



GOVERNMENT OF INDIA

OUTCOME BUDGET

2010-2011

MINISTRY OF TEXTILES

	CONTENTS	Page No.
	EXECUTIVE SUMMARY	1-2
CHAPTER I	INTRODUCTION, MANDATE, GOALS, OBJECTIVES AND FUNCTIONS OF THE MINISTRY	3-8
CHAPTER II	STATEMENT OF OUTLAYS AND OUTCOMES/TARGETS 2010-11	9-32
CHAPTER III	REFORM MEASURES AND POLICY INITIATIVES	33-34
CHAPTER IV	REVIEW OF PHYSICAL PERFORMANCE	35-55
CHAPTER V	FINANCIAL REVIEW	56-60
CHAPTER VI	PERFORMANCE OF STATUTORY AND AUTONOMOUS BODIES	61-75

EXECUTIVE SUMMARY

The Ministry of Textiles came into independent existence in 1989 after its separation from the Ministry of Commerce. Textile Industry occupies a unique position in our economy and psyche. The fate of rural economy and the fortune of major fibre crops and crafts-cotton, wool, silk, Handicrafts and Handlooms, which employs millions of farmers and craft persons in rural and semi-urban areas, depend on textile industry. Textile sector provides employment next only to agriculture.

The Ministry of Textiles is responsible for policy formulation, planning, development export promotion and trade regulation in respect of the textile sector. This includes all natural and manmade cellulosic fibers that go into the making of textiles, clothing and handicrafts.

The developmental activities of the Ministry are oriented towards making adequate quantities of raw material available to all sectors of the textile industry and augmenting the production of fabrics at reasonable prices from the organized and decentralised sectors of the industry. Towards this objective, the Ministry lays down guidelines for a planned and harmonious growth of various sectors of the industry. Special emphasis is given to the development of handlooms in view of its large employment potential. The Ministry monitors the techno-economic status of the industry and provides the requisite policy framework for modernisation and rehabilitation. The Ministry coordinates the activities of Textiles Research Associations and lends financial support to them for undertaking research and development.

The Indian textiles industry contributes substantially to India's exports earnings. The export basket consists of wide range of items containing cotton yarn and fabrics, man-made yarn and fabrics, wool and silk fabrics, made-ups and variety of garments. India's textile products, including handlooms and handicrafts, are exported to more than a hundred countries. However, the USA and the EU, account for about two-thirds of India's textiles exports. The other major export destinations are Canada, U.A.E., Japan, Saudi Arabia, Republic of Korea, Bangladesh, Turkey, etc.

In the post-quota period, India has emerged as a major sourcing destination for new buyers. As a measure of growing interest in the Indian textile and clothing sector a number of buyers have opened their sourcing/ liaison office in India. 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. India's textiles & clothing (T&C) export registered robust growth of 25% in 2005-06, recording a growth of US\$ 3.5 billion in value terms thereby reaching a level of US\$ 17.52 billion and the growth continued in 2006-07 as T&C exports were US\$19.15 billion recording an increase of 9.28% over previous year. Though India's T&C exports in 2007-08 at US\$ 22.13 billion were badly affected by strong appreciation of the Indian rupee against the US dollar, it still managed to record a healthy growth of 15.59% in US dollar terms (in rupee terms, the growth was about 2.76%).

India's textiles exports at US\$ 20.94 billion observed a decline of 5.45% in 2008-09 over 2007-08 as the recessionary trends were observed in India's major markets i.e. the US and the EU. As per the latest available provisional figures of the DGCI&S, India's textiles exports during the first half of the financial year 2009-10 have also seen a decline of 15.25 % over the textiles exports during corresponding period of the previous year.

Outcome Budget 2010-11 is designed to provide an indicator of the relationship between estimated outlay and expected outcomes as an integral part of the Budget and thus acts as a tool for management and as an instrument of evaluation of performance. The Outcome Budget presents the budget of the Ministry in terms of functions, programmes and activities, correlating the physical and financial aspects of the individual items comprising the Budget.

The Outcome Budget document covers all the developmental activities of the Ministry. It is intended to highlight the programmes and activities undertaken by the Ministry, targets and achievements for 2009-10 and target set for 2010-11, wherever possible. Scheme of chapters in the document is as follows-

CHAPTER I: A brief introductory note on the functions of the Ministry/Department, organizational setup, programmes/schemes implemented by the Ministry, its mandate, goals and policy framework.

CHAPTER II: This chapter contains a tabular format which comprises of the financial outlays, projected physical outputs and projected/budgeted outcomes.

CHAPTER III: Detail reform measures and policy initiatives and how they relate to the intermediate outputs and final outcomes in areas such as public private partnerships, alternate delivery mechanisms, social and gender empowerment processes, greater decentralization, transparency, etc.

CHAPTER IV: Contains physical performance explaining the scope and objectives of individual programmes/schemes, giving their physical targets and achievements.

CHAPTER V : Financial Review indicates overall trends in expenditure vis-à-vis Budget Estimates/Revised Estimates, position of outstanding utilization certificates.

CHAPTER-VI : Review of performance of Statutory and Autonomous Bodies under the administrative control of this Ministry.

It may be mentioned that the Ministry has an elaborate monitoring mechanism to watch the progress of expenditure. This is done at weekly intervals by a high level team comprising Special Secretary and Financial Advisor and Secretary. Instructions have been issued that the progress of expenditure should be even through out the year.

* * *

CHAPTER I

INTRODUCTION

The Ministry of Textiles is responsible for policy formulation, planning development, export promotion and trade regulation of the textile industry.

The Government is committed to a strong and vibrant Textile Industry which would contribute significantly to production and employment and thereby promote economic growth. Production would entail the competitiveness both in price and quality in the wake of liberalization of textile trade globally. The Indian textile industry has to consolidate its strength, overcome its weaknesses and be well equipped to not only face the onslaught of imports but also carve a niche for itself in the world market. Policies and programmes have been formulated to enable the textile industry to rise to global standards. The industry has been largely freed from the shackles of controls and regulations to enable it to perform in a more competitive environment. Foreign Direct Investment (FDI) will have a critical role in getting world class state-of-the-art manufacturing capability even while conforming to environmental standards. A strong multi-fibre base has to be developed and both product upgradation and diversification have to be given due attention. Human Resource Development has to be an integral part of any developmental programmes. Hence, there is a need not only to sustain and strengthen traditional knowledge skills, and capability of textile workers but also to identify areas where under the changed scenario new skills need to be developed and training needs to be imparted. Mapping of the human resource requirements of the textile industry to facilitate the creation of a pool of skilled labour to meet the growing requirements of the industry is one of the critical tasks to be undertaken. Textile industry is a multi fibre user . Owing to several factors progress has been uneven which needs to be remedied. A proactive role has to be played in promoting and facilitating adoption of IT in textile industry and trade considering the vital role of IT in the global economic environment. The fiscal policies have to be tuned to create a level playing field within the sub-sectors of the industry. In these variegated tasks, the stakeholders including the central and state government's financial institutions, industry and non-government organizations have to work in unison to translate these several objectives into concrete achievements.

The strategic thrust will be on :

- Technological Upgradation;
- Enhancement of productivity;
- Quality Consciousness;
- Strengthening of raw- material base;
- Product diversification;
- Increase in exports and innovative marketing strategies;
- Financing arrangement;
- Maximizing employment opportunity;
- Integrated human resource development.

The important targets and outputs to be met include the following :-

1. To ensure the growth of the Indian textile industry at 8-10 percent per annum in value terms, to US\$ 52 billion (export of US\$ 52 billion and domestic market of US\$ 21 billion).
2. To secure a 7 percent share in global textile trade by the end of the Eleventh Five Year Plan.
3. Create 10 million new jobs in the Textile Sector;

4. To build world class, state-of-the-art, manufacturing capacities and achieve a predominant global standing in manufacture and export of textiles and clothing.
5. To enable Textiles Small & Medium Enterprises (SMEs) to achieve competitiveness to face the global scenario with confidence.
6. To provide a conducive policy environment which will encourage innovation, augment R&D efforts, and enhance productivity through the upgradation of technology, manufacturing processes and the development of human resources.
7. Make an additional investment of Rs. 1,50,600 crore for modernization and consolidating the Textile Industry to make it globally competitive.
8. Encourage the private sector to set up world class environment friendly, integrated textile complexes and textile processing units in different parts of the country.
9. Strengthen and encourage the handloom industry to produce value added items.
10. Facilitate the growth and strengthen HRD Institutions including NIFT (National Institute of Fashion Technology) on innovative lines.
11. Re-design and revamp the Schemes and Programmes initiated in the decentralised sectors to ensure better returns for those belonging to the disadvantaged categories, and the North East and other backward regions of the country.

ORGANISATIONAL STRUCTURE

The Ministry of Textiles is headed by a Secretary who is assisted in the discharge of his duties by four Joint Secretaries and the Development Commissioners for Handlooms and Handicrafts, Textile Commissioner and Jute Commissioner.

The principal functional areas of the Ministry cover the following:

- Textile Policy & Coordination
- Man-made Fiber/ Filament Yarn Industry
- Cotton Textile Industry
- Jute Industry
- Silk and Silk Textile Industry
- Wool & Woollen Industry
- Decentralised Powerloom Sector
- Export Promotion
- Planning & Economic Analysis
- Integrated Finance Matters
- Information Technology

II. ATTACHED AND SUBORDINATE OFFICES

1. ATTACHED OFFICES :

(i). OFFICE OF THE DEVELOPMENT COMMISSIONER FOR HANDLOOMS

This office is headed by the Development Commissioner for Handlooms. It implements various schemes for the promotion and development of the handloom sector and has been providing assistance to handloom weavers in a variety of ways. Its subordinate offices are - Weavers' Service Centers, Indian Institutes of Handloom Technology and the Enforcement Machinery for implementation of The Handlooms (Reservation of Articles for Production) Act, 1985.

(ii). **OFFICE OF THE DEVELOPMENT COMMISSIONER FOR HANDICRAFTS**

The office is headed by the Development Commissioner for Handicrafts. The office supports the State Governments with the developmental schemes for the handicraft sector. It has six regional offices at Mumbai, Kolkata, Lucknow, Chennai, Guwahati and New Delhi.

2. **SUBORDINATE OFFICES:**

a) **OFFICE OF THE TEXTILE COMMISSIONER**

The office of the Textile Commissioner has its headquarters at Mumbai with 8 regional offices throughout the country. The office is headed by the Textile Commissioner. The Textile Commissioner acts as the principal technical advisor to the Ministry. This office is entrusted with the responsibility of implementation of various regulatory orders. Through a network of regional offices, the Textile Commissioner carries out techno-economic surveys and advises the Government about the general economic health of the textile industry. The developmental activities of the Office of the Textile Commissioner centre around planning the growth and overall development of the textile sector. Fourteen Powerloom Service Centres are functioning under the administrative control of the Textile Commissioner. The Textile Commissioner also supervises the work of thirty Powerloom Service Centres run by TRAs and State Government agencies. This office also implements and monitors various developmental and promotional schemes like the Technology Up-gradation Fund Scheme for the textile and Jute Industry, the Textiles Workers Rehabilitation Fund Scheme(TWRFS) and the Technology Mission on Cotton etc.

b) **OFFICE OF THE JUTE COMMISSIONER**

This office is headed by the Jute Commissioner. Located at Kolkata, this office is entrusted with the responsibility of implementing the policies of the Government in jute sector. Just as the Textile Commissioner acts as the principal technical adviser to the Ministry on textile industry, the Jute Commissioner gives technical advice to the Ministry on all matters relating to the jute industry including the jute machinery industry.

III. LIST OF OTHER ORGANISATIONS/BODIES UNDER THE MINISTRY OF TEXTILES

PUBLIC SECTOR UNDERTAKINGS

- i) National Textiles Corporation Ltd., New Delhi.
- ii) The British India Corporation Ltd., Kanpur.
- iii) The Elgin Mills Ltd., Kanpur.
- iv) Cownpore Textiles Mills Ltd., Kanpur.
- v) Cotton Corporation of India Ltd. Mumbai.
- vi) Jute Corporation of India Ltd., Kolkata
- vii) Birds Jute Exports Ltd., Kolkata
- viii) National Jute Manufacturers Corporation, Kolkata
- ix) Handicrafts and Handlooms Export Corporation
- x) Central Cottage Industries Corporation, New Delhi.
- xi) National Handloom Development Corporation Ltd., Lucknow.

TEXTILE RESEARCH ASSOCIATIONS

- i) Ahmedabad Textile Industry 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
- v) Silk and Art Silk Mills Research Association(SASMIRA), Mumbai
- vi) Man-made Textile Research Association(MANTRA), Surat
- vii) Indian Jute Industries Research Association(IJIRA), Kolkata
- viii) Wool Research Association, Thane

EXPORT PROMOTION COUNCILS

- i) Handloom Export Promotion Council, Chennai
- ii) Apparel Export Promotion Council, New Delhi
- iii) Cotton Textile Export Promotion Council, Mumbai
- iv) The Synthetic and Rayon Textiles Export Promotion Council, Mumbai
- v) Indian Silk Export Promotion Council, Mumbai
- vi) Wool and Woollens Export Promotion Council, New Delhi
- vii) Carpet Export Promotion Council, New Delhi
- viii) Export Promotion Council for Handicrafts , New Delhi
- ix) Powerloom Development & Export Promotion Council
- x) Wool Industry Export Promotion Organisation
- xi) Jute Manufactures Development councils

ADVISORY BODIES

- i) Development Council for Textile Industry
- ii) Cotton Advisory Board
- iii) Jute Advisory Board
- iv) Coordination Council for Textile Research Association
- v) All India Handloom Board
- vi) All India Handicrafts Board
- vii) All India Powerloom Board
- viii) Advisory Committee under Handlooms (Reservation of Articles for production Act) 1985

AUTONOMOUS BODIES.

