

ANNUAL REPORT 2010-II



सत्यमेव जयते

Ministry of Textiles

Government of India

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Annual Report (2010-11)



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CHAPTER 1
HIGHLIGHTS

CHAPTER I

HIGHLIGHTS



The Union Minister for Textiles, Thiru. Dayanidhi Maran at the 16th National Institute of Fashion Technology (NIFT) Convocation, in New Delhi on November 02, 2010

The Indian Textiles Industry has an overwhelming presence in the economic life of the country. Apart from providing one of the basic necessities of life, the textiles industry also plays a pivotal role through its contribution to industrial output, employment generation, and the export earnings of the country. Currently, it contributes about 14 percent to industrial production, 4 percent to the GDP, and 17 percent to the country's export earnings. It provides direct employment to over 35 million people, which includes a substantial number of SC/ST, and women. The Textiles sector

is the second largest provider of employment after agriculture. Thus, the growth and all round development of this industry has a direct bearing on the improvement of the economy of the nation.

The Indian textiles industry is extremely varied, with the hand-spun and hand-woven sector at one end of the spectrum, and the capital intensive, sophisticated mill sector at the other. The decentralized powerlooms / hosiery and knitting sector from the largest section of the Textiles Sector. The close linkage of the Industry to agriculture and the ancient culture, and

traditions of the country make the Indian textiles sector unique in comparison with the textiles industry of other countries. This also provides the industry with the capacity to produce a variety of products suitable to the different market segments, both within and outside the country.

The major sub-sectors that comprise the textiles sector include the organized Cotton/Man-Made Fibre Textiles Mill Industry, the Man-Made Fibre / Filament Yarn Industry, the Wool and Woollen Textiles Industry, the Sericulture and Silk Textiles Industry, Handlooms, Handicrafts, the Jute and Jute Textiles Industry, and Textiles Exports.

ORGANISED COTTON / MAN-MADE FIBRE TEXTILE INDUSTRY

The Cotton / Man-made fibre textile industry is the largest organized industry in the country in terms of employment (nearly 1 million workers) and number of units. Besides, there are a large number of subsidiary industries dependent on this sector, such as those manufacturing machinery, accessories, stores, ancillaries, dyes & chemicals. As on 30.9.2010, there were 1896 cotton/man-made fibre textile mills (non-SSI) in the country with an installed capacity of 38.53 million spindles 5,18,000 rotors and 57,000 looms.

Textile production covering man-made fibre, filament yarn and spun yarn is showing increasing trend. Man-made fibre production recorded a marginal fall and filament yarn production recorded a slight increase of about 1.89% during 2010-11 (April - October 2010). The production of spun yarn during April-Oct (2010-11) is showing an increasing trend by 9.17%. The production of cotton yarn during 2010-11 April-Oct (2010-11) recorded an increase of 11% (Provisional). Blended and 100% Non-cotton yarn production recorded an increase of about 4% during 2010-11.

Cloth production by mill sector showed marginal increase of 3% during April-Oct. (2010-11) (provisional). During the same period cloth production by power loom and hosiery sector showed an increase of 1.7% and 5.30% respectively. However the cloth production in handloom sector showed a decrease of 4.7%.

TECHNOLOGY UPGRADATION FUND SCHEME (TUFS)

The Technology Up gradation Fund Scheme (TUFS) was commissioned on 01.04.1999 initially for a period of 5 years with a view to facilitate the modernization and upgradation of the textiles industry by providing credit at reduced rates to the entrepreneurs both in the organized and the unorganized sector. The Scheme, which has now been extended up to 31.03.2012, has been fine-tuned to catapult the rapid investments in the targeted segments of the textile industry. TUFS has helped in the transition from a quantitatively restricted textiles trade to market driven global merchandise. It has infused an investment climate in the textiles sector and in its operational life span has propelled investment of more than Rs. 2,07,747 crores upto 30.6.2010.

The garmenting, technical textiles and processing segments of the textiles industry have great potential to add value and generate employment. The Working Group on Textiles and Jute Industry for the XI Five Year Plan, constituted by the Planning Commission, has set a growth rate of 16% for the sector, projecting an investment of Rs. 150,600 crore in the Plan period. In this context, it was decided to extend the Technology Up gradation Fund Scheme during the Eleventh Plan period, and to reframe some of the financial and operational parameters of the Scheme in respect of new loans. (Initially, the Scheme was upto 31.03.2004. On the overwhelming response of the industry it was extended till 31.03.2007.) In the Tenth Plan Period

(2002-07), Rs. 1,270 crore had been earmarked for the scheme. However, the net utilization of funds under this Scheme was Rs. 2044.17 crore.

The modified techno-financial parameters of the Scheme will infuse capital investment into the textiles sector, and help it capitalize on the vibrant and expanding global and domestic markets, through technology up gradation, cost effectiveness, quality production, efficiency and global competitiveness. It is estimated that this will ensure a growth rate of 16% in the sector. The modified structure of TUFs focuses on additional capacity building, better adoption of technology, and provides for a higher level of assistance to segments that have a larger potential for growth, like garmenting, technical textiles, and processing.

The Scheme covers spinning, cotton ginning & pressing, silk, reeling & twisting

wool, scouring & combing, synthetic filament yarn texturing, crimping and twisting, manufacturing of viscose filament yarn (VFY) / viscose staple fibre (VSF), weaving/knitting including non-wovens and technical textiles, garments, made-up manufacturing, processing of fibres, yarns, fabrics, garments and made-ups, and the jute sector.

PROGRESS

The progress of TUFs is steadily going up which is evident from the data given at table 1.1.

TEXTILE WORKERS' REHABILITATION FUND SCHEME (TWRFS)

The Textile Workers' Rehabilitation Fund Scheme came into force with effect from 15.09.1986 with the objective to provide interim relief to textile workers rendered unemployed as a consequence of permanent closure of any particular portion

Table 1.1

(Rs. in crore)

| Period | Received | | Sanctioned | | | Disbursed | | |
|------------------------------|---------------------|---------------|---------------------|---------------|--------------|---------------------|--------------|----------------|
| | No. of applications | Project Cost | No. of applications | Project Cost | Amount | No. of applications | Amount | Subsidy |
| 1999-2000 | 407 | 5771 | 309 | 5074 | 2421 | 179 | 746 | 1 |
| 2000-2001 | 719 | 6296 | 616 | 4380 | 2090 | 494 | 1863 | 70 |
| 2001-2002 | 472 | 1900 | 444 | 1320 | 630 | 401 | 804 | 198.89 |
| 2002-2003 | 494 | 1835 | 456 | 1438 | 839 | 411 | 931 | 202.59 |
| 2003-2004 | 867 | 3356 | 884 | 3289 | 1341 | 814 | 856 | 249.06 |
| 2004-2005 | 986 | 7941 | 986 | 7349 | 2990 | 801 | 1757 | 283.60 |
| 2005-2006 | 1086 | 16194 | 1078 | 15032 | 6776 | 993 | 3962 | 485 |
| 2006-2007 | 12336 | 61063 | 12589 | 66233 | 29073 | 13168 | 26605 | 823.92 |
| 2007-2008 | 2408 | 21254 | 2260 | 19917 | 8058 | 2207 | 6854 | 1143.37 |
| 2008-2009 (P) | 6113 | 56542 | 6072 | 55707 | 24007 | 6111 | 21826 | 2632.00 |
| 2009-2010 | 2384 | 28005 | 2352 | 27611 | 6612 | 2361 | 8140 | 2886 |
| 2010-11 (Upto June 2010) (P) | 256 | 397 | 256 | 397 | 254 | 240 | 282 | |
| As on 30.06.2010(P) | 28528 | 210554 | 28302 | 207747 | 85091 | 28180 | 74627 | 8665.43 |

or entire textile unit. Assistance under the Scheme is payable to eligible workers only for the purpose of enabling them to settle in another employment. Such assistance is not heritable, transferable or capable of being attached on account of any other liabilities of the worker. The worker's eligibility shall cease if he takes up employment in another registered or licensed undertaking. The rehabilitation assistance will not be curtailed if the worker fixes himself in a self-employment venture.

Progress

Till 30.9.2010, 82 mills were found eligible under the scheme. A total of 111634 workers out of 143157 workers on the rolls of these mills had been disbursed relief of Rs. 296.77 crore. The State-wise cumulative position is given at table 1.2.

EXPORTS

India's textiles and clothing industry is one of the mainstays of the national economy.

It is also one of the largest contributing sectors of India's exports worldwide. The Vision Statement for the textiles industry for the 11th Five Year Plan (2007-12), inter-alia, envisages India securing a 7% share in the global textiles trade by 2012. At current prices the Indian textiles industry is pegged at US\$ 55 billion, 64% of which services domestic demand. The textiles industry accounts for 14% of industrial production, which is 4% of GDP; employs 35 million people and accounts for nearly 12% share of the country's total exports basket.

MILESTONES

- i) Exports of textiles and clothing products from India have increased steadily over the last few years, particularly after 2004 when textiles exports quota were discontinued.
- ii) India's Textiles & Clothing (T&C) export registered robust growth of 25% in 2005-06, recording a growth of US\$ 3.5 billion over 2004-05 in

Table 1.2

| S. No. | State | No. of mills identified | No. of workers on roll | No. of workers benefited (as on 30.9.2010) | | Disbursed amount (Rs. in crores) |
|--------|----------------|-------------------------|------------------------|--|-------------------------|----------------------------------|
| | | | | No. of mills | Workers received relief | |
| 1 | Gujarat | 43 | 80749 | 43 | 63608 | 159.50 |
| 2 | Maharashtra | 6 | 9958 | 6 | 7646 | 22.64 |
| 3. | Madhya Pradesh | 5 | 19800 | 5 | 18596 | 52.03 |
| 4. | Tamil Nadu | 6 | 5685 | 6 | 4761 | 7.45 |
| 5. | Kerala | 1 | 500 | 1 | 437 | 2.47 |
| 6. | Karnataka | 9 | 10020 | 9 | 5818 | 21.34 |
| 7. | Andhra Pradesh | 4 | 2501 | 4 | 1298 | 5.31 |
| 8. | Delhi | 1 | 5187 | 1 | 5170 | 11.93 |
| 9 | West Bengal | 3 | 2072 | 3 | 2042 | 5.33 |
| 10. | Punjab | 4 | 6685 | 4 | 2258 | 8.77 |
| | Total | 82 | 143157 | 82 | 111634 | 296.77 |

value terms thereby reaching a level of US\$ 17.52 billion and the growth continued in 2006-07 with T&C exports of US\$19.15 billion recording a increase of 9.28% over previous year and reached USD22.15 billion in 2007-08 denoting an increase of 15.7% but declined by over 5% in 2008-09 with exports of USD 20.94 billion. During 2009-10, the exports of T&C increased by over 5.60% and reached the level of USD 22.42 billion. Thus exports of T&C have denoted an increase of 60.14% in the last five years (2004-05 to 2009-10). Indian T&C exports is facing various constraints of infrastructure, high power and transaction cost, incidence of state level cess and duties, lack of state-of-the-art technology etc.

- iii) Readymade Garments account for almost 45% of the total textiles exports. Apparel and cotton textiles products together contribute nearly 70% of the total textiles exports.
- iv) The exports basket consists of a wide range of items comprising readymade garments, cotton textiles, handloom textiles, man-made fibre textiles, wool and woolen goods, silk, jute and handicrafts including carpets.
- v) India's textiles products, including handlooms and handicrafts, are exported to more than a hundred countries. However, the USA and the EU, account for about two-third of India's textiles exports. The other major export destinations are Canada, U.A.E., Japan, Saudi Arabia, Republic of Korea, Bangladesh, Turkey, etc.
- vi) The export of textiles and clothing aggregated to US\$ 22.42 billion in 2009-10. The Government fixed the target for 2010-11 at US\$ 25.48 billion. So far during the period April-

September'10, exports of T&C have been achieved at USD 11.26 billion.

SCHEME FOR INTEGRATED TEXTILE PARKS (SITP)

The 'Scheme for Integrated Textile Parks (SITP)' is being implemented to facilitate setting up of textile units with appropriate support infrastructure. Industry Associations / Group of Entrepreneurs are the main promoters of the Integrated Textiles Park (ITP).

Scope of the Scheme

The scheme targets industrial clusters/ locations with high growth potential, which require strategic interventions by way of providing world-class infrastructure support. The project cost covers common infrastructure and buildings for production/ support activities, depending on the needs of the ITP. The components of an ITP are:

- (a) **Group A** - Land.
- (b) **Group B** - Common Infrastructure like compound wall, roads, drainage, water supply, electricity supply including captive power plant, effluent treatment, telecommunication lines etc.
- (c) **Group C** - Buildings for common facilities like testing laboratory, design center, training center, trade center/ display center, ware housing facility/ raw material depot, crèche, canteen, workers hostel, offices of service providers, labour rest and recreation facilities etc.
- (d) **Group D** - Factory buildings for production purposes.
- (e) **Group E** - Plant & machinery.

The total Project Cost for the purpose of this Scheme includes the cost on account of components of ITP, as listed under

Groups A, B, C and D above, provided the ownership of the factory buildings vests with the SPV. The SPV has, however, have the option of seeking financial support from Government of India for components under Groups B and C only, if factory buildings are individually owned.

Funding Pattern

The total project cost, as indicated above, is funded through a mix of Equity/Grant - from the Ministry of Textiles, State Government, State Industrial Development Corporation, Industry & Project Management Consultant and Loan - from Banks / Financial Institutions. The Government of India's (GOI) support under the Scheme by way of Grant or Equity is limited to 40% of the project cost subject to a ceiling of Rs. 40 crore. However, GOI support will be provided @90% of the project cost subject to a ceiling of Rs. 40 crore for first two projects in the States of Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Tripura, Sikkim and Jammu & Kashmir.

Progress of implementation

Forty (40) textiles park projects have been sanctioned by the Ministry of Textiles. State-wise sanction of project is - Andhra Pradesh (5), Gujarat (7), Karnataka (1), Madhya Pradesh (1), Maharashtra (9), Punjab (3) Rajasthan (5), Tamil Nadu (8), West Bengal (1) and. These Parks would have facilities for spinning, sizing, texturising, weaving, processing, apparels etc. The estimated project cost (for common infrastructure and common facilities) is Rs. 4193.65 Crore, of which Government of India assistance under the scheme would be Rs. 1419.69 Crore. 2292 entrepreneurs will put up their units in these parks covering an area of 4307.97 Acre. The projected investment in these parks is Rs. 19,456.90 Crore and estimated annual production is Rs 33568.50 Crore. After

these parks are fully operational there would be employment available for 7.50 lakh persons (3 lakh direct & 4.50 indirect). So far assistance of Rs. 882.60 Crore has been provided for execution of these projects. The promoters of these textiles park projects have brought in Rs.1000 Crore (approx.) as their contribution. Four projects have been completed - Brandix & Pochampally Handloom Park Ltd.- Andhra Pradesh, Gujarat Eco Textile Park-Gujarat and Palladam Hi-Tech Weaving Park - Tamil Nadu and production has been started in 24 out of 40 projects.

DECENTRALIZED POWERLOOM SECTOR

The decentralized Powerloom Sector plays a pivotal role in meeting the clothing needs of the country. The powerloom industry produces a wide variety of cloth, both grey as well as processed. Production of cloth as well as generation of employment has been rapidly increasing in the powerloom sector. There are 22.69 lakh powerlooms in the country as on 31.10.2010 distributed over approximately 5.11 lakh units. The powerloom sector contributes about 61% of the total cloth production of the country, and provides employment to about 56.64 lakh persons. More than 60% of the cloth meant for export comes from the powerloom sector.

Growth in the Powerloom Sector

The estimated number of powerlooms in the decentralized sector in the country till 31st October 2010 were 22,69,469.

Product Profile

The Powerloom Sector produces a variety of fabrics for domestic as well as export markets, such as shirting, suitings, dress material, saree, dhoti, sheetings, towels, chaddar, furnishing, shawls, blankets, tweeds etc. made out of cotton, blended, synthetic, silk, wool etc.

Technology Level

As on 31st October 2010 there are 22.69 lakh looms installed in the country. Most of these looms are conventional, plain / ordinary looms of old vintage, with outdated technology, very low speed, marked by low productivity and manufacturing by and large defect prone and low value fabrics.

COTTON

Cotton is one of the principal crops of the country and is the major raw material for domestic textile industry. It provides sustenance to million of farmers as also the workers involved in cotton industry, right from processing to trading of cotton. The Indian textile industry consumes a diverse range of fibres and yarn, but is predominantly cotton based. The ratio of the use of cotton to man-made fibres and filament yarns by the domestic industry is about 56:94. Indian Textile Industry has an overwhelming presence in the economic life of the country. Apart from providing one of the basic necessities of life, the textile industry also plays a pivotal role through its contribution to industrial output, employment generation and the export earnings of the country. It contributes about 14% to the industrial production, 4% to the GDP and 14.42% to the country's export earnings. The textile sector is the second largest provider of employment after agriculture. Hence, growth and all around development of cotton and cotton industry has a vital bearing on the overall development of the Indian economy.

ACREAGE UNDER COTTON CULTIVATION

Acreage under cotton in India had been continuously increasing. The cotton acreage in 2009-10 (October-September) had reached a record level of 103.29 lakh hectares as against 94.06 lakh hectares in previous year.

Approximately 65% of Indian's cotton is produced on rainfed areas and 35% on irrigated lands. Cotton farmers in India have been showing increasing inclination in bringing more and more areas under Bt cultivation, which has helped them in increasing their net earning through higher yields and lower cost on pesticides consumption. Acreage under Bt. Cotton in the country is continuously increasing year by year. During cotton season 2009-10, the acreage under Bt cultivation had been around 81 lakh hectares as against 68 lakh hectares in the previous year. The share of Bt. Cultivation in 2009-10 constitute around 79% of the total acreage as against 73% during last year.

INDIAN COTTON VARIETIES

India is the only country to grow all four species of cultivated cotton *Gossypium arboreum* and *herbaceum* (Asian cotton), *G. barbadense* (Egyptian cotton) and *G. hirsutum* (American Upland cotton). *Gossypium hirsutum* represents 90% of the hybrid cotton production in India and all the current Bt cotton hybrids are *G. hirsutum*. India produces large number of cotton varieties and hybrids. Though the number of varieties in cultivation exceeds seventy-five, 98% of the production is contributed by about 25 varieties only.

COTTON PRODUCTION AND PRODUCTIVITY

Cotton is produced in India in three zones viz., Northern zone comprising the States of Punjab, Haryana and Rajasthan, Central zone comprising the States of Maharashtra, Madhya Pradesh and Gujarat and Southern zone comprising the States of Andhra Pradesh, Karnataka and Tamil Nadu. Besides these nine States, cotton cultivation has gained momentum in the eastern State of Orissa.

With increased acreage and advent of Bt

cultivation, the country has achieved cotton production of 5.02 million tons in cotton season 2009-10 as against 4.93 million tons in the previous year. The country has once again retained the position as the second largest cotton producing country in the world, after China.

The adverse agro-climatic conditions, insufficient rains in certain parts had affected the cotton yield during the year 2009-10 and the same had been at 488 kgs per hectare as against 524 kgs per hectare during cotton year 2008-09.

The higher cotton production in the country for the fifth consecutive year has been due to significant increase in acreage under Bt cultivation.

TECHNOLOGY MISSION ON COTTON

The Government of India commissioned the Technology Mission on Cotton (TMC) on February 21, 2000. The Mission aims to address the issues of raising productivity, improving quality and reducing the cost of production and thus provide the much-needed competitive advantage to the textile industry along with ensuring attractive returns to the farmers. The X Plan scheme was operational upto 31.03.2007. However, the Scheme MM III and IV of TMC has been further extended in the 11th Five Year Plan for two years i.e. upto 31.3.2009 to accomplish target and completion of the projects.

The Mission comprises of four Mini Missions, which are jointly being implemented by the Ministries of Agriculture and Textiles. MM-I relates to Research and Development on Cotton and MM-II is Dissemination of technology to farmers are being undertaken by the Ministry of Agriculture.

Ministry of Textiles is the Nodal Agency for Mini Missions III & IV of TMC. Mini Mission III aims to improve the quality of

cotton, particularly in respect of trash, contamination etc. by improving the marketing infrastructure in the market yards for cotton by providing better facilities of cotton producing facilities by upgrading/modernizing the existing Ginning and Pressing factories resulting in cotton processing with minimum or no contamination to achieve better value products like yarn, cloth, garments made-ups etc. Target as well as achievement made under MM-III and MM-IV of TMC is given at table 1.3.

Table 1.3

| Objectives | Target | Achievement |
|--|--------|-------------|
| (MM-III) Market Yards | 250 | 242 |
| (MM-IV) Ginning & Pressing factories | 1011 | 885 |

With the intervention of MM III and MM IV, the trash content and contamination has reduced substantially which in turn has enhanced the export of clean and contamination free cotton bales to various countries branding the Indian Cotton in global arena and also benefiting the textiles mills in producing good quality cotton textile. The TMC has been a valuable vehicle to bring the ultimate stakeholders of cotton textile industry in touch with the relevant advancement so as to increase farm productively and in turn for the multiplier effect to work on the cotton economy as whole. The Mission is an effort towards the collective cause for the entire cotton economy and cotton textile Industry.

Mini Mission III & IV of TMC have completed its tenure.

SERICULTURE AND SILK INDUSTRY

India continues to be the second largest producer of silk in the World after China.



Garmenting Unit

India also has the unique distinction of producing all four commercially produced varieties of silk in the world, i.e. Mulberry, Eri, Muga and Tassar. In 2009-10, Mulberry accounted for 82.9% (16322 MT), Eri 12.5% (2460 MT), Tasar 4.1% (803 MT) and Muga 0.5% (105MT) of the total raw silk production in the country. In 2009-10 production of mulberry raw silk increased by about 4.6% after a decline in production in 2008-09. Production of non-mulberry raw silk, on the other hand, has been on a growth trajectory, recording double-digit growth between 2005-06 and 2009-10. Silk fabrics production also showed a growth of over 4% in 2009-10 compared to 2008-09.

Sericulture continues to be an important labour-intensive and agro-based cottage industry, providing gainful occupation to around 6.8 million persons in rural and semi-urban areas in India. Of these, a sizeable number of workers belong to the economically weaker sections of society

and women. Post cocoon activities, including reeling, weaving and garmenting also provide significant opportunity for inclusive growth for large segment of population in number of States.

During the year 2008-09, total production of all varieties of raw silk was 18,370 tons compared to the production of 18,320 tons by the end of 2007-08, indicating an increase of 0.3%. However, during the year 2009-10, total production of all varieties of raw silk increased to 19,690 tons registering an increase of 7.2%.

In the first year of the XI Plan i.e., 2007-08, production of Mulberry raw silk decreased by 1.7% (16245 MT) compared to the previous year 2006-07 (16525 MT). Production of mulberry raw silk during 2008-09 declined by 3.9% to 15,610 tons mainly due to decline in the Mulberry plantation and production of Mulberry raw silk in Karnataka and Andhra Pradesh States. Production of mulberry raw silk

registered an increase of 4.6% during 2009-10 to 16,322 tons compared to the year 2008-09, indicating recovery in mulberry plantation.

However, Vanya Raw Silk (Tasar, Eri and Muga raw silk) Production continues to show better performance in the Xi plan period. Vany Silk Production increased by 6.4% (2075 MT) during the year 2007-08 as compared to the production of 1950 MT during the previous year 2006-07. Production of Tasar, Eri and Muga during 2008-09, were 603 MT, 2038 MT & 119 MT, respectively, corresponding to 428 MT, 1530 MT & 117 MT produced during the year 2007-08, indicating an increase of 40.9%, 33.2% & 1.7%, respectively. Production of Vanya silk (Tasar, Eri and Muga raw silk) during 2009-10, were 803 MT, 2460 MT & 105 MT, respectively, corresponding to 603 MT, 2038 MT & 119 MT produced during the year 2008-09, indicating an increase of 33.2% in Tasar, 20.7% in Eri and a decrease of 11.8% in Muga.

THE JUTE AND JUTE TEXTILES INDUSTRY

The Jute industry occupies an important place in the national economy of India. It is one of the major industries in the eastern region, particularly in West Bengal. Jute, the golden fibre, meets all the standards for 'safe' packaging in view of being a natural, renewable, biodegradable and eco-friendly product. It is estimated that the jute industry provides direct employment to 0.37 million workers in organized mills and in diversified units including tertiary sector and allied activities and supports the livelihood of around 4.0 million farm families. In addition there are a large number of persons engaged in the trade of jute.

In the world perspective, India is the major producer of both raw jute and jute products. Out of the total world production

of Jute, Kenaf and allied fibre of 3.0 million tonnes in 2007-08, India produced 1.8 million tonnes. In percentage terms India accounted for 60% of world production in 2007-08. Global production of jute and allied fibres is estimated to have increased by 25% to 3.0 million tonnes in 2007-08 compared to 2004-05 season. Production in India has also increased by 28% to 1.8 million tonnes in 2007-08 over 2004-05.

There are 79 composite jute mills in India. Out of the total 79 jute mills, 62 jute mills are located in West Bengal, 3 each in Bihar and U.P., 7 in Andhra Pradesh and 1 each in Assam, Orissa, Tripura and Chattisgarh. Ownership-wise division is:- 6 mills are under Government of India's P.S.U., 1 mill (Tripura) is under State Government, 2 mills (Assam & New Central) are in the co-operative sector and 70 are privately owned mills.

As on 01-01-2010 total number of looms installed in the jute industry stood at 48,260 consisting of 22,038 Hessian looms, 24,093 sacking looms, 1,068 C.B.C looms and others at 1,061. The installed spindles in jute mills other than 100% export oriented units were 731,408 comprising 622,324 fine spindles and 109,084 coarse spindles. As on 01-01-2010, installed spindles in 100% export oriented units stood at 9,482 with fine spindles at 6,974 and coarse spindles at 2,508. The maximum installed capacity in jute mills other than 100% export oriented units (on the basis of 305 working days per year) is estimated to be of 2.51 million tonnes per annum.

In exercise of the power conferred by Sub-section(I) of section 3 of the Jute Packaging Materials (Compulsory Use in Packing Commodities) Act, 1987, Ministry of Textiles issued Notification dated 27-08-2010 stipulating that 100% food grain and sugar to be compulsorily packed in jute packaging material. The Notification

came into effect from the date of its publication and would remain valid upto 30-06-2011.

NATIONAL JUTE POLICY

Government of India recognized the significance of jute in India's economy which provides sustenance to more than 4 million people including jute farmers, workmen, labourers and self employed artisans and weavers, especially in Eastern and North-Eastern part of the country, where it is the mainstay of agro based industries. World over it has been recognized that jute and allied fibres occupy a unique position as eco-friendly, bio-degradable, renewable natural fibres with substantial value addition at each stage of processing. Taking note of the new opportunities presented by the changing global environment of integration in the development of natural fibres, the strength and weaknesses of the jute sector in India and acknowledging the growing demand for diversified and innovative jute product in the world market, GOI announced the "National Jute Policy - 2005" to redefine the goals and objectives, focus on thrust areas and sharpen strategy in tune with the times with a view to give the jute industry in India a fresh impetus in all respect.

The main objective of the policy is to facilitate the jute sector in India to attain and sustain a pre-eminent global standing in the manufacture and export of jute products by enabling the jute industry to build world-class state-of-the art manufacturing capabilities in conformity with environmental standards. The policy seeks to strengthen R&D activities in agricultural practices with public-private partnership with a vision to ensure remunerative prices to millions of jute farmers by enabling them to produce better quality jute fibre for value added diversified jute products and enhance per hectare yield of raw jute.

HANDLOOMS

Handloom constitutes a timeless facet of the rich cultural heritage of India. As an economic activity and in terms of employment generation, the handloom sector occupies a place second only to agriculture. This sector is, however, is confronted with various problems, such as, obsolete technology, unorganized production system, low productivity, inadequate working capital, conventional product range, weak marketing links leading to accumulation of stocks at various levels etc. The Government of India has, therefore, been initiating various developmental and welfare measures to help the handloom sector to tide over these problems to a great extent.

PRODUCTION IN THE HANDLOOM SECTOR INCREASED

Resultant to the developmental and welfare measures initiated by the Government of India, the declining trend in production in the handloom sector had been reversed and from the year 2004-05 there, in fact, has been a considerable growth in production in the sector. Production in the handloom sector recorded a figure of 6769 million sq. meters in the year 2009-10, which is about 23.23% over the production figure of 5493 million sq. Meters recorded in the year 2003-04.

475 HANDLOOM CLUSTERS, EACH COVERING 300-500 HANDLOOM, TAKEN UP FOR DEVELOPMENT

The Integrated Handlooms Development Scheme (IHDS) has been launched with a view to develop holistically and comprehensively the weavers' clusters throughout the country. Under this scheme, 475 Handloom clusters have been taken up upto December, 2010 and financial assistance of Rs 101.59 crore has been released to various Implementing agencies for various components like skill

upgradation, awareness programme, formation of consortium etc.

16 LAKH WEAVERS COVERED UNDER THE HEALTH INSURANCE SCHEME

The Health Insurance Scheme provides health care facilities to the handloom weavers and their families. 16.11 lakh weavers are covered under the scheme. 80% of the premium is paid by the Government of India while only 20% is paid by the Weavers/State Government. During the Policy period (2010-11) the premium has been drastically reduced by 14% on an average throughout the country. 4.12 lakh weavers covered under the Mahatma Gandhi Bunkar Bima Yojana upto December, 2010. The scheme is implemented through LIC of India.

Scholarships

91168 children of weavers have been given worth 8.27 crores (upto December, 2010).

SUPPLY OF YARN UNDER THE MILL GATE PRICE SCHEME

715 yarn depots, covering all the handloom clusters, have been set up by the National Handloom Development Corporation (NHDC) to ensure steady and timely supply of requisite yarn at Mill Gate Price to the handloom weavers. National Handloom Development Corporation (NHDC) under the Mill Gate Price Scheme supplied 1081.21 lakh kgs. yarn valued at Rs.987.23 core in the year 2009-10 as compared to the figure of 855.10 lakh kgs valuing Rs.793.77 core in the year 2008-09.

SANT KABIR AWARD

SANT KABIR AWARD for handloom weavers is being conferred every year, beginning from the year 2009. This award is being given to such outstanding weavers

who have made valuable contribution in keeping alive the handloom heritage and also for their dedication in building up linkages between the past, present and the future through dissemination of knowledge on traditional skills and designs.

Each award consists of one mounted gold coin, one shawl and a citation. In addition, financial assistance to the extent of Rs. 6.00 lakh also is being given to each of the Sant Kabir Awardee to innovate and create 10 new products of high level of excellence, of high aesthetic value and of high quality. 10 handloom weavers have been selected for Sant Kabir Award for the year 2009.

BRAND BUILDING THROUGH HANDLOOM MARK

Emphasis has been laid on Brand Development through Handloom Mark during the XI Five Year Plan. The Handloom Mark was launched by the Hon'ble Prime Minister of India on 28th June, 2006. The Handloom Mark serves as a guarantee to the buyer that the handloom product being purchased is a genuine handwoven product and not powerloom or mill made. Handloom Mark is being promoted and popularized through advertisements in newspapers and magazines, electronic media, syndicated articles, fashion shows, films etc.

The Textiles Committee is the Implementing agency for promotion of Handloom Mark. As on 30th Nov. 2010, 1.77 crore handloom mark labels have been sold to 7328 stakeholders. 747 retails outlets are selling handloom goods with handloom mark label.

The new beneficiaries now included in the Handloom Mark scheme to get the benefits are: Self Help Groups, Joint Liability Groups, Consortia, Producer companies, Handloom Weavers Groups or any other legal entity organization involved in

Handloom activities and approved by Development Commissioner for Handlooms with a one time registration fee of Rs.500.

Sale price of one label was brought down from Rs. 1.25 (at the time of launch) to 60 paise. Application forms are now available free of cost. The Registration fee for individual weavers is reduced to Rs. 25 (from Rs. 100) while for Master weavers Rs. 500 (from Rs. 2000).

HANDLOOM WEEK

Handlooms constitute a living heritage of our country reflecting the ethos of the art and craft traditions of our country which gives employment to about 43 lakh people. It is the only environmental friendly fabric requires continuous promotion, adoption and protection. "Handloom Week" was celebrated for the first time in the country from 21st December to 27th December. During the Handloom week a number of promotional and awareness programmes, organisation of domestic marketing through handloom expos, fashion shows, publicity through newspapers, magazines, outdoor publicity, through electronic media were undertaken.

During the current financial year 2010-11, Handloom Week was celebrated throughout the country from 21st to 27th December, 2010. A series of fashion shows of handlooms designed by famous designers were held at Chennai, Delhi and Ranchi. During the handloom week, an exhibition of handloom products on silken them (TANTAVI) and Buyer Seller Meet was organized at Shilpi Haat, Rajiv Gandhi Handicrafts Bhawan. Third National Handloom Census Report was released on 23rd December, 2010 and Photo Identity Cards were also issued to some handloom weavers by the Hon'ble Minister of State for Textiles. An exhibition-cum-sale of Handloom Mark and Silk Mark products in collaboration with Silk Mark Organisation

was held at Indian Islamic Centre from 24th to 26th Dec, 2010. For the first time Essay Writing competition and Handloom apparel design competition was also conducted and winners were given cash award and certificates.

Increase in the number of marketing events

The target of marketing events for the year 2010-11 has been increased to 650 from 561 during the year 2009-10 to give adequate opportunity for the weavers to market their products directly to the consumers without the intervention of the middlemen. As on December, 2010, 667 marketing events have been sanctioned to various State Governments, Corporations, ACASH, NHDC and other eligible agencies.

HANDICRAFTS

The Handicrafts Sector plays a significant & important role in the country's economy. It provides employment to a vast segment of craft persons in rural & semi urban areas and generates substantial foreign exchange for the country, while preserving its cultural heritage. Handicrafts have great potential, as they hold the key for sustaining not only the existing set of millions of artisans spread over length and breadth of the country, but also for the increasingly large number of new entrants in the crafts activity. Presently, handicrafts contribute substantially to employment generation and exports. The Handicraft sector has, however, suffered due to its being unorganized, with the additional constraints of lack of education, low capital, poor exposure to new technologies, absence of market intelligence, and a poor institutional framework. In spite of these constraints, sector has witnessed a significant growth of 3% annually, and efforts are being augmented during the 11th Five Year plan on the core issues for the development of the sector.

- Providing Infrastructural support for production & Exports.
- Improve quality & product diversification with more awareness for both stakeholders & consumer.
- A greater role for NGO as implementing partners and participation of private resources - both human and financial.

In view of the 3% growth annually in Handicrafts sector, it is presumed that the total employment in the sector as at the end of 10th plan is 67.70 lakhs, which at the beginning of the 10th plan was 60.16 lakhs, showing an annual growth rate of about 3%, on the basis of this growth in the sector it is expected this employment to reach 80 lakhs by the end of 11th Plan.

The plan expenditure during the period also witnessed a steady growth increasing from Rs.71.65 crores in 2002-03 to Rs.286.00 crores in 2010-11. The production during the period 2002-03 has increased from Rs.19,564.52 crores to Rs.20221.58 crores during the year 2009-10. The exports during the period increased from Rs.10933.67 crores in the year 2002-03 to Rs.11224.27 crores at the end of the year 2009-10 registering a cumulative increased 2.65%, The budget outlay for the year 2011-12 has been proposed for Rs. 316.27 crores.

Handicrafts activity being a State subject, its development and promotion are the primary responsibility of every State Government. However, the Central Government is supplementing their efforts by implementing various developmental schemes.

SARDAR VALLABHBHAI PATEL INTERNATIONAL SCHOOL OF TEXTILES AND MANAGEMENT

Sardar Vallabhbhai Patel International School of Textiles and Management,

Coimbatore, Tamil Nadu, was set up initially as Sardar Vallabhbhai Patel Institute of Textiles Management on December 24, 2002 as a national level institute for Textile Management to prepare the Indian Textile Industry to face the challenges of Post-MFA era and enable it to establish itself as a leader in the global textiles trade. Recognising the emerging areas in textiles, especially technical textiles, and the greater role the Institute has to play for the benefit of the textiles sector, the Institute was upgraded as Sardar Vallabhbhai Patel International School of Textiles and Management (SPVISTM) by the Hon'ble Minister of Textiles, Shri Dayanidhi Maran on July 7, 2010. (Upgradation of SVPITM to SVPISTM and Signing of MOU with IGNOU on July 7, 2010).

SVIPSTM is a National Level Autonomous Institution providing comprehensive education, training, consultancy and research in textiles management. The School has been set up by the Government of India, Ministry of Textiles and the Textiles Industry, registered under the Tamil Nadu Societies Registration Act, 1975 to cater to the long-felt need for management courses specialising in textiles, including research in textiles management.

NATIONAL INSTITUTE OF FASHION TECHNOLOGY (NIFT)

The National Institute of Fashion Technology was set up in 1986 as an autonomous Society in collaboration with the Fashion Technology (FIT), New York, to train professionals to meet the requirements of the textiles industry. The institute has pioneered the evolution of fashion business education across the country through its network of fifteen centres at New Delhi, Bengaluru, Chennai, Gandhinagar, Hyderabad, Kolkata, Mumbai, Rae Bareli, Patna, Bhopal, Shillong, Kangra, Kannur, Jodhpur and Bhubaneswar.

NIFT besides conducting regular professional undergraduate and postgraduate programmes in Design, Management and Technology, also offers short duration part-time courses under its Continuing Education (CE) Programmes.

A Specialty Centre will be opened at Coimbatore very shortly.

The National Institute of Fashion Technology Act, 2006 came into force on July 14, 2006 and came into effect from 1st April, 2007. The Act provides statutory status to the Institute and formally recognizes its leadership in fashion technology sector, and empowers NIFT to award degrees to its students. NIFT is the first Institute in the world to award degrees in fashion education.

ACTIVITIES RELATED TO PROGRESSIVE USE OF OFFICIAL LANGUAGE

Hindi is the Official Language of the Union of India and the policy of the Government aims at progressive use of Hindi in official work. Effective steps have been taken during the year in the M/o Textiles to ensure compliance with the Official Language Policy of the Government; implementation of the annual programme and compliance with the various orders of the Government of India on the recommendations of the Committee of Parliament on Official Language.

Compliance with the provisions of the Official Language Act, 1963

All documents such as resolutions, general orders, rules etc., under Section 3(3) of the Official Language Act and all papers laid on the Table of both the Houses of Parliament were issued bilingually, i.e. in Hindi and English. General orders meant for departmental use were issued in Hindi only.

Replies to letters in Hindi

All letters received in Hindi were replied to in Hindi.

Sections specified for working in Hindi

The 12 Sections of the Ministry which have been specified for doing hundred per cent work in Hindi, are working satisfactorily.

Monitoring and inspections

In order to ensure compliance with the Official Language Policy, monitoring is done through reviewing the quarterly progress reports. During the year, apart from the Sections of the Ministry, five head offices and three sub-offices of organizations under the control of the Ministry were inspected to ensure progressive use of Hindi and compliance with the Official Language policy.

Training of Officials

All the clerks / stenographers in the Ministry have already been trained in Hindi typing and Hindi stenography.

Use of Mechanical aids

As per the provisions of the Official Language Act, facilities have been provided on all the computers in the Ministry, to work in Hindi.

Committees

The Hindi Salahar Samitee has been constituted in the Ministry of Textiles under the Chairmanship of Minister of Textiles. The first meeting of the committee was held on 9th November, 2010.

The Departmental Official Language Implementation Committee in the M/o Textiles has been constituted under the Chairmanship of the Joint Secretary (In-Charge Hindi). The Quarterly meetings of the Committee were organized and important decisions were taken for progressive use of Hindi in official work. Necessary follow-up action was taken for compliance of these decisions.

Hindi Fortnight

Hindi Fortnight was celebrated during 1-14 September, 2010 in the Ministry. Various competitions like Hindi Essay, Hindi Noting & Drafting, Hindi Questions and Answers, Story Writing, Hindi Debate, Hindi Poetry Recitation, Dictation, Hindi Gyan and Hindi Typing were organized to encourage and motivate the employees

for doing official work in Hindi. A large number of officers and staff participated in these events with enthusiasm. Appeals from the Hon'ble Home Minister, Minister of Textiles, Minister of State for Textiles and Secretary (Textiles) were circulated on the occasion of Hindi Diwas in the M/o Textiles as well as in its Attached / Subordinate offices and PSUs etc. for information and compliance.

CHAPTER II
FUNCTIONS &
ORGANISATIONAL SET-UP

CHAPTER II

FUNCTIONS & ORGANISATIONAL SET-UP

The Ministry of Textiles is responsible for policy formulation, planning, development, export promotion and trade regulation of the Textiles Industry. This includes all natural and manmade cellulosic fibres that go into the making of textiles, clothing, and handicrafts. The matters relating to non-cellulosic synthetic fibres and filament yarns, such as nylon, polyester acrylic, and poly-propylene are under the administrative control of Ministry of Chemicals and Petrochemicals. The Ministry maintains an interactive website: www.texmin.nic.in. The Ministry is headed by a Secretary, who is assisted in the discharge of her duties by four Joint Secretaries, an Economic Advisor, and the Development Commissioners for Handlooms and Handicrafts, the Textiles Commissioner and the Jute Commissioner.

VISION

To build state of the art production capacities and achieve a pre-eminent global standing in manufacture and export of all types of textiles including technical textiles, jute, silk and wool and develop a vibrant handloom and handicraft sector for sustainable economic development and promoting and preserving the age old cultural heritage in these sectors.

MISSION

- To promote planned and harmonious growth of textiles by making available adequate fibres to all sectors.
- To promote technological upgradation for all types of textiles including technical textiles, jute, silk and wool.

- To promote skills of all textile workers, handloom weavers and handicrafts artisans, creation of new employment opportunities and development of new designs to make these sectors economically sustainable.
- To ensure proper working environment and easy access to health care facilities and insurance cover to weavers and artisans to achieve better quality of life.
- To promote exports of all types of textiles and handicrafts and increase India's share of world exports in these sectors.

OBJECTIVES

- To make available adequate raw material to all sectors of Textiles Industry.
- To augment the production of fabrics at reasonable prices from the organised and decentralised sectors.
- To lay down guidelines for a planned and harmonious growth of various sectors with special emphasis on the development of the handlooms sector due to its large employment potential.
- To monitor the techno-economic status of the industry and to provide the requisite policy framework for modernisation and rehabilitation.

FUNCTIONAL AREAS

- The Textiles Policy & Coordination
- The Man-made Fibre/Filament Yarn Industry

- The Cotton Textiles Industry
- The Jute Industry
- The Sericulture and Silk Textiles, Industry
- The Wool & Woollen Textiles Industry
- The Decentralized Powerlooms Sector
- The Export Promotion
- Handicrafts
- Handlooms
- The Planning & Economic Analysis
- The Integrated Finance Matters
- The Information Technology.

1. ATTACHED OFFICES

(i) The Office of the Development Commissioner for Handlooms, New Delhi

The Office is headed by the Development Commissioner for Handlooms. It administers various schemes for the promotion and development of the handlooms sector and supplements to the efforts of State Governments, Societies, NGOs, etc. Its subordinate organisations include Weavers' Services Centres (WSCs), the Indian Institutes of Handloom Technology (IIHT) and the Enforcement Machinery for the implementation of the Handlooms (Reservation of Articles for Production) Act, 1985.

(ii) The Office of the Development Commissioner for Handicrafts, New Delhi

The office is headed by the Development Commissioner for Handicrafts. It administers various schemes and functions to promote the development and export of

handicrafts, and supplements the efforts of State Governments by implementing various developmental schemes. It has six regional offices at Mumbai, Kolkata, Lucknow, Chennai, Guwahati, and New Delhi.

2. SUBORDINATE OFFICES

(i) Office of the Textiles Commissioner, Mumbai

The office of the Textile Commissioner (TxC) has its headquarters at Mumbai and eight regional offices at Amritsar, Noida, Kanpur, Kolkata, Bengluru, Coimbatore, Navi Mumbai and Ahmedabad. The Textiles Commissioner acts as the principal technical advisor to the Ministry. The Office of Textiles Commissioner carries out techno-economic surveys and advises the government on the general economic health of the textiles industry. The developmental activities of the Office of the Textiles Commissioner centre around planning for the growth and development of the textiles sector. Of the forty four Powerloom Service Centres (PSCs) functioning throughout the country, fourteen are functioning under the administrative control of the Textiles Commissioner. The office of TxC also coordinates and provides guidance to the remaining thirty Powerloom Service Centres, being run by the various Textiles Research Associations and State Government Agencies. The Office also implements and monitors various developmental and promotional schemes like the Technology Upgradation Fund Scheme (TUFS) for the modernization of the Textiles and Jute industry, 20% and 15% Margin Money Subsidy Schemes for decentralized Powerloom Sectors, the Textiles Workers' Rehabilitation Fund Scheme

(TWRFS), and the Technology Mission on Cotton (TMC), etc.

(ii) Office of the Jute Commissioner, Kolkata

This office is headed by the Jute Commissioner and is entrusted with the responsibility of implementing the policies of the Government in the Jute sector. The Jute Commissioner acts as the principal technical adviser to the Government of India, and gives technical advice to the Ministry on matters relating to the jute industry, including the jute machinery industry.

3. ADVISORY BOARDS

(i) All India Handicrafts Board

The All India Handicrafts Board is an advisory body under the chairmanship of the Minister of Textiles, with the Development Commissioner (Handicrafts) as the Member Secretary. It gives its advice to the Government on matters pertaining to the development of the handicrafts sector.

(ii) All India Powerlooms Board

The All India Powerlooms Board is an advisory body under the chairmanship of the Minister of Textiles, with the Textiles Commissioner as the Member-Secretary. It has representatives of the Central and State Governments, and powerlooms federations/associations as its members. The functions of the Board include advising the Government on matters concerning growth and development of the decentralized powerlooms sector.

(iii) All India Handlooms Board

The Board is an advisory body under

the chairmanship of Minister of Textiles, with the development Commissioner (Handlooms) as the Member-Secretary. The main function is to advise the Government on various aspects of development of the handlooms sector.

(iv) The Cotton Advisory Board

The Cotton Advisory Board is headed by the Textiles Commissioner and is a representative body of various interest groups like Government Agencies, Cotton Growers, Textiles Industry and Trade. It advises the Government generally on matters pertaining to production, consumption and marketing of cotton and also provides a forum for liaison. The Board was reconstituted on 5th May, 2010 for a period of two years. At present the Board has sixty nine members, including official and non-official members.

(v) The Cotton Yarn Advisory Board

The Cotton Yarn Advisory Board, headed by the Textiles Commissioner was constituted on 13th September, 2010 up to 31st March, 2012 until further orders or whichever is earlier. It is a representative body of various interest groups like government agencies, textiles industry and trade. Its main functions are to monitor domestic and international prices of cotton yarn, suggest measures for increasing the availability of cotton yarn, monitor import and export of yarn and prepare the Cotton Yarn Balance Sheet.

(vi) Jute Advisory Board

The Jute Advisory Board headed by the Jute Commissioner advises the Government on matters pertaining to jute falling within the purview of Jute

and Jute Textiles Control Order 2002, including production estimates of jute and mesta. New Board has been reconstituted on 23.04.2010.

(vii) Coordination Council of TRAs

The Coordination Council for the Textiles Research Associations has been constituted under the chairmanship of Secretary (Textiles) to coordinate the activities of all the Textiles Research Associations (TRAs), with a view to promote linkages for the development of the Textiles industry and for achievement of national priorities. The functions of the Councils are to assess the ongoing programmes of research associations, identify programmes and priorities keeping in view the overall needs of the industry, including the decentralized sector. It ensures appropriate coordination amongst different research associations, conduct periodical evaluation of the work carried out in cooperative research, and considers systemizing research programmes and funding arrangements so that funding is in conformity with plan priorities, and all other matters connected with the effective functioning of these Research Associations.

4. REGISTERED SOCIETIES

(i) Central Wool Development Board (CWDB), Jodhpur

The Central Wool Development Board (CWDB), Jodhpur was constituted by the Government of India, Ministry of Textiles in 1987 under the Rajasthan Societies Registration Act, 1958 to promote the growth and overall development of wool and the woollen textiles industry in the Country. The Board administers various projects

and programmes through the State Governments and Non Government Organisations (NGOs). The Board was reconstituted on November 16, 2010 for a period of two years.

(ii) Sardar Vallabhbhai Patel Institute of Textiles Management (SVPITM), Coimbatore

SVPITM was set-up on December 24, 2002, as a premier National level Institute for Textiles Management at Coimbatore, Tamil Nadu, to prepare the Indian Textiles Industry to face the challenges of post-MFA era and establish it as a leader in the global textiles trade. The Board of the institute was reconstituted on April 12, 2010, for a period of three years.

5. STATUTORY BODIES

(i) National Jute Board

The National Jute Board is a new body under Ministry of Textiles, which is the apex organisation for coordinating and synergising the functions of all the Organisations and a centre point for all jute related activities. The National Jute Board is also responsible for implementation of the Jute Technology Mission in a centralized and coordinated manner and helps in speedily resolving the ills of Jute Industry in the matters of diversification and marketing of Jute Products as well as modernisation of Jute Mills. National Jute Board have a membership of 34 persons, of which 15 will be Government representatives from Central Government and State Governments having stake in production and promotion of Jute Products and 19 Members from private jute related sector i.e. jute farmers, growers, research association, small and medium enterprises as well as there

Members of Parliament. The Headquarters of the National Jute Board is in Kolkatta, with regional representations in Jute growing areas and in other areas for marketing of the Jute Products.

(ii) The Central Silk Board (CSB), Bangalore

The Central Silk Board is a statutory body, and it was constituted by an Act of Parliament (LXI of 1948), with the objective of promoting the growth and development of Sericulture in the country. These programmes are primarily formulated and implemented by the State Sericulture/Textiles Departments. However, the Central Silk Board supplements the efforts of the States by providing necessary support by way of research and development, and extension and training through its countrywide network of R&D and extension centres. Besides, the Central Silk Board organises the development, production and supply of quality silkworm seedsetc., and development and propagation of feed plants. Central Silk Board also implements various Sericulture projects directly, as well as, jointly with the State sericulture Departments and other external agencies.

(iv) Textiles Committee, Mumbai

The Textiles Committee was established on July, 1964 under the Textiles Committee Act, 1963, with the objective of ensuring the quality of textiles from both the internal and export markets. Its functions include the promotion of textiles, textiles exports, research in technical and economic fields, establishing standards for textiles and textiles machinery, setting up of laboratories, and data collection located throughout

the country. The Textiles Committee, in addition to its headquarters at Mumbai, has thirty Offices to assist the industry and trade in testing their products. The Committee has the following functional divisions at its Headquarters in Mumbai : (1) Textiles Inspectorate Wing (2) Textiles Laboratory Wing (3) Market Research Wing (4) ISO Wing (5) Vigilance Cell (6) Accounts Wing, and (7) Administration and Coordination Wing. The Committee has been reconstituted on October 14, 2009, for a period of two years. It consists of twenty five members, including official and non-official members.

(v) Commissioner of Payments (COP), New Delhi

The Office of Commissioner of Payments with its headquarters at Delhi, is a statutory authority, set up under Section 17(1) of the Sick Textiles Undertakings (Nationalisation) Act, 1974, Section 15(1) of the Swadeshi Cotton Mills Company Ltd. (Acquisition and Transfer of Undertakings) Act, 1986, and also under Section 17(1) of the Textiles Undertakings (Nationalisation) Act, 1995. The Commissioner of Payments disburses the amount placed at his disposal to the owners of each textiles undertaking nationalized by the aforesaid three Acts.

(vi) The National Institute of Fashion Technology (NIFT), New Delhi

The National Institute of Fashion Technology was set up in 1986 as an autonomous Society in collaboration with the Fashion Institute of Technology (FIT), New York, to prepare and train professionals to meet the requirements of the textiles industry. The Government brought

into force the National Institute of Fashion Technology Act, 2006 on July 14, 2006. This Act provides statutory status to the Institute, and formally recognizes its leadership in the fashion technology sector. The Act empowers NIFT to award degrees to its students from 2007 onwards. The President of India is the Visitor of the Institute. The Institute has pioneered the evolution of the fashion business education across the country through centres at New Delhi, Bangalore, Chennai, Gandhinagar, Hyderabad, Kolkata, Mumbai, Kannur, Patna, Shillong, Kangra, Bhopal, Rae Bareli, Jodhpur and Bhuvneshwar.

6. THE RIGHT TO INFORMATION ACT, 2005

To promote openness, transparency and accountability in administration and provide the right to every citizen to secure access to information under the control of Public Authorities, the Right to Information Act has come into effect for implementation w.e.f. October 12, 2005. The Act marks the beginning of a new era in the approach of the Government where openness shall now be the rule and secrecy an exception. Every Citizen can obtain the information they desire by submission of an application and by paying a nominal charge as an application fee, to the Central Public Information Officer designated by the public authority for the purpose under the Act. This Ministry has designated officers as Central Public Information Officers (CPIOs) and Appellate Authorities. The Ministry of Textiles, as well as, its Attached & Subordinate Offices, Autonomous & Statutory Bodies and Public Sector Undertakings have completed the action for setting up of the necessary infrastructure for implementation of the Act. Ministry monitors the implementation of the Act by the organizations under the Ministry of Textiles.

7. PUBLIC GRIEVANCE REDRESSAL MACHINERY IN THE MINISTRY

The Department of Administrative Reforms and Public Grievances issues instructions and guidelines to establish, activate, and strengthen the Centralized Public Grievances Redressal and monitoring system (CPGRM) in the Ministries, Departments, and other Organisations of the Government of India. In pursuance of these instructions/guidelines, online CPGRAMS has been introduced in the Ministry. Similar arrangements are also being made in each of the attached/subordinate offices of the Ministry of Textiles. A Grievance Committee under the Chairmanship of a Joint Secretary has been formed to monitor the functioning of CPGRM in the Ministry, as well as in attached and subordinate organizations. If need be, the files relating to pending grievances are called or and cases are settled by the Committee in its meetings. The Ministry have taken, the following steps to strengthen the CPGRMS:

- Time Norms for the disposal of grievance cases have been fixed, and the same have been circulated and displayed at prominent places of the building:
 - ✓ Acknowledgement of the complainant within seven days;
 - ✓ Final disposal within two months.
- Publicity about the CPGRM in the media.
- The Citizens' Charter has been formulated and hosted on the Website.
- Details about the CPGRM have also been placed on the Website of the Ministry (texmin.nic.in).
- An Information & Facilitation Counter has been established at Gate No.14 Udyog Bhawan, New Delhi, to make

information readily available to customers/consumers.

- A complaint box has been kept at the Information & Facilitation Counter.

The list of Officers handling Public/Staff

Grievances in the Ministry of Textiles and its attached/Subordinate Offices is given at table 2.1 and is also available at the website of the Ministry.

The list of organisations under the Ministry of Textiles is at table 2.2.

Table 2.1

List of Officers handling public/staff grievance in the Ministry of Textiles and its Attached/Subordinate Officer

| S.No. | Offices | Public/Staff Grievances Officer |
|-------|---|---|
| 1. | Ministry of Textiles | Shri Sujit Gulati Joint Secretary/Director (PG) Room No. 232, Udyog Bhawan New Delhi-110011 Phone: 23063192 |
| 2. | Office of the Development Commissioner (Handicraft) | Smt. Alka Arora Addl. Development Commissioner (Handicrafts) West Block-7, R.K. Puram, New Delhi Phone: 011-26191569 Email: dcchejs@nic.in |
| 3. | Office of the Development Commissioner (Handloom) | Shri Sohan Kumar Jha Addl. Development Commissioner (Handloom) Office of DC (Handloom) Udyog Bhawan, New Delhi-110011 Phone: 011-23062238 |
| 4. | Office of the Textile Commissioner | Shri S. Balaraju Joint Textile Commissioner New CGO Building, 48 Marine Line, Mumbai-400020 Phone: 022-22001050 |
| 5. | Office of the Jute Commissioner | Shri Binod Kispotta Jute Commissioner C.G.O. Complex, 3rd MSO Building 4th Floor, DF Block, Salt Lake City Kolkata-700064 Phone: 033-23376973/75 |

Table 2.2
LIST OF ORGANISATIONS UNDER THE MINISTRY OF TEXTILES
(EXCEPT ATTACHED/SUBORDINATE OFFICES)

| Public sector Undertakings | Textiles Research Associations | Export Promotion Councils | Advisory Body | Registered Society | Statutory Bodies |
|--|--|---|---|---|---|
| 1. Birds Jute Export Ltd. (BJEL), Kolkata | 1. Ahmedabad Textiles Industry's Research Association (ATIRA), Ahmedabad | 1. Apparel Export Promotion Council (AEPC), New Delhi | All India Handloom Board | 1. Central Wool Development Board (CWDC), Jodhpur | 1. Central Silk Board (CSB), Bangalore |
| 2. British India Corporation (BIC) along with its subsidiaries | 2. Bombay Textiles Research Association (BTRA), Mumbai | 2. Carpet Export Promotion Council (CEPC), New Delhi | All India Handicrafts Board | 2. Sardar Vallabhai Patel Institute of Textiles Management (SVPITM), Coimbatore | 2. Commissioner of Payments (COP), New Delhi |
| 3. The Central Cottage Industries Corporation of India Ltd. (CCIC) New Delhi | 3. Indian Jute Industries Research Association (IJIRA), Kolkata | 3. Cotton Textiles Export Promotion Council (TEXPROCIL), Mumbai | All India Powerloom Board | | 3. National Jute Board, Kolkata |
| 4. The Cotton Corporation of India Ltd. (CCI), Mumbai | 4. Man-made Textiles Research Association (MANTRA), Surat | 4. Export Promotion Council for Handicrafts (EPCH), New Delhi | Coordination Council for Textiles Research Associations | | 4. Textiles Committee, Mumbai |
| 5. The Handicrafts and Handlooms Exports Corporation of India Ltd. (HHEC), New Delhi | 5. Northern India Textiles Research Association (NITRA), Gaziabad | 5. Handlooms Export Promotion Council (HEPC), Chennai | Cotton Advisory Board | | 5. National Institute of Fashion Technology (NIFT), New Delhi |
| 6. The Jute Corporation of India Ltd. (JCI), Kolkata | 6. South India Textiles Research Association (SITRA), Coimbatore | 6. Indian Silk Export Promotion Council (ISEPC), Mumbai | Jute Advisory Board | | |
| 7. National Handlooms Development Corporation Ltd. (NHDC), Lucknow | 7. Synthetic and Art Silk Mills Research Association (SASMIRA), Mumbai | 7. Powerloom Development & Export Promotion Council (PEDEXCIL), Mumbai | Cotton Yarn Advisory Board | | |
| 8. National Jute Manufactures Corporation (NJMC), Kolkata | 8. Wool Research Association (WRA), Thane | 8. Synthetic and Rayon Textiles Export Promotion Council (SRTEDC), Mumbai | | | |
| 9. National Textiles Corporation Ltd. (NTC), New Delhi | | 9. Wool and Woolen Export Promotion Council (WWEPC), New Delhi | | | |
| | | 10. Wool Industry Export Promotion Council (WOOL TEXPRO), Mumbai | | | |

CHAPTER III
THE ORGANISED TEXTILES
MILL INDUSTRY

CHAPTER III

THE ORGANISED TEXTILES MILL INDUSTRY

The Cotton / Man-made fibre textile industry is the largest organized industry in the country in terms of employment (nearly 1 million workers) and number of units. Besides, there are a large number of subsidiary industries dependent on this sector, such as those manufacturing machinery, accessories, stores, ancillaries, dyes & chemicals. As on 30.9.2010, there were 1896 cotton/man-made fibre textile mills (non-SSI) in the country with an installed capacity of 38.53 million spindles 5,18,000 rotors and 57,000 looms.

Textile production covering man-made fibre, filament yarn and spun yarn is showing increasing trend. Man-made fibre production recorded a marginal fall and filament yarn production recorded a slight increase of about 1.89% during 2010-11 (April - October 2010). The production of spun yarn during April-Oct (2010-11) is showing an increasing trend by 9.17%. The production of cotton yarn during 2010-11 April-Oct (2010-11) recorded an increase of 11% (Provisional). Blended and 100% Non-cotton yarn production recorded an increase of about 4% during 2010-11.

Cloth production by mill sector showed marginal increase of 3% during April-Oct. (2010-11) (provisional). During the same period cloth production by power loom and hosiery sector showed an increase of 1.7% and 5.30% respectively. However the cloth production in handloom sector showed a decrease of 4.7%.

CAPACITY

There were 1896 cotton/man-made fibre textile mills (non-SSI) in the country with

an installed capacity of 38.53 million spindles 5,18,000 rotors and 57,000 looms as on 30.9.2010.

CAPACITY UTILISATION IN THE MILL SECTOR

The capacity utilization in the spinning sector of the organized textile mill industry ranged between 80 to 90% while the capacity utilization in the weaving sector of the organized textile mill industry ranged between 41 to 62%.

PRODUCTION OF SPUN YARN

It would be relevant to mention that the contribution from the SSI sector has been about 10% in the total spun yarn production. A statement showing the production of spun yarn (including SSI units) during the last few years is given at table 3.1.

SICKNESS/CLOSURE OF TEXTILE MILLS

The incidence of sickness and closure in the organized textiles industry is a matter of concern. Textiles being the oldest and the largest industry of the country, it is but natural that at any given point of time some textiles units could be lying sick / closed. One main reason of sickness is structural transformation resulting in the composite units in the organized sector losing ground to power looms in the decentralised sector, on account of the latter's greater cost effectiveness. Other causes of sickness/ closure of the industry include low productivity due to lack of modernisation, stagnation in demand and inability of some units to expand in the export market, increase in the cost of inputs, difficulties in getting timely and

Table 3.1

(In Mn. Kg.)

| Year | Cotton Yarn | Blended Yarn and 100% non-cotton yarn | Total Spun Yarn |
|---------------------------|-------------|---------------------------------------|-----------------|
| 2005-06 | 2521 | 937 | 3458 |
| 2006-07 | 2824 | 989 | 3813 |
| 2007-08 | 2948 | 1055 | 4003 |
| 2008-09 | 2896 | 1016 | 3912 |
| 2009-10 | 3079 | 1114 | 4193 |
| 2010-11(Upto Oct. 10 (P)) | 1952 | 669 | 2621 |

P - Provisional

adequate working capital and the availability of power, labour disputes, excess capacity, failure to diversify in emerging areas, poor management, etc. The details of closure of cotton/man-made fibre textile mills is given at table 3.2.

PRODUCTION OF CLOTH & EMPLOYMENT GENERATION

The weaving capacity in the organized sector, along with the number of composite textile mills, however, has stagnated, because the past Government policy permitted only marginal expansion in weaving capacity in the organized mill sector. Even after the removal of restrictions in the Textile Policy of 1985, weaving capacity has been consistently declining. This is attributable to the structural transformation in the industry, leading to the de-linking of weaving from spinning and the emergence of the

decentralized powerloom sector. In the organized sector the loom age capacity has declined from 1.23 lakh in March, 2000 to 0.86 lakh in March, 2005, and to 0.56 lakh in March 2008 and the same marginally increased to 0.57 lakh in 2009 and there is no change in 2010.

Over the years, production of cloth in the mill sector is showing a steady growth since 2003-04 onwards and was 1961 million sq. meter in 2009-10. The total production of cloth by all sectors i.e. mill, powerloom, handloom, hosiery and khadi, wool and silk has shown an upward trend in recent years. The Cloth production in 2009-10 is 59809 mn. sq. mtrs. (Provisional). The cloth production during April-Oct (2010-11) showed an increasing trend by 1.90% (provisional).

The production of cloth in different sectors of textiles is given at table 3.3.

Table 3.2

| Year | No. of Spinning Mills | No. of composite Mills | Total |
|------------------------------|-----------------------|------------------------|-------|
| 2001-02 | 295 | 126 | 421 |
| 2002-03 | 349 | 134 | 483 |
| 2003-04 | 374 | 94 | 468 |
| 2004-05 | 376 | 99 | 475 |
| 2005-06 | 387 | 96 | 483 |
| 2006-07 | 380 | 87 | 467 |
| 2007-08 | 318 | 63 | 381 |
| 2008-09 | 339 | 64 | 403 |
| 2009-10 | 365 | 68 | 433 |
| 2010-11 (As on 31.8.2010) | 380 | 70 | 450 |

Table 3.3
PRODUCTION OF CLOTH IN DIFFERENT SECTORS

MILL SECTOR

(in million sq meter)

| Item | 2003-04 | 2004-05 | 2005-06 | 2006-07 | 2007-08 | 2008-09 | 2009-10 | 2010-11 (P)(April-Oct) |
|-----------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|---------------------------|
| Cotton | 969 | 1072 | 1192 | 1305 | 1249 | 1259 | 1419 | 808 |
| Blended | 253 | 243 | 252 | 330 | 422 | 426 | 475 | 272 |
| 100% Non Cotton | 212 | 211 | 212 | 111 | 110 | 111 | 67 | 49 |
| Total | 1434 | 1526 | 1656 | 1746 | 1781 | 1796 | 1961 | 1130 |

HANDLOOMS SECTOR

| | | | | | | | | |
|-----------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Cotton | 4519 | 4792 | 5236 | 5717 | 6076 | 5840 | 3448 | 3244 |
| Blended | 117 | 146 | 145 | 99 | 123 | 118 | 70 | 77 |
| 100% Non Cotton | 857 | 784 | 727 | 720 | 748 | 719 | 424 | 449 |
| Total | 5493 | 5722 | 6108 | 6536 | 6947 | 6677 | 3942 | 3770 |

DECENTRALISED POWERLOOMS SECTOR

| | | | | | | | | |
|-----------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Cotton | 6370 | 7361 | 8821 | 9647 | 9923 | 9621 | 6252 | 6564 |
| Blended | 4688 | 4526 | 4632 | 5025 | 4918 | 4764 | 3096 | 3317 |
| 100% Non Cotton | 15889 | 16438 | 17173 | 18207 | 19884 | 19263 | 12519 | 12186 |
| Total | 26947 | 28325 | 30626 | 32879 | 34725 | 33648 | 21867 | 22067 |

DECENTRALISED HOSIERY SECTOR

| | | | | | | | | |
|-----------------|-------------|-------------|--------------|--------------|--------------|--------------|-------------|-------------|
| Cotton | 6182 | 7430 | 8624 | 9569 | 9948 | 10178 | 6556 | 6988 |
| Blended | 1010 | 1117 | 1269 | 1428 | 1425 | 1458 | 939 | 1012 |
| 100% Non Cotton | 655 | 565 | 525 | 507 | 431 | 441 | 284 | 362 |
| Total | 7847 | 9112 | 10418 | 11504 | 11804 | 12077 | 7779 | 8362 |

ALL SECTORS

| | | | | | | | | |
|--------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Cotton | 18040 | 20655 | 23873 | 26238 | 27196 | 26898 | 16982 | 17604 |
| Blended | 6068 | 6032 | 6298 | 6882 | 6888 | 6766 | 4350 | 4679 |
| 100% Non Cotton | 17613 | 17998 | 18637 | 19545 | 21173 | 20534 | 13291 | 13046 |
| Total | 41721 | 44685 | 48808 | 52665 | 55257 | 54198 | 34623 | 35329 |
| Khadi, Wool & Silk | 662 | 693 | 769 | 724 | 768 | 768 | 448 | 476 |
| Grand Total | 42383 | 45378 | 49577 | 53389 | 56025 | 54966 | 35071 | 35805 |

P = Provisional

The employment generation in cotton/man-made fibre/Yarn Textile Mill Sector (including SSI spinning and excluding weaving units) textile industry projected for the terminal year of the 11th plan is 1.40 million numbers.

TECHNOLOGY UPGRADATION FUND SCHEME (TUFS)

The Technology Up gradation Fund Scheme (TUFS) was commissioned on 01.04.1999 initially for a period of 5 years with a view to facilitate the modernization and upgradation of the textiles industry by providing credit at reduced rates to the entrepreneurs both in the organized and the unorganized sector. The Scheme, which has now been extended up to 31.03.2012, has been fine-tuned to catapult the rapid investments in the targeted segments of the textile industry. TUFS has helped in the transition from a quantitatively restricted textiles trade to market driven global merchandise. It has infused an investment climate in the textiles sector and in its operational life span has propelled investment of more than Rs.2,07,747 crores upto 30.6.2010.

The garmenting, technical textiles and processing segments of the textiles industry have great potential to add value and generate employment. The Working Group on Textiles and Jute Industry for the XI Five Year Plan, constituted by the Planning Commission, has set a growth rate of 16% for the sector, projecting an investment of Rs. 150,600 crore in the Plan period. In this context, it was decided to extend the Technology Up gradation Fund Scheme during the Eleventh Plan period, and to reframe some of the financial and operational parameters of the Scheme in respect of new loans. (Initially, the Scheme was upto 31.03.2004. On the overwhelming response of the industry it was extended till 31.03.2007.) In the Tenth Plan Period (2002-07),

Rs.1,270 crore had been earmarked for the scheme. However, the net utilization of funds under this Scheme was Rs.2044.17 crore.

The modified techno-financial parameters of the Scheme will infuse capital investment into the textiles sector, and help it capitalize on the vibrant and expanding global and domestic markets, through technology up gradation, cost effectiveness, quality production, efficiency and global competitiveness. It is estimated that this will ensure a growth rate of 16% in the sector. The modified structure of TUFS focuses on additional capacity building, better adoption of technology, and provides for a higher level of assistance to segments that have a larger potential for growth, like garmenting, technical textiles, and processing.

The Scheme covers spinning, cotton ginning & pressing, silk, reeling & twisting wool, scouring & combing, synthetic filament yarn texturising, crimping and twisting, manufacturing of viscose filament yarn (VFY) / viscose staple fibre (VSF), weaving/knitting including non-wovens and technical textiles, garments, made-up manufacturing, processing of fibres, yarns, fabrics, garments and made-ups, and the jute sector.

PROGRESS

The progress of TUFS is steadily going up which is evident from the data given at table 3.4.

PROGRESS OF (20% CLCS)

20% Credit Linked Capital Subsidy Scheme under CLCS-TUFS for power loom units had been launched on 6th November 2003. Under the scheme, Rs. 202.32 crores has been disbursed to 2755 cases as on 27.11.2009 as per details given at table 3.5.

