 2022-23 fiscal. The main reasons for underutilisation of funds during 2021-22 fiscal have been attributed to Covid-19 induced lockdown and restrictions which delayed the verification process and final settlement of claims. In addition, large scale recovery reported under committed liability cases of older versions of TUFS upon physical verification also resulted in less utilisation of funds expected to be disbursed against the older version cases. The Ministry in order to expedite the settlement of claims have approved various measures including automated/graded verification of machinery and time relaxations for streamlining of the procedure under A-TUFS etc. The Committee appreciate that despite Covid-19 induced lockdown and restrictions, the Ministry have been able to utilise Rs. 511.96 crore during 2021-22. The Committee exhort the Ministry to take

cogent measures to clear/settle maximum cases by optimally utilizing Rs. 650 crore as allocated during 2022-23.

24. The Committee further note that an impact assessment study of TUFs has been carried out by the Development Monitoring and Evaluation Office (DMEO), NITI Aayog during 2019-20. The key recommendations for continuation of the Scheme *inter-alia* include support for domestic manufactures, promotion of industry 4.0 technology, focus on MMF, promotion of technical textiles, differential technology specifications for MSME etc. Based on the recommendations of the impact assessment study and technology gap analysis carried out separately, a new scheme to replace the A-TUFs is being formulated with the major components to incentivise and modernise the textile industry so as to make it globally competitive. The Committee find that the concept of the new scheme has been discussed with stakeholder at various levels and the process of formulation is underway. The Committee are of the opinion that the impact of assessment study of TUFs and the technology gap analysis is a step in the right direction, after the completion of the time period of A-TUFs, for assessing the quantity of machinery to be upgraded and therefore efforts to augment the process of identifying the machines required to be upgraded and setting up of testing labs and R&D of textile machinery be heightened. The Committee further recommend that a specific budget allocation be made towards R&D on upgradation/modernisation of machinery so as to increase the production of textile products in the Country.

SAMARTH - Scheme for Capacity Building in Textile Sector (SCBTS)

25. The Committee note that on the basis of learning from Integrated Skill Development Scheme (ISDS), the Ministry introduced Scheme for Capacity Building in Textiles Sector (SCBTS) for the entire value chain of textiles except spinning and weaving, for a period of 3 years i.e. 2017-18 to 2019-20, which has been extended till March, 2024. During 2021-22, the BE for SCBTS was Rs. 100 crore which was reduced to Rs. 90 crore at RE stage and the actual expenditure has been Rs. 38.04 crore (as on 22.02.2022). An amount of Rs. 100 crore has been allocated as BE for 2022-23. As regards the physical targets, the Ministry have set a target of training of 3.46 lakh candidates through various State agencies, sectors of Ministry of Textiles' industry and associations. However, during 2021-22, only 1,79,923 beneficiaries have enrolled for training out of whom 60,354 beneficiaries have completed training, whereas 29,805 beneficiaries have been provided with placements. The second wave of Covid-19 pandemic during the first quarter of 2021-22 was cited as the reason for shortfalls in targets. Now that the devastating effect of Covid-19 Pandemic has eased to a greater extent, the Committee impress upon the Ministry to step up their efforts for maximum utilization of funds by launching more number of skilling/upskilling training programmes targeted towards the entire value chain of textile sector so that the objective of overall capacity building in the Textile Sector is effectively realized.

26. The Committee further desire the Ministry to encourage the private institutions/organisations/universities/Textile Research Associations

(TRAs) to participate in research & development through PPP mode in the value chain of textile sector so as to facilitate its all round development.

Export Promotion

27. The Committee are concerned to note that export of Textile and Apparel (T&A) including Handicraft from India has been decreasing for the last 3 years in comparison to 2018-19 i.e. US \$40.36 billion (2018-19), US \$36.94 billion (2019-20), US \$33.31 billion (2020-21) and US \$32.02 billion (2021-22). However, it is encouraging to note that there has been an increase in export of T&A by 43% for the period of April-December, 2021 as compared to previous corresponding period. It is equally discouraging to find that there has been a significant increase in imports of T&A by 53% for the period of (2021-22) April-December as compared to previous corresponding period. Disruption in supply chain amid Covid-19 pandemic, lack of size and scale in textiles value chain, increased cost of yarn and rising cotton prices are the challenges faced by the Indian Textile and Apparel industry to compete with its counterparts. In order to counter the above challenges, India is currently engaged with UK, EU and European Foreign Trade Association for Free Trade Agreements (FTAs); continuation of Rebate of State and Central Taxes and Levies (ROSCTL) till 31st March, 2024, the Remissions of Duties and Taxes on Exported Products (RoDTEP) for other textiles products not covered under ROSCTL, approval of 7 PM MITRAS Parks, etc. The Ministry are also taking several steps to enhance the exports which *inter-alia* include removing Anti-Dumping Duty (ADD) on PTA acrylic fibre; promotion of viscose staple

fibre which will leverage the viscose textile value chain by providing field and improve the export competitiveness. While appreciating the measures initiated to address the challenges faced by the T&A Industry, the Committee also urge the Ministry to make efforts to encourage the exporters/traders to submit their duty credit scrips within a reasonable time so as to enable them to avail the benefits under ROSCTL and RODTEP schemes leveraging the Indian T&A export to a greater extent.

