

# Handicrafts export body chalks out plan to boost sector

New Delhi, August 9: The Exports Promotion Council for Handicrafts (EPCH) is looking at newer markets and capacity development to boost demand amidst the slowdown.

Handicraft exports saw average decline of 27% in the first four months of 2009-10 compared to the same period last year.

"Handicrafts exports have been severely affected by less demand from its main markets like the US and EU due to global recession. The exports in April-July 2009-10 stood at 485.94 million compared to 668.61 million in the

same period last fiscal, registering a decrease of 27.32%," EPCH chairman RK Malhotra said.

"To achieve and sustain growth, we are taking a number of initiatives, including looking at newer markets,

particularly those that have remained unexplored so far like the Latin American countries, Africa and Middle East, besides capacity development and marketing," he said.

The council is hopeful of

finding a sizeable market in these regions if quality, designs and prices are made competitive. T

EPCH has been focusing on modernising the wooden handicrafts industry and photo-framing technology

that have a huge export potential, especially to the US and EU.

Recently, it has set up a wood seasoning and chemical treatment plant in Saharanpur in a bid to modernise the wooden handicraft sector.

While inaugurating the plant, textiles secretary Rita Menon said, "The major objective of such projects is to launch integrated technological upgradation of wooden handicraft clusters such as Saharanpur. And we must

be ready with the best to compete in the global market."

The plant, set up at an investment of Rs 5 crore by the government, will have testing laboratories. The EPCH has brought in a leading international testing company, TUV Reinland of Germany, for setting up the laboratories and imparting training.

PTI

# Streamline MSP procedures, says textile industry

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The executive committee of the Northern India Textile Mills' Association (NITMA) met here yesterday. Heads of various textile mills from Punjab, Haryana and Delhi attended the meet.

Talking to The Tribune, Ashish Bagrodia, president NITMA appreciated the efforts of the Textile Minister in getting the allocation of Rs 3,140 crore towards the Technology Upgradation Fund (TUF) scheme and its disbursement, which is expected shortly. He said in the past few seasons, there had been an increase in cotton production.

He, however, said during cotton year 2008-09, the comfortable situation was converted into a crisis by "irrational" decisions of the government, which increased the MSP on cotton by almost 45 per cent and the ad hoc manner in which the Cotton Corporation of India (CCI) sold the procured cotton.

Further, an incentive of 5 per cent was given with retrospective effect on

the export of raw cotton, a valuable raw material for the textile industry.

Bagrodia, who is also MD of Winsome Textile Industries, said it was necessary to ensure that the procedures for MSP operations were streamlined. He suggested that in order to bring transparency, representatives from the textile industry should be inducted into the boards of CCI and Nafed.

Hardyal S. Cheema, chairman of Punjab committee of NITMA said the crisis created due to policies of the government was making operations of Punjab textile mills non-viable. He said the entry tax on cotton bales brought from other states had not been exempted.

"Besides, many Punjab spinning mills have been served notices by the Mandi Board for getting the units registered under the Punjab Agricultural Produce Markets Act, 1961 (Punjab Act No. 23 of 1961), whereas mills are buying ginned cotton from ginners. In addition to this, the industry is also facing problems in getting their refund of sales tax paid as VAT while purchasing cotton and entry tax paid while purchasing cotton from outside the state", he added.