Table 3.4

(Rs. in crore)

| Period | Received | | Sanctioned | | | Disbursed | | |
|------------------------------|---------------------|---------------|---------------------|---------------|--------------|---------------------|--------------|----------------|
| | No. of applications | Project Cost | No. of applications | Project Cost | Amount | No. of applications | Amount | Subsidy |
| 1999-2000 | 407 | 5771 | 309 | 5074 | 2421 | 179 | 746 | 1 |
| 2000-2001 | 719 | 6296 | 616 | 4380 | 2090 | 494 | 1863 | 70 |
| 2001-2002 | 472 | 1900 | 444 | 1320 | 630 | 401 | 804 | 198.89 |
| 2002-2003 | 494 | 1835 | 456 | 1438 | 839 | 411 | 931 | 202.59 |
| 2003-2004 | 867 | 3356 | 884 | 3289 | 1341 | 814 | 856 | 249.06 |
| 2004-2005 | 986 | 7941 | 986 | 7349 | 2990 | 801 | 1757 | 283.60 |
| 2005-2006 | 1086 | 16194 | 1078 | 15032 | 6776 | 993 | 3962 | 485 |
| 2006-2007 | 12336 | 61063 | 12589 | 66233 | 29073 | 13168 | 26605 | 823.92 |
| 2007-2008 | 2408 | 21254 | 2260 | 19917 | 8058 | 2207 | 6854 | 1143.37 |
| 2008-2009 (P) | 6113 | 56542 | 6072 | 55707 | 24007 | 6111 | 21826 | 2632.00 |
| 2009-2010 | 2384 | 28005 | 2352 | 27611 | 6612 | 2361 | 8140 | 2886 |
| 2010-11 (Upto June 2010) (P) | 256 | 397 | 256 | 397 | 254 | 240 | 282 | |
| As on 30.06.2010(P) | 28528 | 210554 | 28302 | 207747 | 85091 | 28180 | 74627 | 8665.43 |

Table 3.5

| Sr. No. | Year | No. of units | Amount of subsidy released (Rs. in crore) |
|---------|-------------------------------|--------------|---|
| 1 | 2003- 2004 | 004 | 00.10 |
| 2 | 2004-2005 | 150 | 06.00 |
| 3 | 2005-2006 | 368 | 23.00 |
| 4 | 2006-2007 | 958 | 68.89 |
| 5. | 2007-2008 | 436 | 35.92 |
| 6 | 2008-2009 | 404 | 32.48 |
| 7 | 2009-2010 | 363 | 30.57 |
| 8 | 2010-11 (As on 31.10.2010) | 72 | 5.36 |
| | TOTAL | 2755 | 202.32 |

MID-TERM APPRAISAL OF THE SCHEME

Mid-term appraisal of the Technology Upgradation Funds scheme was conducted by an independent evaluator namely M/s CRISIL Research. The key

findings of the evaluation study are:

- i) TUFs has been fairly successful in enabling the textile industry to invest in modern machinery which is reflected in the overall improvement in productivity across the value chain.

The extent of increase however varies across segments and across companies in each segment;

- ii) The productivity improvement must be seen in the context of the varying levels of technology prevalent in each segment in the pre-TUFS period. The spinning sector was relatively modernized even during the pre-TUFS period primarily on account of the presence of a strong domestic technological base. Incremental improvements have been achieved primarily through investments in high-speed machines;
- iii) There is however quite a distance to catch up in areas like weaving and knitting;
- iv) Interest rates in competing countries, especially in China, were quite low in the past when compared to India. While interest rates in Pakistan and Vietnam have witnessed a sharp increase in the last few years when compared to India, interest rates in China continue to be low. The interest subsidy has helped lower the effective interest cost for companies;
- v) High fragmentation in garmenting and inadequate availability of good quality processed fabrics have resulted in India losing out on the growth opportunities.

The evaluation study has recommended that in view of the positive impact of TUFS in terms of increase in productivity, quality, value realization, turnover and reduction in cost etc, the scheme should be continued into the 12th Plan Period to promote further investments in the sector. The evaluation study has further estimated that the industry needs an investment of Rs. 54000 crores by 2011-12 and an additional investment of Rs. 1,45,000 crores in the 12th Plan Period to cater to demand growth.

Proposal to enhance and modify TUFS

Currently, a proposal to enhance the 11th Plan allocation under TUFS from Rs. 8000 crore to Rs. 15404 crore is under consideration. The proposal also envisages modifications in the scheme to ensure focus of interventions on hitherto slow growing sectors like weaving, encouragement to forward integration and tighter administrative controls and monitoring of the scheme. The proposed modifications are expected to trigger additional investments of over Rs. 46,900 crore during the balance period of the 11th Five Year Plan.

HANK YARN OBLIGATION SCHEME

The Hank Yarn Obligation (HYO) is a statutory obligation which enjoins upon spinning mills to pack yarn in hank form. This Scheme is meant for protection of the handloom industry by way of ensuring that the yarn in hank form is available in adequate quantity at reasonable prices to the handloom industry. Failure to comply with this Obligation invites lodging of FIR against the defaulting mills by the Office of the Textile Commissioner. The current level of obligation is 40% of the total yarn packed by the mills for civil consumption. The obligation has to be fulfilled in quarterly periods commencing from January-March. The Scheme also provides that shortfall in fulfillment of the obligation may be met by transferring of the obligation to another mill which has excess production of hank yarn in addition to fulfilling its own obligation. Normally, mills accept such transfer on premium.

With the strict enforcement of the provisions of the Hank Yarn Packing Notification by the Office of the Textile Commissioner, Mumbai, it is ensured that actual packing of Hank Yarn is sufficient to meet the total domestic requirement of hank yarn in the country. The details of Hank Yarn Packing Obligation and its

fulfillment by actual packing for the last five years are given at table 3.6.

TEXTILE WORKERS' REHABILITATION FUND SCHEME (TWRFS)

The Textile Workers' Rehabilitation Fund Scheme came into force with effect from 15.09.1986 with the objective to provide interim relief to textile workers rendered unemployed as a consequence of permanent closure of any particular portion or entire textile unit. Assistance under the Scheme is payable to eligible workers only for the purpose of enabling them to settle in another employment. Such assistance is not heritable, transferable or capable of being attached on account of any other liabilities of the worker. The worker's eligibility shall cease if he takes up employment in another registered or licensed undertaking. The rehabilitation assistance will not be curtailed if the worker fixes himself in a self-employment venture.

CLOSED TEXTILE UNIT

For the purpose of this scheme, closed textile unit means:

(i) a unit licensed or registered under

the Industries (Development & Regulation) Act, 1951 or with the Textile Commissioner as a medium scale unit on the day of its closure;

(ii) it has obtained the requisite permission for closure from the appropriate State Government under section 25(O) of the Industrial Disputes Act, 1947 or alternatively an Official Liquidator was appointed under Companies Act, 1956, for the purpose of winding up of the unit.

(iii) The unit was closed down on or after 06.06.1985.

(iv) This also includes partially closed units wherein the State Governments recommend that an entire uneconomic activity (like weaving or processing) is scrapped as a part of rehabilitation package for a sick/weak mill (as per the RBI definition) approved by the Nodal Agency / BIFR provided the scrapped capacity is surrendered for cancellation and endorsement is made on the License / Registration certificate to this effect.

Table 3.6

| Year | No. of Units submitted the returns | Fulfillment of Hank Yarn Obligation (HYO) | | Shortfall (-)/Excess (+) in fulfillment of HYO | Percentage of fulfillment of HYO |
|--|------------------------------------|---|--|--|----------------------------------|
| | | HYO | Fulfillment of HYO (on actual packing basis) | | |
| 2004-05 | 2151 | 383.58 | 408.89 | (+)25.31 | 106.60% |
| 2005-06 | 1942 | 451.84 | 441.94 | (-)9.9 | 97.81% |
| 2006-07 | 2022 | 484.67 | 485.03 | (+)0.63 | 100.13% |
| 2007-08 | 2099 | 516.03 | 527.37 | (+)11.07 | 102.14% |
| 2008-09 | 2114 | 492.51 | 524.00 | (+)31.49 | 106.39% |
| 2009-10 (April, 09 to June, 09) (P) | 1939 | 126.88 | 126.15 | (-)0.73 | 99.94% |

Eligibility

Any workers would be eligible provided he/she has been engaged in a closed textile unit on the date of its closure continuously for five years or more and earning a wage equivalent of Rs. 2500 per month or less for the mills closed between 06.06.1985 to 01.04.1993 and Rs.3500 or less thereafter. They should be contributing to provident fund maintained by the Regional Provident Fund Commissioner of the State concerned.

Period and Quantum of Relief

Relief under the Scheme is available only for three years on a tapering basis but will not extend beyond the date of superannuation of any worker. The worker is entitled to get relief:

- to the extent of 75% of the wage equivalent in the first year of the closure of the unit;
- to the extent of 50% of the wage equivalent in the second year; and
- to the extent of 25% of the wage equivalent in the third year.

Operation of the Scheme

The office of the Textile Commissioner, Mumbai administers the scheme, through its Regional offices and in coordination with State Government, Official Liquidator, Provident Fund Authorities, concerned designated Trade Union and designated Banks. The State Government will collect the details of the workers etc. from the management/official Liquidator/provident fund authority etc. and prepare a list of eligible workers and forward the same to the concerned Regional Office of the Textile Commissioner in the prescribed Proforma. Regional Office of the Textile Commissioner scrutinizes the list and the list of eligible workers with eligible relief is sent to State Government and designated

trade union, besides keeping on a notice board.

The individual eligible workers are required to open a separate Savings Bank Account in the designated nationalized Bank and forward a certificate to the effect along with his relief claiming application to the Regional office of the Textile Commissioner through the State Government. In the mean time the Regional office of the Textile Commissioner examines the proposals and assesses the fund requirement and reports to the Head quarter Office of the Textile Commissioner for releasing fund. On receipt of fund allocation, necessary fund is allotted to the Regional Office in the form of Letter of Credit opened by the Pay & Accounts Officer (Textiles) Mumbai. On receipt of funds, Regional Office of the Textile Commissioner disburses the relief by sending a consolidated cheque in favour of the designated Bank along with the list of eligible workers and the amount of relief to be paid to each of the eligible workers.

Progress

Till 30.9.2010, 82 mills were found eligible under the scheme. A total of 111634 workers out of 143157 workers on the rolls of these mills had been disbursed relief of Rs. 296.77 crore. The State-wise cumulative position is given at table 3.7.

PROCESSING SECTOR

The textile-processing segment of the Indian textile industry is highly fragmented and can be broadly divided into four segments :

- (i) Hand processing units.
- (ii) Hand processing units with certain exempted power processes.
- (iii) Independent power processing units.
- (iv) Processing facilities attached to composite or semi-composite mills.

Table 3.7

| S. No. | State | No. of mills identified | No. of workers on roll | No. of workers benefited (as on 30.9.2010) | | Disbursed amount (Rs. in crores) |
|--------|----------------|-------------------------|------------------------|--|-------------------------|----------------------------------|
| | | | | No. of mills | Workers received relief | |
| 1 | Gujarat | 43 | 80749 | 43 | 63608 | 159.50 |
| 2 | Maharashtra | 6 | 9958 | 6 | 7646 | 22.64 |
| 3. | Madhya Pradesh | 5 | 19800 | 5 | 18596 | 52.03 |
| 4. | Tamil Nadu | 6 | 5685 | 6 | 4761 | 7.45 |
| 5. | Kerala | 1 | 500 | 1 | 437 | 2.47 |
| 6. | Karnataka | 9 | 10020 | 9 | 5818 | 21.34 |
| 7. | Andhra Pradesh | 4 | 2501 | 4 | 1298 | 5.31 |
| 8. | Delhi | 1 | 5187 | 1 | 5170 | 11.93 |
| 9 | West Bengal | 3 | 2072 | 3 | 2042 | 5.33 |
| 10. | Punjab | 4 | 6685 | 4 | 2258 | 8.77 |
| | Total | 82 | 143157 | 82 | 111634 | 296.77 |

Government has identified processing as a critical segment. The National Textile Policy envisages:

- Setting up of modern processing units, which would meet the international quality and environmental norms.
- Expansion of the network of CAD / CAM, computerized color matching and testing facilities, particularly in the clusters of the decentralized textile centers.
- Extending necessary support to individual units in achieving ISO 9000 (quality) and ISO - 14000 (environment) standards.
- Giving a thrust to development of eco-friendly dyes, including natural and vegetable dyes and on energy conservation.

Globally the environmental issues are increasingly dominating the textile processing industry. In view of this, and

as per mandate of National Textile Policy, the important steps taken by Government to boost the high-tech investment in processing sector include:

- (i) Technology Upgradation Fund Scheme launched by Government of India on 1st April, 1999, envisages boosting investment in high-tech processing units, by providing 5% interest reimbursement on TUF loans. The scheme has been extended for 11th five year plan.
- (ii) In order to take care of quality requirements and facilitate eco-friendly production of processed fabric, eco-testing and quality testing facilities have been created throughout the country, so that the testing facilities are available within the reach of majority of manufacturers/exporters of textiles items.
- (iii) In order to boost investment in high tech capital intensive textile

processing projects, a scheme to provide 10% capital subsidy on specified high tech machines has been introduced. The units put up Under this scheme may avail 5% interest reimbursement under TUFSS, in addition to 10% capital subsidy. This facility has been extended for 11th five year plan.

- (iv) In order to develop textile clusters in an integrated manner the scheme of Textiles Centre Infrastructure Development (TCIDS) has been merged with Apparel Park Scheme and is now known as Scheme for Integrated Textiles Park (SITP). Under this scheme the textile parks with all infrastructural facilities including state-of-the-art effluent treatment plants are encouraged. The scheme provides for 40% subsidy on the project cost subject to the maximum of Rs.40 crore.

TECHNICAL TEXTILES

Technology Mission on Technical Textiles (TMTT) has been launched with two mini missions starting from 2010-11 to 2014-15 with a financial outlay of Rs. 200 crore. The objective of the mission is to remove the impediments hampering the production of technical textiles in the country to meet growing demand in the domestic and export market. Under this Mission Rs.76.00 crore has been proposed for the year 2011-12.

Mini Mission I of TMTT

(a) Setting up of four Centres of Excellence (COEs)

Four Additional COEs will be set up for Nonwovens, Composites, Indutech and Sportech to provide infrastructure support at one place for the convenience of manufacturers of technical textiles of these segments.

(b) Upgradation of existing four Centres of Excellence

Existing four COEs namely BTRA for Geotech, SITRA for Meditech, NITRA for protech & SASMIRA for Agrotech will be upgraded in terms of development of incubation centre and support for development of prototypes. Further fund support will be provided for appointment of experts for developing these facilities.

Mini Mission II of TMTT

(a) Support for business start-up

Technical Textiles is a new area and entrepreneurs find it difficult to invest in this field due to lack of knowledge about technology, raw material, process etc. Therefore, support for 'business start-up' will be provided for SME sector. The COE and other associations / institutes / independent reputed consultants will be empanelled who will prepare project reports and do the hand holding of the potential entrepreneurs till the completion of the projects, which will be eligible for service fee of 2% of the project cost for domestic projects and 3% of the project cost for FDI projects.

The upper ceiling will be Rs. 5.00 lakhs for domestic projects and Rs. 6.00 lakhs for FDI projects.

(b) Providing fund support for organizing workshops

Technical Textiles are still at nascent stage and its awareness level is very low. Hence reputed consultants including the Indian Diaspora settled abroad will be invited to conduct short term training programmes in which know how about latest technology, international practices, global scenario will be shared.



Smt. Rita Menon, Secretary (Textiles) addressing during the Stakeholder Consultation on Technology Mission on Technical Textiles

(c) Social compliance through standardization, regulatory measures

Some of the technical textile products require mandatory prescriptions for their use. Consultants will be engaged to identify the needed regulatory changes required along with international best practices and also the strategy to facilitate such changes in the Indian rules and regulations.

(d) Market development Support for sale to the institutional buyers

Buyers-sellers meet will be organized wherein the indigenous manufacturers can showcase their products and institutional buyers will be invited. Seminars will also be organized in these meets wherein

the institutional buyers may provide the information regarding the technical specifications and other quality parameters which are required for meeting their needs.

Fund support for one event will be restricted to Rs. 20.00 lakhs.

(e) Market development Support for export sales

There are many reputed technical textile fairs organized abroad like TECHTEXTIL and Industrial Fabrics Exhibition, Index etc., the participation in these fairs will improve the export potential of the indigenous manufacturers. Fund support for participation in identified reputed technical textile fairs / application based fairs to the extent of 50% with

a financial cap recommended at Rs.5.00 lacs per visit.

(f) Fund support for Contract Research and Development through IITs/TRAs/Textile Institutes

Technical Textiles is high technology area where most of the high-end products are imported, there is strong need for indigenous development of products for which R&D is of prime importance. Therefore, contract research will be covered under this head. Idea and detailed work plan

submitted by entrepreneur and collaborating institute after peer review will be considered for grant. Contract research has to be carried out at one of the govt. approved research centres.

The grant under the scheme will be upto 60 percent excluding cost of land and building subject to ceiling recommended as Rs. 20.00 lakhs per project. It is a initial ceiling and is relaxable by the Empowered Committee on merit.

CHAPTER IV
EXPORTS

CHAPTER IV

EXPORTS

India's textiles and clothing industry is one of the mainstays of the national economy. It is also one of the largest contributing sectors of India's exports worldwide. The Vision Statement for the textiles industry for the 11th Five Year Plan (2007-12), inter-alia, envisages India securing a 7% share in the global textiles trade by 2012. At current prices the Indian textiles industry is pegged at US\$ 55 billion, 64% of which services domestic demand. The textiles industry accounts for 14% of industrial production, which is 4% of GDP; employs 35 million people and accounts for nearly 12% share of the country's total exports basket.

MILESTONES

- i) Exports of textiles and clothing products from India have increased steadily over the last few years, particularly after 2004 when textiles exports quota were discontinued.
- ii) India's Textiles & Clothing (T&C) export registered robust growth of 25% in 2005-06, recording a growth of US\$ 3.5 billion over 2004-05 in value terms thereby reaching a level of US\$ 17.52 billion and the growth continued in 2006-07 with T&C exports of US\$19.15 billion recording a increase of 9.28% over previous year and reached USD22.15 billion in 2007-08 denoting an increase of 15.7% but declined by over 5% in 2008-09 with exports of USD 20.94 billion. During 2009-10, the exports of T&C increased by over 5.60% and reached the level of USD 22.42 billion. Thus exports of T&C have denoted an increase of 60.14% in

the last five years (2004-05 to 2009-10). Indian T&C exports is facing various constraints of infrastructure, high power and transaction cost, incidence of state level cess and duties, lack of state-of-the-art technology etc. The details of India's textiles exports item-wise during the last three years and current financial year for the period Apr-September'10 is at table 4.1.

- iii) Readymade Garments account for almost 45% of the total textiles exports. Apparel and cotton textiles products together contribute nearly 70% of the total textiles exports.
- iv) The exports basket consists of a wide range of items comprising readymade garments, cotton textiles, handloom textiles, man-made fibre textiles, wool and woolen goods, silk, jute and handicrafts including carpets.
- v) India's textiles products, including handlooms and handicrafts, are exported to more than a hundred countries. However, the USA and the EU, account for about two-third of India's textiles exports. The other major export destinations are Canada, U.A.E., Japan, Saudi Arabia, Republic of Korea, Bangladesh, Turkey, etc.
- vi) The export of textiles and clothing aggregated to US\$ 22.42 billion in 2009-10. The Government fixed the target for 2010-11 at US\$ 25.48 billion. So far during the period April-September'10, exports of T&C have been achieved at USD 11.26 billion.

Table 4.1
India's textiles exports at a glance (Principal Commodities)

| Item | 2007-08 | | 2008-09 | | 2009-10 | | Apr-Sept 2009 | | Apr-Sept 2010(P) | | Variation | |
|--|-----------|-----------|-----------|-----------|-----------|-----------|---------------|----------|------------------|-----------|-----------|---------|
| | Rs. Crore | US\$ Mn | Rs. Crore | US\$ Mn | Rs. Crore | US\$ Mn | Rs. Crore | US\$ Mn | Rs. Crore | US\$ Mn | Rupee | US\$ |
| Ready-made Garment | 36497.79 | 9069.80 | 47112.77 | 10383.26 | 47608.39 | 10064.73 | 24341.69 | 5010.57 | 21807.76 | 4735.07 | -10.41% | -5.50% |
| RMG of cotton including accessories | 30335.79 | 7538.53 | 38522.72 | 8490.08 | 38070.33 | 8048.32 | 19144.48 | 3940.76 | 16896.06 | 3625.18 | -12.79% | -8.01% |
| RMG of Man-made fibre | 3912.26 | 972.21 | 4721.94 | 1040.68 | 5745.29 | 1214.59 | 3151.92 | 648.80 | 2990.66 | 649.36 | -5.12% | 0.09% |
| RMG of other textile material | 2249.74 | 559.07 | 3868.11 | 852.50 | 3792.77 | 801.82 | 2045.29 | 421.01 | 2121.04 | 460.54 | 3.70% | 9.39% |
| Cotton Textiles | 27599.81 | 6858.63 | 21795.40 | 4803.52 | 27016.21 | 5711.41 | 9063.90 | 1865.74 | 13896.25 | 3017.26 | 53.31% | 61.72% |
| Cotton raw including waste | 8865.39 | 2203.07 | 2865.86 | 631.61 | 9537.08 | 2016.20 | 1360.96 | 280.14 | 1727.28 | 375.04 | 26.92% | 33.87% |
| Cotton yarn, fabrics & madeups | 18734.42 | 4655.56 | 18929.54 | 4171.91 | 17479.13 | 3695.20 | 7702.94 | 1585.60 | 12168.97 | 2642.22 | 57.98% | 66.64% |
| Man-made textiles | 12785.02 | 3177.11 | 15090.76 | 3325.88 | 18783.13 | 3970.88 | 9405.93 | 1936.15 | 9409.19 | 2043.00 | 0.03% | 5.52% |
| Manmade staple fibres | 1121.72 | 278.75 | 1172.01 | 258.30 | 1690.68 | 357.42 | 742.51 | 152.84 | 876.58 | 190.33 | 18.06% | 24.53% |
| Manmade yarn, fabrics & madeups | 11663.30 | 2898.36 | 13918.75 | 3067.58 | 17092.45 | 3613.46 | 8663.42 | 1783.31 | 8532.61 | 1852.67 | -1.51% | 3.89% |
| Wool & Woolen textiles | 1783.13 | 443.11 | 2199.49 | 484.75 | 2224.14 | 470.20 | 1316.35 | 270.96 | 1017.02 | 220.82 | -22.74% | -18.50% |
| RMG of Wool | 1409.55 | 350.28 | 1742.97 | 384.14 | 1799.20 | 380.36 | 1100.50 | 226.53 | 802.63 | 174.27 | -27.07% | -23.07% |
| Woolen yarn, fabrics & madeups | 373.58 | 92.84 | 456.52 | 100.61 | 424.94 | 89.84 | 215.85 | 44.43 | 214.39 | 46.55 | -0.68% | 4.77% |
| Silk | 2646.75 | 657.72 | 3107.78 | 684.93 | 2819.46 | 596.05 | 1465.11 | 301.58 | 1251.36 | 271.71 | -14.59% | -9.91% |
| RMG of Silk | 1093.67 | 271.78 | 1437.73 | 316.86 | 1383.42 | 292.46 | 759.13 | 156.26 | 567.30 | 123.18 | -25.27% | -21.17% |
| Natural silk yarn, fabrics & madeups | 1540.93 | 382.93 | 1664.82 | 366.91 | 1411.12 | 298.32 | 702.47 | 144.60 | 663.40 | 144.04 | -5.56% | -0.38% |
| Silk waste | 12.15 | 3.02 | 5.23 | 1.15 | 24.92 | 5.27 | 3.51 | 0.72 | 20.66 | 4.49 | 488.60% | 520.87% |
| Handloom Products* | 81312.50 | 20206.38 | 89306.20 | 19682.34 | 99704.14 | 21078.12 | 46159.99 | 9501.72 | 720.19 | 156.37 | 27.02% | 33.98% |
| Textiles (excluding handicrafts, jute & coir) | 5844.12 | 1452.28 | 4949.23 | 1090.77 | 4548.91 | 961.67 | 2049.60 | 421.90 | 2362.50 | 512.96 | 15.27% | 21.59% |
| Handicrafts | 2046.21 | 508.49 | 1384.19 | 305.06 | 1066.58 | 225.48 | 498.25 | 102.56 | 389.70 | 84.61 | -21.79% | -17.50% |
| Handicrafts (excluding handmade carpets) | 3725.80 | 925.87 | 3506.37 | 772.77 | 3441.74 | 727.61 | 1531.78 | 315.31 | 1968.48 | 427.41 | 28.51% | 35.55% |
| Carpets (excluding silk) handmade | 72.11 | 17.92 | 58.67 | 12.93 | 40.59 | 8.58 | 19.57 | 4.03 | 4.32 | 0.94 | -77.93% | -76.72% |
| Coir & Coir Manufacturers | 644.87 | 160.25 | 680.70 | 150.02 | 759.66 | 160.60 | 381.48 | 78.53 | 332.81 | 72.26 | -12.76% | -7.98% |
| Coir & Coir Manufacturers | 644.87 | 160.25 | 680.70 | 150.02 | 759.66 | 160.60 | 381.48 | 78.53 | 332.81 | 72.26 | -12.76% | -7.98% |
| Jute | 1319.36 | 327.86 | 1375.78 | 303.21 | 1033.09 | 218.40 | 538.92 | 110.93 | 1082.85 | 235.12 | 100.93% | 111.94% |
| Floor covering of jute | 317.56 | 78.91 | 251.63 | 55.46 | 281.07 | 59.42 | 134.53 | 27.69 | 172.99 | 37.56 | 28.59% | 35.64% |
| Other jute manufactures | 322.22 | 80.07 | 491.64 | 108.35 | 300.19 | 63.46 | 175.61 | 36.15 | 231.74 | 50.32 | 31.96% | 39.20% |
| Jute yarn | 215.14 | 53.46 | 216.92 | 47.81 | 144.20 | 30.48 | 62.46 | 12.86 | 313.85 | 68.15 | 402.48% | 430.03% |
| Jute hessian | 464.44 | 115.41 | 415.59 | 91.59 | 307.63 | 65.04 | 166.32 | 34.24 | 364.27 | 79.09 | 119.02% | 131.02% |
| Total Textiles Exports (incl. handicrafts, coir & jute) | 89120.85 | 22146.78 | 96311.91 | 21226.34 | 106045.80 | 22418.79 | 49129.99 | 10113.07 | 51879.93 | 11264.56 | 5.60% | 11.39% |
| % Textile Exports | 13.59% | 13.59% | 11.46% | 11.46% | 12.54% | 12.54% | 12.49% | 12.49% | 10.69% | 10.69% | | |
| India's exports of all commodities | 655863.52 | 162983.90 | 840755.06 | 185295.36 | 845533.64 | 178751.43 | 393262.20 | 80950.31 | 485206.78 | 105351.89 | 23.38% | 30.14% |

Source: Foreign Trade Statistics of India (Principal Commodities & Countries), DGCI&S for export figures in Rupee and Department of Commerce (Intranet) - Exchange rate

*Handloom Products have been included as commodities first time in 2009-10

LIBERALISED TRADING REGIME AND EMERGING OPPORTUNITIES

In the liberalized post-quota period, India has emerged as a major sourcing destination for new buyers. As a measure of growing interest in the Indian textiles and clothing sector a number of buyers opened their sourcing / liaison office in India. These include Marks and Spencer, Haggar Clothing, Kellwood, Little Label, Boules Trading Company, Castle, Alster International, Quest Apparel Inc., etc. Commercially the buoyant retailers across the world are looking for options of increasing their sourcing from the Indian markets. Indian manufacturers are also pro-actively working towards enhancing their capacities to fulfill this increased demand.

EXPORT PERFORMANCE IN THE CURRENT YEAR

In 2007-08 the textiles exports of India suffered badly due to sharp appreciation in Rupee vis-à-vis the US\$. Although the rupee has depreciated sharply vis-à-vis the US dollar since April, 2008, the exports prospects of the Indian textiles sector continues to be adversely affected. Some of the reasons attributed to this decline are the financial sector melt down and economic slow down in international markets, increased cost of production because of increasing raw material costs, high power and other input costs which have affected the profitability of textiles and garments units in India and their exports. The liquidity crunch is another factor that is affecting the industry. In such a situation the positive impact of rupee depreciation had been washed away. During the financial year 2009-10, various export promotion councils and trade bodies represented to the Government that the textiles exports had been adversely affected by recent global recession. For exports, the major markets have been USA, EU & Japan and all the

three markets were recession during 2009-10. However, the trend changed in the 2nd half of 2009-10, and there was revival from the economic slow down in the major markets. As a result, the exports of T&C products during 2009-10 increased by over 5.60% reaching a level of US\$ 22.42 billion. During the current year (April-September 2010), the exports of T&C lines have registered a growth of 11.39% over the same period during 2009-10. There has been an upward swing in the export of all sectors of T&C exports particularly in cotton textiles, handicrafts and carpets.

Global exports of Ready Made Garments (RMG)

- Global exports of RMG during 2007-08 were of the order of US\$ 9.07 Billion, which increased to US\$ 10.38 Billion during 2008-09 but declined by 3% to US\$ 10.04 Billion in 2009-10.
- As per latest available statistics, exports of RMG during April-September, 2010 was of the order of USD4735.07 Million as against USD5010.57 Million during the same period last year, indicating a decline of over 5.50% in US\$ terms this year.
- EU was biggest destination for RMG exports, with over US\$5.2 Billion worth of exports during the year ending March, 2010. However, there was a decline of over 3% compared to exports in 2008-09.
- US was the 2nd biggest destination for RMG, with exports of US\$ 2.6 Billion, though this was a decline of around 2% compared to the preceding financial year.
- UAE was the 3rd biggest destination with around a Billion dollar worth of exports to that group.

- Considerable appreciation of RMG exports was seen in South Africa, Singapore, Australia, Malaysia, Kuwait and Brazil.

Global exports of Handicrafts (HC)

- Exports of Handicrafts was of the order of US\$ 1.45 Billion in 2007-08 and had drastically reduced to US\$ 1.09 Billion in 2008-09 and further went down to US\$ 961.67 Million in 2009-10.
- As per provisional exports data for the period April-September of this financial year, exports of Handicrafts have touched US\$ 512.96 Million compared to US\$ 421.90 Million during April-September of the preceding financial year, thus registering an increase of around 21.59%.

Global exports of Handlooms (HL)

- Harmonized System of Classification of Handlooms products were introduced in 2009-10.
- Exports of Handlooms during 2009-10 were of the order of US\$ 260 Million.
- In April, 2009 exports of Handlooms was of the order of US\$ 13 Million whereas exports during April 2010 was of the order of US\$ 14 Million, thus registering an increase of over 7.6% in dollar terms.
- The biggest destination of India's Handlooms products is USA (US\$ 111Million) followed by the EU.

COUNTRY-WISE ANALYSIS

- In the global market exports of clothing, India ranked as the 6th largest exporter as per WTO data - 2008 (latest), trailing Bangladesh,

Turkey, Hong Kong, EU and China. In the global exports of Textiles & Clothing (T&C) combined, India ranked as 5th largest exporter, trailing Turkey, Hong Kong, China and EU, as per WTO data - 2008 (latest).

- The calendar year 2008 since the month of August onwards was not at all conducive for the Indian T&C export either as the major markets for T&C viz. USA, EU and Japan have been in recessionary condition and financial crisis. In this environment, textiles sector is amongst the worst hit sectors. The recessionary trend observed in the calendar year 2010 changed due to gradual recovery of major economies from the global economic slowdown. USA, the single largest importer of T&C items, observed a positive growth of 15.30% and 18.10% in its imports of T&C from the world and India, respectively during the first 11 months of calendar year 2010. Almost all major T&C exporting countries showed positive trend in US market during the first 10 month of calendar year 2010. (*Source: GTIS*)
- India's position in the EU markets with a share of 7.93% and a negative growth rate of 8.86% was small in comparison to China which occupied over 41% market size with a negative growth of 6.04% in 2009. The EU's overall T&C import registered a growth of 7.30% in 2008 and a decline of 11.87% in 2009. In the first 10 months of calendar year 2010, EU's overall imports of T&C have grown by 5.03% while India recorded a growth of 3.54% over the corresponding period in 2009. China & Turkey, the two largest exporters of T&C to EU have recorded growth of 6.45% and 6.56% respectively during same period. (*Source: GTIS*)

IMPORT SCENARIO

The total imports of T&C products by India reached US\$ 3.36 billion in 2009-10. Man-made Filaments was the biggest import amongst T&C items, with a share of 16.56% followed by impregnated textile fabric and cotton with a share of 15.62%. The imports have decreased by 3.30% during 2009-10 in dollar terms. However, the share of import of T&C products by India as percentage of total imports of all commodities has gone up during 2009-10, and reached 1.17% as against 1.14% during 2008-09.

EXPORT PROMOTION MEASURES

The Government has been continually supporting the textiles exports sector through fiscal and non-fiscal measures as well as through incentivisation schemes to enable the sector to increase market share in the global textiles markets.

EXPORT PROMOTION COUNCILS

Apparel Export Promotion Council (AEPC)

The Apparel Export Promotion Council (AEPC) was sponsored back in 1978 to promote exports of readymade garments from India. The Council was administering the exports entitlements quota in respect of readymade garment items, which were subject to trade restraints in USA, European countries and Canada. Besides its headquarter at New Delhi, the Council has Regional Offices at Jaipur (Rajasthan), Ludhiana (Punjab), Mumbai (Maharashtra), Chennai and Tirupur (Tamilnadu), Bangalore (Karnataka) and Kolkata (West Bengal). The Council is the implementing agency for the Knitwear Technology Mission and Common Compliance Code Schemes which are Plan Schemes of the Central Government.

The Cotton Textiles Export Promotion Council (TEXPROCIL)

The Cotton Textiles Export Promotion Council (TEXPROCIL), Mumbai was incorporated under the Indian Companies Act, VII of 1913 in October, 1954 with the pressing objective of export promotion of cotton textiles. In the year under review, the Cotton Textiles Export Promotion Council (TEXPROCIL), Mumbai made a number of suggestions for strengthening the export efforts and also to provide data for monitoring exports. The Council continued to disseminate information on demand patterns, consumer preferences, competing products/countries etc. with a view to assist Indian exporters to compete effectively in the overseas markets. The Council also undertakes export promotion measures to project the considerable product range of Indian cotton textiles in India and abroad.

The Synthetic & Rayon Textiles Export Promotion Council (SRTEPC)

The Synthetic & Rayon Textiles Export Promotion Council (SRTEPC), Mumbai was incorporated in 1954 under the Indian Companies Act, 1913 with the basic objectives to establish, promote and operate maintain and increase the export of synthetic and/or cellulosic yarn, etc. In the period under review, the Council provided comprehensive inputs to the Government for modification in export-import policy/procedures as well as disseminated information on demand patterns, fashion trends and prices of competing products in the overseas markets to enable Indian exporters to implement modernized cost-effective manufacturing techniques, product adaptation and diversification. The Council undertook several export promotion measures to generate greater awareness of Indian man-made textiles among overseas buyers.

Export Promotion Activities of EPCs

During the year 2009-10, the EPCs continued export promotion activities of textiles exports. These included participation in overseas exhibitions/fairs, organisation of Buyer-seller-Meets (BSMs) abroad and, sponsoring trade delegations for consolidating the existing markets and exploring new markets. Major textiles fairs like India International Garment Fair and Indian Handicrafts & Gifts Fair were held in New Delhi, which attracted large number of buyers from all over the world. The EPCs participated in all major fairs & exhibition world-wide, and Textiles Mega Shows were jointly put up in Japan, South Africa and Latin America with the support of the Government.

Apparel International Mart (AIM)

The Apparel International Mart (AIM) has been constructed at Gurgaon in Haryana with a covered area of 3.5 lakh sq.ft., where International buyers can have the converge at one single source to access their requirements and conduct on-the-spot business. The events like Market Week and Markets Carnivals were organized during the year by the Council, where the showroom holders displayed their collections. The Apparel House has become an important landmark in Gurgaon, and houses facilities like Auditorium, Exhibition Hall, Art Gallery, Cafeteria, and Plaza Area & Amphitheatre.

Apparel Training & Designing Centres (ATDCs)

The Apparel Training & Designing Centre was registered as a Society under Societies Registration Act on February 15, 1991 at New Delhi with the mission to upgrade the technical skills of the human resource employed in Garment Industry. There are 58 ATDC centres functioning across the country to provide trained

manpower in the field of Pattern Making/Cutting Techniques and Production Supervision and Quality Control Techniques to the Readymade Garment Industry so that quality garments are manufactured for the global market. The ATDCs have been identified as implements for the Integrated Skill Development Scheme which was launched in September, 2010.

NATIONAL INSTITUTE OF FASHION TECHNOLOGY (NIFT)

The National Institute of Fashion Technology was set up in 1986 as an autonomous Society in collaboration with the Fashion Technology (FIT), New York, to train professionals to meet the requirements of the textiles industry. The institute has pioneered the evolution of fashion business education across the country through its network of fifteen centres at New Delhi, Bengaluru, Chennai, Gandhinagar, Hyderabad, Kolkata, Mumbai, Rae Bareli, Patna, Bhopal, Shillong, Kangra, Kannur, Jodhpur and Bhubaneswar.

NIFT besides conducting regular professional undergraduate and postgraduate programmes in Design, Management and Technology, also offers short duration part-time courses under its Continuing Education (CE) Programmes.

A Specialty Centre will be opened at Coimbatore very shortly.

The National Institute of Fashion Technology Act, 2006 came into force on July 14, 2006 and came into effect from 1st April, 2007. The Act provides statutory status to the Institute and formally recognizes its leadership in fashion technology sector, and empowers NIFT to award degrees to its students. NIFT is the first Institute in the world to award degrees in fashion education.

Statutory Status

NIFT Act 2006 has accorded statutory status for the promotion and development of Education & Research in Fashion Technology with the President of India as the Visitor. The Act signifies public confidence in NIFT as thought leader, with 'fashion' (defined in a much wider context) as a business strategy for value addition.

NIFT is supported by the Ministry of Textiles and governed by the Board of Governors (BOG) and its Chairperson nominated under NIFT Act, 2006. The Director General is the Chief Executive Officer of the Institute with Head Office and a network of fifteen centres.

Thought leadership in fashion technology education

NIFT has been instrumental in bringing about a paradigm shift in the perception of 'fashion' in India, with its connotation extending beyond the conventional apparel industry, to integrate with every aspect of the lifestyle industry. Fashion today encompasses popular trend or a lifestyle, specially in styles of dress and ornament or manners of behaviour or the business of creating, promoting or studying styles in vogue or the designing, production and marketing of new styles of goods such as, clothing, accessories, craft and cosmetics, thus adding tremendous value to diverse industry and businesses.

NIFT has pioneered significant changes in the industry in strategy, approach, technology upgradation, design intervention and management practices, in the face of liberalization and globalization of the economy.

Curriculum restructuring with international benchmarking

NIFT has been conferred the status of

Statutory body by act of Parliament whereby NIFT awards Undergraduate and Post Graduate Degrees in the field of Design, Management and Technology.

The Degree programmes offered by NIFT at Undergraduate level (4 years) are as under:-

1. Bachelor of Design B. Des (Design)

- Fashion Design
- Leather Design
- Accessory Design
- Textile Design
- Knitwear Design
- Fashion Communication

2. Bachelor of Fashion Technology (B. FTech.) - Technology

- Apparel Production

3. Post Graduate Programmes

The Post Graduate degree programmes offered by NIFT are as under:-

- Master of Design (M. Des)- Design
- Master of Fashion Technology (M.F. Tech.) - Technology
- Master of Fashion Management (M.F.M.) - Management

The Post Graduate degree programmes are of two years duration.

Apart from the above, this year NIFT has announced Ph. D, FDP (Faculty Development Programme) and Bridge Programme.

The introduction of these programmes will serve to build essential knowledge resource and develop core competency and transform NIFT into centre of

excellence in these specific areas of Design, Management programme that would allow former NIFT Graduates to enhance their Diplomas into degrees.

Industry Linkages

Industry Linkages of NIFT are symbiotic with industry experts contributing to the curriculum development, projects, placements and training. NIFT Campus placement 2010 was organized during the month of February and the 2nd phase during the month of June 2010 at 7 NIFT Centres (Bangalore, Chennai, Gandhinagar, Hyderabad, Kolkata, Mumbai, New Delhi). The class of 2010 was successfully placed in various sectors like Manufacturing / Exporter, Retailer, Designer, Buying House, Brand, Technology Solutions, Consultancy, Media and Education.

INTERNATIONAL LINKAGES

MOUs / Strategic alliances

In the academic year spanning 2010-11, six new (domain specific) MOUs have been signed for various activities like student and faculty exchange, research, customized programmes, Seminars etc.

1. School of Design, University of Leeds
2. University of Southampton (Winchester School of Art, Winchester)
3. ESMOD, Germany
4. GMIT, Ireland
5. Saxion College of Arts, The Netherlands
6. Utrecht School of the Arts, The Netherlands

International Competitions for NIFT Students

- a) Arts of Fashion Symposium &

Competition 2010 - San Francisco

- b) Colour Competition by Society of Dyers and Colorists, West Yorkshire, England
- c) Competition to Craft a Logo for the UNESCO Award of Excellence for Handicraft Crafting Excellence
- d) Summer courses and competition for new Masters program organized by Domus Academy, Milan
- e) Jewellery competition, Design Camping competition, Colors of Creativity organized by Politecnico di Milano, Milan.

International Scholarship for semester study for NIFT students

- Queensland University of Technology (QUT), Australia, awarded 05 scholarships worth AUD \$ 5000 each to students from India and promised to award the same in the next year. These scholarships shall be over and above the tuition fee waiver to the students.
- QUT also announced a sponsorship worth AUS\$ 10,000 for a NIFT student who must be from a low economic background and academically able. One student from NIFT-Patna Centre is selected for the same.

MA scholarship for NIFT Students

- a) Creative diary "My City": IED International Selection for Scholarships for Master Programs
- b) Domus academy offered scholarships for Masters program on the basis for competition

Student Twinning / Exchange of NIFT students (Table 4.2)

Table 4.2

| | Name of Foreign School | NIFT Centre | No. of Students | Remarks |
|--------------------|--|--|---|------------|
| Jan-June 2010 | ENSAIT, France | Hyderabad, Bengaluru and Delhi | 04 students from BFtech department | Free seats |
| | London College of Fashion, UK | Delhi and Kolkata | 02 students from Fashion Design department | Free seats |
| | Mod Art International, France | Delhi | 01 student from Knitwear Design and 01 from Leather Design department | Free seat |
| | Queensland University of Technology, Australia | Mumbai, Gandhinagar, Delhi and Hyderabad | 02 students from FD, 02 from F&LA and 01 from KD department | Free seats |
| | Ryerson University, Canada | Kolkata | 01 student from Leather Design department | Free seat |
| | University of Manchester, UK | Kolkata | 01 student from Textile Design department | Free seat |
| July-December 2010 | London College of Fashion, UK (University of the Arts, London) | Delhi and Mumbai | 02 students from FD, 01 from LD and 01 from TD | Free seats |
| | Mod Art International, France | Kolkata | 02 students from FD and 01 from KD | Free seats |
| | Queensland University of Technology, Australia | Kolkata | 01 student from KD | Free seat |
| | Ryerson University, Canada | Kolkata | 01 student from KD | Free seat |
| | University of Philadelphia, US | Chennai, Mumbai, Delhi and Gandhinagar | 05 students from MFM | Free seats |
| | Academy of Arts, San Francisco | Bengaluru | 02 students from TD department | Free seats |
| | School of Design, University of Leeds | Mumbai | 03 students form Masters of Design | Free seats |

Foreign Students

The details of Foreign Students who have undertaken the Study Abroad at NIFT are given at table 4.3.

Customized Summer Program (Exchange) & short term programs for NIFT students and faculty members

The Customized short term summer programs, which were successfully completed with full scholarship are given at table 4.4.

Incoming foreign students under customized programs

The Customized short term summer programs, which were successfully completed, are given at table 4.5.

Cluster Development Initiative

NIFT has made concerted efforts to mainstream the craft tradition of the country as an integral component of the curriculum of all programmes. It focuses on training, design intervention, technology

Table 4.3

| Semester of Exchange | Name of Foreign Institute | No. of students |
|----------------------|--|-----------------|
| Jan-June 2010 | Amsterdam Fashion Institute, Netherlands | 01 |
| | Ryerson University, Canada | 02 |
| | ENSAIT, France | 04 |
| July-December 2010 | Academy of Arts, San Francisco | 02 |
| | Queensland University | 03 |

Table 4.4

| Name of Institute | Type of Program | Details |
|-------------------------------------|--------------------------|---------------------------------------|
| Swiss Textile College (STF), Zurich | Customized Summer Course | 14 students across NIFT Centers |
| | Customized Summer Course | 01 faculty member from NIFT-Bangalore |

Table 4.5

| Sr. No. | Name of Institute | Type of Program | Details |
|---------|-------------------------------------|--|----------------------------|
| 1. | Swiss Textile College (STF), Zurich | Customized summer program at Bangalore | 16 students |
| | | Customized summer program at Bangalore | 01 Faculty member from STF |

up-gradation, establishing market linkages and promotion.

NIFT has translated its vision of 'concern for social and human values' into a workable proposition by imparting knowledge to many NGOs to strengthen their capabilities through classroom and other projects. Integration of craft cluster project into academic curriculum provided entrepreneurial experience, holistic learning and real life case studies to students and faculty.

A project sponsored by O/o **DC (HC)** for establishment of design studios at Delhi, Kolkata and Gandhinagar and Handicraft Museum at Delhi is being implemented by NIFT. The Design Studios have been established and are functional with highly equipped facility resources. Fashion magazines, periodicals and forecasting books have been procured under the project with the objective of dissemination of related knowledge.

Equipments like laptop, digital camera, design solution software's etc. have been procured to facilitate the beneficiaries at grass root level. Need based workshops aimed to provide Design intervention for upgrading the skills of the artisans and to develop new design products having a contemporary look and a ready market are undertaken on regular basis.

After the commencement of the project, nineteen Sampling and Prototype Development workshops have been conducted (till November 2010) involving approximately 426 artisans. A 15 days workshop on 'Painted Terracotta of Gujarat' was conducted at Jhajjar, Haryana during September - October'2010 involving 30 artisans to develop contemporary products. The range designed and developed included Garden Accessories, Home Décor and Desk top items. A 15 days workshop on 'Sikki - the golden grass craft' is being conducted at Madhubani,

Bihar from 24th November to 8th December 2010. Two workshops for skill development and product diversification were conducted by NIFT Kolkata in the areas of Kantha stitch and patch work and applique for (36) thirty six artisans during September to November, 2010.

During the Sampling and Prototype Workshop held at Jhajjar, sessions under Training Studio and Workshop had been conducted wherein subject experts were invited to present lectures on topics like 'motivation', 'importance of quality and marketing', 'concept of SHGs and accounting for tiny enterprises' for mobilizing the artisans towards commercial production of the new designs developed.

Similarly, other need based activities are being implemented with the objective of enhancing commercial viability of the identified crafts and benefiting the respective craftsmen across three Design Studios at Delhi, Gandinagar and Kolkata.

RESEARCH

NIFT faculty publish and present papers extensively.

Publishing of papers and articles by faculty in leading international and national journals/magazines like ATA Journal, Fiber 2 Fashion, Indian Textile Journal, Asian Textile Journal, Apparel View, Apparel Online, DFU, Images, Femina etc are testimony to their ongoing research.

The contribution to leading International publications by the faculty is a matter of prestige for NIFT. Dr. Sibichan K. Mathew of NIFT will co-author a book on 'Global Fashion Marketing' with Dr. David Birks, University of Southampton, UK.

Consulting and Extension work has provided dynamic learning opportunity to the participating faculty and students thereby strengthening their teaching and

research outputs. Numerous projects were undertaken from Government and industry, ranging from technology transfer, designing of uniforms, customized training, support to new and/or other institutes, IPR and GI Registration, design and product development, technology upgradation for national and international organizations.

SYNCHRONIZATION AND BENCHMARKING OF THE ACADEMIC DELIVERANCE

In the process of standardization of the course curriculum, the academic deliverance, content, delivery and evaluation process have been standardized across all NIFT Centres. All subjects are classified as theory, process-based and electives. All theory subjects are evaluated through a common board examination across NIFT centers while process-based subjects are evaluated through benchmarked assignments to ensure parity in the course deliverance. The structure of the jury for all the process based subjects also has been standardized. This curriculum is effectively and efficiently running across all the NIFT centers.

Looking at future perspective, industry feedback sessions were organized across major textile & apparel Centres in India. The feedback was incorporated in a new curriculum development.

DOCTORAL PROGRAMME

The NIFT Doctoral programme is offered both to the internal faculty and also to external candidates in the three streams of Design, Management and Technology. This year a total of 42 candidates applied for the programme and 11 have been admitted. In addition several faculty members have enrolled for and/or are continuing with their Ph.Ds with other universities.

BRIDGE PROGRAMME

The Bridge Programme which was started in 2009 to enable the enhancement of diplomas to degrees for NIFT alumni continues in 2010 at Delhi, Bengaluru, Chennai, Gandhinagar, Hyderabad, Kolkata and Mumbai to include over 114 graduates in erstwhile PG Diploma programmes and over 70 in UG programmes.

FACULTY DEVELOPMENT PROGRAMME

The Faculty Development Programme was an initiative to create a pool of interested, motivated and trained resource in fashion education in the three streams of Design, Management and Technology. Based on their performance, the top 4 students of the programme have qualified for faculty positions at NIFT centres.

Sixteenth NIFT Convocation

The XVIth NIFT Convocation 2010 was held on November 2, 2010 at Sirifort Auditorium, Khel Gaon, New Delhi. During the ceremony, the Degrees were awarded to the graduating batch of class 2010. Total 1344 students graduated from 08 NIFT centres. The course-wise; centre-wise summary of the graduates during the year 2010 is given at table 4.6.

SARDAR VALLABHBHAI PATEL INTERNATIONAL SCHOOL OF TEXTILES AND MANAGEMENT

Sardar Vallabhbhai Patel International School of Textiles and Management, Coimbatore, Tamil Nadu, was set up initially as Sardar Vallabhbhai Patel Institute of Textiles Management on December 24, 2002 as a national level institute for Textile Management to prepare the Indian Textile Industry to face the challenges of Post-MFA era and enable it to establish itself as a leader in the global

Table 4.6

Batch wise students strength across NIFT Centres (2006-10)

| Dept. | Bangaluru | Chennai | Gandhinagar | Hyderabad | Kolkata | Mumbai | New Delhi | Patna | Total |
|--------------|------------|------------|-------------|------------|------------|------------|------------|-----------|-------------|
| AD | 32 | 21 | 29 | 15 | | | 34 | | 131 |
| FC | | | | | | 34 | 29 | | 63 |
| FD | 25 | 34 | 34 | 38 | 37 | 33 | 32 | | 233 |
| KD | | 27 | | | 29 | 18 | 30 | | 104 |
| LD | | | | | 25 | | 30 | | 55 |
| TD | 29 | 29 | 32 | 33 | 32 | | 32 | | 187 |
| BFT | 25 | 36 | 29 | 26 | 33 | 27 | 35 | | 211 |
| MDes | | | | | | 20 | 29 | | 49 |
| MFM | 34 | 31 | 35 | 26 | 31 | 31 | 30 | 23 | 241 |
| MFT | 38 | | | | | | 32 | | 70 |
| Total | 183 | 178 | 159 | 138 | 187 | 163 | 313 | 23 | 1344 |

textiles trade. Recognising the emerging areas in textiles, especially technical textiles, and the greater role the Institute has to play for the benefit of the textiles sector, the Institute was upgraded as Sardar Vallabhbhai Patel International School of Textiles and Management (SPVISTM) by the Hon'ble Minister of Textiles, Shri Dayanidhi Maran on July 7, 2010. (Upgradation of SVPITM to SVPISTM and Signing of MOU with IGNOU on July 7, 2010).

SVIPSTM is a National Level Autonomous Institution providing comprehensive education, training, consultancy and research in textiles management. The School has been set up by the Government of India, Ministry of Textiles and the Textiles Industry, registered under the Tamil Nadu Societies Registration Act, 1975 to cater to the long-felt need for management courses specialising in textiles, including research in textiles management.

GOVERNING BODY

The School functions under the overall directions of the Board of Governors,

chaired by the Secretary, Ministry of Textiles, Government of India, with members from industry, administration and academia and the Academic Committee, Chaired by the Joint Secretary, Ministry of Textiles, Government of India. The day-to-day academic and administrative activities of the Institute are carried out by the Director with the support of faculty and staff members. The Board of Governors was re-constituted on April 12, 2010 for a period of three years.

Current Academic Programmes

The School currently offers the following programmes:

- AICTE (All India Council for Technical Education) approved long-term programmes:
 - Two-year Full-time Post-Graduate Diploma in Management (Textiles) - PGDM (T)
 - Two-year Full-time Post-Graduate Diploma in Management (Apparels) - PGDM (A)

- In association with Bharathiar University, Coimbatore
 - M.Phil and Ph.D research programmes in Textiles Management
- In association with IGNOU
 - MBA (Textiles Management) under this arrangement

Forthcoming Programmes

- From the forthcoming academic year, the School will be offering One-year Full-Time Post-Graduate Certificate course in Home Textiles to cater to the needs of this important segment of textiles industry.
- Under the MOU with the IGNOU (Indira Gandhi National Open University) more programmes will be offered in the ensuing years.
- The School is taking steps to launch an innovative and unique Five-year Integrated course leading to B.Tech (Technical Textiles) and MBA degrees. It will also be offering Two-year Full Time MBA course in Retail Management.

Short Term Programmes and Consultancy

- Apart from full time courses, the School also organises innovative Executive Development Programmes to arm executives in the industry with the knowledge and tools needed to compete and win in today's globalised economy.
- It has conducted number of Conferences/Short-term/Management Development Programmes. for the personnel connected with textile industry in general and for specific textile firms as in-house programmes. During the nine months of the fiscal year 2010-11, 735 persons benefited

from the programmes conducted by the School.

- It also offers comprehensive consultancy services in the areas of Textile Technology and Textile Management including Marketing, Finance and Human Resources to the needy firms.

Infrastructure Development

To meet the needs of the expanded role for the School, it is equipping itself with needed infrastructure. The newly constructed state-of-the-art academic block and auditorium was declared open by the Hon'ble Chief Minister of Tamil Nadu, on December 12, 2010.

NCUTE

SVPISTM is the current custodian of NCUTE (Nodal Centre For Upgradation Of Textile Education) established by the Ministry of Textiles, Govt. of India with the broad objective of enhancing textile education through improved retraining of teachers, meet the challenges of emerging technology and quality of input, and to establish a dynamic system for reform of textile education in the country to meet with international standards and market demands. SVIPTM is carrying out various activities to achieve the objectives of NCUTE.

Signing of MOUs

To bring about the synergy of knowledge and expertise, the School is entering into a serious of MOUs with industry associations and research institutions.

The MOU signed with the Technical University of Liberec, Czech Republic on December 16, 2010 enables interdisciplinary and multi-disciplinary sharing, exchange of relevant research information, faculty and student exchange etc. (Signing of MOU with Technical University of Liberec).

Awards

The School was adjudged the 'Business School with Best Industry Interface' for the 18th Dewang Mehta Business School Award on November 24, 2010.

Funds released

The year-wise funds released to the SVPISTM by the Government is given at table 4.7.

Table 4.7

| Financial year | Amount released (Rupees in Crores) |
|----------------|------------------------------------|
| 2003-04 | 0.09 |
| 2004-05 | 3.91 |
| 2005-06 | 2.00 |
| 2006-07 | 5.00 |
| 2007-08 | 9.18 |
| 2008-09 | 4.28 |
| 2009-10 | 3.57 |
| 2010-11 | 17.78 |
| Total | 45.81 |

SCHEME FOR INTEGRATED TEXTILE PARKS

EXPORT PROMOTION, INFRASTRUCTURE AND TECHNOLOGY UPGRADATION MEASURES:

APPAREL PARK FOR EXPORTS SCHEME (APES)

With the objective of imparting a focused thrust to set up apparel units of international standards and to give a fillip to exports, the Government had launched the Apparel Park for Exports Scheme (APES), a centrally sponsored scheme. Twelve Project Proposals have been sanctioned for setting up Apparel Parks at Tronica City & Kanpur (U.P.), Surat (Gujarat), Thiruvananthapuram (Kerala), Visakhapatnam (Andhra Pradesh), Ludhiana (Punjab), Bangalore (Karnataka), Tirupur & Kanchipuram (Tamil Nadu), SEZ, Indore (Madhya Pradesh), Mahal

(Jaipur, Rajasthan) and Butibori-Nagpur (Maharashtra). Four Projects have been completed - Bangalore-Karnataka, Thiruvananthapuram-Kerala, Tirupur and Irrungottakotai - Tamil Nadu. Two projects are near to be completion -Tronica City and Kanpur - Uttar Pradesh (Training centre component yet to be completed) Assistance of Rs. 130.09 Crore has been provided under the scheme for these projects.

TEXTILES CENTRE INFRASTRUCTURE DEVELOPMENT SCHEME (TCIDS)

Development of infrastructure facilities at pre-dominantly textile/apparel sector areas is one of the thrust areas of NTxP-2000. For attaining this objective, the Textiles Centre Infrastructure Development Scheme (TCIDS) was launched for upgrading infrastructure facilities at important textile centers. Eighteen projects have been approved under the TCIDS at Pashmylarlam-Distt. Medak, and Sircilla-Distt. Karimnagar (Andhra Pradesh), Panipat (Sector 29, Phase-II, Haryana), Indore (Madhya Pradesh), Jassol, Balotra-Bithuja belt Barmer Distt. And Paali (Rajasthan), Narol-Shahwadi-Ahmedabad City, SEWA Trade Facilitation Centre, Ahemdabad and Pandesara-Surat (Gujarat), Tirupur, Kancheepuram and Cauvery Hi-tech Weaving Park, Komarapalayam (Tamil Nadu), Solapur, Bhiwandi and Malegaon (Maharashtra), Kannur (Kerala), Zakura (Jammu & Kashmir) and Pilkhuva (Uttar Pradesh). Five Projects completed - SEWA-Gujarat, Kannur-Kerala, Bhiwandi-Maharashtra, Jasol-Rajasthan and Tirupur - Tamil Nadu. Assistance of Rs.209.63 Crore has been provided under the scheme for these projects.

SCHEME FOR INTEGRATED TEXTILE PARKS (SITP)

The 'Scheme for Integrated Textile Parks (SITP)' is being implemented to facilitate



A view of Apparel Unit

setting up of textile units with appropriate support infrastructure. Industry Associations / Group of Entrepreneurs are the main promoters of the Integrated Textiles Park (ITP).

Scope of the Scheme

The scheme targets industrial clusters/ locations with high growth potential, which require strategic interventions by way of providing world-class infrastructure support. The project cost covers common infrastructure and buildings for production/ support activities, depending on the needs of the ITP. The components of an ITP are:

- (a) **Group A** - Land.
- (b) **Group B** - Common Infrastructure like compound wall, roads, drainage, water supply, electricity supply including captive power plant, effluent treatment, telecommunication lines etc.

- (c) **Group C** - Buildings for common facilities like testing laboratory, design center, training center, trade center/ display center, ware housing facility/ raw material depot, crèche, canteen, workers hostel, offices of service providers, labour rest and recreation facilities etc.

- (d) **Group D** - Factory buildings for production purposes.

- (e) **Group E** - Plant & machinery.

The total Project Cost for the purpose of this Scheme includes the cost on account of components of ITP, as listed under Groups A, B, C and D above, provided the ownership of the factory buildings vests with the SPV. The SPV has, however, have the option of seeking financial support from Government of India for components under Groups B and C only, if factory buildings are individually owned.

Funding Pattern

The total project cost, as indicated above, is funded through a mix of Equity/Grant - from the Ministry of Textiles, State Government, State Industrial Development Corporation, Industry & Project Management Consultant and Loan - from Banks / Financial Institutions. The Government of India's (GOI) support under the Scheme by way of Grant or Equity is limited to 40% of the project cost subject to a ceiling of Rs. 40 crore. However, GOI support will be provided @90% of the project cost subject to a ceiling of Rs. 40 crore for first two projects in the States of Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Tripura, Sikkim and Jammu & Kashmir.

Progress of implementation

Forty (40) textiles park projects have been sanctioned by the Ministry of Textiles. State-wise sanction of project is - Andhra Pradesh (5), Gujarat (7), Karnataka (1), Madhya Pradesh (1), Maharashtra (9), Punjab (3) Rajasthan (5), Tamil Nadu (8), West Bengal (1) and . These Parks would have facilities for spinning, sizing, texturising, weaving, processing, apparels etc. The estimated project cost (for common infrastructure and common facilities) is Rs. 4193.65 Crore, of which Government of India assistance under the scheme would be Rs. 1419.69 Crore. 2292 entrepreneurs will put up their units in these parks covering an area of 4307.97 Acre. The projected investment in these parks is Rs. 19,456.90 Crore and estimated annual production is Rs 33568.50 Crore. After these parks are fully operational there would be employment available for 7.50 lakh persons (3 lakh direct & 4.50 indirect). So far assistance of Rs. 882.60 Crore has been provided for execution of these projects. The promoters of these textiles park projects have brought in Rs.1000 Crore (approx.) as their contribution. Four

projects have been completed - Brandix & Pochampally Handloom Park Ltd.- Andhra Pradesh, Gujarat Eco Textile Park-Gujarat and Palladam Hi-Tech Weaving Park - Tamil Nadu and production has been started in 24 out of 40 projects.

INTEGRATED SKILL DEVELOPMENT SCHEME FOR THE TEXTILES & APPAREL SECTOR, INCLUDING JUTE & HANDICRAFTS

OBJECTIVES

- To address the trained manpower needs of textiles and related segments including Handicrafts, Handlooms, Sericulture, Jute, Technical Textiles etc, by developing a cohesive and integrated framework of training based on the industry needs. Addressing this need is critical for enhancing the competitiveness of the industry in the globalised economy.
- To increase the above, while simultaneously ensuring sufficient flexibility to meet the dynamic needs of these segments over a period of the next five years.
- To create a trainers' pool by conducting the advance training programmes at a cluster level.employability of residents of the target areas through imparting of skills in the above segments.
- To ensure that the scheme is so designed as to cater to the wide range of skill sets required in various segments as listed.
- To ensure training in design development programmes, which is critical for handloom weavers/ handicraft artisans/jute artisans, to help them produce diversified products with innovative uses and improved quality to meet changing market trends.

Salient Features of the Scheme

- The Scheme would work on the basic principle of leveraging on existing resources and infrastructure as advised by the Planning Commission. Further, private sector participation would also be encouraged.
- The Scheme would target to train approximately 2.56 lakh persons during 2010-11 and 2011-12.
- It would cover all segments under the ambit of the Ministry, viz.
 - i) Textiles and Apparel
 - ii) Handicrafts
 - iii) Handlooms
 - iv) Jute
 - v) Sericulture
 - vi) Technical Textiles
- All facets of skill development will be covered viz. Basic Training, Skill upgradation, Advanced Training in emerging technologies, Training of Trainers, orientation towards modern technology, retraining, skill upgradation, managerial skill, entrepreneurship development etc.
- The training programme will be designed based on industry demand in different segments. The emphasis will be on measurable outcomes, wherein it will be ensured that all successful trainees are certified through an accredited agency. The training institutions supported under the scheme shall be required to enter into contract with a private partner for part funding as well as designing of the courses to be supported under this scheme.
- Private sector participation will be ensured, and outcomes will be strengthened by incentivising training where the trainees get employed/self-employed after training is imparted.
- The average cost per trainee (for the government) to be borne through the Scheme would be approximately Rs.7300/-.
- The Govt will meet 75% of the total cost of the project, and balance 25% would be met from Fee/Industry Contribution. However, in courses/programmes (of Component - I) where it is not feasible to organise the beneficiary contribution, the Empowered Committee shall be authorised to approve a higher level of government assistance.
- A budget line for a new HRD Scheme under new initiatives of the Ministry of Textiles already exists, which will be operated for this scheme. However, since the approved outlay for all new schemes of the Ministry during the Eleventh Plan is presently Rs.229 crores, the scheme has been formulated to run pilot projects in the first two years, do an evaluation and thereafter scale up the operations in the remaining three years.
- A Mid-term evaluation would be carried out at the end of the first 2 years to make mid-course modifications in the Scheme as required. The evaluation would be carried out through a reputed independent agency. The Scheme also provides for an MIS system to ensure transparency, a Skills exchange and an end of term Impact Assessment by an independent agency.

The Physical & Financial Targets of the Scheme during 2010-11 & 2011-12 are given at table 4.8.

The Financial Outlays of the Scheme is given at table 4.9.

Table 4.8

| Sector | Physical (000 persons) | | | Financial (Rs Crores) | | |
|--------------------|--|---------------|---------------|-----------------------|---------------|---------------|
| | Year 1 | Year 2 | Total | Year 1 | Year 2 | Total |
| Textiles (TRA/PSC) | 8.60 | 17.20 | 25.80 | 10.57 | 13.54 | 24.10 |
| Apparel (ATDC) | 26.68 | 38.95 | 65.63 | 44.29 | 44.04 | 88.33 |
| Handicraft | 22.00 | 35.00 | 57.00 | 16.25 | 25.27 | 41.52 |
| Handloom | 9.20 | 17.40 | 26.60 | 5.83 | 11.23 | 17.05 |
| Jute | 7.20 | 12.15 | 19.35 | 2.58 | 4.01 | 6.59 |
| Sericulture | 1.75 | 1.95 | 3.70 | 0.90 | 0.70 | 1.60 |
| Technical Textiles | 8.80 | 13.20 | 22.00 | 9.15 | 9.15 | 18.30 |
| PPP | 11.00 | 25.00 | 36.00 | 8.25 | 18.75 | 27.00 |
| Total | 95.23 | 160.85 | 256.07 | 97.82 | 126.68 | 224.50 |
| | Add Admin/Monitoring & Evaluation Cost 1%+1% | | | | | 228.99 |

Table 4.9
Financial Outlays

| Sector | Financial Year 1 | (Rs Crores) Year 2 | Govt. Contribution | Non Govt Contribution | Total Resources |
|--------------------------------------|------------------|--------------------|--------------------|-----------------------|-----------------|
| Textiles (TRA/PSC) | 10.57 | 13.54 | 24.10 | 6.03 | 30.13 |
| Apparel (ATDC) | 44.29 | 44.04 | 88.33 | 22.08 | 110.42 |
| Handicraft | 16.25 | 25.27 | 41.52 | 2.19 | 43.71 |
| Handloom | 5.83 | 11.23 | 17.05 | 0.90 | 17.95 |
| Jute | 2.58 | 4.01 | 6.59 | 0.35 | 6.93 |
| Sericulture | 0.90 | 0.70 | 1.60 | 0.08 | 1.69 |
| Technical Textiles | 9.15 | 9.15 | 18.30 | 4.58 | 22.88 |
| PPP | 8.25 | 18.75 | 27.00 | 6.75 | 33.75 |
| Total | 97.82 | 126.68 | 224.50 | 42.95 | 267.45 |
| Add Admin/Monitoring & Eval Expenses | 99.77 | 129.22 | 228.99 | 42.95 | 271.94 |

CHAPTER V

*THE COTTON AND
MAN-MADE FIBRE AND
FILAMENT YARN INDUSTRY*

CHAPTER V

THE COTTON AND MAN-MADE FIBRE AND FILAMENT YARN INDUSTRY

Cotton is one of the principal crops of the country and is the major raw material for domestic textile industry. It provides sustenance to million of farmers as also the workers involved in cotton industry, right from processing to trading of cotton. The Indian textile industry consumes a diverse range of fibres and yarn, but is predominantly cotton based. The ratio of the use of cotton to man-made fibres and filament yarns by the domestic industry is about 56:94. Indian Textile Industry has an overwhelming presence in the economic life of the country. Apart from providing one of the basic necessities of life, the textile industry also plays a pivotal role through its contribution to industrial output, employment generation and the export earnings of the country. It contributes about 14% to the industrial production, 4% to the GDP and 14.42% to the country's export earnings. The textile sector is the second largest provider of employment after agriculture. Hence, growth and all around development of cotton and cotton industry has a vital bearing on the overall development of the Indian economy.

ACREAGE UNDER COTTON CULTIVATION

Acreage under cotton in India had been continuously increasing. The cotton acreage in 2009-10 (October-September) had reached a record level of 103.29 lakh hectares as against 94.06 lakh hectares in previous year.

Approximately 65% of Indian's cotton is

produced on rainfed areas and 35% on irrigated lands. Cotton farmers in India have been showing increasing inclination in bringing more and more areas under Bt cultivation, which has helped them in increasing their net earning through higher yields and lower cost on pesticides consumption. Acreage under Bt. Cotton in the country is continuously increasing year by year. During cotton season 2009-10, the acreage under Bt cultivation had been around 81 lakh hectares as against 68 lakh hectares in the previous year. The share of Bt. Cultivation in 2009-10 constitute around 79% of the total acreage as against 73% during last year.

INDIAN COTTON VARIETIES

India is the only country to grow all four species of cultivated cotton *Gossypium arboreum* and *herbaceum* (Asian cotton), *G.barbadense* (Egyptian cotton) and *G. hirsutum* (American Upland cotton). *Gossypium hirsutum* represents 90% of the hybrid cotton production in India and all the current Bt cotton hybrids are *G.hirsutuim*. India produces large number of cotton varieties and hybrids. Though the number of varieties in cultivation exceeds seventy-five, 98% of the production is contributed by about 25 varieties only.

COTTON PRODUCTION AND PRODUCTIVITY

Cotton is produced in India in three zones viz., Northern zone comprising the States of Punjab, Haryana and Rajasthan, Central zone comprising the States of

Maharashtra, Madhya Pradesh and Gujarat and Southern zone comprising the States of Andhra Pradesh, Karnataka and Tamil Nadu. Besides these nine States, cotton cultivation has gained momentum in the eastern State of Orissa.

With increased acreage and advent of Bt cultivation, the country has achieved cotton production of 5.02 million tons in cotton season 2009-10 as against 4.93 million tons in the previous year. The country has once again retained the position as the second largest cotton producing country in the world, after China.

The adverse agro-climatic conditions, insufficient rains in certain parts had affected the cotton yield during the year 2009-10 and the same had been at 488 kgs per hectare as against 524 kgs per hectare during cotton year 2008-09.

The higher cotton production in the country for the fifth consecutive year has been due to significant increase in acreage under Bt cultivation. The State-wise production of cotton during 2007-08, 2008-09 and 2009-10 cotton years (October-September) are given at table 5.1.