- i) Central Wool Development Board
- ii) National Institute of Fashion Technology
- iii) Sardar Vallabhbhai Patel Institute of Textiles Management, Coimbatore.

STATUTORY BODIES

- i) Commissioner of Payments, New Delhi
- ii) Textiles Committee, Mumbai
- iii) Jute Manufacturers Development Council, Kolkata
- iv) Central Silk Board, Bangalore

MAJOR SCHEMES

Technology Upgradation Fund Scheme (TUFS), Textile Workers' Rehabilitation Fund Scheme (TWRFS), Scheme for Integrated Textiles Parks (SITP), Technology Mission on Cotton (TMC), Schemes for Development of Handlooms, Schemes For Development of Handicrafts, Schemes For Development of Sericulture, Development of Mega Clusters for Handloom, Handicraft & Powerloom, Wool, Powerloom, Jute Technology Mission, HRD Scheme, Technical Textiles etc.

HIGHLIGHTS OF GROWTH OF TEXTILE SECTOR

At present textile sector contributes about 13% to industrial production and about 13% to the country's export earnings.

Production of Cloth

The cloth production during 2007-08 was 56025 mn. sq. mtr. The compound annual growth rate during the last five years works out to 5.34%. The total production of cloth by all sectors i.e. mill, power loom, handloom, hosiery and khadi, wool and silk is anticipated to be 54,966 million sq. mtrs, during 2008-09 (Prov.) due to slowdown in economy.

Per Capita availability of Cloth

The per capita availability of cloth during 2007-08 was 41.85 sq.mtrs, compared to 39.60 during the previous year. During the year 2008-09 per capita availability of cloth was 39.01 (prov.)

Textile exports

The textile products continue to hold an important role in the Indian exports. The latest status of exports of textiles from the country are given in the Table below :-

Table- 1.1

ITEMS	2006-2007		2007-2008		2008-2009		April – July			
							2008-2009		2009-2010	
	Rs. Crore	Mn US \$	Rs. Crore	Mn US \$	Rs. Crore	Mn US \$	Rs. Crore	Mn US \$	Rs. Crore	Mn US \$
Readymade Garments	40237	8884	39001	9692	50291	10954	16002	3806	16896	3476
Cotton Textiles	25197	5564	27600	6859	21808	4750	8436	2007	5797	1193
Man-made textiles	10863	2399	12783	3177	15088	3286	5332	1268	5815	1196
Wollen Yarn, Fabrics, Madeups Etc	385	85	374	93	457	99	157	37	141	29

Silk Textiles	2000	442	1553	386	1669	364	570	136	451	93
TOTAL	78682	17374	81313	20207	89313	19453	30497	7254	29100	8987
Handicrafts	6181	1365	5844	1452	4940	1076	1747	416	1227	252
COIR & COIR MANUFACTURES	660	146	645	160	681	148	225	54	233	48
Jute	1178	260	1319	328	1376	300	525	125	335	69
TOTAL	8019	1771	7808	1940	6997	1524	2497	595	1795	369
GRAND TOTAL	86701	19145	89121	22147	96310	20977	32994	7849	30895	6356

Source : Foreign Trade Statistics of India (Principal Commodities & Countries).

Chapter II
Statement of Outlays and Outcomes/Targets (2010-11)

(Rs. In crore)

S. No.	Name of the Scheme/ Programme.	Objective/Outcome	Outlay 2010-11			Quantifiable/ Deliverables/ Physical Outputs	Projected Outcome	Processes/ Timelines	Remarks/Risk Factors
			4 (i)	4 (ii)	4 (iii)				
1	2	3	4			5	6	7	8
			Non-Plan	Plan	Complimentary Extra Budgetary Resources				
1	Secretariat – Economic Services	The Ministry is responsible for policy formulation, planning and trade regulations of the Textile Industry .	15.42	-	-				Administrative Expenditure

S. No .	Name of the Scheme/ Programme.	Objective/Outcome	Outlay 2010-11			Quantifiable/ Deliverables/ Physical Outputs	Projected Outcome	Processes/ Timelines	Remarks/Risk Factors
2	Integrated Handloom Development Scheme Components:	i. Focus on formation of weavers group as a visible entity. ii. To develop the handloom Weavers Groups to become self-sustainable. iii. Inclusive approach to cover weavers both within and outside the Co-operative fold, iv. Skill up-gradation of handloom weavers/ workers to produce diversified products with improved quality to the meet the market requirements,		125.00	-	100 clusters 8,00,000 Weavers	100 clusters 8,00,000 weavers	3 years	Scheme was approved on 26 th November, 2007.

S. No .	Name of the Scheme/ Programme.	Objective/Outcome	Outlay 2010-11			Quantifiable/ Deliverables/ Physical Outputs	Projected Outcome	Processes/ Timelines	Remarks/Risk Factors
		v. provide suitable workplace to weavers to enable them to produce quality products with improved productivity, vi. holistic and flexible intervention to provide need based inputs specific to each cluster, vii. Market orientation by associating entrepreneurs and professionals for marketing, design and Managing the production, and viii. facilitate process of credit from financial institutions / banks.							

S. No	Name of the Scheme/ Programme.	Objective/Outcome	Outlay 2010-11			Quantifiable/ Deliverables/ Physical Outputs	Projected Outcome	Processes/ Timelines	Remarks/Risk Factors
3.	Marketing & Export Promotion Scheme	Marketing & Export Promotion Scheme is an integrated scheme including component for Publicity and Awareness, setting up of Marketing Complexx, setting up of Urban Haats and organisation of Exhibition and Fairs through various handloom agencies to promote the marketing of handlooms in the country and to improve levels of awareness among handloom weavers and the general public in the interest of overall development of the handloom sector.	-	57.00	-	100 National H/L Expo and Spl.H/L Expos 01 National Award 400 Distt. Level Events. 09 Craft Melas _ Geographical Indication Act.- 20 items. 02- Urban Haat 15-Export Project 10- Participation in International Fairs. 01 Marketing Complex (Janpath)	100 National H/L Expo and Spl.H/L Expos 01 National Award 400 Distt. Level Events. 09 Craft Melas Geographical Indication Act.- 20 items. 02- Urban Haat 15-Export Project 10- Participation in International Fairs. 01 Marketing Complex (Janpath)	One Year 18 months. 2 years. One year, One year.	.

S. No	Name of the Scheme/ Programme.	Objective/Outcome	Outlay 2010-11			Quantifiable/ Deliverables/ Physical Outputs	Projected Outcome	Processes/ Timelines	Remarks/Risk Factors
4.	Handloom Weavers Comprehensive Welfare Scheme <i>Component:</i>		-	170.00	-				
	<i>i. Health Insurance Scheme</i>	To provide medical insurance to Handloom Weavers				21.00 Lakh Weavers	21.00 Lakh Weavers	One year	
	<i>ii. Mahatma Gandhi Bunkar Bima Yojana</i>	To provide Life Insurance cover to the Handloom Weavers				6.00 lakh Weavers	6.00 lakh Weavers	One year	
5.	Weavers Service Centre	25 Weaver' Service Centers play a vital role in conducting research and development, in imparting training to weavers to up-grade their skill and increase their productivity.	27.94	-	-				The provision is for establishment related expenditure.
6.	Mill Gate Price Scheme	To provide all types of yarn to handloom weavers through NHDC	-	54.00	-	1050 lac kg of yarn to be supplied	1050 lac kgs of yarn to be supplied	One year	

S. No.	Name of the Scheme/ Programme.	Objective/Outcome	Outlay 2010-11			Quantifiable/ Deliverables/ Physical Outputs	Projected Outcome	Processes/ Timelines	Remarks/Risk Factors
7.	Scheme for reimbursement of one time rebate @ 10% given by the handloom agencies on sale of handloom cloth	The scheme envisages reimbursement of 10% rebate to National/ State Level Handloom Corporations / Apex Societies on sale of accumulated handloom cloth.	0.03	-	-				
8.	Diversified Handloom Development Scheme Components		-	20.00	-				
	<i>Design Exhibition-cum-Dyeing Workshops</i>	To extend assistance and disseminate information on dyeing and design aspects and create awareness about the Government initiatives for the Handloom sector among the Handloom weaver.				To conduct 250 Nos. of Design exhibition – cum- dyeing workshops through WSCs	250 Nos. of workshops		

S. No.	Name of the Scheme/ Programme.	Objective/Outcome	Outlay 2010-11			Quantifiable/ Deliverables/ Physical Outputs	Projected Outcome	Processes/ Timelines	Remarks/Risk Factors
	Third National Handloom Census & Issue of Identity Cards to Handloom Weavers and allied workers	To ensure that genuine weavers get benefits of various Govt. Schemes				All the handloom weavers across the country will be covered	50 lakh photo I-Card will be issued	21 months	
	Other Schemes of Handloom		21.25	-	-				Administrative Expenses
	Handicraft Industry								
9.	Training and Extension	The main objective of the scheme is to enhance the capacity building of artisans, NGO etc., and to meet the administrative expenditure of departmental training centers.	35.00	-	-				

S. No.	Name of the Scheme/ Programme.	Objective/Outcome	Outlay 2010-11			Quantifiable/ Deliverables/ Physical Outputs	Projected Outcome	Processes/ Timelines	Remarks/Risk Factors
10.	Design and Technical Up-gradation	The scheme aims at up-gradation of artisans' skill through development of new design and supply of prototypes of improved/modern equipments to the craft persons, revival of rare crafts to preserve the traditional Heritage.	39.37	16.73	-	150 Design Workshops. 35 Design Projects, 3 SIDCs, 6 Design Banks		One year	Non Plan provision is for Administrative Expenses
11.	Baba Saheb Ambedkar Hastship Vikas Yojana	The scheme aims at promoting Indian handicrafts by developing artisans' clusters into professionally managed and self reliant community enterprises on the principles of effective member participation and mutual cooperation	-	72.82	-	120 New Clusters		One years	

S. No	Name of the Scheme/ Programme.	Objective/Outcome	Outlay 2010-11			Quantifiable/ Deliverables/ Physical Outputs	Projected Outcome	Processes/ Timelines	Remarks/Risk Factors
12.	Marketing Support and Services	To develop, expand and sustain Marketing of Handicrafts with the objective of augmenting the employment and income of Craftspersons & to provide assistance to Council and Handicrafts. Dev. Corpn. For enhancement of Market share of Handicrafts in global markets, conducting Market research, workshops and seminar in India and abroad	12.41	75.00	-	Domestic : 212 Marketing events, International Participation in 65 events		One year	Non Plan provision is for Administrative Expenses
13.	Handicraft Artisans Comprehensive Welfare Scheme	The objective of the scheme is to provide life insurance protection to the Handicraft Artisans between the age group of 18-60 years. To facilitate credit flow.	4.49	84.11	-	Bima Yojana for 1 lakh artisans and RGSSBY for 8.40 lakh artisans.		One year	Non Plan provision is for Administrative Expenses

S. No	Name of the Scheme/ Programme.	Objective/Outcome	Outlay 2010-11			Quantifiable/ Deliverables/ Physical Outputs	Projected Outcome	Processes/ Timelines	Remarks/Risk Factors
			-	12.00	-				
14.	Research & Development	To conduct studies for feedback on economic and social and aesthetic and promotional aspect of Handicrafts.	-	12.00	-	Census of handicrafts artisans.		One Year	
15.	Human Resource Development	To provide training in special fields to staff working in O/o DC(H) and NGOs in Admn., IT, finance management and implementation of the projects.	-	19.34	-	Training Programme through Institutions-18 Programmes under Guru Shishya Prampara-108 WS/Seminar 16 Capacity Building-111 Pattern making-186		One year	
16.	Others	Construction of building	7.98	6.00	-				Non Plan provision is for Administrative Expenses

S. No .	Name of the Scheme/ Programme.	Objective/Outcome	Outlay 2010-11			Quantifiable/ Deliverables/ Physical Outputs	Projected Outcome	Processes/ Timelines	Remarks/Risk Factors
	Wool Industries								
17.	Wool Development Board	<p>Providing financial assistance for sheep health improvement, improving of quality of wool through breed improvement, mechanized shearing, washing, grading etc.</p> <p>Insurance cover to shepherds and sheep.</p> <p>Promotion of angora and pashmina wool,</p> <p>Organising Expos, Shepherded Training and setting up of Common Facility Centre</p>	1.50	15.00	-	<p>9,00,000 sheeps</p> <p>200 persons trained</p>			Non Plan provision is for Administrative Expenses

S. No.	Name of the Scheme/ Programme.	Objective/Outcome	Outlay 2010-11			Quantifiable/ Deliverables/ Physical Outputs	Projected Outcome	Processes/ Timelines	Remarks/Risk Factors
18.	Central Silk Board	The Board is assisted for the development of silk industry. The Board works in three broad areas of R&D, Seed Management, and Development of Sericulture & Silk Industry to support, supplement & facilitate the efforts of the State Government. It also extends support to states in the form of joint projects.	203.00	320.00	-			One year	Non Plan provision is for Administrative Expenses

S. No	Name of the Scheme/ Programme.	Objective/Outcome	Outlay 2010-11			Quantifiable/ Deliverables/ Physical Outputs	Projected Outcome	Processes/ Timelines	Remarks/Risk Factors
19.	Powerloom Industries								
	<i>i. Modernisation & Up-gradation of Powerloom Service Center</i>	To provide modern loom, accessories, training and teaching aids and other associated facilities.	2.80	18.00	-	Modernisation Lab. Equipment Infrastructure Teaching aids construction of own Building.			
	<i>ii. Support to Computer Aided Design</i>	For facilitating the creation of new design, improving the existing designs and 17 Computer Aided Design Centers were set up. Out of these , 16 centers have been completed.				2 CADs to be set up	2 CADs		
	<i>iii. Group Insurance Scheme</i>					To cover 1.39 lakh workers during 2010-11..			
	<i>iv. Group Workshed Scheme</i>	To improve working environment and to enhance the productivity of powerloom weaver through infrastructure development and moderization.				28 projects approved, under implementation.			

