

(c) whether it is a fact that the manufacturing of these reserved items has also been permitted in the other sector on certain basis; and

(d) if so, the names of the items along with the sectors for their manufacture, and what conditions have been put to approve their manufacture in other sectors?

**THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI GINGEE N. RAMACHANDRAN):** (a) Under the Handlooms (Reservation of Articles for Production) Act, 1985 eleven categories of textile articles have been reserved for exclusive production on handloom vide Notification No. SO. 557(E) dated 26.7.96 and amendment Notification No. SO. 408(E) dated 2.6.99.

(b) Eleven categories of textile articles have been reserved for exclusive production on handloom with certain specific technical parameters namely: 1. Saree, 2. Dhoti, 3. Towel, Gamcha & Angavastram, 4. Lungi, 5. Khes, Bedsheet, Bedcover, Counterpane, Furnishing, (including tapestry, upholstery), 6. Jamakkalam Durry or Durret, 7. Dress Material, 8. Barrack Blankets, Kambal or Kamblies, 9. Shawl, Loi Muffler, Pankhi etc. 10. Woolien Tweed, 11. Chaddar, Mekhala/Phanek.

(c) No. Sir.

(d) Does not arise.

#### **Tax incentives in Textile Industry**

**2276. SHRI SOLIPETA RAMACHANDRA REDDY:**

**SHRI RAMACHANDRIAH RUMANDLA:**

Will the Minister of TEXTILES be pleased to state the steps taken to provide the tax incentives for capital goods as well as raw materials in textile industry for development of infrastructure, to facilitate more exports of textiles?

**THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI GINGEE N. RAMACHANDRAN):** Over the last few years, the Government has been taking several policy initiatives both Export-Import policy and fiscal policy in relation to the capital goods of raw materials, generally and with specific reference to textiles. They are as follows:

(i) Rationalisation of duty structure (both excise and customs) on the inputs.

(ii) Rationalisation of duty drawback scheme.

(iii) Reduction in the threshold limit for import of capital goods under the Export Promotion Capital Good (EPCG) Scheme, from Rs. 20 crores to Rs. 1 crore.

(iv) Import of specified (159) textile machinery under concessional import duty.

(v) Duty free import of raw materials for manufacture of export goods under Advance Licence Scheme.

(vi) Duty free import of all necessary inputs by units under 100% EOU scheme and Export Processing Zones.

**Production of Cloth in Mills, Powerlooms and Handlooms**

†2277. SHRI KAPIL SIBAL:

SHRI BALWANT SINGH RAMOOWALIA:

Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that cloth is being produced in the country mainly through textile-mills, powerlooms and handlooms;

(b) if so, whether Government have assessed the quantum of cloth produced through the said mediums during 1996-97, 1997-98 and 1998-99;

(c) if so, what was the medium-wise and year-wise quantum of cloth produced by each of the above mediums during the above period, year-wise; and

(d) what is the quantum of cloth exported by each of these mediums?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI GIGNEE N. RAMACHANDRAN): (a) Cloth production in the country is mainly from the mill, handloom, powerloom and hosiery sectors of the textile industry.

(b) and (c) As per assessment, the estimated cloth production (sector-wise) during the last three years is given below:—

| Sr. Sector No.        | Cloth Production (Million Sq. Mtr.) |         |         |
|-----------------------|-------------------------------------|---------|---------|
|                       | 1996-97                             | 1997-98 | 1998-99 |
| 1. Mill               | 1957                                | 1948    | 1785    |
| 2. Handloom           | 7456                                | 7603    | 6792    |
| 3. Powerloom          | 19352                               | 20951   | 20690   |
| 4. Hosiery            | 5533                                | 6394    | 6276    |
| 5. Khadi, wool & silk | 515                                 | 545     | 559     |
| TOTAL                 | 34813                               | 37441   | 36102   |

†Original notice of the Question was received in Hindi.