DEMAND AND SUPPLY SITUATION

In cotton season 2009-10, with expected signs of improvement in the global economy, the demand for raw cotton and for finished products like yarn, fabrics and garments, have improved both domestically and world over. With this, as also with improved operating profit margins, most of the textile mills had become active in purchasing their cotton requirements, Improvement in production across product lines has been supported by revival in the demand as well as

Table 5.1

| Year | 2007-08 | | | 2008-09 | | | 2009-2010 | | |
|----------------------|--------------|---------------|------------|--------------|---------------|---------------|---------------|---------------|---------------|
| State | Area | Prod | Yield | Area | Prod | Yield | Area | Prod | Yield |
| Punjab | 6.04 | 20.00 | 583 | 5.27 | 17.50 | 564.52 | 5.36 | 14.25 | 488.41 |
| Haryana | 4.83 | 15.00 | 563 | 4.56 | 14.00 | 521.93 | 5.07 | 14.75 | 494.58 |
| Rajasthan | 3.69 | 9.00 | 416 | 3.02 | 7.50 | 422.19 | 4.44 | 11.00 | 421.17 |
| North total | 14.56 | 44.00 | 536 | 12.85 | 39.00 | 515.95 | 14.87 | 40.00 | 469.94 |
| Gujarat | 24.22 | 110.00 | 757 | 23.54 | 90.00 | 649.96 | 26.25 | 98.00 | 634.91 |
| Maharashtra | 31.95 | 62.00 | 330 | 31.42 | 62.00 | 335.46 | 35.03 | 63.00 | 296.03 |
| Madhya Pradesh | 6.30 | 20.00 | 539 | 6.25 | 18.00 | 489.60 | 6.04 | 15.00 | 381.58 |
| Central total | 62.47 | 192.00 | 520 | 61.21 | 170.00 | 472.15 | 67.32 | 176.00 | 435.48 |
| Andhra Pradesh | 11.33 | 46.00 | 714 | 13.99 | 53.00 | 644.03 | 14.83 | 52.00 | 644.43 |
| Karnataka | 4.03 | 8.00 | 351 | 4.08 | 9.00 | 375.00 | 4.27 | 9.00 | 378.22 |
| Tamil Nadu | 0.99 | 4.00 | 654 | 1.09 | 5.00 | 779.82 | 1.14 | 5.00 | 817.31 |
| South Total | 16.35 | 58.00 | 621 | 19.16 | 67.00 | 594.47 | 20.24 | 66.00 | 592.70 |
| Others | 0.76 | 1.00 | 425 | 0.58 | 1.50 | 439.66 | | 01.00 | 314.81 |
| TOTAL | | 295.00 | | 0.26 | 0.50 | 326.92 | 0.54 | 01.00 | 361.70 |
| Loose lint | | 12.00 | | | 12.00 | - | - | 12.00 | - |
| GRAND TOTAL | 94.14 | 307.00 | 560 | 94.06 | 290.00 | 524.13 | 103.29 | 295.00 | 488.05 |

significant capacity additions/modernization initiatives. As a result, the domestic cotton consumption in cotton season 2009-10 had increased substantially by around 9% to 4.25 million tons as against 3.89 million tons in the previous year.

EXPORT & IMPORT OF COTTON

Exports of cotton from the country are under Open General Licence (OGL) since July, 2001. The International cotton prices in cotton season 2009-10 has been higher than domestic prices and there was good demand for Indian cotton, especially from neighbouring countries like China, Pakistan and Bangla Desh. As a result, cotton exports from the country during the year 2009-10, had gone up significantly to 1.41 million MT (8.30 million bales of 170kgs each) as against 0.60 million metric tons (3.50 million bales) in previous year.

Government of India since April 9, 2010 had omitted "Raw Cotton" from the exemption category with imposition of custom duty at the rate of Rs. 2500 per tone to avoid disruption in supply chain of cotton in the country till the end of cotton season 2009-10.

However, the Government of India has decided to allow the exports of cotton

under OGL without duty effect from 1st October, 2010 for the cotton season 2010-11.

Imports of cotton into India are under Open General Licence (OGL) since April 1994 and since July 2008, the Government of India had abolished the import duty of 10% alongwith countervailing duty of 4% on cotton imports. Thus Indian mills now import cotton without any restrictions from anywhere in the world.

The Imports during the cotton season 2009-10 are estimated at 0.12 million MT (0.70 million bales of 170kgs) as against 0.17 million metric tons (1.00 million bales of 170 kgs) during the previous year. The imports mainly comprise of ELS.

The details of exports and imports of cotton during last five years are given at table 5.2.

PRICE TREND OF COTTON DURING 2009-10

Initially during the cotton season 2009-10, the opening cotton prices were lower to certain medium and long staple varieties for a short period of one month by 11% to 18% as compared to the opening prices of previous year. However, from

Table 5.2
EXPORTS

| Year | Qty. (in lakh bales of 170 kgs each) | Value in Rupees / crores |
|---------|--------------------------------------|--------------------------|
| 2004-05 | 9.14 | 657.34 |
| 2005-06 | 47.00 | 3951.35 |
| 2006-07 | 58.00 | 5267.08 |
| 2007-08 | 88.50 | 8365.98 |
| 2008-09 | 35.00 | 3825.10 |
| 2009-10 | 83.00 | NA |

Quantity figures as per CAB Value
Figures as per DGCIS Kolkata

Table 5.2
IMPORTS

| Year | Qty. (in lakh bales of 170 kgs each) | Value in Rupees / crores |
|---------|--------------------------------------|--------------------------|
| 2004-05 | 12.17 | 1338.04 |
| 2005-06 | 5.00 | 695.77 |
| 2006-07 | 5.53 | 752.29 |
| 2007-08 | 6.38 | 986.33 |
| 2008-09 | 10.00 | NA |
| 2009-10 | 7.00 | NA |

Quantity figures as per CAB Value
Figures as per DGCIS Kolkata

the third week of October, 2009, In the wake of improvement in global economy, the domestic cotton prices also started rising. The cotton prices reached a peak level in September, 2010 and were higher by around 12% to 52% as compared to previous year. Cotton prices during 2009-10 ruled at all time higher than the previous years.

The volatility and uncertainty in international prices directly influenced domestic cotton prices. With the expiry of MFA in January 2005, the Indian cotton prices are now fully integrated with the International cotton prices.

INITIATIVES TAKEN BY THE GOVERNMENT OF INDIA

In order to ensure cotton security the Government has put in place the following policy interventions in cotton season 2010-11:

FOR COTTON

- Registration of cotton export contact would commence from 1/10/2010 instead of 15/09/2010;
- Actual exports would commence from 1/11/2010;
- The exportable surplus was identified as 55 lakh bales;

- There will be no registration after the exportable surplus is registered;
- The export duty on Cotton at Rs. 2500/- per Tonne would be withdrawn effective from October, 1, 2010;

FOR COTTON YARN

Hank Yarn Obligation expanded from 40s counts to 80s counts with effect from 31.3.2010.

- 7.67% DEPB incentive on cotton yarn exports was withdrawn with effect from 21st April, 2010
- Duty Draw back on cotton yarn obligation was withdrawn w.e.f. 29.4.2010
- Strict monitoring of hank yarn obligation started from 1.4.2010
- Registration of cotton yarn export with the Office of the Textile Commissioner was made mandatory w.e.f. 9.4.2010
- Cotton Yarn Advisory Board has been constituted to monitor domestic and international prices of cotton yarn
- There shall be no further registration of cotton yarn export beyond 720

million kgs. for the financial year 2010-11.

MINIMUM SUPPORT PRICE (MSP)

The Cotton Corporation of India Ltd., undertakes MSP operations on behalf of the Government of India ensuring remunerative prices to the cotton growers of the country in the event of prevailing kapas prices falling below the MSP level.

The Government of India has fixed the support price of two basic varieties of cotton viz., Medium Staple Length Cotton having Staple Length of 24.5 to 25.5 mm with micronaire value of 4.3 to 5.1 and Long Staple Length Cotton having Staple Length of 29.5 to 30.5 mm with micronaire value of 3.5 to 4.3 of new crop of Seed Cotton (Kapas) of Fair Average Quality (FAQ) for Cotton Season 2009-10 (October-September). The support price for Medium Staple Length Cotton has been fixed at Rs.2500/- per quintal and that for Long Staple Length Cotton of above classes has been fixed at Rs.3000/- per quintal. Based on the support prices for these two basic classes of Seed Cotton and taking into account the quality differential, normal price differential and other relevant factors, the support prices for other classes of Seed Cotton (Kapas) of Fair Average Quality (FAQ) are fixed by the Textile Commissioner.

COTTON ADVISORY BOARD

The Cotton Advisory Board is headed by the Textiles Commissioner and is a representative body of various interest groups like Government Agencies, Cotton Growers, Textiles Industry and Trade. It advises the Government generally on matters pertaining to production, consumption and marketing of cotton and also provides a forum for liaison. The Board was reconstituted on 5th May, 2010 for a period of two years. At present the Board has sixty nine

members, including official and non-official members.

ORGANIC COTTON ADVISORY BOARD

The Organic Cotton Advisory Board (OCAB) was constituted on 14.10.2008. The OCAB headed by the Textile Commissioner, is a representative body of the Central and State Government agencies, Certifying agencies, Agriculture Universities / Research Institutes, Ginning & Pressing Sector, Textile industry and Non official Members. The role and functions of the Organic Cotton Advisory Board shall be as under:

- i. To assess the demand and supply situation.
- ii. To recommend subsidy for production practices to be followed for cultivation of organic cotton under Mini-Mission II of the TMC / ICDP.
- iii. To evolve the guidelines for the basis of certification, delineation/identification of production areas and varieties suitable for organic farming.
- iv. Constant analysis - comparative studies of organic and inorganic farming on long-term basis.
- v. Co-ordination with APEDA and National Organic Farming Institute (NOFI), Faridabad along with its Regional Station at Jabalpur and Nagpur.
- vi. Coordination with other certifying agencies.

INTERNATIONAL COTTON ADVISORY COTTON COMMITTEE (ICAC)

The International Cotton Advisory Committee is an association of governments having an interest in the production, export, import and consumption of cotton. It is an

intergovernmental organization composed of countries that produce, consume and trade cotton and is designed to promote cooperation in the solution of cotton problems, particularly those of international scope and significance. The ICAC is working with WTO to facilitate international trade discussions. ICAC is a scientific and economic organization devoted to improvement of the world cotton sector and it is not a political body. The functions of the International Cotton Advisory Committee, as defined in the Rules and Regulations, are:

- i. To observe and keep in close touch with developments affecting the world cotton situation.
- ii. To collect and disseminate complete, authentic, and timely statistics on world cotton production, trade, consumption, stocks and prices.
- iii. To suggest, as and when advisable, to the governments represented, any measure the Advisory Committee considers suitable and practicable for the furtherance of international collaboration directed towards developing and maintaining a sound world cotton economy.
- iv. To be the forum of international discussions on matters related to cotton prices.

The 69th meeting of the ICAC, took place in Lubbock, Texas, USA from September 20-25, 2010.

COTTON CORPORATION OF INDIA (CCI)

The role assigned to the CCI under the Textile Policy of June 1985 was:

- To undertake price support operations whenever the market prices of kapas touch the support

prices announced by the government of India without any quantitative limit.

- To undertake commercial operations only at CCI 's own risk; and
- To purchase cotton to fulfill export quotas given to CCI.

The above role of the CCI continued under the New Textile Policy of 2000. However, the last stated function no longer is relevant as export of cotton is now free and the Government is releasing no quotas. Nevertheless CCI purchases cotton even now to undertake export of cotton.

Besides the above role CCI has also been designated as the nodal agency for implementation of Mini Missions III and IV of the Technology Mission on Cotton for improvement and Development of Market Yards and Modernization of Ginning and Pressing factories and thereby improving the quality of cotton by reducing contamination of cotton and ensuring better prices to the growers.

In addition to the above the Ministry of Agriculture has also nominated the CCI as the implementing agency for undertaking Front Line Demonstrations under Mini Mission II of the TMC.

Under its developmental activities the CCI has been implementing the Contract Farming Project in all the cotton growing States.

TECHNOLOGY MISSION ON COTTON

The Government of India commissioned the Technology Mission on Cotton (TMC) on February 21, 2000. The Mission aims to address the issues of raising productivity, improving quality and reducing the cost of production and thus provide the much-needed competitive advantage to the textile industry along with ensuring attractive returns to the farmers. The X Plan scheme was operational upto

31.03.2007. However, the Scheme MM III and IV of TMC has been further extended in the 11th Five Year Plan for two years i.e. upto 31.3.2009 to accomplish target and completion of the projects.

The Mission comprises of four Mini Missions, which are jointly being implemented by the Ministries of Agriculture and Textiles. MM-I relates to Research and Development on Cotton and MM-II is Dissemination of technology to farmers are being undertaken by the Ministry of Agriculture.

Ministry of Textiles is the Nodal Agency for Mini Missions III & IV of TMC. Mini Mission III aims to improve the quality of cotton, particularly in respect of trash, contamination etc. by improving the marketing infrastructure in the market yards for cotton by providing better facilities of cotton producing facilities by upgrading/modernizing the existing Ginning and Pressing factories resulting in cotton processing with minimum or no contamination to achieve better value products like yarn, cloth, garments made-ups etc. Target as well as achievement made under MM-III and MM-IV of TMC is given at table 5.3.

Table 5.3

| Objectives | Target | Achievement |
|--|--------|-------------|
| (MM-III) Market Yards | 250 | 242 |
| (MM-IV) Ginning & Pressing factories | 1011 | 885 |

With the intervention of MM III and MM IV, the trash content and contamination has reduced substantially which in turn has enhanced the export of clean and contamination free cotton bales to various countries branding the Indian Cotton in global arena and also benefiting the textiles mills in producing good quality cotton textile. The TMC has been a valuable vehicle to bring the ultimate stakeholders of cotton textile industry in touch with the relevant advancement so as to increase farm productively and in turn for the multiplier effect to work on the cotton economy as whole. The Mission is an effort towards the collective cause for the entire cotton economy and cotton textile Industry.

Mini Mission III & IV of TMC have completed its tenure.



CHAPTER VI
THE JUTE AND JUTE
TEXTILES INDUSTRY

CHAPTER VI

THE JUTE AND JUTE TEXTILES INDUSTRY



Tex-Trends India 2011 – A glimpse of Theme Pavilion put up by National Jute Board

The Jute industry occupies an important place in the national economy of India. It is one of the major industries in the eastern region, particularly in West Bengal. Jute, the golden fibre, meets all the standards for 'safe' packaging in view of being a natural, renewable, biodegradable and eco-friendly product. It is estimated that the jute industry provides direct employment to 0.37 million workers in organized mills and in diversified units including tertiary sector and allied activities and supports the livelihood of around 4.0 million farm families. In addition there are a large

number of persons engaged in the trade of jute.

In the world perspective, India is the major producer of both raw jute and jute products. Out of the total world production of Jute, Kenaf and allied fibre of 3.0 million tonnes in 2007-08, India produced 1.8 million tonnes. In percentage terms India accounted for 60% of world production in 2007-08. Global production of jute and allied fibres is estimated to have increased by 25% to 3.0 million tonnes in 2007-08 compared to 2004-05 season. Production in India has also

increased by 28% to 1.8 million tonnes in 2007-08 over 2004-05.

There are 79 composite jute mills in India. Out of the total 79 jute mills, 62 jute mills are located in West Bengal, 3 each in Bihar and U.P., 7 in Andhra Pradesh and 1 each in Assam, Orissa, Tripura and Chattisgarh. Ownership-wise division is:- 6 mills are under Government of India's P.S.U., 1 mill (Tripura) is under State Government, 2 mills (Assam & New Central) are in the co-operative sector and 70 are privately owned mills.

As on 01-01-2010 total number of looms installed in the jute industry stood at 48,260 consisting of 22,038 Hessian looms, 24,093 sacking looms, 1,068 C.B.C looms and others at 1,061. The installed spindles in jute mills other than 100% export oriented units were 731,408 comprising 622,324 fine spindles and 109,084 coarse spindles. As on 01-01-2010, installed spindles in 100% export oriented units stood at 9,482 with fine spindles at 6,974 and coarse spindles at 2,508. The maximum installed capacity in jute mills other than 100% export oriented units (on the basis of 305 working days per year) is estimated to be of 2.51 million tonnes per annum.

NATIONAL JUTE POLICY

Government of India recognized the significance of jute in India's economy which provides sustenance to more than 4 million people including jute farmers, workmen, labourers and self employed artisans and weavers, especially in Eastern and North-Eastern part of the country, where it is the mainstay of agro based industries. World over it has been recognized that jute and allied fibres occupy a unique position as eco-friendly, bio-degradable, renewable natural fibres with substantial value addition at each stage of processing. Taking note of the new opportunities presented by the

changing global environment of integration in the development of natural fibres, the strength and weaknesses of the jute sector in India and acknowledging the growing demand for diversified and innovative jute product in the world market, GOI announced the "National Jute Policy - 2005" to redefine the goals and objectives, focus on thrust areas and sharpen strategy in tune with the times with a view to give the jute industry in India a fresh impetus in all respect.

The main objective of the policy is to facilitate the jute sector in India to attain and sustain a pre-eminent global standing in the manufacture and export of jute products by enabling the jute industry to build world-class state-of-the art manufacturing capabilities in conformity with environmental standards. The policy seeks to strengthen R&D activities in agricultural practices with public-private partnership with a vision to ensure remunerative prices to millions of jute farmers by enabling them to produce better quality jute fibre for value added diversified jute products and enhance per hectare yield of raw jute.

RAW JUTE SCENARIO

Raw jute crop is an important cash crop to the farmers. Cultivation of raw jute crop provides not only fibre which has industrial use, but jute stick which is used as fuel and building material by the farming community. The area under jute cultivation and crop size from 2001-2002 onwards is given at table 6.1.

There are always significant fluctuations in the area under jute cultivation in India. The year to year fluctuations arise out of three factors namely, (i) fluctuation in rainfall during the sowing season, (ii) the average raw jute prices realized during the previous jute season, and (iii) the returns realized from competing crops during the previous season. A significant

Table 6.1

| Year | Crop (Lakh MT) | Area (lakh / Hectare) |
|---------|----------------|-----------------------|
| 2001-02 | 16.2 | 10.49 |
| 2002-03 | 19.8 | 10.21 |
| 2003-04 | 16.2 | 9.59 |
| 2004-05 | 13.5 | 9.16 |
| 2005-06 | 15.3 | 8.96 |
| 2006-07 | 18.0 | 9.49 |
| 2007-08 | 17.82 | 9.71 |
| 2008-09 | 14.76 | 9.25 |
| 2009-10 | 16* | 9.25* |

*Estimated

area under jute competes with Aus paddy during the same season. Hence, year to year fluctuations in the prices of jute relative to the prices of Aus paddy would generally influence the relative allocation of land between the two crops.

Raw jute is produced mainly in the state of West Bengal, Bihar, Assam, Orissa, Andhra Pradesh, Tripura and Meghalaya. State-wise raw jute production during 2008-09 and 2009-10 are given at table 6.2.

As per the 1st Advance Estimates of Production [received from Directorate of Economics & Statistics, Department of Agriculture & Cooperation], the production of Jute & Mesta in jute year 2010-11 (July-June) is expected to reach 102.82 lakh bales (of 180 kgs each), which is around 14% more than the production estimated for the year 2009-10 by Jute Advisory Board.

The supply and demand position of raw

Table 6.2

(Area in '000 Hect.; Production in '000 bales of 180 k.g per bale; Productivity in Qtls/hect.)

| State | 2008-2009 | | | 2009-2010 | | |
|----------------|--------------|----------------|--------------|--------------|---------------|--------------|
| | Area | Production | Productivity | Area | Production | Productivity |
| Assam | 65.9 | 697.3 | 10.58 | 64.5 | 726.0 | 11.26 |
| Meghalaya | 11.6 | 78.0 | 6.7 | 11.3 | 76.0 | 6.72 |
| West Bengal | 594.2 | 8000.0 | 13.46 | 499.6 | 7225.0 | 14.46 |
| Bihar | 151.9 | 1423.1 | 9.4 | 154.9 | 1255.0 | 8.10 |
| Orissa | 30.5 | 195.5 | 6.4 | 25.6 | 195.0 | 7.6 |
| Andhra Pradesh | 41.0 | 361.0 | 8.8 | 23.2 | 220.0 | 9.5 |
| Tripura | 3.0 | 22.5 | 7.5 | 2.0 | 17.4 | 8.7 |
| Others | 27.6 | 68.4 | 2.5 | 25.0 | 70.0 | 2.8 |
| Total | 925.7 | 10845.8 | 11.7 | 781.9 | 9819.9 | 12.6 |

*Crop projection as made by Directorate of Jute Development, Ministry of Agriculture, Govt. of India.

jute including mesta for the period from 2005-06 to 2010-11 is given at table 6.3.

JUTE SEEDS

Based on the average area of jute in the country, the annual requirement of jute seeds is around 50-55 thousand quintal. The average area of jute in West Bengal is little more than 6 lakh hectares and for which the annual requirement of jute seed is nearly 35-40 thousand quintal. The present level of certified jute seed production can cater to the needs of nearly 35 per cent of the jute area in the Country. The public Sector organizations like National Seeds Corporation, Maharashtra State Seeds Corporation, State Farms Corporation of India are the major producer of the jute seed. This apart, the Andhra Pradesh State Seeds Development Corporation, West Bengal State Seeds Corporation is also involved in jute seed production. The total production of seed, mainly certified seed, by the Public Sector organizations is to the tune of about 25-30 per cent of the total requirement. The rest of the seed is produced by the Private Sector organizations.

For augmenting supply of certified seeds, Jute Corporation of India has taken the following steps:-

- In 2010, JCI had targeted a distribution of 200 MT - 500 MT certified jute seeds during sowing season i.e March/ April 2010.
- The Subsidy of Rs. 40 per kg was provided to jute growers.
- JCI distributed 437.580 MT seeds so far.
- JCI aims to distribute 1500 MT of Certified Jute Seeds in the year 2011 through its 171 DPC s along with the help of State Cooperative Societies and Farmers' Club.

MINIMUM SUPPORT PRICE (MSP) OPERATIONS FOR RAW JUTE AND MESTA

Minimum Support Price for raw jute and mesta is fixed every year to protect the interest of farmers. While fixing prices of different grades, the issue of discouraging production of lower grade jute and encouraging production of higher grades

Table 6.3

(Qty : In lakh bales of 180 KG of each bale)

| | 2005-06 | 2006-07 | 2007-08 | 2008-09 | 2009-10 | 2010-11 |
|------------------------------|---------------|---------------|---------------|---------------|---------------|----------------|
| (A) SUPPLY | | | | | | |
| i) Opening stock | 14.00 | 8.00 | 23.00 | 22.00 | 8.00 | 12.00 |
| ii) Jute and Mesta crop | 85.00 | 100.00 | 99.00 | 82.00 | 90.00 | 107.00 |
| iii) Import | 7.00 | 4.00 | 8.00 | 2.00 | 3.00 | 5.00 |
| Total : | 106.00 | 112.00 | 130.00 | 106.00 | 101.00 | 124.00 |
| (B) DISTRIBUTION | | | | | | |
| iv) Mill consumption | 90.00 | 81.00 | 99.00 | 89.00 | 77.00 | 95-105 |
| v) Domestic/ind. consumption | 8.00 | 8.00 | 9.00 | 9.00 | 10.00 | 10.00 |
| vi) Export | Neg | Neg | Neg | Neg | 2.00 | 2.00 |
| Total : | 98.00 | 89.00 | 108.00 | 98.00 | 89.00 | 107-117 |
| (C) CLOSING STOCK | 8.00 | 23.00 | 22.00 | 8.00 | 12.00 | 7-17 |

jute are taken into consideration so as to motivate farmers to produce higher grade jute.

Jute Corporation of India (JCI), a PSU under Ministry of Textiles is the nodal agency to undertake support price operation for raw jute from the farmers. Raw jute purchased by JCI in association with the State Co-operatives during the last several years is given at table 6.4.

The minimum support price is fixed by the Govt. on the basis of recommendations of

the Commission for Agricultural Costs and Prices (CACP). As per CACP reports, while formulating the agricultural price policy CACP takes into account various factors such as cost of production, overall demand/supply situation, domestic and international prices and effect of minimum support price on general price level.

CACP every year also conducts meetings of all stake holders to decide Minimum Support Price. The MSP announced by Govt. of India during the last several years are given at table 6.5.

Table 6.4

| Year | Procurement of raw jute by JCI (Qty: In '000' Bales) | | |
|---------|--|------------|--------|
| | MSP | Commercial | Total |
| 2002-03 | 1314.0 | 0.0 | 1314.0 |
| 2003-04 | 1118.0 | 0.0 | 1118.0 |
| 2004-05 | 352.0 | 0.0 | 352.0 |
| 2005-06 | 0.0 | 141.0 | 141.0 |
| 2006-07 | 136.0 | 348.0 | 484.0 |
| 2007-08 | 756.0 | 0.0 | 756.0 |
| 2008-09 | 103.7 | 0.0 | 103.7 |
| 2009-10 | 0.0 | 0.0 | 0.0 |
| 2010-11 | 9.6 | 0.0 | 9.6 |

Table 6.5

| Year | MSP of TD-5 grade of raw jute Ex-Assam (Rs./Quintal) | %age increase over previous year |
|---------|--|----------------------------------|
| 1998-99 | 650 | 14.0 |
| 1999-00 | 750 | 15.4 |
| 2000-01 | 785 | 4.7 |
| 2001-02 | 810 | 3.2 |
| 2002-03 | 850 | 4.9 |
| 2003-04 | 860 | 1.2 |
| 2004-05 | 890 | 3.5 |
| 2005-06 | 910 | 2.2 |
| 2006-07 | 1000 | 9.9 |
| 2007-08 | 1055 | 5.5 |
| 2008-09 | 1250 | 18.5 |
| 2009-10 | 1375 | 10.0 |
| 2010-11 | 1575 | 14.5 |



Production in a revived Jute Mill at Katihar (Bihar)

PRODUCTION OF JUTE GOODS

During 2009-10 (April - March), total production of jute goods was at 1323.3 thousand MT compared to 1633.7 thousand MT in the corresponding period of 2008-09 showing a fall of 19% over the previous year. Production of jute goods in the current financial year 2010-11 (April/October 2010) is to the tune of 929.7 thousand MT as against 876.3 thousand MT during the corresponding period of last financial year. The table below highlights the production trend of jute goods from 2001-02 onwards and projected production for 2010-11 (April-March). Trend in production of jute goods from 2001-02 is given at table 6.6.

DOMESTIC OFF-TAKE OF JUTE GOOD

During 2009-10 (April-March) domestic

consumption of jute goods was 1205.0 thousand MT as against 1435.6 thousand MT in the corresponding period of 2008-09 recording a fall of 16%. During the Current financial year 2010-11 (April-October'10) domestic consumption of total jute goods is 781.0 thousand MT as against 810.1 thousand MT during the corresponding period of last year. Trend in Domestic Consumption of Jute goods from 2001-02 is given at table 6.7.

PURCHASE OF B.TWILL BAGS

Volume of B.Twill bags purchased by different food grain procuring agencies during 2009-10 was 16.73 Lakh bales (5.56 Lakh MT) as against 18.68 Lakh bales (6.21 Lakh MT) in 2008-09.. In the current financial 2010-11 (upto December), a total quantity of 14.75 Lakh bales (4.90 Lakh MT) have been purchased as against

Table 6.6

(Qty in : 000 MT)

| (April-March) | Hessian | Sacking | Carpet Backing Cloth | Others | Total |
|--------------------|---------|---------|----------------------|--------|---------|
| 2001-02 | 275.3 | 1034.0 | 5.0 | 286.5 | 1600.8 |
| 2002-03 | 338.3 | 1000.0 | 4.7 | 278.8 | 1621.8 |
| 2003-04 | 305.2 | 979.3 | 4.7 | 282.1 | 1571.3 |
| 2004-05 | 310.3 | 992.0 | 4.0 | 306.8 | 1613.1 |
| 2005-06 | 320.0 | 1007.5 | 6.2 | 248.5 | 1582.2 |
| 2006-07 | 250.3 | 874.7 | 2.9 | 228.4 | 1356.3 |
| 2007-08 | 350.3 | 1143.0 | 6.0 | 277.0 | 1775.9 |
| 2008-09 | 297.8 | 1071.4 | 4.1 | 260.4 | 1633.7 |
| 2009-10 | 206.5 | 921.6 | 2.2 | 193.0 | *1323.3 |
| Apr-Oct, 2010 | 153.9 | 618.9 | 2.6 | 154.3 | 929.7 |
| Apr-Oct, 2009 | 135.7 | 620.1 | 1.2 | 119.5 | 876.3 |
| 2010-11(Projected) | 265.8 | 1062.9 | 4.8 | 266.5 | 1600.0 |

*The unusual fall in production during 2009-10 is attributable to strike in jute mill in West - Bengal w.e.f.14-12-09 to 12-02-10.

Table 6.7

(Qty in "000MT)

| (April-March) | Hessian | Sacking | Carpet Backing Cloth | Others | Total |
|--------------------|---------|---------|----------------------|--------|--------|
| 2001-02 | 243.0 | 1021.4 | 0.9 | 195.5 | 1460.8 |
| 2002-03 | 251.3 | 954.8 | 1.9 | 165.7 | 1373.7 |
| 2003-04 | 253.3 | 910.0 | 0.9 | 178.7 | 1342.9 |
| 2004-05 | 244.8 | 972.4 | 0.5 | 176.5 | 1394.2 |
| 2005-06 | 237.6 | 974.2 | 0.7 | 165.3 | 1377.8 |
| 2006-07 | 209.1 | 854.4 | 0.5 | 152.7 | 1216.2 |
| 2007-08 | 271.4 | 1101.9 | 1.4 | 168.6 | 1543.3 |
| 2008-09 | 249.8 | 1043.0 | 0.3 | 142.5 | 1435.6 |
| 2009-10 | 182.6 | 879.7 | 1.0 | 141.7 | 1205.0 |
| Apr-Oct, 2010 | 110.5 | 590.5 | 0.3 | 79.7 | 781.0 |
| Apr-Oct, 2009 | 119.3 | 600.2 | 0.7 | 89.9 | 810.1 |
| 2010-11(Projected) | 189.4 | 1012.3 | 0.5 | 136.6 | 1338.8 |

15.31 lakh bale (5.09 lakh MT) during the corresponding period of last financial year.

EXPORT PERFORMANCE

During 2009-10 (April - March) ,exports of total jute goods was at 110.5 thousand

MT valued at Rs 844.70 crore as against 199.8 thousand MT valued at Rs 1216.16 crore in the corresponding period of last financial year 2008-09. Export of jute goods during 2008-09 fell by 2.2% in terms of quantity & 6.8% in terms of value. During current financial year (upto September) total export of jute goods stands at 117.2 thousand MT valued at Rs 762.07 crore

as against 66.3 thousand MT valued Rs 409.42 crore in the corresponding period of last financial year. Trend in export of jute goods from 2005-06 to 2009-10 are given in the table 6.8.

Export of JDP have increased in 2007-08 as compared to 2006-07. Due to recession the export has dropped to Rs 2308.28

Table 6.8

*Quantity In '000' MT.
Value Rs in Crores*

| Item | 2006-07 | | 2007-08 | | 2008-09 | | 2009-10 | |
|------------------------|--------------|----------------|--------------|----------------|--------------|----------------|--------------|---------------|
| | Qty | Value | Qty | Value | Qty | Value | Qty | Value |
| Hessian | 122.2 | 376.12 | 67.8 | 299.83 | 53.0 | 419.53 | 31.3 | 174.19 |
| Sacking | 31.6 | 103.25 | 30.0 | 91.38 | 53.2 | 209.54 | 26.5 | 100.38 |
| CBC | 0.1 | 0.65 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Yarn | 78.3 | 273.15 | 92.1 | 285.18 | 82.9 | 216.92 | 44.4 | 179.34 |
| Others | 10.6 | 301.99 | 14.4 | 467.18 | 10.7 | 370.17 | 8.3 | 390.79 |
| Total | 242.8 | 1055.16 | 204.3 | 1143.57 | 199.8 | 1216.16 | 110.5 | 844.70 |
| %Change over last year | -15% | -11% | -15.8% | 8% | -2.2% | -6.8% | -44.6% | -30.5% |

| Item | April-September | | | | | |
|--------------|-----------------|--------------|---------------|---------------|---------------|---------------|
| | 2009-2010 | 2010-2011 | %Change | 2009-2010 | 2010-2011 | %Change |
| Hessian | 20.00 | 37.7 | 88.5% | 89.31 | 162.43 | 81.87% |
| Sacking | 19.7 | 20.1 | 2.03% | 62.92 | 78.57 | 24.87% |
| Yarn | 21.7 | 59.8 | 175.57% | 71.99 | 291.68 | 305.16% |
| JDPs | - | - | - | 152.10 | 195.28 | 28.38% |
| Others | 4.9 | 5.6 | 14.38% | 33.10 | 34.11 | 3.05% |
| Total | 66.3 | 117.2 | 76.77% | 409.42 | 762.07 | 86.13% |

Projected Export during 2010-11

| | Qty (In '000 MT) | Value (Rs in Crores) |
|--------------|--------------------|------------------------|
| Hessian | 63.8 | 325.56 |
| Sacking | 35.7 | 135.70 |
| Yarn | 128.0 | 604.15 |
| JDP | - | 417.00 |
| Others | 11.6 | 70.17 |
| Total | 239.04 | 1552.57 |

million during 2009-10 (April-March) which is given in the table below. Floor covering & shopping bags are the two major component which together accounts for nearly 97% of JDP exports. USA is the single biggest market for Indian jute Diversified product importing JDP worth Rs 83.96 Crores. USA, UK, Germany, Italy & Spain are the major importing countries accounting for 67 % of total JDP export during 2010-11 (April-May). Product-wise export of Jute Diversified Production from India is given at table 6.9.

IMPORT OF JUTE GOODS AND RAW JUTE

During the year 2009-10 volume of import of jute goods stood at 112.8 thousand MT valued at Rs 453.20 crores as against 70.94 thousand MT valued at Rs 202.99 crores in 2008-09. This implies a rise of 59% in terms of quantity and 123% in terms of value over 2008-09. Import of raw jute has also increased. Volume of import of raw jute during 2009-10 stood at 82.9 thousand MT valued at Rs 197.42 crores as against 59.04 thousand MT valued at Rs 89.00 crores in 2008-09.

Thus import of raw jute both in terms of quantity and value have increased by 40% and 122% respectively. Import of jute goods during 2010-11(April-October) however decreased by 15.85% to 46.2 thousand MT as against 54.9 thousand MT in the corresponding period of last year. Import of raw jute has also decreased by 48.44 % to 31.5 thousand MT as against 61.1 thousand MT during the corresponding period of last year. Trend in Import of jute goods and raw jute is given in the table 6.10.

PRICE SITUATION OF RAW JUTE

The jute season 2009-10 began with a carry over stock of 8.00 lakh bales with estimated production of 90.0 lakh bales and import of 3 lakh bales making a total availability of 101.00 lakh bales. There was no MSP operation in this year as the prices were above the MSP. The jute season 2010-11 began with a carry over stock of 12.00 lakh bales with estimated production of 107.00 lakh bales and import of 5 lakh bales making a total availability of 124.00 lakh bales. There has been no MSP operation so far this year.

Table 6.9

(Value Rs Million)

| Product | 2005-06 | 2006-07 | 2007-08 | 2008-09 | 2009-10 | 2010-11 (April-May) |
|--|----------|----------|---------|----------|---------|------------------------|
| Floor covering | 2133.90 | 1675.70 | 1825.80 | 1242.40 | 1268.90 | 203.25 |
| Hand & shopping bag | 880.03. | 703.10 | 1122.80 | 1656.90 | 981.32 | 166.55 |
| Wall hanging | 4.61 | 4.20 | 2.20 | 1.10 | 1.24 | 0.06 |
| Gift articles | 21.63 | 9.27 | 11.10 | 4.80 | 17.62 | 8.01 |
| Decorative fabrics | 22.91 | 21.90 | 16.80 | 17.20 | 21.47 | 1.61 |
| Others | 62.84 | 150.63 | 6.80 | 23.7 | 17.73 | 0.07 |
| Total JDPs | 3125.92 | 2564.80 | 2985.50 | 2945.40 | 2308.28 | 379.55 |
| Total jute goods export | 11862.40 | 10551.60 | 11435.7 | 12161.60 | 8594.64 | 3014.24 |
| % share of JDP export to jute goods export | 26 % | 24% | 26% | 28% | 27% | 13% |

Source: NJB. Bulletin

Table 6.10

Quantity In '000' MT.

Value Rs in Crores

| April-March | 2006-07 | | 2007-08 | | 2008-09 | | 2009-10 | |
|----------------------------|---------|--------|---------|--------|---------|---------|---------|--------|
| | Qty | Value | Qty | Value | Qty | Value | Qty | Value |
| Raw Jute | 94.36 | 150.31 | 171.80 | 196.72 | 59.04 | 89.00 | 82.9 | 197.42 |
| Jute Product | 60.93 | 171.63 | 57.68 | 138.09 | 70.94 | 202.99 | 112.8 | 453.20 |
| Total | 155.29 | 321.94 | 229.48 | 334.81 | 129.98 | 291.99 | 195.7 | 650.62 |
| % change Over last year | -27% | -11% | 47% | 4.0% | 43.36% | -12.78% | 51.4% | 122.8% |

| Item | April-October | | | | | |
|---------------|---------------|------|-------------------------------|--------|-------|-------------------------------|
| | 2010 | 2011 | % change over last year | 2010 | 2011 | % change over last year |
| Raw Jute | 61.1 | 31.5 | -48.44% | 144.62 | 103.2 | -28.64% |
| Jute Products | 54.9 | 46.2 | -15.85% | 200.7 | 205.7 | 2.49% |
| Total | 116.0 | 77.7 | -33.01% | 345.32 | 308.9 | -10.54% |

Source: Customs, West Bengal through NJB.

INCENTIVE TO JUTE SECTOR

(A) JUTE PACKAGING MATERIAL ACT

Jute Packaging Material (Compulsory Use in Packaging Commodities) Act, 1987 has been enacted to provide for the compulsory use of jute packaging material in the supply and distribution of certain commodities in the interests of production of raw jute and jute packaging material, and of persons engaged in the production thereof, and for matters connected therewith.

Clause 4 (1) of the Jute Packaging Material (Compulsory Use in Packaging Commodities) Act, 1987 empowers the Central Government to constitute Standing Advisory Committee consisting of such persons as have, in the opinion of that Government, the necessary expertise to give advise in the matter of determining the commodity or class of commodities or

percentages thereof in respect of which jute packaging material shall be used in their packing.

As per clause 5 of the Jute Packaging Material (Compulsory use in Packaging Commodities) Rule, 1987 the said committee shall meet at least once a year to review the commodities or class of commodities or percentage thereof required to be packed in jute packaging material under section 3 of the JPM Act. The Standing Advisory Committee shall after considering the following matters indicates its recommendations to the Central Government:-

- the existing level of usage of jute material;
- the quantity of raw jute available;
- the quantity of jute materials available;
- the protection of interests of persons

engaged in the jute industry and in the production of raw jute;

- the need for continued maintenance of jute industry;
- such other matters as the Standing Advisory Committee may think fit.

Central Government after considering the recommendations of SAC, may from time to time, issue orders under section 3(1) of the JPM Act for compulsory use of jute packaging material or certain commodity or class of commodities or percentages thereof, if it is satisfied that it is necessary to do so in the interest of production of raw jute and jute packaging material.

Based on the recommendation of the SAC, the Central Government will decide the norms of compulsory packaging for the jute year 2010-11 (July-June) under the JPM Act, 1987, prescribing the norms of compulsory packaging for both foodgrains & sugar. Accordingly, an order will be issued in the Official Gazette under the JPM Act, 1987, which will be valid till 30.06.2011.

It was further stipulated that the following shall be exempted from the purview of this order:-

- a) Sugar fortified with vitamins.
- b) Packaging for export of the commodities.
- c) Small consumer packs of 25 kilograms and below.

d) Bulk Packaging of more than 100 kg.

The level of reservation recommended by the Government in the past few years is given at table 6.11.

For the last Kharif : 2010-11 season, a total quantity of 14.11 lakh bales has been projected by different food grains procuring agencies for procurement during May, 2010 to November, 2010. Out of this projected quantity, 11.41 lakh bales have been covered as per indents received by this office. As on 30-11-2010, the entire covered quantity have been inspected & passed for dispatch.

For the forthcoming Rabi: 2011-12 season, the indenters have so far indicated their requirements of jute bags at 6.94 lakh bales. As per projection of DGS&D, this office has covered 2.16 lakh bales during November & December, 2010. As on 31-12-2010, 1.74 lakh bales have been inspected & passed.

(B) TECHNOLOGY UPGRADATION FUND SCHEME (TUF)

The objective of the scheme is to sustain and improve the competitiveness of the textiles/jute and overall long term viability through technology upgradation which is operational w.e.f 01-4-1999. The cumulative position of sanction and disbursement under TUF as on 31-03-2010 is given below in the following table 6.12.

Table 6.11

Mandatory Jute Packaging Orders issued under JPM Act, 1987

| Order date | Year | Sugar | Foodgrains |
|------------|---------|-------|------------|
| 24-07-2006 | 2006-07 | 100% | 100% |
| 09-08-2007 | 2007-08 | 100% | 100% |
| 01-09-2008 | 2008-09 | 100% | 100% |
| 22-09-2009 | 2009-10 | 100% | 100% |
| 27-08-2010 | 2010-11 | 100% | 100% |

Table 6.12

(Rs in Crores)

| As on | No of Application received | Total cost of projects | Amount of loan required | Sanctioned | | Disbursed | |
|------------|----------------------------|------------------------|-------------------------|--------------------|--------|-------------------|--------|
| | | | | No of applications | Amount | No of application | Amount |
| 31.08-2007 | 34 | 281.75 | 144.46 | 31 | 136.84 | 29 | 128.22 |
| 30-09-2007 | 34 | 281.75 | 144.46 | 31 | 136.84 | 29 | 128.22 |
| 31-10-2007 | 34 | 281.75 | 144.46 | 31 | 136.84 | 29 | 128.22 |
| 30-11-2007 | 34 | 281.75 | 144.46 | 31 | 136.84 | 30 | 128.60 |
| 31-12-2007 | 35 | 285.11 | 146.96 | 32 | 139.34 | 30 | 128.60 |
| 31-01-2008 | 35 | 285.11 | 146.96 | 32 | 139.34 | 30 | 128.60 |
| 31-03-2009 | 46 | 456.43 | 348.29 | - | 343.29 | 46 | 333.49 |
| 31-03-2010 | 53 | 535.62 | 405.89 | 53 | 400.88 | 53 | 390.69 |

Source: Office of Textile Commissioner.

(C) JUTE TECHNOLOGY MISSION

The Government of India launched Jute Technology Mission (JTM) spanning a period of 5 years during the 11th Five Year Plan period (2007-08 to 2011-12) for overall development of the jute industry and growth of the Jute Sector. The Jute Technology Mission with a total outlay of Rs. 355.5 crores has four Mini Missions pertaining to agriculture research and seed development, agronomic practices, harvest and post harvest techniques, primary and secondary processing of raw jute, diversified product development and marketing and distribution.

The Jute Technology Mission has been divided into four Mini Missions and the

implementing agencies of each Mission are given at table 6.13.

Details of activities and the progresses of the four Mini Missions under JTM are as follows:

Mini Mission-I

In order to increase the yield of jute and mesta, some new breeding methods and techniques have been adopted as under:-

- i) Plant type breeding,
- ii) Heterosis breeding,
- iii) Resistance breeding &
- iv) Quality breeding.

In addition to conventional breeding,

Table 6.13

| Mission | Implementing Agencies | Fund Allotted |
|------------------|--------------------------------|-----------------|
| Mini Mission-I | Ministry of Agriculture(ICAR) | 705.78 |
| Mini Mission-II | Ministry of Agriculture (DARE) | 4,990.00 |
| Mini Mission-III | Ministry of Textiles (JCI) | 3,860.00 |
| Mini Mission-IV | Ministry of Textiles (NJB) | 26,000.00 |
| Total | | 35555.78 |

mutation breeding, inter-specific crosses and biotechnological approaches will also be explored. The following activities will also be undertaken:-

- Low cost Technology for development of suitable agronomic practices for maximizing income from jute vis-à-vis other crops in the cropping system as a whole.
- Bio-mass level- while developing the technology, the biomass level of the crop should be kept in mind so as to ensure growth with stability of the micro-economy of the farmer.

The total funds allotted for MM-I are Rs. 705.78 lakhs.

Mini Mission-II

In order to achieve best of production and management of technologies for jute and allied fibres crop and their post-harvest technology to accelerate the production and quality improvement of the crops the following activities have been adopted:-

- i) System approach,
- ii) Adaptive Research of Farm Trials,
- iii) Strengthening Research - Extension Linkage,
- iv) Frontline Demonstration,
- v) On Farm Package Demonstration,
- vi) Industry-Agriculture Linkage,
- vii) Application of Bio-technology tools to improving retting efficiency,
- viii) Planning and Implementation of Development Programme,
- ix) Special Programme for finer fibre and
- x) Integrated Jute Cultivation.

The total funds allotted for MM-II are Rs.4990.00 lakhs.

Mini Mission-III

Upgradation of infrastructure for:

- i) Weighment facility,
- ii) Sale within Market facilities,
- iii) Auction/Sale Platforms, sheds, Assortment sheds, Baling Presses, Bale Godown, etc.

Organizational infrastructure:

- i) Market linkages,
- ii) Market information system,
- iii) Bank credit option to prevent distress sale.

The total funds allotted for MM-III is Rs. 3,860.00 lakhs.

Progress Status as on 31.10.2010 (Table 6.14 - 6.18)

Scheme-I : Development of Market Yards:

Physical Target : 12

Project Outlay : Rs. 12.20 Crore (Rs.7.98 crores Central Govt. : Rs. 4.22 crores State Govt.)

Scheme-II : Construction of Departmental Purchase Centers:

Physical Target : 40

Project Outlay: Rs. 44.00 Crore (100% Central Govt.)

Work Order issued :

1. Dhudhkumrahat (W.B.)
2. Lalbagh II (W.B.)

Scheme-III : Construction of Retting Tank:

Physical Target : 50

Project Outlay : Rs. 5 Crores (90% Central Govt. : 10% Beneficiary)

Table 6.14

| SI. No. | Market Yards Completed | SI. No. | Market Yards in Progress |
|---------|------------------------|---------|--------------------------------|
| 1. | Champadanga (W.B.) | 1. | Setai (W.B.) |
| 2. | Bethuadahari (W.B.) | 2. | Lalbagh (W.B.) |
| 3. | Karimpur (W.B.) | 3. | Gouripur (Assam) |
| 4. | Tulsihata (W.B.) | 4. | Baharihat (Assam) |
| 5. | Dhugguri (W.B.) | 5. | Parvathipuram (Andhra Pradesh) |
| 6. | Kharupetia (Assam) | | |
| 7. | Tufanganj (W.B.) | | |

Table 6.15

| SI. No. | DPC Completed | SI. No. | DPC nearing completion | SI. No. | Work Started/to be started |
|---------|--------------------|---------|------------------------|---------|----------------------------|
| 1. | Kalna (W.B.) | 1. | Pandua (W.B.) | 1. | Rezinagar-I (W.B.) |
| 2. | Katwa (W.B.) | 2. | Patiram (W.B.) | 2. | Razinagar-II (W.B.) |
| 3. | Kaladanga (W.B.) | 3. | Panjipara (W.B.) | 3. | Palassypara (W.B.) |
| 4. | Jangipur (W.B.) | 4. | Purnea (Bihar) | 4. | Dhulian (W.B.) |
| 5. | Harirampur (W.B.) | 5. | Abhayapuri (Assam) | 5. | Lalbagh-I (W.B.) |
| 6. | Islampur (W.B.) | 6. | Bilashipara (Assam) | 6. | Andhi (W.B.) |
| 7. | Karnojora (W.B.) | 7. | Barpeta Road (Assam) | 7. | Paccamati (W.B.) |
| 8. | Talmahat (W.B.) | 8. | Goalpara (Assam) | 8. | Kishaganj (Bihar) |
| 9. | Mathabhanga (W.B.) | 9. | Niz Dhing (Assam) | 9. | Forbeshganj (Bihar) |
| 10. | Alipurduar (W.B.) | | | 10. | Bahadurganj (Bihar) |
| 11. | Kaliabore (Assam) | | | 11. | Thakurganj (Bihar) |
| | | | | 12. | Dalgaon (Assam) |
| | | | | 13. | Juria (Assam) |
| | | | | 14. | Dhing (Assam) |
| | | | | 15. | Bhuragaon (Assam) |
| | | | | 16. | Kendupatna (Orissa) |
| | | | | 17. | Bhadrak (Orissa) |
| | | | | 18. | Bobbili (A.P.) |

Table 6.16

| State | Physical Target | Work Completed | Work in Progress | Work Yet to start |
|--------------|-----------------|----------------|------------------|-------------------|
| West Bengal | 30 | 14 | 5 | 11 |
| Assam (NER) | 10 | - | 6 | 4 |
| Bihar | 5 | - | 1 | 4 |
| A.P. | 3 | - | - | 3 |
| Orissa | 2 | - | - | 2 |
| Total | 50 | 14 | 12 | 24 |

The West Bengal State Co-operative Marketing Federation Ltd. (Benfed) has been sanctioned 12 retting tanks with an estimated budget of Rs.4 lacs each. Earmark of land and signing of MOU is in progress.

Scheme-IV: Demonstration of Retting Technology

Project Outlay : Rs. 2.00 Crores (100% Central Govt)

Physical Target : 40 Demonstrations per year

Scheme-V : Development of high speed Ribboners

Project Outlay: Rs. 1.60 Crores. (100% Central Govt.)

Scheme wise financial target and position (as on 31.10.2010) is given at table 6.19.

Table 6.17

| | JCI/JTM | NJB | NIRJAFT | CRIJAF |
|--|---------|---------|---------|---------|
| No. of Demonstration camps sanctioned in 2009-10 | 50 | 50 | 10 | 10 |
| No. of Demonstration camps organized till 31.10.2010 | 45 | 45 | 3 | 3* |
| Report | Awaited | Awaited | Awaited | Awaited |

* Out of 10 camps sanctioned to CRIJAF, only 3 have been done due to drought in Murshidabad. As per reports received from the field, all the 3 demonstration organized by CRIJAF failed and farmers are demanding compensation for their loss.

Table 6.18

| Project Sanctioned | Cost | Progress |
|----------------------------------|---------|--|
| Jadavpur University Phase-I & II | 95 lacs | Completed work of Ph-I. Developed 1 ribboning machine which is to be placed under Champadanga, Hooghly for demonstration. Ph-II : Their project to develop 2 ribboning machines further which is also near completion and started trial run in the project site. |
| CRIJAF (Barrackpore) | 40 lacs | CRIJAF started development of new ribboning machine but progress is still not satisfactory. They informed that they have engaged technical personnel in this project recently for speedy completion. |

Table 6.19

| Scheme | Name of the Scheme | Scheme Physical Target | Scheme Financial Target | Central Govt. Share | Financial progress- upto 31.10.10 | NER | Other area | Fund received upto 31.10.10 |
|--------|---|------------------------|-------------------------|---------------------|-----------------------------------|---------------|----------------|-----------------------------|
| 1 | Development of Market Yard | 12 | 1220.00 | 798.00* | 440.89 | 60.00 | 380.89 | 730.00 |
| 2 | Construction of DPC | 40 | 4400.00 | 4400.00 | 2195.03 | 902.00 | 1293.03 | 4090.00 |
| 3 | Construction of Retting Tank | 50 | 500.00 | 450.00** | 40.72 | 2.87 | 37.85 | 374.00 |
| 4 | Demonstration of Retting Technology | 200 | 200.00 | 200.00 | 144.19 | 35.00 | 109.19 | 195.00 |
| 5 | Development of improved/high speed Ribboner | | 160.00 | 160.00 | 104.61 | 0.00 | 104.61 | 160.00 |
| | Total | | 6480.00 | 6008.00 | 2925.44 | 999.87 | 1925.57 | 5549.00 |

Note: *Balance Rs. 422.00 Lakh is share of State Govt.

**Balance Rs. 50.00 Lakh is contribution of beneficiaries of the scheme.

Mini Mission-IV

- i) Modernisation & Technological upgradation,
- ii) Improve productivity of the industry,
- iii) Develop human resources for the jute industry,
- iv) Designing & developing of JDPs,
- v) Help NGOs for JDP development,
- vi) Commercializing to Technology for JDP and
- vii) Jute parks.

Status of Mini Mission-IV

National Jute Board is responsible for implementation of 9 (nine) schemes under Mini-Mission-IV of the JTM which deals with the modernization aspect of the Jute mills and diversification of Jute products.

The Mission aims to improve the modernization of the Jute mills from the existing level of 30% to 55% by the end

of the JTM period. The Mission also aims at 15% rise in productivity level resulting in decrease of the manpower requirement for the standard B Twill (665 gm) bags, from the existing norms of 38.33 man days per MT to 35. It also aims to increase the share of Diversified Jute Products from the existing level of 8% to 20%.

The initial year 2007-08 was required mainly to frame the rules, procedures and guidelines for implementing the nine schemes under the MM IV. The implementation effectively commenced in 2008-09 onwards, but the progress was again hindered by the strike in the Jute industry in 2009-10. NJB is in the process of a mid-term appraisal of the implementation. It can be seen from the following details that the schemes have started picking up.

In 6 mills, where there has been highest utilization of funds for modernization, the manpower requirement have come down to 33 - 35 man days per MT. Overall

improvement of productivity (both machines and labour) and quality, reduction of manpower, wastage and floor space by using material handling equipments, requirement of less number of machines to achieve same quantum of production, improve man machine ratio, saving of energy and reduction of cost of energy, etc. have been reported in the mills which have utilized modernization fund. The overall impact of the subsidy is estimated to result in an increase in efficiency / productivity by about 25% over the existing level.

The details of schemes being implemented under JTM -MM IV by NJB are given at table 6.20.

NATIONAL FIBRE POLICY ON JUTE

Jute is a natural, environment friendly fibre. The current scenario of environment

consciousness has opened a new potential for the sector, which can be exploited by entering into new markets and new products. Endowed as the Indian Jute Sector is with multifaceted advantages, it shall be the policy of the Government to develop a strong and vibrant sector that can:

- Compete with confidence in the domestic and global market and become self sustaining;
- Ensure remunerative returns to the jute farmers.
- Produce good quality fibre and products to meet the requirements of the domestic and international demand; and
- Increasingly contribute to sustainable employment and the economic growth of the nation.

Table 6.20

| Sl. No. | Schemes | Mission Target (2007-12) | Cumulative Total Upto 30.09.2010 |
|---------|---|--------------------------|----------------------------------|
| 6.1 | Training of workers & Supervisors | 4.50 | 4.02 |
| 6.2 | Machinery Development | 28.00 | 14.18 |
| 6.3 | Productivity Improvement & TQM Facilitation | 6.00 | 1.94 |
| 6.4 | Acquisition of Machinery and Plant(subsidy) | 80.00 | 32.08 |
| | Sub-Total | 118.50 | 52.22 |
| 7.1 | Design & Development of JDP | 14.00 | 8.27 |
| 7.2 | For helping the NGOs and WSHGs for developing JDPs | 17.00 | 5.09 |
| 7.3 | Scheme for Promotion of Jute Diversification | 23.52 | 15.22 |
| 7.4 | Scheme for Commercialisation of Technology | 1.00 | 0.00 |
| 7.5 | Scheme for setting up Jute Parks for the Diversified sector | 60.00 | 5.30 |
| | Sub-Total | 115.52 | 33.88 |
| | Total Mini Mission-IV (Schemes) | 234.02 | 86.10 |
| | Admn / Monitoring Expenses | - | 3.77 |
| | Total Mini Mission-IV | 234.02 | 89.87 |

The Objectives of The National Fibre Policy on Jute are given below:

- Enable the jute industry to build and adopt world-class state-of-the-art manufacturing capabilities in conformity with environmental standards;
- Facilitate the Jute Sector to attain and sustain an eminent share in the global and domestic market of technical textiles;
- Enable jute farmers to produce better quality jute fibre and to enhance yield of raw jute substantially and facilitate skill development and upgradation of the workforce of the industry;
- Sustain and strengthen the traditional knowledge, skills, and capabilities of our weavers and craftspeople engaged in the manufacture of traditional as well as innovative jute products;
- Encourage stakeholders to collaborate, develop mechanisms and undertake activities that assist in bringing about overall development of the jute sector;
- Make Information and Communication Technology, an integral part of the entire value chain of jute and the production of jute goods, and thereby facilitate the industry to achieve international standards in terms of quality, design, and marketing;

In furtherance of the above objectives, the strategic thrust will be for a new Commodity Development Strategy incorporating the following:

- (a) In order to increase the productivity & improve the quality of jute fibre, following approach needs to be followed:
- Increase availability of certified

seeds and improve distribution of the same through government agencies / channels.

- R & D for development of new variety of seeds involving reputed seed companies.
- Develop and adopt new retting practices or other methods for extraction of the fibre from the jute plants to ensure quality upgradation of the fibre, reduce the water requirement and make the process less physically demanding for the farmers.
- Increase penetration of new farm techniques by conducting awareness programme.
- Empower the growers, improve the marketing systems and infrastructure and develop buffer stock of jute seeds.
- Encourage contract farming for jute as well as Organic Jute.
- Use of modern crop assessment techniques, such as satellite imagery for deciding government interventions.

(b) Improve the existing marketing systems and infrastructure to improve farm remuneration by-

- Organising the growers into self help groups and empowering them to address their issues will go a long way in reducing the volatility in raw jute prices and ensuring better returns to them.
- Taking up with state governments to strictly implement the provisions of APMC act to increase the volume of trade of raw jute in the premises of market yards.

(c) Stabilising Raw Jute Prices and

ensuring raw jute security for manufacturers and market by developing buffer stock of raw jute with Jute Corporation of India.

(d) Providing Incentives to Jute Industry for modernisation:

The government has been providing 100% reservation for packing Sugar & Food-grain in Jute since 2005. This has provided an assured market for jute sacking and thus sustenance of the sector. Further, Government agencies, that procure 60% of the sacking produced by the industry buys jute sacks on an administered price mechanism based on Tariff Commission formula. The stagnation in efficiency criteria in the Tariff Commission formula has left no incentives with the jute industry to modernise and reduce the conversion costs. Therefore, it shall be the policy of the government that while continuing the protection to the industry (by way of reservation in JPM Act) gradually induct efficiency criteria in the administered pricing formula to ensure that the mills modernize their processes progressively during this period. This would be undertaken by the following measures-

- The man days taken for pricing the government purchase would progressively be reduced from the present level to the best (top quartile) man days achieved in the industry by the end of the third year.
- The raw jute to jute bag conversion ratio would be progressively reduced from the present levels to the best (top quartile) conversion ratio achieved in the industry, by the end of the third year.

- From the fourth year onwards pricing will be based on the best (top quartile) achieved parameter in all the parameters used to determine the pricing.

(e) Market Development of Jute Diversified Products: The JPM Act provides an assured market to the jute used in packaging due to which, 60% of the market for jute products is sacking. The government shall endeavour to reduce the dependence of the industry on sacking by on one side gradually reducing the level of reservation, while on the other promote and develop markets for non-traditional products such as geo-textiles, composites etc. The government shall further promote marketing of jute diversified products such as carry bags, furnishings, etc.

In the interest of equity, inclusive growth to the rural economy and artisans, the government shall intensify its support to Small and Micro-enterprises, NGOs and SHGs that produce & market jute diversified products. They would be developed to be substantial consumers of non-sacking jute products, and thus provide alternate market for jute products.

(f) Enhancing the scope and funding in Jute Technology Mission for-

- Creation of a Jute Development Fund for R&D efforts in modern machinery development in Jute Sector.
- Modernization of industry and adoption of new Technology.
- Improve working conditions at the shop floor, develop better work culture and adopt better maintenance practices.

- Skill Development and Upgradation of the Workforce.
 - Export Market Development.
 - Product Development and Marketing.
 - Strengthening of informal sector for production of Jute Diversified Products.
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CHAPTER VII
SERICULTURE AND
SILK INDUSTRY

CHAPTER VII

SERICULTURE AND SILK INDUSTRY

India continues to be the second largest producer of silk in the World after China. India also has the unique distinction of producing all four commercially produced varieties of silk in the world, i.e. Mulberry, Eri, Muga and Tassar. In 2009-10, Mulberry accounted for 82.9% (16322 MT), Eri 12.5% (2460 MT), Tassar 4.1% (803 MT) and Muga 0.5% (105MT) of the total raw silk production in the country. In 2009-10 production of mulberry raw silk increased by about 4.6% after a decline in production in 2008-09. Production of non-mulberry raw silk, on the other hand, has been on a growth trajectory, recording double-digit growth between 2005-06 and 2009-10. Silk fabrics production also showed a growth of over 4% in 2009-10 compared to 2008-09.

Sericulture continues to be an important labour-intensive and agro-based cottage industry, providing gainful occupation to around 6.8 million persons in rural and semi-urban areas in India. Of these, a sizeable number of workers belong to the economically weaker sections of society and women. Post cocoon activities, including reeling, weaving and garmenting also provide significant opportunity for inclusive growth for large segment of population in number of States.

During the year 2008-09, total production of all varieties of raw silk was 18,370 tons compared to the production of 18,320 tons by the end of 2007-08, indicating an increase of 0.3%. However, during the year 2009-10, total production of all varieties of raw silk increased to 19,690 tons registering an increase of 7.2%.

In the first year of the XI Plan i.e., 2007-08, production of Mulberry raw silk decreased by 1.7% (16245 MT) compared to the previous year 2006-07 (16525 MT). Production of mulberry raw silk during 2008-09 declined by 3.9% to 15,610 tons mainly due to decline in the Mulberry plantation and production of Mulberry raw silk in Karnataka and Andhra Pradesh States. Production of mulberry raw silk registered an increase of 4.6% during 2009-10 to 16,322 tons compared to the year 2008-09, indicating recovery in mulberry plantation.

However, Vanya Raw Silk (Tassar, Eri and Muga raw silk) Production continues to show better performance in the Xi plan period. Vany Silk Production increased by 6.4% (2075 MT) during the year 2007-08 as compared to the production of 1950 MT during the previous year 2006-07. Production of Tassar, Eri and Muga during 2008-09, were 603 MT, 2038 MT & 119 MT, respectively, corresponding to 428 MT, 1530 MT & 117 MT produced during the year 2007-08, indicating an increase of 40.9%, 33.2% & 1.7%, respectively. Production of Vanya silk (Tassar, Eri and Muga raw silk) during 2009-10, were 803 MT, 2460 MT & 105 MT, respectively, corresponding to 603 MT, 2038 MT & 119 MT produced during the year 2008-09, indicating an increase of 33.2% in Tassar, 20.7% in Eri and a decrease of 11.8% in Muga.

SCHEMES FOR DEVELOPMENT OF SERICULTURE AND SILK INDUSTRY

During the XI Plan period the Ministry of Textiles, through the Central Silk Board (CSB), is implementing several centrally

sponsored and central sector schemes/ programmes for the development of sericulture and silk industry in India. Central Silk Board is a statutory body, under the administrative control of the Ministry of Textiles, established in 1948, by an Act of Parliament, (Act No. LXI of 1948). CSB is basically Research and Development Organization and has been entrusted with the overall responsibility of developing silk industry covering the full gamut of sericulture activities in the country from development of food plants to silk cocoons for production of silk yarn including formation of policies governing Import & Export of silk.

One of the important activities of the CSB is undertaking, assisting and encouraging scientific, technological and economic research in the Silk Sector. The programmes for the development of the sericulture and silk textiles industry are primarily formulated and implemented by the State Sericulture/Textile Departments. However, the Central Silk Board supplements the efforts of the States by providing necessary support for research and development, extension and training through its countrywide network of centres. Besides, the Central Silk Board organize production and supply of quality silkworm seeds, mulberry cuttings/saplings, etc., and also implements various sericulture projects directly, as well as jointly, with the State Sericulture Departments. Also, Central Silk Board collects and compiles sericultural statistics both at National and Global level.

Major schemes/programmes being implemented by CBS are as follows:

1. R&D / Transfer of Technology / Training / IT Initiatives (CS)
2. Seed Organisation and HRD (CS)
3. Catalytic Development Programme (CSS)
4. Quality Certification Systems (CS)

(CS: Central Sector Scheme CSS: Centrally Sponsored Scheme)

(a) RESEARCH & DEVELOPMENT / TRANSFER OF TECHNOLOGY / TRAINING/ IT INITIATIVE

● RESEARCH AND DEVELOPMENT

The Research & Training Institutes of the CSB provide R&D and Training support for the development of sericulture. The institutes at Mysore (Karnataka), Berhampore (West Bengal) and Pampore (J&K) deal with mulberry sericulture. The institute at Ranchi (Jharkhand) deals with Tasar culture, whereas the institute established at Lahdoigarh, Jorhat (Assam) deals with Muga and Eri culture. Regional Sericulture Research Stations (RSRS/ RTRS/RERS) for mulberry and non mulberry has been functioning for adoptive Research, Refining and dissemination of the research findings and of tackling the regional field issues of the industry. Besides, a network of Research Extension Centre (RECs) & its sub units for mulberry and non mulberry are also functioning to provide extension support to sericulturists. In order to provide R&D support in post cocoon sector, the Board has established a Central Silk Technological Research Institute (CSTRI) at Bangalore. In addition, the CSB has also set up a Silkworm Seed Technology Laboratory (SSTL) in Bangalore (Karnataka), a Central Sericultural Germplasm Resource Centre (CSGRC) at Hosur (Tamil Nadu) and a Seri-Biotech Research Laboratory (SBRL) at Bangalore.

During 2009-10, 67 Research projects were continued and 30 new research projects were initiated. Against a target of 50 Research Projects scheduled to be completed, 39 projects were concluded and 11 projects extended for 2010-11.

During 2010-11, 58 Research projects are continuing and 55 new research

projects proposed to initiated, of which, 13 projects have already been started. Against a target of 45 Research Projects scheduled to be completed, 18 projects concluded (up to December 2010) and remaining 27 projects will be concluded by March 2011.

● TRANSFER OF TECHNOLOGY

In order to increase productivity and quality of silk, a chain of Research Extension Centres of CSB are engaged

for transfer of technologies from Research Institutes to the field. The increase in productivity of silk may be seen at table 7.1.

● TRAINING

The CSB organizes a number of training programmes at its Research and Training Institutes. The total number of persons trained under different courses during 2009-10 and 2010-11 (up to September, 2010) is given at table 7.2.

Table 7.1

| Year | Mulberry Hectage | Unit: Metric Tonnes | | | | Per Ha. Productivity (in kg.) |
|-----------------------------|------------------|---------------------|----------|-----------------------|----------------|-------------------------------|
| | | Mulberry | | Non-Mulberry Raw Silk | Total Raw Silk | Mulberry Raw Silk |
| | | Cocoon | Raw Silk | | | |
| 2002-2003 | 194463 | 128181 | 14617 | 1702 | 16319 | 75.17 |
| 2003-2004 | 185120 | 117471 | 13970 | 1772 | 15742 | 75.46 |
| 2004-2005 | 171959 | 120027 | 14620 | 1880 | 16500 | 85.02 |
| 2005-2006 | 179065 | 126261 | 15445 | 1860 | 17305 | 86.25 |
| 2006-2007 | 191893 | 135462 | 16525 | 1950 | 18475 | 86.12 |
| 2007-2008 | 184928 | 132038 | 16245 | 2075 | 18320 | 87.84 |
| 2008-2009 | 177943 | 124838 | 15610 | 2760 | 18370 | 87.73 |
| 2009-10 | 183773 | 131661 | 16322 | 3368 | 19690 | 88.82 |
| 2010-11 (April to Sep.) (P) | 181000 | 60600 | 7556 | 1436 | 8992 | — |

Table 7.2

| Sl. No. | Particulars | 2009-10 | 2010-11 (up to September 2010) | No. of persons anticipated to be trained by the end of 2010-11 | Category |
|---------|------------------------------------|-------------|--------------------------------|--|--------------------------------------|
| 1 | Structured Course | 41 | 49 | 60 | DOS/NGO |
| 2 | Capsule Course | 1263 | 254 | 890 | CSB/DOS/NGO |
| 3 | Adhoc Training & Skill Development | 3951 | 643 | 3895 | Students/Staff/Entrepreneurs/Farmers |
| | TOTAL | 5255 | 946 | 4845 | |

- **IT INITIATIVE**

Under the IT initiatives, in XI Plan, CSB concentrated on software development by using contemporary technologies and networking of various cocoon and silk markets with free flow of information on the availability of the raw material, market trends, etc., on its websites. All information required for traders, buyers, and other stakeholders are proposed to be hosted on the web for improving the interactive interface of the website. In addition, facilities like on-line subscription to scientific e-journals, on-line submission of research progress reports, video conferencing among Research Institutes of CSB, providing web based email facility, etc. will be created. Work is in progress to network various cocoon markets to the centralized server at CSB complex and to develop a centralized MIS application.

II(b) SEED ORGANISATION & HRD

- **SILKWORM SEED PRODUCTION AND SUPPLY**

Under National Silkworm Seed Organization (NSSO) a network of 19 Basic Seed Farms (BSF) produce and supply the basic seed for production of commercial silkworm seed in the seed production centres functioning under CSB and State Departments. 19 Silkworm Seed Production Centres (SSPCs) are functioning under NSSO in different States to support the industry. During the year 2010-11 (upto October, 2010) these commercial SSPCs have produced of 146.44 lakh Disease Free Layings (dfls) against the target of 310.00 and achieved 47.23%. Emphasis was given towards production of quality dfles by adopting Quality Management System in seed production under ISO 9001:2000 certification in 14 SSPCs. During 2010-11 four more SSPCs are to be covered under ISO certification.

On the tasar side, the CSB has established

21 Basic Seed Multiplication & Training Centres (BSM&TC) and one Central Tasar Silkworm Seed Station (CTSSS) for supply of tropical tasar basic seed & 1 oak tasar grainage and 3 REC-Cum-BSM&TCs for supply of oak tasar basic seed. Under muga sector, 8 Basic Seed Farms and 1 Silkworm Seed Production Centre are functioning. For production and supply of eri seed, CSB has established 5 Silkworm Seed Production Centres.

The details of progress achieved by the units during 2010-11 (up to Oct., 10) is given at table 7.3.

- **HRD - CO-ORDINATION AND MARKET DEVELOPMENT**

CSB administration includes Board Secretariat, Regional Offices, Certification Centres and Raw Material Banks. The Board Secretariat of CSB monitors the implementation of various schemes and coordinates with Ministry and States in implementation of various projects in sericulture sector. Several National meetings, Board meetings and Review meetings and other high level meetings are being carried out by the Board Secretariat.

II(c) CATALYTIC DEVELOPMENT PROGRAMME (CDP) DURING XI PLAN

As a part of the developmental initiatives for the sericulture and silk sector the Ministry of Textiles, through CSB, has been implementing its flagship Catalytic Development Programme (CDP) as a Centrally Sponsored Scheme during IX & X Plan period, in association with concerned State Sericulture Departments and other implementing agencies to supplement their efforts in achieving the goals set for the Plan period.

The IX plan CDP focussed largely on supporting stakeholders in Sericulture

Table 7.3

(DfIs in lakh nos.)

| # | Particulars | Achievement during 2010-11 | Achievement during 2009-10 | | | |
|----|---------------------------|----------------------------|----------------------------|--------------------------------------|---|--------------------------------|
| | | | Target | Achievement during April-October, 10 | Anticipated November, 2010 to March, 2011 | Anticipated (upto March, 2011) |
| 1 | Mulberry | | | | | |
| | a. Basic seed | 9.53 | 9.54 | 4.51 | 5.03 | 9.54 |
| | b. Commercial seed | 283.48 | 310 | 146.44 | 163.56 | 310 |
| 2. | VANYA | | | | | |
| | a. Basic seed | | | | | |
| | i. Tasar | 29.88 | 32.10 | 30.07 | 2.03 | 32.10 |
| | ii. Oak Tasar | 1.40 | 1.16 | 1.31 | - | 1.31 |
| | iii. Muga | 0.86 | 1.51 | 0.90 | 0.50 | 1.40 |
| | iv. Eri | - | - | | | |
| | b. Commercial seed | | | | | |
| | i. Muga | 0.62 | 1.06 | 0.95 | 0.30 | 1.25 |
| | ii. Eri | 1.95 | 2.50 | 1.12 | 0.75 | 1.87 |

sector, ranging from food plant cultivation to marketing of products, while in X plan (2002-07), the focus of CDP was widened by creating greater opportunities for gainful employment in rural areas through the spread of scientific sericultural practices and by promoting modernization and quality up-gradation of the industry.