S. No.	Name of the Scheme/ Programme.	Objective/Outcome	Outlay 2010-11			Quantifiable/ Deliverables/ Physical Outputs	Projected Outcome	Processes/ Timelines	Remarks/Risk Factors
	Consumer Industry								
20.	Assistance to Textile Committee	Its functions are promotion of exports, research in technical and economic fields, consultancy, establishing standards for textiles and textile machinery, setting up of laboratories, and data collection etc..	21.00	-	-				Non Plan provision is for Administrative Expenses
21.	Payment to Jute Manufactures Development Council (JMDC) against collection of cess	The objective of JMDC is to increase efficiency and productivity in the jute industry, and finance activity for such development and for matters connected therewith.	46.51	-	-				Non Plan provision is for Administrative Expenses and development of jute industry such as Training, Market Promotion etc.,

S. No.	Name of the Scheme/ Programme.	Objective/Outcome	Outlay 2010-11			Quantifiable/ Deliverables/ Physical Outputs	Projected Outcome	Processes/ Timelines	Remarks/Risk Factors
22.	Textile Commissioner	The Commissioner acts as the principal technical advisor to the Ministry. This office is entrusted with the responsibility of implementing various regulatory orders.	20.84	-	-				Non Plan provision is for Administrative Expenses
23.	Assistance to National Institute of Fashion Technology (NIFT)	NIFT offers various full time diploma and part-time certificate programme to develop professionals for Fashion Industry.	10.00	245.00	-	Building renovation and providing academic infrastructure in new center at Raibarely and Shilong.		One year	Non Plan provision is for Administrative Expenses Constructions depends upon availability of Land & statutory clearance

S. No.	Name of the Scheme/ Programme.	Objective/Outcome	Outlay 2010-11			Quantifiable/ Deliverables/ Physical Outputs	Projected Outcome	Processes/ Timelines	Remarks/Risk Factors
24.	Research and Development including TRAs	To encourage research in the textile area.	7.65	10.00	-	To give an impetus to the research in the textile sector	The textile research associations will be able to research work in the textile sector in the area of product development, process control, chemical processing machinery development, energy conservation instrumentation and finance and productivity.	Ministry Sponsored projects	No risk

S. No	Name of the Scheme/ Programme.	Objective/Outcome	Outlay 2010-11			Quantifiable/ Deliverables/ Physical Outputs	Projected Outcome	Processes/ Timelines	Remarks/Risk Factors
25.	Textile Labour Rehabilitation Scheme	The scheme was launched with the objective of providing interim relief to textile workers rendered unemployed due to permanent closure of any particular portion of, or the entire textile unit.	25.00	-	-	To provide interim relief to nearly 3000 textile workers	3000 workers will be benefited		Payment through bank accounts. No risk factor involved.
26.	Studies	Studies relating to steps and strategies for increasing exports	-	1.00	-				
27.	Technology Up-gradation Fund Scheme (TUFS)	To induce industry investment of Rs. 20,000 crore in processing, composite up-gradation, spinning, powerloom, garmenting units etc.,	-	2400.00	-	The scheme is in operation w.e.f. 1.4.1999. As on 31.3.2009, the scheme has invited 26277 applications with project cost Rs. 1,86,804 crore.	The scheme is expected to induce an investment of Rs. 150,600 crore in textile sector by the end of the 11 th Plan Period.	Five year	As implementing through nationalized banks, there is hardly any risk factor. 100% recovery of bank loan is being reported.

S. No	Name of the Scheme/ Programme.	Objective/Outcome	Outlay 2010-11			Quantifiable/ Deliverables/ Physical Outputs	Projected Outcome	Processes/ Timelines	Remarks/Risk Factors
28.	Cotton Technology Mission	Implementation of MM-III (Development of Market yards) MM-IV (Modernisation of Ginning & Pressing Factories)	-	141.00	-		TMC (MM-III): Development of Market Yards sanctioned i.e. 250 out of which 221 market yard have been completed and 29 are on process TMC (MM-IV): Modernization of G & P Factories sanctioned 1011 and 885 G & P units have been completed remaining 126 are in process	31.3.2010	Scheme is over on 31.3.2009. Funds are provided for 2010-11 for the committed liability of Government.

S. No	Name of the Scheme/ Programme.	Objective/Outcome	Outlay 2010-11			Quantifiable/ Deliverables/ Physical Outputs	Projected Outcome	Processes/ Timelines	Remarks/Risk Factors
29.	Procurement of Cotton by Cotton Corporation of India under Price Support	To protect the interest of the cotton growers, the government of India announces Minimum Support Prices (MSP) of kapas (Seed Cotton)	244.00	-	-	Whenever the market price of kapas falls below / touches the Minimum Support Price (MSP), Cotton Corporation of India is mandate to undertake support price operation and purchases kapas at MSP without any quantitative limit.	To protect the interest of cotton growers.	Reimbursement is to be made to CCI after the submission of audited accounts	Reimbursement is to be made to CCI after the submission of audited accounts.
30.	Assistance to AEPC	Provision is for implementation of projects and expenses of quota administering authorities for residual work.	1.00	-	-				

S. No.	Name of the Scheme/ Programme.	Objective/Outcome	Outlay 2010-11			Quantifiable/ Deliverables/ Physical Outputs	Projected Outcome	Processes/ Timelines	Remarks/Risk Factors
31.	Scheme for Integrated Textile Parks.	To facilitate development of world-class infras. For setting up of textile units	-	400.00	-	(i) 30 projects to be completed by March, 10 (ii) Implementation of remaining 10 sanctioned projects and sanction of 15 additional textile park projects	(i) employment generation for more than 8 lakh persons and annual textile production worth Rs. 33,587 crore (ii) would generate another 3 lakh jobs.	(i) completion of 30 projects by March, 2010 & (ii) sanction of new projects by March, 2011.	Proposals for sanction of additional projects is under consideration.
32.	Other Programmes of Textiles	Assistance to Sardar Vallabhbhai Patel Institute of Textiles Management, Brand Promotion, Foreign Investment Promotion Scheme, Textipolis, Fashion Hub, Common Compliance Code, Textile Engineering.	0.90	28.51	-				Non Plan provision is for Administrative Expenses and plan provision for building works.

S. No .	Name of the Scheme/ Programme.	Objective/Outcome	Outlay 2010-11			Quantifiable/ Deliverables/ Physical Outputs	Projected Outcome	Processes/ Timelines	Remarks/Risk Factors
33	Human Resource Development	<p>To address the trained manpower needs of textiles industry for enhancing the competitiveness in the globalised economy.</p> <p>To increase the employability in the targeted areas.</p> <p>To cater to the wide range of skills sets.</p> <p>To create a trainer's pool.</p> <p>To ensure training in design development programmes.</p>		131.49		To train 2.00 lakh persons in textile sector.		One Year	

S. No	Name of the Scheme/ Programme.	Objective/Outcome	Outlay 2010-11			Quantifiable/ Deliverables/ Physical Outputs	Projected Outcome	Processes/ Timelines	Remarks/Risk Factors
34	Technical Textiles	To encourage investments in field of technical textiles. To provide infrastructure support. To remove the impediments hampering the production of technical textiles.		73.00		To set up COEs for agrotech, geotech, meditech and protech.		One year	
35	Jute Commissioner	For Office and Administrative expenses etc of Jute Commissioner Office	3.67	-	-				
36.	Subsidy to Jute Corporation of India for Market Support Operation	To support JCI to conduct MSP operations	30.00	-	-				Non Plan provision is for meeting the cost of JCI infrastructure and MSP losses

S. No	Name of the Scheme/ Programme.	Objective/Outcome	Outlay 2010-11			Quantifiable/ Deliverables/ Physical Outputs	Projected Outcome	Processes/ Timelines	Remarks/Risk Factors
37.	Jute Technology Mission	To Modernize the jute sector, focus on adoption of more resource efficient and energy efficient technology, training for manpower in Jute Sector, development of market yards, dissemination of better retting techniques etc.	-	80.00	-	10-Development of market yard, 20 construction of Departmental purchase centres, 200 Dissemination of appropriate technology.			
38.	Other Programme of Jute	To support Research Organisations in Jute	0.80	-	-				Non Plan provision is for contribution to International Jute Study Group, Dhaka.
39.	Loans to Public Sector Undertakings	To settle liabilities of NJMC and execute modernization/revival plan , Elgin Mills Ltd., Birds Jute Exports Ltd..	100.51	-	-				

S. No.	Name of the Scheme/ Programme.	Objective/Outcome	Outlay 2010-11			Quantifiable/ Deliverables/ Physical Outputs	Projected Outcome	Processes/ Timelines	Remarks/Risk Factors
40.	Development of Mega Clusters	<p>To assist the entrepreneurs/ artisans to set up world-class units with modern infrastructure,.</p> <p>To enhance the competitiveness of the clusters in terms of increased market share and ensuring increased productivity by higher unit value realization of the products.</p> <p>To ensure effective integration of scattered artisan/ weaver bases.</p> <p>To meet the discerning and changing market demands both at domestic and at the international level and raise living standards of the weavers.</p>	-	150.00	-	Six centres at Varanasi and Sibsagar for handlooms; Bhiwandi and Erode for powerlooms; and Narsapur and Moradabad for handicrafts for Development of Mega Clusters.		4 years from the date of implementation.	The scheme is implemented through Special Purpose Vehicle (SPV) and Cluster Management and Technical Agency (CMTA).

CHAPTER III

REFORM MEASURES AND POLICY INITIATIVES

The Government has initiated various schemes and announced several relief measures from time to time, to sustain the growth momentum of the textile industry and to enable it to remain competitive in the wake of global demand slowdown.

Initially, the Technology Upgradation Fund Scheme was upto March 31, 2004 and it was extended till March 31, 2007. Due to overwhelming response from the industry, the Government decided to extend the scheme during the XIth Five Year Plan and reframed some of the financial and operational parameters in respect of new loans. In the Xth Five Year Plan (2002-07), Rs. 1,270 crores was earmarked for the scheme. However, the net utilization of funds was Rs. 2,044.17 crores. In its operational life span has propelled investment of more than Rs. 1,79,835 crores upto 30.6.2009. In fact, the allocation for 2008-09 under TUFs was Rs. 945 crore which has been enhanced to Rs. 3140 crore during 2009-10 and Rs. 2800 crore in 2010-11. 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 upgradation, cost effectiveness, quality production, efficiency and global competitiveness. It is estimated that this will ensure a growth rate of 16% in the sector.

The public private partnership model for the growth of the sector got greater impetus with the scheme of Integrated Textile Parks under which 40 parks were approved to be set up through Special Purpose Vehicles (SPVs) of industry associations/group of entrepreneurs. The estimated project cost (for common infrastructure and common facilities) is Rs. 4141.39 Crore, of which Government of India assistance under the scheme would be Rs. 1422.43 Crore. 2216 entrepreneurs will put up their units in these parks covering an area of 4611 Acre. The estimated investments in these parks would be Rs.19459 Crores and estimated annual production would be 33587 Crore. Estimated employment generation would be more than 8 lakh. These 30 projects are expected to be completed by end of March 2011.

During the XI Plan, the Government of India has introduced five schemes in the Handloom Sector: Integrated Handlooms Development Scheme that provides for skill upgradation and marketing support; Handloom Weavers Comprehensive Welfare Scheme that provides two types of insurances i.e; Health Insurance Scheme for handloom weavers for Indoor as well as OPD treatment and Mahatma Gandhi Bunkar Bima Yojana that provides coverage of life; Marketing and Export Promotion Scheme that provides Market support by way of organizing events like National Handloom Expo, Special Expos, District Level Events and also support for International Exhibitions and Mill Gate Price Scheme that provides availability of mill spindled yarn at mill gate price to the handloom weavers and finally the Diversified Handloom Development Scheme that provides strengthening of Weavers Service centres.

A skill development programme for the welfare of people engaged in sericulture industry. This is implemented by the Ministry in coordination with the State Governments. The skill development programmes have enabled the silk industry to increase the production, productivity and improve the quality of silk produced. Resultantly, the export earnings from silk goods during the last two years have surged to an appreciable level. During the year 2008-09, the export earnings from silk goods was Rs.3178.19 crores against the earning of Rs.2727.87 crores during the year 2007-08, registering an increase of 16.5%.

Due to initiatives taken by the Government of India with reference to skill development and welfare of people engaged in powerloom sector, a total of 299497 weavers/ workers have been

covered during April 2007 to October 2009 under Group Insurance Scheme for which the Government of India's Share of premium is Rs.3.62 crore Powerloom Service Centres (PSCs) are being provided machines/ equipments at Government cost to upgrade the skills of manpower / diversify the activities with purpose of Powerloom Cluster development. During the last year, 3 nos. of Air Jet Looms, 2 nos. of Computerized Embroidery Machines, 12 nos. of Textile Costing & Design Software, 15 nos. of Computers and Teaching aids involving the total cost of Rs. 127.76 lakh have been provided to different Powerloom Service Centres. In addition, the funds to the tune of Rs. 52.46 lakhs have been provided to the PSC's of Textile Research Associations (TRAs) for setting up Apparel Training facilities and the funds of Rs.38.66 lakh have also been released for construction of building for Indian Jute Industries Research Association (IJIRA), PSC at Guwahati.

The Government is pursuing a multi-pronged action to increase exports, including introduction of stimulus package consisting of taxes, duties and interest rebates, enhanced incentives under various schemes of the Foreign Trade Policy (2009-14) to various lines of textiles and clothing (T&C) products and mounting of mega shows abroad to enhance exposure to the diverse range and capacities of India's T&C industry.

In the Jute Sector, the Jute Technology Mission was started during the year 2006-07 with Mini Missions III & IV being implemented by the Ministry. The focus of the mission is on improvement of the yield and quality of Jute Fibre, establishing market infrastructure, storage godowns, developing prototypes of machinery with private sector involvement, development of human resources for the jute industry etc.

