

[9 April, 2003]

RAJYA SABHA

(d) if so, the reaction of Government; and

(e) to what extent, Government has moved to the WTO in this regards?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI BASANGOUDA R. PATIL): (a) to (e) The United States had on 31st January 2003 requested WTO's Committee on Subsidies and Countervailing Measures that the export competitiveness of textile and apparel exports from India be determined on the basis of a computation undertaken by the WTO Secretariat in accordance With Article 27.6(b) of the Agreement on Subsidies and Countervailing Measures. The products for which the request was made included all textiles and apparel products under Harmonized System Nomenclature chapters 50-59 and 60-63. The computation was requested to be made at both the two and four digit section headings for each of these chapters, it was further requested by the US that export competitiveness calculation be performed for 1996 and each subsequently completed year.

The Government is carefully examining the report and considering various options under the Agreement on Subsidies and Countervailing Measures. This matter has not yet been formally discussed in the ASCAM Committee of WTO.

#### **New powerloom work shed scheme**

2927. SHRI UDAY PRATAP SINGH: Will the Minister of TEXTILES be pleased to state:

(a) whether the Government has proposal to introduce a new powerloom workshed scheme;

(b) whether a special insurance scheme is also being introduced for powerloom workers; and

(c) if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI BASANGOUDA R. PATIL): (a) to (c) The Tenth Plan scheme of the Textile Sector include a central sector scheme namely 'Powerloom Workshed Scheme' for powerloom workers. The proposal includes financial assistance for construction of group worksheds for powerloom units willing to modernize.

Under the Tenth Plan scheme of Group Insurance for Powerloom workers, they can choose to pay Rs. 40/- every year to insure himself for a cover of Rs. 50,000/- on accidental death and upto P.s. 25,000/- for partial disability; with Life Insurance Corporation of India (LIC) and the Central Government contributing Rs. 100/- and Rs. 60/- respectively every year. Alternatively, he can choose to pay Rs. 130/- per annum to obtain an insurance cover of Rs. 80,000/- on accidental death, Rs. 50,000/- on natural death and a maximum of Rs. 50,000/- for permanent disability, with Central Government paying Rs. 150/- and LIC Rs. 100/-.

### **Major sops to textiles**

2928. SHRI B.J. PANDA:

MISS MABEL REBELLO:

Will the Minister of TEXTILES be pleased to state:

(a) whether Government propose to give major sops to Textiles in the current year to give fillip to economy and generate employment, as reported in the Hindustan Times of 1st January, 2003; and

(b) if so, details of the proposed inputs that would be made to achieve the objective?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI BASANGOUDA R. PATIL): (a) and (b) A number of concessions have been announced in the Budget 2003-04 proposals to have a moderate fiscal duty structure; to complete the CENVAT chain; to encourage modernisation; to eliminate duty evasion, etc. Those concessions included reduction in excise duty rate across the board on almost all textile items, withdrawal of excise exemption on a number of items; completion of CENVAT chain; reduction in customs duty on textile machinery, etc.. Besides, 'Powerloom Package for Modernisation' of powerloom sector has also been announced.

### **Profitability of the textiles mills**

2929. SHRI SURESH PACHOURI. Will the Minister of TEXTILES be pleased to state:

(a) whether the Textile Industry is suffering from low profitability; and