During XI Plan, the Catalytic Development Programme (CDP) has been restructured in order to focus on complete and holistic development of sericulture industry in all the Sericulture States of the country involving States and stakeholders for sustainability and improvement in output in terms of quality and quantity. Thus emphasis for the XI Plan under the Sericulture sector is on two aspects:

- 1) **Development of Sericulture:** Increase in area under food plants of silkworms and enhancing production by improving productivity and quality of silk through R&D and transfer of technology to the field; and
- 2) **Inclusive growth and poverty alleviation:** Generation of employment and income, livelihood

security and increase in family income.

During XI Plan period the target is to increase the production of silk of both mulberry and non-mulberry silks (which include production of 5000 MTs of superior quality bivoltine raw silk) to 26,000 MTs per annum by the terminal year of XI Plan, and generate a cumulative employment of 77.04 lakh persons. Considering the potential for expansion of sericulture in the country and with a view to provide / improve livelihoods besides increasing income of the poor people in rural areas, it is also envisaged to increase the area under mulberry food plants from 1.92 lakh ha. to 2.18 lakh ha. by end of XI Plan.

Keeping in view the importance of production of superior quality of bivoltine silk to reduce the import cost, greater thrust to Vanya silk and creating more employment in rural areas through sericulture practices, implementation of Catalytic Development Programme has been continued during the XI Plan with modifications along with certain new initiatives and some more inputs.

Project Approach: Packaging of Schemes in XI Plan

Keeping the above objectives in view during XI Plan, the Catalytic Development Programme (CDP) has been restructured and is being implemented as a Centrally Sponsored Scheme in a package-mode. The programme would catalyze the efforts of States to increase production of raw silk including superior quality Bivoltine silk, increase cumulative employment and exports by end of the XI Plan period.

The components under the CDP covers three major areas - Seed sector, Cocoon sector and Post-cocoon sector and will be supplemented by other components of Support Services, which are common to all packages. These components are beneficial for both existing and new farmers for practicing sericulture. The State Departments of sericulture have to identify existing as well as new farmers and offer the components according to their requirements from out of the basket of components. Within each Package, flexibility has been built-in, to cater to specific needs of the five identified Seric-Zones [North-Western Himalayan Region, North-Eastern India, Northern & Central India, Eastern Region (West Bengal) and Southern India] of the country.

Outlay approved for XIth Five Year Plan

The total outlay for implementation of the CDP during the XI Plan is pegged at Rs.1476.24 crores of which Gol share is Rs.661.62 crores. Of the approved allocation of Rs.81.01 crores, Rs.76.73 crores, and Rs.146.12 crores for the years 2007-08, 2008-09 and 2009-10 a total amount of Rs.80.82 crores, Rs.90.74 crores and Rs.144.06 crores was spent respectively towards implementation of various schemes / components under CDP.

During the current year 2010-11, as against the sanctioned amount of Rs.260.76 crore by Govt. of India for implementation of CDP a sum of Rs.164.28 crore has been released / spent towards implementation of various schemes / components under CDP up to the end of October, 2010.

II(d) QUALITY CERTIFICATION SYSTEMS

● ESTABLISHMENT OF COCOON TESTING UNITS

In order to facilitate cocoon testing in different cocoon markets of the country CSB has proposed to establish 25 Cocoon Testing Units in different States. These testing facilities would be promoted through Dept. of Sericulture of the States, NGOs, Quality Service Clubs and Societies. During the year 2009-10, four units, one each in Vaniyambadi (Tamil Nadu), Hosur (Tamil Nadu), Bhilaspur (HP) and Chandragiri (Orissa) have been established. During 2010-11 (till November 2010), assistance has been provided for establishment of 7 units, 3 in Andhra Pradesh, 2 in Jammu & Kashmir and 1 each in Madhya Pradesh and Manipur.

● SILK MARK ORGANIZATION OF INDIA (SMOI)

The Ministry of Textiles-Govt. of India came up with an initiative for the protection of the interests of the consumers and other stakeholders of the silk value-chain by bringing out "Silk Mark" Scheme in June 2004. Silk Mark, the Quality Assurance Label signifying that a product to which it is affixed is made of pure silk was launched by the Silk Mark Organisation of India (SMOI), a registered Society sponsored by the Central Silk Board under MOT. Silk Mark labels can be affixed to primary, intermediate and finished products of silk including yarn, fabric, sarees, made-ups, garments,

carpets, etc. The Silk Mark Scheme is aimed at protecting the interests of the users and for the generic promotion of silk for building brand-equity of Indian Silk internationally.

Since the launch of Silk Mark in June 2004, over 1600 members have joined the Organisation, of whom, more than 1500 have become Authorized Users. More than a crore of Silk Mark labelled products have reached the market for the benefit of consumers. Apart from becoming familiar with the consumers, Silk Mark is gaining confidence of the Silk Industry as well. During 2009-10, 301 new members joined SMOI, of which 298 members were enrolled as Authorised Users under Silk Mark Scheme and 22.22 lakh of Silk Mark Labelled products have reached the market. During 2010-11 (up to November 2010) 168 members joined SMOI, of which, 167 members have enrolled as Authorised Users and 18.11 lakh of Silk Mark Labelled products have reached the market.

To spread the message of Silk Mark, a well thought out action plan for the year 2010-11 is in place. Accordingly, SMOI had participated in various exhibitions and conducted Awareness Programmes for consumers and trade across the country to promote the Silk Mark Scheme. During 2010-11 (upto November 2010) SMOI participated in as many as 200 exhibitions / Workshops / Road shows etc.

Silk Mark Expo is being organised by SMOI in major city across the country with a view to create awareness about Silk Mark among consumers and to provide an excellent platform to Authorised Users to display and sell their silk products. Sixteen such Expos have been planned during the year 2010-11 and 9 such Expos have already been conducted one each at Guwahati, Kochi, Kolkata, Bhubaneswar, Vishakapattanam,

Lucknow, New Delhi, Jaipur and Mangalore till December 2009.

III. EXTERNAL / INTERNAL ASSISTANCE FOR DEVELOPMENT OF SERICULTURE

In addition to the above centrally sponsored and central sector schemes of the Ministry, CSB is also implementing several schemes with external assistance and international cooperation for development of sericulture. Some of the major projects are as follows:

III(a) PROJECT FOR ORGANIZING 3rd COUNTRY TRAINING PROGRAMME ON BIVOLTINE SERICULTURE TECHNOLOGY ASSISTED BY JICA

The Japan International Cooperation Agency (JICA) and the Central Silk Board (CSB) have jointly worked in technical cooperation in the area of development and popularization of Bivoltine Sericulture Technology suited to Indian agro-climatic conditions for past fifteen years. In this cooperative endeavor, a good number of bivoltine silkworm breeds have been developed along with a comprehensive Bivoltine Sericulture Technology package and suitable model for Extension, Seed production system and generated well-trained manpower for further multiplication in the country.

Encouraged by the success of the cooperation programme, Central Silk Board in association with JICA has implemented a third country training programme on "Bivoltine Sericulture Technology" during 2008-09 for some of the Afro-Asian countries to disseminate the knowledge and skills on bivoltine sericulture technologies to these silk producing countries and organized training for 11 officers in 'Administrative Course' and 15 officers in 'Technical Course' nominated from 8 different countries viz.

Ghana, Cambodia, Uganda, Nigeria, Kenya, Philippines, Laos and Nepal.

JICA has extended the training programme for 3 more years from 2009-10 in view of the success of the programme and feedback received. The third Country Training Programme on "Bivoltine Sericulture Technology" is opened for the participants of 22 Afro-Asian Countries, viz., Bangladesh, Cambodia, Ethiopia, Ghana, Indonesia, Kenya, Laos, Madagascar, Nepal, Nigeria, Pakistan, Philippines, Sri Lanka, Vietnam, Uganda, Cuba, Thailand, Kazakhstan, Uzbekistan, Kyrgyzstan, Egypt and Iran. The number of officers trained under Bivoltine Sericulture Technology is given at table 7.4.

III(b) MANIPUR SERICULTURE PROJECT (PHASE-I) ASSISTED BY JBIC

The Govt. of Manipur is implementing the project with financial assistance from JBIC, Japan over a period of 10 years at a total cost of Rs.490.59 crore. The first phase of the project was approved with a total cost of Rs.134.52 crore (4587 Million Yen). However The Revised Action Plan of the Manipur Sericulture Project approved by the Ministry of Textiles as well as JBIC at a cost of Rs 105.89 crore excluding the staff component of Rs 20.33 crore. The implementation of the project was re-started from March 2005.

The first phase of the project was

completed with a total cost of 154.99 crore due to yen appreciation of which JBIC assistance was Rs.136.66 crore (3962 Million Yen) and state share of Rs.18.33 crore. Under the project 5,000 beneficiaries have been identified and organised into 1000 Field Operative Units (FOU). 1700 hectares of Systematic mulberry plantation @ 1.7 ha/FOU was raised and construction and establishment of 4185 Individual Adult Rearing Houses were completed. 15 Technical Service Centres, 2 Gainages, 2 P-2 Seed Farms, One Cocoon market, 4 District level Cocoon Storage & Drying Centres, one each of Sericulture Training School, Post-Cocoon Training-cum-Production Centre were established. In addition to the above Multi-end Reeling Unit, Testing Unit, silk Conditioning and Testing Unit, Field Research & Experiment Station, Project Management Office and 60 Chawki Rearing Centres have been established. Under the project, a total of 19.11 lakh dfls were reared to produce 597.5 MT of cocoons.

In the first phase of the project 210 officials were trained under Trainer's Training programme, 117 through refreshers trainings and 300 officials were trained in Chawki Rearing. Apart from this, 4000 beneficiaries are trained under various skills of rearing, reeling etc. and 660 farmers were taken on study tours. CSB has conducted concurrent evaluation of the first phase during 2009-10 and found that the infrastructure developed during the first phase is yet to be fully

Table 7.4

| S.No. | Name of the Sub-course | Target | Achievement | |
|-------|-----------------------------------|-----------|-------------|-----------|
| | | | 2009-10 | 2010-11 |
| 1 | Administrative Course (Two Weeks) | 15 | 12 | 13 |
| 2 | Technical Course (Twelve Weeks) | 15 | 14 | 15* |
| | Total | 30 | 26 | 28 |

*Training in progress

utilized for want of electrification, power connection and commissioning of technical equipment. The left over activities of the project are under consolidation and Draft Project for Phase-II is submitted to JBIC. Alternative funding arrangement for the second phase of the project is also being discussed in the project monitoring board to utilise the infrastructure created and consolidate the gains made in the first phase of the project.

III(c) SPECIAL SGSY PROJECTS FOR DEVELOPMENT OF TASAR AND ERI CULTURE IN BIHAR AND JHARKHAND

Two special SGSY Projects for development of Tasar and Eri culture are being implemented in the States of Bihar and Jharkhand with financial assistance from Ministry of Rural Development, Govt. of India from the year 2003-04. Central Silk Board is the Executing Agency, which closely monitors the implementation and extends the necessary technological support through units of CTR&TI, Ranchi on pre-cocoon aspects, BTSSO, Bilaspur for seed requirement and CSTR, Bangalore on post cocoon activities. CSB also meets the entire requirement of basic seed through the BSM&TCs in the two states. The projects are being implemented in both the States by Professional Assistance for Development Action (PRADAN), an NGO.

III(d) DEVELOPMENT OF TASAR AND ERICULTURE IN BIHAR (2003-07)

The project is being implemented in Banka district of the State. The project has been extended till 31st March 2011. So far Rs. 880.671 lakh have been released under the project to PRADAN & CSB units in the project area, which includes Rs. 653.179 lakh from MORD and Rs.227.581 lakh from CSB, excluding nominal project administrative expenses spent by CSB for its personnel involved

in project execution. Under the project 37 SHGs and 3051 swarojgaries have been assisted and 268.76 Ha. of block plantation, 2430 chawki garden units of 0.1 Ha. and 40.5 Ha. of castor have been raised.

III(e) DEVELOPMENT OF TASAR AND ERI CULTURE IN JHARKHAND-PHASE I (2003-05)

The project is being implemented in the districts of Giridih, Deoghar, Dumka, Pakour, Godda, Sahebganj, Jamtara, Ranchi, East Singhbhum, West Singhbhum, Saraikela, Simdega, Hazaribagh and Gumla of Jharkhand. One new BSM&TC was established at Deoghar in the state and 3 existing BSM&TCs at Kathikund, Kharsawan and Madhupur were strengthened. The project implementation is at final stage and would be concluded during this year. Under the project 132 SHGs and 8136 swarojgaries have been assisted, 743.09 hectares of block plantation, 3144.4 chawki garden units and 82.00 hectares of castor plantation have been raised.

III(f) SPECIAL SGSY PROJECT ON DEVELOPMENT OF MULBERRY SERICULTURE IN LAI, MARA AND CHAKMA AUTONOMOUS DISTRICT COUNCILS OF MIZORAM

Three Projects prepared by CSB for Lai, Mara and Chakma ADCs of Mizoram state at total cost of Rs.5100.00 lakh @ Rs.1700.00 lakh per project are being implemented by DOS, Govt. of Mizoram with financial assistance from MORD and CSB for a period of five years in two phases from 2002-03. The first Phase of all the three projects started during 2002-03 at Rs.512.00 lakh each. MORD has released funds to a tune of Rs.701.45 lakh for three ADCs and Rs.219.60 lakh released by CSB as its share under CDP (up to October, 10). The II Phase of the project is yet to be initiated.

III(g) SPECIAL SGSY PROJECT FOR DEVELOPMENT OF MULBERRY SERICULTURE IN UTTARAKHAND

The Ministry of Rural Development, Government of India has sanctioned a project entitled "A Special SGSY Project for Development of Mulberry Sericulture in Uttarakhand" at a total cost of Rs.757.84 lakh to be implemented by Directorate of Sericulture, Govt. of Uttarakhand over a period of 5 years from 2007-08 to 2011-12. The funds are shared by MORD (Rs.417.009 lakh) and CSB/State (Rs.153.899 lakh). Bank credit is Rs.131.205 lakh and the beneficiary contribution is Rs.55.727 lakh. Central Silk Board is the Executing and Coordinating Agency. Due to revision in the cost of RH, the Project cost has been restructured to Rs. 917.840 lakh by revising CSB/State share at Rs.378.899 lakh, Bank Credit Rs.76.205 lakh and the Beneficiary Contribution being Rs.45.727 lakh without any change in MORD Share.

The Project envisages a total production of about 20.0 MTs raw silk per annum once the plantation becomes fully productive, with the help of 1,090 project swarojgaris during the project period. Project shall generate employment to 6,530 man years. Till October, 2010, an amount of Rs.470.25 lakh including MORD share of Rs.165.08 lakh and CSB share of Rs.305.17 lakh has been released under the project.

II(h) PROJECTS WITH ASSISTANCE UNDER CATALYTIC DEVELOPMENT PROGRAMME (CDP)

1. MICRO PROJECT FOR DEVELOPMENT OF OAK TASAR IN MANIPUR (PHASE-II)

Second Phase of "Micro Project for Development of Oak Tasar in Manipur" was initiated in the year 2007-08 for a

period of five years coinciding with XI Plan period (2011-12) at a total cost of Rs. 387.368 lakh with CSB, State and Beneficiary share of Rs.227.421 lakh, Rs. 64.203 lakh and Rs. 87.429 lakh respectively and the balance is credit from financial institutions. The project is being implemented by Manipur State Sericulture Cooperative Federation Ltd., (MSSCF).

The project covers raising and maintenance of Oak Tasar plantation in 400 hectares, establishment of 4 Units of State oak farm cum Grainages, equipment support to 14 seed rearers and 250 commercial rearers, two units of CFC, 7 reeling units, 2 spinning units, 45 certified loom units. The project would produce 9.0 lakh oak tasar seed, 250.00 lakh cocoons and 6.1 MT of raw silk with an employment generation of 6111 man year at the end of the project period.

2. MICRO PROJECT FOR DEVELOPMENT OF OAK TASAR IN MIZORAM

A "Micro Project for Development of Oak Tasar in Mizoram" was initiated at a total cost of Rs.94.682 lakh with CSB, State and Beneficiary sharing of Rs.71.542 lakh, Rs.18.746 Lakh and Rs 2.225 lakh respectively and credit of Rs.2.168 lakh. The project is being implemented in Tlamsam, Zotlang and Zote villages of Champai district during the 2008-09 to 2011-12 by DOS, Govt. of Mizoram, coinciding with XI Plan period (2011-12).

The project covers support to 12 adopted seed rearers, 200 Oak Tasar Rearers, strengthening of 01 Oak Tasar Grainage, establishment of 01 community reeling & spinning Centre, equipment and training support to 16 reelers, 6 spinner. The project output in the final year has been estimated to produce 27.50 lakh cocoons, 611 kg reeled silk, 236.50 Kg spun silk with an employment generation to 611

man years/year. CSB has released its share of Rs.22.846 lakh (up to March,10) under CDP Schemes to support Tasar rearers for equipments, training, extension & publicity, strengthening of seed infrastructure and market support for cocoons etc. to achieve the set targets.

3. INCOME ENHANCEMENT OF RURAL POOR THROUGH ERICULTURE IN GUJARAT

A project on "Income enhancement of Rural Poor through Ericulture" with a total cost of Rs.296.607 lakh has been initiated for a period of four years from 2008-09 to 2011-12. The project cost includes Central Share of Rs.176.076 lakh from the funds available under the Catalytic Development Programmes of CSB, State matching share of Rs.72.788 lakh from Department of Cottage and Rural Industries (DCRI), Govt. of Gujarat, and Rs.47.743 lakh to be met by the beneficiaries. The project is proposed to be implemented in clusters in the districts of Mehsana, Patan, Banaskantha & Sabrakantha of North Gujarat during the 2008-09 to 2011-12 by Department of Cottage & Rural Industries, Govt. of Gujarat, Gandhinagar through credible NGOs.

The project covers support to 525 Eri cocoon Producers, construction of 525 rearing houses Rearers, 04 cocoon drying units, establishment of 109 spinners & 100 weavers for yarn production and fabric production respectively, quality linked price support for marketing of cocoons and training to the beneficiaries involved in different activities. The project output in the final year has been estimated to produce 27.00 MT of cocoon shells and 22.00 MT of spun yarn with an employment generation to 21952 man years/year. CSB has released its share of Rs.31.848 lakh under CDP Schemes to support Eri farmers for equipments, rearing house, hot air driers, spinners, training, extension & publicity, and market support for cocoons etc.

III(i) PROJECTS WITH ASSISTANCE UNDER NABARD'S TRIBAL DEVELOPMENT FUND (TDF)

- **Integrated Tribal Development Programme for Chakai Block of Jamui District of Bihar**

The project is being implemented in tribal dominated Dulampur, Nauwadih, Faritazadihi and Gajhi panchayats of Chakai Block of Jamui District of Bihar by creating Tasar Sericulture based forward and backward linkages for sustainable livelihood development. Total outlay of the project is Rs.1274.91 lakh, of which NABARD, Patna is funding Rs.837.72 lakh (65.71%), CSB share of Rs.170.91 lakh (13.41%), Beneficiary share is Rs.217.29 lakh (17.04%) and Loan from NABARD amounts to Rs.49 lakh (3.84%), for a period of five years starting from 2009-10 with CDP funding proposed only for the XI Plan period i.e., 2009-10, 10-11 and 11-12 at Rs. 20.675 lakh, Rs. 86.517 lakh and Rs. 63.717 lakh, respectively.

- **Integrated Tribal Development Programme for Banka District of Bihar**

The project is being implemented in tribal dominated Katoria, Chandan and Bounsi blocks of Banka district through WADI approach (Agri-Horti-Forestry). Total outlay of the project is Rs.675.91 lakh, of which NABARD, Patna is funding Rs.512.33 lakh (75.8%), fund dovetailed from SGSY share of Rs.31.14 lakh (4.61%), Beneficiary share is Rs.117.44 lakh (17.37%) and Loan from NABARD amounts to Rs. 15 lakh (2.22%), for a period of seven years starting from 2008-09.

- **Integrated Tribal Development Programme for three Blocks of Dumka District of Jharkhand Under "TDF" Fund of Nabard**

The project is being implemented in tribal

dominated Kathikund, Sikaripara and Raneshwar Blocks of Dumka district of Jharkhand by creating Tasar Sericulture based forward and backward linkages for sustainable livelihood development. Total outlay of the project is Rs.905.962 lakh, of which NABARD, Ranchi is funding Rs.641.327 lakh, Beneficiary share is Rs.120.823 lakh and Loan from NABARD amounts to Rs.143.81 lakh (including refundable loan of Rs.50.00 lakh from NABARD), for a period of five years starting from 2010-11.

- **Integrated Tribal Development Programme for three Blocks of Godda District of Jharkhand Under TDF Fund of Nabard**

The project is being implemented in tribal dominated Sundarpahari, Godda and Poreyhat Blocks of Godda district of Jharkhand by creating Tasar Sericulture based forward and backward linkages for sustainable livelihood development. Total outlay of the project is Rs.793.19 lakh, of which NABARD, Ranchi is funding Rs.602.209, beneficiary share is Rs.100.25 lakh and Loan from NABARD amounts to Rs.90.736 lakh (including refundable soft loan of Rs.50.00 lakh from NABARD), for a period of five years starting from 2010-11.

IV. CLUSTER DEVELOPMENT PROJECTS

The Cluster Promotion Programme was initiated during 2008-09 and being implemented in close co-ordination with the State Sericulture Departments. The programme envisage dissemination of technological innovations in a systematic way to improve production, productivity and quality of cocoons to support the targeted production of both mulberry and Vanya silks during XI Plan as also facilitates infrastructure up-gradation and improvement of skill / knowledge of farmers. The programme also brings

awareness among the sericulturists about the latest technologies developed and the kind of assistance available to improve sericulture. The programme ensures that all the schemes of Govt. of India / State Govt. for sericulture development and silk industry reaches the stake holders in the clusters. The Cluster Development Programme creates interest among other farmers to take up sericulture mainly due to the reason that the farmers shall get constant support/guidance from the implementing agency from the stage of host plant development up to post cocoon activities.

Under the Cluster Promotion Programme, the CSB in close co-ordination with DOSs continued to assist 45 model sericulture clusters in pre-cocoon sector covering 16 States during 2010-11 Involving central share of Rs.15.61 crore (up to November, 2010). The state-wise / sector-wise break-up of sericulture clusters are given at table 7.5.

In mulberry Sector, assistance has been provided mainly towards raising plantation, irrigation, supply of improved rearing appliances, disinfectants, support for chawkie rearing, construction of rearing houses, seri-poly clinics, insurance, beneficiary training programme, etc. In vanya sector the assistance extended for raising plantation, supply of rearing equipments/tools to seed and commercial rearers, private graineurs, construction of eri rearing houses, Farmers' Training/ Study Tour, insurance support, etc. The funds for cluster programme are being met out of the provision made to States along with CDP funds. The CSB has been providing required technical / extension support through its main R&D Institute and their nested units and the State will also provide matching grants & extension staff for effective implementation of Cluster Promotion Programme.

CSB in association with States continue

Table 7.5

| Sl. No. | Sector | States | No. of Clusters |
|------------------------------------|----------------|--|-----------------|
| 1 | Mulberry | Karnataka (7), Andhra Pradesh (6), Tamilnadu (6), Jammu & Kashmir (4), Maharashtra (3), Mizoram (1), West Bengal (2), Uttarakhand (1), Assam (1) | 31 |
| 2 | Tropical Tasar | Chhattisgarh (1), Orissa (2) | 3 |
| 3 | Oak Tasar | Manipur (2), Uttarakhand (1), Himachal Pradesh (1) | 4 |
| 4 | Muga | West Bengal (1), Assam (2), Meghalaya (1) | 4 |
| 5 | Eri | Nagaland (1), Uttar Pradesh (1), Assam-BTC (1) | 3 |
| Total (Pre-cocoon clusters) | | | 45 |

to operate 5 post-cocoon clusters one each in Tamil Nadu, Andhra Pradesh, West Bengal, Maharashtra and Assam for development of post-cocoon sector during 2010-11. While central share of Rs.0.72 crore has been sanctioned up to November, 2010 in respect of Tamil Nadu and Maharashtra the proposals from other states are still awaited. The proposal to organize one cluster in Karnataka is under consideration. This apart, 8 mulberry clusters, 3 in Bihar, 2 in Himachal Pradesh and 3 in Kerala have been established by CSB in X Plan and are continuing in XI Plan.

V. VANYA SILK MARKET PROMOTION CELL (VSMPC)

Vanya Silk Market Promotion Cell (VSMPC) was established by CSB under X Plan CDP scheme with an objective of providing input support to Vanya Silks in the areas of Market Promotion, Product Development and Diversification. The activities of VSMPC are continued during XI Plan at an outlay of Rs.100.00 lakh. The Advisory Committee of VSMPC headed by the Member Secretary, CSB and members from AIFD, Bangalore, NIFT, Bangalore, IIM, Bangalore, NIFT-TEA KFI, Tirupur, and officers from CSB and CSTRI, Bangalore is reviewing the functioning of

the cell.

During the year 2010-11 VSMPC as a part of Vanya silk market promotion efforts, has published the "Vanya Silk Directory", which provides information on the profile of Vanya silk industry in India, small manufacturers, master weavers, traders, exporters, retailers of Vanya Silk in different parts of the country, vanya silk Raw Material Banks, Eri Spun Silk Mills, Vanya Silk Product Development Agencies, Vanya Silk Shoppes, Units of CSB, SMOI, and State Governments working for the development of Vanya Silks, Units for the measurement, different types of Vanya Silk products available in India, tips on Vanya Silk care etc.

Collaborative projects with NIFT-Tirupur Exporter's Association KFI, Tirupur on "Vanya Silk Design and Product Development", with the SIFT, Ludhiana on "Development of Eri silk Knitwear, Popularization and Commercialization" and with NID Ahmedabad on "Design Development for Vanya Silk Products" under progress. Vanya Silks has a Logo designed by NID, Ahmedabad and same was registered by Registrar of Trade Mark, Govt. of India in the name of Central Silk Board, Ministry of Textiles, Govt. of India.

VI. UPGRADATION OF TECHNOLOGY

VI(a) AUTOMATIC REELING UNITS

In view of the thrust being provided to bivoltine cocoon production in the country and with an aim to produce international quality (3A - 4A) raw silk, a scheme for supporting establishment of Automatic Reeling Machine (ARM) units was implemented under CDP in the X Plan on a pilot basis and two ARM units, one each in Jangaon, Warangal District, Andhra Pradesh and Gobichettypalyam, Erode District, Tamil Nadu were established during the year 2007-08. Both ARM units are running and producing quality raw silk. The Ministry is supporting the establishment of ARM units during the XI Plan CDP with a physical target of 10 units. The scheme is aimed at popularising the adoption of latest technologies in cocoon processing, silk reeling, testing etc. Each ARM unit with 400 ends has a capacity to produce approximately 34.00 MTs of quality raw silk per annum. The cocoon requirement would be around 218 MT per annum covering 350-500 acres under mulberry cultivation. This means that around 400 farmers would be linked up with one automatic reeling unit.

During the year 2008-09, CSB in association with the respective State, had identified three entrepreneurs, two from Karnataka and one from Tamil Nadu for establishment of ARM units. Three more entrepreneurs, one each from Karnataka, Tamil Nadu and Andhra Pradesh, have been identified for establishment of ARM units during 2010-11. Of these six units, one unit has been commissioned at Ramanagaram (Karnataka) and three units are at the erection & commissioning stage.

VI(b) ERI SPUN SILK MILL

Eri cocoons were hitherto utilized for the production of hand spun yarn on traditional hand spinning devices. Trials undertaken

by CSB for the production of mill spun eri yarn of various counts showed encouraging results. Diversified value added products like denims, knits and carpets were made using these yarns. With a view to produce quality eri spun silk yarn of various counts and to meet the requirement of producing diversified value added products in eri and its blends both for domestic as well as international markets, it was proposed to support for establishment of Eri Spun Silk Mill of 440 spindles with a capacity to produce around 100 kgs of spun silk yarn per day, under the X Plan CDP approved by the EFC. The scheme envisaged central subsidy of 75% on the unit cost of Rs.150.00 lakh towards building, infrastructure and machinery. The total project cost is estimated to be around Rs.270.00 lakh.

Establishment of two units, one each in Hindupur, Andhra Pradesh and Kokrajhar, Bodo Territorial Council (BTC), Assam were approved. M/s Indian Silk Mills, Bangalore and M/s Indi Luo Enterprises, Kokrajhar have established these units in Hindupur and Kokrajhar respectively during the year 2008-09. Both the units have started commercial production. There is a provision to support for establishment of three eri spun silk units during the XI Plan. Under this scheme, one unit at Chayyagaon Industrial Growth Centre, Assam has been established and the unit has started commercial production. Another unit has been identified for establishment at Raipur, Chhattisgarh during the year 2009-10.

VII. PROJECTS WITH R&D FUNDS

1. PRODUCT DESIGN, DEVELOPMENT AND DIVERSIFICATION - P3D CELL "THE COCOON"

Product Design, Development, Diversification and Market Support - P3D Cell "The Cocoon" was established by

CSB during Xth plan as an R&D activity. The activity envisages the revival of traditional products, development & diversification of products, market information and support to entrepreneur and exporters. The activities of P3D under CDP are continued in the XI Plan with an outlay of Rs.50 lakh. Under the project 16 nos of Shawls and stoles of Nagaland designs using silk yarn have been developed. Second edition of technical brochures on Muga Sarees, Silk Knits, Silk Denim, and Silk stretch have been prepared. A product catalogue has been prepared which contains product details of men, women and kids. It has been used as blue print to make various garments. Based on the product catalogue, already two nos Eri denim shirts and one no Eri Satin Blazer have been developed. A handloom with Twin cloth slay has been developed and installed in Nagaland to weave two narrow width fabrics simultaneously.

VIII SCHEDULED CASTE SUB-PLAN AND SCHEDULED TRIBE SUB-PLAN

The Schemes / Programmes being implemented by the Ministry of Textiles through the Central Silk Board are mainly for development of sericulture industry, basic seed support and training. Central Silk Board has been implementing the Catalytic Development Programme, which is a Centrally Sponsored Scheme since IX Plan in which SCs/STs and other weaker sections of the society have been largely benefited. Most of the sericulture activities especially under vanya sector are being practiced in the backward areas by SCs / STs. The schemes / components formulated under CDP are mainly aimed to benefit these categories of stake holders. The SC / ST coverage envisaged under the CDP Scheme ranges from 30-90% depending on the nature of the programme / component. It is estimated that about 30% of the SCs / STs are

engaged in mulberry sericulture while 30-90% of SCs / STs are engaged in vanya sericulture.

Out of Rs.75.57 crore approved for implementation of CDP during the year 2009-10, Rs.15.11 crore (20%) was earmarked for SC / ST components. During the current financial year 2010-11, an amount of 52.15 crore (20%) has been earmarked for SC / ST against the RE of Rs.260.76 crore under CDP.

IX GENDER JUSTICE AND GENDER BUDGETING

In India about 6.8 million people are involved in sericulture and its allied industries mostly in the rural area for their livelihood. Women constitute over 53% of those employed in down stream activities in sericulture. Sericulture activities starting from mulberry garden management, leaf harvesting and silkworm rearing is more effectively taken up by the women folk. Silk reeling and weaving activities also engage women. Thus, involvement of women in sericulture which would also be in consonance with the National Policy for the empowerment of women is in the right direction.

Concerted efforts have been initiated to supplement the social and cultural requirements of the women associated with silk industry. Under the Centrally sponsored Catalytic Development Programme (CDP) financial and technical assistance was provided for on-farm and post-farm activities like reeling, dyeing, twisting, printing, finishing etc., Benefits accrued inter-alia, to SC/ST and women workers. The following programmes have been implemented by CSB under CDP for the benefit of women workers:

- Promotion of women friendly technology packages, developed by the research institutes of CSB.
- Supply of improved reeling cum

twisting devices and spinning wheels to the NGOs, women groups, individual women reelers / spinners at 50% subsidy (CSB & State)

- Training programmes were organized to impart training to women reelers / spinners on the operation of improved devices; and
- Implementation of Cluster Development Projects by the integration of CDP schemes, wherein support is provided to Women Self Help Groups.

X NATIONAL FIBRE POLICY ON SILK

The working group for formulation of national fibre policy, critically examined the relevant aspects to facilitate formulation of a comprehensive fibre policy on silk and made the following recommendation:

1. Intensification of R&D activities and extension work in pre-cocoon and post cocoon stages for improving productivity and quality of silk and increasing production of bi-voltine silk in India to bridge the gap between demand and supply of quality silk.
2. Modernization of post-cocoon activities and to make the sector more competitive, silk machinery viz. Automatic silk reeling, silk twisting machinery, shuttle-less looms, silk wet processing machinery etc. should be exempted from duty till 2015.
3. Silk products viz. raw silk, yarn, waste, woven fabrics, made-ups, garments should be covered under Focus Product Scheme so that the duty scrip or similar benefits should also be included under Vishesh Krishi and Gram Udyog Yojana (VKGUY).
4. Introduction of Price Support Schemes to support farmers against fall of cocoon price due to adverse weather conditions in traditional silk producing States.

5. Rationalisation of duty structure in sector and deduction of import duty on raw silk.

XI RASHTRIYA KRISHI VIKAS YOJANA

Government has decided to include sericulture and allied activities in Rashtriya Krishi Vikas Yojana (RKVY) to be eligible for funding under RKVY. It will cover sericulture up to the stage of cocoon production along with extension system for cocoon production and silk yarn production in agri-enterprise up to the marketing.

The benefits of RKVY can now be availed for improvement of sericulture extension system, enhancement of soil health development of rain fed sericulture and for integrated pest management. The benefits available will be for improving silkworm seeds base and for mechanization of the sector. The decision will help provide support for development of market infrastructure and promotion of Seri enterprise. Projects can be taken up to support non-farm activities and special schemes can be sanctioned to beneficiaries of land reforms such as marginal and small farmers etc. to maximize return to the sericulture farmer. RKVY was introduced during XI Plan as an Additional Central Assistance Scheme to incentivize the States to draw up plans for Agriculture and Allied sectors to supplement state specific strategies including special schemes for beneficiaries of land reforms. The objective of the scheme is to promote public investment in agriculture and allied sectors.

XII BUDGETARY SUPPORT FOR THE SERICULTURE AND SILK SECTOR

For the year 2010-11, a provision of Rs. 320 crore under Plan and Rs. 204.30 crore under Non-Plan has been made for CSB.

XIII PHYSICAL PROGRESS AND ACHIEVEMENTS

Physical targets and achievements in

terms of mulberry cultivation, raw silk production, employment and export are given at table 7.6.

Table 7.6
Production

| S.No. | Particulars | 2007-08 | | 2008-09 | 2009-10 | | 2010-11 | | | 2011-12 |
|-------|--------------------------------------|--------------------------|--------------|--------------|--------------|--------------------------|--------------|-------------------------|-------------------------|--------------|
| | | XI Plan Target (2007-12) | Achievement | Achievement | Achievement | % Incr/Decr Over 2008-09 | Target | Achievement (Apr-Sept.) | Anticipated Achievement | Target |
| I | Mulberry Plantation (Lakh ha.) | 2.18 | 1.85 | 1.78 | 1.84 | 3.4 | 2.13 | 1.81 | 1.94 | 2.18 |
| II | Production of Raw Silk (in M.T.) | | | | | | | | | |
| | (a) Mulberry | | | | | | | | | |
| | BV | 5000 | 1175 | 1250 | 1200 | -4.0 | 4500 | 526 | 1450 | 5000 |
| | CB | 18000 | 15070 | 14360 | 15122 | 5.3 | 17700 | 7030 | 16050 | 18000 |
| | Sub Total | 23000 | 16245 | 15610 | 16322 | 4.6 | 22200 | 7556 | 17500 | 23000 |
| | (b) Vanya | | | | | | | | | |
| | a) Tasar | 420 | 428 | 603 | 803 | 33.2 | 395 | 117 | 925 | 420 |
| | b) Eri | 2390 | 1530 | 2038 | 2460 | 20.7 | 2175 | 1240 | 2600 | 2390 |
| | c) Muga | 190 | 117 | 119 | 105 | -11.8 | 180 | 79 | 115 | 190 |
| | Sub Total | 3000 | 2075 | 2760 | 3368 | 22.0 | 2750 | 1436 | 3640 | 3000 |
| | Grand Total (a+b) | 26000 | 18320 | 18370 | 19690 | 7.2 | 24950 | 8992 | 21140 | 26000 |
| III | Cumulative Employment (Lakh persons) | 77.04 | 61.20 | 63.10 | 68.17 | 8.0 | 74.16 | - | 72.5 | 77.04 |

Exports

Exports of various silk products showed a 9% decline in 2009-10 compared to 2008-09 due to the recessionary trends in

major export markets. However, the trend is likely to be reversed this year and silk goods export is likely to reach about Rs.3250 Crores in 2010-11. The details are given at table 7.7.

Table 7.7

(Value: In Rs. Crore)

| Sl. No. | Items of Silk-Goods Export | Achievement during XI Plan | | | |
|---------|-------------------------------------|----------------------------|----------------|----------------|------------------------------|
| | | 2007-08 | 2008-09 | 2009-10 | 2010-11(P) (April-September) |
| 1 | Natural Silk Yarn Fabrics, Made-ups | 1897.06 | 2127.72 | 1971.98 | 663.40 |
| 2 | Readymade Garments | 746.55 | 986.57 | 854.95 | 567.30 |
| 3 | Silk Carpets | 72.11 | 58.67 | 40.59 | 4.32 |
| 4 | Silk Waste | 12.15 | 5.23 | 24.92 | 20.66 |
| | TOTAL | 2727.87 | 3178.19 | 2892.44 | 1255.68 |

P: Provisional;

Source: DGCIS, Kolkata

CHAPTER VIII
THE WOOL AND WOOLLEN
TEXTILES INDUSTRY

CHAPTER VIII

THE WOOL AND WOOLLEN TEXTILES INDUSTRY

CENTRAL WOOL DEVELOPMENT BOARD (CWDB)

The Central Wool Development Board (CWDB) Jodhpur, Rajasthan was set up under the Rajasthan Societies Registration Act, 1958 in July 1987, to administer the implementation of programmes and schemes in Central Sector for the promotion and development of wool and woollen industry in the country.

The Ministry of Textiles had allocated Rs. 1500 lakh to the Central Wool Development Board (CWDB) during the financial year 2010-11 to implement various Plan Schemes and Programmes for the holistic growth and development of wool sector. The Board has utilized Rs. 1135 lakh under Plan head till December, 2010. On the Non-Plan, side a provision of Rs. 150 lakh was made for 2010-11 and the Board had utilized Rs. 125 lakh till December, 2010.

During 2010-11, the Central Wool Development Board had undertaken the following activities:

INTEGRATED WOOL IMPROVEMENT AND DEVELOPMENT PROGRAMME (IWIDP)

The Integrated Wool Improvement & Development Programme (IWIDP), the flagship Scheme of Wool Sector, is being implemented during the XIth Five Year Plan period at an estimated cost of Rs. 48 Crore. The Scheme provides support to the Industry & Wool growers to qualitatively upgrade product and technology to enable

them to get better returns for their products and to get a larger share of the domestic and global market. The Programme has two main components : (A) Improvement of Wool Fibre and (B) Human Resource Development and Promotional Activities.

During the XIth Five Year Plan period, the Programme aims to cover 26 lakh sheep for health coverage, setting up of 10 Ram Raising Units, to provide financial assistance for 200 Sheep Pens, Feed Supplement to a total 80,000 sheep, establishing 7 Multiple Facility Centres, Revolving fund for Marketing of 10 lakh Kg. wool, to supply 26,000 stud rams for breed improvement, to benefit 400 Angora rabbit families and 2400 Pashmina goat rearing families and to train 1000 persons along with other promotional and marketing activities under Human Resource Development Programme. Under IWIDP, the Board is implementing different schemes for improving quantity and quality of wool produced from sheep, Angora rabbit, Pashmina goat and providing training to wool growers, weavers, resource persons etc. along with promotional and marketing activities. Following schemes are being implemented under this integrated programme:

(A) IMPROVEMENT OF WOOL FIBRE

Sheep & Wool Improvement Scheme (SWIS)

The Board had taken up 'Sheep and Wool Improvement Scheme' (SWIS) to improve the quality and quantity of indigenous wool in the country. The Board is implementing various projects under this

scheme in all major wool producing States having components for (i) 'Health Care' for treatment, vaccination and medicines to sheep (ii) 'Breed Improvement' for genetic improvement of sheep and to distribute stud Rams (iii) support for 'Multipurpose Extension Centers' to provide different facilities at one place, (iv) 'Marketing & Grading Assistance' to wool growers to get better returns from wool (v) conducting 'Training Programmes' for wool growers in latest techniques of sheep rearing activities, (vi) 'Ram Raising Unit' to develop good quality breedable Rams and to fulfill requirement of stud Rams, (vii) 'Assistance for Sheep Pen', (viii) provide 'Feed Supplement' to sheep (weak, pregnant / breedable ewes) and (ix) 'Creation of Revolving Fund' for marketing of raw wool and to revitalize the states wool marketing federations/corporations and optimum utilization of infrastructure available with them for this purpose.

During Annual Plan 2010-11, 28.50 lakh sheep will be covered under the scheme with financial allocation of Rs. 941 lakh. The Board had utilized Rs. 872 lakh till December, 2010 and covered 5.50 lakh new sheep & 26.50 lakh ongoing sheep, established 10 Ram Raising Farms, 62 Sheep Pens, Feed Supplement to 50,000 sheep, 2 Multiple Facility Centres and created Revolving Fund for Marketing of 10 lakh Kg. wool. The Board is presently implementing various projects under this scheme in all major wool producing States like : Rajasthan, Gujarat, Madhya Pradesh, Uttrakhand, Maharashtra, Haryana, Jammu & Kashmir, Himachal Pradesh, Andhra Pradesh and Karnataka.

Angora Wool Development Scheme

The Board is implementing Angora Wool Development scheme in hilly areas of country to support Angora rearing activity among farmers, strengthening Germplasm Centre (GPC), facilitating distribution of Angora rabbit among rearers as foundation

stock along with necessary training, feed and nutrition support free of cost. The scheme has following components:

- i) Establishment of Mini Angora rabbit Farm
- ii) Mini Feed Manufacturing Units
- iii) Common Facility Centre (CFC) for Angora Wool Processing and Training
- iv) Research & Development,
- v) Strengthening of Angora rabbit Germplasm Centre.

During the financial year 2010-11, 100 Angora rabbit rearing families are being provided benefits at an estimated cost of Rs. 69 lakh. The Board has utilized Rs. 54 lakh and covered 100 new families from the States of Uttarakhand, Himachal Pradesh, Arunachal Pradesh and Rajasthan till December, 2010.

(iii) Pashmina Development Scheme

During the Xth Five Year Plan period, the Scheme for the development of Pashmina Wool was launched in Ladakh region of J&K State as part of Prime Minister's Special Package. The Scheme is continuing in the XIth Five Year Plan period. The components of the Scheme are:

- Buck Exchange Programme.
- Distribution of high quality Pashmina bucks in non-traditional areas to enhance Pashmina production.
- Training formation of Breeders Association (Guilds) or village Pashmina Cooperative Societies.
- Establishment of Fodder Bank.
- Refresher Training to Nomadic Breeders as Paramedics.
- Health Coverage.

- Refresher Courses to In-service candidates for 3 days/breeders camps.
- Fodder Development.
- Provision of improved Pashmina Combs for Efficient Harvesting of Pashmina.

During 2010-11, the Board is providing facilities to 800 families in Ladakh region of J&K State at an estimated cost of Rs. 28 lakh.

B. HUMAN RESOURCE DEVELOPMENT & PROMOTIONAL ACTIVITIES

The Board had identified some areas for undertaking various training programmes in collaboration with various reputed organizations/institutions/Departments on: Farm management for sheep; Angora & Pashmina rearing, sheep shearing by machines, testing & report writing and quality control/assurance, wool grading & marketing, processing of wool and woollen products, latest weaving and designing techniques to weavers. The following activities are part of HRD & Promotional Activities:

- Marketing and Promotional activities (organizing fairs and Woollen Expos, seminars and workshops, etc.)
- Market Intelligence and Publicity.
- Publication of quarterly news magazine 'Wool Ways'.
- Research, Study and Consultancy.
- Training under Weaving and Designing Training Centre, Kullu.
- Monitoring and Evaluation of Scheme.
- Human Resource Development and Training to farmers/breeders/weavers.

- Strengthen and upgrade wool testing, wool grading and marketing facilities.

During the financial year 2010-11, the Board had provided Rs. 130 lakh for the above activities. Till December, 2010, the Board utilized Rs. 126 lakh and imparted training to 135 resource persons, organized 10 Woollen Expos, sanctioned three R & D projects in favour of Wool Research Association and Central Sheep & Wool Research Institute and one training programme in favour of Indian Institute of Carpet Technology, Bhadohi.

QUALITY PROCESSING OF WOOL AND WOOLLEN SCHEME

The unorganized woollen sector suffers from inadequate processing facilities. The pre loom & post loom facilities are outdated. The sector uses crude form of carding, which results in low productivity, besides affecting the health of workers. The spinning technology is primitive, which is urgently required to be upgraded through improved equipments/machines. The Scheme provides a comprehensive service package from deburring to carding & spinning stage. The setting up of modern plants will increase wool-processing capacity, will provide value addition to Indian wool industry, will create more employment and will augment income of personnel engaged in these decentralized activities.

The Board is implementing a scheme namely "Quality Processing of Wool" (pre-loom and post-loom processing activities) for improving quality of raw wool, finishing of woollen products and value addition to wool and woollen products. This scheme attracts the spinners to modernize their obsolete and small yarn-manufacturing units. The project beneficiaries are State Wool Boards/Corporations/Non-Governmental Organizations/Registered Societies/Private Entrepreneurs etc. engaged in processing of wool and

woollens. Under this scheme, the agency has to bear the cost of land & building by their own resources and should have clear ownership rights. The CWDB provides grant under non-recurring expenses for purchase of machinery & plants only required for setting up the Common Facility Centre (CFC). Recurring expenditure shall be borne by the agency/ association out of its own resources.

A provision of Rs. 232 lakh has been made in 2010-11 to set up 7 new Common Facility Centers for Pre-loom activity like wool scouring, carbonizing, dyeing and carding of wool etc. The scheme is being implemented in project mode with Rs. 50 lakh or 50% of the total project cost, whichever is less towards cost of machinery only. Till December, 2010, the Board has utilized Rs. 83 lakh and sanctioned 5 new CFCs for Pre-loom processing activities at Rajkot, Kullu, Mandi, Dehradun and Beawar.

SOCIAL SECURITY PROGRAMME FOR SHEEP BREEDERS

The Board is implementing this scheme to benefit the sheep breeders by providing life insurance to them and their sheep flock by two plans (i) Sheep Breeders Insurance Scheme and (ii) Sheep Insurance Scheme.

The basic objective of these insurance plans is to provide enhanced insurance coverage to sheep breeders in the case of natural death/accidental death, total/partial disability and for their sheep flock in case of accident including fire, lightning, storm, tempest, flood, inundation, earthquake, famine and diseases contracted or occurring during the period of the policy.

- (i) Total premium payable under 'Sheep Breeders Insurance Scheme' is Rs. 330/- and contribution of sheep breeder, Central Wool Development

Board & Social Security Fund (of Govt. of India) is Rs. 80/-, 150/- and Rs. 100/- per year, respectively. In the event of natural death of the sheep breeder, sum assured is Rs. 60,000, in case of partial disability sum assured is Rs. 75000/- and in case of accidental death/total disability sum assured is Rs. 1,50,000. Additional benefit of scholarship upto two child @ Rs. 300 per quarter per child is also to be paid to the student studying from 9th standard to 12th standard.

- (ii) Total premium payable under 'Sheep Insurance Scheme' is Rs. 44/- per sheep. Out of it, Rs. 19/- per sheep is contributed by the sheep breeders and CWDB's contribution is Rs. 25/- per sheep. In the event of death of sheep, sum assured is Rs. 1,200/- per sheep. The benefit of subsidy is provided to beneficiary for maximum period of three year.

During the financial year 2010-11, the Board made total financial provision of Rs. 100 lakh to provide insurance coverage for 3,00,000 sheep and 15,000 sheep breeders. The Board is implementing Social Security Schemes with the help of the Oriental Insurance Co. Ltd. and Life Insurance Co. Ltd (LIC) in the States of Rajasthan, Gujarat, Madhya Pradesh, Utrkhand, Maharashtra, Haryana, Jammu & Kashmir, Himachal Pradesh Karnataka & Andhra Pradesh. The Board has covered 90,742 sheep and 11,779 sheep breeders till November, 2010.

FUTURE PLANS

For the holistic growth and development of Wool Sector, the Government is making serious efforts to achieve the following objectives by 2012:

- Increase yield of specialty wool fiber viz., Pashmina and Angora.

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- Improve fineness of wool by 2 (micron)
 - Increase wool yield per animal by 25%
 - Reduce annual mortality of sheep by 10%
 - Widen the uses of the coarse and coloured decanni wool (Southern region) by product development and diversification.
 - Increase the demand for Indian wool in domestic and international market.
-

CHAPTER IX
DECENTRALISED
POWERLOOM SECTOR

CHAPTER IX

DECENTRALISED POWERLOOM SECTOR

The decentralized Powerloom Sector plays a pivotal role in meeting the clothing needs of the country. The powerloom industry produces a wide variety of cloth, both grey as well as processed. Production of cloth as well as generation of employment has been rapidly increasing in the powerloom sector. There are 22.69 lakh powerlooms in the country as on 31.10.2010 distributed over approximately 5.11 lakh units. The powerloom sector contributes about 61% of the total cloth production of the country, and provides employment to about 56.64 lakh persons. More than 60% of the cloth meant for export comes from the powerloom sector.

Growth in the Powerloom Sector

The estimated number of powerlooms in the decentralized sector in the country till 31st October 2010 were 22,69,469. The year-wise growth in the number of looms installed is given at table 9.1.

Cloth production (Million Sq Mtrs)

The details of total cloth production and production by powerloom sector during the last six years are given at table 9.2.

Product Profile

The Powerloom Sector produces a variety of fabrics for domestic as well as export markets, such as shirting, suitings, dress material, saree, dhoti, sheetings, towels, chaddar, furnishing, shawls, blankets, tweeds etc. made out of cotton, blended, synthetic, silk, wool etc.

Technology Level

As on 31st October 2010 there are 22.69 lakh looms installed in the country. Most of these looms are conventional, plain / ordinary looms of old vintage, with outdated technology, very low speed, marked by low productivity and

Table 9.1

| Year | No. of Powerlooms | Growth %age |
|-------------------------------|-------------------|-------------|
| 2002 - 2003 | 16,92,737 | - |
| 2003 - 2004 | 18,36,856 | 8.5% |
| 2004 - 2005 | 19,02,953 | 3.6% |
| 2005 - 2006 | 19,43,892 | 2.2% |
| 2006 - 2007 | 19,90,308 | 2.4% |
| 2007 - 2008 | 21,06,370 | 5.8% |
| 2008 - 2009 | 22,05,352 | 4.7% |
| 2009 - 2010 | 22,46,474 | 1.9% |
| 2010 - 2011 (Upto 31.10.2010) | 22,69,469 | 1.02% |

Table 9.2

| Year | Total production | Production on Powerloom | %age of Powerloom over total Production |
|--|------------------|-------------------------|---|
| 2004 - 2005 | 45378 | 28325 | 62% |
| 2005 - 2006 | 49577 | 30626 | 62% |
| 2006 - 2007 | 53389 | 32879 | 62% |
| 2007 - 2008 | 56025 | 34725 | 62% |
| 2008 - 2009 | 54966 | 33648 | 61% |
| 2009 - 2010 (P) | 59809 | 36644 | 61% |
| 2010 - 2011 (April - Oct. 2010) (P) | 35805 | 22067 | 62% |

manufacturing by and large defect prone and low value fabrics.

Problems faced by the decentralized Powerloom sector

- i. Technological obsolescence & small size of units with fragmentation
- ii. High power tariffs with uncertain power supply
- iii. Lack of credit availability & Poor marketability
- iv. Low HRD skill levels and poor quality consciousness
- v. Globalization of the textile trade & threat of import penetration

Modernization & strengthening of Powerloom Service Centre

Out of 44 PSCs, under Textile Commissioner and other agencies, 43 Powerloom Service Centres (PSCs) have been modernized with modern machines and equipments such as shuttleless looms of types projectile, Rapier, Airjet, Automatic Cop Changing looms, Drop box looms, Pirn winders, cone winders, sectional warping machines, DG sets etc. Some of the PSCs already modernized have been further upgraded and strengthened by providing Airjet looms, Embroidery

machine, Textile design software etc. Few more PSCs are to be further upgraded during the year. Out of 44 PSCs 14 PSCs are under the office of the textile commissioner, 25 PSCs are run by different TRAs, 4 PSCs under the KSPDC, Bangalore & one PSC is run by the M.P. State Govt.

Computer Aided Design Centers

The following 17 Computer Aided Design Centres (CADC) have been established:-

Coimbatore, Karur, Komarapalayam and Somanur (Tamil Nadu), Surat and Ahmedabad (Gujrat), Solapur, Ichalkaranji, Bhiwandi and Mumbai (Maharashtra), Bilwara (Rajasthan) and Ghaziabad (Uttar Pradesh), Bangalore and Doddaballapur (Karnataka), Burhanpur and Indore (Madhya Pradesh) and Panipat (Haryana). These CADCs help the decentralized and small Powerloom units to access new designs and improve the quality of the fabric.

Schemes being implemented for development of Decentralised Powerloom Sector

- i) **Group Insurance Scheme to the powerloom workers**

Government of India have launched a

revised Scheme "welfare of Powerloom workers through Group Insurance Scheme" in association with LIC from 1st July 2003.

In accordance with the XIth Five Year Plan, the scheme has been modified by merging the existing JBY Scheme and Add-on GIS w.e.f. 1st January 2008. As per the modified Scheme, the total premium is Rs.330/- out of which, Rs.150/- is to be borne by the Office of the Textile Commissioner, Government of India and Rs.100/- is being paid by the LIC from the social security fund of Government of India. Only a premium of Rs.80/- is to be paid by the powerloom weaver for getting the benefits under the said scheme. The coverage benefit under the scheme is given at table 9.3.

In addition to the above, a worker under JBY will also be entitled the educational grant of Rs.600/- per child / per half year for two children studying in IX to XII standard for a maximum period of 4 years under Shiksha Sahayog Yojana (SSY).

Under the said schemes, 8,15,877 powerloom workers have been insured so far involving GOI share of premium to the extent of Rs.832.80 lakh since July 2003 to November, 2010 and the progress of the Scheme is as given at table 9.4.

Group Workshed Scheme

The Govt. of India has introduced a Group Workshed Scheme for decentralized Powerloom Sector on 29.7.2003, under the Xth five-year plan.

Table 9.3

(Value in Rs.)

| Component | Natural Death | Accidental Death | Total Permanent Disability | Partial Permanent Disability |
|-----------|---------------|------------------|----------------------------|------------------------------|
| GIS | 60,000/- | 1,50,000/- | 1,50,000/- | 75,000/- |

Table 9.4

| Year | No. of Workers enrolled | | | GOI Share of Premium (Rs.) | | |
|----------------------------|-------------------------|---------------|-----------------|----------------------------|------------------|--------------------|
| | JBY | AGIS | Total | JBY | AGIS | Total |
| 2003-04 | 49,498 | 10,840 | 60,338 | 29,69,880 | 9,75,600 | 39,45,480 |
| 2004-05 | 92,992 | 16,810 | 1,09,802 | 55,79,520 | 15,12,900 | 70,92,420 |
| 2005-06 | 77,907 | 18,489 | 96,396 | 46,74,420 | 16,64,010 | 63,38,430 |
| 2006-07 | 74,115 | 19,936 | 94,051 | 44,46,900 | 17,94,240 | 62,41,140 |
| 2007-08 | 1,06,492 | 15,445 | 12,19,37 | 82,69,530 | 13,90,050 | 96,59,580 |
| 2008-09 | 1,14,011 | - | 1,14,011 | 17,10,1,650 | - | 17,10,1,650 |
| 2009-10 | 1,42,205 | - | 1,42,205 | 2,13,30,750 | - | 2,13,30,750 |
| 2010-11 (upto Dec.2010) | 87,864 | - | 87,864 | 1,31,79,600 | - | 1,31,79,600 |
| Total | 7,45,084 | 81,520 | 8,26,604 | 7,75,52,250 | 73,36,800 | 8,48,89,050 |

The scheme aims at setting up of Powerloom Parks with modern weaving machinery to enhance their competitiveness in the Global Market and the same has been modified. As per the modified Scheme, subsidy for construction of Workshed would be limited to 40% of the unit cost of construction subject to a maximum of Rs. 160/- per sq. ft. whichever is less. Ordinarily, minimum 4 weavers should form a group each with 48 modern looms of single width or 24 wider width looms will be allowed to be installed. The maximum subsidy will be Rs.12 lakh per person. The scheme does not envisage more than 500 looms under one project proposal. The performance of the scheme is given at table 9.5.

INTEGRATED SCHEME FOR POWERLOOM DEVELOPMENT SECTOR

In order to achieve the overall development of the powerloom sector, Govt. has announced the Integrated Scheme for Powerloom Sector Development during 2007-08. The scheme has got the following components :-

- 1) Marketing Development programme for Powerloom Sector
- 2) Exposure visit of Powerloom Weavers to other Clusters
- 3) Survey of the Powerloom Sector
- 4) Powerloom Cluster Development

- 5) Development and Upgradation of skills (HRD)

Performance of the Scheme

(a) Buyer Seller Meet

| Year | No. of Meet | Amount released (Rs. in Crore) |
|-------------------------|-------------|--------------------------------|
| 2007-08 | 7 | 0.225 |
| 2008-09 | 9 | 0.537 |
| 2009-10 | 10 | 0.566 |
| 2010-11 (upto Dec.2010) | 6 | 0.50 (Advance) |

(b) Exposure Visits

| Year | No. of Meet | Amount released (Rs. in Crore) |
|-------------------------|-------------|--------------------------------|
| 2007-08 | 301 | 0.06 |
| 2008-09 | 558 | 0.10 |
| 2009-10 | 706 | 0.18 |
| 2010-11 (upto Dec.2010) | 582 | 0.12 (Advance) |

(c) Powerloom Cluster Development

Towards the developments of different powerloom clusters identified, 30 CDOs were given training in cluster development by the EDI, Ahmedabad during 2007 - 08 involving the total expenditure of Rs.15.97 lakh and Rs.4.80 lakh has been spent for refresher training of Officers from Regional

Table 9.5
Performance of the Scheme (Rs. in Crores)

| Year | Budget Allocation | Fund Utilization | No. of Project Approved |
|-------------------------|-------------------|------------------|-------------------------|
| 2007-08 | 1.125 | 1.125 | 2 |
| 2008-09 | 1.365 | 1.365 | 13 |
| 2009-10 | 2.764 | 2.763 | 15 |
| 2010-11 (upto Dec.2010) | 4.500 | 0.77 | 7 |

Offices & Headquarters. The following 8 clusters have been selected for development and CDO have been posted in the respective cluster.

- 1) Burhanpur, 2) Nalagonda, 3) Ranaghat
- 4) Umbergaon 5) Amritsar 6) Karur
- 7) Bhilwara 8) Maunathbhanjan

(d) Development & Upgradation of skills (HRD)

Performance of the 44 PSCs for the period 2007-08, 2008-09, 2009-10 & 2010-11 (Upto Sept.2010) are given at table 9.6.

20% CREDIT LINKED CAPITAL SUBSIDY

The Govt. has implemented 20% Credit

Linked Capital Subsidy Scheme under the TUFs, especially in order to help the decentralized Powerloom Sector. The scheme was announced on 6.11.2003 by MOT and is applicable to Powerlooms in SSI sector only. Under the scheme, Rs.203.66 crore has been disbursed to 2772 cases since November 2003 to 30.11.2010. The scheme has been re-named as 20% MMS since 1.4.2007. Progress of this Scheme is given at table 9.7.

There is no separate Budget allocation for this Scheme. Fund is earmarked out of the Fund allocated to TUF Scheme.

ALL INDIA POWERLOOM BOARD

The All India Powerloom Board (AIPB)

Table 9.6

| Performance details | 2007-08 | 2008-09 | 2009-10 | 2010-11 (Upto Sept.2010) |
|---|---------|---------|---------|-----------------------------|
| No. of trainees | 10181 | 13099 | 12644 | 5999 |
| No. of samples tested | 77129 | 66709 | 74197 | 38652 |
| No. of Design developed | 4540 | 4728 | 4709 | 2475 |
| No. of consultancy / troubleshooting | 4686 | 4600 | 5001 | 2863 |
| Total Revenue (Rs. in lakh) | 121.67 | 116.08 | 115.79 | 56.82 |
| No. of seminar, exhibitions and workshops | 1069 | 722 | 900 | 402 |

Table 9.7

| S. No. | Year | No. of units | Amount of subsidy releases (Rs. in Crore) |
|--------|----------------------------|--------------|--|
| 1. | 2003-04 | 4 | 0.10 |
| 2. | 2004-05 | 150 | 6.00 |
| 3. | 2005-06 | 368 | 23.00 |
| 4. | 2006-07 | 827 | 59.86 |
| 5. | 2007-08 | 567 | 44.95 |
| 6. | 2008-09 | 404 | 32.48 |
| 7. | 2009-10 | 363 | 30.57 |
| 8. | 2010-11 (Upto Dec.2010) | 116 | 8.41 |

was first constituted as an Advisory Body in November 1981 and since then GOI have reconstituted AIPB from time to time. AIPB has been reconstituted on 21st July 2010 for a period of 2 years. It has representatives of the Central and State Govts., Powerloom Federations / Associations of Powerloom Industry, as its member and is headed by the Hon'ble Union Minister of Textiles as the Chairman.

MEGA CLUSTERS

Implementation of Mega Clusters

- Pursuant to the Budget Announcement 2008-09, the Government decided to scale up infrastructure and production by taking up six centers for development as mega clusters in Varanasi and Sibsagar for handlooms; Bhiwandi and Erode for powerlooms; and Narsapur and Moradabad for handicrafts, on a Public Private Partnership (PPP) model. Five more Mega Clusters, 2 each for Handicrafts at Srinagar (J&K) and Mirzapur-Badohi (UP) Handlooms at Virudhnagar (TN) and Murshidabad (WB) and one for powerlooms at Bhilwara (Raj) were announced for 2009-10.
- The scheme for mega cluster envisage support to weavers/artisans, both in and outside the cooperative fold, including those in Self Help Groups (SHGs), Non Governmental Organisations (NGOs) etc. The scheme provides for development of all the facets of selected clusters like raw material support, design inputs, up-gradation of technology, infrastructure development, marketing support, welfare of weavers etc. A convergence of the existing development interventions of the Ministry of Textiles & other Ministries/ Departments will be affected in these clusters. The scheme will also raise living standards of the weavers/ artisans by improving the infrastructure facilities, with better storage facilities, technology up-gradation in pre-loom/on-loom/post-loom operations, weaving shed, skill up-gradation, design inputs, health facilities etc.
- The Scheme will be implemented over a period of 5 years. An amount of Rs. 70 crore has been earmarked for each mega-cluster.
- Agencies, which would be responsible for implementation of the Projects (CMTAs) for all 11th mega clusters have been selected. Substantial progress in implementation of mega clusters schemes in all 11th projects has since been made.

CHAPTER X
HANDLOOMS

CHAPTER X

HANDLOOMS



The Minister of State for Textiles, Smt. Panabaka Lakshmi releasing Handloom Weavers' photo ID Card. Smt. Rita Menon is also seen

The handloom forms a precious part of the generational legacy and exemplifies the richness and diversity of our country and the artistry of the weavers. Tradition of weaving by hand is a part of the country's cultural ethos.

As an economic activity, handloom is the 2nd largest employment provider next only to agriculture. The sector about 23.77 lakh handlooms provides employment to 43.31 lakh persons. Of which, 10% are scheduled castes, 18% belong to scheduled tribes, 45% OBC and 27% are from other Castes. Production in the handloom sector recorded a figure of 6769 million sqr.meters in the

year 2009-10, which is about 23.23% over the production figure of 5493 million sqr. meters recorded in the year 2003-04. During 2010-11 production in the handloom sector is reported to be 3770 million sqr. meters (P) (April - Oct., 2010) and is given at table 10.1.

The Office of the Development Commissioner for Handlooms since its inception in 1976 has been implementing various schemes for the promotion and development of handloom sector and welfare of handloom weavers. During 11th Five Year Plan (2007-08 to 2011-12), five schemes are under implementation, which are - (i) Integrated

Table 10.1

Cloth Production by Handloom Sector

| Year | Cloth Production by Handloom | Share of Handloom in the total cloth production | Ratio of Handloom to Powerloom (in terms of cloth) | Total Cloth Production* |
|-----------------------------|------------------------------|---|--|-------------------------|
| 2003-04 | 5493 | 16.2 | 1:4.91 | 33874 |
| 2004-05 | 5722 | 16.1 | 1:4.95 | 35573 |
| 2005-06 | 6108 | 15.9 | 1:5.01 | 38390 |
| 2006-07 | 6536 | 15.9 | 1:5.03 | 41161 |
| 2007-08 | 6943 | 16.0 | 1:4.97 | 43265 |
| 2008-09 | 6677 | 15.9 | 1:5.04 | 42121 |
| 2009-10 | 6769 | 14.9 | 1:5.41 | 45374 |
| 2010-11 (upto Oct, 2010) | 3770 | 13.98 | 1:5.85 | 26967 |

* The total cloth production includes Handloom, Powerloom and Mill Sector excluding hosiery, khadi, wool and silk.

Handloom Development Scheme; (ii) Handloom Weavers Comprehensive Welfare Scheme; (iii) Marketing & Export Promotion Scheme; (iv) Mill Gate Price Scheme; and (v) Diversified Handloom Development Scheme.

INTEGRATED HANDLOOMS DEVELOPMENT SCHEME

- The Integrated Handloom Development Scheme (IHDS) envisages taking care of all the needs of the weavers in a cluster in an integrated and coordinated manner. The scheme aims to focus on formation of weavers group as a visible entity, develop the handlooms weavers groups to become self-sustainable, inclusive approach to cover weavers both within and outside the cooperative fold, skill up-gradation of handloom weavers/workers to produce diversified products with improved quality to meet the market requirements, provide suitable workplace to weavers to enable them to produce quality products with improved productivity etc.
- Under the scheme, clusters having about 300 - 500 looms under each, are taken up for development in a time frame of 3 years at an upper cost of Rs.60.00 lakh per cluster. Handloom weavers, who are not covered by the clusters, are supported through a 'Group Approach', which will be implemented in a project mode. A Group, consisting of 10 weavers or more, is provided financial assistance for (i) Basic inputs; (ii) Training in weaving, dyeing, designing and managerial disciplines; and (iii) Construction of Work-sheds.
- During the year 2009-10, there was a budgetary provision of Rs.125.00 crore (Rs.95.00 crore for General States and Rs.30.00 crore for NER States). Out of Rs.125.00 crore, a sum of Rs.115.57 crore was released to various State Governments/UTs

and other Organizations. Against a target of 100 clusters, 52 Clusters were sanctioned, covering 16,110 handloom weavers and a sum of Rs.20.89 crore was released, which also includes the second installment of earlier sanctioned projects. In addition, 411 Group Approach Projects, covering 11,411 handloom weavers were sanctioned and a sum of Rs.19.04 crore was released, which also includes the second installment of earlier sanctioned projects. Under Marketing Incentive Component of IHDS, a sum of Rs.74.32 crore was released to various State Governments/UTs, covering 15,68,115 weavers.

- During the year 2010-11, there is a budgetary provision of Rs.172.05 crore (Rs.152.05 crore for General States and Rs.20.00 crore for NER States). Out of Rs.125.00 crore, a sum of Rs.141.51 crore (upto 23rd February, 2011) has been sanctioned to various State Governments/UTs and other organizations. Against the target of 120 Handloom Clusters, 77 Clusters have been sanctioned and a sum of Rs.41.18 crore (upto 23rd February, 2011) has been released, which includes the second installment of earlier sanctioned projects. In addition, 569 Group Approach Projects have also been sanctioned and a sum of Rs.26.88 crore has been released, which includes the earlier sanctioned projects. Under Marketing Incentive Component of IHDS, a sum of Rs.63.61 crore has been released to various State Governments/UTs.
- Number of Clusters taken up so far are given below:

Number of Clusters taken up by 2010-11 (Upto 23rd February, 2011) are given in table 10.2.

Table 10.2

| Phase | No. of Clusters sanctioned |
|---|----------------------------|
| Phase-I (2006-07) | 20 |
| Phase-II & III (2007-08) | 251 |
| Phase-IV (2008-09) | 131 |
| Phase-V (2009-10) | 52 |
| Phase-VI (2010-11) (Upto 23rd Feb., 2011) | 77 |
| Total | 531 |

HANDLOOM WEAVERS' COMPREHENSIVE WELFARE SCHEME

During the XI Plan and 2007-08 onwards the Government of India is implementing two separate schemes namely the 'Health Insurance Scheme' for providing health care facilities to the handlooms weavers in the country and the 'Mahatma Gandhi Bunkar Bima Yojana' for providing Life Insurance cover to the handloom weavers in case of natural / accidental death, as two components of the scheme namely Handloom Weavers' Comprehensive Welfare Scheme. The details of the scheme are as under:

HEALTH INSURANCE SCHEME

The Health Insurance Scheme is implemented through the ICICI Lombard General Insurance Company Ltd. The scheme for the Policy periods 2010-11 and 2011-12 will be implemented throughout India in two Zones. The annual premium under the scheme for 2010-11 for Zone I is Rs.939.76/- and for Zone II is Rs.770.99/- (including Service Tax) as per the details given in table 10.3.

The scheme envisages covering (a) not only the weaver but also his wife and two children (b) covers all pre-existing diseases as well as new diseases and (c) has a substantial provision for OPD. The ancillary handlooms workers like those engaged in

Table 10.3

| | Zone-I | Zone-II |
|---|------------------|-------------------|
| Number of Clusters covered | 317 | 375 |
| Govt. of India Share | | |
| (a) Premium | Rs.681.60 | Rs. 559.20 |
| (b) Service Tax | Rs.87.76 | Rs. 71.99 |
| Total (GOI share) | Rs. 769.36 | Rs.631.19 |
| *Weaver/State Govt. contribution | Rs. 170.40 | Rs. 139.80 |
| Total Premium (Including S. Tax) | Rs.939.70 | Rs. 770.99 |

* A minimum contribution by the weavers should be Rs. 50/- per family even in case when State Governments are making a contribution on his behalf.

warping, winding, dyeing, printing, finishing, sizing, Jhala making, jacquard cutting etc. are also eligible to be covered. The annual limit per family is Rs. 15,000/- out of which OPD cover is for Rs. 7,500/-.

During the year 2007-08, a sum of Rs. 102.60 crore, as provided under the Revised Estimates, was released to the ICICI Lombard as Central share of premium. The coverage of weavers under the scheme during the year 2007-08 was 17.74 lakh.