The Government has introduced various measures from time to time to strengthen textiles sector in general and to meet the adverse effect of global slowdown. It is not possible to quantify the extent of impact of these measures on export at this stage.

The new initiatives taken during 2009-10 are as under:

a) HRD SCHEME: In the 11th Five Year Plan, under new schemes of the Ministry Textiles, it was envisaged that a Human Development Scheme would be formulated to bridge the gap between the skill availability and training needs of the textile industry. Accordingly, a manpower training and employment scheme- 'Neighborhood Apparel and Textile Training Institutes for Job Assurance (NATIJA)' was devised for training 4 million persons in skills required in the sector. The Planning Commission, however, advised redesigning of the scheme, keeping in mind the existing resources of the Ministry of Textiles. Based on the advice of the Planning Commission, the Ministry of Textiles formulated a new proposal, called- 'Integrated Skill Development Scheme'. The scheme proposes to leverage on the existing infrastructure and schemes by upgradation/enhancement/deepening of the institutional structure. It is intended to impart employable skills in different segments (textiles, apparel, handlooms, handicrafts, sericulture, jute etc.) in two components, viz. (i) Skill development by augmenting and strengthening the capacity of institutions and schemes under the Ministry of Textiles; and (ii) The PPP Module- Skill Development in partnership with the Private Sector.

b) HANDICRAFT SECTOR: (i) With 1800 outlets, India Exposition Mart is set up during the year to provide permanent contact point for foreign buyers throughout the year. (ii) Two website portals namely AHVY cluster portal and theme based cluster portal are being developed.

CHAPTER-IV

REVIEW OF PHYSICAL PERFORMANCE

HANDLOOM

The handloom sector plays an important role in the country's economy. It is the second largest sector in terms of employment, next only to agriculture. As per the Joint Census of Handlooms & Powerlooms 1995-96, 65.51 lakh persons are engaged in weaving and allied activities in the handloom sector. Due to the vigorous implementation of handloom related schemes, the production of handloom fabrics has gone up to 6677 (P) million sq. meters during 2008-09 from the level of 500 million sq. meters in the early fifties. The sector accounts for about 16% of the total cloth produced in the country (excluding hosiery, wool, silk and Khadi). During the year 2009-10, 2838 million sq.meters cloth has been produced upto August, 2009 in the handloom sector.

SCHEMES FOR THE HANDLOOM WEAVERS.

Office of the Development Commissioner for Handlooms has been implementing the following schemes for the development of the handloom sector and welfare of handloom weavers during the 11th Five Year Plan:

INTEGRATED HANDLOOMS DEVELOPMENT SCHEME (IHDS):

The Integrated Handloom Cluster Development Scheme was launched in 2005-06 for comprehensive and holistic development of 20 selected handloom cluster, each having about 5000 looms. Some of the highlights of the achievements of these clusters till October 2009 are as follows:-

- 1950 Self Help Groups (SHGs) covering 24193 weavers.
- 47 consortiums formed in all 20 clusters
- 359 awareness camps organized. involving 28400 weavers from the cluster pockets.
- 108 dyers workshops organized with participation of 1965 dyers.
- 176 exhibitions and 76 Buyer Seller Meets organized with total sales & orders realization of Rs.2766.49 lakhs.
- 2101 new designs developed
- 52 managerial training programmes organized for office bearers of consortium.
- New Product Catalogue have been developed by all 20 clusters.
- 2428 traditional looms upgraded by replacement of reeds and healds.
- 18 CFC & Dye house have been sanctioned, out of which CFC is operational in 7 & Dye house operational at 7 Clusters.

During the year 2009-10 (upto 07.01.2010), 25 Cluster Development Projects and 193 Group Approach Projects have been sanctioned to various State Governments and a sum of Rs.758.75 lakhs & Rs.856.75 lakh respectively have been released.

Further, during the XI plan, a new scheme called "Integrated Handlooms Development Scheme (IHDS)" is being implemented the development of Handloom Sector. The scheme aims to focus on formation of weavers group as a visible entity, develop the handloom Weavers Groups to become self

– sustainable, inclusive approach to cover weavers both within and outside the Co-operative fold, skill up-gradation of handloom weavers/workers to produce diversified product with improved quality to meet the market requirements. About 300-500 looms will be taken up for development in a time frame of 3 years at an upper cost of Rs.60.00 lakh per cluster. It is proposed to take up about 625 clusters during the XI Plan.

HANDLOOM WEAVERS' COMPREHENSIVE WELFARE SCHEME

During the 11th Plan, Government of India introduced “Handloom Weavers’ Comprehensive Welfare Scheme” to provide health care facilities and Life Insurance Cover to handloom weavers of the country. Hence, Handloom Weavers’ Comprehensive Welfare Scheme has two components (i) Health Insurance Scheme’(HIS) and (ii) ‘Mahatma Gandhi Bunkar Bima Yojana’ (MGBBY). The details are as follows:

The details of the scheme are as under.

HEALTH INSURANCE SCHEME (HIS)

The Health Insurance Scheme is implemented through the ICICI Lombard General Insurance Company Ltd. The total premium under the scheme for 2009-10 is Rs. 988.30 (including service tax).

The scheme envisages covering (a) not only the weaver but also spouse and two children (b) all pre-existing diseases as well as new diseases and (c) substantial provision for OPD. The ancillary handloom worker like those engaged in warping, winding, dyeing, printing, finishing, sizing, Jhala making, jacquard cutting etc. are also eligible to be covered. The annual limit per family is Rs.15000 out of which OPD cover is Rs.7,500.

MAHATMA GANDHI BUNKAR BIMA YOJANA (MGBBY)

The MGBBY is being implemented through the Life Insurance Corporation of India. The funding pattern of the annual premium of Rs.330/- per member under the scheme is as under:

Table-4.1

GOI contribution	Rs.150/-
Weavers’ Contribution	Rs. 80/-
LIC’s contribution	Rs.100/-
Total premium	Rs.330/-

During the 11th Plan, the benefits available under the MGBBY have been substantially increased as compared to what was available during the 10 Plan. The details of comparative benefits are as given under:

Table-4.2

S. No.		Benefits during the 10 th Plan	Benefits from 1.10.07
(i)	Natural Death	Rs. 50,000/-	Rs.60,000/-
(ii)	Accidental Death	Rs.80,000/-	Rs.1,50,000/-
(iii)	Total Disability	Rs.50,000/-	Rs.1,50,000/-
(iv)	Partial Disability	Rs.25,000/-	Rs.75,000/-

In addition to the above, under the MGBBY, a scholarship of Rs.300/- per quarter per child is paid to 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.

MILL GATE PRICE SCHEME

The scheme was introduced during 1992-93 with the objective of providing all type of yarns to the handloom weavers' organizations at the Mill Gate Price. The National Handloom Development Corporation (NHDC), a Public Sector Undertaking, is the only agency authorized to implement the scheme. The scheme provides benefit to the following organizations and their member weavers:

- All Handloom organizations of National/State/Regional/Primary levels.
- Handloom Development Centre.
- 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 production of handloom items.
- Member 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.

All types of yarn required for production of handloom items are covered under the scheme. The yarn is being arranged by NHDC from the mills as per the requirement of the user agencies and transported to the godown of the agency. There is also a provision for supply of yarn to the individual weavers through the yarn depots approved by the NHDC. 650 yarn depots are operational throughout the country till 31.12.2009. The expenditure for operating the yarn depot is to be reimbursed by NHDC @ 2.5% of the value of the yarn. Under the Mill Gate Price Scheme, following assistance is provided by the Government of India as per rates mentioned below:

- (i) Freight reimbursement for transportation of yarn.
- (ii) Expenses of operating the yarn depots @ 2.5%, based on actual.
- (iii) Service Charges to NHDC for its role as nodal agency for the implementation of the Mill Gate Price Scheme.

The publicity of the scheme, which is a part of the scheme, through newspapers, distribution of pamphlets and hand bills, pasting of posters, wall paintings and Buyer-Sellers Meets etc. is done by NHDC, the expenses of which is reimbursed by the Office of the Development Commissioner for Handlooms. Details of Physical Target and achievement and releases made under Mill Gate Price Scheme during the last few years are as under:-

Table-4.3

Year	Physical (Qty. in lakh Kgs.)		Financial (Rs. in lakhs)/ Budgetary Expenditure.
	Target	Achievement	
2006-07	268.80	437.21	1200.00
2007-08	481.00	678.21	2350.00
2008-09	750.00	843.84 (P)	2959.00
2009-10 (upto Dec'2009)	900.00	720.46	2444.76

DIVERSIFIED HANDLOOM DEVELOPMENT SCHEME (DHDS)

“Diversified Handloom Development Scheme (DHDS)” is being implemented during the 11th Five Year Plan (2007-12). The scheme envisages skill upgradation of the handloom weavers through training workshops and exhibitions, design development, documentation of traditional designs and providing linkage and meeting the market requirements. The components of the scheme are –

- Strengthening of Weavers Service Centre/Indian Institutes of Handloom Technology;
- National Centre for Textile Design (NCTD);
- Research and Development (R&D);
- Conducting Third National Handloom Census and issue of identity cards to Handloom weavers and allied workers.

WEAVERS SERVICE CENTRES (WSCS):

Presently, 25 WSCs are functioning across the country under the Office of Development Commissioner for Handlooms, Ministry of Textiles and area playing a vital role in conducting research and development activities, in training of weavers in upgrading their skill and increasing their productivity. They have evolved new designs and revised traditional designs. WSCs primarily render extension services, which involve transfer of design inputs, skills and technology to the weavers.

INDIAN INSTITUTES OF HANDLOOM TECHNOLOGY (IIHTS):

The Indian Institutes of Handloom Technology provide qualified and trained manpower to handloom sector and undertake experimental research programmes on all aspects related to handloom industry. Presently, five IIHTs are functioning in Central Sector at Varanasi, Guwahati, Salem, Jodhpur and Bargarh and three IIHTs in the State Sector at Venkatagiri (Andhra Pradesh), Gadag (Karnataka) and Champa (Chhatisgarh).

DESIGN EXHIBITIONS-CUM-DYEING WORKSHOP:

To create awareness about the services available, and impart training in dyeing techniques and design development in the Weavers’ clusters, WSCs have been organizing Design Exhibition-cum-Dyeing Workshop since 1995-96. To provide and propagate modern dyeing techniques besides making available designs at the doorsteps of the weavers, such exhibitions are regularly being organized in handloom clusters by WSCs. During 2007-08 and 2008-09, 221 and 213 such Design Exhibition-cum-Dyeing Workshops were conducted. During 2009-10, 246 Design Exhibitions have been sanctioned.

THIRD HANDLOOM CENSUS AND ISSUE OF PHOTO IDENTITY CARDS TO HANDLOOM WEAVERS:

The last Census was undertaken about eleven years ago. Since then, a lot of changes have taken place in the sector and data regarding number of weavers, number of looms, cloth production and employment in the handloom sector needs to be updated. It has therefore been decided to get conducted ‘Third National Handloom Census and to issue identity cards to handloom weavers’

enumerated during the census operation. Issue of identity cards to handloom weavers will ensure that only genuine weavers should get benefits of the various schemes being implemented by this office for their growth and sustained development, in the hassle free manner.

The work of conducting “Third National Handloom Census & issue of Photo identity cards (PIC)” to all eligible weavers, has been entrusted to the National Council of Applied Economic Research (NCAER), New Delhi on 19.3.08 which was revised to Rs.21.91 crore to cover additional households. Total 23.66 lakh households have been interviewed upto 4.1.2010. So far, Rs.15.27 crore have been released. The entire work of Census is likely to be completed by mid 2010-2011.

MARKETING AND EXPORT PROMOTION SCHEME.

The Marketing & Export Promotion Scheme is a centrally sponsored scheme comprises the two components (i) Marketing Promotion and (ii) Handloom Export Promotion is being implemented during the XI Plan period : -

Marketing Promotion: 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:

- Organisation of Exhibitions, Events and Craft Melas
- Setting up of Urban Haats
- Setting up of Marketing Complexes/Handloom Havelies.
- Publicity and Awareness
- Geographical Indication Act
- Handloom Marketing Complex at Janpath, New Delhi.
- Brand building through Handloom Mark

During the year 2009-10 (upto Dec.09) 502 events were sanctioned to various States and implementing agencies which include 25 National Handloom Expos, 106 Special Handloom Expos, 367 District Level Events and 4 Craft Melas.

HANDICRAFTS

The Handicrafts Sector plays a significant & important role in the country's economy. It provides employment to a vast segment of craftpersons 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.

The Sub Group on handicrafts for the XIth Five Year Plan has expected this employment to reach 80 lakhs by the end of XIth Five Year Plan which at present is estimated at 71.80. The exports

during the period decreased from Rs. 12434.38 crores in the year 2002-03 to Rs. 10,891.85 crores at the end of the year 2008-09 registering a cumulative decline of 12.40%.

SCHEMES ON HANDICRAFTS DEVELOPMENT:

The Sub-Group on handicrafts recommended six generic schemes for development of handicrafts in the country to be implemented during the 11th five year plan. The scheme recommended for implementation during 11th five year plan are as under :

(a) **BABA SAHEB AMBEDKAR HASTSHILP VIKAS YOJANA SCHEME (AHVY)**

This scheme aims at promoting 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 projectized; need based integrated approach for sustainable handicrafts development through participation of craftpersons leading to their empowerment. The package of support under AHVY can be clubbed under the following components:

- Social interventions
- Technological interventions
- Marketing interventions
- Financial interventions

During the year 2009-10 Rs. 42.76 crore has been released to implement 58 Nos. of new projects covering about 17000 artisans.