National Technical Textile Mission (NTTM)

28. The Committee note that the Government of India with a view to position the Country as a global leader in technical textiles and increase the use of such textiles in the domestic market has approved National Technical Textiles Mission (NTTM) with a total outlay of Rs. 1,480 crore with four years implementation period from FY 2020-21 to 2023-24. Pursuant to that the Ministry have taken various initiatives for development of technical textiles viz. 31 Research projects amounting to Rs. 108 crore have been approved in the area of specialty fibre and GeoTextiles; proposals in the fields of MediTech, protech, sportech & mobitech invited; Rs. 48 crore already disbursed to premier technology institutes for carrying out research projects in specialty fibre; training of the personnel on Skilling & Design of Technical Textile being done by IISC, Bangalore, IIT Madras and IIT Roorkee; Technical Textile module proposed to be included in course curriculum of undergraduate and post graduate courses in premier Institutes etc. The Committee note that an amount of Rs. 100 crore has been allocated for NTTM as BE for the FY

2021-22 which was reduced to Rs. 60 crore at RE stage and Actual expenditure so far is Rs. 48.97 crore. The Ministry have assured that the entire fund will be utilized by the end of the FY 2021-22. While taking note of the initiatives taken by the Ministry for development of technical textiles in the Country, the Committee are not convinced with the trend of annual fund allocation by the Ministry for promoting technical textiles. To illustrate, the NTTM was approved with an outlay of Rs. 1,480 crore to be completed within four years i.e. 2020-21 to 2023-24, whereas so far only Rs. 160 crore has been allocated leaving Rs. 1320 crore to be allocated in 2023-24, last year for completing the Project. The Committee are apprehensive of the NTTM project being accomplished by the deadline in view of such uneven fund allocation. The Committee, therefore, exhort the Ministry to seriously look into the matter and gear up their implementing mechanism with adequate and proportionate fund allocation so as to accomplish the mission by the deadline.

PM Mega Integrated Textile Region and Apparel (PM-MITRA) Parks

29. The Government have announced the PM-MITRA Scheme in 2021-22 aiming to integrate the entire textile value chain for spinning, weaving, processing, manufacturing at one place with world class infrastructure including plug and play facilities which will enable the textile industry to achieve the size and scale required to be globally competitive. The Committee note that seven MITRAs have been approved by the cabinet. These parks are implemented through Public Private Partnership model by SPV i.e. joint venture of Centre and State Governments. The Ministry of

Textiles supports the State Governments with capital funding; the State Government should arrange the land and submit their proposal for setting up MITRA. So far 9 States have submitted proposal for setting up of PM MITRAS Parks. The Committee also note that these parks are aiming to attract investment of Rs. 10,000 crore and employment generation of 1.5 lakh to 1.8 lakh and to have the infrastructural, skilling research laboratories, training institutes etc. there. The Committee impress upon the Ministry to speed up all the procedural formalities for approving these parks and prepare an effective action plan for their seamless implementation so that the targeted investments are attracted and the project employment generated within a definite time frame.

National Textile Corporation (NTC)

30. The Committee note that an amount of Rs. 1,646.07 crore has been invested in the modernisation of 23 existing mills under Revival Scheme for NTC. However, despite such investment, NTC continues to remain an unviable entity because of its increasing losses of Rs. 80.64 crore in 2015-16 to Rs. 210.18 crore in 2020-21. The high labour costs and high power cost in the metro cities like Mumbai and Kolkata, the high cost prices of the cloth etc. have been cited as the reasons for tagging the NTC Mills as non-viable entity. The Committee also note that Department of Public Enterprises (DPE) under Ministry of Finance as per new guidelines for implementation of new Public Sector Enterprises (PSE) policy for CPSEs in Non-strategic sector formed a Sub-Committee comprising Secretary, DPE; Secretary, Ministry of Textiles and an expert from NITI Aayog to analyse

the feasibility of disinvestment of 12 mills recommended by Ministry of Textiles. Taking into consideration the assets and based on the report of the sub-Committee, the Committee of Group of Officers (CGO) will take a view on the closure or disinvestment of the 12 mills of NTC Ltd. As an investment of Rs. 1646.07 core has been made for the revival of sick NTC mills, the Committee desire that earnest efforts be made to address the issues that impede the viability of the NTC mills with particular emphasis on upgradation and modernisation so as to enable such mills to turn around.