The Budget provision (as per R.E) for the year 2008-09 under the Health Insurance Scheme was Rs. 120.82 crore and this was released to the ICICI Lombard General Insurance Company Ltd. towards Central Government's share of premium. 18.78 lakh weavers including those from the North Eastern Region were covered during 2008-09.

The budget provision under the Health Insurance Scheme for 2009-10 was Rs. 115.85 crore. The entire amount had been released to the ICICI Lombard General Insurance Company Ltd towards Central Govt. share of premium. During 2009-10, 16.11 lakh weavers have been covered.

During 2010-11, there is a budget provision of Rs. 155.30 crore and a target of 16 lakh weavers is proposed to be covered

(8 lakh from Zone I and 8 lakh from Zone II).

MAHATMA GANDHI BUNKAR BIMA YOJANA

The Mahatma Gandhi Bunkar Bima Yojana is being implemented through the Life Insurance Corporation of India. The annual premium of Rs. 330/- per member is shared as given at table 10.4.

Table 10.4

| | |
|-----------------------|-----------------------|
| GOI contribution | Rs. 150/- p.a. |
| Weavers' contribution | Rs. 80/- p.a. |
| LIC's share | Rs. 100/- p.a. |
| Total | Rs. 330/- p.a. |

During the 11th Plan, the benefits available under the Mahatma Gandhi Bunkar Bima Yojana are given at table 10.5.

Table 10.5

| S. No. | Benefits from 1.10.07 |
|-----------------------|-----------------------|
| 1. Natural Death | Rs. 60,000/- |
| 2. Accidental Death | Rs. 1,50,000/- |
| 3. Total Disability | Rs. 1,50,000/- |
| 4. Partial Disability | Rs. 75,000/- |

In addition to the above under the Mahatma Gandhi Bunkar Bima Yojana, a scholarship of Rs. 300/- per quarter per

child is given to the students studying in standard IX to XII for a maximum period of four years or till they complete XII standard, whichever event occurs earlier. The benefit is restricted to two children of the member covered.

During the year 2007-08, against the Revised Estimates of Rs. 13.00 crore, an amount of Rs. 12.98 crore was spent, 4.66 lakh weavers were covered during 2007-08. The entire budget of Rs. 3.10 crore provided for the scheme during the year 2008-09 had been utilized. 5.75 lakh weavers had been covered during the financial year 2008-09 under the scheme.

For the year 2009-10 there is a budget provision of Rs. 3.10 crore under Mahatma Gandhi Bunkar Bima Yojana and the entire amount of Rs. 3.10 crore has been released to the LIC towards Central Govt. share of premium. During 2009-10, 5.27 lakh weavers have been covered.

During 2010-11, there is a target of 6 lakh weavers to be covered. As of November 2010, Rs. 6.87 crore has been released to LIC and 4.12 lakh weavers have been covered under the scheme upto December 2010.

MARKETING & EXPORT PROMOTION SCHEME

The Marketing Promotion envisages a wide gamut of activities for the promotion and marketing of handloom products. The office of Development Commissioner for Handlooms assist the State Government/Implementing agencies in undertaking the following activities:

- Organising of Exhibitions, Events and Craft Melas
- Setting up of Urban Haats
- Setting up of Marketing Complexes/ Handloom Havelies.
- Publicity and Awareness and Brand building

- Geographical Indication Act
- Handloom House at Janpath
- Brand building through Handloom Mark

During the year 2009-10, 561 events were sanctioned to various States which include 26 National Handloom Expos, 117 Special Handloom Expos, 411 District Level Events and 7 Craft Melas. During 2010-11 till February, 2011, 680 Marketing Events have been sanctioned which includes 37 National Handloom Expos, 145 SHEs, 494 DLEs & 4 Craft Melas. A sum of Rs. 49.60 core out of the total budget provision of Rs.50.00 crore (B.E.) was release during 2009-10. During 2010-11, a sum of Rs. 50.94 crore has been released till February 2011 against the RE of Rs. 61 crore.

BRAND BUILDING THROUGH HANDLOOM MARK

There will be greater emphasis on Brand Development through Handloom Mark during the XI Five Year Plan. The Handloom Mark was launched by the Hon'ble Prime Minister of India on 28th June, 2006. The purpose of Handloom Mark is to serve as a guarantee to the buyer the handloom product being purchased is a genuine handwoven product and not a powerloom or mill made product. Also, in the new Foreign Trade Policy, incentives to handloom products bearing Handloom Mark have been provided. Handloom Mark will be promoted and popularized through advertisements in newspapers and magazines, electronic media, syndicated articles, fashion shows, films etc.

The Textiles Committee is the Implementing agency for promotion of Handloom Mark. As on 30th Nov. 2010, 177.33 lakh handloom mark labels have been sold to 7328 stakeholders. 747 retails outlets are selling handloom goods with handloom mark label.

The new beneficiaries now included in the Handloom Mark scheme to get the benefits are: Self Help Groups, Joint Liability Groups, Consortia, Producer companies, Handloom Weavers Groups or any other legal entity organization involved in Handloom activities and approved by Development Commissioner for Handlooms with a one time registration fee of Rs.500.

Sale price of one label was brought down from Rs. 1.25 (at the time of launch) to 60 paise in January, 2007. Application form are now available free of cost. The Registration fee for individual weavers was reduced to Rs.25 (from Rs.100) and for Master weavers to Rs.500 (from Rs.2000).

HANDLOOM MARKETING COMPLEX, JANPATH, NEW DELHI

A world class Handloom Marketing Complex is proposed to be set up at Janpath, New Delhi to provide infrastructure support to handloom agencies with a view to provide permanent marketing outlets that will enable handloom agencies to augment their sales. This handloom marketing complex will showcase the exquisite varieties of handlooms produced all over the country by the adept weavers and will also act as a forum for the promotion of handloom products in the domestic as well as international markets. The complex is likely to be completed by the mid of 2011.

SANT KABIR AWARD

This award is conferred on such outstanding weavers who have made valuable contribution in keeping alive the handloom heritage and also for their dedication in building up linkages between the past, present and the future through dissemination of knowledge on traditional skills and designs. SANT KABIR AWARD for handloom weavers will be conferred every year, beginning from the year 2009.

Each award consist of one mounted gold coin, one shawl and a citation. In addition, financial assistance to the extent of Rs. 6.00 lakh is also be given to each of the Sant Kabir Awardee to innovate and create 10 new products of high level of excellence, of high aesthetic value and of high quality. 10 handloom weavers have been selected for Sant Kabir Award for the year 2009.

HANDLOOM WEEK

Handlooms constitute a living heritage of our country reflecting the ethos of the art and craft traditions of our country which gives employment to about 43.3 lakh people. It is the only environmental friendly fabric requires continuous promotion, adoption and protection. "Handloom Week" was celebrated for the first time in the country from 21st December to 27th December. During the Handloom week a number of promotional and awareness programmes, organisation of domestic handloom expos , fashion shows, publicity through newspapers, magazines, outdoor publicity, through electronic media were undertaken substantially.

During the current financial year 2010-11, Handloom Week was celebrated throughout the country from 21st to 27th December, 2010. A series of fashion shows of handloom ensembles designed by famous designers were held at Chennai, Delhi and Ranchi. During the handloom week, an exhibition of handloom products on silken them (TANTAVI) and Buyer Seller Meet was organized at Shilpi Haat, Rajiv Gandhi Handicrafts Bhawan. Third National Handloom Census Report was released on 23rd December, 2010 and Photo Identity Cards were also issued to some handloom weavers by the Hon'ble Minister of State for Textiles. An exhibition-cum-sale of Handloom Mark and Silk Mark products in collaboration with Silk Mark Organisation was held at Indian Islamic Centre from 24th to 26th Dec,

2010. For the first time Essay Writing competition and Handloom apparel design competition was also conducted and winners were given cash award and certificates.

INCREASE IN THE NUMBER OF MARKETING EVENTS

The target of marketing events for the year 2010-11 has been increased to 650 from 561 sanctioned during the year 2009-10 in order to give adequate opportunity for the weavers to market their products directly to the consumers without the intervention of the middlemen. As on February, 2011, 680 marketing events have been sanctioned.

THE GEOGRAPHICAL INDICATIONS OF GOODS (REGISTRATION & PROTECTION) ACT 1999

The Geographical Indications of Goods (Registration & Protection) Act 1999 provides legal protection to Geographical Indications of goods etc., and prevents unauthorized use of these by others. The office of Development Commissioner for Handlooms provides financial assistance upto Rs.1.5 lakh per item to register for registering the handloom items under GI Act. So far, financial assistance to register 35 items have been provided by this office to various States.

EXPORT PROMOTION

The objective of the Handloom Export Promotion is to assist the handloom agencies for developing & marketing of export worth handloom products and their international marketing by way of participation in international exhibitions and buyer seller meets.

During the year 2009-10, 19 Export Projects were sanctioned and various handloom agencies participated in 17 international fairs/exhibitions. During the

current year, 03 Export Projects have been sanctioned and 21 international fairs have been approved for participation till February, 2011.

HANK YARN PACKAGE NOTIFICATION

Handloom sector is largely dependent on the organized mill sector for supply of its raw material i.e. yarn. This sector uses the bulk of its yarn in the form of hanks. The Central Government ensures regular supply of the yarn to the handloom sector by enforcing the Hank Yarn Packing Notification by making it obligatory on the spinning mills to pack at least 40% of yarn packed for civil consumption in the hank form on a quarterly basis and not less than 80% of the hank yarn packed shall be of counts 80s and below percentage of the yarn produced by them in the hank form.

MILL GATE PRICE SCHEME (MGPS)

This scheme was introduced during 1992-93 with the objective of providing all types of yarn to the handloom weavers' organizations at the price at which it is available at the Mill Gate. Under the Scheme, the Government of India reimburses the transportation expenses involved in the supply of the yarn. National Handloom Development Corporation (NHDC), Government of India Undertaking, is the nodal agency for implementation of the scheme. The scheme has been continued during the XIth Five year Plan. The agencies, which shall be eligible to avail of the benefit of the scheme are as under:-

- All Handloom organizations of National/State/Regional/Primary handloom level.
- Handloom Development Centres.
- Handloom producers/exporters/manufacturers registered with HEPC/ any other export promotion council

under Ministry of Textiles/Director of Industries/Handloom of State/U.T.

- All approved export houses/trading houses/star trading houses for producing handloom items.
- Members of recognized/approved handloom associations.
- NGOs fulfilling CAPART norms.
- Any other agency approved by the Office of the Development Commissioner (Handlooms), Ministry of Textiles, Government of India.

Under the Mill Gate Price Scheme, following assistance is provided:-

- Freight reimbursement for transportation of yarn.
- Expenses of operating the yarn depot @ 2.5%, based on actuals.
- Service Charges to the NHDC.

The maximum rate of freight reimbursement admissible under the MGPS to the NHDC for supply of yarn are given at table 10.6.

The scheme also provides assistance for supply of yarn to the weavers in the remote areas through mobile vans for 20 days in a month. Reimbursement on running the mobile vans is @Rs.1500/- per day or as per actual, whichever is less. Supply of yarn by the National Handloom Development Commissioner (NHDC) under the Mill Gate Price Scheme has gone up considerably and registered

a figure of 1081.2 lakh kgs. valued at Rs.987.33 crore in the year 2009-10. During the year 2010-11 (upto February, 2011), 978.54 lakh kgs yarn valued at Rs.1038.02 crore has been supplied by the NHDC under the scheme. The details of yarn supplied by the NHDC under the scheme are given at table 10.7.

Table 10.7

| Year | Yarn supply | |
|--------------------------------|----------------------|-------------------------|
| | Qty (In lakh kg.) | Value (Rs. in crore) |
| 2007-08 | 678.46 | 563.05 |
| 2008-09 | 855.12 | 793.78 |
| 2009-10 | 1081.21 | 987.32 |
| 2010-11 (upto Feb, 2011) | 978.54 | 1038.02 |

DIVERSIFIED HANDLOOM DEVELOPMENT SCHEME (DHDS)

The Central Sector Diversified Handloom Development Scheme (DHDS) aims at upgrading the skills of the handloom weavers through organization of workshops and exhibitions, design development, documentation of traditional designs and providing linkage and meeting the market requirements. This scheme includes components such as Strengthening of Weavers Service Centres/Indian Institutes of Handloom technology, Setting up of New WSCs/IIHTs, National Centre for Textile Design (NCTD), Research & Development (R&D)

Table 10.6

Maximum Freight Rate Reimbursement under the MGPS

| Item | Plain Area | Hills/remote Area | NE Region |
|---------------------------|------------|-------------------|-----------|
| Yarn Other than Silk/Jute | 1.00% | 1.75% | 3.00% |
| Silk Yarn | 1.00% | 1.25% | 1.50% |
| Jute/Jute blended yarn | 7.00% | 8.00% | 8.50% |

and Conducting Third Census and issue of Identity cards to Handloom Weavers. Against the approved outlay of Rs.20.00 crore, including Rs.5.00 crore for the NER, a sum of Rs.13.67 crore have been incurred till 30.11.2010, during the year 2010-11.

COMPONENT WISE PROGRESS

Third Handlooms Census and issue of Identity Cards to Handlooms Weavers

The "Third National Census of Handlooms and issue of Photo identity cards (PIC) to all the eligible weavers" has been entrusted to the National Council of Applied Economic Research (NCAER), New Delhi on 19.3.08 through open competitive bidding process.

The Third Handloom Census Report (2009-10) was released on 23rd December, 2010 and Photo Identity Cards were also issued to some handloom weavers by the Hon'ble Minister of State for Textiles on that day.

Weavers' Service Centres (WSCs)

At present, twenty-five Weavers' Service Centres (WSCs) are located across the country. They play a vital role in imparting training to weavers, upgrading the skill and productivity of weavers. They have developed new designs and revived traditional ones. WSCs also render extension services, which involve transfer of design inputs, skills and technology to weavers. All the WSCs are functioning primarily under Non-plan. During the year 2009-10, a sum of Rs.2921.25 lakh (under Non-Plan) had been incurred against the RE Budget of Rs.2994.49.00 lakh. During the current financial year 2010-11, an amount of Rs.2050.00 lakh has been incurred upto November, 2010 against the budget provision of Rs.2799.67 lakh.

Indian Institutes of Handloom Technology (IIHTs)

The Indian Institutes of Handloom Technology (IIHTs) provide qualified and trained manpower to the Handloom Sector and undertake experimental and research programmes on all aspects of the handloom industry. There are five IIHTs, one each at Varanasi, Salem, Guwahati, Jodhpur and Bargarh in the Central Sector. In order to cater the needs of the handloom sector for technically qualified manpower, provision for opening new IIHTs in the Central Sector, wherever required, has been made in the XIth Five Year Plan.

Every year, 270 students are offered three years Diploma Course in Handloom Technology and 28 students in the Post Diploma Course in Textiles Chemistry by all the five IIHTs, set up under Central Sector. Apart from the above, three IIHTs are also functioning at Venkatagiri (Andhra Pradesh), Gadag (Karnataka) and Champa (Chhatisgarh) under the State Sector.

Setting up of new IIHT at Bargarh, Orissa

In pursuance of Hon'ble Prime Minister's announcement in August 2006, the Indian Institute of Handloom Technology (IIHT) at Bargarh (Orissa), has been set up w.e.f. 2.6.08 from the Panchayat College Campus, Bargarh (Orissa). The foundation stone of its own building has been laid by the Union Minister for Textiles on 17.11.08. Construction of own building of IIHT is in progress. Against the total cost of Rs.36.09 crore an amount of Rs.2.50 crore has been released upto 2009-10.

During 2010-11, an amount of Rs.5.08 crore has been released for the construction of IIHTs Guwahati, Varanasi, Salem and Jodhpur, against the budget provision of Rs.5.21 crore under Non-Plan and a sum of Rs.0.92 crore was

incurred by IIHT, Bargarh against the budget provision of Rs.1.12 crore under the Plan Head for new building of IIHT, Bargarh.

National Centre for Textile Design (NCTD)

National Centre for Textile Design was set up in January 2001 at Handlooms Pavilion, Pragati Maidan, New Delhi to promote traditional and contemporary designs to enable the textiles industry, particularly in the Handloom Sector, to be responsive to the rapidly changing market demands. The activities of the NCTD are as follows:

- **On-line Activities:** Include dissemination of information related to textile designs through its website www.designdiary.nic.in. The site provides information relating to national and international design trends and colour forecast, design pool etc.
- **Off-line Activities:** Include holding of special exhibitions on sustained basis for increased product exposure and awareness regarding handlooms products among the public.

The exhibitions of NCTD are held under the title "TANTAVI", meaning "of the loom" in Sanskrit. So far, Tantavi exhibitions on four themes - "Structured

fabrics", "Patterned Fabrics" and "Coloured Structures & Patterns Fabrics" and "Brocade Textile Fabrics" have been organized. The fifth in the series of "Tantavi" is based on "Silken" theme.

IMPLEMENTATION OF HANDLOOMS (RESERVATION OF ARTICLES FOR PRODUCTION) Act, 1985 (Non-Plan)

The Handlooms (Reservation of Articles for Production) Act, 1985 aims at protecting millions of handloom weavers and rich cultural heritage of India from the encroachment on their livelihood by the powerlooms and mill sector. At present, (as per latest amendment vide No. S.O. 2160 dated 3.9.2009) eleven categories of textile articles are reserved under the Act. The physical progress of powerloom inspections by various implementing agencies as on 10.12.2010 are as given at table 10.8.

It is expected that the Enforcement Machineries would achieve the target of 2,52,103 powerlooms by March 2011. The Government of India has providing Central Assistance to the States/UTs for establishment of Enforcement Machinery under the "Non-Plan" scheme of "Implementation of the Handlooms (Reservation of Articles for Production) Act 1985". Details of the Central Assistance released to the implementing agencies under the scheme are given at table 10.9.

Table 10.8

| Sl. No. | Physical progress | 2007-08 | 2008-09 | 2009-10 | 2010-11 (upto 10.12.2010) |
|---------|-----------------------------------|----------|----------|----------|---------------------------|
| 1. | Targets for Powerloom Inspections | 2,09,290 | 2,15,575 | 2,29,040 | 2,52,103 |
| 2. | No. of Powerlooms Inspected | 2,49,462 | 2,37,111 | 1,97,210 | 1,34,609 |
| 3. | No. of FIRs. Lodged | 12 | 5 | 12 | 6 |
| 4. | Convictions | 11 | 3 | 14 | 2 |

Table 10.9

(Rs.in lakhs)

| Sl.No. | Name of State | Year Wise Amount Released | | |
|--------|-------------------|---------------------------|---------------|--------------------------|
| | | 2008-09 | 2009-10 | 2010-11 as on 10.12.2010 |
| 1. | Andhra Pradesh | 17.72 | 96.27 | 35.32 |
| 2. | West Bengal | 11.40 | 7.88 | 16.63 |
| 3. | Gujarat | 56.70 | 57.82 | 23.83 |
| 4. | Rajasthan | 28.74 | 26.06 | - |
| 5. | Madhya Pradesh | 11.73 | 13.09 | - |
| 6. | Haryana | - | 16.10 | - |
| 7. | Tamil Nadu | 23.71 | 132.78 | 107.03 |
| 8. | Uttar Pradesh | - | - | 28.98 |
| 9. | Kerala | - | - | 56.51 |
| | Total Exp. | 150.00 | 350.00 | 268.30 |

NATIONAL HANDLOOM DEVELOPMENT CORPORATION (NHDC)

National Handloom Development Corporation (NHDC) Ltd., Lucknow was set up in February, 1983 by the Government of India as an autonomous body under the Companies Act, 1956. The Authorized Capital of NHDC Ltd., is Rs.2000 lakh and its Paid up Capital is Rs.1900 lac. The main objectives of the Corporation are:-

- carry on the business of all types of yarn for the benefit of the handloom sector.
- organize supply of quality dyes and related materials needed by the handloom sector.
- promote marketing of handloom fabrics.
- aid, assist and implement the projects connected with the production of handloom fabrics including taking up modernization programme, technology for the handloom sector.

Activities

Mill Gate Price Scheme (MGPS) is an important scheme of the Government of India under which yarn is supplied to the handloom weavers all over the country at the Mill Gate Price by the NHDC. The details of yarn supplied under the scheme during the last three years are given at table 10.10.

Table 10.10

| Year | Quantity (in lac kg.) | Value (Rs. in crore) |
|--------------------------|-----------------------|----------------------|
| 2007-08 | 678.210 | 563.05 |
| 2008-09 | 855.12 | 793.78 |
| 2009-10 | 1081.21 | 987.32 |
| 2010-11 (upto Feb, 2011) | 981.20 | 1043.60 |

Under MGPS, NHDC is operating "Depot Scheme" of the Government of India, wherein, 715 depots have been made operational till December, 2010.

The corporation is also supplying quality dyes and chemicals to the handloom

sector at competitive prices under the scheme. The details of supplies made during last 3 years by the NHDC under the scheme are as given table 10.11.

Table 10.11

| Year | Dyes & Chemicals | |
|---------------------------|-----------------------|--------------------|
| | Quantity (in lac kg.) | Value (Rs. in lac) |
| 2007-08 | 21.48 | 1897.78 |
| 2008-09 | 39.13 | 2796.56 |
| 2009-10 | 53.23 | 3107.04 |
| 2010-11 (till Feb., 2011) | 31.71 | 2270.10 |

In order to promote marketing of handloom fabrics, the corporation organizes special exhibitions like Silk Fabs & Wool Fabs. The number of exhibitions, participating agencies and total sales generated in the exhibitions during the last 3 years are given at table 10.12.

Table 10.12

| Year | No. of events | No. of participating agencies | Total sale (Rs. in crore) |
|---------|---------------|-------------------------------|---------------------------|
| 2007-08 | 9 | 665 | 25.23 |
| 2008-09 | 12 | 994 | 34.43 |
| 2009-10 | 15 | 1123 | 44.89 |

Besides corporation has set up 8 marketing complexes at Jaipur, Kolkata, Ahmedabad, Hyderabad, Kanpur, Indore, Navi Mumbai and New Delhi, where the handloom agencies from different parts of the country display and sell their handloom products to the discerned customers.

Corporation also undertakes the following programmes to disseminate the latest technologies in the handloom sector and also about the schemes being implemented by the Government of India for the development of the handloom

sector and for the welfare of the weavers:-

- Appropriate Technology Exhibitions (ATEs)
- Quality Dyeing Training Programme.
- Sensitization programme on scheme of Office of DC (Handlooms).

The details like turnover, profit dividend issued rating & MOU of the Corporation during the last three years are given at table 10.13.

Table 10.13

Turnover, Profit and Dividend: National Handloom Development Corporation

(Rs. in lac)

| Year | Turnover | Net Profit | Dividend | MOU rating |
|---------|-----------|------------|----------|------------|
| 2007-08 | 58867.17 | 104.52 | 22.00 | Very Good |
| 2008-09 | 82948.34 | 393.84 | 80.00 | Excellent |
| 2009-10 | 102078.03 | 303.51 | 61.00 | Excellent |

Association of Corporations and Apex Societies (ACASH)

The Association of Corporation and Apex Societies of Handlooms (ACASH) is a National Level Apex Handloom Society, establishment in 1984 and was registered with the Registrar of Cooperative Societies, Delhi under Society Act XXI 1860. The membership of the Society is for (a) State level Apex Cooperative Handloom Societies (b) State Handloom Development Corporation and (c) National or inter State Handloom Apex Societies and Corporations to coordinate and promote marketing in the Handloom sector. The ACASH is functioning as a nodal agency for supply of handloom goods to be purchased by the Central Government Departments/ Agencies/Public Sector Undertakings under Single Tender System (STS). The National and State level Handloom Corporations and Apex Societies whose names were notified by the Office of the Development Commissioner for Handlooms, Ministry of

Textiles for production and supply of handloom goods through ACASH, are the members of ACASH. During the year 2009-10, ACASH had received orders worth Rs.3,626.73 lakh and executed orders worth Rs.3,200.44 lakh. During the year, 2010-11 (upto Nov. 2010), ACASH had received orders worth Rs.4,856.87 Lakhs and executed orders worth Rs.2,678.89 Lakhs under STS.

HANDLOOM EXPOS/EXHIBITIONS

During the year, 2010-11, ACASH had organized 8 exhibitions/expos, as at table 10.14. During the Handloom Week 2010, ACASH proposes to organize 6 Expos/Exhibitions as given at table 10.15. In addition to the above, 7 exhibitions/expos elaborated at table 10.16 are proposed to be conducted during the year, 2010-11.

Table 10.14

(Exhibitions/expos organized during the year 2010-11 till Nov'10)

| S. No. | Name of the Event | Venue | Duration |
|--------|------------------------|---|--------------------------|
| 1 | Silk & Cotton | Srinagar, J&K | 17.06.2010 to 30.06.2010 |
| 2 | Silk & Cotton Expo | Palampur, Himachal Pradesh | 25.06.2010 to 08.07.2010 |
| 3 | Cottons of India | August Kranti Bhawan, Bhikaji Cama Place, New Delhi | 22.07.2010 to 04.08.2010 |
| 4 | Paridhaan | Handloom Pavilion, Pragati Maidan, New Delhi | 28.07.2010 to 10.08.2010 |
| 5 | Home Furnishings | August Kranti Bhawan, Bhikaji Cama Place, New Delhi | 14.08.2010 to 27.08.2010 |
| 6 | Sarees of India | August Kranti Bhawan, Bhikaji Cama Place, New Delhi | 01.09.2010 to 14.09.2010 |
| 7 | National Handloom Expo | Noida Stadium, Noida | 20.10.2010 to 02.11.2010 |
| 8 | Handlooms'2010 | Handloom Pavilion, Pragati Maidan, New Delhi | 14.11.2010 to 27.11.2010 |

Table 10.15

Exhibition/Expo during Handloom Week

| S. No. | Name of the Event | Venue | Duration |
|--------|------------------------|----------------------------|--------------------------|
| 1 | Silks & Cotton Expo | Mumbai, Maharashtra | 14.12.2010 to 27.12.2010 |
| 2 | National Handloom Expo | Dilli Haat, INA, New Delhi | 21.12.2010 to 03.01.2011 |
| 3 | Silks & Cotton Expo | Kolkatta, West Bengal | 21.12.2010 to 02.01.2011 |
| 4 | National Handloom Expo | Chennai, Tamil Nadu | 05.12.2010 to 20.12.2010 |
| 5 | Silk & Cottons Expo | Agartala, Tripura | 17.12.2010 to 30.12.2010 |
| 6 | Silk & Cotton Expo | Jaipur, Rajasthan | 16.12.2010 to 29.12.2010 |

Table 10.16
Exhibition/expo to be organised during 2010-11

| S. No. | Name of the Event | Venue | Duration |
|--------|------------------------|--|-----------------------------|
| 1 | Shawl Show | Handloom Pavilion, Pragati Maidan, New Delhi | 23.12.2010 to 05.01.2011 |
| 2 | Sarees of India | August Kranti Bhawan, Bhikaji Cama Place, New Delhi | 10.01.2011 to 23.01.2011 |
| 3 | Silks of India | Handloom Pavilion, Pragati Maidan, New Delhi | 14.01.2011 to 27.01.2011 |
| 4 | Home Furnishings | Handloom Pavilion, Pragati Maidan, New Delhi | 04.02.2011 to 17.02.2011 |
| 5 | Cottons of India | Handloom Pavilion, Pragati Maidan, New Delhi | 28.02.2011 to 13.03.2011 |
| 6 | National Handloom Expo | Chandigarh, U.T | 16.01.2011 to 31.01.2011 |
| 7 | Silk & Cotton Expo | Rourkela, Orissa | 21.01.2011 to 03.02.2011 |

All India Handloom Fabrics Marketing Cooperative Society Ltd. (AIHFMCs)

The All India Handloom Fabrics Marketing Cooperative Society Ltd., New Delhi was established in 1955 with the twin objectives of developing inter-State and International trade for handloom fabrics produced by the handloom weavers of the country. The Society is governed under the Multi-State Co-operative Societies Act, and comes under the jurisdiction of Central Registrar of Cooperative Societies, New Delhi. The membership of Fabrics Society consists of Registered State/Regional Level Apex Handloom Weavers Cooperative Societies ('A' Class), Primary/ Districts Level Handloom Weaver's Cooperative Societies ('B' Class) and State Governments, Government owned/ controlled Corporation engaged in production and sale of handloom products and such class or classes or association of persons as permitted by Central Registrar under the provision of Multi Cooperative Societies Act ('C' Class). During the year 2010-11 (April to November 2010), the Society had a total of 1112 members comprising 23 ('A' Class), 1056

('B' Class) and 33 ('C' Class) members. The Society had a paid-up share capital of Rs.7,64,25,000/- consisting of 141282 shares as on 30th November 2010. The main objective of the Society is to organize and develop markets for handloom goods both within the country and abroad. To achieve this objective, the Society has set up a chain of retail showrooms known as "Handloom House" at various places in the country. During the year 2010-11 (April to November 2010), there were 24 such Handloom Houses in Ahmedabad (2), Chandigarh, Chennai (3), Coimbatore, Ghazipur, Gorakhpur, Gurgaon, Hyderabad, Kolkata (3), Lucknow, Salem, Madurai, New Delhi, Ranchi, Surat, Thiruvananthapuram, Thrissur, Varanasi, & Visakhapatnam. The Society has its Export Houses at Chennai, Noida and Karur. The Society has also got its branches at Singapore and Mauritius giving an impetus to marketing of Indian Handlooms in the foreign markets. During the year 2010-11 (April to November 2010), the Society's sales turn-over was Rs.2375.63 lakh, including domestic sale of Rs.1966.11 lakh. The Society's exports during the year 2010-

11 (April to November 2010) were of the order of Rs.409.52 lakh. The Society has been working in profit consecutively for the last 56 Years. During the year 2010-11, an amount of Rs.255.19 lakh was released by the Government of India under Marketing Incentive Component of the Integrated Handloom Development Scheme.

NATIONAL HANDICRAFTS & HANDLOOMS MUSUM (NHHM)

The National Handicrafts and Handlooms Museum also popularly known as Crafts Museum is located at Pragati Maidan, New Delhi. It is a sub-ordinate office under the Development Commissioner for Handlooms, Ministry of Textiles. Its main objectives are to increase public awareness about the India's ancient traditions of handicrafts and handlooms, provide an interactive forum for the crafts persons, designers, exporters, scholars and public and help the crafts persons to find a platform for marketing without middlemen and to serve as a resource center for the Indian handicraft and handloom traditions. Collection, conservation and preservation of crafts specimen, revival, reproduction and development of Art and Craft are the basic activities of the Museum.

Museum Collection

The Museum has a collection of over 32,000 artifacts consisting of Metal Icon, Lamps, Incense Burners, Ritual accessories, items of everyday life, Wood carvings, Painted wood and Paper Mache, Dolls, Toys, Puppets, Masks, Folk and tribal paintings and sculptures, Terracotta, Folk & Tribal jewellery and an entire section of traditional Indian textiles. They are exhibited in Folk and tribal Art Gallery, Temple gallery, Courtly Crafts Gallery and Textile Gallery and the rest are kept in Museum Collection store.

Visits by Eminent Persons / Delegations

During the current year i.e. 2010, a number of distinguished persons visited the National Handicrafts and Handlooms

Museum, United States first lady Mrs. Michelle Obama visited the Craft Museum on 8th November, 2010. The visit was the highlight of her recent trip in India which included her interaction with children and shopping at the Crafts Museum. In November 2010 His Serene Highness, the Prince of Lichtenstein and her Royal Highness, the Princess of Lichtenstein visited the Museum and also toured the Crafts Demonstrations Programme.

HANDLOOM EXPORT PROMOTION COUNCIL (HEPC)

The Handloom Export Promotion Council was set up in the year 1965 with Prime objective of promoting exports of Handwoven products of cotton as well as silk and readymade garments. With the increase in the quantum of exports, the Council at present caters only to exporters of cotton handloom fabrics and made-ups, lungies and Real Madras Handkerchiefs and other items made from cotton handloom fabrics. The Council has its head office at Chennai and its Regional Office at New Delhi. A Committee consisting of elected representatives from the trade and Government governs the Council. The Council, which started in 1965 with only 96 members, has grown over the years to cover the entire country with a membership of about 1555 members.

In the absence of ITC (HS) codes for the handloom products, the export data on handlooms was not available from April 2003 onwards. The matter was taken up with the Ministry of Finance and after long correspondence and meetings with the officials of the Ministry of Finance, 31 ITC (HS) codes have been notified by the Ministry of Finance on 24th September 2008. Based on the notified ITC (HS) codes, the Directorate General of Commercial Intelligence and Statistics, Kolkata have captured the following product-wise export data on handlooms for the period April 09 to March 2010, which is given at table 10.17.

Table 10.17

| Item Description | Quantity | Value (INR) |
|--|------------------|--------------------|
| Toilet Linen & Kitchen Linen, Of Terry Towelling Or Similar Terry Fabrics, Of Cotton, Handloom | 24797392 | 3198838744 |
| Table Cloth And Table Covers Of Handloom | 12010989 | 1912742596 |
| Cushion Covers Of Handloom | 14848035 | 1541993403 |
| Other Bed Linen, Printed: Of Cotton, Handloom | 2908932 | 1058574434 |
| Pillow Cases And Pillow Slips Of Handloom | 5572529 | 946856463 |
| Other Furnishing Articles Of Handloom | 8771244 | 797252280 |
| Napkins Of Handloom | 15274463 | 653694139 |
| Mats And Mattings Including Bath Mats, Where Cotton Predominates By Weight, Of Handloom, Cotton Rugs Of Handloom | 2705069 | 458559743 |
| Other Bed Linen, Table Linen, Toilet Linen, Kitchen Linen: Of Cotton, Handloom | 2607094 | 370886285 |
| Other Fabrics, Handloom | 4725364 | 338944459 |
| Bed Sheets And Bed Covers Of Cotton, Handloom | 1037339 | 329103547 |
| Other Table Linen: Of Cotton, Handloom | 1935328 | 291453314 |
| Cotton Durries Of Handloom (Including Chindi Durries, Cotton Chenille Durries, Rag Rug Durrie Printed Durries, Druggets) | 501100 | 120086249 |
| Other Woven Fabrics Of Handloom | 204746 | 113188081 |
| Other Furnishing Articles Of Silk: Handloom | 229344 | 94512957 |
| Real Madras Handkerchiefs Of Handloom | 663268 | 86500441 |
| Dhoti, Handloom | 556438 | 48090993 |
| Floor Cloth & The Like Of Cotton, Handloom | 196249 | 38453562 |
| Sarees Of Handloom | 345732 | 36647819 |
| Other Furnishing Articles Of Wool: Handloom | 64059 | 32382599 |
| Counterpanes Of Handloom | 415607 | 19102749 |
| Lungis Of Handloom | 126032 | 14595996 |
| Scarves Of Silk, Handloom | 63158 | 8414858 |
| Saree, Handloom | 92628 | 8189550 |
| Sheeting (Takia, Leopard Cloth & Other Than Furnishing), Handloom | 51845 | 3626219 |
| Carpets, Rugs And Mats Of Handloom | 5433 | 2796048 |
| Terry Towelling & Smaller Terry Fabrics, Handloom | 6000 | 1321083 |
| Casement, Handloom | 11577 | 967844 |
| Gloves, Mittens And Mitts Of Handloom | 3334 | 208066 |
| Other Woven Fabrics Of Combed Wool Or Combed Fine Animal Hair Of Handloom | 750 | 75000 |
| | 100731078 | 12528059521 |

The following are the activities of the Council:

1. Dissemination of trade information and intelligence to the member exporters.
2. Publicity abroad for Indian Handloom products.
3. Facilitating product diversification and adaptation to meet modern market requirements.
4. Providing impetus to modernization of handlooms for the export market.
5. Provision of design inputs to promote exports of handloom products.
6. Organizing business mission/buyer seller meet and participation in trade fairs abroad.
7. Consultancy and guidance services for handloom exporters.
8. Liaison with the Government of India on all procedural and policy matters relevant to the handloom export trade.
9. Dealing with trade complaints pertaining to handloom exports.
10. Liaison with import promotion and commercial agencies abroad for the benefit of handloom exporters.

Setting up of Design Studio

In order to cover the following activities and services, Design Studios at Kannur and Hyderabad have already been commissioned. Proposals for setting up of more design studios at Bhubaneswar (Orissa), Khekhra and Varanasi (Uttar Pradesh) and Panipat (Haryana) are under consideration in the Department of Commerce under Market Access Initiative Scheme:-

- Create new designs based on client's needs
- Adapting and modifying designs from sketches or fabrics submitted by client, to meet a price or other consideration.

- To analyse the latest trends
- To forecast the change in motif, colour etc.
- Create new designs based on the analysis and forecasting for the manufacturers
- To provide latest in technology by way of related software

Export Promotion Activities

During the year 2010-11, the HEPC has planned participation in following International fairs for boosting the export of handloom products. The details are given at table 10.18.

Table 10.18

List of fairs for participation by HEPC during 2010-11

| S. No. | Name of the event | Month & Year |
|--------|---|--------------|
| 1 | 21st India Home furnishing Fair, Japan | July 10 |
| 2 | Pret-a-Porter Fair, Paris, France | September 10 |
| 3 | Macef, Milano, Italy | September 10 |
| 4 | Decosit, Brussels, Belgium | September 10 |
| 5 | Ambiente, Ukraine | October 10 |
| 6 | Hong Kong Mega Show | October 10 |
| 7 | Index, Dubai | November 10 |
| 8 | AF-L Artigiano in Fiera Milano - 15th International Crafts Selling Exhibition, Milan, Italy | December 10 |
| 9 | Pret-a-Porter Fair, Paris, France | January 11 |
| 10 | Macef, Milano, Italy | January 11 |
| 11 | Ambiente, Germany | February 11 |
| 12 | Expocomer, Panama | March 11 |
| 13 | IHF Fair, Chicago, USA | March 11 |

| | | |
|----|--|--------------|
| 14 | Heimtextil India, Mumbai | October 10 |
| 15 | Indian Handicrafts & Gift Fair (Autumn), Greater Noida | October 10 |
| 16 | Indian Handicrafts & Gift Fair (Spring), Greater Noida | Feb/March 11 |
| 17 | Tex-Trends India 2011, Pragati Maidan, New Delhi | Feb/March 11 |

Workshops/Seminars organized by HEPC

In order to create awareness among the weaving/exporting community of handloom products about various aspects involved in export trade, the Council has been sanctioned Workshops/Seminars given below :

1. Chirala (AP)
2. Balarampuram (Kerala)
3. Bargarh (Orissa)
4. Bhagalpur (Bihar)
5. Karur (Tamil Nadu)
6. Panipat (Haryana)
7. Varanasi (UP)

8. Shantipur (West Bengal)
9. Shillong (Meghalaya)
10. Imphal (Manipuram)
11. Belgaun (Karnataka)
12. Jaipur (Rajasthan)

The following are the other promotional activities undertaken by HEPC:

1. The Council publishes a monthly Newsletter titled "Handloom Export", which contains useful information connected with trade and policy matters, technical inputs, market reports, fashion trends, trade enquiries, statistical information etc.
2. The Council has brought out various booklets in connection with Buyer-Seller Meets, Trade Fairs Abroad for circulation during the fair and also for use as publicity material.
3. The Council been rendering its design services through its CAD department for the members as per their requirement. Besides, Council also provides information on Colour trend helping the members to develop their products as per the colour trend prevailing in the market.

CHAPTER XI
HANDICRAFTS

CHAPTER XI

HANDICRAFTS



The Union Minister for Textiles, Thirui Dayanidhi Maran presenting the Shilp Guru Award 2007 to Smt. Maha Sundari Devi from Bihar for Madhubani Painting, at the presentation ceremony of the National Awards 2007-2008 for Master Crafts persons & Weavers and Shilp Guru Awards 2007 & 2008 for Master Crafts persons, in New Delhi on November 24, 2010. The Minister of State for Textiles, Smt. Panabaka Lakshmi and the Secretary (Textiles) Smt. Rita Menon are also seen.

The Handicrafts Sector plays a significant & important role in the country's economy. It provides employment to a vast segment of craft persons in rural & semi urban areas and generates substantial foreign exchange for the country, while preserving its cultural heritage. Handicrafts have great potential, as they hold the key for sustaining not only the existing set of millions of artisans spread over length and breadth of the

country, but also for the increasingly large number of new entrants in the crafts activity. Presently, handicrafts contribute substantially to employment generation and exports. The Handicraft sector has, however, suffered due to its being unorganized, with the additional constraints of lack of education, low capital, poor exposure to new technologies, absence of market intelligence, and a poor institutional framework. In spite of these

constraints, sector has witnessed a significant growth of 3% annually, and efforts are being augmented during the 11th Five Year plan on the core issues for the development of the sector.

- Providing Infrastructural support for production & Exports
- Improve quality & product diversification with more awareness for both stakeholders & consumer.
- A greater role for NGO as implementing partners and participation of private resources - both human and financial.

In view of the 3% growth annually in Handicrafts sector, it is presumed that the total employment in the sector as at the end of 10th plan is 67.70 lakhs, which at the beginning of the 10th plan was 60.16 lakhs, showing an annual growth rate of about 3%, on the basis of this growth in the sector it is expected this employment to reach 80 lakhs by the end of 11th Plan.

The plan expenditure during the period also witnessed a steady growth increasing from Rs.71.65 crores in 2002-03 to Rs.286.00 crores in 2010-11. The production during the period 2002-03 has increased from Rs.19,564.52 crores to Rs.20221.58 crores during the year 2009-10. The exports during the period increased from Rs.10933.67 crores in the year 2002-03 to Rs.11224.27 crores at the end of the year 2009 -10 registering a cumulative increased 2.65%, The budget outlay for the year 2011-12 has been proposed for Rs. 316.27 crores.

Handicrafts activity being a State subject, its development and promotion are the primary responsibility of every State Government. However, the Central Government is supplementing their efforts by implementing various developmental schemes.

SCHEMES FOR DEVELOPMENT OF HANDICRAFTS

During the XIth Plan the Government of India has implemented six generic schemes in the central sector for holistic growth and development of handicrafts sector in the country. The schemes recommended for implementation during 11th five year plan are as under :

Baba Saheb Ambedkar Hastshilp Vikas Yojana

This scheme aims to promote Indian handicrafts by developing artisans' clusters into professionally managed and self-reliant community enterprise on the principles of effective member participation and mutual cooperation. The thrust of the scheme is on a project based, need based integrated approach for sustainable development of handicrafts through participation of craftspersons. This would lead to their empowerment. The components of the scheme are as under:

A. Social interventions

- i. Diagnostic Survey and formulation of Project Plan
- ii. Community empowerment for mobilization of artisans into Self Help Groups
- iii. Issuance of Identity cards to the artisans(Departmental activity)

B. Technological interventions

- i. Development and supply of improved modern tools
- ii. Design and Technical Development Workshops
- iii. Integrated Design and Technical Development workshops.
- iv. Training of artisans
- v. Organizing Seminars & Symposiums.
- vi. Technological status and need based study and research provision.

C. Marketing interventions

- i. Organizing Exhibitions
- ii. Publicity through printing and electronic mode and brand building campaign
- iii. Setting up of Handicrafts emporia in own/rented/outright purchase of building and renovation
- iv. Market assessment, product assessment study and Study cum exposure tours for artisans and other stake holders tour
- v. Establishment of warehousing cum Common work shed
- vi. Entrepreneurship Development Programme.

D. Financial interventions

- i. Margin Money support
- ii. Wage compensation to cluster manager
- iii. Service charges for Implementing Agencies
- iv. Engagement of experts/ consultants/ institutions, etc., for providing need based assistance including guiding and monitoring.
- v. Credit Guarantee (Departmental activity)

E. Cluster specific infrastructure related interventions

- i. Establishment of Resource Centre for major crafts
- ii. Establishment of E-kiosks
- iii. Creation of Raw Material Banks
- iv. Setting up of Common Facility Centre.
- v. Technological assistance by setting up of Facility Centres by Exporters/ Entrepreneurs, etc.

During the year 2010-11 till December - 2010, an amount of Rs.37.70 crores has been sanctioned for various interventions

to implement 57 Nos. of new projects covering about 23000 artisans consisting of 100 Self Help Groups, and during the year 2010-11 for the period ended up to December 2010, 98,600 artisans have been covered under Skill Development Components. During 2009-10, 27,644 number of artisans credit cards have been issued representing sanction of Credit worth Rs. 92.15 crores. During the period 2010-11, (upto October 2010), 4144 ACC issued representing cumulative credit sanction of Rs. 150.72 crores.

DESIGN & TECHNICAL UP-GRADATION

The scheme aims to upgrade artisan's skills through development of innovative designs and prototype products for overseas market, revival of languishing crafts and preservation of heritage etc. The scheme has the following components:

I. Skill up-gradation

- a. Departmental activities of Regional Design & Tec. Dev. Centres.
- b. Assistance for training the trainers.
- c. Assistance to Shilp Gurus.(heritage masters)

II. Assistance for Design and Technology Upgradation

- a) Design & Technology Development Workshop.
- b) Integrated Design and Technology Development Project.

III. Documentation Preservation and revival of rare and Languishing crafts

IV. National Award for outstanding contribution in Handicrafts Sector

V. Financial Assistance for Institutions to be set up under State Initiatives

- a) State initiative Design Centres.
- b) Handicrafts Museum.

VI. Setting up of Design Bank

VII. Financial Assistance to Central Govt. sponsored Institutions

VIII. Product Development programme for exporters

During the year 2010-11 Rs. 16.73 crores have been allocated under Design & Technical Up-gradation Scheme including NER. Against an allocation of Rs. 16.73 crores, an amount of Rs. 12.36 crores have been sanctioned till 31st December, 2010 for the activities viz 379 Design Workshops (Fresh/reimbursement), 43 Integrated Projects (Fresh/reimbursement), 02 State Initiative Design Centre (2nd installment), 10 Shilp gurus (Fresh/reimbursement), 01 Design Bank (2nd Installment), departmental activities undertaken by RD&TDCs and publicity.

MARKETING SUPPORT AND SERVICES SCHEMES

The Marketing Support Scheme and the Export Promotion Scheme running separately in the Tenth Plan have been clubbed in Eleventh Plan and the Clubbed new Scheme titled as "Marketing Support & Services Scheme". The scheme has three broad following components :

i) Domestic Marketing

- Marketing Events covering Crafts Bazaar/Gandhi Shilp Bazar; Exhibitions; Sourcing Shows & Travel & transportation assistance.
- Marketing Infrastructure covering; Urban Haat; Emporia; Marketing Hub in Metros; Sourcing Hub in major clusters & Ware-housing facilities
- Marketing Services covering Workshops/Seminars & Marketing Studies within the country.

Note: The Gandhi Shilp Bazar is a novel concept whereby it is ensured that at least one Bazar is always on every day in the year somewhere in the country.

The calendar of these bazaars is finalized and circulated at the beginning of the year so that the artisans desirous of participation get sufficient advance notice to plan for their production and participation in the event.

ii) International Marketing

- Marketing Events covering Cultural Exchange Programmes; Fairs & Exhibitions; Thematic Shows; Reverse Buyer Seller Meet & Participation of Entrepreneurs/SHGs Federations/National Awardees.
- Social and Welfare Measures covering Initiatives to counter problems arising out of National/International laws.

iii) Publicity

- Publicity through print and electronic media.
- Publicity through maps, folders, brochures catalogues and pamphlets, etc.
- Publicity through Website, CD ROMs etc.
- To create Brand image for Indian Handicrafts.

During the year 2010-11 Rs. 75.00 crores have been allocated under Plan scheme of Marketing & Support Services Scheme including NER. Against an allocation of Rs.75.00 crores, an amount of Rs.36.87 crores have been sanctioned till 31st December, 2010 for the activities like Domestic Marketing: Sanctioned - 311 events, 73 events organized like Gandhi Shilp Bazaar, Craft Bazaars, Exhibitions, sourcing shows, Marketing hub in Metros, renovation of emporium, State/Local level Marketing workshops and Awareness Camp in Schools and Hiring of Stalls by various regions. Further 62 International events sanctioned, 46 International events organized.

HUMAN RESOURCE DEVELOPMENT SCHEME

The Human Resource Development Scheme has been formulated to provide qualified and trained workforce for establishing a strong production base coupled with improvement in quality and use of appropriate techniques, processes and innovative design to meet present day market requirement.

- (i) Training Through Established Institutions.
- (ii) Training in Innovative Designs for the persons involved in Pattern making/Talim writing/Plaster/Rubber Moulds/Block making etc.
- (iii) Training of Artisans/SHG leaders/ NGO in capacity building.
- (iv) Conducting Seminars/Workshops

During the year 2010-11 Rs. 19.34 crores have been allocated under Plan scheme of Human Resource Development Scheme including NER. Against an allocation of Rs.19.34 crores, an amount of Rs. 12.82 crores have been sanctioned till 31st December, 2010 for the activities like 5 Institutional Training programmes and 191 Programmes under Guru Shishya Parampara, 15 seminars, 58 Pattern Making, 303 Capacity Building.

RESEARCH & DEVELOPMENT

Research and Development scheme was introduced to conduct surveys and studies of important crafts and make in-depth analysis of specific aspects and problems of Handicrafts in order to generate useful inputs to aid policy Planning and fine tune the ongoing initiatives; and to have independent evaluation of the schemes implemented by this office. The scheme has been continued for implementation during the Eleventh five year plan. Following activities are being undertaken:

- A. Survey & Studies

- B. Conducting all India Census of handicraft artisans @ 20% districts of the country every year.
- C. Registration of Crafts under Geographical Indication Act & Financial support for certification of raw materials and products.
- D. Setting up of new labs/strengthening of existing labs for standardization/certification of raw materials.
- E. Assisting handicrafts exporters in adoption of GSI global identification standards and for bar coding, including handicrafts mark for generic products.

During the year 2010-11 Rs. 12.00 crores have been allocated under Plan scheme of Research & Development Scheme including NER. Against an allocation of Rs.12.00 crores, an amount of Rs. 4.77 crores have been sanctioned till 31st December, 2010 for the activities like 12 studies, 204 Seminar-cum-workshops, 5 labs located at MHSC, Moradabad, Sitapur, Jodhpur, Saharanpur and Agartala. Census of Handicrafts Artisans in the whole country is under operation. It is hoped that Census would be completed well before conclusion the 11th Plan.

HANDICRAFTS ARTISANS COMPREHENSIVE WELFARE SCHEME

The scheme has been included in the 11th Five Year Plan as one of the major schemes with the following two main components, aimed at Insurance Cover and Health Care of Handicrafts Artisan and his family:

Rajiv Gandhi Shilpi Swasthya Bima Yojana

Rajiv Gandhi Shilpi Swasthya Bima Yojana aims at financially enabling the artisans community to access to the best of healthcare facilities in the country. This scheme covers not only the artisans but

also any three members out of spouse, dependent parents and children.

Bima Yojana for Handicrafts Artisans

The objective of "Bima Yojana For Handicrafts Artisans" is to provide life insurance protection to the Handicrafts Artisans, whether male or female, between the age group of 18-60 years.

During the year 2010-11 Rs. 84.11 crores have been allocated under Plan scheme of Handicrafts Artisans Comprehensive Welfare Scheme including NER. Amount could not be released due to Non finalization of implementing agency. Process for short listing of implementing agency for the same is under finalization.

EXPORT OF HANDICRAFTS

- A target of Rs. 12650 crores has been fixed for export of handicrafts during the year i.e. 2010-11. The export during the year 2010-11 (Upto January 2011) both in Handicrafts and handmade carpet & other floor coverings are Rs. 9592.73 crores.

Details of export of both Handicrafts & Carpet may be seen on table 11.1.

Activities undertaken during 2010-11 by Export Promotion Council for Handicrafts

Export Promotion Council for Handicrafts (EPCH) has been established under the

EXIM Policy of Govt. of India in 1986-87 and is a non-profit Organization. The Organization works under the aegis of O/o Development Commissioner (Handicrafts), Ministry of Textiles, Govt. of India and governed by Policies of Ministry of Textiles. It is an apex body of the Government for promotion of exports of Handicrafts from country and projected India's image abroad as a reliable supplier of high quality of handicraft goods & services and ensured various measures keeping in view of observance of international standards and specifications.

The Council has created necessary infrastructure as well as marketing and information facilities, which are availed both by the member exporters and importers.

MAJOR ACTIVITIES OF THE COUNCIL

The main activities of EPCH are narrated as follows:

- Providing commercially useful information and assistance to members in developing and increasing exports.
- Offering professional advice and services to members in areas of technology upgradation, quality and design improvement, standards and specifications, product development, innovation etc.

Table 11.1

Export of Handicrafts

(Rs. in Crores)

| Item | 2003-04 | 2004-05 | 2005-06 | 2006-07 | 2007-08 | 2008-09 | 2009-10 | 2010-11 (April-Dec.) |
|----------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-------------------------|
| A. Carpet & other floor covering | 2779.79 | 2583.62 | 3082.06 | 3674.86 | 3524.73 | 2708.73 | 2505.33 | 2808.25 |
| B. Other Handicrafts | 13555.48 | 16984.14 | 16185.59 | 17288.14 | 14012.05 | 8183.12 | 8718.94 | 7284.48 |
| Grand Total (A+B) | 16335.27 | 18567.76 | 19267.65 | 20963.00 | 17536.78 | 10891.85 | 11224.27 | 9592.73 |

- Organising visits of delegation of its members abroad to explore overseas market opportunities.
- Participating in specialized International Trade Fairs of handicrafts & gifts.
- Organizing Indian Handicrafts and Gifts Fair at New Delhi.
- Interaction between exporting community and Govt. both at the Central and State level and represents in almost all the committees / panels of Central and State.
- To create an environment of awareness through Workshops on "Export Marketing, Procedures and Documentation", Packaging, Design Development, Buyer Seller Meet, Open House etc. interaction with Central and State Govt. and various other similar programmes.
- The activities of the EPCH, notification of Govt. orders, information on Trade Fairs and other relevant information is disseminated by quarterly journal CRAFTCIL.

MAJOR ACTIVITIES UNDER TAKEN BY THE COUNCIL DURING 2010-11

Participations in Exhibitions Abroad

During the year 2010-11 (upto Nov. 2010), Council have participated in B2B exhibitions/Fairs and Retail Shows as well as organized Festival of India, Buyer Seller Meet abroad. During the period, the participations were made in 21 exhibitions in 12 countries namely, Hong Kong, China, Turkey, USA, Brazil, Kazakhstan, Germany, UK, Hungary, Spain, Greece, Argentina & Chile. The following exhibitions/Festival of India/Buyer Seller Meet in the said countries were participated along with the exporters members under MDA for display of products as well as Master Craftspersons

sponsored by O/o DC(Handicrafts) for live demonstration of Indian traditional crafts:

- Hong Kong Houseware Fair, Hong Kong, 20th - 23rd April, 2010
- Hong Kong Textiles Show, Hong Kong, 20th - 23rd April, 2010
- Hong Kong Gifts & Premium Show, Hong Kong, 27th - 30th April 2010
- World Expo 2010, Shanghai, China, 1st May - 31st October 2010
- EVTEK-Istanbul Home Furnishings Exhibition, Istanbul, Turkey, 19th - 23rd May 2010
- Asia's Fashion Jewellery & Accessories Show, Hong Kong, 24th - 27th June 2010
- Summer Sourcing Show, Hong Kong, 5th - 8th July 2010
- Hong Kong Fashion Week, Hong Kong, 5th - 8th July 2010
- California Gifts Show, Atlanta, USA, 16th - 19th July 2010
- House & Gifts Fair, Sao Paulo, South America, 14th - 17th August 2010
- New York International Gifts Show, New York, USA, 14th - 19th Aug. 2010
- Great India Bazaar, Almaty, Kazakhstan, 14th - 22nd August 2010
- Tendence, Frankfurt, Germany, 27th - 31st August 2010
- International Autumn Fair, Birmingham, UK 5th - 8th September 2010
- Budapest International Trade Fair, Budapest Hungary, 8th - 12th Sept. 2010
- Intergift, Spain, 9th - 12th September 2010
- Thessoliniki International Fair, Greece, 11th - 19th September 2010

- Asia's Fashion Jewellery & Accessories Show, Hong Kong, 14th - 17th September 2010
- Asian Gifts Premium & Household Products Show, Hong Kong, 20th - 23rd October 2010
- Import shop, Berlin, Germany, 10th - 14th November 2010
- Heim + Handwerk, Munich, Germany, 24th - 28th November 2010

3rd Folk Craft Festival At Argentina

In addition to above, 3rd Festival of India, Buenos Aires, Argentina from 4-14 November, 2010 along with 6 Master Craftspersons for live demonstration, thematic display under the Export Promotion Scheme of Office of DC(Handicrafts) and Buyers Seller Meet was organized which was participated by 50 member exporters. The event was organized in cooperation and association of the Indian Mission, Argentina. The Festival was inaugurated by Secretary (Textiles), Development Commissioner (Handicrafts), Executive Director- EPCH, H.E. The Ambassador of India in Argentina and Government Officials of Argentina Government, Media and prominent traders were present.

Buyer Seller Meet at Chile

A Buyer Seller Meet at Santiago, Chile on 8-9 November, 2010 was organized and was participated by 20 exporting companies registered with Council. The BSM was organized in coordination with the Indian Mission in Chile. The event was inaugurated by the Secretary(Textiles) in the presence of H.E. the Ambassador of India in Chile, DC (Handicrafts), Executive Director - EPCH and other prominent members from Chilean Trade.

Seminar/Workshops/Symposiums

During 2010-11 (Upto November, 2010), 14 workshops/Seminars on Export Marketing Procedures, Packaging,

Challenges and opportunities, Certifications and compliances were organized in Andhra Pradesh, UP, Rajasthan, Kerala, Kolkata. The above programmes organized at crafts concentration centers in the above States. During the period of December-March 2010-11, 17 more workshops/seminars are proposed to be conducted in all the regions of the country with the view to acquaint the entrepreneurs/exporters/craftspersons with the market intelligence, export marketing, procedures, packaging as well as on compliances in order to create awareness among the persons involved with the handicrafts sector to promote exports from the country.

Indian Handicrafts and Gifts Fair

30th edition of Indian Handicrafts & Gifts Fair (Autumn) at Greater Noida was organized from 17-20 October, 2009 and was participated by over 2200 exporters members. The fair was visited by over 500 foreign buyers/agents and a business of Rs. 900 crores was held.

ACHIEVEMENTS MADE FOR HANDICRAFTS SECTOR

In order to provide information as well as guidance of experts, Council organized various seminars/symposiums to transmit the information concerning to the EXIM Policy export procedures, market intelligence, compliances in international market with the view to enhance the knowledge concerning to the trade and explore exports from the handicrafts sector. Council by making repeat participation and organizing repeat Festival of India concerning to the crafts and buyers seller meets in LAC created awareness and marketing opportunities of Indian handicrafts to increase exports of handicrafts. The activities undertaken both in domestic as well as international market enable us to promote exports and increase in percentage has been witnessed during the year 2010-11.

The product specific shows conducted in the country have provided opportunity to promote specific products of handicrafts from the clusters of the products.

In the total 22 participations made during April - November, 2010-11, about 550 exporters got the opportunity of participation and exposure of Indian handicrafts. The export orders worth of Rs. 300 lakhs was obtained besides enquires. Besides, exporters, about 50 Master Craftspersons for live demonstration of crafts in the above 22 participations and entrepreneurs have been deputed on sponsorship of Office of DC (Handicrafts). The participations of the Master Craftspersons and entrepreneurs have enabled them to gain entrepreneurship as they interacted directly with the visiting buyers in the exhibitions which assisted them in understanding the requirements, designs adaptability etc. to promote exports as well as to make them entrepreneur.

To summarize the achievements, the same are as follows:

- All handicrafts which were entitled to 5% duty credit scrip on exports under Focus Product Scheme has been made entitled to additional benefit of bonus over and above the exiting benefit of 5%
- Barmer (Rajasthan) has been added in the list of Towns of Export Excellence (TEE) in addition to already three handicraft clusters namely, Jaipur, Srinagar and Anantnag.
- To uplift and upgrade Moradabad (UP) Cluster, the Resource Centre to provide business resource facilities for artisans/entrepreneurs/exporters to develop the first State of Art centralize facility an dissemination of information on market has been initiated to set up.

- In order to integrate the cluster to major and international buyers and build an amenable market platform to scale up business, Council in coordination with Government of India is establishing International Lace Trade Centre at Narsapur (AP). For setting the above centre in the area of 5 acre, land has been acquired.
- Special Focus for international marketing in Latin America continued.
- MDA Assistance to the tune of Rs. 2.24 crores to 151 handicrafts exporters for the period April-November, 2010 was disbursed and the assistance to 202 exporters in the remaining period of 2010-11 is expected to be disbursed of estimated amount of about Rs. 3.05 crores.
- The organization of product specific shows in craft clusters have enabled us to focus of buyers on the products. With the result, the product specific shows are being continued for promoting exports of handicrafts products.

Activities undertaken during 2009-10 by Carpet Export Promotion Council

Carpet Export Promotion Council is registered as a Company Limited by Guarantee U/s 25 of the Companies Act, 1956 on 12th day of February, 1982.

The Main Objects of the Council is to support, protect, maintain, increase and promote the export of Handknotted carpets, woollen druggets and floor coverings by such methods as may be necessary or expedient.

ACTIVITIES OF THE COUNCIL FOR THE YEAR 2009-10

Brand Image & Publicity

Ministry of Textiles through O/o. the DC(H) sanctioned grant for Brand Promotion &

Publicity of Indian Carpets in US & Europe. Under the Project Council initiated the following actions:

- i. Re-Branding of Indian Carpet Industry through PR Agency in USA.
- ii. Re-designing and development of web-site.
- iii. Creation of a logo for Brand Image and Publicity.
- iv. Release of Advertisement in US & EU.

Issues taken up at International Level

- a. The US Department of Labor published in the Federal Register a list of 122 products from 58 countries that the Bureau of International Labor Affairs (ILAB) believes are produced by forced labor, child labor or both "in violation of international standards." The generation of the list is required by the Trafficking Victims Protection Reauthorization Act of 2005. The list includes carpets from India as well as from Pakistan, Afghanistan, Iran, and Nepal.
- b. The Embassy of India, Washington has recommended the visit of the delegation from the 1st week of December, 2009 before acceptance of public comments on 10th December, 2009.
- c. A delegation headed by Development Commissioner (Handicrafts) consisted of Chairman and Executive Director-cum-Secretary, CEPC visited USA in December, 2009 in connection with US DOL EO 13126 dated Sept., 11, 2009 regarding initial determination updating the list of products requiring Federal Contractors Certification for the goods produced by Child Labour or forced labour. The lobbyist in US fixed appointments for the delegation, prepared notes and briefings for the meetings and also accompanied the

delegation to various meetings in US DOL, State Department USTR in coordination with Embassy of India, Washington.

- d. The US Govt. sponsored the visit of a Congressional Staff Delegation led by Ms. Amber Cottle, International Trade Counsel, Senate Finance Committee from August 9-13, 2009. The delegation had a meeting with Development Commissioner (Handicrafts) and a presentation was made by him in his office on 12th August, 2009. Chairman and ED-Scy., CEPC were also invited for the meeting.
- e. Ms. Mary Ryckman Assistant US Trade Representative for Trade and Development visited India from 22-28 October, 2009. The purpose of her visit was to participate in the Indo US Trade Policy Forum and to meet with Indian Govt. Officials, US and local business people and NGOs to discuss US trade preference programmes and the US Senate's proposal to reform such preference programmes. The CEPC arranged the visit of Ms. Mary Ryckman to Agra on 27th October, 2009 to see the carpet weaving and to have meeting with local exporters in Agra. She also had a meeting with DC (Handicrafts) on 28th October, 2009 on the subject and she was briefed by the DC (Handicrafts).

Welfare Activities

During the year under review 32 schools were run out of the Child Welfare Fund collected from the Member-Exporters of this Council in Carpet producing belt of U.P.

Registration of Looms

During the period under review 27,974 Carpet / Durry looms were registered

covering all major carpet producing areas in India.

Monitoring of Looms

During the period under review 72,449 looms were inspected by the independent agency names Academy of Management Studies, Lucknow appointed by this Council on which the incidence of Child Labour was approx. 1.12%.

Activities undertaken during the year 2009-10

- Organized participation in EURASIA FLOOR-2009 where 10 Member-Exporters participated and generated a good amount of business.
- Organized participation in Domotex Middle East in Dubai from 17-19 May, 2009 where 19 Member-Exporters participated and generated a good amount of business.
- Organized a meet on "Crusade against Child Labour" on 12th June, 2009 at Bhadohi on World Day against Child Labour.
- Organized participation in 2009-Qinghai International Carpet Fair from 20-23 June, 2009 where 10 Member-Exporters participated.
- Organized participation in Design & Decoration Show from 16-19 July, 2009 in Melbourne (Australia) where 12 Member-Exporters participated and obtained good number of enquiries and business.
- Organized participation in 39th House & Gift Fair in Sao Paulo, Brazil from 15-18 August, 2009 in where 21 Member-Exporters participated and obtained good number of enquiries and business.
- Organized participation in National Floor Show in Harrogate (U.K.) from 8-10 September, 2009 wherein 10 Member-Exporters participated and generated good amount of business.
- Organized participation in Textile Hogar in Valencia (Spain) from 21-26 September, 2009 wherein 8 Member-Exporters participated and generated good amount of business.
- Organized India Carpet Expo 3-6 October, 2009 at Varanasi. The Expo was inaugurated by Hon's Minister of State for Textiles. 203 Member-Exporters displayed their wide range of products and 247 overseas carpet buyers visited the Expo. Business worth Rs.250.00 Crores has been generated during the Expo.
- Meeting of the National Level Steering Committee was held under the Chairmanship of DC (Handicrafts) which reviewed the initiatives taken under Welfare Activities of the Council, Registration & monitoring of Looms. The Committee also reviews the development on the issue of Child Labour in USA.
- Organized participation in Japantex 2009 from 11-13 November, 2009 at Tokyo (Japan) where 9 Member-exporters participated and obtained business and enquiries.
- Organized participation in Domotex International Trade Fair at Hannover (Germany) from 16-19 January, 2010 where 147 member-exporters participated under the banner of this Council. As per reports available the participants has secured good amount of business.
- Organized participation in Surfaces, 2010 from 2-4 February, 2010 in Las Vegas, USA. 10 Member-exporters participated in the exhibition under the umbrella of CEPC. As per reports available the participants has secured good amount of business and enquiries.

- Organized participation in Stockholm Furniture Fair, 2010 from 9th to 13th February, 2010 at Stockholm (Sweden). 9 Member-Exporters participated in the Fair under the umbrella of CEPC. As per reports available the participants has secured good amount of business and enquiries.
 - Organized India Carpet Expo. 23-26 February, 2010 in Hall No.-18, Pragati Maidan, New Delhi. 233 Member-exporters participated in the fair. 445 Overseas buyers visited the fair. The fair was inaugurated by Hon'ble Minister of Textiles under the gracious presence of Hon'ble Minister of State for Textiles. Secretary (Textiles) was the Guest of honour during inauguration. A good amount of business was transacted during the fair.
 - Organized Exhibition-cum-Buyer Seller Meet, 27-28 February, 2010 at Jaipur. 31 Member-Exporters participated in the Exhibition-cum-Buyer Seller Meet. 51 Overseas Buyers visited in this BSM and a good amount of business was transacted during this BSM.
 - Organized participation in Domotex Asiafloor, 2010 from 23-25 March, 2010 at Shinghai, China where 8 Member-Exporters participated under the banner of CEPC.
- 5. Grant to Individual Exporters :** Council reimbursed MDA claims to 139 member-exporters for participation in various activities organized by the Council during 2009-10.

ACTIVITIES UNDERTAKEN BY THE COUNCIL DURING 2010-11 (Upto Nov. 2010)

- Participated in Domotex Middle East from 10-12 May, 2010 in which 18 Member-exporters participated and secure good amount of business.
- Participated in Made in India Exhibition in Dubai from 8-10 June, 2010 in which 3 Member-exporters participated and secure good amount of business.
- Participated in Qinghai International Carpet Exhibition in Xining (Qinghai), China from 20-23 June, 2010 in which 16 Member-exporters participated and secure good amount of business.
- Participated in Design + Decoration Show from 15-18 July, 2010 in Melbourne (Australia) in which 15 Member-exporters participated and secure good amount of business.
- Participated in 41st House & Gift Fair from 14-17 August, 2010 at Sao Paulo, Brazil through ITPO in which 5 Member-exporters of this Council participated.
- Organized India Carpet Expo from 29th October to 1st November, 2010 at Sampurnanand Sanskrit University Ground at Varanasi where 257 manufacturers & exporters displayed their exhibits and 229 overseas carpet buyers from all over the world visited the fair.
- Instituted Export Awards for the years 2007-08 and 2008-09 for outstanding export performance to the exporters of handmade carpets and other floor coverings on 29th October, 2010 at Varanasi. Hon'ble Minister of State for Textiles gave away the award of trophies and certificates of merits to 28 exporters.
- Organized Buyer Seller Meet in Agra on 2nd November, 2010 were 25 manufacturer-exporters from Agra displayed their products and 15 buyers attended the meet.

- Organized participation in Japantex, 2010 from 17-19 November, 2010 at Tokyo (Japan) wherein 5 member-exporters participated.
- Organized participation in ATF Show, 2010 from at Cape Town (South Africa) from 24-26 November, 2010 wherein 5 member-exporters participated.

Details of Societies/Institutes

INDIAN INSTITUTE OF CARPET TECHNOLOGY (IICT), BHADOHI

Indian Institute of Carpet Technology" Bhadohi (IICT) has been set up by Ministry of Textiles, Govt. of India in 1998 as a registered Society under the Society Registration Act, 1860. IICT became truly functional in 2001 by launching B.Tech. (Carpet & Textile Technology) programme with 20 intake which has been raised subsequently. IICT was set up by Ministry of Textiles, Government of India to provide all possible technical support to the Carpet, Textile & other related sectors. Institute has tried to fulfill long time pending demand of the sector for technical experts through its two batches B.Tech. Technocrats. IICT is providing quality education to its students by targeting to meet the anticipated requirements of the stake holders through formal or informal feedbacks from the various organizations. Other trainees of the institute have also been doing well and holding a good position in the organizations. Institute has been ISO-9000:2001 certified and its laboratory is NABL (National Accreditation Board for Laboratories) accredited. Testing reports given by IICT are valid in many countries of the world B. Tech. programme of the institute is approved by AICTE, New Delhi & affiliated to U.P. Technical University, Lucknow, It is also approved by the Textile Institute, Manchester (UK). Institute had received the Best Performer Award from the U.P. Technical University.

Present intake in B.Tech. programme is 60 which are filled up through AIEEE & Central Counseling Board (CCB), New Delhi. Besides B.Tech. Programme institute is also conducting IDLP (Internal Distance Learning Programme) in collaboration with ag-Research, New Zealand & industry driven short-term industry driven programme. IDPL consists of 7 different diplomas out of 30 topics where as Short Term consists of 3 programmes. The Institute is also developing the Modular Employable Skill (MES) for the carpet sector. The Institute is also a member of I.S.T.E and CII. Institute is meeting the mandate through its created four portfolios over the last 8 functional years.