(b) **MARKETING SUPPORT & SERVICES SCHEME**

The Marketing Support Scheme and the Export Promotion Scheme run separately in the Tenth Plan have been clubbed in Eleventh Plan and the Clubbed new Scheme titled as "Marketing Support & Services Scheme". The scheme have three broad following components :

- A. **Domestic Marketing**
- B. **International Marketing**
- C. **Publicity.**

During the year 2009-10 Rs. 21.27 crores have been released for 43 crafts Bazaar, 101 Exhibitions, 160 other events like workshops etc., 65 programmes for Export Promotion (Domestic and International).

(c) **DESIGN & TECHNICAL UP-GRADATION**

The scheme aims to upgrade artisan's skills through development of innovative designs and prototypes products for overseas market revival of languishing crafts and preservation of heritage etc. The scheme has the following components:

1. **Skill up-gradation.**
2. **Assistance for Design and Technology Upgradation.**
3. **Documentation Preservation and revival of rare and Languishing craft.**
4. **National Award for outstanding contribution in Handicrafts Sector.**
5. **Financial Assistance for Institutions to be set up under State Initiatives.**
6. **Setting up of Design Bank.**
7. **Financial Assistance to Central Govt. sponsored Institutions.**
8. **Product Development programme for exporters.**

During the year 2009-10 Rs. 14.00 crores have been released for 425 Design Workshops/Projects, 4 State Initiative Design Centres, 7 Shilp Gurus, 2 Museum and 1 Design Banks.

(d) 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 will be under taken during the 11th Plan.

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 2009-10 Rs. 2.40 crores have been released for 10 studies,1 workshop including awarding of work for Census for 6 regions of the country.

(e) 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.

A. Rajiv Gandhi Shilpi Swasthya Bima Yojana.

Objective

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 childrens.

Eligibility

All craft persons whether male or female, between the age group of one day to 80 years will be eligible to be covered under the Rajiv Gandhi Shilpi Swasthya Bima Yojana.

B. Bima Yojana for Handicrafts Artisans.

Objective

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.

Eligibility

All crafts persons, whether male or female, between the age group of 18-60 years will be eligible to be covered under the BIMA Yojana For Handicrafts Artisans.

During the year 2009-10, Rs. 61.26 crores have been released for 4,43,000 artisans covered under (RGSSBY) & under (Bima Yojana).

(f) 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. The scheme has following components :

- Training Through Established Institutions
- Training in Innovative Designs for the persons involved in Pattern making/Talim writing/Plaster/Rubber Moulds/Block making etc
- Training of Artisans/SHG leaders/NGO in capacity building.
- Conducting Seminars/Workshop
- Training through Guru Shishya Parampara

During the year 2009-10, Rs. 5.33 crore has been released for 4 Institutional Training Programmes including 111 programmes under guru shishya prampara.

EXPORT OF HANDICRAFTS

The export target for 2009-10 has been fixed at Rs. 32960 crores including carpets. Upto the month of December, 09 registering a decreased of 2.07% in rupee terms and 10% in dollar terms in comparison to the export during the year 2008-09. The reason for decrease in export is due to the impact of rupee appreciation, low realization on export proceeds and recession.

DETAILS OF SOCIETIES/ INSTITUTES

INDIAN INSTITUTE OF CARPET TECHNOLOGY (IICT), BHADOHI.

The Indian Institute of Carpet Technology, Bhadohi has been established at Bhadohi with a view to provide Human Resource Development (HRD), Research & Development (R&D), Design Creation & Development (DCD) and Technical Support Services to the Industry (TSI).

The activities undertaken by the institute during the year 2008-09 are as under: -

- Human Resource Development (HRD):- As per CCB recommendations, the admissions in B.Tech. 1st year & lateral entry in B.Tech 2nd year is completed for the session 2009-10.
- International Distance Learning Programme (IDP):- The total fee for all 6 modules for a Diploma is Rs.36000/-. DEC inspection is awaited.
- Short Term Training Programme:- The courses are running smoothly.
- NBA Accreditation:- The NBA accreditation is already obtained for three years.
- Design Creation & Development (DCD):- Under this 377 new designs developed.
- Sample Testing:- 1122 Sample Testing.
- Study on survey and documentation on carpet dyeing.
- Setting up of Design Bank in Carpet design at Bhadohi.
- An Exploratory Study for Starting Training Centres for Traditional Skills Transfer in Carpet Industry.
- Skill development programme on application of computer & IT in carpet manufacturing perspective (Crafts).

METAL HANDICRAFTS SERVICE CENTRE (MHSC), MORADABAD.

MHSC meets the international requirement of art metalwares 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.

BAMBOO & CANE DEVELOPMENT INSTITUTE (BCDI), AGARTALA.

- Restructured to meet the need and requirement of bamboo industry in the areas of human resources development, technology upgradation, R&D and Common Facility Services;
- The Tripura Handicrafts & Handloom Development Corporation has been assigned Management Consultancy for interim period till Society is formed by State Government to run the affairs of BCDI;
- The Standing Finance Committee as well as Planning Commission has approved the project proposal for upgradation of BCDI at an estimate cost of Rs.14.61 crores;
- The Govt. of Tripura had allotted a land measuring 4.79 acres free of cost for construction of new BCDI Complex at Agartala;
- The construction of the building by the National Building Construction Corporation Ltd. has been completed and possession of the building has been taken over and so far Rs.6.30 crores have been released to the Corpn.
- The Institute activities covers product innovation, skill upgradation and transfer of technology to the artisans under a comprehensive plan, which includes design inputs; and
- The syllabus for training programme for skill upgradation of artisan has been completely restructured and made more broad based and training programme commenced.

NATIONAL CENTRE FOR DESIGN & PRODUCT DEVELOPMENT (NCDPD), NEW DELHI.

NCDPD was set-up with the view to focus exclusively on design development, product development and development of design sector for handicrafts industry for promoting exports. An organization under Society Act namely National Centre for Design & Product Development (NCDPD) was set up at Okhla, New Delhi with branch office at Moradabad in 1999 to focus on:-

1. Development, adoption of new designs, pattern and product development ensuring effective and efficient utilization of existing skilled manpower resources and assimilation/adoption of the same.
2. Improvement of product design and quality and introduction of the same in the industry
3. Improvement of the industry's wrong practices with regards to international market
4. Upgrading the skills of craft persons
5. Create appropriate and broader job opportunities

During the year 2009-10, the National Centre for Design and Product Development took-up the following activities:

- i) Ten Design and Technical Development Workshops in different crafts.
- ii) One Design Bank.
- iii) Five Integrated Design Projects in different crafts.

SERICULTURE

CENTRAL SILK BOARD (CSB)

Sericulture is a cottage industry par excellence. Of the 6.38 lakh number of villages in India, sericulture is practiced in about 50918 villages. It is one of the most labour intensive sectors of the Indian economy combining both sericulture (agriculture) and industry. In its production process, sericulture is a long chain of inter-dependent, specialized operations which provides means of livelihoods to a large section of the population i.e., Silkworm seed producers, farmer-cum-rearers, Reelers, Twisters, Weavers, Spinners of silk waste, traders etc. Of late, sericulture in India has turned out to be a highly remunerative cash crop with minimum investment but, rich dividends. It is only a cash crop which provides sustained attractive returns throughout the year. Presently, it provides whole time and part-time employment to around 63.1 lakh persons in the rural areas of the country majority of whom belonging to the economically weaker sections of the society, Scheduled Castes and Scheduled Tribes as well as tribals living in the forest areas. Sericulture has now established itself as an export oriented sector of the Indian economy. The Central Silk Board was set up in 1949 for the development of the silk industry. The Board's activities include Research & Technology Development, Seed Maintenance, Development of Sericulture & Silk Industry. The Board extends support to the States in the form of joint projects and development assistance under the plan schemes.

RESEARCH AND DEVELOPMENT

The Central Silk Board through its main Research & Training Institutes provide R&D and training support for 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 and at Ladoigarh, Jorhat (Assam) deals with muga and ericulture. The Regional Sericultural Research Station (RSRS / RTRS) for mulberry and non-mulberry disseminates research findings and tackle the regional field issues of the industry.

SILKWORM SEED ORGANISATION

CSB is the authority for the supply of basic seed material required for further multiplication besides undertaking production of quality silkworm seed (F1) to supplement the efforts of the State Sericulture Departments. Under the programme, technical assistance and field level training are also provided to the farmers by the Grainage-Extension-Centres.

The National Silkworm Seed Organization (NSSO), Bangalore under CSB with a network of Silkworm Seed Production Centres (SSPC) and Basic Seed Farms (BSF), maintains the basic stock of mulberry silkworm and produces disease free quality silkworm eggs for supply to the States / Sericulturists.

During 2009-10 (up-to December, 2009), the production of Non-mulberry dfls viz. Eri, Oak Tasar, Tropical Tasar and Muga have been 1.63 lakh, 1.55 lakh, 29.52 lakh and 1.07 lakh, respectively.

TRAINING

CSB organizes a number of training programmes at its Research and Training Institutes. The total number of persons trained during 2008-09 and 2009-10 (up to December'2009) is at Table-4.4:

Table –4.4

Particulars	Achievement during 2008-09			Achievement during 2009-10 (Apr-Dec '09)		
	No. of courses conducted	Nos. trained	Category	No. of courses conducted	Nos. trained	Category
Structured Courses	2	41	DOS /NGO	2	34	DOS /NGO
Capsule Courses	29	442	DOS /CSB/NGO Entrepreneur	29	158	DOS /CSB/NGO Entrepreneur
Adhoc Training (Number of batches)	128	2298	Students / Staffs / Entrepreneurs / Farmers	128	894	Students / Staffs / Entrepreneurs s / Farmers
TOTAL	159	2781		159	1086	

DEVELOPMENT PROGRAMMES**Development of Sericulture industry during XI Plan (2007-12)**

Emphasis for the XI Plan under the Sericulture sector will be on two issues:

1. Development of Sericulture, which has many facets – Increase in area under Mulberry, enhance production, productivity and quality.
2. Poverty alleviation, generation of employment and income, livelihood security and also increase in family income.

As Sericulture is basically women-oriented activity and also non-Mulberry silks are practiced largely by the tribals who live in the North-East, Central India and Himalayan Zone, their livelihoods are to be improved along with the production of Vanya Silks which are unique to India.

Keeping in view the demand for superior quality bivoltine raw silk in the country which could reduce the import costs, and also the necessity of providing employment, particularly to the downtrodden and women, and to improve their livelihoods, the implementation of Central Schemes during the XI Plan is continued.

During the XI Plan, CSB has four major schemes for implementation – three central schemes and one centrally sponsored scheme as follows:

- Research & Development/Training/IT initiatives (CS)
- Seed Organization and HRD (CS)
- Quality Certification Systems and (CS)
- Catalytic Development programme. (CSS)

During the IV year of XI Plan i.e., 2010-11, the target is to produce 22200 MT of mulberry raw silk as compared to the anticipated mulberry raw silk production of 16100 MT during the year 2009-10 indicating an increase of 37.9%. The production target of Vanya silk viz., Tasar, Eri and Muga during 2010-11 are projected as 395, 2175 and 180 MT, as compared to the anticipated production of 400, 2200 and 100 MT, respectively, during the year 2009-10. The employment generation during the year 2010-11 is projected as 74.16 lakh

persons as against the anticipated employment generation of 64.0 lakh persons during 2009-10 showing an increase of 15.9%. On the export front, during the year 2010-11 the export earnings are projected as Rs.4325 crores as compared to the anticipated achievement of Rs.3500.00 crores during year 2009-10 indicating an increase of 23.6%.

POWERLOOMS SECTOR

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 Powerloom Weavers Co-op. Federation.

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.

Modernisation of Decentralised Powerloom sector:

The Govt. has given a thrust for modernization of the powerloom sector. The main emphasis was on Technology Up gradation Fund Scheme (TUFS). This scheme has given an impetus to powerloom sector. The different category of looms installed under modernization during 2002-03 to 2008-09 is given below :-

Table-4.5

Sr. No.	Type of loom installed	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	Total
1	Semi Automatic loom	14994	4732	3569	2811	2752	1521	278	30657
2	Automatic Loom	1916	1229	2055	2878	1631	484	110	10303
3	Shuttleless loom	3595	3639	4849	6367	5184	2088	1250	26972
TOTAL		20505	9600	10473	12056	9567	4093	1638	67932

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 as under:

Table-4.6

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

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).

Group Workshed Scheme:

The Govt. of India has introduced a Group Workshed Scheme for decentralized Powerloom Sector under the Xth five-year plan. 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. 120/- per sq. ft. whichever is less. Ordinarily, minimum 4 weavers should form a group each with 12 modern looms or 6 wider width looms per person 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.

Scheme for 'Development of Six Centres as Mega Clusters'

Pursuant to the Budget Announcement 2008-09, the Government has decided to scale up infrastructure and production by taking up six centres for development as mega clusters in Varanasi and Sibsagar for handlooms; Bhiwandi and Erode for powerlooms; and Narsapur and Moradabad for handicrafts, on pilot basis, on a Public Private Partnership (PPP) model in the form of collaboration between the Central/State Governments, beneficiary artisans & their groups, financially creditworthy & commercially linked marketing enterprises and the financial Institutions. These clusters shall, inter alia, have – Common facility centers; Textile labs; CAD Centres; Communication Network; Design/Raw Material Banks, etc. Project Components will include - Technology upgradation; Product Diversification; Raw Material Linkages; Credit; Market Development; Forward & Backward Linkages; Human Resource & Skill Development; Social Security; Physical Infrastructure; Export & Marketing, etc. The deliverables will include social, economic and environmental amelioration, viz. employment generation; Revenue generation & Growth of industry in an organized form; no harmful & polluting gases or chemical contents. An amount of Rs.70 crore has been earmarked for each mega-cluster.

In this connection, following three Schemes have since been approved by the Government :

Comprehensive Powerloom Cluster Development Scheme for Erode and Bhiwandi clusters.

ii) Comprehensive Handloom Cluster Development Scheme for Varanasi and Sibsagar clusters.

iii) Comprehensive Handicrafts Cluster Development Scheme for Moradabad and Narsapur cluster.

