

like US which got accentuated due to Sept. 11 attacks. It is also due to increased competition from our neighbouring countries like China, Bangladesh etc.

**Assistance for setting up Handicraft complexes in
Andhra Pradesh**

1805. DR. ALLADI P. RAJKUMAR: Will the Minister of TEXTILES be pleased to state:

(a) whether Government have provided assistance for setting up handicraft complexes in Andhra Pradesh;

(b) if so, the places where these complexes have been set up; and

(c) the other places in the State where more such complexes are proposed to be set up?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI V. DHANANJAY KUMAR: (a) to (b) Yes Sir, assistance has been provided for setting up of an "Urban Hatt" at Tirupati in Andhra Pradesh.

(c) No proposal is pending with the Government of India.

Closure of cotton textiles Mills

1806. SHRI SURESH PACHOURI: Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that over 50 cotton textile mills across the country have been closed in the last 18 months on account of sharp decline in international cotton prices and decline in exports;

(b) if so, the details of the rehabilitation package being worked, if any, for the mills and the workers; and

(c) the specific measures contemplated for giving boost to cotton textile exports?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI V. DHANANJAY KUMAR: (a) to (c) During 1-4-2000 to 30-9-2001, a total of 58 cotton/man-made fibre textile mills have been closed on account of

various reasons including obsolete technology, increase in cost of inputs, difficulties in getting timely and adequate credit, mismanagement labours' strike, recessionary conditions etc.

The Government of India has enacted the Sick Industrial Companies (Special Provisions) Act, 1985 and established the BIFR with a view to timely detection of sick & potentially sick companies and for the speedy determination of preventive ameliorative and remedial measures which need to be taken in respect of such companies. The rehabilitation schemes sanctioned by BIFR include various measures like restructuring the capital, induction of fresh funds by the promoters, merger with the other companies change of management, provision for working capital and term loans by banks and financial institutions.

In order to increase the competitiveness of Indian textile industry in global markets Government of India has taken a number of other steps including:

- (i) For modernisation of textile and jute industries and Technology Upgradation Fund Scheme (TUFS) has been launched *w.e.f.*, 1.4.1999 for a period of 5 years.
- (ii) The Technology Mission on Cotton (TMC) has been launched to improve quality, productivity and production of cotton thereby to make the quality cotton available to the user industry.
- (iii) A textile Package has been announced for modernization of powerloom sector.
- (iv) A chain of textile testing laboratories have been set up to help industry in assessing the quality of textiles.
- (v) For import of capital goods, the Export Promotion of Capital Goods (EPCG) scheme has been simplified.
- (vi) Cotton can be imported freely without any restrictions.
- (vii) Initiated measures for application of information technology in the textile trade and industry.