The activities undertaken by the institute during the year 2009-10 are as under:

Human Resource Development (HRD)

- B.Tech Programme in Carpet & Textile Technology.
 - 99 passed out students are serving Carpet, Textile & related industry.
 - 165 students studying.

Present total intake is 60 integrating Home Textiles Technology (HTT) & Textile Design Technology (TDT) as specialization in addition to existing Carpet and Textile Technology (CTT), where in 20 students in each category shall be specialized.

- Short term training programmes
The following trainees in the Short Term Training Programmes during the financial year.
 - CAD - 28 Trainees completed the programme.
 - Computer & MT - 05 Trainees completed in the programme.
 - Dyeing - 06 Trainees completed in the programme.

- Industry-driven special courses & IDPL (a/c - 18 Enrolled).

Industry can take benefit by enrolling their representative(s) on desired topic(s) given below by paying fee (@ Rs. 6000/- per topic) through IDPL conducted by IICT in collaboration with Ag research Ltd., New Zealand. Effect to make IDPL Diploma holders eligible for lateral entry to B.Tech course is in progress.

2. Design Creation and Development (DCD)

- A design Bank of 86 nos. of design plates have been created by the Institutes State-of-art CAD Design Studio.
- 502 design plates & nakschas have been sold.
- Carpet Sampling Machine : It is being used by the industry to develop prototype samples of 18" X 18".
- Colour Xerox machine : it is being used by the industry to A3, A4 size colour photo copy.

3. Research and Development (R&D)

- Snehabha Carpet Backing : This is a new Carpet backing concept involving use of polymer sheet which can be fixed at the back with or without third backing. License was awarded to M/s Tag Bros, New Delhi. Subsequently by creation of a CFC in P.P.P. model U.P. Govt. with the support of MSME, GOI is in process.
- Cross Bar Horizontal Loom : A new profile loom for hand knotting which is highly efficient and has less drudgery to artisans : License Awarded. Being included in above CFC for training purpose.
- Carpcost software : A piracy proof software has been developed and

ready for use on CD for cost calculation of hand knotted carpet at Rs. 25,000/-. The updation of software has been taken up.

- India Knot : This is a new concept of knotting on a hand loom which is cost effective and a diversified product - Potential for new niche market. License awarded to M/s Bholanath International Ltd.
- Others : Floor covering using Natural Fibre, Application of Natural Dyes, product/process diversification.

4. Technical support to the Industry (TSI)

Institute has been providing continuous technical services to the industry through its various laboratories such as CAD Lab, Design Studio, Physical & Chemical Labs & Carpet Lab to fulfill their needs to compete with the global market. The details of sample testing during the year is given as under :

| | |
|-------------------------|-----|
| ■ Physical lab Services | 343 |
| ■ Chemical lab Services | 933 |
| ■ Carpet lab | 101 |
| ■ Design lab | 502 |

- NABL Accredited laboratory hence test reports are acceptable internationally.
- Industry can utilize the facilities available to confirm the products to be supplied as per requirement of buyers.
- Industry can hire IICT for consultation to enhance their business performance.
- "KALEEN BANDHU" - a forum created to invite eligible & interested organizations/individuals to become a member of IICT. One can become

a life member or Associate Member on payment of Rs. 50,000/- or Rs. 4,000/-

- **Functioning of Satellite Centres.**

Government of India has also considered provision of services to other major carpet manufacturing state of the country. In accordance, satellite centers of IICT, Bhadohi at Srinagar for the state of J&K and at Jaipur for the state of Rajasthan have been created. These centers are functioning under the constant guidance of IICT, Bhadohi and under the overall superintendence of Development Commissioner (Handicrafts), Ministry of Textiles, Government of India & concerned state.

ACADEMIC & OTHER CURRICULAR ACTIVITIES

Admission to the B.Tech. 1st year

Total intake in B. Tech. programme is 60 seats. The CCB (Central Counseling Board of AIEEE-2009) had allotted 19 candidates 8 candidates had taken admission from the said allotment and 11 candidate dropped out/upgraded. Further, out of 52 vacant seat(s), only 36 seats were filled up through Institute level Counseling as per norms of CCB (AIEEE - 2009) & approved by UPTU. Further, 10 candidates (Diploma/B.Sc. Degree Holder) took admission laterally in the B. Tech 2nd year III - Semester in the session as per the guidelines of U.P. Technical University & CCB of AIEEE - 2009.

Commencement of the Session

The new session commenced from 23rd July, 09 for the B. Tech. V & VII Semester classes and B. Tech. I & III Semester classes started from 12th September, 2009.

Examination Result and Performance

During Financial year 1st April to 31st March 2010, 33 students of 5th Batch (2005-09) appeared in final VIIIth semester examination & 30 were declared successful out of this, students got distinction securing Gold & Silver medals respectively. 48 students of sixth batch (2006-10) appeared in 6th Semester exam and were promoted to 7th Semester, 44 student of seventh batch (2007-11) appeared in 2nd year 4th Semester exam and were promoted to 5th semester.

Metal Handicrafts Service Centre (MHSC), Moradabad

MHSC meets the international requirement of art metal wares sector in areas of post-production finishing processes. It is under the administrative control of office of DC (Handicrafts) and is managed by Governing Council consisting of representatives of Government of India, government of UP and representatives of trade and crafts. The center has the following division:

- Electroplating shop
- Training
- Lacquering
- Powder coating
- Polishing shop
- Research Testing and Calibration Laboratory.

Activities

The MHSC is providing assistance in the following areas for the development of the sector :

Activities undertaken/Achievement in the year 2009-10

1. Metal finishing activities i.e. electroplating of silver, nickel, Copper, Brass, Chrome, & gold plating,

- Lacquering, Powder Coating, Sand/ Sand Blasting and Misc. activities done on artware.
 2. Laboratory Testing and certification done on metal artware.
 3. Video film of MHSC activities developed for the best promotion of activities in India Handicraft & Gift Fair.
 4. Participants in India Handicrafts Gift Fair at Expo Mart, Greater Noida in (Spring) 2010 for promotion and marketing of Centre's activities.
 5. Two number training programe conducted for 40 trainees of Nadia District of West Bengal in the field of Sand casting, Scrapping, brazing and polishing of metal artware product.
 6. A Design Workshop funded by Moradabad Handicrafts Exporters (Welfare) Association, Moradabad organized at MHSC where 20 artisans were benefited.
 7. Five Integrated Design and Technology Development Workshop undertaken at Moradabad, Sambhal, Roorkee, Jalesar and Behat.
 8. Activities for setting up metal handicrafts design bank undertaken.
 9. Activities for setting up Common Facility Centre (Process facilities) undertaken under Mega Cluster Scheme.
- Activities undertaken/Achievement in the year 2010-11 up to Dec.10**
1. Metal finishing activities i.e. Electroplating of silver, nickel, Copper, Brass, Chrome, & gold plating, Lacquering, Powder Coating, Sand/ Sand Blasting and Misc. activities done on metal artware products.
 2. Laboratory Testing and certification done on metal artware.
 3. Centre's Website development and named as www.metalfinishanddesign.in
 4. Five number Integrated Design and Technology Development project at Moradabad, Sambhal, Roorkee, Jalesar and Behat where 250 innovation design developed and 500 artisans got benefited.
 5. Participants in India Handicrafts Gift Fair at Expo Mart, Greater Noida in (Autumn) 2010 for promotion and marketing of Centre's activities.
 6. A tour programme of Market study undertaken to Atlanta by team of officers comprising Shri Rohit bhardwaj, MD-MHSC/JD(H), Shri A.K. Soti, Manager (work)- MJSC, Shri N.N. Bahuguna, Foreman(E/P)-MHSC and Shri Rakesh Shrivastava, Executive Derector-NCDPD to study new technique of metal finishing and Design in the market and same was complete successfully in May 2010.
 7. MHSC set up a Design bank.
 8. A project awarded by DST in collaboration with Institute of Plasma research, Gandhi Nagar (Gujrat) for setting-up-eco-friendly plasma polymerization system to coat brass artisans by Silicon di-oxide is completed.
 9. A training of 8 artisans & one supervisor was organized who came from Betul (Madhya Pradesh) in the field of Sand Casting, Soldering/ Welding and Polishing.
 10. A training programme of 60 artisans was conducted successfully at Berhampur Distt. Murshidabd (West Bengal) under Khargee project which was funded by UNIDO representative Shri S.K. Gupta. The training was successfully completed in Sand Casting and Sheet metal work.

11. Two project under Mega Cluster Scheme i.e. Common Facility Centre (Process facilities) and Testing Centre (up-grading of existing testing laboratory in the field of Metal, Wood, glass and Resin) is undertaken.
12. An Exposure visit 10 Artisans & 03 officers from Balkhati (Orissa) is organized for the manufacturing & finishing activities.

NATIONAL CENTRE FOR DESIGN & PRODUCT DEVELOPMENT (NCDPD), NEW DELHI

National Centre for Design & Product Development (NCDPD) has been set up with an objective to fill up the gap in the areas of Design and Product Development by the O/o Development Commissioner (Handicrafts), Ministry of Textiles, Govt. of India. The other objectives of the centre is to build and create design oriented excellence in the handicraft sector and withstand global competitiveness. An independent society has been set up and the members of the Managing Committee includes eminent handicraft exporters and policy makers. Development Commissioner (Handicrafts), Ministry of Textiles, Govt. of India, is ex- officio Chairman of NCDPD.

Besides providing design & product development services, the activities of NCDPD have also been diversified into different areas such as Skill/Capacity Development, creating Infrastructure support at clusters such as setting up of Common Facility Services, Raw Material Banks, Resource Center, Design Center, Design Bank, Supply Chain Management, Market linkages by setting up Marketing Outlets etc. Presently more than 25 international & national designers and marketing consultants / experts are working full time and equal number on part time basis at NCDPD so to run the affairs of NCDPD on purely commercial and business lines.

Activities for Financial year 2010-11

- HRD Programmes in rest of India
250 programs at 30 locations
 - Target : 5000 Artisans
Achievement upto March 2011
- approx. 4300 artisans

Achievement upto 30th Sept'10 - 700 artisans

- **HRD Programmes in NER**
50 programs at 3 locations Guwahati (Assam)-20, Itanagar (Arunachal Pradesh)-15 & Dimapur (Nagaland)-15.
 - Target : 1000 artisans
Programs started in Oct'10
Achievement upto March '11 -
Approx: 985
- **HRD Programmes at BCDI, Agartala**
50 programs
Target : 1000 artisans.
Achievement upto Sept'10 - 5000 artisans
Achievement upto March'11 : 500 artisans
- **Workshop/Seminar for Cane & Bamboo during Gandhi Shilp Bazar in Chennai in the month of May'10:**
Activity completed.
- **2 Integrated Design Projects for Cane & Bamboo at BCDI, Agartala**
– Ongoing activity : Target : 100 artisans
- **Project under AHVY scheme for integrated development of Wood craft artisans in Saharanpur :** Base line survey being started.
- **Study Tour abroad (China) :** Activity approved and to be undertaken.
- **Stone Craft Museum in Tamil Nadu Assembly Building at Chennai**
– Presentation made before Hon'ble Minister of Textiles and Hon'ble Chief Minister of Tamil Nadu

- **Restructuring of RDTD C OKHLA/ NCDPD**
 - Feasibility study conducted and report submitted.
- **Display National Awardee's items of items during Masterscreations '10 at Dilli Haat during Oct'10 :** Activity completed.
- **Display of National Awardees items during Award Ceremony of Mastercraftsmen at Ashoka Hotel during Dec'10 :**
- **Market Study tours abroad - Japan & China.**
- **Publicity**

Printing of 2500 copies of craft cluster maps and 2500 copies of folder cum jackets with CDs - To be released on 15th Dec'10 by Hon'ble Minister of Textiles

 - Printing of 1000 copies of Design books on various craft items produced in craft clusters - To be released on 15th Dec'10 by Hon'ble Minister of Textiles.

Fashion show during Handicraft week 2010- To be organized on 15th Dec'10 at Pragati Maidan, New Delhi.

Design Consultancy Services to Handicraft Exporters by NCDPD

Provided design consultancy services to more than 200 exporters

BAMBOO & CANE DEVELOPMENT INSTITUTE (BCDI), AGARTALA

Bamboo & Cane Development Institute (BCDI) was set up in Agartala by Development Commissioner (Handicrafts), Ministry of Textiles, Govt. of India with an objective to provide strong forward and backward linkages for the producers of Cane and Bamboo of North East Region. National Centre for Design & Product Development (NCDPD) has been entrusted with the responsibility of running

and management of BCDI by O/o. Development Commissioner (Handicrafts) with an objective to professionalize the efforts in an effective manner. NCDPD has initiated the activities by placing a pool of expert manpower at BCDI, Agartala itself. NCDPD has also started 5 days skill development training programs, Integrated Design Development Projects, setting up of CFC, R & D projects etc at BCDI Agartala with an objective to improve the skills of the artisans, craftpersons and entrepreneurs involved in the manufacturing of Cane & Bamboo products. The design experts have also started providing designs to the entrepreneurs and also helping them in production of the market acceptable products.

Activities for Financial Year 2010-11

- **BCDI- Running & Management**

Activity started in Sept'09, Bamboo processing machines installed and trial run conducted. Appointment of independent in-charge is being made.

ON GOING ACTIVITY

- **R & D - Feasibility for identification and promotion of commercially viable technology for product development of value addition of cane & bamboo product in NER**
- **Signed MOU with INBAR (International Network for Bamboo & Rattan) for technical expertise and international linkages**
- **Signed MOU with Tripura University for jointly organizing one year Post Graduate Diploma Course in Bamboo cultivation and resource utilization.**
 - Drafted New syllabus and introduce it for one year PG Diploma course.

- Conducted 5 days Orientation programme of BCRU students at BCDI campus.
- Experts of BCDI started taking theory class every Tuesday at Tripura University for 1st semester.
- **DESIGN LAB**
 - New workstation is completed and ready for operation.
 - New designs created by the designers are being distributed to HRD artisans.

IMPORTANT PROJECTS

Mega clusters at Moradabad and Narsapur

Mega cluster approach is a drive to scale up the infrastructural and production chain at Handicrafts clusters which have remained unorganized and have not kept pace with the modernization and development that have been taking place so far. Consequently, there has not been any addition of fresh impetus of development and optimum realization of output in the handicrafts sector, which is not only the backbone of long traditional heritage and cultural linkages. The prospects of this sector lie in infrastructural Upgradation, modernization of the machinery and product diversification. Innovative manufacturing as well as designing know-how, furthered by brand building of the native products hold the key to creating a niche market for the products manufactured by the clusters. The proposed programme is expected to support the Upgradation of infrastructural facilities coupled with market linkages and product diversification.

The scheme envisages Government of India support to the extent of seventy crores per Mega cluster. The implementation of the scheme is through

PPP mode where the Government of India share has been designed in such a manner that it tapers down over the project implementation period.

Mega Capet Cluster at Mirzapur - Bhadohi and Srinagar

At present, the EFC for both the Mega Clusters have been circulated to all concerned and their observations have been received. The EFC meeting in question would be convened after the approval of the Competent Authority.

I. India Exposition Mart

India Exposition Mart set up at Greater Noida provides permanent contact point for foreign buyers throughout the year for a continuous buyer seller interaction. The mart has 1800 outlets equipped with Resource centre and latest information technology facilities.

II. Urban Haat

So far setting up of 39 Urban haats across the country have been approved. Out of which, 19 Urban Haats at the following locations have become operational/functional.

- Jammu (J&K State)
- Sringar (J&K State)
- Uchana Karnal (Haryana State)
- Jodhpur (Rajasthan)
- Gohar Mahal (Bhopal M.P.)
- Ahmedabad (Gujarat State)
- Mysore (Karnataka)
- Tirupati (Andhra Pradesh)
- Bhubneshwar (Orissa)
- Konark (Orissa)
- Agra (UP)
- Bhuj (Gujarat)
- Pitampura (Delhi)
- Dimapur (Nagaland)
- Raipur (Chattisgarh)
- Dilli Haat part-II
- Mumbai (Maharashtra)
- Puri (Orissa)
- Raipur (Rajasthan)

III Setting up of International Craft Complex at Vasant Kunj New Delhi

The proposed Craft Complex at Vasant Kunj New Delhi shall be used for the purpose of Craft Bazar (High and shopping market)for handicrafts items for which DDA has allotted land to the Ministry of Textiles measuring 7153 sq. mtrs. Simultaneously, the shop-in- shop concept is developed for selling high end and synergy products on rotational basis. The benchmarks for selection of the vendors, maximum period of occupancy and other parameters for revenue resources shall be prepared by the executing agency to run and operate the project.

WEBSITE DEVELOPMENT

Office of the Development Commissioner (Handicrafts) is in process of development of two portals are as follows:

- **AHVV Cluster portal**

Office of the Development Commissioner (Handicrafts) has developed AHVV Cluster Portal for promotion of Handicrafts with the objective to provide marketing linkage to handicrafts clusters covered under AHVV scheme.

The portal will have all the information of AHVV cluster such as Detail of AHVV scheme, AHVV Beneficiaries, Cluster map, Cluster Directory, Design Gallery, and 50 products of each clusters shall be showcased in the portal i.e. www.craftsclustersofindia.in Initially 500 cluster have been covered. The portal will act as a platform to showcase the products and the buyer can directly interact with the cluster group through e-mail/telephone. The portal had been launched on 9th June 2010 by Hon'ble Minister of Textiles.

STATUS

As of now the structure of website is fully operational, around 26853 products

photographs and data of 599 clusters have been categorized and uploaded in the website. Further data collection and development is in progress. The portal has 1,44,410 hits till the month of January 2010.

- **Theme based cluster portal**

Office of the Development Commissioner (Handicrafts) has developed "Theme Based Cluster Website" in 8 foreign languages for promotion of Handicrafts in respect of identified themes with an objective to provide marketing platform covering all stake holders such as Shilp Gurus, National/State Awardees, National Merit Certificate, Artisans under AHVV Clusters, Entrepreneurs, Exporters, Retailers and to facilitate foreign buyers to access this portal. This website will also guide the tourists visiting 18 tourist places to reach the desired handicrafts outlets (emporium/retailers) to make their purchases.

Themes identified are:

- a) Needle Craft
- b) Natural Fiber and Eco friendly.
- c) Tribal Craft
- d) Fashion Accessories
- e) Festival Decorations.

The portal will have catalogue with photographs of 42,500 products of above 8,500 handicrafts entities, facility to send email inquiry directly to entity, profile & contact information of entity, linkage to website of entity (if any) search options, News and Events, etc. The portal has been launched on 9th June 2010 by Hon'ble Minister of Textiles.

STATUS

As of now the portal is fully operational, the portal has been developed listed & hosted at website www.themecrafts.in. the detailed information regarding total number of products, retailer, exporters, Shilp Gurus, National Awardees and State Awardees is available on this website. At present around 16000 products are uploaded on this portal.

CHAPTER XII
PUBLIC SECTOR
UNDERTAKINGS

CHAPTER XII

PUBLIC SECTOR UNDERTAKINGS



The Union Minister for Textiles, Thiru. Dayanidhi Maran inaugurating the process of undertaking the largest ever e-auction of land of two closed mills of National Textiles Corporation located at Worli, Mumbai, in New Delhi on July 29, 2010. The Minister of State for Textiles, Smt. Panabaka Lakshmi and the Secretary, Ministry of Textiles, Smt. Rita Menon are also seen.

NATIONAL TEXTILE CORPORATION LTD.

The National Textile Corporation Ltd. (NTC) was incorporated in 1968 with the main objectives of managing the affairs of 16 sick textile mills taken over by the Government. NTC took over more sick textile mills under 3 Nationalization Acts. (1974, 1986 & 1995), raising the number to 119 mills in 1995. It was also proposed to rehabilitate and modernize these mills after take over and expand them wherever necessary with a view to make them economically viable. The mills are managed by NTC Ltd.

through its registered office at New Delhi.

CAPITAL STRUCTURE

Initially NTC Ltd. had an Authorized Capital of Rs. 10.00 Crores which is now Rs. 5000 Crores as on 31st March, 2010 with the paid up capital of Rs. 3062.16 crores.

REHABILITATION OF NTC

Due to continuous losses and erosion of equity, the company was referred to the Board for Industrial and Financial Reconstruction (BIFR). BIFR sanctioned

rehabilitation schemes for NTC in 2002/2005, which were modified in 2006 (MRS-06) and 2008 (MS-08). As per BIFR approval, the revival plan of NTC is to be completed by 31.03.2011 at a total cost of Rs. 9102 crore. As per the schemes, all the 9 subsidiaries of the company merged with the Holding Company on 01.04.2006, making it a single entity. Out of the total 119 mills, two mills were transferred to the Govt. of Puducherry. 77 unviable mills have been closed under ID Act. Of the remaining, 18 mills have been modernised by NTC itself, and are making cash profits. 5 mills have been revived through joint venture and are running in profit.

SUBSEQUENT DEVELOPMENTS

The MS-08 was approved by the BIFR on 04.09.2008 at a total cost of Rs. 9102.72 crores. It takes into account the various modifications due to changed economic scenario in the textile industry. It has various reliefs and concessions as envisaged in the earlier schemes.

INAUGURATION

- (i) On 10.7.2010, Minister of Textiles, Shri Dayanidhi Maran inaugurated four modernised mills namely Vijay Mohini Mills, Algappa Textile Mills, Cannanore Spg & Wvg Mills and Kerala Laxmi Mills.
- (ii) On 6.6.2010, Smt. Rita Menon, Secretary (Textiles) inaugurated the modernised and revamped Khan Market showroom in New Delhi.
- (iii) On 29.07.2010, Minister of Textiles, Shri Dayanidhi Maran inaugurated online e-auction of sale of surplus land.

MILESTONES ACHIEVED BY NTC UNDER THE REVIVAL SCHEME

- Out of the total 119 mills, two mills were transferred to the Govt. of

Puducherry. 77 unviable mills have been closed under ID Act. Of the remaining, 18 mills have been modernised by NTC itself, and are making cash profits. Of these, 9 mills have been awarded ISO Certification.

- Relocation of mills for modernization - BIFR approved relocation of 4 mills - one each at Achalpur (Maharashtra); Hassan (Karnataka); Ahmedabad (Gujarat); and Udaipur (Rajasthan). Setting up of these projects will transform the Company into an integrated textile company. 3 mills are composite mills which are relocation projects and the spinning segment of the two projects i.e Finlay at Achalpur, and New Minerva at Hassan are erected & Rajnagar at Ahmedabad is expected by Dec. 2010.
- 5 mills have been revived through joint venture and are running in profit.
- Two mills namely Tirupathi Cotton Mills, Reningunta and Coimbatore Spg. & Wvg. Mills, Coimbatore earlier earmarked for JV, are proposed to be modernized by NTC.
- The Company has sold assets worth Rs. 6168 crores as on 01.02.2011 under the revival scheme.
- The entire workers of the mills identified for closure and the surplus employees in the viable mills in addition to those employees who were desirous to go under MVRS in the various offices, were given MVRS. As on 01.02.2011, 62463 employees have gone under MVRS. As on 01.02.2011 NTC has 8389 employees in its units, offices and Corporate Office.
- NTC mobilized Rs. 2028 crores through Bonds, redeemable on 5 years maturity (NTC has paid full

amount of Rs. 2028 crores on Redemption of Bonds and Rs. 785.60 Crs. as interests on these Bonds).

- NTC has paid Rs. 248.69 Crs. as OTS to 23 Financial Institutions/Banks under the Revival Scheme.
- The Company has paid Rs. 224 crores to EPF/ESI authority & other outstanding statutory liabilities.
- The Company has paid Rs. 89 crores as 1% commission as Guarantee Commission to the Ministry of Textiles.
- The perennially sick company, which was running on Government budgetary support of Rs. 385 crores for wages in the year 2001-02, has been brought out of sickness, and is generating the resources for wages payment internally.

E-AUCTION FOR SALE OF LAND

For the first time in the history of NTC, online e-auction of sale of surplus land has been introduced with the approval of Assets Sale Committee (ASC).

- 2.39 acres land of Podar Mill (Process house), Mumbai was put on e-auction from 29th to 31st July, 2010. A total of 8 parties who had deposited the EMD participated in the online e-auction. As against the reserve price of Rs. 250 crores, the highest bid received was of Rs. 474 crores.
- The second online e-auction of Bharat Textile Mills, Mumbai, admeasuring 8.37 acres took place from 4th to 6th August, 2010. A total of 7 parties who had deposited the requisite EMD participated in the online e-auction. As against the reserve price of Rs. 750 crores, the highest bid received was Rs. 1505 crores.
- As its third success towards online e-auction conducted from 29th 31st

December, 2010, the company has bagged Rs. 118.40 crores, against the reserve price of Rs. 41.27 crores, by sale of 8.21 acres of plot of New Manekchowk Textile Mills, Ahmedabad.

PERFORMANCE DURING 2009-10 & 2010-11

Financial Results

The net profit (loss) for the year 2009-10 (audited) 2010-11 (Actuals up to January, 2010) and 2010-11 (Projected upto March, 2011) has been Rs. 103.15, Crs. (Rs.1819.08 Crs.) and Rs.1873.50 Crs. respectively and the detail are given at table 12.1.

Production

The production of Yarn & Cloth in NTC mills during 2009-10. April-January 2011 and expected for the year 2010-11 is given at table 12.2.

Turnover

The sales of Yarn and Cloth in NTC mills during 2009-10, 2010-11 (upto January 2011) and 2010-11 (Projected upto March, 2011) has been Rs. 477.91 Crs. Rs.296.86 Crs. and Rs. 650.00 Crs., respectively. Details are given at table 12.3.

Employment

At the end of January 2011, there were 8389 employees on roll in NTC Group. Since April 1, 2002 to January 2011, 62463 employees have availed VRS and an amount of Rs. 2309.06 crores has been paid to them.

Employment of Women

At the closing of year 2009-10, in NTC Group there were 34 women employees of the rank of Assistant Manager and above against a total of 469 officers. Similarly, there were 629 women employees of the rank of Senior Assistant and below, against a total 5711 employees

Table 12.1

(Rs. in Crores)

| S. No. | Particulars | 2009-10 | 2010-11 (Upto Jan. 2011) | Projected for F.Y. 2010-11 |
|--------|---|----------|-----------------------------|----------------------------------|
| A) | Net Income from Operation before Depreciation, Interest & Tax) | (108.35) | (61.84) | (0.00) |
| B) | Depreciation | 39.82 | 36.79 | 45.00 |
| C) | Interest : | | | |
| | a) Interest on Govt. of India Loan | 40.69 | 25.58 | 37.50 |
| | b) Other Interest | 18.72 | 17.34 | 20.00 |
| D) | Net Profit or (Loss) for Ordinary activities after Depreciation Interest. | (207.58) | (141.55) | (102.50) |
| E) | Cash Profit or (Loss) from Operations for the year before extra Ordinary | (77.61) | (61.84) | (20.00) |
| F) | Tax : | | | |
| | a) Fringe Benefit Tax | – | – | – |
| | b) Deferred Tax Assets | 189.47 | – | – |
| G) | Extra-Ordinary Items : | | | |
| | i) Income from Sale of Assets etc. | 185.31 | 2022.91 | 2054.00 |
| | ii) Expenditure on MVRS etc. | (69.88) | (62.28) | (78.00) |
| | iii) Provisions Written Back | 2.28 | – | – |
| | iv) Interest Waived by GOI | 6.06 | – | – |
| H) | Prior period adjustments | (2.51) | – | – |
| I) | Net Profit/(Loss) after Extra-Ordinary & Tax items | 103.15 | (1819.08) | 1873.50 |

Table 12.2

| S. No. | Particulars | Yarn Lakh Kgs. | Cloth Lakh Mtrs. |
|--------|---|-------------------|---------------------|
| 1. | Actual for 2009-10 | 298.75 | 127.32 |
| 2. | 2010-11 (Actual for April-January 2011) | 290.99 | 89.11 |
| 3. | 2010-11 (Expected) | 360.00 | 110.00 |

Table 12.3

(Rs. in Crores)

| S.No. | Particulars | Yarn | Cloth | TOTAL |
|-------|--------------------------------------|--------|--------|--------|
| 1. | Actual for 2009-10 | 401.88 | 76.03 | 477.91 |
| 2. | 2010-11 (Actual for April-Jan. 2011) | 255.88 | 40.98 | 296.86 |
| 3. | 2010-11 (Expected) | 550.00 | 100.00 | 650.00 |

in the category. The percentage representation of women employees in the above two categories comes to 7.26% and 11.01%, respectively.

Vigilance Activities

As a preventive step, guidelines issued by the Vigilance Commission from time to time, are being circulated to all the concerned officials for information and strict compliance. The complaints received from various sources are being looked into and processed promptly as per the guidelines issued by the CVC. Further, regular/surprise visits are being made by the vigilance officials in different units/offices of the Corporation. The rotational transfers/posting on sensitive areas are being monitored from time to time. The Annual Property Return etc. of the officials/officers are being scrutinized. Agreed list and ODI list are being prepared regularly. In order to strengthen and improve vigilance, Shri B.D. Gupta, IRS (IT:81) has been appointed as Chief Vigilance Officer, NTC Ltd. with the approval of competent authority.

THE BRITISH INDIA CORPORATION LIMITED, KANPUR (BIC)

The British India Corporation Limited was incorporated as a Public Limited Company on February 24, 1920. It was taken over by the Government of India on 11th June, 1981 under the British India Corporation Ltd. (acquisition of shares) Act. The BIC Limited, Kanpur owns and manages two woollen mills viz (1) Cawnpore Woollen Mills Branch, Kanpur (2) New Egerton Woollen Mills Branch, Dhariwal. The products of these two mills are popularly known by the Brand names of "Lalimli" & "Dhariwal" respectively. These units manufacture the woollen/blended suitings, Tweeds, Uniform Cloth, Lohis, Shawls, Rugs, Blankets etc. The British India Corporation Limited has three subsidiary companies (1) Elgin Mills Co. Limited (2) Cawnpore Textiles Limited, Kanpur & (3) Brush Ware Limited.

MODERNISATION/REHABILITATION OF BIC LTD. AND ITS SUBSIDIARIES

The company was declared sick in 1992 and was referred to BIFR. The Scheme for rehabilitation of the two woollen mills of BIC - Cawnpore Woollen Mills Branch (Lal Imli) and New Egerton Woollen Mills Branch (Dhariwal) was approved by BIFR at the total cost of Rs. 211 crores with Government support of Rs. 86 crores. The scheme was under implementation since December, 2002 and was to be completed within a period of two years with the resources likely to be generated by the sale of surplus land. However, it could not be implemented within the stipulated time frame due to incomplete process of sale of surplus land as Govt. of UP did not issue any order for conversion of leasehold land into freehold.

In view on non-implementation of the Rehabilitation Scheme - 2002, the BIFR directed the Operating Agency (OA) to draft a new Modified Rehabilitation Scheme (MRS) for revival of BIC Ltd. Accordingly, Modified Rehabilitation Scheme (MRS) was prepared and approved by BIFR on 14.02.2008. Cabinet considered the revival plan of BIC Ltd. on 08.08.2008 and inter-alia directed that the Ministry may go back to the Cabinet with a detailed revival plan subsequently after inter-Ministerial consultations. Accordingly the Modified revival Plan was submitted to Cabinet Secretariat on 17th Feb., 2009. The Cabinet Secretariat vide letter dated 3.3.2009 directed that revival proposal of BIC Ltd. required to be placed before Board for Reconstruction of Public Sector Enterprises (BRPSE) in the first instance.

Accordingly, a revival proposal based on Techno-Economic Viability (TEV) report of Wool Research Association (WRA) & Industrial Finance Corporation of India (IFCI) has been approved by BRPSE in its meeting held on 28.07.2010. Draft Note for the Cabinet has been prepared and inter-Ministerial consultation is under progress.

Salary & wage support was being provided through Government loan till 2009-10. No such Govt. loan has been provided in SBG 2010-11. However, Govt. budgetary support of `12.50 crore has now been provided by M/o Finance in 2nd Batch of Supplementary Grants, 2010-11 for payment of salary & wages to BIC Ltd. for a period of six months upto September, 2010. An amount of Rs. 55.50 crore has been indicated at RE stage by Ministry of Finance for the Financial Year 2010-11.

PERFORMANCE DURING 2009-10 (AUDITED) 2010-11 (upto Nov.10) AND 2010-11 (PROJECTED)

FINANCIAL RESULTS

The net profit/cash loss for the year 2009-10 (audited), 2010-11 (upto Nov. 10) and

2010-11 (projected) of BIC Limited are given at table 12.4.

PRODUCTION

Production of cloth in BIC mills during 2009-10(audited) 2010-11(upto Nov.10) & 2010-11 (projected) is given at table 12.5.

TURN OVER

The sale of cloth in BIC mills during the year 2009-10 (audited) 2010-11 (upto Nov.10) & 2010-11 (projected) is given at table 12.6.

EMPLOYMENT

As on 30th Nov. 2010 employees in CWM Branch were 1150, NEWM Branch 936 and in corporate office 82.

Table 12.4

(Rs. in lacs)

| Sl. No. | Particulars | Audited For the Year 2009-10 | Un-audited (Upto Nov. 2010) | Projected for F.Y. 2010-11 |
|---------|-----------------------------------|------------------------------|-----------------------------|----------------------------|
| 1. | Net Profit (+)/Loss (-) | - 4263 | - 3044 | - 4623 |
| 2. | Non-operative expenses | | | |
| | i) Govt. interest & guarantee fee | 951.0 | 921.0 | 1382 |
| | ii) Depreciation | 39.0 | 27.0 | 36.0 |
| | iii) VRS | 0.0 | - | - |
| | iv) Provisions/Taxes | -2.0 | - | - |
| | v) Prior period expenses | 12.0 | - | - |
| | SUB TOTAL: | 1000.0 | 948 | 1418 |
| 3. | Total (=1+2) | - 3263 | - 2096 | - 3205 |
| 4. | Non-operative Income | | | |
| | i) Interest waived by Creditors | - | - | - |
| | ii) Profit on sale of Assets | - | - | - |
| | iii) Provisions written back | 444 | - | - |
| | iv) Grant/Loan from GOI | - | - | - |
| | SUB TOTAL: | | | |
| 5. | Cash profit (+)/-loss (3-4) | - 3707 | - 2096 | - 3205 |

Table 12.5

| SI.No. | Particulars | Cloth Lakh Mtrs. |
|--------|-------------------------------|------------------|
| 1. | Actual for 2009-10 (Audited) | 0.59 |
| 2. | Provisional 2010-11 upto Nov. | 0.03 |
| 3. | Projected for 2010-11 | 0.12 |

Table 12.6

| SI.No. | Particulars | (Rs. in lakhs) |
|--------|-------------------------------------|----------------|
| 1. | Actual for 2009-10 (Audited) | 371 |
| 2. | Provisional for 2010-11 upto Nov 10 | 83 |
| 3. | Projected for 2010-11 | 200 |

REASON FOR DELAY IN IMPLEMENTATION OF SANCTIONED SCHEME

The company had to repay the OTS amount of financial institutions/banks amount to Rs. 4.52 crores/Rs.87.75 crores from sale proceeds of surplus land. The sale of surplus land started at Kanpur and Dhariwal. Some properties were sold; whereas in case other properties 25% advance money was received and 75% was to be received on handing over possession on execution of sale. U.P. State Government did not permit to convert leasehold property into freehold property. In such circumstances BIC Limited could not make the payment of SBI OTS amount in full in time nor could generate the funds for working capital. Presently full amount of OTS of Bank & FI's has been paid except interest of SBI levelled on delayed payment as stipulated in the SS-02 i.e Rs.11.56 core.

ACTION TAKEN BY THE COMPANY SO FAR

(a) The company has allowed VRS to the employees 535 nos. identified as surplus and the expenditure of Rs. 17.50 crores incurred thereon.

- (b) The Company has invested in the modernization/renovation Rs. 17.50 crores in purchase of new renovation of old machines.
- (c) BIC released the funds Rs. 92.25 crore from sale of assets amount upto March 2009.
- (d) BIC Limited made the entire payment of SBI amounting to Rs.87.75 crores against OTS amount upto March, 2009.
- (e) BIC made full payment of Financial Institutions (OTS amount) Rs. 4.52 crores.
- (f) The company prepared and got approved a Modified Draft Rehabilitation Scheme from BIFR in its meeting Held on 14.02.2008. The revised scheme was prepared duly consulted with WRA & IFCI as per Direction of MOT for examination in BRPSE costing Rs. 313.90. This scheme was approved by BRPSE in its meeting held on 28.07.10 with the stipulation that the figure may be updated to 31.3.11. Accordingly the same scheme was revised to Rs. 341.60 crore. The details are given at table 12.7.

Table 12.7
Scheme submitted to BRPSE and approved on 28.7.2010
(revised as on 21.02.2011)**

| Cost of Scheme | MRS submitted to BRPSE | Revised** | Means of Finance | MRS submitted to BRPSE | Revised** |
|---|-------------------------------|--------------------|--|-------------------------------|------------------|
| Capital Expenditure | 62.9 | 62.9 | Bridge Loan against sale of land | 151.46 | 128.60 |
| VRS | 26.9 (328 emp.) | 17.1 (208 emp.) | Grant for VRS from GOI | 26.9 | 17.1 |
| Expenditure on marketing Infrastructure development Brand and Showrooms | 10.0 | 10.0 | Grant for Salary from GOI (Bridge loan) | 59.3 | 78.00 |
| Land conversion cost | 47.4 | 47.35 | Grant for operating losses for FY 09-10, 2010-11 | 28.9 | 66.99 |
| Employee Dues | | | Interest free loan from government for Payment of conversion charges | 47.35 | 47.35 |
| Retirement Gratuity | 5.3 | 8.04 | | | |
| Statutory Dues (EPF & ESI) | 5.6 | 8.61 | | | |
| Arrears* | 27.0 | - | | | |
| Salary payable for FY2010-11 | - | 23.60 | | | |
| Dues to subsidiary companies | 4.6 | 4.6 | | | |
| Municipal Taxes | 0.6 | 0.6 | | | |
| Misc. Creditors | 2.2 | 2.1 | | | |
| SBI Loan settlement | 11.5 | 11.5 | | | |
| NTC Bridge loan settlement (along with interest) | 9.3 | 9.4 | | | |
| Additional Working Capital and contingency | 44.0 | 54.77 | | | |
| Cash Losses | 56.6 | 77.47 | | | |
| Grand Total | 313.9 | 338.04 | Grand Total | 313.9 | 338.04 |

ACTION TAKEN BY THE COMPANY/ GOI AS PER SANCTIONED SCHEME 2008

- In the compliance of directions of Cabinet dated 08.08.2008, BIC has arranged another bridge loan of Rs. 10.00 crore (in addition to bridge loan of Rs. 5.00 crore earlier) from NTC. A non plan budgetary provision of Rs. 25.00 crore as loan to BIC Ltd. has been made in the RE-2008-09. Out of Rs. 25.00 crore. Rs. 15.00 crore has been released as a loan for meeting its salary requirement during 2008-09.
- Revival scheme after detailed working was circulated for Inter Ministerial consultation.
- As per Direction of Cabinet action was taken regarding inter ministerial consultation and scheme along with their recommendations was sent to the Cabinet for its approval wherein it was reverted back to get examined by BRPSE.
- Accordingly, a revival proposal based on Techno-Economic Viability (TEV) report of Wool Research Association (WRA) & Industrial Finance Corporation of India (IFCI) has been approved by BRPSE in its meeting held on 28.07.2010. Draft Note for the Cabinet has been prepared and inter-Ministerial consultation is under progress.

SUBSIDIARIES OF BIC LIMITED I.E. ELGIN MILLS COMPANY LIMITED, CAWNPORE TEXTILE MILLS LTD. AND BRUSHWARE LIMITED

ELGIN MILLS LIMITED

The Elgin Mills Company Limited was established in the year 1864 and it was registered in the year 1911 comprising 2

Units as Elgin No. 1 & Elgin No. 2. By an ordinance called the British India Corporation Limited (Acquisition of shares) Act 1981 the GOI acquired all shares of BIC Limited and thus became a Government company from 11th June 1981. The Elgin Mills Co. being subsidiary of Govt. Co. acquired the status of Govt. Company. Due to continuous losses, the company was declared sick by BIFR on November 3, 1992.

Considering the need to protect the textiles industry in Kanpur city where all the textiles mills in the public sector have been closed down, Government had approved the proposal for the revival of Elgin Mill No.1 at a total cost of Rs 95.58 Cr, provided a suitable private party was willing to become a majority shareholder. The High Court was requested to remand the case to BIFR. AAIFR, on 14.11.2005, remanded the case to BIFR with directions that the Company, the Government of India in the Ministry of Textiles, and the operating agency, namely IDBI, should formulate a draft rehabilitation scheme and place it before BIFR within 90 days from the date of this order. A Draft Rehabilitation Scheme was filed by IDBI on 23rd June, 2006 before BIFR for approval. The BIFR had issued directions on 10.08.2006 to the (Operating Agency) OA for taking necessary steps for change of management, issue of necessary advertisement in this regard.

In the light of judgment of Hon'ble Supreme Court in the case of Centre for Public Interest Litigation V/s UOI & another, the earlier decision of the Govt. to revive Elgin Mills through private partner with majority shareholding was under review. Besides, an appeal was also filed by the Company before BIFR to review its order dated 10.08.2006 regarding change of management of the Company. BIFR in its hearing dated 13.3.2007 has deregistered the reference filed by the Company under SICA.

A Cabinet note was sent to Cabinet Secretariat seeking approval of Cabinet on the proposal of revival of Elgin Mill No. 2. Cabinet Secretariat returned the same with the direction that the proposal has to be first considered by the Board for Reconstruction of Public Sector Enterprises (BRPSE). BRPSE 'in-principle' approved revival plan of Elgin Mills Co. Ltd. through National Textile Corporation. Based on the approval of the Revival Plan of EMC as approved by BRPSE, a note seeking approval of the Cabinet was sent to Cabinet Secretariat on 18.02.2009. The Cabinet Note was returned by the Cabinet Secretariat on 3rd March, 2009 with the observation that inter-ministerial consultation has not been completed. In the meantime. Ministry of Finance intimated willingness to consider the revival plan of Elgin Mills Company Ltd., but without the component of interest-free bridge loan. According to NTC, bridge loan from Govt. will be required to settle the dues, without which the revival plan may become a non-starter. Further advice has been solicited from the Deptt. of Expenditure and BRPSE. Minister of Textiles has written a d.o letter to Chief Minister of U.P on 6.1.2010 for expediting necessary permission of State Government for sale of surplus land / assets of the Company. The matter is continuously being perused with the State Government of Uttar Pradesh.

CAWNPORE TEXTILES LIMITED, KANPUR

Cawnpore Textile Mills Ltd. was incorporated in the 1920. The company was declared as sick company in 1992 and was referred to BIFR. On January 19, 1995, BIFR recommended winding up of the company and AAIFR confirmed winding up order on September 29, 1999. Hon'ble High Court of Allahabad passed order for winding up and appointed an Official Liquidator. The Govt. stopped the payment of salaries and wages to the

employees from August, 2000. On humanitarian ground the Govt. implemented voluntary separation scheme on March 31, 2001. Except 4, all the employees opted VSS. The company is lying closed and the Official Liquidator has not taken possession of the Mills.

BRUSHWARE LIMITED

Brushware Ltd. was incorporated as Public Limited Company in the year 1893. The company engaged in manufacture of all types of brushes like Industrial, Domestic, Personal and pint brushes catering to the needs of the Defence, Railway, HAL, Sugar Mills, Textile Mills, and Roadways. Due to persistent loses, production was stopped w.e.f. March 1994 and presently the company is lying closed. To seek the permission for closure of the Company, the BIC Ltd. has approached the Ministry of Labour. The case was last heard in the Ministry of Labour on March 22, 2007. The Ministry of Labour vide order dated April 12, 2007 have granted permission for closure of the company. The company is under liquidation.

THE CENTRAL COTTAGE INDUSTRIES CORPORATION OF INDIA LTD. NEW DELHI (CCIC)

The Central Cottage Industries Emporium was established in Delhi in the year 1952 under the management of Indian Cooperative Union and was later on taken over by Central Cottage Industries Association in 1964 and was incorporated as Central Cottage Industries Corporation of India Ltd.(CCIC) on February 4, 1976. CCIC is under the administrative control of Ministry of Textiles.

The main objective of CCIC is to be a dealer, exporter, manufacturer and agent of quality Indian handicrafts and handlooms and to develop markets for these products in India and abroad. The Corporation has eight-showrooms viz. at



Mrs. Gursharan Kaur, Wife of Hon'ble Prime Minister of India inaugurated Exhibition cum Sale "Unique Heirloom Sarees created by Master Weavers" on 07-03-2011 at Central Cottage Industries Emporium, Janpath, New Delhi in the august presence of Smt. Panabaaka Lakshmi, Hon'ble Minister of State for Textiles & Mrs. Rita Menon, Secretary, Ministry of Textiles, Sh. R.N. Choubey, D.C. Handlooms, Govt. of India. On the occasion Sh. Nirmal Sinha, Managing Director, CCIC welcomed them.

Delhi, Kolkata, Mumbai, Bangalore, and Chennai. Besides, CCIC has two franchise outlets in Gurgaon and Patna and an overseas franchise showroom at Copenhagen, Denmark.

CCIC vacated its existing showroom at Mumbai situated at 34, Chhatrapati Shivaji Maharaj Marg, Mumbai-400039 on 30.03.2010 as per the directives of Hon'ble Supreme Court of India and opened four showrooms/outlets in Mumbai at Malad, Vashi, Weavers Service Centre (Hotel Regal Palace) and 34, First Floor, Chhatrapati Shivaji Maharaj Marg in the year 2010-11.

Capital

The authorized capital of the Corporation is Rs.1200 lakhs and the paid-up capital is Rs.1085 lakhs.

WORKING RESULTS

Turnover

The turnover of the Corporation for the year 2009-10 was Rs.6758.56 lakh as against Rs.6859.02 lakh in the previous year i.e. 2008-09.

Exports

The total exports of the Corporation during 2009-10 were Rs.239.92 lakh as compared to Rs.313.37 lakh in the previous year.

Profitability

The Gross Profit during the year 2009-10 decreased from Rs.3454.31 lakh in the previous year to Rs.3388.83 lakh. The overheads of the Corporation decreased from Rs.3393.18 lakh in the previous year to Rs. 3371.42 lakh in the current year. The current year ended with a pre-tax

profit of Rs.17.41 lakh as against corresponding profit of Rs.61.13 lakh in the previous year.

Statistics

Summarized working results for the last three years are given at table 12.8.

Development of Designs

The Corporation laid special emphasis on the development of new designs in Carved and Inlaid furniture, Traditional hand embroidery, Marble & Soapstone Crafts etc. through grant-in-aid projects from the Office of Development Commissioner (Handicrafts), New Delhi. Apart from these projects, CCIC is also working on new designs for Men Wear, Women Wear and Children Wear for Summer and Winter collection, Theme based exhibition for handloom and handicraft departments. This helped the Corporation to promote sales and also enabled it to maintain its image in the field of handicrafts and handlooms.

Exhibitions

During the year 2009-10, CCIC organized various in-house and outside thematic exhibitions, wherein newly designed

products were displayed by the Corporation to expand the patronage of Corporation.

On-line Shopping

CCIC launched its enhanced online shopping website i.e. www.thecottage.in for its valued customers. The website displays about 1000 Handloom and Handicraft products with description for online shopping. The products can be purchased through secured payment gateway by credit card which is verisign certified. The products purchased can be shipped to any country all over the world. It has order tracking mechanism and links to various Govt. websites, Incredible India etc.

The website was inaugurated by Hon'ble Union Minister of Textiles Thiru Dayanidhi Maran on 21st August, 2009 in the presence of Minister of States for Textiles Smt. Panabaaka Lakshmi, Smt. Rita Menon, Secretary, Ministry of Textiles and media persons by online purchase of items displayed on the website.

Manpower Strength & Training

As on 31st March, 2010 the Corporation had strength of 344 employees as compared to 351 in the previous year.

Table 12.8

(Rs. in lakhs)

| | 2006-07 | 2007-08 | 2008-09 | 2009-10 | 2010-11 (Prov.) |
|--------------------------------------|----------|---------|---------|----------|--------------------|
| Turnover* - Retail | 8108.05 | 7493.81 | 6859.02 | 6758.56 | 7000.00 |
| - Bulk Orders | 2413.32 | 999.53 | Nil | Nil | Nil |
| Total | 10521.37 | 8493.34 | 6859.02 | 6758.56 | 7000.00 |
| Exports | 511.09 | 342.48 | 313.37 | 239.92 | 287.00 |
| Net Profit (+) / Loss (-) Before tax | 22.18 | 698.25 | 61.13 | 17.41 | 50.00 |
| Net Profit (+) / Loss (-) after tax | 191.76 | 421.57 | 20.61 | (-)18.84 | 35.00 |
| Dividend | 38.35 | 217.00 | 4.13 | Nil | 7.00 |

*includes exports also.



The Union Minister for Textiles, Thiru. Dayanidhi Maran addressing at the inauguration of the 'Museum Shop' by the Handlooms and Handicrafts Export Corporation (HHEC), with new product line, at National Museum, in New Delhi on September 28, 2010. The Minister of State for Petroleum & Natural Gas, Thiru Jitin Prasada and the Secretary, Textiles, Smt. Rita Menon are also seen.

THE HANDICRAFTS & HANDLOOMS EXPORTS CORPORATION OF INDIA LTD. (HHEC)

The Handicrafts & Handlooms Exports Corporation of India Ltd. (the "Corporation") is a Government of India Undertaking under the administrative control of Ministry of Textiles. It was established in the year 1958, as "Indian Handicrafts Development Corporation Ltd" with the twin objective of (i) export promotion and (ii) trade development of handicraft and handloom products. In the Year 1962, it was renamed as "The Handicrafts & Handlooms Exports Corporation of India Limited". The Corporation is presently is a two star export house engaged in exports of handicraft and handloom products (including hand knotted woolen carpets and ready-made garments) besides undertaking export of gold and silver

jewellery / articles. The Corporation was nominated in the year 1997-98 for import of bullion and sale in the domestic market. The performance of the Corporation in 2009-10 in relation to major indicators is given at table 12.9.

Table 12.9

| | |
|--------------------------|----------------|
| Turnover | 1551.06 Crores |
| Profit/(Loss) before Tax | (1.15) Crores |
| Profit/(Loss) after Tax | (1.16) Crores |

The Corporation has ended the year with a net loss after tax of Rs. 1.16 Crores as against Rs. 0.47 Crores last year mainly due to write off of Deferred Revenue Expenditure (VRS) by Rs. 1.01 crores as per the Accounting Standard (AS-15) and additional provision for Gratuity by Rs. 0.79 crores due to amendment in The Payment of Gratuity Act w.e.f. 24.05.2010.

CAPITAL

The Authorized and Paid up Capital of the Corporation remained unchanged at Rs. 20.00 Crores and Rs. 13.82 Crores respectively during the year 2009-2010. The entire Paid up Capital has been subscribed by the Hon'ble President of India.

WORKING RESULTS

During the year 2009-10, the Corporation has achieved the turnover of Rs.1551.06 Crores as against Rs. 1592.18 Crores in the corresponding period last year. The decrease is mainly due to decrease in exports of Gold Jewellery by Rs. 27.23 Crores (96.2%) due to recession in the global economy and decrease in Bullion Imports by Rs. 18.45 crores (1.2%) due to slackening of demand for silver bars on account of steep rise and fluctuation in prices and appreciation of the Indian Rupee, though in quantitative terms the imports have increased. However, various initiatives taken for improving the Exports & Retail Sales in the core business group resulted in increase of 27.7% in the Exports Sales i. e. from Rs. 14.82 Crores in 2008-09 to Rs. 18.92 Crores and an increase of 12.8% in Retail Sales i.e. from Rs. 3.60 crores in 2008-09 to Rs. 4.06 crores.

With optimal utilization of the idle assets and measures initiated for cost reduction, the Loss for the Year before Prior Period Items, Extra Ordinary Items and Provision for Taxation amounted to Rs. 0.50 Crores as against 0.54 Crores last year, despite write off of Deferred Revenue Expenditure (VRS) by Rs. 1.01 crores.

EXPORT PROMOTION AND TRADE DEVELOPMENT

- The Corporation has participated in various International and domestic exhibitions/Fairs to showcase the new

samples developed from traditional crafts and textiles clusters as well as to upgrade knowledge on designs and fashions abroad viz., 20th India Home Furnishing Fair (Osaka - Japan), 30th India Garment Fair (Osaka - Japan), 2nd South Asian Commodity Fair (Kunming - China), Pret-A-Porter (Paris - France), Heim-Textil (Frankfurt - Germany), Brand India Textile, Clothing & Interior Show, (Melbourne & Sydney - Australia), International Autumn Fair (Birmingham - UK) and Festival of India (Colombia), IHGF (Autumn) 2009, Heimtextile India 2009, IHGF (Spring) 2010 and Text-styles India 2010. Besides, regular participation in major international and local fairs, the Corporation has also proposed to participate in AFL Artigiano (Milan - Italy), Domotex (Hannover - Germany), Handicrafts Exhibition (Norway) and Buyer-Seller Meet (Uruguay).

- With a view to provide design inputs, training & marketing support to artisans and to widen the range of product samples, the Corporation has proposed to undertake projects to provide forward market linkages to various craft clusters - such as Champa in Chattisgarh where a range of silk stoles, dupattas, kurtas, salwar suits and sarees have been developed. The Corporation has initiated steps to market the products of different craft clusters and in this regard MOU has already been entered into with Jharcraft, Nanritam and Co-optex. Further, it is proposed to enter into MOU to market the products of Trifed and M.P. Hastshilp Vikas Nigam Ltd.
- A franchisee showroom has been opened at Dammam in Saudi Arabia and proposed to open 2nd outlet at Al-Khobar, Saudi Arabia. It is

proposed to open franchise showrooms at Uruguay, Germany, Australia / New Zealand. For further development of business in potential global markets, General Sales Agents have been engaged during the year.

- In order to strengthen its Retail Marketing, the Corporation has opened two new shops in Delhi at Rajiv Chowk and Rajouri Garden Metro Stations on 15.07.2010 and 16.09.2010 respectively and another one shop opened in Chennai. In addition to that new product line was launched at the renovated Souvenir Shop at National Museum, New Delhi, which was inaugurated by Hon'ble Minister Thiru Dayanidhi Maran on 28.09.2010. The Corporation is also contemplating opening of new souvenir shops in the museums across the country to showcase our ethnic Indian products with focus on museum objects replicas product line. In this series, the next shops proposed are at Salar Jung Museum, Hyderabad and Qutab Minar, Delhi. The Corporation has also been allotted space at Common Wealth Games for display of products and live demonstration during the games.
- The Corporation's E-Shop www.hheconline.in which was launched last year is attracting good Business for the corporation. Numerous buyers have been associated with the Corporation through its E-Shop portal and many of them have shown their willingness to join the Corporation for long-term business plans.

JUTE CORPORATION OF INDIA (JCI) LTD, KOLKATA

The Jute Corporation of India Limited (JCI), a Government of India Enterprise, was established in 1971 under the Companies Act, 1956 and is engaged in

purchase and sale of jute and mesta. JCI is an Official Agency of the Ministry of Textiles (MOT), Govt. of India, for implementing the policy of providing a Minimum Support Price (MSP) to the millions of jute growers and to serve as a price stabilizing agency in the jute sector. As per the policy decision of the government, JCI is obliged to buy whatever quantity of jute is offered at support rates by the growers without any quantitative limit. The losses incurred by JCI while implementing the open-ended policy of the Government of India to support the jute farmers are reimbursed by the Government of India. The Corporation has started marketing of non-traditional jute products in collaboration with the National Jute Board through a sales Emporium at Kolkata.

Currently, JCI is operating through 171 Departmental Purchase Centres (DPC) situated in 7 Jute Growing States namely West Bengal, Assam, Maghalaya, Bihar, Orrisa, Andhra-Predesh and Tripura. In order to increase its market coverage, JCI has involved Cooperative Society in the Jute Growing States to participate in MSP operation in the raw jute/mesta through their DPCs.

In the implementation schedule of Corporate Social Responsibility (CSR) activities, it is stated that expenditure under CSR activities should be project based and it should be such as to help in building a positive image of the company in public perception. JCI has taken initiative to execute some CSR projects during the year 2010-11 as it mainly operates for the socials masses by shouldering the responsibilities of the Nodal Agents of the Govt of India to implement the MSP operation of raw jute and to remunerate the Marginal Jute Farmers The yearly target of `10 lakh is given in MOU 2010-11 of JCI. In the first phase of CSR activities, JCI organized Basic Medical Camps for primary health check-up for

families of Jute Farmers and to provide them general medicines on prescription qualified Medical Practitioner attended the Camps in interior areas of West Bengal surrounding our Departmental Purchase Centres with the help of Local administration. In addition to above, The Institute of Jute Technology (IJT) and DPCs of JCI have also been advised to identify students on merit to support them for their Tuition fees/scholarship.

Performance of Jute Corporation of India Ltd is highlighted at table 12.10.

NATIONAL JUTE MANUFACTURES CORPORATION (NJMC)

The National Jute Manufactures Corporation Limited (NJMC) was incorporated in 1980. Constituted by six nationalized jute mills viz. National, Kinnison, Khardah, Alexandra, Union & RBHM of which the first five are located in and around Kolkata and RBHM at Katihar, Bihar. NJMC is the only Public Sector Undertaking engaged in Jute goods manufacture. The Mills produce traditional jute goods like Hessian, Sacking, Jute Twine and also Carpet Backing Cloth (CBC).

At the time of nationalization production of the mills under NJMC was around 1.10 Lakh tonnes per annum, which went up to 1.33 Lakh tons in 1985-86. However, there has been continuous decline in production thereafter. Since 2004-05, all the six units of NJMC are non operational due to disconnection of power supply by CESC / BSEB for non-payment of their dues.

The trend of production, productivity & performance is given at table 12.13. NJMC had been suffering cash loss since inception. In view of continuous cash loss and complete erosion of net worth, NJMC was referred to the Board for Industrial and Financial Reconstruction (BIFR) on August 11, 1992. Thereupon, BIFR declared the Company as sick under the provisions of Sick Industrial Companies (Special Provision) Act, 1985 (SICA). BIFR in an order dated July 8, 2004, confirmed winding up of the NJMC Ltd. in terms of Sec.20(1) of Sick Industrial Companies (Special Provision) Act, 1985 (SICA). and forwarded the case to the Calcutta High Court for winding up of the company and appointment of official Liquidator. On January 6, 2005, a Single Judge Bench passed the order for

Table 12.10

| Particulars | 2006-07 | 2007-08 | 2008-09 | 2009-10 | Projected 2010-11 |
|--|---------|---------|---------|---------|-------------------|
| Quantitative (Lakh bales of 180 kg each) : | | | | | |
| Procurement of Raw Jute | 4.84 | 7.66 | 1.02 | 0.01 | 0.34 |
| Sales of Raw Jute | 1.19 | 5.92 | 6.58 | 0.23 | 0.35 |
| Closing Stock | 4.08 | 5.84 | 0.24 | 0.01 | — |
| Financial (Rs. in Crore) | | | | | |
| Sale of Raw Jute | 32.35 | 142.33 | 166.66 | 8.92 | 20.00 |
| Sale-Jute Seed | 0.28 | 0.18 | 0.15 | 0.79 | 1.35 |
| Adjusted cumulative Profit after regulation of subsidy as per Cabinet decision | 74.83 | 76.08 | 57.82 | 59.38 | 55.70 |

winding up of NJMC Ltd. and directed the official liquidator to take possession of assets of the company. Subsequently NJMC management preferred an appeal before the Division Bench of the Hon'ble High Court, Kolkata against the said order whereupon the matter was heard by the Division Bench on February 7, 2005, and stay was granted which is presently operational. Meanwhile, NJMC Officer's guild filed an appeal before the Appellate Authority for Industrial and Financial Reconstruction (AAIFR) against the winding up order of BIFR.

The financial year 2009-10 was an eventful year for the company because of the decision of the union cabinet to run its three units by NJMC itself the operation of which were suspended in the year 2003-04. Moreover approval of financial restructuring by way of waiver of GOI loan and interest of Rs.6815.06 cr. has improved substantially the net worth of the company.

Corporate Performance

The performance for the financial years 2009-10 and 2008-09 are summarized at table 12.11.

Highlights regarding present status of NJMC

- a) The Union Cabinet has approved Rs 978 Crores for VRS of its all employees and settlement of Statutory dues. The case is to be referred to BRPSE for Revival of NJMC.
- b) The VRS is given to more than 16000 workers and settled all statutory dues.
- c) The BRPSE approved the Revival Plan of NJMC in December 2007.
- d) The Union Cabinet has approved the Revival Plan of NJMC on 19th March 2010 to revive through PSU route and run its 3 Jute Mills that is Kinnison and Khardha of Kolkata and RBHM Katihar.
- e) The Union Cabinet also approved revised cost of scheme of Rs1562.98 Crores on 25th Nov 10 as prepared by IDBI (operating agency appointed by BIFR) which is submitted to BIFR for its final approval.

Table 12.11

| Sl. No. | Particulars | 2009-10 | 2008-09 |
|---------|--|---------|----------|
| I. | Production | - | - |
| II. | Sales | - | - |
| III. | Contribution to Exchequer (Rs./Crore) | | 1.07 |
| IV. | Profit & Loss (Rs./Crore) | | |
| | Net Loss (before charging Interest on Govt. Loan) | 12.84 | 104.44 |
| | Interest / Adjustment of Govt. Loan | 6797.67 | 479.23 |
| | Net Loss (after charging Govt. Interest) | 12.84 | 583.67 |
| | Cash Loss (before charging Interest on Govt. Loan and extra ordinary item) | 12.84 | 72..36 |
| V. | Net Worth (Rs./Crore) | - | -6842.75 |

Restart of Jute Mills as per Revival Plan

There was no production activity during the year 2009-10. The operation has been stopped for last 7-8 years in all the six units of the company in view of continuous cash loss. However, consequent on the decision of the cabinet, the company has strategic plan to start production in all three mills. Accordingly trial run is started in all three Revival Mills. The Power is restored in RBHM Katihar in September 2010 and power is under restoration in kinnison and kharda also to get regular production in all 3 Mills by the end of financial year 2010-11. There is

great potential in the Indian jute packaging sector and that with economic stability, the demand for jute sacking bags and yarn would further strengthened. Therefore to cater the burgeoning demand for quality product NJMC will focus on timely execution of Revival plan without compromising quality and compliance.

Profitability

It will be observed from the Profit & Loss Accounts submitted herewith that the cash loss of the company has been decreased from Rs. 72.36 Crore in 2008-2009 to Rs.12.84 crore in 2009-10. The summarised position is given at table 12.12.

Table 12.12

(Rs. in Crore)

| Particulars | 2009-2010 | 2008-2009 |
|---|--------------|---------------|
| Sales | – | – |
| Processing Income | – | – |
| Other income | 11.66 | 17.93 |
| Accretion / Decretion of stock | – | – |
| TOTAL | 11.66 | 17.93 |
| VRS Expenditure | 2.47 | 54.15 |
| Wages & Salaries (excluding Gratuity) | 9.25 | 48.10 |
| Gratuity | 0.73 | 0.77 |
| Other expenses | 11.10 | 6.00 |
| Fringe Benefit Tax | – | 0.11 |
| Interest on GOI Loan | – | 479.23 |
| Interest -Others | 0.79 | 6.14 |
| Depreciation | 0.16 | 0.18 |
| Prior Period Adjustment | 0.52 | 6.92 |
| TOTAL | 25.02 | 601.60 |
| Extra ordinary Item (Waiver of Govt. Loan & Interest) | 6797.67 | – |
| Net Loss (after charging Interest on Govt. loan) | 12.84 | 583.67 |
| Net Loss (before charging Interest on Govt. loan) | 12.84 | 104.44 |
| Cash Loss for the year (before charging Interest on Govt. Loan and extra ordinary item) | 12.84 | 72.36 |

Cabinet Decision

Earlier the Cabinet in its meeting held on 24.03.2005 extended budgetary support of Rs. 978.00 crore while approving Plan of Action for the company i.e. (i) Reduction of manpower by offering VRS to all the employees (ii) Liquidating of statutory dues, arrear gratuity and secured liabilities (iii) The mills at Kinnison and Khardah to be referred to the Board for Reconstruction of Public Sector Enterprises (BRPSE) for revival. Accordingly the company has given VRS to all workers and staff of the mills including head office except officers and settled all secured and statutory dues and arrear gratuity and other dues. The company had also submitted draft Rehabilitation Scheme (DRS) to BRPSE prepared by IDBI. BRPSE approved the DRS with suggestion to the ministry to explore the possibility of associating one or more private partners for revival of the mills. Thereafter the company revised the DRS through IDBI with a total cost of scheme Rs.1201.83 crore considering all the three mills to run on long term lease basis. The cost of scheme comprises of payment of VRS, arrear statutory dues, secured and unsecured dues and provision of salary & administrative expenses for two years implementation period upto March 31st 2010. However, the proposal submitted to the cabinet by the Ministry of Textiles (MOT) include long term Lease or to run by NJMC itself in which case additional requirement of fund would be Rs.215.70 crore.

The Cabinet, on 19th March 2010 approved the Revival scheme of the company as follows:-

Revival of the three mills viz. Khardah, Kinnison in W.B & RBHM in Bihar by operating through NJMC itself and closure of remaining three mills viz. Alexandra, National & Union with Cost of Scheme Rs.1417.53 Crore which include an additional budgetary support (interest free

loan) of Rs. 215.70 Crores during 2010-11.

- (a) Financial restructuring of NJMC Ltd. i.e. to write off entire outstanding loans and liabilities of Rs. 2722.02 Crore and interest of Rs. 4093.04 Crore on those loan and other assets / receivable as on March'31, 2009 against accumulated loss.
- (b) Relief package to officers / Executives for successful implementation of VRS and Revival Scheme.
- (c) Settlement of liabilities of unsecured creditors (Principal amount only) amounting to Rs. 33.73 crore as part of the Revival Scheme of NJMC Ltd.
- (d) To grant other relief and concession sought by NJMC to implement the revival scheme as outlined the revised DRS.

Action Taken on decision of the Cabinet

Consequent to the decision of the Cabinet on March 19, 2010 a Modernisation Committee has been formed to plan and execute the process of repair, renovation & modernization. IDBI who is the Consultant-cum-Operating Agency for the revival of the company has been requested to update the Draft Revival Proposal for submission to Board of Industrial & Financial Reconstruction (BIFR). In addition, BIFR has been requested to fix-up the date of early hearing. Meanwhile a strategic plan was taken to continue with existing available machines with renovation and balancing for production of sacking and yarn in all three mills. To start production the process of repair/ renovation of the mills have also been started. The company also decided to install new modern machinery on turnkey basis gradually and to start with Khardah and Kinniso units in West Bengal and RBHM Katihar in Bihar.

Revision in the Cost of Scheme on account of Cash Loss during the implementation period

The Cost of Scheme submitted to the Cabinet in March 2010 was based upon the DRS prepared by IDBI in 2007 according to which the implementation period was taken as 2 years from 1.4.2008 (i.e. upto 31.3.2010). However, the approval of the cabinet on the said DRS was received only in March 2010, due to which, the implementation period of the revival scheme needs to be revised. IDBI, while finalising the revised DRS for submission to BIFR, has formulated the DRS by considering the revised implementation period as 2 years from 1.4.2011 and has reported the fresh provision for supporting the cash loss during the Implementation of Revival Scheme needs to be provided in the Cost of Scheme. Accordingly, A Revised Cost of Scheme of Rs. 1562.98 Crore has been prepared. The Implementation period is now kept upto 2012-13, assuming that BIFR approval would be obtained in 2010-11 and thereafter, a support for 2 years of implementation period would be required. Financing of the revised Cost of Scheme would require an additional budgetary support (Interest free loan) of Rs 145.45 Crore during 2010-11 to 2012-13. The Union Cabinet has also approved this proposal in their meeting dated 25th March 2010. The MOT has informed IDBI (operating agency appointed by BIFR for Revival of NJMC) and BIFR regarding this approval of Revised cost of scheme of Rs. 1562.98 Crores and a composite package for VRS of officers. The BIFR is in the process of its circulation and approval of the Revival Plan of NJMC as prepared by IDBI and cost of scheme approved by the Union Cabinet on 25th November 2010.

Revised draft rehabilitation scheme (DRS) submitted by IDBI

The revised DRS submitted by IDBI to BIFR on 09/09/2010 with modified cost of

the scheme Rs. 1562.98 Crore is an updating of earlier DRS as per decision of the government. The GOI has already released Rs. 1,207.31 Crore in the year 2006-07 to 2009-10 and would provide further interest free loan of Rs. 343.95 Crore in the year 2010-11 to 2012-13. Balance was sought from the West Bengal Government by way of adjustment of loan and interest against compensation of land acquisitioned for Titagarh Thermal Power Plant. The proposal also consists of closure of remaining 3 Mills (National, Union and Alexendra) and generation of resources for repayment of GOI loan through sale of surplus assets of closed mills as well as surplus assets available in the revived mills.

Voluntary Retirement Scheme

As per decision of the Cabinet to reduce manpower in NJMC by offering VRS to all employees, management has successfully completed VRS of all its Workmen and clerical staff and sub-staff. The, VRS of remaining officers of the company is also being implemented as per composite package approved by Cabinet.

Reference to Board for Industrial and Financial Reconstruction (BIFR) and Current Status

In view of continuous cash loss and complete erosion of net worth, the company was referred to the Board for Industrial and Financial Reconstruction (BIFR) on 11th August 1992. Thereafter, BIFR declared the Company as sick under the provisions of Sick Industrial Companies (Special Provision) Act, 1985 (SICA). Time and again various revival proposals were submitted to BIFR which were turned down due to promoters (GOI) unwillingness. As such BIFR vide its order dt. 08-07-2004 recommended winding up of the company in terms of Sec 20(i) of Sick Industrial Companies (Special Provisions) Act 1985 (SICA) and forwarded

the same to the Calcutta High Court for taking necessary action as per law. On 06-01-2005 Hon'ble Justice Ashim Kr. Banerjee of Calcutta High Court passed the order for winding up of the company and directed the official liquidator to take possession of the assets. On 07-02-2005 Hon'ble Division Bench of Calcutta High Court granted stay order against the operation of the above order dt. 06-01-2005. In the meantime NJMC officer's Guilds and others filed an appeal before the Appellate Authority for Industrial & Financial Reconstruction (AAIFR) against BIFR order dt. 08-07-2004. AAIFR vide its order dt. 03-03-2008 set aside the impugned order dt. 08-07-2004 and remand the matter BIFR with a direction to take further step for the revival of the company based on proposal to be submitted by ministry. Ministry of Textiles filed petition on 23-04-2008 with the proposal for revival of the company before BIFR. BIFR in its hearing dated 5.3.2009 directed the company and the Ministry of Textiles to intimate the Board about the status of decision of the Government on the company's revival proposal within one month. Union cabinet approved revival scheme of the company on 19th March, 2010 along and the revised DRS was submitted by the Operating Agency IDBI to the BIFR. BIFR in its last hearing on 13.09.2010 took a positive view on the revised DRS submitted by IDBI subject to approval of revised cost of scheme of Rs.1562.98 Crores by Union Cabinet. The Union Cabinet has now approved the scheme on 25th November 2010 and BIFR approval is also expected shortly as per their procedure.