Accordingly, the process of implementation of the six mega clusters, viz. Varanasi & Sibsagar for Handlooms, Bhiwandi & Erode for Powerloom and Narsapur & Moradabad for Handicrafts, have been initiated in right earnestness. One of the important tasks, in this connection, pertained to selection of Cluster Management Technical Agency (CMTA) for the said clusters, which would be responsible for implementation of the projects. Selection of CMTAs for four mega clusters, namely Varanasi for handlooms, Moradabad for handicrafts, Bhiwandi and Erode for powerlooms have so far been carried out. The process for selection of CMTA in respect of the remaining two clusters, i.e. Narsapur for Handicrafts and Sibsagar for Handlooms is in advance stage of completion. The selected CMTAs have been requested to complete the DPR; Diagnostic Study; Land Acquisition document; and SPV formation document expeditiously.

TECHNOLOGY UPGRADATION FUND SCHEME (TUFS)

To provide necessary impetus to the modernization of textiles and jute industry and announce its viability and competitiveness in the domestic, as well as international markets, the Government had launched "Technology Upgradation Fund Scheme (TUFS)" on April 1, 1999. Initially, the Technology Upgradation Fund Scheme was upto March 31, 2004 and it was extended till March, 31, 2007. Due to overwhelming response the Government has decided to continue the scheme for the Textile and Jute Industries with effect from 01/04/2007 to 31/03/2012 for XIth Five year plan and reframed some of the financial and operational parameters in respect of new loans.

The important parameters of the Scheme for the XIth Five year plan period are as follows :-

- The scheme will continue to provide a reimbursement of 5% points on the interest charged by the lending agency on a project of technology upgradation in conformity with the Scheme. However, for the spinning machinery the reimbursement will be will be 4% points.
- The scheme will continue to provide cover for foreign exchange rate function not exceeding 5%. However, for the spinning machinery the coverage will be will be 4%.
- The scheme will now provide an additional option to the powerlooms units to avail of 20% Margin Money Subsidy under TUFS in lieu of 5% interest reimbursement on investment in TUF compatible specific machinery subject to a capital ceiling of Rs.200 lakh and ceiling on Margin Money Subsidy Rs.20 lakh. A minimum of 15% equity contribution from beneficiaries will be ensured.
- The Scheme will now 15% Margin Money Subsidy for SSI textile and jute sector in lieu of % interest reimbursement on investment in TUF compatible specified machinery subject to a capital ceiling of Rs.200 lakh and ceiling on margin money subsidy Rs.15 lakh. A minimum of 15% equity contribution from beneficiaries will be ensured.
- The Scheme will continue to provide 5% interest reimbursement plus 10% capital subsidy for specified processing machinery.
- The Scheme will now provide 5% interest reimbursement plus 10% capital subsidy for specified machinery required in manufacture of technical textiles and garmenting machineries.
- The Scheme will now provide interest subsidy/capital subsidy/ reimbursement plus 10% capital subsidy for specified machinery Margin Money Subsidy on the basic value of the machineries and exclude the tax component for the purpose of valuation in view of the decision for non-subsidizing the taxes.

- The Scheme will provide 25% capital subsidy on purchase of the new machinery and equipments for the pre-loom & post-loom operations, handloom/up-gradation of handlooms and testing & Quality Control equipments, for handloom production units.
- As per Para 3.2 (2) of the existing scheme, certain imported second hand machinery have been permitted. The entire range of imported second hand machinery will now be ineligible under the scheme for any benefit except automatic shuttleless looms with the value cap of Rs.8.00 lakh per machine and 10 years vintage and with a residual life of minimum 10 years.
- Other investments such as energy saving devices, effluent treatment plant, in-house R&D, IT including ERP, TQM including adoption of ISO/BIS standards. CPP etc (including non-conventional sources) as mentioned in Para 3.3(2) of the existing Scheme will now be eligible for benefits of the scheme only upto 25% of the cost of machinery.
- For a specific thrust to garmenting, machineries for CAD, CAM and design studio and likes will be included in the separate heading of the guidelines of the scheme.
- Investment like land, factory building, pre-operative expense and margin money for working capital will not be ineligible for benefit of reimbursement under the scheme except meant for apparel sector and handloom with existing 50% capital. In case apparel unit is engaged in other activity, the eligible investment under this heads will only be related to plant & machinery eligible for manufacturing of apparel.

The identified sectors in the textile industry, including spinning, cotton ginning & pressing, silk reeling & twisting, wool sourcing & 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 textile, garments, design studio, made-up manufacturing, processing of fibres, yarns, fabrics, garments and made-ups and the jute sector are eligible to avail of these concessional loans for their technology up gradation requirements.

IDBI, SIDBI and IFCI are the nodal agencies for NON-SSI textile sector, SSI textile sector and Jute sector respectively. However, in 2005, 13 additional nodal banks have been appointed under TUFS for determining eligibility & releasing the subsidy in respect of cases financed by them. Further, w.e.f. 01/04/2009, 23 additional nodal subsidy in respect of cases financed by them and 7 co-opted private sector banks have been appointed as nodal banks for determining the eligibility for SSI cases financed by them and submit the claims through SIDBI.

Progress of TUFS (5% interest reimbursement and 15% CLCS)

From the launch of scheme till 30/06/2009, 26087 applications with project cost of Rs.1,82,270 crores have been received. Of this, 25893 applications with a project cost of Rs.1,79,856 cores have been sanctioned and 25777 applicants have been disbursed a loan amount of Rs.66284 crores.

Progress of TUFS

The progress of TUFS is steadily going up which is evident from the data given in the table below:-

Table 4.7

(Rs. Crores)

Period	Applications Received		Applications Sanctioned			Application Disbursed	
	No.	Total Cost of Project	No.	Project Cost	Amount	No.	Amount

1999-2000	407	5771	309	5074	2421	179	746
2000-2001	719	6296	616	4380	2090	494	1863
2001-2002	472	1900	444	1320	630	401	804
2002-2003	494	1835	456	1438	839	411	931
2003-2004	867	3356	884	3289	1341	814	856
2004-2005	986	7941	986	7349	2990	801	1757
2005-2006	1086	16194	1078	15032	6776	993	3962
2006-2007	12336	61063	12589	66233	29073	13168	26605
2007-2008	2408	21254	2260	19917	8058	2207	6854
2008-2009(P)*	6113	56542	6072	55707	24007	6111	21826
2009-2010 (Upto Sept,2009)	584	7065	583	7065	1158	584	1019
As on 30/09/09 (P)	26472	189217	26277	186804	79383	26163	67223

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.187.39 crore has been disbursed to 2557 cases since November 2003 to 31.12.2009. The scheme has been re-named as 20% MMS since 1.4.2007.

TEXTILES WORKERS' REHABILITATION FUND SCHEME (TWRFS)

The Textile Workers' Rehabilitation Fund Scheme came into force with effect from September 15, 1986, with the objective to provide interim relief to textiles workers rendered unemployed as a consequence of permanent closure of any particular portion or entire textile unit. The 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 ventures into a self-employment activity.

Eligibility

The beneficiary under the scheme are eligible provided he/she has been working in a closed textiles 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, which had closed between June 6, 1985 to April 1, 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

The 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.

Progress

Till March 2009, under the Scheme, 43 units in Gujarat, 6 units in Tamil Nadu, 5 units in Maharashtra, 4 units in Madhya Pradesh, 7 units in Karnataka, 2 unit in West Bengal, 3 in Punjab and 1 unit each in Delhi, Andhra Pradesh and Kerala, i.e., a total of 73 mills were found eligible under the scheme. A total of 104476 workers out of 133666 workers on rolls of these mills had been disbursed relief of Rs. 267.89 crore.

SCHEME FOR INTEGRATED TEXTILE PARKS (SITP)

The Government launched the ‘Scheme for Integrated Textile Parks’ (SITP) in August 2005, by merging the two existing schemes, viz. scheme of Apparel Park for Export and Textile Centres Infrastructure Development Scheme. The Scheme, a public-private partnership, is being implemented through Special Purpose Vehicles (SPVs). The industry associations/group of entrepreneurs are the main promoters of SITP.

Scope of the Scheme

The scheme targets industrial clusters/locations with high growth potential, which require strategic interventions through provision of world-class infrastructure. The project cost covers common infrastructure and buildings for production/ support activities.

Funding Pattern

The total project cost is funded through a mix of equity/grant – from the Government of India, State Government, State Industrial Development Corporation, Industry & Project Management Consultant and Loans – from banks/ financial institutions.

The Government of India’s (GOI) support under the Scheme is either through grant or through equity, which is limited to 40% of the project cost subject to a ceiling of Rs. 40 crores. However, the combined equity stake of Government of India/State Government/State Industrial Development Corporation, if any, should not exceed 49%.

Progress of implementation

The Government have approved 40 projects so far. The State-wise projects are – Andhra Pradesh (6), Gujarat (7), Karnataka (1), Maharashtra (9), Rajasthan (5), Tamil Nadu (6), Punjab (3), West Bengal (1), Madhya Pradesh (1) and Assam (1). These parks, when setup, would have facilities for spinning, sizing, texturising, weaving, processing, apparel fabricating etc. The estimated investments in these parks would be Rs. 19459 Crores and estimated annual production would be 33587 Crore. Estimated employment generation would be more than 8 lakh. These 30 projects are expected to be completed by end of March 2011. 10 Parks sanctioned as 1st phase during 11th Five Year Plan will be completed by end of December 2011

MINIMUM SUPPORT PRICE FOR COTTON

To protect the interests of the cotton growers, the Government of India fixes Minimum Support Prices (MSP) of kapas (Seed cotton) every year on the recommendation of Commission on Agricultural Costs & Prices (CACP) which takes into account the cost of cultivation per hectare, cost of production per quintal in various regions of the country, changes in input prices like seeds, pesticides, fertilizers etc., demand and supply situation, effect of industrial cost structure, parity

between prices paid and prices received by the cotton farmers etc., plus a reasonable profit margin to the cotton farmers. This mechanism of fixing MSP on year to year basis helps in guaranteeing an assured price to the cotton farmers and sustain their continued interests in cotton cultivation. Based on the support price for these two basic varieties and taking into account of the fibre quality parameters and other relevant factor such as the normal market price differentials, the Textile Commissioner, Mumbai, fixes MSP for other varieties of kapas of fair average.

Government of India announced Minimum Support Price (MSP) for different varieties of cotton every year to ensure remunerative prices for the cotton growers. The Cotton Corporation of India Ltd. (CCI) is mandated for implementation of this policy. The CCI enters the market and makes purchases of cotton under support price operation whenever prices touch the MSP level. For the cotton season 2009-10 the MSP of kapas for two basic varieties viz. F-414/H-777/J-34 and H-4 of fair average quality has been fixed at Rs. 3,000 per quintal.

TECHNOLOGY MISSION ON COTTON (TMC)

The Technology Mission on Cotton (TMC) was launched by the Government of India on February 21, 2000 with the aim of addressing the issues relating to the increase in productivity, improvement of quality and reduction in the cost of production and thus providing the much-needed competitive advantage to the textile industry along with ensuring attractive returns to the farmers.

The Mission comprises of four Mini Missions, which are jointly being implemented by the Ministries of Agriculture and Textiles. Research and Development on Cotton and Dissemination of technology to farmers are being undertaken by the Ministry of Agriculture through Mini Mission I and II respectively. Mini Mission III relates to improvement in marketing infrastructure and includes the revival of dormant market yard, improvement in existing market yards and setting up of new market yards. Government of India provides assistance of 60% of the cost of development to the concerned State Govts. / Agricultural Produce Market Committees (APMCs). Mini Mission IV aims at modernization of ginning and pressing factories and thereby improving the quality of cotton by reducing contamination ensuring better prices to the growers.

Mini Mission III & IV of TMC is completed its tenure on 31.03.2009.

JUTE AND JUTE TEXTILES INDUSTRY

The Jute Textiles 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 persons in the tertiary sector and allied activities. The production process in the Jute Industry goes through a variety of activities, which include cultivation of raw jute, processing of jute fibres, spinning, weaving, bleaching, dyeing, finishing and marketing of both, the raw jute and its finished products. The Jute Industry is labour intensive and as such its labour-output ratio is also high in spite of various difficulties being faced by the industry. Capacity utilization of the industry is around 75 per cent. These apart, the jute industry contributes to the export earnings to the tune of nearly Rs. 1200 crores annually.

There are 77 composite jute mills in India, of which 60 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, 1 mill (Tripura) is under State

Government, 2 mills (Assam & New Central) are in the co-operative sector, and 68 are in private sector.

OVERALL PERFORMANCE

EXPORTS OF JUTE GOODS

During the current financial year 2009-10 (April-October,09) export of jute goods recorded as 78.9 thousands M.T. as against 138.0 thousand M.T. during the corresponding period of 2008-09 (April-October, 08), registering a fall of 42.8 %. In 2009-10 (April-October,09), value of export was Rs. 489.29 crores as against Rs. 699.04 crores in 2008-09 (April-October,08) accounting for a decrease of 30% in terms of value.

IMPORT OF JUTE GOODS

During the current financial year 2009-10 (April-December'09) volume of import of jute goods stood at 82.14 thousand M T valued at Rs 309.59 crores as against 50.33 thousand MT valued at Rs 139.14 crores in 2008-09 (April-December'08). This implies a rise of 63.2% in terms of quantity and 122.5% in terms of value over 2008-09 (April-December'08). Import of raw jute has increased. Volume of import of raw jute during 2009-10 (April-Dec'09) stood at 81.67 thousand M.T. valued at Rs 193.75 crores as against 36.16 thousand M.T. valued at Rs 45.22 crores. Thus import of raw jute both in terms of quantity and value have increased by 125.8% and 328.5% respectively.

