

4) 20% Credit Linked Capital Subsidy:

The Government has implemented 20% Credit Linked Capital Subsidy Scheme under the TUFSS, especially in order to help the decentralized Powerloom Sector. The scheme is applicable to Powerlooms in SSI sector only. Under the scheme, Rs. 166.39 crore has been disbursed to 2320 cases since November 2003 to March 2009.

Implementation of TUFSS in A.P.

2097. SHRI NANDI YUELLAIAH: Will the Minister of TEXTILE be pleased to state:

(a) whether his Ministry had directed the Ministry of Finance to extend the Technology Upgradation Fund Scheme (TUFSS) benefits upto the year 2011 on priority basis;

(b) if so, the details in this regard; and

(c) the latest status of the TUFSS implementation in Andhra Pradesh vis-a-vis other States?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRIMATI PANABAKA LAKSHMI):
(a) to (c) The Government has approved the extension of Technology Upgradation Fund Scheme (TUFSS) on 01.11.2007 for the entire period of 11th Five year plan. Funds under the scheme are released through the nodal agencies/co-opted institutions to the identified segments of the industry for the projects in conformity with the scheme and financial norms of the Financial Institutions concerned. The total project cost sanctioned under TUFSS for projects undertaken in the state of Andhra Pradesh is Rs. 7914.09 crores as on 31.3.2009.

Widening gap between demand and supply of cotton

2098. SHRI A. ELAVARASAN: Will the MINISTER OF TEXTILES be pleased to state:

(a) whether the widening gap between demand and supply of cotton and rising input cost force the textile industry to reduce its production by 25 per cent;

(b) if so, the details thereof;

(c) whether Government has any proposal to impose the restriction on the export of cotton to meet to domestic textile industries;

(d) whether it is a fact that export of cotton is at the rate of 65 cents a pound and at the same time import it at much higher price of 80 cents a pound; and

(e) if so, the details thereof and the reasons for this?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRIMATI PANABAKA LAKSHMI):
(a) and (b) No Madam. During current cotton season 2008-09, cotton production in the country has been estimated at 290 lakh bales. With carry over of 43 lakh bales and imports estimated at 7.00 lakh bales, the total availability is placed at 340.00 lakh bales. As against this, with mill consumption (including mill + small mill and non-mill consumption) at 230.00 lakh bales and with estimated

exports of 50 lakh bales, the total disappearance has been estimated, at 280 lakh bales. Cotton balance sheet drawn as per Cotton Advisory Board (CAB) for cotton season 2008-09 is given in the Statement-I (see below). As far as production of textile items is concerned, there is slightly reduction in the production as per Statement-II (See below).

(c) No Madam.

(d) and (e) No Madam. The international prices of cotton, as measured by Cotlook A Index, as on 16th July 2009 are ruling at 66.55 US Cents per lb. These rates are international rates at which cotton can be exported or imported. The month-average prices of Cotlook A Index, a measure of international prices, for the last six months are given as under:

| Month | Cotlook A Index in US Cents per lb. |
|----------|-------------------------------------|
| January | 57.71 |
| February | 55.21 |
| March | 51.50 |
| April | 56.78 |
| May | 61.95 |
| June | 61.39 |

Source: Cotlook

Statement-I

Cotton Balance Sheet for Cotton Season 2008-09

| | Cotton year (October-September) | |
|--------------------------|---------------------------------|---------------|
| | 2007-08 | 2008-09 |
| Supply | | |
| Opening stock | 47.50 | 43.00 |
| Crop | 315.00 | 290.00 |
| Import | 6.50 | 7.00 |
| Total Supply | 369.00 | 340.00 |
| Demand | | |
| Mill Consumption | 203.00 | 195.00 |
| Non-Mill Consumption | 15.00 | 15.00 |
| Consumption by SSI Units | 23.00 | 20.00 |
| Export | 85.00 | 50.00 |
| Total Demand | 326.00 | 280.00 |
| Closing Stock | 43.00 | 60.00 |

Source: Cotton Advisory Board

Statement-II

Production of Textile items

| Items | Units | 2005-06 | 2006-07 | 2007-08 | 2008-09 (Prov.) | April 2009-10 | Prov 2008-09 |
|---|--------------|---------|---------|---------|--------------------|------------------|-----------------|
| Man Made Fibre | Mn kg | 968 | 1139 | 1244 | 1067 | 103 | 99 |
| Cotton Yarn | Mn kg | 2521 | 2824 | 2948 | 2898 | 245 | 242 |
| Man Made filament yarn | Mn kg | 1179 | 1370 | 1509 | 1416 | 127 | 121 |
| Fabrics (including Khadi wool. and silk) | Mn sq mtr | 49577 | 53389 | 56025 | 54966 | 4849 | 4550 |

MSP of cotton

†2099. SHRJ RAJIV PRATAP RUDY: Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that there is a dispute between Textile and Agriculture Ministry over minimum support price of cotton;

(b) whether it is a fact that the Textile Ministry is considering on selling cotton at international prices; and

(c) if so, the details thereof?

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

(a) No Madam.

(b) No Madam.

(c) Does not arise, in view of above.

Funds disbursed under TUFs

2100. SHRI S. ANBALAGAN: Will the Minister of TEXTILES be pleased to state:

(a) the details of the funds disbursed under Technology Upgradation Fund Scheme (TUFs), State-wise, during each of the last three years;

(b) the number of textile units benefited during the period;

(c) whether TUFs will be granted to handloom units to upgrade to powerlooms;

(d) if so, the details thereof; and

(e) if not, the reasons therefore?

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

(a) Funds under the scheme are released through the nodal agencies/co-opted institutions to the identified segments of the industry for the projects in conformity with the scheme and financial norms of the Financial Institutions concerned. Statewise progress under TUFs is given in the Statement (See below). The quantum of fund released during the last three year is as follows:-

† Original notice of the question was received in Hindi.