BIRDS JUTE & EXPORTS LTD. (BJEL)

M/s Birds Jute & Exports Ltd. was formed and incorporated on 02.07.1904 under the name & style of the Lansdowne Jute Company Limited with the object of taking over as a going concern, the business of the manufacturing jute goods in the mill at

Dakhindari from the Arathoon Jute Mills Limited. The name of the company has been changed to M/s Birds Jute & Exports Ltd. with effect from December 15th 1971 and decided to run as a processing factory for Bleaching, Dyeing & Printing of Jute, Cotton and Blended Fabrics.

BJEL which was initially a Subsidiary of Bird & Co. Ltd., following nationalization of Bird & Co Ltd. on 25th October, 1980, Bharat Process & Mechanical Engineers Ltd., (BPMEL) took over the assets of Bird & Co. Ltd. and in process, BPMEL became a holder of 58.94% of BJEL's equity shares.

By virtue of decision of Govt. of India the equity shares held by BPMEL were transferred to National Jute Manufacturers Corporation Ltd. (NJMC) with effect from 20th November, 1986 and BJEL became a subsidiary of NJMC Ltd.

Reference to BIFR

Due to continuous losses and negative net worth, the company was referred to BIFR. The Company was allotted Registration No.501/99 with the Hon'ble BIFR.

Hon'ble BIFR has appointed IDBI Bank Ltd. as operating agency for preparation Rehabilitation Scheme under section 17(3) of the said Act.

Revival Proposal of BJEL

The proposal for revival of BJEL prepared by IDBI was considered by BRPSE on April, 2008 and granted in principle approval with certain observation. Accordingly IDBI revised the revival proposal on September, 2009. A draft cabinet was also circulated by the MOT in view of comment raised by the ministry of Finance MOT decided to place the updated revival scheme to BRPSE for its recommendation. Accordingly, BJEL resubmitted the revised revival proposal

with a total Cost of Scheme of Rs.129.63 Crore to be financed mainly from sale of surplus land of the BJEL and interest free GOI loan. The entire GOI loan and holding company loan together with accrued interest at a normal rate has been proposed to be refunded from sale of surplus land of BJEL. The proposals also include repair, renovation & modernization of its existing plant with capital expenditure including working capital of Rs. 30.57 Crore. The above proposal is forwarded to the ministry for approval of the Government.

Physical and Financial Performance

The production of the company was suspended for last 8 years due to dismal

performance of the company due to (1) Low capacity utilization (2) Low productivity (3) Wrong selection of product Mix (4) Incidence of High Interest Load and outdated machinery. In view of above the company has given VRS to all its workmen and staffs in the year 2003 and 2004.

The Financial performance for the year 2009-10 as compared to 2008-09 and estimated for the year 2010-11 is given at table 12.13.

NATIONAL DEVELOPMENT CORPORATION (NHDC) HANDLOOM CORPORATION

National Handloom Development Corporation (NHDC) Ltd., Lucknow was

Table 12.13

(Figures in Lakhs)

| Physical | 2008-09 | 2009-10 | 2010-11 (Estimated) |
|------------------------------|--------------------|--------------------|------------------------|
| Production | | | |
| Own Fabrics (Mtrs) | 0 | 0 | 0 |
| Contract (Mtrs) | 0 | 0 | 0 |
| FINANCIAL RESULT | (Rs.in Lac) | (Rs.in Lac) | (Rs.in Lac) |
| Sale Value of Production | 0 | 0 | 0 |
| Rent & Other Income | 10.31 | 7.80 | 8.00 |
| Total | 10.31 | 7.80 | 8.00 |
| Raw Material | 0 | 0 | 0 |
| Stores | 0.22 | 0.14 | 0.12 |
| Salary & Wages | 25.44 | 13.12 | 8.30 |
| Other Expenses | 98.65 | 41.48 | 33.85 |
| Interest | 666.70 | 634.49 | 730.00 |
| Depreciation | 7.57 | 6.49 | 5.50 |
| Total | 798.58 | 695.72 | 777.77 |
| Net Loss (before Adjustment) | 788.27 | 687.92 | 769.77 |
| Adjustment | 4.63 | -1.84 | - |
| Net Loss (After Adjustment) | 783.64 | 689.76 | 769.77 |
| Cash Loss | 776.07 | 683.27 | 764.27 |
| Cumulative Net Loss | 7172.59 | 7862.35 | 8632.12 |

set up in February, 1983 by the Government of India as an autonomous body under the Companies Act, 1956. The Authorized Capital of NHDC Ltd., is Rs.2000 lakh and its Paid up Capital is Rs.1900 lac. The main objectives of the Corporation are to:-

- carry on the business of all types of yarn for the benefit of the handloom sector.
- organize supply of quality dyes and related materials needed by the handloom sector.
- promote marketing of handloom fabrics.
- aid, assist and implement the projects connected with the production of handloom fabrics including taking up modernization programme, technology for the handloom sector.

In pursuance of the above objectives, the Corporation is undertaking the following activities:

Mill Gate Price Scheme (MGPS)

Mill Gate Price Scheme (MGPS) is an important scheme of the Government of India under which yarn is supplied to the handloom weavers all over the country at the Mill Gate Price by the NHDC. The details of yarn supplied under the scheme during the last three years are given at table 12.14.

Under MGPS, NHDC is operating "Depot Scheme" of the Government of India, wherein, 715 depots have been made operational till December, 2010.

The corporation is also supplying quality dyes and chemicals to the handloom sector at competitive prices under the scheme. The details of supplies made during last 3 years by the NHDC under the scheme are given at table 12.15.

In order to promote marketing of handloom fabrics, the corporation organizes special exhibitions like Silk Fabs & Wool Fabs. The number of exhibitions, participating

Table 12.14

| Year | Quantity (in lac kg.) | Value (Rs. in crore) |
|---------------------------|--------------------------|-------------------------|
| 2007-08 | 678.210 | 563.05 |
| 2008-09 | 855.12 | 793.78 |
| 2009-10 | 1081.21 | 987.32 |
| 2010-11 (upto Feb., 2011) | 981.20 | 1043.60 |

Table 12.15

| Year | Dyes & Chemicals | |
|---------------------------|--------------------------|-----------------------|
| | Quantity (in lac kg.) | Value (Rs. in lac) |
| 2007-08 | 21.48 | 1897.78 |
| 2008-09 | 39.13 | 2796.56 |
| 2009-10 | 53.23 | 3107.04 |
| 2010-11 (till Feb., 2011) | 31.71 | 2270.10 |

agencies and total sales generated in the exhibitions during the last 3 years are given at table 12.16.

Besides corporation has set up 8 marketing complexes at Jaipur, Kolkata, Ahmedabad, Hyderabad, Kanpur, Indore, Navi Mumbai and New Delhi, where the handloom agencies from different parts of the country display and sell their handloom products to the discerned customers.

Corporation also undertakes the following programmes to disseminate the latest technologies in the handloom sector and also about the schemes being implemented by the Government of India for the development of the handloom sector and for the welfare of the weavers:-

- a) Appropriate Technology Exhibitions (ATEs)
- b) Quality Dyeing Training Programme.
- c) Sensitization programme on scheme of Office of DC (Handlooms).

The details like turnover, profit dividend

issued rating & MOU of the Corporation during the last three years are as given at table 12.17.

COTTON CORPORATION OF INDIA (CCI)

The role assigned to the CCI under the Textile Policy of June 1985 was:

1. To under take price support operations whenever the market prices of kapas touch the support prices announced by the government of India without any quantitative limit.
2. To undertake commercial operations only at CCI 's own risk; and
3. To purchase cotton to fulfill export quotas given to CCI.

The above role of the CCI continued under the New Textile Policy of 2000. However, the last stated function no longer is relevant as export of cotton is now free and the Government is releasing no quotas. Nevertheless CCI purchases cotton even now to under take export of cotton.

Table 12.16

| Year | No. of events | No. of participating agencies | Total sale (Rs. in crore) |
|---------|---------------|-------------------------------|---------------------------|
| 2007-08 | 9 | 665 | 25.23 |
| 2008-09 | 12 | 994 | 34.43 |
| 2009-10 | 15 | 1123 | 44.89 |

Table 12.17

Turnover, Profit and Dividend: National Handloom Development Corporation

(Rs. in lac)

| Year | Turnover | Net Profit | Dividend | MOU rating |
|---------|-----------|------------|----------|------------|
| 2007-08 | 58867.17 | 104.52 | 22.00 | Very Good |
| 2008-09 | 82948.34 | 393.84 | 80.00 | Excellent |
| 2009-10 | 102078.03 | 303.51 | — | Excellent |

Besides the above role CCI has also been designated as the nodal agency for implementation of Mini Missions III and IV of the Technology Mission on Cotton for improvement and Development of Market Yards and Modernization of Ginning and Pressing factories and thereby improving the quality of cotton by reducing contamination of cotton and ensuring better prices to the growers.

In addition to the above the Ministry of Agriculture has also nominated the CCI as the implementing agency for undertaking Front Line Demonstrations under Mini Mission II of the TMC.

Under its developmental activities the CCI has been implementing the Contract Farming Project in all the cotton growing States.



CHAPTER XIII
TEXTILE RESEARCH
ASSOCIATION (TRAs)

CHAPTER XIII

TEXTILE RESEARCH ASSOCIATION (TRAs)

Ministry of Textiles has been providing financial support to the Textile Research Associations engaged in the work of research and development. The budget allocation for the year 2010-11 for the research projects is Rs. 10 crores.

COTTON TEXTILE RESEARCH ASSOCIATION (TRAS)

There are eight Textile Research Associations (TRAs) receiving financial support from the Ministry of Textiles, of these the following are the Cotton Textile Research Associations (CTRAs):

- i. Ahmedabad Textile Industry's Research Association (ATIRA), Ahmedabad
- ii. Bombay Textile Research Association (BTRA), Mumbai.
- iii. South India Textile Research Association (SITRA), Coimbatore
- iv. Northern India Textile Research Association (NITRA), Ghaziabad.

Like other TRAs, these TRAs are textile industry promoted private bodies, set up and promoted by the textile industry of the respective region for carrying out research and providing them various services including consultancy, testing, training and research etc. Their main sources of earnings include government grants, subscriptions from member-mills, fees from the services etc. Since these have renowned industrialists as their elected Chairmen in overall in-charge of their functions, Government provides full autonomy in their functioning.

AHMEDABAD TEXTILE INDUSTRY'S RESEARCH ASSOCIATION (ATIRA)

Ahmedabad Textile Industry's Research Association (ATIRA) was established in 1947 by the textile industry of Ahmedabad. It has a membership of 100 textile and allied industrial units all over India. The major activities cover all aspects from Fiber to finished fabrics and cater to the needs of the textile and allied industry in the organized and decentralized sector both to its member and non-member units across the country and abroad.

Testing Services

Testing is one of the major services of ATIRA to the industry. It spans from physical and chemical testing of textile material of all kinds to testing of Water, Waste Water as well as Flue Gas, Process Gas, Solid Waste including Environment Audit Samples, Ambient Air Samples, Noise Samples, machine accessories, and calibration.

The testing services are widely utilized by textile and allied industries across the country and across the textile sectors and the number of samples for testing are on the ever increasing trend.

Training

During 2009-10, ATIRA has conducted several training programmes:-

Regular Training Programme

1. Ring frame Operative
2. Shuttleless Weavers (Air Jet Looms)

3. Shuttleless Weavers (Rapier Looms)
4. Fresh Weavers
5. Computer-Aided Designing for Stripes, Checks and Dobby Woven Fabrics
6. Computer-Aided Designing for Printed Fabric
7. Computer-Aided Designing for Jacquard Woven Fabrics
8. Computerized Pattern and Maker Making for Ready-made Garment Manufacturing
9. Basics of Textile Manufacturing and Designing
10. Computerized Fashion Design and Pattern and Marker Making
2. Indigenous development of automatic multilayer fabric cutting machine.
3. Spinning of fire retardant fibre blends on cotton system.
4. To evolve construction related design as well as environmental design parameters for both woven and non-wovens Geo-synthetics.

THE BOMBAY TEXTILE RESEARCH ASSOCIATION (BTRA)

During 2009-10, research and development activities at BTRA were directed towards developing cost effective techniques, product innovation, improving product (yarn/fabric) quality, ensuring utilities (energy and water) conservation, improving productivity and machine maintenance. BTRA engaged in the following research projects:-

In-House Training Programmes

1. Ginning Pressing Factories under TMC Scheme on Modern Ginning System
2. Positive Attitude and Behaviour Change

Refresher Training Programme for Powerloom Industry

1. Weavers

Training Programme conducted by Powerloom Service Centre, Dholka

1. Short-term Training Programme for Weavers

Training Programmes conducted by ATIRA Regional Centre, Indore

1. Basics of Spinning, Weaving and Chemical Processing
2. Lectra System, Fashion Studio, Texcad Softwares

PROJECTS

Projects Sponsored by Ministry of Textiles

1. Enhanced oil recovery from cotton seed using PEF technology.

1. Eco-friendly and user friendly machines for hank processing cottage industry
2. Characterization of Pashmina hair fibres and select wool fibres used as blends in handicraft products produced in J&K State
3. Plasma Technology ;for Textile Processing
4. Studies on Fire Retardant Finishing of Apparel and Home Textiles towards meeting the Export Requirement
5. Studies on Textiles Doped with Conducting Polymers
6. Nano-technological Studies on Development of High Performance Polyester and Polypropylene Fibres
7. Development of Method for Testing and Analysing the Formaldehyde Content in Textile Auxiliaries

Programmes conducted and imparted by BTRA are given at table 13.1.

Testing Services provided by the BTRA is given at table 13.2.

Table 13.2

| Testing Details | Sample Tested |
|---------------------------------------|---------------|
| Fibre properties | 15416 |
| Yarn Properties | 1227 |
| Fabric Properties and Fabric analysis | 3697 |
| Technical Textiles testing | 1317 |
| Chemical Testing | 2015 |
| Microbiology/Biotechnology testing | 566 |
| Special Testing | 1453 |
| Total | 25691 |

BTRA ran three Powerloom Service Centres (PSCs) at Ichalkaranji, Solapur and Madhavnagar-Vita to improve the quality, operating efficiency and productivity of powerloom clusters.

BTRA participated in the following exhibitions:

1. Mini-exhibition organized during 50th Joint Technological Conference, held at ATIRA, Ahmedabad on 4th and 5th March 2009.
2. Investor-Investigator Meet cum Exhibition on 'Development of Textile Instrumentation and Technology', organized by CSIR, New Delhi held at SITRA, Coimbatore on 5th December 2009.

THE SOUTH INDIA TEXTILE RESEARCH ASSOCIATION (SITRA)

During 2009-10, SITRA carried out 27 research projects, of which 11 completed. The total membership of SITRA stands at 237 comprising of 280 units.

SITRA has been regularly conducting different types of energy audits in textile mills and is recognized as one of the approved and authorized Energy Auditors for conducting Energy Audit in High Tension Industries by various State

Table 13.1

| Subject | Period |
|---|---|
| Testing of technical textiles | 30.03.09 - 10.4.09 |
| Dyes, chemicals and auxiliaries with special reference to chemical processing of textiles | 30.03.09 - 04.04.09 20.04.09 - 26.04.09 10.05.09 - 23.05.09 |
| Home Textiles | 22.12.09 - 23.12.09 |
| Awareness on ISO 9000:2008 | 05.03.2010 |
| ISO 17025:2005 standards | 11.03.2010 - 12.03.10 |
| Training on eleven test methods as per Bureau of Indian Standards, covering physical testing, chemical testing and flammability testing | 20.04.09 - 26.04.09 04.05.09 - 09.05.09 |
| Dyeing and colour fastness testing | 31.08.09 - 06.09.09 |
| Physical testing and chemical testing | 12.09.09 - 19.09.09 |
| Dye identification | 10.10.09 - 12.10.09 |
| Physical testing of coated fabrics | 11.03.10 - 12.03.10 |

Electricity Boards (SEBs). During the year, SITRA conducted 10 energy audits in textile mills.

The range of services offered by SITRA continued to be effectively utilized by the Mills. The services availed by the mills during 2009-10 are given at table 13.3.

Table 13.3

| Type of service | No. of units |
|--|--------------|
| Fibre, yarn and fabric testing | 273 |
| Consultancy services | 71 |
| CPQ study | 145 |
| Training: executives, supervisors and operatives | 216 |
| Accessories testing & instrument calibration | 122 |

Various service of Computer Aided Textile Design Centre (CAD) utilized by the decentralized weaving sector, during 2009-10 is given at table 13.4.

Table 13.4

| Type of service | No. of services |
|---------------------|-----------------|
| Consultations | 111 |
| Designs development | 130 |
| Graph printouts | 130 |
| Card punching | 1107 |
| Training programmes | 9 |
| (persons trained) | (17) |

At present, there are 7 Powerloom Service Centres (PSCs) located at Karur, Komarapalayam, Palladam, Rajapalayam, Salem, Somanur and Tiruchengode. Efforts taken by SITRA PSCs to implement the welfare schemes, under the Group Insurance schemes of Government of India have benefited about 22500 workers engaged in weaving, twisting, warping and sizing units. Various services rendered

by these PSCs during the year 2009-10 are given at table 13.5.

Table 13.5

| Type of service | No. of services |
|---------------------------------------|-----------------|
| Consultations | 484 |
| New designs development | 411 |
| Yarn/cloth samples testing | 22083 |
| Training programmes | 65 |
| No. of persons trained | 770 |
| Liaison/request visits | 2724 |
| Number of looms inspected | 23865 |
| Number of looms works/repair attended | 2 |
| Number of special works | 132 |
| Jacquard Card Punching | 3 |

SITRA Textile testing and service centre, Tirupur has tested 709 samples with as many as 1043 tests. Various services offered by Knitting Division during 2009-10 are given given at table 13.6.

Table 13.6

| Type of service | No. of services |
|---------------------------------|-----------------|
| Testing | 572 |
| Defect analysis | 951 |
| Samples knitting on FAK machine | 1196 |
| Knitting performance of yarn | 337 |
| Consultation | 272 |
| Fabric analysis | 171 |
| Training programmes | 2 |
| (persons trained) | (54) |

During the period 2009-10, 122 mills availed the service of SITRA to receive calibration certificates for 389 textile testing and quality control instruments.

International training is a regular feature

of SITRA's training activity since 1974. The participants taking part in such programmes are sponsored by the Ministry of External Affairs Government of India under Indian Technical and Economic Co-operation Plan (ITEC) and Colombo Plan. The 57th batch of the programme was held during October - December 2009. 26 participants from 14 countries have attended the two months training programme.

During 2009-10, more than 1550 technicians, over 4500 students and 100 outside specialists visited SITRA library for utilizing its rich collection of books and journals. 119 books have been added to the existing bank of more than 24200 books. SITRA has also been receiving 225 journals on varied aspects on textiles. SITRA has brought out 21 publications during the year which included 6 research/inter-mill study reports and 6 Focus. SITRA scientists published 18 papers in various technical journals.

NORTHERN INDIA TEXTILE RESEARCH ASSOCIATION (NITRA)

During 2009-10, NITRA worked on fourteen research projects. Out of which five have been successfully completed whilst work is in progress for rest of the nine projects. NITRA provided assistance to the industry in the form of quality and cost effective technical consultancy for resolving their operational problems. Basic areas of expertise where NITRA offered

consultancy solutions were audit, feasibility study, system certification, infrastructure set up, valuation, inspection and product/process & design development. Technical consultancy was another important aspect of NITRA's multifarious activities.

NITRA offered a wide range of testing facilities for fibre, yarn, fabrics, dyes, chemicals and effluent in its well equipped NABL accredited five laboratories. The details of the activities carried out during the year are given at table 13.7.

NITRA undertook the following training for overseas participant:

1. Program on Computer Aided Textile Design for Textile & Apparel Institute (TAI) faculty, Ethiopia.
2. Program on Computer Aided Apparel Design for Textile & Apparel Institute (TAI) faculty, Ethiopia.
3. Program on Apparel Merchandising and Export-Import Management for TAI Faculty, Ethiopia
4. Program on Project Planning & Evaluation for TAI Faculty, Ethiopia
5. Program on ETP Design, Operation, Maintenance and Performance Evaluation & Trouble Shooting for TAI Faculty, Ethiopia.

Job-oriented Professional Programs conducted by NITRA during 2009-10 are given at table 13.8.

Table 13.7

| S. No. | Name of Laboratory | No. of samples analyzed |
|---------------|---|--------------------------------|
| 1. | Environmental laboratory | 100 |
| 2. | Eco laboratory | 168 |
| 3. | Chemical Quality Evaluation laboratory | 1380 |
| 4. | Polymer & Technical Textiles laboratory | 662 |
| 5. | Physical Quality Evaluation laboratory | 2518 |

Table 13.8

| S. No. | Programme Title | No. of Trainees |
|--------|--|-----------------|
| 1. | Textile Technology & Management (TTM) | 11 |
| 2. | Garment Technology & Management (GTM) | 31 |
| 3. | Apparel Design & Quality Control (ADQC) | 31 |
| 4. | Textile Design & Quality Control (TDQC) | 10 |
| 5. | Apparel Merchandising & Export-Import Management (AMEIM) | 14 |
| 6. | Garment Dyeing, Drycleaning & Finishing Technology (GDDFT) | 12 |
| 7. | Apparel Machine Engineering & Maintenance (AMEM) | 07 |
| 8. | Textile Technology & Management (TTM-DLP) | |
| 9. | Garment Technology & Management (GTM-DLP) | |
| 10. | Apparel Merchandising & Export-Import Management (AMEIM-DLP) | 42 |
| 11. | Quality Evaluation of Textiles & Garments (QETG) | |

NITRA is accredited under DOEACC scheme for 'O' level computer course.

NITRA participated in Garment Technology Expo - 2010 (8-11 January 2010) at New Delhi in order to create awareness about NITRA's R&D activities, technical consultancy, quality evaluation, manpower training services, and technical publications for the textile and apparel industry.

During the year, NITRA added 51 books and 3 complementary books in its library. NITRA subscribed 21 foreign periodicals and 42 Indian periodicals in addition to 35 complementary Indian periodicals. The library generated revenue of Rs. 1.55 lakh by sale of NITRA publications.

Out of 44 Power Loom Service Centres (PLSCs) established by Ministry of Textiles, 7 PLSCs were under the administrative control of NITRA. All seven centres were having testing facilities capable to meet basic requirements of the decentralized power loom sector in normal course. There are three Computer Aided Design (CAD) centres at Panipat, Bhilwara and Ghaziabad. In addition to the above, one more CAD centre was functioning at PLSC, Tanda with financial support of

Government of Uttar Pradesh. PLSCs were also involved in insuring power loom workers under Group Insurance Scheme (previously known as Janshree Bima Yojana) towards their social security. During the year 2009-10 a total of 8726 powerloom workers were insured through PLSCs.

Other TRAs

MAN-MADE TEXTILES RESEARCH ASSOCIATION (MANTRA), SURAT

The Man-Made Textiles Research Association (MANTRA), Surat is the only Textile Research Association serving the man-made textile industry (decentralized small scale) and is registered under the Societies Act of Gujarat. MANTRA has been in the fore-front in the R&D activities related to man-made fibre textiles.

The main objectives of the Association is to carry out research and development and to render other consultancy services to the local, decentralized textile weaving, texturing and processing industry on

various aspects of the textile technology with a view to improving the quality of fabrics, reducing cost and bringing about better utilization of raw materials. The projects undertaken were of considerable importance and the studies made by the Association have substantially helped to improve the quality and productivity of the textile industry.

During the period 2010-11, MANTRA has completed the following sponsored R&D projects:-

- Development of a commercial quality greenhouse shade cloth for low cost poly-house for controlled crop production (Sanctioned in 2008).
- Application of suitable cost effective technology for reuse of water jet effluent (Sanctioned in 2008).
- Smart fabric/garment products with smart colours for security labeling (Sanctioned in 2008).

During the period under review, following new projects were also sanctioned by the Ministry of Textiles, Government of India.

- Polyactic Acid Fibres in technical textile applications for packaging and disposable food container products.
- Development of cost effective filter fabrics suitable for bag filters.
- Development of enzymatic technique for weight reduction of polyester.
- Development of fabrics made from PTT yarn and to optimize processing parameters to use in apparel sector including cost effectiveness.
- Development of eco-friendly recyclable/bio-degradable value added technical textiles from banana yarns.
- Development of multi-layer fabrics for sportswear.

- Application of nano technology for delustering of bright polyester fabric varieties.
- Development of Banana fabric suitable for extreme cold weather condition by Plasma Technology.
- Development of laminated products for inflatables.
- Development of coagulation treatment using modified bentonite and recycle and reuse of effluents in textile processing.

MANTRA has developed a stain remover product based on the outcome of 'CTC project' completed recently. MANTRA is actively considering to commercialize this product through suitable agency. In this connection MANTRA has also approached GTZ-PROKLIMA, the implementing agency appointed by Govt. of India for phasing out CTC from textile and metal sectors. They have asked for samples of MANTRA product. The agency is evaluating the product developed by MANTRA. They will publish the detail of MANTRA product on their website after required testing, etc. MANTRA has also developed a cost effective technology for reuse of water-jet effluent and to reduce environmental pollution. The technology is specially suitable for small scale weavers.

During the F.Y.2010-11, 145 samples from industry were tested in Eco Laboratory till 31.12.10 and about 165 samples will be tested during F.Y. 2010-11. During the financial year 2010-11, MANTRA continued to perform well as Environmental Auditor for Schedule-I industries. For the year 2010 (January to December), MANTRA has conducted Environmental Audit of 10 units generated income to the extent of Rs.4.50 lakhs. In the Analytical Instruments laboratory, which has a number of sophisticated instruments, 75 samples were tested till

31.12.10, majority of which included colour assessment parameters on Computer Colour Matching (CCM), Thermal analyzer and Hydrostatic head tester and about 125 samples will be tested during F.Y. 2010-11.

Total number of samples tested in the Physical & Chemical Lab during F.Y. 2010-11 were 3667 (excluding audits) up to 31.12.10. The Physical and Chemical Testing Laboratories continued to perform well in the year 2010-11 also and about 5,000 samples will be tested during F.Y. 2010-11.

MANTRA is enlisted consultant by Gujarat Energy Development Agency (GEDA). MANTRA is authorized as Energy Auditor by Chief Electrical Inspector, Gujarat to conduct mandatory energy audit of all industrial units having contract demand more than 200 KVA. During F.Y.2010-11, MANTRA conducted Energy Audit of 27 mandatory units till 31.12.10 and about 35 units will be audited during 2010-11.

Two Powerloom Service Centres (PSCs), one at Pandesara and the other at Sachin, are functioning under the management of MANTRA. Both centres are extending testing and consultancy services to the weaving industries located in their respective clusters. The regular activity of these centres is to impart training to the weavers. During 2010-11, training to 800 weavers and designers covering 4370 mandays was imparted in both PSCs till 31.12.10. About 1200 weavers and designers will be trained in F.Y.2010-11 covering 6030 mandays.

MANTRA's dissemination of information activities area found to be quite useful to the industry. MANTRA has participated in Vyapar 2010 exhibition conducted by South Gujarat Chamber of Commerce and Industry at Surat. MANTRA was provided a stall by SGCCI where activities of MANTRA was displayed. A special

corner was allocated for technical textile where visitors took keen interest.

MANTRA has took part in 'Vibrant Gujarat Mega Exhibition 2011 organized at Mahatma Mandir, Gandhinagar, organized by Government of Gujarat. A stall was provided to MANTRA where activities of MANTRA was highlighted. Due importance was given to the R&D projects approved by Government of Gujarat including 'Centre of Excellence in Technical Textiles' and 'Centre of Excellence in Agrotextiles' sanctioned by Ministry of Textiles, Government of India. 'SASCMA fabric sample catalogue' prepared by MANTRA was also put on display. Visitors took interest in this catalogue exhibiting 115 fabric varieties of SURat industry. A corner was allocated to Surat Technical Education and Research Society (STERS) by MANTRA. Technical textile samples woven from Surat Industry and coated elsewhere were displayed.

During the period under review, MANTRA and office of the Textile Commissioner, Indore jointly organized a conference on technical textiles at Hotel Sayaji, Indore. Another seminar on Technical textiles was organized by MANTRA and South Gujarat Chambers of Commerce and Industries (SGCCI) on 23.12.2010 at the Hotel Gateway-The Taj, Surat. About 195 delegates participated.

During the financial year under review, MANTRA also organized 'Water Conservation Awareness Programme' for dyeing machine operators in three process houses. In each programme, about 200 workers participated. The programme included 1½ hours Powerpoint presentation showing importance of water conservation and simple tips to achieve the same.

Pilot plant facilities for the production of continuous synthetic filament yarn, available at MANTRA, is unique and one

of its kind. Its existing extrusion, draw texturing and air jet texturing facilities are being availed not only by the nearby industry, but also by the industries as far as from Bangalore, Chennai, etc.

In the wake of globalization of trade, the decentralized textile industry of South Gujarat is facing stringent market competition. In order to serve the above industry in a better way, TRA like MANTRA is ready to play a supporting and facilitating role.

With great pleasure we would like to mention that MANTRA has been designated as Centre of Excellence in Technical Textiles by the Government of Gujarat and Centre of Excellence in Agrotech by Government of India along with Navsari Agricultural University (NAU), Navsari, and IIT Delhi as knowledge partner. These Centres of Excellences will be providing state-of-the-art facilities for Testing, R&D, quality appraisal, product development (pilot plant) & HRD and one window information centre in technical textiles in non-woven, knitted and coated/laminating and Agrotech products development. This will help parallel growth of textile as well as technical textile industry in India in general and South Gujarat in particular.

(A) Centre of Excellence in Technical Textiles (Government of Gujarat)

1. Pilot Plant Facilities Set-up at MANTRA Under COE in Technical Textiles will be as below:-

(i) Cavitec Hot Melt coating & laminating Pilot Plant (CAVIMELT TSM) from M/s Santex, Switzerland

Hot melt technology offered by M/s Santex is eco-friendly and non-solvent based and energy saving as no drying and curing are required. With the help of this technology new generation polymers and

co-polymers of high value products, viz., artificial leather, tri-layer and multi-layer lamination, etc., can be developed. Pilot plant machine is having very high precise control on parameters. The coated and laminated products suitable for space applications, automotive, home tech, industrial filter, membranes, etc., can be produced on this line.

(ii) Multi-purpose coating & laminating m/c (MULTILABO 900) (Roller width 900 mm and working width 750 mm) from M/s Matex, Italy

The machine is versatile and can carry out solvent, aqueous, hot melt coating and wet and dry lamination with wide range of coating chemicals, viz., PVC, Polyurethane, Acrylates, Silicones, etc. Woven, knitted and non-woven natural and synthetic fabrics can be coated and laminated. The machine has following facilities:-

- i) Knife over roll/Knife over air.
- ii) Impregnation.
- iii) Lacquering/printing, embossing.
- iv) Lamination, i.e., wet and dry lamination.
- v) Hot melt.
- vi) Foam generator unit.
- vii) PUR drum melter.
- viii) IR heating facility at front & rear.
- ix) Smoothing calendar or embossing unit.
- x) Curing zone.

These machineries are already commissioned at MANTRA. PVC, polyurethane, acrylates coated and laminated products, viz., artificial leather, shoes cover, filter fabrics, protective fabrics, agrotech products, viz., soft covers fabrics, windshields, shade nets, crop cover and soft luggages, garments,

umbrella winchers, etc. were developed by this technology at MANTRA has developed samples as well.

2. Following testing facilities have been commenced and are functioning under COE in Technical Textiles at MANTRA (Table 13.9)

Above facilities will be accredited by national and international bodies.

(B) Centre of Excellence in Agrotextiles (Ministry of Textiles)

Testing Equipments that will be set-up

under COE in Agrotextiles at MANTRA are as follows (Table 13.10)

For the above testing equipments, quotations have been submitted to SASMIRA and purchase order has been sent by SASMIRA for following equipments to various suppliers and manufacturers:-

- a) CBR puncture test.
- b) Hydrodynamic sieve tester.
- c) Water vapour transmission tester.
- d) Forced air laboratory oven.
- e) Shear tester.
- f) Water permeability (In plane).

Table 13.9

| | Equipment | Purpose |
|----|---|--|
| 1 | Coverstock Wetback | Measures re-wetting properties of non-woven cover stock. |
| 2 | Water permeability Tester (GETE Flow) | Measures vertical permeability to liquid of agrotextiles without load. |
| 3 | Lister | A known volume of test liquid is discharged to the surface of the sample at a prescribed rate. The time taken for all the liquid to penetrate is measured. |
| 4 | Air Permeability Tester | To determine air permeability at upto 2500 pascal pressure. |
| 5 | Flammability Tester | Measures vertical and incline flammability of substrates. |
| 6 | Liquid Absorptive Test Kit - LAT 001 | Sample is immersed in water. Measures time required for complete wetting. |
| 7 | Liquid Absorbency Capacity Test Kit-LAC 001 | Measures amount of liquid that specimen can hold after period of immersion and drainage. |
| 8 | Liquid Wicking Rate Test Kit - LWR 001 | The test sample is suspended in test liquid and it measures rate of absorption for a set time period. |
| 9 | Wira Run-off Test Kit-RTR 001 | Measures run off character of non-wovens. |
| 10 | Tog Tester | Measures thermal resistance (Tog value). |
| 11 | Universal Strength Tester (5 Ton Capacity) | Measures tensile properties (tenacity, elongation, etc.) of geo- textiles, fabrics and high tenacity yarns. |
| 12 | Spray Rating Tester - SPT 001 | Determines the resistance of fabric to surface wetting by water. |
| 13 | Shower Tester - SHT 001 | Measures resistance of textiles to water absorption and penetration. |

Table 13.10

| | Equipment | Purpose |
|----|--|---|
| 1 | Vibrodyne | Measures denier. |
| 2 | Hydrodynamic Sieve Tester | For particle size analysis. |
| 3 | Film Thickness Tester | Measures thickness of coated films. |
| 4 | Water Permeability (In Plane) | To measure water permeability horizontal (In plane) without load through fabric sample. |
| 5 | Shear Tester | For frictional properties measurement. |
| 6 | Forced Air Laboratory Oven | For moist heat hydrolysis analysis. |
| 7 | Water Vapour Transmission Tester | Measures water vapour permeability through agrotexiles. |
| 8 | Cold Crack Tester | Measures storage stability upto minus 40°C. |
| 9 | Weatherometer | To measure weathering resistance and storage and life of material. |
| 10 | CBR Puncture Test | Measures resistance to puncture of soil covers. |
| 11 | Wind Blocking Percentage | To measure wind blocking capacity of wind shields, shade nets and crop covers. |
| 12 | Agrotextile Light Shading Percentage | Measures percentage of light transmitted through agrotexiles. |
| 13 | Pullout Resistance in Soil | Measures friction between soil & fabric. |
| 14 | Apparent Opening Size of Geotextile | Evaluating porosity of soil covers and landscaping textiles. |
| 15 | Taber Abrasion Tester | For measuring abrasion resistance. |
| 16 | UPF Tester | To measure ultraviolet transmission levels through fabrics. |
| 17 | Apparatus for Co-efficient of Friction Between Soil & Fabric | Measures friction between soil & fabric. |

g) Film thickness tester.

h) QUV spray.

i) Vibrodyne.

j) Taber abrasion tester.

Out of this, following testing equipments have already been delivered at MANTRA. Surat:-

a) Vibrodyne.

b) Taber abrasion tester.

c) Forced air laboratory oven.

d) QUV spray.

e) Water vapour transmission tester.

f) Shear tester.

Above facilities will be accredited by national and international bodies.

Testing equipments have been installed and commissioned and various samples have been tested consistent with relevant standard test method.

Regarding HRD programme, MANTRA

has conducted classes on technical textiles at STERS. Several seminars and workshops were conducted by MANTRA. The staff members from MANTRA have attended various seminars, workshops, trade fairs, etc., to gather knowledge about technical textiles.

For knowledge know-how centre, MANTRA has purchased several books on technical textiles, samples of technical textiles and gathered information on technical textiles from the internet. MANTRA has also become a member of INDA, USA. Lastly, MANTRA has built-up a separate website on technical textiles for knowledge sharing activities.

Information Centre and Training Centre has been established with books, journals and industry statistics. This centre will be having computerized set-up and linked with universities, research bodies and national and international associations. Sample bank facilities will be available for Information Centre. Full-fledged training centre will be set-up under the umbrella of COE for training of skilled workers, middle and top level managers and entrepreneurs.

THE SYNTHETIC AND ART SILK MILL'S RESEARCH ASSOCIATION WORLI, MUMBAI (SASMIRA)

The Synthetic & Art Silk Mills' Research Association (SASMIRA) is a co-operative venture set up by the man-made textile industry of India after independence as a multi-functional institute to serve its scientific and technological needs. SASMIRA is engaged in multifarious activities with the prime objective of rendering scientific & technical assistance to the textile industry, thereby assisting its growth and development.

CENTRE OF EXCELLENCE (COE)

SASMIRA's Centre of Excellence for

Agrotextile has been working in line with its vision and mission. The following activities have been executed by the Centre:

1. Conducting Awareness programmes in various agricultural hubs of the country. Three programmes had been conducted as excerpted in the seminar conducted section.
2. Establishing facilities for testing, information sourcing, training and demonstration for the centre.
 - SASMIRA website has been redesigned and made interactive with updated information on Agrotextiles
 - Video Conferencing system for training has been installed.
 - Orders have been placed for procurement of Demonstration Machinery, viz.,
 - Nonwoven needle punching machine
 - Raschel warp knitting machine
 - Rapier weaving machine
 - International Accreditation of SASMIRA laboratory from American Association for Accreditation of Laboratory (A2LA) pursued.
 - Latest Test Standards from different National and International bodies like IS, BS, EN, ISO, JS have been procured, along with books and periodicals related to technical textiles.
 - The following testing equipment have been installed (Table 13.11).

TESTING SERVICES

An important activity of SASMIRA is testing and technical services. SASMIRA has fully equipped laboratories to carry out testing, evaluation and investigation of a variety of textile and allied materials, with specialised services for technical textiles. SASMIRA's testing services are accredited

Table 13.11

| Equipment Name | Equipment Name |
|--|--|
| Water Permeability / permittivity - cross plane | PH Meter |
| High pressure air-permeability tester | Analytical Balance |
| Tension creep | Water Bath Shaker |
| CBR puncture test with accessories | Muffle Furnace |
| Wind blocking percentage | Wascator |
| Lux Meter | Sublimation Fastness Tester |
| Thermal Oxidation Test (Oven test, -400C to1000C) | Vertical Padding Mangle |
| Thermal insulation tester - TIV | High Temperature High Pressure - GN Dyeing Machine |
| Damage due to Flexing | Infra Color Dyeing Machine |
| Computer Colour Matching System (reflective & transmission) | Lab Steamer |
| Fourier Transformation Infra Red Spectrophotometer | Drying, Curing & Setting Chamber |
| Polarised Microscope | High speed stirrer |
| Differential Scanning Calorimeter & Thermal Gravimetric Analyser | Centrifuge |
| Torsion Balance | Weatherometer |

by the National Accreditation Board to the Testing and Calibration Laboratory (NABL). Testing is as per ISO/IEC 17025 norms. The certification made a positive impact on the testing and technical services and has resulted in better interaction with the industry. The laboratory also gives technical service and consultancy to the industry to overcome problems arising during production and usage of various products.

EDUCATIONAL ACTIVITIES

SASMIRA imparts manpower training through technical education offering various diploma and certificate courses. The job-oriented professional courses in Embroidery technology, fashion technology, merchandising, export import management, Textile designing, etc., were conducted and have evolved good response from the student community.

SASMIRA also runs various postgraduate diploma level courses.

SASMIRA's Institute of Management Studies and Research (SIMSR) is newly constituted organ with sole purpose of starting management programmes approved by Maharashtra State Board of Technical Education (MSBTE) and All India Council for Technical Education (AICTE). Two post graduate courses have started viz. Advance Diploma in Business Administration and Advance Diploma in Executive Business Studies.

SEMINARS AND CONFERENCES

SASMIRA has been continuously serving the textile industry and entrepreneurs to create awareness in technical textiles by way of conducting seminars and workshops at the national and international levels. As a Center of Excellence for

Agrotextiles, several awareness programmes had been conducted in various agricultural hubs of the country during the year; the list of the same during the current period is as below:

- Conducted a Half Day "Awareness Programme on Testing and Technical Service and other R&D activities of SASMIRA" at Tarapur Industrial Manufacturers' Association (TIMA) Auditorium, Tarapur on 25th June 2009. SASMIRA's various activities and facilities were presented in the seminar.
- One day Seminar on Prophylactic Agrotextiles-Advantages & Future prospects, at NAU Seminar Hall, NAU, Navsari dated 25th Aug 2009. This Seminar was jointly organised by the Office of the Textile Commissioner and SASMIRA in association with NAU and MANTRA. Shri A.B. Joshi, Textile Commissioner, Office of the Textile Commissioner, Govt. of India inaugurated the seminar. Around 200 farmers attended the seminar apart from the manufacturers, suppliers, academicians from Agrotextiles sectors.
- Seminar on 'Protective Agrotextiles: Advantages and Future Prospects' dated 5th March 2010 at Training Hall, Krishi Vigyan Kendra, Main Dry Farming Station, JAU, Targhadia, Rajkot, Gujarat. This Seminar was jointly organised by the Office of the Textile Commissioner and SASMIRA in association with Krishi Vigyan Kendra, Targadhia and Junagadh Agricultural University, Junagadh The awareness programme was attended by the farmers, manufactures, suppliers, academicians, from the Agrotextiles sectors.
- Seminar on Protective Agrotextiles dated 22nd March 2010 at Hotel

Fortune Murali Park, Vijayawada, Andhra Pradesh. This Seminar was jointly organised by the Office of the Textile Commissioner and SASMIRA in association with Jt. Director of Agriculture, Vijayawada and Regional office of Textile Commissioner, Bangalore. Smt. Panabaka Lakshmi, Honourable Minister of State (Textile), Govt. of India inaugurated the seminar. This seminar was aimed as creating awareness programme amongst the farmer level.

RESEARCH & DEVELOPMENT

SASMIRA is engaged in various research and development projects in man-made textiles for apparel, industrial and defence applications to meet the changing needs of the man-made textile industry. Currently, SASMIRA is engaged in the implementation of thirteen projects sponsored by the Ministry of Textiles:

1) Indigenous manufacturing of woven geotextiles for ground improvement using vertical drain technique

The project envisaged the development of suitable geotextile for ground improvement which will be helpful for speedy soil consolidation of marshy land to make it ready for constructional purposes. Thus, two non-woven and one woven tubular structure with varying parameters were developed. Developed structure has two components, core corrugated polypropylene sheet enveloped around polypropylene/Polyester filter fabric in the weight range of 100-130 gm/sq.m. These structures have been evaluated at the laboratory scale trials and found at par with the requirements for these products to be useful for large scale actual field trails. To asses the true performance of the developed vertical drains under the actual field conditions, field trial is being planned in association with City and

Industrial Development Corporation of Maharashtra Ltd. (CIDCO), Navi Mumbai.

2) Low cost Upgradation of first generation imported shuttleless looms and indigenous shuttleless looms for decentralised sector for enhanced productivity and quality

The aim of the project was to develop a few simple mechanisms, which can be retrofitted and synchronised with the basic functioning of the first generation shuttleless looms. As per the aim of the project the developed systems are Electronic Lubrication system, Electronic weft stop motion, Pick-Finding System, Auto-shed levelling system and Reed Inclination system. These systems have been successfully installed on the loom and field trails are going on. All the systems developed will increase the productivity and quality of the fabric production. The development will result into cost reduction and better profitability as well as versatility of the machine eliminating its limitations.

3) Development of Speciality Fabric for Water conservation and Soil Erosion Control used in Horticulture Application

Control of soil microclimate for crops to get the optimum yield from the crop. Textile structures can be used as ground covers to help water conservation, control soil erosion as well as suppress weed growth. Traditionally farm waste and plastic films are used to suppress weed growth. However, they have limitations like increase in soil temperature and reduced aeration of soil. Under this project various woven and nonwoven structures have been developed which have better control on soil temperature, humidity and also provide the benefits of suppressed weed growth and water conservation. The developed structures have been successfully tested for their

characteristics at SASMIRA laboratory. Field trials of the same developed structures are being taken up at Navsari Agriculture University for short term and long term crops like Okra and Mango. The comparison of on field performance of these structures vis-à-vis plastic films, organic mulches and control samples would be made.

4) Indigenous Development of Ultrasonic Device(S) for Maintenance of Weaving Accessories

Lack of cleaning of weaving accessories and spares result in loss of production and deterioration of fabric quality. Ultrasonic waves have been popularly used for cleaning in general. The same technology is proposed to be deployed for maintenance of weaving spares and accessories. The present project envisages cleaning the spare parts in weaving machinery viz., healds, reeds, leno doups and such spares using the new ultrasonic technology. The efficiency of ultrasonic cleaning in other fields is well established. A device(s) will be designed to efficiently clean the spares which will be faster and also worker friendly. Portable ultrasonic cleaner with six lit capacity have been developed. Trials have been conducted for cleaning of heald wires and drop pins in aqueous medium and the rating results showed best cleaning. Possibility of cleaning in dry medium (developing mechanical shaker with fine sand dispersion) is in process and up-scaling the developed cleaner for higher capacity cleaning.

5) Development of Polyester (PET)/ Nanoclay Nanocomposite for barrier packaging

PET is the most widely used packaging material. Being very sensitive to external atmosphere PET material alone cannot suffice requirement for high gas barrier

demand upon the packaging material, so it needs extra gas barrier property. Nanoclays are the gas impermeable crystalline nanomaterial structure well known to improve the properties of the basic polymeric material upon mixing with the neat polymer matrix. The project aims to envisage PET/Nanoclay nanocomposite which can be a high gas barrier material useful in the packaging of environment sensitive products. For the development of suitable nanocomposite, suitable grade of Nanoclay (Cloisite 30B) and PET material (IV 0.82) have been identified. Testing of the raw materials are being carried-out and based upon the test results, PET and Nanoclay compounding parameters will be adjudged. Later on nanocomposite development parameters will be optimized and finally developed nanocomposite will be evaluated for the gas barrier properties.

6) Development of reflective Agrotextiles for Sun management

Protective Agrotextiles help in controlling climatic factors, especially sunlight exposure to crops. Many crops are also extremely light sensitive. Sunlight management is the process of manipulating the sunlight quality and quantity to which plants are exposed. A new generation of agrotextiles can be developed to address this problem. They would allow the grower to choose both the duration of light as well as the particular wavelength that will produce the desired effect from the plants at all stages of development. The proposed project aims to develop wide range of agrotextile screens which will reflect light and thus ripen all plants uniformly protecting them from extreme climatic conditions. It is proposed to develop woven reflective agro ground covers with suitable reflective coatings leading to desired results. Study of already existing imported reflective fabrics and their base product used for making the product is being carried out.

Imported reflective screens for Agrotextiles being evaluated at laboratory.

7) Standardisation of Norms for Agricultural Shade Net

The project envisages studying the different agrotextile shade nets being manufactured and used in the country for benefits in agriculture yield improvement. Although the products are gaining popularity in the country at the manufacturers' end and users' end, there is no clear guideline available defining the norms for the manufacture and construction of the product. So also, the methodology to test the functional properties of these products has not been established. The proposal is aimed towards establishing these norms for agricultural shade nets. Various shade nets constructions being used in different agriculture application are under evaluation vis-à-vis existing test methods.

8) Developing fabrics with thermoregulatory properties using phase change materials (PCM) for specialty application

This project aims to identify and develop thermo-regulatory behaviour fabrics suitable to these fields of application. Development of such value-added textile products for specialized uses would open a new avenue in market for textile products, thereby benefiting the industry. Various work wear fabric substrates have been treated with range of Phase Change Materials (PCMs) using pad-dry-cure techniques as well as microencapsulation technique. The effectiveness of each treated sample has been compared to the untreated fabrics. The properties like fabric physical characteristics air permeability, breathability, thermal conductivity and thermal characterization have been studied. The suitability of the treated fabrics for various applications has been depicted.

9) Development of Durable, Breathable and Barrier Work wear Fabrics for Agrotextile Applications

The work wear fabrics used by the agro workers in the country are not scientifically designed. Hence it is desirous to develop workwear fabrics that are impervious to the chemical fluids being handled by the farmers and at the same time comfortable to the wearer and durable in nature. The proposed work focuses on development of such comfortable, durable, work wear fabrics for agrotextile application by using plasma technology. Experimental trails on plasma technology were conducted at results were evaluated. Plasma treatment chamber coupled with padding technique for finish application has been procured. Trials on finishing various textile substrates with water repellent and anti-microbial finishes are under progress. Process standardization using plasma technology is being carried out.

10) Application of Supercritical Fluid (SCF) for Dyeing

The present project envisages application of supercritical fluids as reaction medium and as a solvent medium in textile chemical processing for dyeing. Carbon dioxide is the most investigated and would be used as supercritical fluid as a dyeing media. It is a naturally occurring fluid that is chemically inert, physiologically compatible, and relatively inexpensive and is readily available for industrial consumption.

Literature studies have been completed. Dissolution behaviour of many different classes of dyes has been studied. It is found that many different dyestuffs can be used in super critical fluid system. Of these dyes which have been studied it is found that natural dyestuffs behaves more effectively under super critical conditions as fluid and can be used for the dyeing

process. The different substrates which can be dyed using super critical carbon dioxide have been studied from literature. It is understood that polyester and nylon can be dyed using the super critical application. The application of these dyes on cotton substrates will be evaluated now.

11) Dyeing of Polypropylene using Nanotechnology

The proposed project aims to produce dyeable polypropylene that can be made using nanoclay infusion technique. The dye sites created in polypropylene were the prospective areas where nanoclay is located. Therefore, the optimized nanoclay particle size, particle size distribution, and the uniform dispersion of nanoclay inside the polypropylene matrix are very critical for the dyeing properties of the dyeable polypropylene nanocomposites.

The polypropylene fibres and pellets have been sourced and procured for different experiments. Simultaneously, the nanoclays for polypropylene have also been identified and procurement process is ongoing.

The dyeing techniques currently available for dyeing of polypropylene in pellet form is being studied.

12) Evaluating compatibility & establishing methodology for simultaneous functional finishes for textile

Various anti-microbial, anti-fungal and anti-viral treatments have been formulated for different natural and regenerated fibres. However, each has their limitation in the form of their compatibility with each other and their durability throughout the life of the garment. The project envisages developing a combination of such finishes of permanent nature in situ in the textile fibre. Thus developed fibre would find

applications in healthcare textiles, home furnishing, shoe lining fabrics and innerwear.

Different auxiliaries for application as anti microbial, anti fungal and anti viral finishes have been identified and orders have been placed for procurement of the same. The substrate for application of finishes have been studied and cotton and nylon have been identified for application of these finishes. The work plan for execution of the application in individual and combination has been worked out.

13) Design of processing sequence suitable for embroidered fabrics incorporating embellishments

Time and again, problems are being encountered by the processors due to pressing need for the careful handling of embroidered fabrics specially those incorporating embellishments such as jari, sequins, etc. Problems are encountered during finishing or top dyeing of such fabrics as the embellishments are sensitive to the extreme temperature and pH conditions being employed. This at times leads to reworking and losses to the manufacturers, who have to rework the pieces. A clear processing guideline is not available to the processors for handling such delicate materials. Hence it is envisaged to design a processing sequence suitable for embroidered fabrics incorporating Sequins and other embellishments. Different fabrics with embellishments are being procured of different finish level. The sequins and jaris are also being procured separately for trials. Finishing chemicals are also being procured. Their dyeing and finishing trails are being planned.

POWERLOOM SERVICE CENTRES (PSC)

SASMIRA runs two powerloom service centres in Bhiwandi for the benefit of the

local weaving industry. The centres cater various services e.g. Testing, Technical services, Consultancy etc. and schemes like Technology Upgradation Scheme (TUFs), Group Insurance Scheme (GIS), Group Work Shed Scheme (GWSS), etc. for the local industry.

The centres also contribute to HRD activities. It runs a one-year certificate course on weaving run by the centre. Training courses like 'on-the-job training for weavers / jobbers / supervisors' etc. is being conducted under Skill Up-gradation Training Programme. SASMIRA has started an "Apparel Training Centre" at PSC-I during the year. Seminars on current topics relating to textiles and relevant to powerloom weavers are regularly held in the centres.

FINANCE

SASMIRA received a Non-plan support of Rs 130.00 Lakhs from the Government in 2009-10 for its recurring expenditure. In addition, Rs.87.50 Lakhs was released to the Association during the year under review of the plan fund for its ingoing plan projects.

WOOL RESEARCH ASSOCIATION (WRA)

Wool Research Association (WRA) was established in October 1963 under the Societies Registration Act 1860, as an Institution with the concept of Research & Development in the field of wool technology initially in the premises of VJTI, Mumbai, as a cooperative joint venture of Indian Woollen Industry and CSIR, Govt. of India. In its infancy, it started with a testing laboratory and an education curriculum leading to Diploma in Textiles (Wool).

Presently, the activities of Wool Research Association are manifold, situated in its own premises in a sprawling green belt of

13 acres of land near Thane, in the outskirts of Greater Mumbai and attached to Ministry of Textiles, Govt. of India as a body of Textile Research Association.

Objectives

As per the Memorandum of Articles, the main objectives of WRA are as follows:

- a) To establish a Research Institute for Wool Industry to undertake scientific work connected with all aspects wool and its technology of processing, either alone or in combination with other fibres, including man-made fibres.
- b) To undertake Research projects of fundamental & applied nature, including for improvement / development of new materials, testing, machinery, processing and products of wool and allied textile industry, with a view to securing greater efficiency, rationalization and reduction of costs.
- c) To render technical services to industry, governmental and non-governmental agencies including training & HRD, testing and certification survey and evaluation reports.

MAJOR ACTIVITIES

- Basic and Applied Research / Projects in Wool Related Technology;
- Formal Education & Vocational Courses;
- Need Based Courses & Training at site & Consultancy;
- Ultra Modern Textiles Testing (Physical & Chemical)
- CAD-CAM Woven & Knitting;
- Miniature dyeing & finishing of yarn & fabric;

- Woollen & Shoddy Spinning Pilot Plant;
- National Ecological Testing Laboratory and
- Friction Spinning - High Tech Yarn.

Present R&D Activities (sponsored)

- (i) To improve processing performance of finer Indian wool and their product range with incorporation of Enzyme Technology for better value addition.
- (ii) To synthesize of wool dyes with moth proofing properties.

Highlights

From the project study at Sl. No. (i) above it is concluded that enzyme oriented solutions for early stage processing of wool in scouring, bleaching, carbonisation can be adopted commercially with added benefits and value addition of end products at small scale processing units and common facility centres using finer Indian wool.

From the project study at Sl. No. (ii) a series of new reactive potential insecticides molecules pertaining to pyrethroid skeleton, reduced and coupled with suitable colouring components with dual functional properties of colouration and moth inhibition, were prepared and partly purified to evaluate their efficiency for dual functioning properties on laboratory scale with collaborative assistance from industry partner. There is scope for upscaling for commercial application.

ON-GOING R & D PROJECTS (To be concluded during the current year)

- To develop itch-free woollens to be worn next to the skin by improvement of surface topography of wool fibres with the help of mechanical / chemical processing and plasma technology.

Achievement

The objective of developing itch free woolens could be achieved with combination effect of application of plasma and mechanical & chemical processing parameters. The project study is to be concluded after subjective user trials during winter.

- Ultra sound assisted scouring and smooth finishing of wool & other speciality animal fibres and their products.

Achievement

The objective of evolving a lab-level model of greasy wool scouring with ultra sound technology to save energy, time and pollution load has been achieved by optimization study. The upscaling of lab trials for bulk trials is pending with suitable modification in ultrasonics. Project nearing completion.

- Design and Development of Interior Textiles with special emphasis on heat resistance and flame retardancy.

Achievement

As per the project objective It is to increase flame retardancy and heat resistance by blending wool with fibres like Recron F.R. Polyester fibres, Kanecaron, modacrylic F.R. fibres, glass fibre and F.R. acrylic fibres. The project has since been completed.

- To assess Quality Norms of Worsted Yarns being made by Indian Industry.

Achievements

As per the objectives, total 15 mills (worsted) have been selected all over India & the selection of common count and blend of yarn which is widely used in the industry is selected for working out norms as given at table 13.12.

Table 13.12

| Count (Nm) | Blend (P/W) |
|------------------------------------|---------------------------------|
| 2/24, 2/48, 2/56, 2/60, 2/70, 2/80 | 65/35, 55/45, 40/60 All wool |

14 worsted units participated in the project work and data and samples were collected from the on-line process. The analysis of this data has been completed. The project is scheduled to be completed by end of 2010.

PROJECTS SPONSORED BY CENTRAL WOOL DEVELOPMENT BOARD

- **To develop ecological friendly moth repellent and moth proofing agent for woollen textiles for easy care**

Achievement

Synthesis of compounds based on benzyl ethers (gem dimethyl type) to provide safer wool moth proofing is achieved. Different insecticides having potential pyrethroid skeleton and organo-chlorine have been synthesized and subjected to comparative performance test. More than 80% work is completed.

New R & D Projects (Sponsored by Ministry of Textiles)

- **Improvement of Preloom processes like scouring, spinning, etc for decentralized wool sector.**

Objectives

- To workout an R&D effort necessary for technological inputs in early stage processing of wool during scouring, carbonization and bleaching.
- To study and suggest modifications in the carding process for various mix blends of wools of various qualities and in admixture with other

fibres like Angora, Pashmina, Mohair and other need based synthetics.

- To evolve methods to improve aesthetics of the finished end product with a mechanism to evaluate the same.
- To transfer the developed technology to the user industry, particularly to the CFCs and decentralized sector.
- **Development of Composites from coarse Indian wools for better utilization.**

Objectives

- To explore the possibility of use of short wool fibres and coarse wool fibres in producing composite materials for value added products.
- Coarse wool fibres like Deccani at the fibre stage and yarn stage to be attempted for producing composites in the form of laminates, air filters, etc.
- Various experiments so conducted to be analyzed for data for optimization of processes and product.
- **To evolve a feasible alternative herbal carpet washing treatment.**

Objectives

- To workout an alternative carpet washing treatment for carpets made with natural dyes.
- To improve the conventional chemical washing treatment for carpets to reduce the severity of the treatments with corrosive chemicals.

MINISTRY OF TEXTILES

- **Blind dyeing of polyester and wool and their blends for Right First**

Time (RFT) and Right Every Time (RET) vis-à-vis Finishing of worsted suiting for export

Objectives

- Identification of factors that influence shade of wool and polyester after dyeing and finishing in our decentralized sector.
- Setting up of quality assurance in the process houses in the decentralized sector to pre-check shades before taking up for bulk production (RFT).
- Scope of introducing controls to ensure RET from batch to batch even after a gap of several months to facilitate mix and match.
- Taking trials for Blind dyeing on exact shade within DECMC of 0.7
- **Softening of coarse Indian wools for better utilization in value added products with pliable feel and handle.**

Objectives

- To bring about modification in the structure of coarse wool fibres so as to reduce their anti scale friction and make them smoother.
- Grafting of surface active agents into the fibres to improve the lubricity and render them more pliable.
- Surface modification of coarse Indian wool by using plasma technology.

NEW PROEJCTS SPONSORED BY CENTRAL WOOL DEVELOPMENT BOARD

- (vi) **To develop textiles effluent treatment system for power generation**

Objectives

- To standardize anaerobic digestion

system using wool textile effluents for the production of methane and develop methods for methane capture.

- To introduce and implement laboratory scale results at the plant level for the generation of methane.
- Utilization of the methane for power generation to suit the specific recurrences of the individual units.

MAJOR CONSULTANCY ASSIGNMENTS

- WRA completed a consultancy assignment on "Concurrent Evaluation of various Sheep and Wool Improvement programmes" for CWDB.
- Undertook a consultancy assignment to revive the two mills under British India Corporation, Kanpur (BIC).
- Consultancy was given for setting up of Common Facility Centres at various cluster areas under CWDB financial support

TESTING ACTIVITIES

- NABL Accreditation to WRA's Textile Lab was renewed as per requirements of ISO 17025-2005 during the month of August 2009. Certified for ISO 9001:2000 until Dec., 2010
- Alpha Model Light Fastness Tester was installed after repair and reconditioning.
- Eco Testing Laboratories activities involved testing on GC MS - GC - HPTLC, HPLC, AAS, UV & IR.

TRAINING & EDUCATIONAL ACTIVITY

One dozen new technology talent under HRD for Wool Research Association was

formulated during the year 2009-10 and implemented with recruitment, through proper procedure by a Selection Committee (of fresh Textile Technologists in the form of B.Tech & M.Tech personnel from different Institutes, including IIT Delhi) and given a comprehensive 6 months orientation training programme on wool technology and assigned the responsibilities at WRA as Scientist 'B'. Further, 2 of the trained personnel were released to Woollen Industry and another 2 were given advanced overseas training at U.K.

ADMINISTRATION & INFRASTRUCTURE

During the year under review, Wool Research Association completed a major repair & maintenance assignment for its central laboratory complex building in Thane (Maharashtra) alongwith survey of its surrounding land under its possession, construction of boundary wall (about 1500 m) and reorganisation of its laboratories, with the addition of a conference room. Capacity building with recruitment & training, of a dozen of textile engineering graduates & post graduates for talent building alongwith orientation training for Scientists & Professors from different Institutions in Wool Technology was conducted.

The Governing Council of WRA met thrice during the year besides, Annual General Body Meeting & The Technical Advisory Committee met once.

INDIAN JUTE INDUSTRIES RESEARCH ASSOCIATION [IJIRA], KOLKATA

Indian Jute Industries Research Association [IJIRA] was established in 1937, the first co-operative R & D organisation rendering services to the Indian Jute Industry and Government Agencies who are promoting Indian Jute in export and domestic market. Beginning

as Indian Jute Mills' Association Research Institution (IJMARI) in 1937, the institute has grown over the years and moved to its current imposing premises in 1952. In the year 1966, IJMARI was renamed IJIRA and registered under the West Bengal Societies Registration Act, 1961 as an autonomous cooperative research organization. IJIRA is one of its only kind of research associations in India dealing with a fibre grown only in this part of the world and by virtue of this, it is unique.

IJIRA is headquartered in Kolkata, with its regional centres being at Cherthala (Kerala), Vizianagram (Andhra Pradesh), and Guwahati (Assam). Guwahati Regional Centre also has the Powerloom Service Centre co-located with it. There is a Testing Laboratory too at Shantipur (West Bengal). Since its inception, IJIRA has, over the years, grown into a world class research institute on jute.

Major Areas of Research are:

- (a) Development of an eco-friendly substitute of JBO for jute processing.
- (b) Light fast bleached & dyed jute product development.
- (c) Jute Bamboo composites.
- (d) Development of Technical Textiles such as wider braided jute fabric.
- (e) Jute-Ramie blended finer yarns and fabric development.
- (f) Energy efficient green sizing technology for jute yarns.
- (g) Development of Aroma based home textiles.
- (h) Multifunctional ceramic based nano-finishes outdoor textiles by sol-gel-methods.
- (i) Development of Low Cost Jute Bags for Foodgrains and Sugar.
- (j) Quality Assurance for food grade jute products.

In addition to rendering various technical services to Jute Sector, IJIRA is presently involved in Jute Technology Mission Projects DDS 7.1 and DDS 6.4 projects, promotion and techno-marketing of jute geo-textiles in association with National Jute Board, quality assurance of food grade jute products and consultancy.

TEXTILES COMMITTEE

The Textiles Committee, established by the Textiles Committee Act, 1963, has the primary objective of ensuring quality of textiles both for internal marketing and exports. Its functions include promotion of quality of textiles and textile exports, research in the technical and economic fields, establishing standards for textiles and textile machinery, setting up of laboratories, data collection etc. The Committee's has its Head Quarters at Mumbai with 30 Regional Offices, 17 of them with laboratories, including 9 having eco testing facilities.

Performance

Laboratory and Textiles Testing Services

During 2009-10, Textiles Committee generated a testing revenue of Rs. 9.19 crores. The anticipated revenue during 2010-11 (upto March 2011) is Rs. 10.25 crores.

Other Activities

Training on Textile Testing

During 2009-10, 385 personnel from the textile industry and trade were trained. As an ongoing programme, 190 personnel were already trained during the current year and over 400 personnel are projected for training during 2010-11.

Laboratory Accreditation

- (a) Out of the 17 laboratories of Textiles Committee, 14 are accredited. Re-

assessment of the Laboratories at Hyderabad, Kanpur, New Delhi, Kolkata, Jaipur, Ludhiana & Mumbai has been conducted by NABL. The NABL has accorded the continued accreditation status in respect of these laboratories.

- (b) The Laboratory at RO Ahmedabad is taken up for getting accredited by NABL during the current year 2010-11.

Consultancy on Accreditation

Two laboratories viz. M/s. Alok Industries, Navi Mumbai and M/s Textile Testing Laboratory India Pvt. Ltd, Tirupur have been assessed by NABL and recommended for accreditation. The consultancy work in respect of other 5 laboratories for 'Laboratory accreditation' is in progress.

Inter Laboratory Proficiency Testing (ILPT)

The laboratory at Mumbai is conducting Inter Laboratory Proficiency Testing regularly, in order to ensure the competence of the laboratories. During 2009-10, Textiles Committee conducted six programmes on ILPT covering 38 mechanical (Fibre, Yarn and Fabric) and 13 chemical (Fabric) parameters of textiles. 73 laboratories including most of the accredited laboratories from India, Sri-Lanka and Bangladesh participated in the programme. Rs. 6.95 lakh was generated through these programmes. As an ongoing activity, two ILPT programs are being conducted during 2010-11.

Proposal for Skill Development Programme under ISDS

Textiles Committee has initiated the Skill Development Programme under ISDS to prepare 4500 Quality Professionals over the next five years to fill the skilled

manpower gap in various segments of Textile Industry. Under the programme MOUs and linkages with Textiles Institutions for identifying the students and Industry Associations for placement have been completed.

Quality Appraisal & Export Certification Services

Apart from carrying out quality inspection in aid of export promotion, the Division also issues the following special certificates to the exporters as required under various bilateral agreements / schemes.

Certificate of Origin under Generalised System of Preferences (GSP)

Under the scheme of Generalised System of Preferences (GSP), the Committee issues GSP Certificates in Form-A for textiles and textile articles to the exporters. This certificate enables the importers to claim duty preferences at the importing end.

Certificate of Origin (Non-Preferential)

The Textiles Committee is also authorized to issue Certificate of Origin (Non-Preferential) from July 2005 to enable the exporters to establish the country of origin of the material exported.

Handloom Certificate

Under the various bilateral agreements with developed countries, the Committee is issuing Handloom & Cottage Industry Certificates after conducting limited inspection for ensuring handloom origin of eligible textile items to enable the importers to claim duty concessions.

Tariff Rate Quota Certificate (TRQC)

Endorsement on TRQC is done for monitoring import quota for specific textiles

items for the following countries:

- i) For readymade garments from Sri Lanka under ISFTA
- ii) For apparels from Bangladesh under SAFTA
- iii) For acrylic yarn from Nepal under Indo-Nepal Trade Treaty.

Classification of Textiles

Textiles Committee offers services to the textile Industry & Trade on classification

of Textiles & Textile articles under Harmonised System (H.S.)/Harmonised Tariff Schedule of the United States Annotated (HTSUSA)/Combined Nomenclature (CN) Code. This service is mostly availed by the textile exporters, importers and Indian Customs Authorities.

The quantum of work carried out by this Division during 2010-2011 (up to December 2010) and anticipated figures from 1st January 2011 to 31st March 2011 are indicated at table 13.13.

Table 13.13

| Sl. No. | Particulars | 2010-2011 (April-December 2010) | Projected figures for January to March, 2011 |
|---------|---|------------------------------------|--|
| 1. | No. of lots inspected for quality | 709 | 236 |
| 2. | No. of GSP Certificates issued | 291775 | 97258 |
| 3. | No. of Certificates of Origin (Non-Preferential) issued | 82877 | 27625 |
| 4. | No. of lots examined under limited inspection for loom origin for issue of Handloom certificates | 490 | 163 |
| 5. | No. of handloom and other special certificates issued | 687 | 229 |
| 6. | No. of samples classified for HS code, description, etc. | 4325 | 1442 |
| 7. | No. of new exporters registered | 806 | 269 |
| 8. | No. of registrations renewed | 2794 | 931 |
| 9. | Sale of Blank GSP Forms | 206414 | 68805 |
| 10. | Sale of Blank Certificate of Origin (Non-Preferential)Forms | 102944 | 34315 |
| 11. | Sale of Blank Certificates under Bilateral Agreement | 816 | 272 |
| 12. | Endorsement on TRQC for monitoring import quota of RMG under ISFTA | 166 | 55 |
| 13. | Endorsement on TRQC for monitoring import quota of Acrylic yarn under Indo-Nepal Trade treaty (in Metric Ton) | 3120 | 1040 |
| 14. | Endorsement on TRQC for apparel Articles from Bangladesh under SAFTA | 271 | 90 |
| 15. | No. of Units registered for rating of Ginning & Pressing Factories | 147 | 63 |
| 16. | Total revenue generated for activities at S.N. 1 to 15 above. (Rs. in Lakhs) | 767.61 | 239.13 |

The total revenue generated during 2010-11 by the Export Promotion and Quality Assurance Division is Rs.10.07 crores.

Endorsement of GSP Certificates contributes major portion of revenue generated by the EP&QA Division (58%), it is followed by assessment of Ginning & Pressing factories (14%). Sale of various blank certificates contributes for 9% of the total revenue collection. While revenue collection from issuance of certificate of origin, (non preferential) and registration & renewal fee accounts for 5% each. Quality inspection accounts for 2%, other services viz. Classification, TRQC Endorsement under India-Sri Lanka/India-Nepal FTA & India-Bangladesh etc generated 7% of total revenue during 2010-2011.

Scheme on Assessment & Rating of Ginning & Pressing Factories

To popularise the scheme among the Ginners, Spinners, Cotton merchants/traders and other interested parties, 5 Workshops and 13 Consultative Meets have been conducted from April 2010 to December 2010. As a result 147 applications have been received till

December 2010 for assessment, of which the assessment of 59 Ginning & Pressing Units have been completed. The remaining 88 are under the process of assessment in the current cotton season.

Total Quality Management Services

Textiles Committee reoriented its role from that of regulatory to developmental. The developmental activities were initiated in rendering consultancy on ISO-9000 quality management systems, ISO-14000 Environmental Management systems, SA-8000 (Social Accountability Management Systems), OHSAS 18000 (Occupational Health and Safety Assessment Series).