JUTE MANUFACTURES DEVELOPMENT COUNCIL (JMDC)

- Jute Manufactures Development Council, by virtue of the JMDC Act 1983 is mandated to undertake the following activities:
- Facilitating development work related to jute agriculture with respect to improvement of quality and increase in the yield of jute.
- Promotion of better marketing and sale of jute.
- Improvement of productivity and efficiency of the jute industry.
- Promoting standardization of jute manufactures.
- Market development.
- Sponsoring scientific, technological and economic research.
- Collection and dissemination of information to all the stakeholders in jute --- government, industry, growers, exporters.

JMDC proposes to continue its efforts during 2010-11 in achieving the above objectives. It will continue its existing schemes and activities, which will be included in the proposed Annual Action Plan 2010-11. The proposed Annual Action Plan of the Council for the year 2010-11 will be drawn to include:

- Undertaking of different studies in field of agriculture, market driven product specific research, product development, design development, etc., not covered by JTM. All the projects and studies will be undertaken by the competent agencies within the approved Work Plan from the Non-plan budget of JMDC.
- JMDC will continue its efforts towards promoting standardization of jute products by instituting studies on standardization of JDPs and other products.

- In an effort towards standardization, JMDC has undertaken a Pilot Project for construction of 50 Km. rural roads in 5 States by using Jute Geotextiles under PMGSY.
- JMDC will continue its support to the Institute of Jute Technology, Kolkata, towards sustainable human resource development, under the MOU of the Council with the Institute, on the approval of the Government and on the recommendations of the study undertaken through IL&FS.
- The Action Plan for 2010-11 will cover different activities for promotion of the use of jute and its array of products both in domestic and export market. In this direction, JMDC will organize:
 - Exclusive Jute Fairs in India.
 - Participation in regional level, national level and international level expositions held in India and abroad.
 - Organisation of Seminars, Conferences, Buyer-Seller Meets, Jute delegations and Contact Promotion Programmes in India and abroad.
 - Conducting sustained generic publicity campaigning of jute as an eco-friendly and bio-degradable product.
 - JMDC will undertake different activities as recommended in the reports of the study on Life Cycle Analysis commissioned by JMDC through M/s. Pricewaterhouse Coopers.
 - During 2010-11, JMDC will complete the field survey of the JDP manufacturers and exporters operating throughout the length and breadth of the country. The resultant directory of the small entrepreneurs in the jute sector will be published.
 - It will continue to undertake its regular promotional activities like printing and publication of publicity literatures, brochures and product literatures, statistical bulletin, newsletter, etc. and also undertake different facilitatory activities for the benefit of the exporters and entrepreneurs, obtaining membership of local and international bodies to propagate the use of jute.
 - From its Non-plan budget, JMDC will continue to release payments against the liabilities of different schemes like EMA, Incentive Scheme for Modernisation of Jute Industry (ISMJI), which have since been discontinued or merged in JTM schemes.

JUTE TECHNOLOGY MISSION

The Government, on June 2, 2006, approved the Jute Technology Mission (JTM). The Department of Agricultural Research & Education, Ministry of Agriculture, launched the Mini Mission I of the JTM on November 9, 2006. The Department of Agriculture & Cooperation, Ministry of Agriculture, launched the Mini-Mission II of JTM on December 21, 2006. The Mini Mission III & IV of JTM were launched by the Ministry of Textiles on February 6, 2007.

The Jute Technology Mission (JTM) will be executed during the XIth Plan with an overall outlay of Rs.355.55 crores. The objectives of JTM are:

- To improve yield and quality of jute fibre;
- To strengthen existing infrastructure for development and supply of quality seeds;
- Improvement of quality of fibre through better methods of retting and extraction technologies;
- To increase the supply of quality raw material to the jute industry at reasonable prices and to develop efficient market linkage for raw jute;
- To modernize, technologically upgrade, improve productivity, diversify and develop human resource for the jute industry;
- To develop and commercialise innovative technology for diversified use of jute and allied fibres.

The operationalisation of JTM through its four Mini Missions is at table 4.8.

Table 4.8

Mini Missions	Objectives	Executing Ministry	Proposed outlay (Rs in crores)
Mini Mission – I	To strengthen agricultural research and technology achievements	Ministry of Agriculture	7.06
Mini Mission – II	Development/extension of raw jute and transfer of improved technology	Ministry of Agriculture	49.90
Mini Mission – III	To develop efficient market linkages for raw jute	Ministry of Textiles	38.60
Mini Mission – IV	To modernize, technologically upgrade, improve productivity, diversify and develop human resource for the jute industry.	Ministry of Textiles	260.00
TOTAL			355.55

CHAPTER-V FINANCIAL REVIEW

Plan outlay and expenditure

During the year 2008-09, the total plan expenditure incurred was Rs. 3831.26 crore as against the RE provision of Rs.4092.32 crore which is 93.64 % of the revised estimate. The expenditure during the year 2009-10(upto Jan, 10) is Rs. 3532.22 Crore as against the revised estimate of Rs. 4500.00 crore which is 78.49 % .

Non-Plan

During the year 2008-09, the total expenditure incurred was Rs. 1465.21 crore against the final grant of Rs 1545.34 crore which is 94.81 % of the revised estimate. The expenditure during the year 2009-10(upto Jan,10) is Rs. 1117.14 crore as against the revised estimate of Rs. 1412.42 which is 79.09 % .

Outstanding Utilisation Certificates :Status

As on 31st March, 09, 1969 UCs are outstanding involving Rs. 16259.85 lakh and as on 31st December,09, 1513 UCs are outstanding involving Rs. 12729.57 lakh. The year-wise outstanding figures is ANNEXED.

STATEMENTS OF BUDGET ESTIMATES

Ministry of Textiles

Demand No. 92 Ministry of Textiles

A.The Budget allocations, net of receipts are given below:

Major Hk	2008-2009 Actuals			2009-2010 Budget			2009-10 Revised			2009-2010 Actuals on		
	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	
Revenue	3816.51	1179.89	4996.40	4481.50	732.50	5214.00	4481.50	1246.92	5728.42	3522.84	1097.09	
Capital	15.25	285.32	300.57	18.50	165.50	184.00	18.50	165.50	184.00	9.38	20.05	
Total	3831.76	1465.21	5296.97	4500.00	898.00	5398.00	4500.00	1412.42	5912.42	3532.22	1117.14	
1. Secretariat-Economic Services	3451	0.00	12.20	12.20	0.00	14.68	14.68	0.00	15.93	15.93	0.00	12.04
Village and Small Industries												
Handloom Industries												
2. Centrally Sponsored Schemes in Handlooms												
2.01 Integrated Handloom Development Scheme	2851	9.72	0.00	9.72	10.00	0.00	10.00	11.00	0.00	11.00	8.10	0.00
	3601	85.00	0.00	85.00	85.00	0.00	85.00	85.00	0.00	85.00	68.96	0.00
	Total	94.72	0.00	94.72	95.00	0.00	95.00	95.00	0.00	95.00	77.06	0.00
2. 02 Handloom Weavers Comprehensive Welfare Scheme	2851	79.25	0.00	79.25	79.25	0.00	79.25	79.25	0.00	79.25	61.74	0.00
	3601	0.75	0.00	0.75	0.75	0.00	0.75	0.75	0.00	0.75	0.50	0.00
	Total	80.00	0.00	80.00	80.00	0.00	80.00	80.00	0.00	80.00	62.24	0.00
3. Other Handloom Schemes												
3.01 Diversified Handloom Development Scheme	2851	7.89	0.00	7.89	11.50	0.00	11.50	7.28	0.00	7.28	1.15	0.00
	3601	0.00	0.00	0.00	1.00	0.00	1.00	1.00	0.00	1.00	0.50	0.00
	4851	2.26	0.00	2.26	2.50	0.00	2.50	2.50	0.00	2.50	2.32	0.00
	Total	10.15	0.00	10.15	15.00	0.00	15.00	10.78	0.00	10.78	3.97	0.00
3.02 Weaver Service Centre	2851	0.00	23.00	23.00	0.00	30.00	30.00	0.00	30.15	30.15	0.00	26.54
3.03 Mill Gate Price Scheme	2851	29.59	0.00	29.59	25.00	0.00	25.00	30.60	0.00	30.60	24.45	0.00
3.04 Marketing Promotion Programme	2851	30.00	0.00	30.00	30.00	0.00	30.00	30.00	0.00	30.00	20.22	0.00
	4851	10.00	0.00	10.00	10.00	0.00	10.00	10.00	0.00	10.00	3.16	0.00
	Total	40.00	0.00	40.00	40.00	0.00	40.00	40.00	0.00	40.00	23.38	0.00
3.05 Scheme for grant of special rebate @10% on sale of accumulated Handloom stock	2851	0.00	1.00	1.00	0.00	1.00	1.00	0.00	1.00	1.00	0.00	0.00
	3601	0.00	53.00	53.00	0.00	18.50	18.50	0.00	18.50	18.50	0.00	0.00
	3602	0.00	0.00	0.00	0.00	0.01	0.01	0.00	0.01	0.01	0.00	0.00
	Total	0.00	54.00	54.00	0.00	19.51	19.51	0.00	19.51	19.51	0.00	0.00
3.06 Others	2851	0.00	12.25	12.25	0.00	20.06	20.06	0.00	19.98	19.98	0.00	19.79
	3601	0.00	1.50	1.50	0.00	3.50	3.50	0.00	3.50	3.50	0.00	2.11
	Total	0.00	13.75	13.75	0.00	23.56	23.56	0.00	23.48	23.48	0.00	21.90
Total- Handloom Industries		254.46	90.75	345.21	255.00	73.07	328.07	256.38	73.14	329.52	191.10	48.44

Handicraft Industries

4. Other Handicrafts Schemes

4.01 Training and Extension	2851	0.00	26.75	26.75	0.00	39.43	39.43	0.00	39.40	39.40	0.00	29.08
4.02 Design and Technical Upgradation	2851	14.91	30.20	45.11	10.00	41.65	51.65	10.00	41.52	51.52	5.47	32.24
4.03 Baba Saheb Ambedkar Hastshilp Yojana	2851	32.49	0.00	32.49	46.09	0.00	46.09	45.09	0.00	45.09	28.58	0.00
4.04 Marketing Support & Services	2851	38.02	0.00	38.02	40.46	0.00	40.46	41.46	0.00	41.46	25.29	0.00
4.05 Handicraft Artisans Comprehensive Welfare Scheme	2851	54.93	0.00	54.93	53.60	0.00	53.60	53.60	0.00	53.60	45.15	0.00
4.06 Research & Development	2851	5.44	0.00	5.44	7.13	0.00	7.13	7.13	0.00	7.13	1.98	0.00
4.07 Human Resource Development	2851	3.72	0.00	3.72	4.22	0.00	4.22	4.22	0.00	4.22	3.10	0.00
4.08 Others	2851	0.00	20.03	20.03	0.00	27.00	27.00	0.00	27.03	27.03	0.00	19.76
	4851	2.99	0.00	2.99	4.50	0.00	4.50	4.50	0.00	4.50	3.90	0.00

Total Handicraft Industries

Wool Industries

5. Wool Development Board

Sericulture

6. Central Silk Board

7. Other Sericulture Scheme

Total Sericulture

Powerloom Industries

8. Other Powerloom Schemes

Other

9. Development of Mega Clusters

Total Village and Small Industries

Consumer Industries

10. Payment against Cess Collections

10.01 Textiles

10.02 Jute

Total

11. Textile Commissioner

12. Assistance to Textile Committee

13. Other Programmes for Development of Textile

13.01 Grant to National Institute of Fashion Technology

13.02 Research and Development

13.03 Textile Labour Rehabilitation Scheme

13.04 Grants for Studies

13.05 Technology Upgradation Fund Scheme(TUFS)

13.06 Cotton Technology Mission (Centrally

Sponsored Scheme

13.07 Procurement of Cotton by Cotton

Corporation of India under Price Support

	2851	14.50	1.50	16.00	15.00	1.80	16.80	15.00	1.80	16.80	7.50	1.35
	2851	107.50	163.30	270.80	97.50	200.00	297.50	137.50	213.34	350.84	97.50	200.00
	2851	0.00	1.30	1.30	0.00	1.30	1.30	0.00	1.30	1.30	0.00	0.64
		107.50	164.60	272.10	97.50	201.30	298.80	137.50	214.64	352.14	97.50	200.64
	2851	10.75	2.02	12.77	10.00	2.90	12.90	13.64	2.87	16.51	8.12	2.28
	2851	18.70	0.00	18.70	45.00	0.00	45.00	35.00	0.00	35.00	4.49	0
		558.41	335.85	894.26	588.50	387.15	975.65	623.52	400.40	1023.92	422.18	333.79
	2852	0.00	20.00	20.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	2852	0.00	38.00	38.00	0.00	46.51	46.51	0.00	46.51	46.51	0.00	20.00
	Total	0.00	58.00	58.00	0.00	46.51	46.51	0.00	46.51	46.51	0.00	20.00
	2852	0.00	15.32	15.32	0.00	21.50	21.50	0.00	21.92	21.92	0.00	18.63
	2852	0.00	0.00	0.00	0.00	30.00	30.00	0.00	30.00	30.00	0.00	24.75
	2852	71.75	13.53	85.28	31.75	15.00	46.75	109.39	15.00	124.39	31.75	10.00
	2852	1.90	0.00	1.90	10.00	0.00	10.00	10.00	0.00	10.00	7.54	0.00
	2852	0.00	40.00	40.00	0.00	40.00	40.00	0.00	33.41	33.41	0.00	5.00
	3453	0.54	0.00	0.54	1.00	0.00	1.00	0.32	0.00	0.32	0.00	0.00
	2852	2632.00	0.00	2632.00	2890.00	0.00	2890.00	2890.00	0.00	2890.00	2684.43	0.00
	2852	50.00	0.00	50.00	50.00	0.00	50.00	50.00	0.00	50.00	50.00	0.00
	2852	0.00	655.00	655.00	0.00	135.00	135.00	0.00	635.00	635.00	0.00	634.84