**New Delhi;
14th March, 2022
23 Phalgun, 1943 (Saka)**

**BHARTRUHARI MAHTAB
CHAIRPERSON,
STANDING COMMITTEE ON LABOUR,
TEXTILES AND SKILL DEVELOPMENT**

**STANDING COMMITTEE ON LABOUR, TEXTILES AND SKILL
DEVELOPMENT (2021-22)**

Minutes of the Seventh Sitting of the Committee

The Committee sat on Thursday, the 24th February, 2022 from 1100 hrs. to 1400 hrs. in Committee Room 'C', Parliament House Annexe, New Delhi.

PRESENT

Shri Bhartruhari Mahtab - CHAIRPERSON

MEMBERS

LOK SABHA

2. Shri Subhash Chandra Baheria
3. Dr. Umesh G. Jadhav
4. Shri Bhola Singh
5. Shri Nayab Singh

RAJYA SABHA

6. Shri Naresh Bansal
7. Shri Dushyant Gautam
8. Ms. Dola Sen
9. Shri M. Shanmugam
10. Shri Vijay Pal Singh Tomar

SECRETARIAT

1. Shri T.G. Chandrasekhar - Joint Secretary
2. Shri D.R. Mohanty - Director
3. Shri Sanjay Sethi - Additional Director
4. Shri K.G. Sidhartha - Deputy Secretary

Witnesses

Representatives of the Ministry of Textiles

Sl. No.	Name	Designation
1.	Shri Upendra Prasad Singh	Secretary
2.	Shri Vijoy Kumar Singh	Additional Secretary
3.	Shri Shashi Ranjan Kumar	AS &FA
4.	Smt. Aastha S. Katwani	CCA
5.	Shri Sanjay Sharan	Joint Secretary
6.	Shri Sanjay Rastogi	DC (Handlooms)
7.	Shri Shantmanu	DC (Handicrafts) & DG (NIFT)
8.	Ms. Shubhra	Trade Advisor
9.	Smt. Roop Rashi	Textile Commissioner
10.	Shri M.C. Chakraborty	Jute Commissioner
11.	Shri Ranjit Ranjan Okhandiar	MS(CSB)
12.	Shri Lalit Kumar Gupta	Director (Finance), CCI
13.	Shri A.K. Jolly	MD (JCI)

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 for taking oral evidence of the Ministry on 'Demands for Grants (2022-23)'. Drawing the attention of the representatives to Direction 58 of the 'Directions by the Speaker' regarding confidentiality of the proceedings of the Committee, the Chairperson asked the Secretary, Ministry of Textiles, to apprise the Committee of the budgetary allocations for the year 2022-23 vis-à-vis the proposal of the Ministry; actual expenditure incurred/ estimated during 2021-22 vis-à-vis the allocations; the major thrust areas during 2022-23 for various programmes/activities/schemes; the plan of action on the part of the Ministry for optimal utilization of the earmarked funds as well as maximum achievement of physical targets; constraints faced by the Ministry in the effective implementation of the Schemes due to COVID-19 induced restrictions etc..

3. The Secretary, Ministry of Textiles accordingly briefed the Committee and thereafter AS&FA made a Power Point Presentation *inter-alia* highlighting financial performance during last three years; Scheme wise expenditure during 2021-22; proposed/actual outlay for 2022-23; launch of Production Linked

Incentive (PLI) Scheme for promotion of MMF Apparel and Fabrics and products of Technical Textiles; launch of PM Mega Investment Textile Region and Apparel (PM MITRA) Parks to strengthen Indian Textiles Industry; revamping of skill Samagra Scheme; remodeling of handloom and handicraft schemes; Amended Technology Upgradation Fund Scheme (ATUFS); National Technical Textiles Mission; SAMARTH Scheme for Capacity Building in Textiles Sector; Scheme for Integrated Textiles Park (SITP); Textile Cluster Development Scheme (TCDS); Performance of Cotton Sector, Jute Sector, Handloom and Handicraft Sectors; etc.

4. The Secretary and other representatives of the Ministry also responded to various queries raised by the Members which *inter-alia* included reasons for reduction in proposed budget; issue of Pahchan Cards to artisans and weavers; status of implementation of Reservation of Articles for Production Act, 1985 to protect the handloom products from powerloom; reasons for consistent shortfalls in utilisation of funds under Handicraft Sector; status of progress of Block Level Clusters Development; measures taken to enhance the production of Jute, to make the Indian Silk Brand globally competitive, to promote Pashmina, to enhance the skill development and employment generation across the Country under textile sector; estimated investment and employment generation under PM-MITRA Scheme; etc.

5. As some points required detailed and statistical reply, the Chairperson asked the Secretary, Ministry of Textiles to furnish written replies thereon within four/five days. 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.