

(b) whether Government is also aware that thousands of workers have become jobless due to sickness of these industries; and

(c) if so, what Government proposes to do to revive at the earliest these industries and restore the importance of Kanpur as major textile industrial town?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRIMATI PANABAKA LAKSHMI):

(a) Four mills owned by British India Corporation (BIC) are located at Kanpur. These are Cawnpore Textiles Ltd., Elgin Mill No. 1, Elgin Mill No. 2 and Cawnpore Woollen Mill (Lal Imli).

(b) A Voluntary Separation Scheme (VSS) was offered to the affected workers. So, far, 6260 workers have opted for VSS and have been paid their dues. At present, 1334 workers are on the strength of these mills [1295 in Cawnpore Woollen Mill (Lal Imli), 36 in Elgin Mills and 3 in Cawnpore Textiles Ltd.] and are getting their salary.

(c) Cawnpore Textile Mill has been closed under Sick Industrial Companies Act (SICA), 1985 and is under liquidation. Revival plan of Cawnpore Woollen Mill (Lal Imli) based on recommendation of the Board for Industrial and Financial Reconstruction (BIFR), and revival plan of Elgin Mills No. 1 & 2, based on the recommendations of Board for Reconstruction of Public Sector Enterprises (BRPSE) are subject to Government approval.

#### **Textile exporters suffering due to waning global demands**

1325. SHRI MAHENDRA MOHAN: Will the Minister of TEXTILES be pleased to state:

(a) whether Government is aware that textiles exporters are suffering due to waning global demands and most of them are incurring heavy losses;

(b) if so, how much Indian textile industry has lost during the last two years;

(c) whether Government will provide special incentive to textile industry; and

(d) how much help has been rendered under the Technology Upgradation Fund Scheme and how much has been done for the textile industry of Kanpur and how many units benefited there?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRIMATI PANABAKA LAKSHMI):

(a) As in case of manufacturing sectors all over the world, in India too, the manufacturing sector, including textile sector, has faced the impact of global economic slowdown.

(b) Exports of Textiles and Clothing (T&C) stood at US\$ 19.14 billion during 2006-07 which registered a growth of 15.62% in 2007-08 and touched US\$ 22.13 billion. However there has been marginal decline of 5.31% in US\$ terms in T&C exports during the period April-Feb-2009 over corresponding period of previous financial year as per DGCIIS data and T&C exports stood at US\$ 18.52 billion during the period April-February 2009.

(c) The Government is closely monitoring both the domestic & international economic developments and had announced two stimulus packages on 7th December, 2008 and 2nd January,

2009 to boost exports, arrest the impact of economic slow down and to improve liquidity. These measures/packages have helped to meet the crisis to a great extent. The measures announced under the above two stimulus packages, *inter alia*, include:-

- (i) Additional allocation of Rs.1400 crore under the Technology Upgradation Fund Scheme (TUFS). Further, in the Union Budget 2009-10, an allocation of Rs. 3140 crore has been announced under TUFS.
- (ii) All items of handicrafts to be included under 'Vishesh Krishi & Gram Udyog Yojana (VK&GUY)'.  
(iii) Across-the-board cut of 4% in the ad-valorem Cenvat rate till 31.3.2009.
- (iv) Interest subvention of 2% upto 31.3.2009 subject to a minimum of 7% per annum on pre and post-shipment export credit (since extended to 31.03.10 in the Union Budget 2009-10).
- (v) Provision of additional funds for full refund of Terminal Excise Duty/Central Sales Tax.
- (vi) Enhanced back-up guarantee to ECGC to cover for exports to difficult markets/products.
- (vii) Refund of Service Tax on foreign agent commissions of upto 10% of FOB value of exports as well as refund of service tax on output service while availing benefits under Duty Drawback Scheme.
- (viii) Credit targets of Public Sector Banks revised upward to reflect the needs of the economy.
- (ix) State Level Bankers Committee would hold meetings for resolution of Credit issues of MSMEs.
- (x) Guarantee cover under Credit Guarantee Scheme doubled to Rs.1 crore with cover of 50%.
- (xi) DEPB rates restored to pre-November, 2008 levels and extended till 31.12.2009.
- (xii) Duty Drawback on knitted fabrics enhanced retrospectively from 1.9.2008.

(d) Under the Technology Upgradation Fund Scheme (TUFS), 24685 units with a project cost of Rs. 166,839 crore have been sanctioned a loan amount of Rs.72,518 crore as on 31.03.2009. Out of this, a loan of Rs.60,955 crore has been disbursed to 24572 units as on 31.03.2009. In the Budget 2009-10 a provision of Rs.3140 crore has announced under the TUFS. In Kanpur, 29 units have benefited under TUFS.

**Committee to study textile workers suicide in A.P.**

1326. SHRIMATI T. RATNA BAI: Will the Minister of TEXTILES be pleased to state:

- (a) whether Government has constituted any committee to study the textile workers suicides especially in Andhra Pradesh;