A total of 28 units availed the consultancy services under ISO 9000 / ISO 14000 / SA 8000 / OHSAS 18000. A cumulative total number of units under consultancy has gone upto 498. About 37 units are expected for consultancy services under various standards in the current year. (Table 13.14)

Post Certification Activities

In order to demonstrate the continued relevance of Textiles Committee in the

Table 13.14

Training to Industry Personnel: (April-2010 to Dec. 2010)

| Sr. No. | Type of Training | Number of programmes | Number of personnel trained |
|---------|---|----------------------|-----------------------------|
| 1. | Awareness on ISO 9000 | 15 | 269 |
| 2. | Statistical Process Control | 15 | 218 |
| 3. | Internal Quality Audit | 19 | 237 |
| 4. | Training on ISO 14000 | 0 | 0 |
| 5. | Awareness & other related programmes on SA-8000 | 03 | 40 |
| 6. | Awareness & other related programmes on OHSAS | 0 | 0 |
| | TOTAL | 52 | 764 |

development of Small & Medium Entrepreneurs (SMEs), the Committee has introduced the post certification activities. During the year under report as on 31/12/2010, 33 companies have availed post certification support services from the Textiles Committee. For this service, a sum of Rs.5,69,331/- has been collected as fee.

Market Research

National Household Survey 2009: Market for Textiles & Clothing (MTC)

The survey has been carried out regularly by Market Research Wing for estimating the domestic consumption pattern of textiles both in the rural and urban India. The data is collected through a national level sample survey with the help of Stratified Random Sampling (SRS) method from 14250 households based at 118 urban and 265 rural centres of the country. The survey estimates per capita purchase of textiles and clothing, aggregate demand, sectoral preferences, market size of textiles & clothing products. The survey report for 2008 has been published in January 2010. The tabulation of data for MTC 2009 is completed and the report is expected to be published by March 2011.

Census on Textile Engineering Industry

The Census of Textile Machinery Industry was carried out to fill up existing data gap persisting in the textile machinery industry of the country. The census has been undertaken with the partial support of the Textile Machinery Manufacturers Association (TMMA). The study has estimated and analysed the number and spread of the units, the growth trends in terms of investments, technology, production etc. It has also thrown light on production, raw material, and investment pattern and assesses the extent of capacity utilization and employment in the sector.

Sponsored Projects

Project for inclusion of Stakeholders in the process of GI Registration of 21 Craft Indications (sponsored by Development Commissioner (Handicrafts). The study and documentation of 21 craft indications completed and the cluster level awareness workshop have been organised in 12 production centres. The preparation of application for Part 'B' registration is in progress.

Study and Documentation of Unique Handloom Products of Tamil Nadu (sponsored by Co-optex, Tamil Nadu). The draft study and documentation report prepared and submitted to the Government of Tamil Nadu for comments.

Project "Strategies and Preparedness for Trade & Globalisation in Textiles & Clothing Sector of India"

The Government of India, UNCTAD and DFID implemented a four year programme titled "Strategies and Preparedness for Trade & Globalisation in India". The project aims at strengthening human and institutional capacities among stakeholders so as to support and sustain the process of globalisation. The Textiles Committee has been implemented the project as Tier-I partner for T & C Sector. The main objective of the project is Trade Related Capacity Building (TRCB) of the stakeholders so that they can successfully mitigate the negative effects of globalisation and harvest the benefits coming out of it. The project has also facilitated awareness creation on WTO negotiations, dissemination of emerging trade related issues and gathering feedbacks from the stakeholders on different aspects of international trade for supporting policy makers to device pro-poor sectoral policies and schemes.

Project Implementation

The project is implemented through a

network of partners from trade & industry associations, state governments, Centres of Excellency, civil society organisations, etc. As of today, 146 partners have been supporting the project activities as Tier - II Partners. A network of 3500 stakeholders has also been prepared throughout the country for implementation of the project activities. The project is implemented by selecting important themes relating to International Trade & Globalisation. The main themes addressed under the project are (a) Implication of New EU-GSP Schemes on Indian Export of T&C, (b) IPR Protection of Unique Textile Products through Geographical Indication (GI) Act, 1999, (c) Export Competitiveness of Indian Textiles & Clothing Products in EU & US, (d) Implication of Tariffs & Non-Tariff Barriers on Indian Textiles & Clothing Exports.

Awareness Creation & GI Facilitation

As of today, more than 56 sectoral and awareness workshops were organised in

different important textile centres of the country and more than 18,000 stakeholders including representatives of trade and industry associations, civil society organisations, Centres of Excellences, Export Promotion Councils (EPC), Officers of Central & State Government, etc. participated in these workshops. As a part of IPR Protection of unique Textiles products of the country, 13 products have been taken up for GI Registration out of which 9 products have been registered, the Consultative Committee for 1 product has been completed and others are in different stages of registration. The important products taken up for registration are given at table 13.15.

Research & Studies and Publications

More than 40 reports are published on different facets of globalisation like New EU-GSP Scheme, Geographical Indications, Tariffs & Non-Tariff Barriers (NTBs), Implication of NAMA Negotiation in WTO on Indian Textiles & Clothing

Table 13.15

| Sr.No. | Products | Present Status |
|--------|--|-------------------------------------|
| 1 | Banaras Brocades & Saree, Uttar Pradesh | Registered |
| 2 | Upada Jamdhani, Andhra Pradesh | Registered |
| 3 | Gadwal Saree, Andhra Pradesh | Registered |
| 4 | Paithani Sarees & Fabrics, Maharashtra | Registered |
| 5 | Balaramapuram Sarees & Fine Cotton Fabrics, Kerala | Registered |
| 6 | Surat Zari Craft, Gujarat | Registered |
| 7 | Khandua Sarees & Fabrics, Orissa | Registered |
| 8 | Lucknow Zardozi, Uttar Pradesh | Registered |
| 9 | Pipli Applique Craft, Orissa | Registered |
| 10 | Bhagalpur Tussar Silk, Bihar | Consultative Committee Meeting held |
| 11 | Dharmavaram Silk, Andhra Pradesh | Application filed |
| 12 | Bandhani of Gujarat | Application filed |
| 13 | Guledgudda Fabrics, Karnataka | Application filed |

Sector, Apparel Competitiveness in EU Market, etc. A dedicated Website www.tcnctad.org has been hosted for effective dissemination of trade related issues. The booklets relating to WTO, TRIPS, Anti-Dumping, GI, Tariffs and NTBs are published and circulated among the stakeholders in different vernacular

languages for better understanding of trade related issues. As a part of the endeavour, a quarterly newsletter "Trade, Globalisation & Textiles" has been published since 2006 for dissemination of latest information on project activities and globalisations. The details of the publication is given at table 13.16.

Table 13.16

| Sr.No. | Publications |
|--------|--|
| 1. | Art and Artifacts of Lucknowi Chikankari |
| 2. | Dream of weaving: Study & Documentations of Banaras Sarees and Brocades |
| 3. | Evolution of Growth of Applique Craft of Orissa |
| 4. | Khandua Sarees and Fabrics : Tradition & Pride of Orissa |
| 5. | Study & Documentation of Guledgudda Fabrics |
| 6. | Assessment, Awareness & Identification of potential T & C Products of Geographical Indications (GIs) |
| 7. | Study & Documentation of Paithani Sarees & Dress Materials |
| 8. | Study & Documentation of Balarampuram Sarees& Fine Cotton Fabrics |
| 9. | Post MFA Apparel Market in US : Prospects for India - Occasional Paper I |
| 10. | Powerlooms in the New Market Economy : A Case of Nagari Cluster-Occasional Paper 2 |
| 11. | Does Indian gain from the enlarged EU Market ? Evidences from post MFA/ATC clothing market performance - Occasional Paper 3 |
| 12. | NAMA Negotiations : Implication on Indian Textile Sector - Occasional Paper 4 |
| 13. | Current Scenario : Domestic Market on Textiles 2006 - Occasional Paper 5 |
| 14. | Indian Apparel Competitiveness in Post-ATC EU Market - Occasional Paper - 6 |
| 15. | Trade Globalisation & Textiles Newsletter of UNCTAD/MOC&I/Textiles Committee-October-December 2005. |
| 16. | Trade Globalisation & Textiles Newsletter of UNCTAD/MOC&I/Textiles Committee-January- June 2006 |
| 17. | Trade Globalisation & Textiles Newsletter of UNCTAD/MOC&I/Textiles Committee-July - December 2006 |
| 18. | Trade Globalisation & Textiles Newsletter of UNCTAD/MOC&I/Textiles Committee-January-June 2007 |
| 19. | Understanding the World Trade Organisation (English, Oriya, Kannada, Bengali, Gujarati) |
| 20. | Anti Dumping (English, Oriya) |
| 21. | Agreement on Trade Related Aspects of Intellectual Property Rights including Trade in Counterfeit goods (TRIPS) (English, Oriya, Hindi, Bengali, Gujarati) |
| 22. | Frequently Asked Questions on Geographical Indications (GI) (English, Hindi, Marathi, Malyalam, Oriya, Kannada, Bengali, Gujarati) |
| 23. | Bandhani Report |
| 24. | Surat Zari Report. |

GI Facilitation of various states

The various state governments have sought the Technical Assistance Service on Intellectual Property (TASIP) from the Textiles Committee for GI Registration of unique textile products of their state. As of today, three state governments have sponsored the GI registration of ten products. The details are given at table 13.17.

The study and documentation for all these products have been completed and applications are prepared on the basis of the report.

Post GI Registration Initiatives on Market Linkage and Brand Building

In order to convert the IPR protection of the unique products to tangible benefits for the artisans and weavers of these products, the Textiles Committee has prepared an action plan for implementation. The Post GI Initiatives is first of its kind in the country and expected to empower the stakeholders in terms of increase in income, employment, etc. once effectively implemented in the GI registered products.

As a part of the initiatives, the Textiles

Committee has also taken up the following activities:

a) Preparation of product catalogue & hosting of websites for GI designated products

The Textiles Committee has also initiated post GI initiatives by facilitating preparation of product catalogue and hosting dedicated B2B web portal for Banaras Sarees & Brocades of Uttar Pradesh and Pipli Applique of Orissa.

b) Market Potential Study on Lucknow Chikan Craft in South Africa

The study is first of its kind and tries to study the potential market for GI designated product for creating market linkage in the international market. The study is sponsored by o/ o the Development Commissioner (Handicraft), Government of India. The study has been taken up with sole objective of organizing market linkage for the product in the post-GI registered period. Once completed the study would help in identifying the potential market for this GI registered product in South Africa.

Table 13.17

| Sr.No. | State | Product | Present Status |
|--------|---------------|----------------------------------|--------------------------|
| 1 | Kerala | Kasargod Sarees | Registered |
| 2 | | Kuthampully Saree | Registered |
| 3 | | Chendamangalam Handloom Products | Registered |
| 4 | Uttar Pradesh | Agra Durries | Application prepared and |
| 5 | | Lucknow Zardozi | forwarded to State |
| 6 | | Maunath Bhanjan Sarees | Government for |
| 7 | | Farukhabad Cotton Prints | validation |
| 8 | Karnataka | Udupi Saree | Application Filed |

Government Schemes

HANDLOOM MARK

Textiles Committee has been appointed as implementing agency (IA) by the Office of the Development Commissioner (Handlooms). The Handloom Mark was launched on 28.06.2006. The performance report in the Handloom Mark Scheme as on Dec. 2010 is given at table 13.18.

Popularization of the Mark through Domestic and International Publicity

The success of Handloom Mark scheme depends upon the action taken towards its popularization. This has been achieved not only through the sensitization seminars but also through other publicity measures. The publicity measures are broadly classifying into two categories such as ATL (Above the Line) activities and BTL (Below the Lines) activities. The ATL activities consist of publishing through Print and Electronic Media tools where as the BTL activities consist of field level activities such as participating in Exhibitions, Fairs, Seminars, etc. There is provision of Rs.1.60 crores for field level activities (BTL) and 5.15 crores for publicity activities (ATL), making total budget of Rs.6.75 crores for the financial year 2010-11.

a) Publicity through Above the Line (ATL) activity

b) Advertisements through News papers

Textiles Committee has incurred an expenditure of Rs.1,23,03,127/-

towards advertisement in major News papers in 12 languages.

c) Publicity through Below the Lines (BTL) Activities

Domestic and International exhibitions

During the year, the Committee has participated in 13 (thirteen) Domestic Exhibitions. An amount of Rs.21,54,072/- has been expended / advanced out of a budget of Rs.1.50 crore towards this purpose.

Cluster Level Seminar

These programmes are conducted in order to create awareness of Handloom Mark Scheme amongst the users such as Individual Weavers, Master Weavers, Primary Cooperative Societies, Apex Societies, Retailers/Traders, Manufacturer Exporters, etc. Textiles Committee has conducted 42 cluster level seminars so far. An amount of Rs. 19,79,800/- has been expended towards the cluster level seminars out of a budget of Rs. 22,00,000/- towards this purpose.

Awareness/Dissemination meets

In order to bring general awareness among the stakeholders of the industry, the Committee has co-participated in programmes/dissemination meets organized by Weavers Service Center, NHDC, etc. The Committee has participated in 32 programmes. The cluster level seminars and awareness/dissemination meets were well attended by in-all 9241 participants.

Table 13.18

| Sr. No. | Name of the activities | Target | Achievements (April 2010 to Dec. 2010) | Anticipation upto March 2011 |
|---------|------------------------------|--------|--|------------------------------|
| 1. | No. of Registration allotted | 1000 | 1175 | 1450 |
| 2. | No. of label sold | Nil | 34,08,883 | 40,00,000 |

Grant in-Aid for Handloom Mark

A Grant-in-Aid of Rs.3,10,69.890/- is sanctioned by the Government of India.

The Cluster Development Programme

The Cluster Development Programme is being implemented for the Capacity Building of Textile SMEs in the identified clusters since the year 2002. Three handloom clusters have been assigned by the Office of the Development Commissioner (Handlooms), Ministry of Textiles, Government of India for implementation under the Integrated Handloom Cluster Development Scheme (IHCDS) as an Implementing Agency in the year 2005 - 06. The action plan for implementation of the scheme is prepared on the basis of diagnostic study implemented after approval of Apex Committee.

Bijnore (Uttar Pradesh)

- 4 consortiums have been formed covering 33 master weavers and 1316 weavers.
- SPV named 'Bijnore Handloom Weavers Services Public Limited' has been registered as a public limited company for managing the CFC and Dye House Shares of Rs.10 each worth Rs 25 lakhs floated in the market.
- The CFC & Dye House building civil work at village Sahaspur is completed. The order for the purchase of the machinery for the dye house has been placed. The Dye house will be fully functional by the end of the March 2011.
- 9 Quality up-gradation training conducted for 180 weavers.
- Training in handblock printing provided for a batch of 20 women

artisans and Dobby design for another 60 artisans.

- Total sales generated - Rs 228.63 lakhs through exhibitions during 2010-11.
- 10 warping machine were supplied to the weavers of the Bijnor handloom cluster thus 300 weavers are able to save on the warping cost.
- 15 designs (10 co-ordinate set developed), New Products developed - 45.
- Yarn worth Rs 65 lakhs supplied - 13 cycles completed - 1000 weavers were benefited.

Trichy (Tamil Nadu)

- 51 new SHG formed and linked with banks by opening bank accounts, as part of institutional strengthening.
- 222 reed and healds replaced to weavers of Manmadu, Mussiri and Kullithali villages for quality and product improvement under PPP mode (75:25)
- 14 SHGs covering 200 weavers formed. 1 Consortium formed with E-commerce facilities covering 1010 members. Name - Manmedu Handloom Tex Consortium and registered as the producer company.
- 140 weavers trained in Pure Silk Weaving, 15 weavers changed variety. Earn up to Rs. 5000 per month from Rs. 2000 per month.
- 170 SHG women trained in Hand embroidery.
- warps / sizes: improved the length of warp by about 20%
- Sales Generated Rs. 38.60 lakh through Handloom House and Exhibitions

- Yarn Bank: Rs.274.16 lakh supplied to 2000 weaver. 55 cycles completed.
- Common Facility Centre (CFC) work is under process.
- 235 designs and 95 new products developed and 7 new designs developed for Organic cotton yarn with Natural dyed colours fabric. Organic cotton yarn is under the process of natural dyeing which will be taken for production as per design for conversion of childrens wear.

Shantipur (Nadia, West Bengal)

- A design studio has been established for design development by installing Computer Aided Textiles Designing (CATD) which is running successfully thus given benefit to 5000 weavers of Shantipur cluster.
- 66 new handlooms were provided to loomless weavers of SHG federation under PPP mode.
- 60 different training programs has been conduction covering 2300 weavers.
- Another 515 stakeholders were trained in MDP, EDP, Bar coding, Packaging, Visual merchandising, Fabric defects & QA, colour forecast,

basic computer & English training programme, GI & Handloom Mark

- A Training programme of CAD & CAM Operation given to 05 local designers
- Training programme on Product diversification was given to 10 weavers from the SHG federations.
- Total Sales & Orders generated Rs. 201.50 lakhs through exhibitions & BSM.
- Six Yarn Banks have been established. Rs. 50 yarn supplied to 500 weavers. 10 cycles completed.
- Total 93 designs developed and 25 proto type products of home furnishing were also developed from Shantipur newly developed fabrics.
- Construction of CFC is under progress which will be completed by the end of April 2011 and Dye house is under progress.

Finance of the Committee

The Committee generates internal revenue by way of user charges such as testing and certification charges consultation fees, etc. The details of the revenue receipts realized and anticipated during the year 2010-11 are given at table 13.19.

Table 13.19

| Sl. No. | Head of Accounts | 2010-11 (upto December 2010) | Anticipated during Jan. to March, 2011 | Total (3+4) |
|-----------|--|------------------------------|--|----------------|
| A. | Service Charges | | | |
| | 1. Certification to Exporters | 258.43 | 90.00 | 348.43 |
| | 2. Laboratory Testing | 784.18 | 300.00 | 1084.18 |
| | 3. Total Quality Management | 18.58 | 6.50 | 25.08 |
| | 4. Market Research Studies/surveys | 31.29 | 5.00 | 36.29 |
| | 5. Sale of publications | 3.87 | 1.00 | 4.87 |
| | 6. Human Resource Development (Training) | 0.79 | 0.30 | 1.09 |
| | 7. Quality Inspection | 11.62 | 4.00 | 15.62 |
| | 8. Sale of forms | 59.10 | 22.00 | 81.10 |
| | Total (A) | 1167.86 | 428.80 | 1596.66 |
| B. | Other Receipts | | | |
| | 1. Interest on short term deposit with SBI | 115.72 | 154.00 | 269.72 |
| | 2. Recoverable Advances & deposits including interest | 16.37 | 6.00 | 22.37 |
| | 3. Misc. Receipts (includes settlement of insurance claim & sale proceeds of capital assets) | 22.01 | 8.00 | 30.01 |
| | 4. Rent on Auditorium & Board Room of the Committee's Bldg. at Mumbai. | 10.95 | 4.00 | 14.95 |
| | 5. Handloom Marks Scheme | 14.82 | 5.00 | 19.82 |
| | 6. Rating fees of Ginning & Pressing Factories | 18.68 | 7.00 | 25.68 |
| | Total (B) | 198.55 | 184.00 | 382.55 |
| | Total (A+B) | 1366.41 | 612.80 | 1979.21 |

CHAPTER XIV
CITIZEN'S / CLIENT'S
CHARTER

CHAPTER XIV

CITIZEN'S / CLIENT'S CHARTER

Vision

To build state-of-the-art production capacities and achieve a pre-eminent global standing by 2020 in manufacture and export of all types of textiles including technical textiles, jute, silk and wool and develop a vibrant handloom and handicraft sector for sustainable economic development and promoting and preserving the age old cultural heritage in these sectors.

Mission

1. To promote planned and harmonious growth of textiles by making available adequate fibers to all sectors.
2. To promote technological up-gradation for all types of textiles including technical textiles, jute, silk and wool.
3. To promote skills of all textile workers, handloom weavers and handicrafts artisans, creation of new employment opportunities and development of new designs to make these sectors economically sustainable.
4. To ensure welfare and proper working environment and easy access to healthcare facilities and insurance cover to weavers and artisans to achieve better quality of life.
5. To promote exports of all types of textiles and handicrafts and increase India's share of world exports in these sectors.

Service Standards

The Ministry of Textiles provides policy support and implements programmes and schemes for the development and growth of Textiles Industry. We commit to the services given at table 14.1.

Services to Citizens are provided by the Responsibility Centres (RCs) for the sub-sectors covering the entire Textile Industry through the Citizen's Charters prepared by the RCs. For any deficiency/dispute, citizens may approach the RCs and when not satisfied, may approach the Ministry as per above service standards.

Grievance Redress Mechanism

The Ministry of Textiles has developed a grievance redressal portal (CPGRAM) at its website <http://ministryoftextiles.gov.in> for receiving and redressing the grievances of public online. The system has been devised in such a manner as to involve less paper work on the part of the organizations handling grievances of the public.

As per the system, any citizen can visit the website of Ministry of Textiles and lodge his/her grievance under the link "Public Grievances". The nodal officer in the Ministry accesses grievances relating to his subjects by logging in his user account and takes action for redressal. In case the grievance relates to any of the organizations under the Ministry, the nodal officer transfers it to the concerned organization online. At present 17 organizations under the Ministry as mentioned hereunder have been included in the Grievance Redressal Mechanism. The details are given at table 14.2.

Table 14.1

| S. No. | Main Service | Standard | Level at which specific services would be provided |
|---------------|---|---|---|
| 1. | Maintain a constant dialogue with industry and stakeholders while framing and reviewing policies and programmes relating to the sector. | We will endeavour to respond to all written suggestions within 15 working days. | Sh. P. Gopalan, Deputy Secretary, Coordination 336, Udyog Bhawan, Tel.: 23061009 (O) e-mail: p.gopalan.nic.in |
| 2. | Constantly endeavour to keep our actions and decisions transparent and work towards making our procedures and transactions as simple as possible. | In case of a likely or inevitable delay in decision making, or when an issue is disputed, we will communicate the reasons therefor. | As above. |
| 3. | Set up a sensitive and responsive machinery for redressing public grievances. | We will endeavour to respond to all written inquiries/complaints within 3 weeks. | Sh. Sujit Gulati, Joint Secretary (Public Grievances), 232, Udyog Bhawan, Tel: 23063192 e-mail: gulatis@nic.in |
| 4. | Share our national performance and information with public over the media and the Internet through our website. | We will keep our website, Handbooks / Annual Report etc. up-to-date, and use it to share information on our activities, policies and programmes with you. | Sh. H.P. Shrivastav, Sr.Technical Director, NIC, 269, Udyog Bhwan Tel: 23063069 e-mail: hps@nic.in |

Table 14.2

| S.No. | Name of the Office |
|--------------|--|
| 1 | Development Commissioner (Handloom) |
| 2 | Development Commissioner (Handicrafts) |
| 3 | Office of Textile Commissioner, Mumbai |
| 4 | National Jute Board, Kolkata |
| 5 | Office of Jute Commissioner, Kolkata |
| 6 | Jute Corporation of India, Kolkata |
| 7 | National Jute Manufactures Corporation, Kolkata |
| 8 | British India Corporation, Kanpur |
| 9 | National Textiles Corporation, New Delhi |
| 10 | CentralCottageIndustries Corporation of India Ltd. New Delhi |
| 11 | Handloom and Handicraft Exports Corporation of India Ltd. New Delhi |
| 12 | Cotton Corporation of India Ltd, Mumbai |
| 13 | National Handlooms Development Corporation Ltd, Lucknow |
| 14 | Central Wool Development Board, Jodhpur |
| 15 | Central Silk Board, Bangalore |
| 16 | National Institute of Fashion Technology, New Delhi |
| 17 | Sardar Vallabhbhai Patel Institute of Textile Management, Coimbatore |

In the event of non-fulfillment of the commitment/non-redressal of grievances by the RCs, the users may send their complaint or meet personally at the address given at table 14.3 for appropriate action.

Table 14.3

| Sr. No. | Offices | Public /Staff Grievances Officers | Address & Telephone |
|----------------|--|--|---|
| 1. | Ministry of Textiles | Shri Sujit Gulati Joint Secretary/ Director (PG) | Room No. 232, Udyog Bhawan New Delhi Phone: 23063192 Email: gulatis@nic.in |
| 2. | O/o Development Commissioner (Handicraft) | Shri S.S. Gupta, Development Commossoiner (Handicraft) | West Block-7, R.K.Puram, New Delhi Phone: 011-26109895 Email: ssgupta234@yahoo.com |
| 3. | O/o Development Commissioner (Handloom) | Shri Sohan Kumar Jha, Addl. Development Commissioner (Handloom) | Office of DC (Handloom) Udyog Bhawan, New Delhi-110011 Phone: 011 23062238 Email: sk.jha@nic.in |
| 4. | O/o Textile Commissioner, Mumbai | Shri A.B. Joshi Textile Commissioner | New CGO Building, 48 Marine Line, Mumbai-433320 Phone: 022-22001050 Email: texcomindia@txcindia.com |
| 5. | O/o Jute Commissioner, Kolkata | Shri Binod Kispota Jute Commissioner | C.G.O. Complex, 3rd MSO Building 4th Floor, DF Block, Salt Lake City, Kolkata-700064 Phone: 03323376973/75 Email: jccal@vsnl.com |
| 6. | National Jute Board, Kolkata | Shri Atri Bhattacharya Secreatry | 3A & 3B, Park Plaza, 71 Park Street, Kolkata-700016 Phone -033 22172107 Email: bhattacharya.atri@gmail.com |
| 7. | Jute Corporation of India Limited, Kolkata | Shri Chinmoy Sengupta General Management (Corporate) | 15 N Nellie Sengupta Sarani Kolkata-700087, West Bengal Phone: 033-22527107 E-mail: jutecorp@vsnl.net jutecorp@gmail.com |
| 8. | National Jute Manufactures Corporation, Kolkata | Shri Binod Kispota CMD | Charter Bank Building, 4, Netaji Subhash Road, Kolkata-700001 Phone: 033-22172107 Email: njmccorp@cal2.vsnl.net.in |
| 9. | Sardar Vallabhbhai Patel Institute of Textiles, Management, Coimbatore | Prof. S.R. Pujar Director | 1483, Avanashi Road, Peelamedu, Coimbatore-641004 Phone: 0422-2571675 Email: director@svpitm.ac.in |

| Sr. No. | Offices | Public /Staff Grievances Officers | Address & Telephone |
|---------|--|---|---|
| 10. | National Textiles Corporation Limited, New Delhi | Shri Rai Varghese Dy. General Manager (HR) | National Textile Corporation Limited, Registered Office: Scope Complex, Core-IV, 7, Lodi Road, New Delhi-110003 Phone: 011-24361892 E-mail: ntcqnd@de12.vsnl.net.in |
| 11. | Cotton Corporation of India Ltd, Mumbai | Shri S.C. Grover CMD | "Kapas Bhavan", Plot No. 3-A, Sector 10, Post Box No. 60 CBD Belapur, Navi Mumbai-400614 (Maharashtra) Phone: 022-2757 9217 E-mail: headoffice@cotcorp.com |
| 12. | Central Wool Development Board, Jodhpur | Shri K.K. Goyal Executive Director | C-3, Near Shastri Circle, Shastri Nager, Jodhpur-342003 Rajasthan (India) Phone: 0291-2433967/2616328 Email: edwoolboard@dataone.in |
| 13. | Central Silk Board, Bangalore | Shri S.Prakash Joint Secretary | CSB Complex, BTM Layout, Bangalore-560068 Phone: 080-26282699 Email: prakash@silkboard.org |
| 14. | Central Cottage Industries Corporation of India Ltd, New Delhi | Shri Nirmal Sinha Managing Director | Jawahar Vyapar Bhawan, Janpath New Delhi-110001 Phone: 011-23323825 Email: ccicmdoffice@gmail.com |
| 15. | National Institute of Fashion Technology, New Delhi | Shri Munish Girdhar Registrar | NIFT Campus, Haus Khas, Near Gulmohar Park, New Delhi-110016 Phone: 011-26542065 E-mail: registrar.estt@nift.ac.in munish_girdhar2000@yahoo.com |
| 16. | British India Corporation Limited, Kanpur | Shri J.K. Baweja CMD (Additional Charge) | 11/6, Smt. Parvati Bagla Road, P.O Box No. 77, Kanpur-208001 Phone: 0512-2530196 E-mail: bicltdsps@yahoo.co.in |
| 17. | National Handloom Development Corporation, Lucknow | Shri J.K. Baweja CMD | 10th & 11th Floor, Vikas Deep 22, Station Road, Lucknow Phone: 0522-2035133 Email: hondc@nhdcltd.co.in |
| 18. | Handicrafts & Handlooms Exports corporation of India Ltd. | Dr. Arun Vir Singh General Manager (Marketing) | A-2, Sector-2, Udyog Marg Noida-201301 Phone: 0120-2554275 Email: gmavs@hhecworld.in |

Stakeholders/Clients

Farmers, weavers, artisans, workers, entrepreneurs, industrialists who are engaged in the production, processing, weaving, crafting and designing of textiles (all fibres) and apparel/clothing in the organized and unorganized sectors in urban and rural areas through the following:

1. The Development Commissioner for Handicrafts, New Delhi
2. The Development Commissioner for Handlooms, New Delhi
3. Jute Commissioner's Office, Kolkata
4. Textile Commissioner's Office, Mumbai
5. Central Silk Board, Bangalore
6. Central Wool Development Board, Jodhpur
7. Commissioner of Payments
8. Textiles Committee, Mumbai
9. National Institute of Fashion Technology, New Delhi
10. National jute Board, Kolkata
11. Powerloom Service Centers
12. Weavers' Service Centres
13. Export Promotion Council (for Textiles Sector)

Each of these field organizations under the Ministry have their own Citizen's and

Service Charters in which they commit to serve you and set down standards of performance by which you can assess the quality of the services and their dedication to perform them well.

Responsibility Centers

The details of Responsibility Centres are given at table 14.4.

Indicative expectations from service recipients

The details of Indicative expectations from service recipients is given at table 14.5.

Our Information and Facilitation Centre (IFC) is situated near Gate No. 18, Udyog Bhavan, New Delhi. Any feedback/suggestions from the users may be sent to Sh. P.Gopalan, Deputy Secretary in the Ministry of Textiles.

Suggestions on the Charter may be sent to rkale39@gmail.com. More detailed information may be seen on our website (<http://ministryoftextiles.gov.in>).

Month and Year for next review of the charter

1. The Citizen's Charter has been approved by the Minister for Textiles, New Delhi.
2. The annual review of the charter and performance audit will be done by the Ministry of Textiles in February 2012.

Table 14.4

| Sr. No. | Name | Address |
|---------|--|---|
| 1. | Office of Development Commissioner (Handicrafts) | Ministry of Textiles, Government of India, West Block No.7, R.K. Puram, New Delhi-110066 Tel: 26109895, e-mail-dchels@nic.in Website: http://handicrafts.nic.in |
| 2. | Office of Development Commissioner (Handlooms) | Ministry of Textiles, Government of India, Udyog Bhavan, New Delhi-110107 Tel: 23062945, 23053684, Fax: 23062429 e-mail: dchl@nic.in |
| 3. | Office of Jute Commissioner | Ministry of Textiles, Government of India, CGO Complex, 3rd MSO Building, 4th Floor, DF Block, Salt Lake, City Kolkata-700064 Tel: 91(33)2337 6979/80, 91(33)23376971 Fax: 91(33)23376972/6973/6974/75 e-mail: iccal@vsnl.com Website: www.jutecomm.gov.in |
| 4. | Office of Textiles Commissioner | Ministry of Textiles, Government of India, New CGO Building, Nishtha Bhavan, Post Bag-11500, 48, New Marine Lines, Mumbai-400020 Tel: 22014446/22004510/22033721 Fax: 022-22004693 e-mail: texcomindla@texindia.com |
| 5. | Central Silk Board | CSB Complex, B.T.M. Layout, Madivala, Hosur Road, Bangalore-560068, Karnataka Tel: 2628269, Fax: 26681511, E-mail: csbsilkbord.org |
| 6. | Central Wool Development Board | Ministry of Textiles, Government of India, C-3, Shastri Nagar, Jodhpur, Rajasthan-342003 Tel: 0291-2433967, 2616328, Fax: 2439017 e-mail: woolindiajodhpur@dataone.in |
| 7. | Textiles Committee | P. Balu Road, Off, Veer Savarkar Marg Prabhadevi Chowk, Prabhadevi, Mumbai-400025 Tel: 66527507, Fax: 66527507, 66527577, 66527509 e-mail: secy@giasbm01.vsnl.net.in . Secytc@gmail.com |
| 8. | National Institute of Fashion Technology | NIFT Campus, Hauz Khas, New Delhi Tel: 26850470, 26542000 e-mail: admissions@nift.ac.in |
| 9. | National Jute Board | 3 A&, Park Piazza, 71, Park Street, Kolkata-700016 Tel: 3438/2217-2107, Fax: 22172456 e-mail: jute@njbindia.com |

Table 14.5

| S.No. | Indicative expectations from service recipients |
|-------|--|
| 1. | Submit application forms duly complete in all respects. |
| 2. | State Governments should properly utilise the central financial assistance released to them for the projects and make efforts for timely completion of projects. |
| 3. | Please show courtesy to Ministry's officers. |
| 4. | Always keep proper records of your letters / communications with the Ministry. |
| 5. | If you have an appointment with an officer in the Ministry/its subordinate/attached offices, please arrive 15 minutes prior to the appointment. |
| 6. | If you want to cancel an appointment, please give a written notice via fax or email at least two days in advance. |
| 7. | Send reports in the prescribed format as per prescribed timelines. |
| 8. | To check the website regularly for updates on policies, programmes and procedures. |
| 9. | Give suggestions/inputs on drafts placed on Ministry's website. |



CHAPTER XV

WELFARE OF SCHEDULED CASTES, SCHEDULED TRIBES AND WOMEN

CHAPTER XV

WELFARE OF SCHEDULED CASTES, SCHEDULED TRIBES AND WOMEN

HANDLOOMS

The Handloom Sector employs over 43.31 persons in weaving and allied activities with 23.77 looms. This sector is weaver- specific/occupational in nature, with the majority of weavers belonging to the poorest and the marginalized sections of the society. Of the total workforce of 43.31 persons, 10% of the workers are SC, 18% are ST, 45% are OBC and 27% are from Other Castes as per the report of Handloom Census of 2009-10.

The various handloom Schemes operated by this office are weaver's profession oriented and not category related. For assisting the Handloom Weavers, including SC/ST and women, the Government of India is implementing various developmental Schemes through State Governments with the objectives of (i) Employment Generation, (ii) Modernization and upgradation of technology, (iii) Input support, (iv) marketing support, (v) Publicity & Exhibition, (vi) Infrastructural support, (vii) Welfare measures, (viii) Development of Exportable Products (ix) Research & Development.

HANDICRAFTS

Office of the Development Commissioner (Handicrafts) six generic schemes viz. Baba Saheb Ambedkar hastshilp Vikas Yojana; Design and Technology Upgradation Scheme; Marketing Support and Services Schemes; Export Promotion Schemes; Research & Development Schemes & Human Resource

Development. All these schemes play a vital role in the empowerment and upliftment of women artisans and artisans belonging to Scheduled Castes and Scheduled Tribes.

Of total workforce engaged in handicrafts, 47.42% are women, of which 37.11% belong to SC/ST category (Source : NCAER Survey, 1995-96). There are certain crafts, which are practiced predominantly by women like embroidery, mat weaving, etc. Special attention is being paid to ensure that a large number of women artisans get benefit of all the developmental schemes, such as training, marketing related programmes, National Awards, exhibitions, etc.

SILK SECTOR

Scheduled Caste Sub-Plan and Scheduled Tribe Sub-Plan

Central Silk Board does not have separate Sub-Plan for Scheduled Castes and Scheduled Tribes. The Plan Programmes for the target groups are usually implemented by the States. The Schemes/ Programmes being implemented by Central Silk Board are mainly for development of sericulture industry, basic seed support and training. Besides, Central Silk Board has been implementing the Centrally Sponsored Scheme (CSS) viz., "Catalytic Development Programme" since IX Plan in which, SCs and STs have been largely benefited. Most of the sericulture activities especially under vanya sector are being practiced in the backward areas by SCs / STs. The

schemes / components formulated under CDP are mainly aimed to benefit these category of stake holders. The SC / ST coverage envisaged under the Centrally Sponsored Scheme CDP ranges from 30-90% depending on the nature of the programme / component. The actuals will however depend on the Schemes / components implemented by the States with CSB assistance. It is estimated that about 30% of the SCs / STs are engaged in mulberry sericulture while 30-90% of SCs / STs are engaged in vanya sericulture.

During XI Plan, CDP is continued and implemented as a Centrally Sponsored Scheme with certain modifications but in a package mode. The components are beneficial for both existing and new farmers covering women, SCs / STs who are practicing sericulture. The State Department of Sericulture have to identify the existing as well as new farmers and offer the components accordingly to their requirements from out of the basket of components. The packages under CDP covers three major areas viz., Seed Sector,

Cocoon Sector and Post Cocoon Sector and will be supplemented by other components of support services.

Of the total approved allocation of Rs.81.01 crores for implementation of CDP during 2007-08, a sum of Rs.16.57 crores (20%) was earmarked for implementation of SC/ST components. An amount of Rs.80.82 crores has been released / spent by CSB during 2007-08. During 2008-09, Rs.76.73 crores was approved for implementation of CDP, of which, Rs.15.71 crores (20%) was earmarked for SC/ST components. During 2008-09, however an amount of Rs.90.74 crores has been released / spent by CSB towards the implementation of CDP. Out of Rs.75.57 crores approved for implementation of CDP during the year 2009-10, Rs.15.11 crores (20%) was earmarked for SC / ST components. However, an amount of Rs.144.06 crores has been released / spent by CSB during 2009-10. During the current financial year 2010-11, an amount of 52.15 crores (20%) has been earmarked for SC / ST against the RE of Rs.260.76 crores under CDP.

CHAPTER XVI
*TEXTILES IN NORTH
EASTERN REGION*

CHAPTER XVI

TEXTILES IN NORTH EASTERN REGION

Textiles and textile based activities like handlooms, handicrafts, sericulture and jute, continue to be North Eastern Region's main source of employment and income generation after agriculture. The region's woolen & silk fabrics including the exclusive eri silks as well as cane/bamboo based crafts have now become popular not only in the country but also abroad on account of their uniqueness, quality and designs. However, production of textile items on a commercial scale is restricted, with the result that they cater largely to a local market only.

Recognizing the immense potential that the region has in handlooms, handicrafts, sericulture and jute based products and has striven to facilitate their development by formulating and implementing various plan schemes.

HANDLOOM SECTOR

North Eastern Region has the highest concentration of Handlooms in the country. 60% (16.8 lakh out of 27.8 lakh) of the handloom weavers households is located in the North East. Of the 43.3 lakh handloom workers, 49.88% are located in NER. Like wise, of 23.77 lakh handlooms, 65.2% (15.5 lakh handlooms) handlooms are located in the region. However, 61.6% looms reported in NER are domestic.

The Weavers' Service Centres, set up at Guwahati, Agartala and Imphal, function as the Nodal Centre for development of designs and dissemination of information to the weavers in the region about the breakthrough made in the handloom technology. The IIHT set up at Guwahati, caters to the requirements of the handloom sector for technically qualified manpower. A special dispensation has been made for the North Eastern States under the Integrated Handlooms Development Scheme. In respect of these States, the grant portion towards Basic Inputs of the scheme is shared between Centre, State Governments and the implementing agencies in the ratio of 90:5:5 respectively whereas for General States, it is in the ratio of 70:20:10 respectively.

During the year 2009-10, under the Integrated Handlooms Development Scheme (IHDS), 21 Clusters were sanctioned in the NER and a sum of Rs.6.42 crore were released, which also includes second installment of earlier sanctioned projects. 68 Group Approach Projects were sanctioned and a sum of Rs.7.22 crore was released, which also includes second installment of earlier sanctioned projects.

Financial & Physical Progress under IHDS: General States and NER during 2009-10 (Table 16.1)

Table 16.1

(Rs. in crore)

| Amount Released | | | Number of Clusters | | | Number of Group Approach Projects | | |
|-----------------|-----------|--------|--------------------|-----------|-------|-----------------------------------|-----------|-------|
| Genl. States | NER State | Total | Gen. States | NER State | Total | Gen. States | NER State | Total |
| 92.82 | 22.75 | 115.57 | 31 | 21 | 52 | 343 | 68 | 411 |

During 2010-11, 01 Cluster has been sanctioned in the NER and a sum of Rs.9.77 crore has been released (upto December 2010), which also includes second installments of earlier sanctioned projects. In addition, 96 Group Approach Projects have been sanctioned and a sum of Rs.7.55 crore has been released, which also includes second instalment of earlier sanctioned projects. Physical and financial progress in NER during 2009-10 and 2010-11 (upto December 2010) are given at table 16.2.

State-wise number of Clusters taken up under IHDS in NER is given at table 16.3.

State-wise number of Group Approach

Projects taken up under IHDS in NER is given at table 16.4.

HANDICRAFTS SECTOR

NER has a predominantly tribal or clannish traditions/heritage and nowhere is this reflected more than in the Region's unique and varied handicrafts. The exquisite handcrafted items or products of the Region include a wide range of items like wood work, jewellery, pottery and metal work. The handicrafts of North-Eastern region have gained popularity all over the country. However, some how, it has not penetrated in the domestic up markets and in the international markets. Ministry has given

Table 16.2

Financial & Physical Progress under IHDS: General States and NER during 2010-11 (upto December 2010)

(Rs. in crore)

| Amount Released under IHDS | | | Number of Clusters Sanctioned | | | Number of Group Approach Projects Sanctioned | | |
|----------------------------|-----------|--------|-------------------------------|-----------|-------|--|-----------|-------|
| Gen. States | NER State | Total | Gen. States | NER State | Total | Gen. States | NER State | Total |
| 100.16 | 17.32 | 117.48 | 40 | 01 | 41 | 380 | 96 | 476 |

Table 16.3

| Name of the State | 2009-10 (Phase - V) | | 2010-11 (upto December 2010) (Phase - VI) | |
|-------------------|---------------------------|-----------------------------|---|----------------------------|
| | Clusters Sanctioned (No.) | Amount released# (Rs. lakh) | Clusters Sanctioned (No.) | Amount released (Rs. lakh) |
| Arunachal Prd. | 3 | 92.76 | – | – |
| Assam | Phase-I | 46.25 | – | 233.08 |
| Manipur | Phase-I | 23.75 | – | 509.48 |
| Meghalaya | 2 | 121.19 | – | 22.69 |
| Mizoram | 1 | 15.65 | 1 | 15.58 |
| Nagaland | 10 | 257.57 | – | 195.75 |
| Sikkim | – | – | – | – |
| Tripura | 5 | 84.93 | – | – |
| Total NER | 21 | 642.10 | 1 | 976.58 |

including 2nd installment

Table 16.4

| Name of the State | 2009-10 | | 2010-11 (upto December 2010) | |
|-------------------|------------------------------------|------------------------------|------------------------------------|------------------------------|
| | Group Approach Projects Sanctioned | Amount released # (Rs. lakh) | Group Approach Projects Sanctioned | Amount released # (Rs. lakh) |
| Arunachal Prd. | 11 | 50.41 | 14 | 127.74 |
| Assam | 14 | 59.21 | | |
| Meghalaya | 14 | 220.85 | 14 | 165.33 |
| Mizoram | 13 | 74.04 | | |
| Nagaland | 16 | 317.30 | 11 | 240.91 |
| Sikkim | | | 15 | 47.12 |
| Tripura | | | 42 | 174.38 |
| Total NER | 68 | 721.81 | 96 | 519.36 |

including 2nd installment

greater thrust in the region's economy in terms of not only employment generation but also increasing the income

of the tribal artisans. The funds allocated during 2009-10 and 2010-11 is given at table 16.5.

Table 16.5

Funds allocation for NER during 2009-10 and 2010-11

(Rs. in crore)

| Sl. No. | Name of The schemes | 2009-10 | | 2010-11 | |
|---------|---|--------------|--------------|--------------|-------------------------------------|
| | | BE | Exp. | BE | Exp. As on 31,12.2010 (Provisional) |
| 1 | Baba Saheb Ambedkar Hastshilp Vikas Yojana | 14.00 | 13.82 | 17 | 2.50 |
| 2 | Design & Technical Up-gradation | 4.00 | 6.26 | 4.00 | 0.77 |
| 3 | Marketing Support and Services schemes | 12.50 | 7.92 | 16.00 | 3.64 |
| 4 | Human Resource Development Scheme | 2 | 1.99 | 4.00 | 0.04 |
| 5 | Research & Development | 2 | 0.43 | 2.00 | |
| 6 | Handicrafts Artisans Comprehensive Welfare Scheme | 18.00 | 17.54 | 21.00 | |
| 7 | Infrastructure | 1.50 | 0.26 | | |
| | Total NER | 54.00 | 48.22 | 66.00 | 6.95 |
| 8 | All India, including NER | 220 | 205.04 | 286.00 | 73.02 |
| | % age NER | 24.55 | 23.51 | 23.07 | |

SERICULTURE SECTOR

All the four varieties of silk, Mulberry, Oak tasar, Eri and Muga are produced in the North Eastern States and sericulture is mainly practiced by tribals and women. To help the poor farmers and to improve their economic conditions, the Govt. of India has given the Special Status to these States, so that they can enjoy the benefit of 90% subsidy in implementation of the Centrally Sponsored Scheme.

The earmarking of allocation for the NER under sericulture is Rs 70.00 crore as against the outlay of Rs 320 during 2010-11 which is much more than the mandatory requirement of 10%. In respect of Catalytic Development Programme, which is a beneficiary oriented Scheme, the funds earmarked for NE States is more than 20%. During 2009-10, the total silk production has shown an increase as

against the target. The state-wise silk production is given at table 16.6.

JUTE SECTOR

The Jute Industry occupies an important place in the national economy. It is one of the major industries in the Eastern Region, particularly in West Bengal. It supports nearly 4 million farm families, besides providing direct employment to about 2.6 lakh industrial workers and livelihood to another 1.4 lakh people in the tertiary and allied sectors. To provide the much needed thrust and incentive to the jute industry to invest in modernization on a significant scale, the Ministry raised the cap on the subsidy prescribed in the scheme component Acquisition of Plant & Machinery (Capital Subsidy) under Jute Technology Mission to 4.00 crore per mill in respect of new mills and existing mills in North East.

Table 16.6

Silk Production 2009-10 (Target & Achvmt)

(Metric Tons)

| State | Mulberry | | Oak tasar | | Eri | | Muga | | Total | |
|----------------|----------|-------|-----------|------|--------|------|--------|------|--------|-------|
| | Target | Ach. | Target | Ach. | Target | Ach. | Target | Ach. | Target | Ach |
| Assam | 22 | 16 | 0.50 | – | 1010 | 1410 | 155 | 93 | 1187 | 1519 |
| Ar.Pradsh. | 1 | 3 | 0.50 | 0.10 | 18 | 15 | 2 | 0.50 | 22 | 19 |
| Manipur | 120 | 101 | 3.50 | 3.50 | 426 | 280 | 3 | 0.50 | 552 | 384 |
| Meghalaya | 4 | 3 | – | – | 310 | 450 | 10 | 10 | 324 | 464 |
| Mizoram | 15 | 11 | 0.50 | 0.20 | 6 | 6 | 1 | 0.30 | 23 | 18 |
| Nagaland | 4 | 3 | 0.50 | 0.50 | 240 | 250 | 1 | 0.50 | 246 | 254 |
| Sikkim | 1 | 1 | – | – | 1 | 2 | – | – | 2 | 3 |
| Tripura | 6 | 12 | – | – | – | – | – | – | 6 | 12 |
| Total for NE | 173 | 150 | 5.50 | 4.30 | 2011 | 2413 | 172 | 105 | 2362 | 2673 |
| For all states | 20180 | 16315 | 6 | 5 | 2120 | 2460 | 175 | 105 | 22855 | 19600 |
| NE Share(%) | 1% | 1% | 92% | 86% | 95% | 98% | 98% | 100% | 10% | 14% |

CHAPTER XVII
GENDER JUSTICE

CHAPTER XVII

GENDER JUSTICE

It is estimated that out of the total number of persons employed in the decentralized sectors of the Textiles industry, especially Handlooms, Handicrafts, and Sericulture, 50% are women. There are more women in the household industry than in the registered small scale or cottage units. Within the registered units, there are more women in unskilled and low paid jobs than in the skilled or trained category. However, in the organized sector the percentage of women workers is extremely low. In the Government and Public sector, in accordance with the guidelines of the National Commission for Women, Committees have been set up in this Ministry and its offices/organizations to deal with complaints relating to the sexual harassment of women in the workplace. The presence of senior women in these committees as chairperson or as members has been mandated, and detailed guidelines on handling such work with firmness and tact have been issued. Emphasis is being laid on sensitizing departmental staff on gender issues. In compliance with the guidelines and norms given by the Supreme Court to prevent and deal with cases of sexual harassment of women in the work place, this Ministry has also constituted a Complaints Committee.

The Handloom Sector employs 43.31 lakh persons in weaving and allied activities with 23.77 lakh handlooms. This sector is weaver- specific/occupational in nature, with the majority of weavers belonging to the poorest and the marginalized sections of the society. Work participation in handloom activity in India is dominated by

female workers. About 78% handloom workers are female. The dominance of female weavers in the total weavers' workforce is the highest in the North-eastern states where it is 99% as per the report of Handloom Census of India (2009-10).

The Government of India is implementing five schemes for the development of handloom sector and welfare of weavers including women during 11th Plan, which are (i) Integrated Handloom Development Scheme, (ii) Handloom Weavers Comprehensive Welfare Scheme, (iii) Mill Gate Price Scheme, (iv) Marketing and Export Promotion Scheme and (v) Diversified Handloom Development Scheme.

In India about 6.8 million people are involved in sericulture and its allied industries mostly in the rural area for their livelihood. Women constitute over 53% of those employed in down stream activities in sericulture. This is possible because sericulture activities starting from mulberry garden management, leaf harvesting and silkworm rearing is more effectively taken up by the women folk. Silk reeling and weaving activities also engage women. Thus, involvement of women in sericulture which would also be in consonance with the National Policy for the empowerment of women is in the right direction.

Concerted efforts have been initiated by the Central Silk Board (CSB) to supplement the social and cultural requirements of the women associated with silk industry. Under the Centrally

sponsored Catalytic Development Programme (CDP), the Central Silk Board had implemented a number of programmes in collaboration with State Governments during X Plan. Financial

and Technical assistance was provided for on-farm and post-farm activities like reeling, dyeing, twisting, printing, finishing etc., Benefits accrued inter-alia, to SC/ST and women workers.

CHAPTER XVIII
*INFORMATION AND
COMMUNICATION
TECHNOLOGY IN TEXTILES*

CHAPTER XVIII

INFORMATION AND COMMUNICATION TECHNOLOGY IN TEXTILES

Today Industry and Trade community requires an efficient platform having features as ubiquity, global reach, interactivity, security, information density with quality, reliability, accessibility with customization. These are essential requirements for controlling the competitive edge in the business race and may be achieved only in a well tuned ICT enabled platform. In addition to that it has to sustain its position in global market with strong brand equity of its products against the turbulent behaviors of the global economical fluctuations. In virtue of the above issues, Ministry has already launched flagship programs with various other initiatives and succeeded in them. Post 'flag ship program' reflects a positive rejuvenation in both global and domestic business health of Indian Textiles Industry. By empowering the corporate body with modern management techniques and ICT tools, Ministry fulfilled the expectations of trade and industry especially in delivering online services and support. Various IT enhancements like enriching the information dissemination through websites, interactive services like filing of Export Authorization Registration Certificate (EARC) by cotton exporters, e-marketing, e-sharing of specializations in designs and patterns of Handloom products etc were successfully implemented.

National Informatics Centre (NIC), Department of Information Technology, Ministry of Communications & Information Technology contributed a prime role in each initiatives described above. It is providing full-fledged technical support in developing and maintaining the ICT

infrastructure and net work services. In addition to that various office automation systems, information systems/analytical tools are developed and implemented for usage at various levels of the Management.

ENHANCING WEBSITES

Ministry and its various organizations established and integrated efforts to deliver the industry centric information services in their respective websites. All major textiles organizations (twenty three in number) including Attached/ Subordinate offices, Public Sector Undertakings, Export Promotion Councils and educational institutes like NIFT etc. have upgraded their sites with new features and contents. Ministry's website has been refined as per the 'Guidelines for Indian Government Websites' issued by D/o Administrative Reforms and Public Grievances. Cyber security auditing is being undertaken by NIC to secure the website from cyber threats.

Being it is a channel for an efficient and effective way of information dissemination with the Industry, websites are strengthened with more user centric content pages, interactive channels with industry penetration and awareness programs. Moreover, features like Multi language support, FAQs, Online Feedback and comments and Web linkages have been integrated on various websites to enhance their interactiveness. Downloadable Forms / applications of Ministry & its organizations required by the user domain are made available.

Apart from this, statistical data & analysis relating to various sectors of cotton, jute, silk, manmade fiber and their magazines/journals are also made available on respective websites for free of cost. Regular updations Events, Photo gallery, Media feedback are incorporated. Monthly status report on enhancement and upgradation of websites of the respective organizations are received by the Ministry and reviewed for further improvement on regular basis.

e-marketing Portals

Existing e-Marketing portals of Central Cottage Industries Corporation of India Ltd. (CCIC) (<http://www.cottageemporium.in>) and the Handicraft and Handlooms Export Corporation of India Ltd. (HHEC) (<http://www.hheconline.in>) are enriched by display of more handicrafts and handlooms products with detail specifications.

Design pool portals

In order to benefit the Weavers of the Handlooms Sector, near about 1,500 free contemporary designs are made available in the websites of Office of Development Commissioner (Handlooms) in <http://www.designdiary.nic.in/designpool.asp> and National Institute of Fashion Technology (NIFT). These are images in easily downloadable format, tagged with technical details in regional languages to reuse or reproduce. The designs have an important bearing on the marketing of handcrafted and handlooms products as well as motivate the weavers and artisans to innovate new contemporary products. It extends its support in sustaining and capturing both domestic and export markets.

ICT Infrastructure upgradations

Additional Hardware/Software, Network equipments and visual aids are installed

at various sections / conference room as per requirement. LAN of the Ministry is going to be upgraded with high band width which will facilitate fast internet services, online meetings / Video Conferencing, VOIP teleconferencing etc. Under the guidelines of the cabinet secretary, various cyber security measures are undertaken by the Ministry. Automatic patch management and regular updations for virus scanners is activated on the network to protect it from the cyber threats.

Implementation of E-Governance

Economic Research and Market intelligence Unit (ERMIU) is providing an integrated interface for collection and dissemination of Information to Trade and Industry through a dedicated web site (<http://ministryoftextiles.gov.in/ermiudel/>). Various analytical reports on Prices of Textiles items, Production of Yarn/Cloth etc, Sectoral information of Cotton, Silk, Man Made Fibre, Jute, and Import/Export of Indian Textiles are available on the ERMIU web site along with Indian economy indicators. Latest information on the Policies, Plans, Budget, Schemes, Acts, Notifications and initiatives taken by the Ministry are made available on the web site of the Ministry (<http://ministryoftextiles.gov.in>). To enhance the participation of the Textiles Industry in governance, on-line feedbacks / comments are invited from the Industry on the website at the time of finalizing the various policies on Textiles sector. Various office automation applications like File Tracking System, Court Case Monitoring System, Monitoring of VIP references etc. are being maintained.

ICT implementation in other organization

Attached and subordinate offices under the Ministry have also upgraded their ICT infrastructure as per the requirement with

sophisticated LAN. These offices had enhanced their respective web sites with more users centric features. Various application forms required by the public or Trade community for submitting the proposal under different schemes are also provided on the site for downloading. Various statistical reports on the Industrial

database are also being published for the reference to the industry. To disseminate the information at the grass root level, field offices are equipped with Internet and Email facility. Awareness courses for the purpose are organized for officials to operate and deliver the services more effectively.



CHAPTER XIX
VIGILANCE ACTIVITIES

CHAPTER XIX

VIGILANCE ACTIVITIES

The Vigilance Unit of the Ministry is headed by a Chief Vigilance Officer (CVO) who is also Joint Secretary of the Ministry. The CVO is appointed on the advice of the Central Vigilance Commission. The CVO is the nodal point in the vigilance set up of the department and is entrusted with the following:-

- Identification of sensitive areas prone to malpractices/temptation and taking preventive measure to ensure integrity/efficiency in government functions;
- Taking suitable action to achieve the targets fixed by the Department of Personnel and Training on anti-corruption measures;
- Security of complaints and initiation of appropriate investigation measures;
- Inspections and follow up action on the same;
- Furnishing of comments of the Ministry to the Central Vigilance Commission on the investigation reports of the Central Bureau of Investigation;
- Taking appropriate action in respect of departmental proceedings on the advice of Central Vigilance Commission or otherwise;
- Obtaining second stage advice of the Central Vigilance Commission, wherever necessary; and
- Obtaining the advice of Union Public Service Commission in regard to the

nature and quantum of penalty to the imposed, wherever necessary.

There are also part time Vigilance Officers in the Attached and Sub-ordinate offices of the Ministry of Textiles. However, the overall responsibility of vigilance activities of these offices rests with the Chief Vigilance Officer of the Ministry of Textiles.

Preventive Vigilance continues to receive priority attention with emphasis primarily on identification of areas sensitive or prone to malpractices and temptation. The guidelines/instructions issued from time to time by the Department of Personnel and Training and the Central Vigilance Commission in this regard are followed. Action taken includes the following:-

- i) The areas of sensitive nature are identified in the Ministry and Surveillance is kept thereon.
- ii) Regular and Surprise Vigilance inspections are being carried out in the Ministry and the offices under its control, throughout the year.
- iii) Security measures have been strengthened appropriately.
- iv) The Agreed List and List of Public Servant of Doubtful Integrity are prepared.

Vigilance Awareness Period-2010 was observed in the Ministry of Textiles from 25th October to 1st November, 2010. During the Period, the Essay and Debate competitions were held. Discussions were

held on issues arising out of corruption. The main emphasis was on Preventive Vigilance and to create Awareness amongst Officers and staff of Ministry of

Textiles. The Period was also observed in the attached and sub-ordinate Offices of the Ministry and also by the Central PSUs and Statutory Boards.

CHAPTER XX

*OBSERVATIONS OF THE
COMPTROLLER AND
AUDITOR GENERAL OF INDIA*

CHAPTER XX

OBSERVATIONS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

MINISTRY OF TEXTILES

(Report No. 9 of 2010-11)

Non-establishment of Raw Material Bank for Silk Carpets in Jammu & Kashmir

In September 2003, the Ministry of Textiles approved a project, under the Prime Minister's Special Employment Package for Jammu & Kashmir, for setting up of Raw Material Bank (RMB) for silk carpets at a cost of Rs. 2.50 crore for direct distribution of Silk and other raw materials to artisans and weavers, which would enable two lakh carpet weavers to come out of the shadow of big yarn dealers and obtain full-time employment opportunities.

Audit found that even after five years of approval, the Ministry failed to ensure completion of the project for setting up the raw material bank. Instead of setting up a society for direct distribution of raw materials to art implementing agency (J&K Small Industries Development Corporation) identified two private firms in Kashmir, who were already enjoying a monopoly, and one firm in Jammu, which used the entire material for its own use. This defeated the objective of the scheme of enabling artisans and weavers to come out of the shadow of big yarn dealers.

(Pending)

(Report No. 9 of 2010-11)

Non-establishment of National Centres for Design and Product Development at Delhi and Moradabad

In October 1998, the Ministry approved a

proposal for setting up two National Centres for Design and Product Development (NCDPD) at Delhi and Moradabad at a cost Rs. 5.37 crore, primarily for land & buildings and other fixed assets. The objectives of establishment these centres were to assist in development of new designs, improve the quality of handicraft items produced by artisans, enrich and orient the industry to the finer aspects of design, and ensure acceptability of exportable handicrafts in international markets. The Ministry released Rs. 4.00 crore in installments between March 1999 and March 2006.

Audit found that the land for the two centres had not been acquired, even after 10 years of approval. The centre at Delhi continued to function from a temporary location, on the premises of another office of the Ministry, while the Moradabad centre had become non-functional since 2004. Even though the land for the centres had not been allotted, Rs. 2.45 crore had been utilized by NCDPD at temporary locations on various items (setting up of temporary infrastructure, acquiring fixed assets, setting up of office etc.), while Rs. 1.55 crore of Govt funds were lying unspent and had not been refunded, despite the Ministry rejecting the proposal for carry forward of grant.

(Pending)

(Report No. 9 of 2010-11)

Non-receipt of Utilisation Certificates

Lack of adequate and effective monitoring by the Development Commissioner

(Handicrafts) resulted in non-receipt of 1355 Utilisation Certificates (UCs) for Rs. 70.44 crore of grant-in-aid released upto 2006-07 to 808 organizations, which were to be submitted before March 2008. Further, in contravention of the General Financial Rules, the DC (H) released more grants to 161 organisations, despite non-receipt of UCs for the previous years, resulting in accumulation of outstanding UCs of Rs. 46.23 crore.

(Pending)

(Report No. 9 of 2010-11)

Deficiencies in setting up Common Facility Centres (CFCs) under Babasaheb Ambedkar Hastashilp Vikas Yojana (BAHVY)

The Development Commissioner (Handicrafts) DC(H), under the Ministry of Textiles, introduced the Babasaheb Ambedkar Hastashilp Vikas Yojana (BAHVY) in 2001-02 for integrated development of potential clusters of handicraft artisans, with the objectives of creating centres of excellence with forward and backward linkages; upgrading artisans' skills, and ensuring self-sustained and self-managed clusters of artisans. One of the components of BAHVY was the creation of Common Facility Centres (CFCs) at the cluster level to enhance production quality and quantity by using modern tools, equipment and techniques and increase economies of scale.

Audit found that out of the 95 CFCs sanctioned between 2001-02 and 2007-08, 61 CFCs were yet to be completed, despite release of Rs. 21.15 crore, and Rs. 8.18 crore was lying unspent were yet to be refunded. Out of the 61 incomplete CFCs, in 42 CFCs (where Rs. 7.75 crore had been released), the NGOs/Co-operative Societies executing the projects did not even seek grant of the second and subsequent installments, while in 13 CFCs (where Rs. 3.49 crore had been released),

the executing agencies did not seek grant of the third and subsequent installments. 30 CFCs were reported as completed by the DC (H); however, we found that these were treated as completed merely on the basis of release of the last installment, without ensuring that the projects were physically completed and CFCs were functional. Thus, the Ministry failed to effectively implement this scheme.

(Pending)

**Audit Report No. CA 9 of 2009-10
Para 20.1.1**

National Textiles Corporation Limited

Failure to claim concessional rate of custom duty under 'Project Imports' for machinery imported for expansion of mills resulted in excess payment of customs duty by Rs. 2.26 crore.

(Pending)

Audit Report No. PA 10 of 2010-11

Jute Corporation of India Limited

Fulfillment of socio-economic objectives

Jute Corporation of India (company) was set up in 1971 with the main aim of providing **Minimum Support Price (MSP) to the jute farmers and to serve as a stabilizing agency** in the raw jute sector. The company procures jute from the farmers at MSP and supplies to the jute mills. The performance audit, covering a period of six years (2003-2009), was conducted to assess whether the company implemented the price support operations effectively to ensure remunerative prices to the jute farmers. Audit sample covered 26 Departmental Purchase Centres (DPC) out of 171 DPCs in six major jute growing states. A number of deficiencies mentioned below were noticed in the functioning of the company:

- The company procured only 0.99 per

cent to 10.4 per cent of available jute in India during the six years (2003-09). Thus, the company could not play any significant role in price stabilization and in ensuring remunerative prices to the jute farmers.

- The analysis regarding total estimated production and stock of the raw jute is made by the Jute Advisory Board in advance. The company, however, did not formulate any business plan, based on this information.
- Out of 500 centres where jute trading takes place, the company operates in 171 centres and had appointed co-operative societies in 40 centres for carrying out MSP operation on its behalf. Thus, total coverage by the company is only 43 per cent of the jute centres. Geographical location of some of the centres is not convenient to farmers resulting in long distance travel and extra cost to the farmers and even distress sale in the local markets.

- Due to the lack of storage facilities, some centres stopped procurement on several occasions which forced the farmers to go in for sale to the middlemen at lower prices.
- The Company could not enhance its turnover and suffered losses in all years from 2004-05 to 2007-08 excepting the year 2004-05. The company continued to depend on subsidies. GOI reimbursed Rs. 36.59 crore for overhead costs for 2007-08 and regularized grants of Rs. 147.06 crore released from 2003-04 to 2007-08.

The per quintal operational expenses of the company are Rs. 409 which are higher than the operational expenses of Rs. 367 of private traders. Though the Company's present price support operations cannot be called effective, there is tremendous scope to rectify efficiencies in its functioning.

(Pending)

Table 20.1
COMMERCIAL PARAS

| S. No. | Report No. | Audit Para No. | Subject | Current Status |
|--------|--------------------------------|----------------|---|--------------------|
| 1. | 2 of 2005 | 2.1.54 (v) | The title deed in respect of properties at New Delhi and Chennai, were not registered in the name of company. | Pending with audit |
| 2. | 3 of 2005 (Commercial) | 21.1.1 | Irregular payment of ex-gratia | Pending |
| 3. | | 21.1.2 | Avoidable expenditure on regularization of contact labour | Pending |
| 4. | 4 of 2005 (Commercial) | 14.5.1 | Sale of surplus land and building | Pending |
| 5. | | 14.5.2 | | |
| 6. | | 14.6.1 | | |
| 7. | | 14.6.2 | | |
| 8. | | 14.6.3 | | |
| 9. | | 14.7.1 | | |
| 10. | 11 of 2006 (Commercial) | 1.5.31 (2) | Overstatement of sales and purchases by The Handicrafts & Handlooms Exports Corporation of India Limited | Pending with audit |
| 11. | | 1.5.32 | Non deposit of PF, ESI etc by National Textile Corporation (APKK&M) Limited | Pending |
| 12. | | 2.1.9 (1) | The Handicrafts and Handlooms Exports Corporation of India Limited, delegation of financial powers needs to be reviewed and timely recovery of outstanding dues needs to be improved. | Pending with audit |
| 13. | 9 of 2007 (Commercial) | 1.1.5 | Accounts in arrears | Pending |
| 14. | | 2.4.4.4 | Financial Reporting by PSUs | Pending with audit |
| 15. | | 2.6.1.8 | Financial Reporting by PSUs | Pending |
| 16. | 11 of 2007 (Commercial) | 19.2.1 | Irregularity in implementation of Modified Voluntary Retirement Scheme | Pending with audit |

| S. No. | Report No. | Audit Para No. | Subject | Current Status |
|--------|-----------------------------------|----------------|---|--------------------|
| 17. | 9 of 2008 (Commercial) | 4.2.2 | PSUs | Pending |
| 18 | | 3.7.1 | Non official Directors on the board of unlisted Government companies | Pending |
| 19 | | 2.4.4.6 | Observation on quality of financial statements | Pending with audit |
| 20 | | 2.4.4.4 | Qualifications on the accounts of unlisted Government companies including deemed government companies by the statutory auditors | Pending with audit |
| 21 | | 2.5 | Internal control over financial reporting | Pending with audit |
| 22. | | 2.6 | Compliance with Accounting Standards | Pending with audit |

CIVIL

| S. No. | Report No. | Para No. | Subject | Current Status |
|--------|-------------------|-----------------|--|--------------------|
| 1. | 2 of 2004 | 10.1 | Recovery at the instance of audit (Special Jute Development Fund) | Pending with audit |
| 2. | 1 of 2008 | 15.1 | Non-compleioin of Urban Haats | Pending with audit |
| 3. | 1 of 2008 | 15.2 | Deficient Property management (NCJD) | Pending with audit |
| 4. | 1 of 2008 | 15.3 | Outstanding contingent advances | Pending |
| 5. | 2 of 2008 | 9.1 | Unnecessary expenditure (NCJD) | Pending with audit |
| 6. | 20 of 2010 | 3.2.1 | Catalyctic Development Programme of Central Silk Board | Pending |
| 7. | | 3.2.3 | | |
| 8. | | 3.4.1 | | |
| 9. | | 3.4.2.1 | | |
| 10. | | 3.4.3.1 | | |
| 11. | 20 of 2010 | 4.10.1 | Role of National Centre for Jute Diversification in promotion of Jute Diversified Products | Pending |
| 12. | | 4.10.2 & 4.10.4 | | |
| 13. | | 4.11.2 | | |
| 14. | | 4.12.1 & 4.12.2 | | |
| 15. | | 4.13-4.15 | | |

CHAPTER XXI
PERSONS WITH DISABILITIES

CHAPTER XXI

PERSONS WITH DISABILITIES

The undersigned of persons with various disabilities in various posts in Group 'A' , 'B', 'C' and 'D' against the 3% Vacancies to be reserved for them under Section 33 of PWD Act is given at table (as on 31.03.2010).

Table 21

| S. No. | Office/Organisation | Group A | | Group B | | Group C | | Group D | |
|--------|--|---------|-----|---------|-----|---------|-----|---------|-----|
| | | SS | PWD | SS | PWD | SS | PWD | SS | PWD |
| 1. | Jute Manufactures Development Council (JMDC) | 5 | - | 10 | - | 25 | - | - | - |
| 2. | National Handloom Development Corporation Limited (NHDC) | 49 | - | 60 | - | 62 | 1 | 20 | 2 |
| 3. | O/o The Jute Commissioner | 11 | - | 13 | - | 58 | - | 21 | - |
| 4. | The Jute Corporation of India Ltd. (JCI) | 56 | 2 | 92 | 1 | 708 | 9 | 187 | 2 |
| 5. | The Cotton Corporation of India Ltd. | 81 | - | 83 | 3 | 1191 | 13 | 152 | 4 |
| 6. | Central Wool Development Board (CWDB) | 2 | - | 10 | - | 9 | - | 7 | - |
| 7. | Textiles Committee | 80 | - | 173 | 1 | 222 | 2 | 88 | - |
| 8. | O/o The DC (Handloom) & its Organization | 84 | - | 116 | 1 | 562 | 6 | 318 | 3 |
| 9. | Sardar Vallabhabhai Patel Institute of Textile Management (SVPITM) | - | - | - | - | - | - | - | - |
| 10. | National Institute of Fashion Technology (NIFT) | 101 | 1 | 265 | - | 632 | 1 | - | - |
| 11. | Central Silk Board (CSB) | 949 | 9 | 1618 | 24 | 1706 | 29 | - | - |
| 12. | O/o The Textile Commissioner | 61 | - | 175 | 2 | 284 | 4 | 155 | 2 |

| S. No. | Office/Organisation | Group A | | Group B | | Group C | | Group D | |
|--------|---|---------|-----|---------|-----|---------|-----|---------|-----|
| | | SS | PWD | SS | PWD | SS | PWD | SS | PWD |
| 13. | The Handicrafts & Handloom Export Corp. of India Ltd. | 47 | - | 78 | - | 68 | 2 | 21 | - |
| 14. | O/o The Commissioner of Payments | 1 | - | 1 | - | 3 | - | 4 | - |
| 15. | National Centre for Jute Diversification (NCJD) | 3 | - | 5 | - | 8 | - | - | - |
| 16. | Birds Jute & Export Limited (BJEL) | - | - | - | - | - | - | - | - |
| 17. | O/o DC (Handicrafts) | 43 | - | 199 | - | 354 | 2 | 628 | 3 |
| 18. | National Jute Manufactures Corporation Limited (NJMC) | - | - | - | - | - | - | - | - |

SS - Sanctioned Strength

No. of PWD - Number of Persons with disabilities employed



Ministry of Textiles

Government of India
www.ministryoftextiles.gov.in