

association of Governments having an interest in the production, import and consumption of cotton, designed to promote cooperation in the solution of cotton problems particularly those of international scope and significance.

9. **United Kingdom** To attend the International Cocoa Organisation meeting to interact with cocoa producers, exporters and consumers; and  
to attend the Inter-sessional Meeting of Food & Agricultural Organisation (FAO), Inter Governmental Groups and Jute & Hard Fibres for interchange of ideas regarding taking up various projects by the Common Fund of Commodities (CFC) for development of jute industry.

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In addition, Export Promotion Councils have been sending teams to various countries as part of their sales promotion programmes.

### **Textile Exports to US**

**2329. SHRI RAVULA CHANDRA SEKAR REDDY:** Will the Minister of TEXTILES be pleased to state:

(a) whether India's export of textiles to the US in dollar terms has declined during 2001;

(b) whether as compared to India's exports to the US and exports of China, Pakistan, Sri Lanka and Bangladesh have increased in this period;

(c) the reasons for fall in India's exports and increase in neighbouring countries' exports; and

(d) what steps are being taken to boost exports of textiles to the US?

**THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI BASANGOUDA R. PATIL):** (a) India's textile exports to US during the year 2001-02 amounted to US\$ 2556.5 million as against the exports of US\$ 3139.6 million during the year 2000-01, recording a negative growth of 18.6%.

(b) and (c) Yes, Sir. The major immediate reasons for slow/negative growth of our textile exports in recent months are the reduced global demand triggered by the slowdown in the economies of some of our major trading partners like US, September 11 events, Afghanistan war, increasing polarization of world trade, formation of preferential trading blocks and stiff competition from low cost suppliers like Bangladesh, China, etc. particularly in the price sensitive range where bulk of our textile exports are concentrated.

(d) Government have been taking several steps from time to time to boost textile exports to various countries including US. Some of the important initiatives are:—

- (i) The Government has de-reserved the woven segment of readymade garment from the SSI sector.
- (ii) The Technology Upgradation Fund Scheme (TUFS) has been made operational from 1.4.1999 to facilitate the modernisation and upgradation of the sector.
- (iii) Weaving, processing and garment machinery, which are covered under TUFS, have been extended the facility of accelerated depreciation at the rate of 50%. Cost of machinery has also been reduced through Fiscal Policy measures. This further encourages modernisation.
- (iv) With a view to encouraging backward integration, the custom duty on shuttleless looms has been brought to 5 %. A programme has also been announced to induct 50,000 shuttleless looms and to modernise 2.5 lakh powerlooms in the decentralised sector by 2004.
- (v) Foreign equity participation upto 100% through automatic route has been allowed in the textile sector with a few exceptions.
- (vi) National Institute for Fashion Technology (NIFT), its six branches and Apparel Training & Design Centres (ATDCs) are running various courses/programmes to meet skilled manpower requirements of textiles industry especially apparel in the field of design, merchandising and marketing.
- (vii) To prepare and sensitise the textile industry to conform to the ecological requirements of importing countries by providing facilities by way of eco-testing laboratories.