

**Credit facilities to all sections of weavers**

1239. DR. K.V.P. RAMACHANDRA RAO: Will the Minister of TEXTILES be pleased to state:

- (a) whether Government's intervention regarding yarn supply and credit facilities are confined to the handloom cooperatives;
- (b) if so, the details thereof; and
- (c) whether any steps have been taken to cover all sections of weavers under these schemes?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI AJAY TAMTA): (a) to (c) The benefits of Yarn Supply Scheme are available to the individual weavers and agencies in which weavers are members *i.e.* Self Help Groups (SHGs), Joint Liability Groups (JLGs) and Cooperative Societies. States can also undertake to supply yarn to eligible beneficiaries through the Department/ Co-operatives/ Corporations dealing with Handloom. Credit facilities are provided under Concessional Credit component of National Handloom Development Programme (NHDP) in which handloom weavers, weavers entrepreneurs, Self Help Groups, Joint Liability Groups, Primary Handloom Weavers Cooperative Societies, Apex Handloom Weavers Cooperative Societies and producers' companies/corporation promoted by handloom weavers including those promoted under Cluster/Mega Cluster/Handloom Parks under SITP or other scheme of Ministry of Textiles are eligible.

**Decline in cotton yarn production due to droughts**

1240. SHRI MAJEED MEMON: Will the Minister of TEXTILES be pleased to state:

- (a) whether it is a fact that the Cotton Advisory Board (CAB) has predicted a decline in cotton yarn production this year to a three-year low due to crop damage following drought in its major growing States including Gujarat and Maharashtra; and
- (b) if so, the steps taken by Government to ensure provision of Minimum Support Price (MSP) to farmers and lowering the impact on textile industry for 2018-19?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI AJAY TAMTA): (a) Cotton Advisory Board (CAB) does not assess production of cotton yarn.

(b) Government of India is taking various steps to ensure provision of Minimum Support Price to farmers and lowering the impact on textile industry for 2018-19 as under:—

- (i) With a view to give incentives to the cotton farmers of the country, Ministry of Agriculture, Government of India fixes the Minimum Support Price (MSP) of two varieties of seed cotton (kapas) every year before commencement of the Cotton Season (October to September). In order to ensure better productivity and production and to protect the interest of farmers, Government of India has increased the MSP for 2018-19 by 28% and 26% for Medium Staple Cotton and Long Staple Cotton respectively.
- (ii) To pass on the benefit of MSP and to ensure remunerative price to a large section of cotton farmers, the Government of India has nominated the Cotton Corporation of India (CCI) as nodal agency to undertake MSP operation in all cotton growing States, in the event when prices of seed cotton (kapas) touches the MSP level, to purchase entire quantity of kapas (FAQ grade) offered by the cotton farmers in various APMC market yards at MSP rates.
- (iii) Every year, CCI opens adequate procurement centres in all the cotton growing States to cover maximum cotton arrivals. For the current cotton season, CCI has opened 348 procurement centres and is active in the market from day one of the cotton season to ensure remunerative prices to the cotton farmers.
- (iv) CCI disseminating the necessary information regarding MSP rates to cotton farmers by displaying banners in APMCs, advertisements in newspapers, distribution of pamphlets to individual farmers etc.
- (v) CCI developed a farmer friendly mobile app, "Cott-Ally" to have direct interaction and outreach with the cotton farmers and to keep the cotton farmers informed about various information related to Minimum Support Price operations, tracking of payments status etc.
- (vi) In the current cotton season 2018-19, upto 6<sup>th</sup> February 2019, the CCI has purchased 703089 bales of seed cotton (kapas) under Minimum Support Price (MSP) Operation.
- (vii) CCI is regularly selling its stock to the domestic textile Industry through e-Auction. This not only ensures the availability of quality cotton to the

domestic textile Industry at most competitive rates but also stabilizes the prices since it is a common platform open to all.

**Shortfall in projected revenue target of textile industry**

1241. SHRI VIVEK K. TANKHA: Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that as per the report of Indian Brand Equity Foundation (IBEF), a body under the Ministry of Commerce and Industry, the textile industry missed its projected revenue target of 45 billion US Dollars for financial year of 2016-17 by a huge margin, managing to earn only 38.6 billion US Dollars;

(b) if so, the reasons for such falling exports, low productivity and rising prices in the textile industry; and

(c) how the Central Government plans to tackle such downfall in textile industry?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI AJAY TAMTA): (a) Textile and apparel exports have been reported at around USD 39-40 bn in last four years. As per DGCIS data, exports have been reported at USD 26.63 bn during April to December 2018 which is an increase of 2.5% over previous corresponding period.

(b) Manufacturing costs of textile sector in India is higher due to fragmented structure of industry and presence of MSMEs. Various challenges faced by textile and apparel exports are as follows:—

(i) India faces duty disadvantage of up to 9.6% in important consuming markets like the European Union as compared to competing countries viz. Bangladesh, Sri Lanka, Turkey and Pakistan which have zero duty access.

(ii) Demand in India's top exports markets have declined during 2014 to 2017. Global textile imports of countries like China and UAE have declined at 7% and 12% CAGR, respectively. Global apparel imports of major consuming markets viz. UAE, EU and Saudi Arabia have declined at 6%, 0.4% and 0.6% CAGR respectively.

(c) To enhance exports of textile and apparel products, Government announced the Special Package for garments and made-ups sectors. The package offers Rebate of State Levies (RoSL), labour law reforms, additional incentives under ATUFS and relaxation