13.08 Grants to AEPC against forfeited amount of EMD/BG	2852	0.00	1.00	1.00	0.00	0.49	0.49	0.00	0.49	0.49	0.19	0.00
13.09 Scheme for Integrated Textile Parks	2852	279.59	0.00	279.59	377.00	0.00	377.00	265.00	0.00	265.00	178.00	0.00
13.10 Others	2852	21.30	6.75	28.05	39.75	5.42	45.17	41.77	5.42	47.19	20.42	3.99
Total		3057.08	789.60	3846.68	3399.50	293.92	3693.42	3366.48	787.75	4154.23	2972.33	717.21
14.Jute Commissioner	2852	0.00	3.14	3.14	0.00	4.24	4.24	0.00	3.74	3.74	0.00	3.37
15. Other Programmes for Development of Jute etc.												
15.01 Jute Technology Mission	2852	58.00	0.00	58.00	62.00	0.00	62.00	60.00	0.00	60.00	50.91	0.00
15.02 Subsidy to Jute Corporation of India towards Market Operation	2852	0.00	36.60	36.60	0.00	30.00	30.00	0.00	36.59	36.59	0.00	30.00
15.03 Others	2852	0.00	2.50	2.50	0.00	2.51	2.51	0.00	2.51	2.51	0.00	0.68
Total		58.00	42.24	100.24	62.00	36.75	98.75	60.00	42.84	102.84	50.91	34.05
16. Write off of Loan												
16.01 National Textiles Corporation Limited	2852	0.00	0.00	0.00	0.00	3402.62	3402.62	0.00	3402.62	3402.62	0.00	3402.62
16.02 Less-Receipt Netted	852	0.00	0.00	0.00	0.00	-3402.62	-3402.62	0.00	-3402.62	-3402.62	0.00	-3402.62
Net		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
17. Waiver of Interest												
17.01 British India Corporation Limited	2852	0.00	390.80	390.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
17.02 National Textiles Corporation Limited	2852	0.00	0.00	0.00	0.00	2727.13	2727.13	0.00	2727.13	2727.13	0.00	2727.13
Total		0.00	390.80	390.80	0.00	2727.13	2727.13	0.00	2727.13	2727.13	0.00	2727.13
17.03 Less-Receipt Netted	49	0.00	-390.80	-390.80	0.00	-2727.13	-2727.13	0.00	-2727.13	296.11	0.00	-2727.13
Net		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Consumer Industries Civil Supplies		3115.08	831.84	3946.92	3461.50	330.67	3792.17	3426.48	830.59	4257.07	3023.24	751.26
18. Non-Plan loans to Public Enterprises												
18.01 National Textiles Corporation	6860	0.00	145.00	145.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
18.02 National Jute Manufactures Corporation	6860	0.00	114.83	114.83	0.00	140.00	140.00	0.00	140.00	140.00	0.00	0.00
18.03 Bird Jute and Export Limited	6860	0.00	0.49	0.49	0.00	0.50	0.50	0.00	0.50	0.50	0.00	0.34
18.04 British India Corporation Limited	6860	0.00	25.00	25.00	0.00	25.00	25.00	0.00	25.00	25.00	0.00	19.71
Total		0.00	285.32	285.32	0.00	165.50	165.50	0.00	165.50	165.50	0.00	20.05
19. Lump sum provision for the benefit of North Eastern Region & Sikkim												
19.01 Handloom	2552	69.79	0.00	69.79	85.00	0.00	85.00	85.00	0.00	85.00	28.37	0.00
19.02 Handicrafts	2552	50.48	0.00	50.48	52.50	0.00	52.50	54.16	0.00	54.16	33.38	0.00
	4552	0.00	0.00	0.00	1.50	0.00	1.50	1.50	0.00	1.50		0.00
Total		50.48	0.00	50.48	54.00	0.00	54.00	55.66	0.00	55.66	33.38	0.00
19.03 Sericulture	2552	23.50	0.00	23.50	17.50	0.00	17.50	47.90	0.00	47.90	17.50	0.00
19.04 Jute	2552	8.00	0.00	8.00	8.00	0.00	8.00	8.00	0.00	8.00	7.55	0.00
19.05 Textiles	2552	6.50	0.00	6.50	285.50	0.00	285.50	62.25	0.00	62.25	0.00	0.00
19.06 Technology Upgradation Fund Scheme(TUFS)	2552	0.00	0.00	0.00	0.00	0.00	0.00	191.19	0.00	191.19	0.00	0.00
Total		158.27	0.00	158.27	450.00	0.00	450.00	450.00	0.00	450.00	86.80	0.00
Grant Total		3831.76	1465.21	5296.97	4500.00	898.00	5398.00	4500.00	1412.42	5912.42	3532.22	1117.14

31/01/10

Total

4619.93

29.43

4649.36

12.04

8.10

68.96

77.06

61.74

0.50

62.24

1.15

0.50

2.32

3.97

26.54

24.45

20.22

3.16

23.38

0.00

0.00

0.00

0.00

19.79

2.11

21.90

239.54

29.08
37.71
28.58
25.29
45.15
1.98
3.10
19.76
3.90
194.55

8.85

297.50
0.64
298.14

10.40

4.49
755.97

0.00
20.00
20.00
18.63
24.75

41.75
7.54
5.00
0.00
2684.43
50.00

634.84

0.19
178.00
24.41
3689.54
3.37

50.91

30.00
0.68
84.96

3402.62
-3402.62
0.00

0.00
2727.13
2727.13
-2727.13
0.00
3774.50

0.00
0.00
0.34
19.71
20.05

28.37
33.38
0.00
33.38
17.50
7.55
0.00
0.00
86.80
4649.36

DETAILS OF OUTSTANDING UTILIZATION CERTIFICATES AS ON 31ST MARCH, 2009 & 31ST DECEMBER, 2009.**MINISTRY OF TEXTILES****(Rs. in lakh)**

Year of sanction of grant	Utilization Certificates Outstanding As on 31 st March, 2009		Utilization Certificates Outstanding As on 31 st December, 2009	
	No.	Amount	No.	Amount
1978-79	10	44.83	10	44.83
1979-80	2	11.00	2	11.00
1980-81	3	3.88	3	3.88
1981-82	1	0.40	1	0.40
1982-83	4	2.02	4	2.02
1984-85	2	0.88	1	0.65
1985-86	3	2.15	3	2.15
1988-89	1	0.25	1	0.25
1989-90	2	1.5	2	1.50
1991-92	3	7.47	3	7.47
1992-93	9	20.71	7	8.85
1993-94	9	95.11	8	77.11
1994-95	31	26.27	31	26.27
1995-96	47	229.47	47	229.47
1996-97	16	51.89	15	41.11
1997-98	17	42.63	15	35.46
1998-99	11	31.24	10	26.74
1999-00	28	126.75	28	126.75
2000-01	29	89.94	28	72.44
2001-02	31	47.9	31	47.90
2002-03	43	87.92	43	87.92
2003-04	80	599.48	80	599.48
2004-05	160	1749.25	148	1496.04
2005-06	239	2666.8	203	2284.73
2006-07	269	4113.44	221	3259.09
2007-08	919	6206.67	568	4236.03
	1969	16259.85	1513	12729.57

CHAPTER-VI

PERFORMANCE OF STATUTORY AND AUTONOMOUS BODIES

NATIONAL TEXTILE CORPORATION LIMITED

The National Textile Corporation Limited (NTC) was incorporated in 1968 to manage the affairs of nationalized sick private sector textile mills which were taken over by the Government under the three Nationalisation Acts-The Sick Textile Undertakings (Nationalisation) Act, 1974, The Swadeshi Cotton Mills Company Limited (Acquisition and Transfer of Undertakings) Act, 1986, and The Textile Undertakings (Nationalisation) Act, 1995.

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. Due to continuous losses and erosion of equity, in August 1992 and May 1995, the Cabinet approved strategies for the turnaround of NTC. However, these could not be implemented, as funds could not be raised. The Cabinet again considered the revival package in 2000 and constituted GoM to take decisions during the implementation period. GoM has held 13 meetings between 2000-2008. BIFR sanctioned rehabilitation schemes for NTC in 2002/2005, which were modified in 2006 (MRS-06) and 2008 (MS-08). 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. NTC was left with 117 mills. 77 mills were found as unviable. Out of these, 76 mills have been closed, and land of one mill proposed for setting up of Technical Textiles. Of the remaining 40 viable mills, the present status is as under:-

- 17 mills modernised by NTC itself;
- Modernization of one mill under progress;
- 4 mills being set up as relocated green field units;
- 16 mills offered for joint venture; and
- 2 mills earlier slated for joint venture now proposed to be modernized by NTC itself.

Drastic reduction of surplus strength from 83,537 as on 1.4.2001 to 11,471 as on 1.4.2009 has been achieved. NTC has achieved turn around and is recording overall profit of about 200 crores as per unaudited accounts in the financial year 2008-2009.

NTC has undergone a total transformation during the last 5 years of its journey from a sick company to a potentially profit making organization. The company has been vested with the task of implementation of 9 revival schemes for its subsidiaries. The schemes were approved by the BIFR originally in the year 2002-03 and were modified in 2006 and 2008, depending upon the changes that had taken place in the sector and the requirements of the organization. The scheme envisaged closure of 66 unviable mills and revival of 53 viable mills. On account of the policy decisions taken by the NTC/Government from time of time, the company has by now closed 77 mills and is in the process of revival of 40 mills. Out of these 40 mills identified for modernization, 24 mills are being modernized by NTC directly and 16 mills are being revived through joint venture partnership. The entire funds required for payment of MVRS compensation was mobilized by private placement of bonds from the market to the extent of Rs.2028 crores. The scheme, being self-financing, the amount that has been mobilized from the market was expected to be repaid by sale of assets of the closed mills and the surplus assets of the running mills. The sale of assets has never been a core competence of Company. It has been carried out in transparent and in a professional manner. By now, the Company has sold assets worth Rs.4048 crores.

THE BRITISH INDIA CORPORATION LIMITED

The British India Corporation Limited (BIC) 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 suiting, Tweeds, Uniform Cloth, Lohis, Shawls, Rugs, Blankets etc.

2. The British India Corporation Limited has mainly three subsidiary companies (1) Elgin Mills Co. Limited (2) Cawnpore Textiles Limited, Kanpur & (3) Brushware Limited. Revival of one of the unit of Elgin Mills Co. Ltd. viz Elgin Mills No.2 is under consideration. The Cawnpore Textiles Limited is in the process of liquidation under the orders of Hon'ble High Court. The Brushware Ltd. has been declared closed by Ministry of Labour & Employment.

3. The B.I.C. Limited was declared as sick company on 12.5.1993. The Scheme for rehabilitation of British India Corporation (BIC) was approved by BIFR on 18.12.2002, 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.

4. In view of non-implementation of the Rehabilitation Scheme - 2002, the Board for Industrial and Financial Reconstruction (BIFR) directed the Operating Agency (OA) to draft a new Modified Rehabilitation Scheme (MRS) for revival of BIC Ltd. In pursuance of the above directions, a Modified Rehabilitation Scheme at a total cost of revival Rs. 273.28 crores was approved by BIFR on 14.2.2008. Out of this, Govt. budgetary support of Rs. 157.35 crores was envisaged. Cabinet considered the revival plan of BIC Ltd. on 08.08.2008 and directed that overdue wages may be paid through a bridge loan from the National Textile Corporation and the question of payment of wages on a regular basis for a certain period of time taken up with the Department of Expenditure. Cabinet further directed that the Ministry may go back to the Cabinet with a detailed revival plan subsequently after inter-Ministerial consultations. Accordingly a proposal based on Techno Economic Viability (TEV) study report by Wool Reach Association and Industrial Finance Corporation of India is being prepared for submission to BRPSE.

THE COTTON CORPORATION OF INDIA LTD., (CCI), NAVI MUMBAI

CCI was set up in 1970 to act as a canalizing agency for import of cotton and purchase of raw cotton, provide price support to cultivators growing new varieties of cotton developed as a substitute for imported Long & Extra Long Staple cotton and function as a procurment agency for raw cotton for textiles mills both in public and private sectors. Subsequent to the Textile Policy, 1985, CCI was assigned commercial operations for meeting the cotton requirements of institutional buyers and fulfilling the export quota allotted to it by the Government. With the liberalization of cotton exports through Open General Licence (OGL) from July 2, 2001, the system of allocation of export quota in favour of different agencies has been discontinued.

CCI is implementing agency for Mini Missions III and IV of Technology Mission on Cotton (TMC), which was launched in February 2000. It involves improvement of marketing infrastructure and modernization / technological upgradation of the existing ginning and pressing factories.

FUNCTIONING OF CCI

- Corporation buys seed cotton (kapas) from the cotton farmers in the open auction in market yards of various Agricultural Produce Market Committees in the country in competition with other cotton traders and ginners.
- Kapas is purchased in open auction by outcry in the presence of market committee officials (except Karnataka, where cotton is purchased through tender system).
- Weighment is also done either by APMC or in the presence of APMC officials.
- Full payment is made to the cotton farmers by way of Cheques in their names.
- With this, the farmers are assured of their payment and have developed trust in the procurement operations of CCI.
- Full transparency is maintained in purchases of kapas, weighment and timely payment is ensured to the cotton farmers.
- Cottonseed separated in ginning is sold by way of open auction to cottonseed traders or cottonseed crushing units. Deliveries are effected only against cash payment.
- Lint cotton is pressed in the form of cotton bales to make it transport worthy and storage worthy.
- Cotton bales are shifted to the local godowns, either of Central or State Warehousing Corporation or cooperative societies for storage till delivery to the buyer mills. In case of Non-availability, godowns are hired from private sector also.
- At present, large numbers of G&P factories are modernized under TMC or on their own in various States. Corporation is giving preference to process its stocks in modernized factories whenever the same are available.

Government of India announced Minimum Support Price (MSP) for different varieties of cotton every year to ensure remunerative prices for the cotton growers. The Cotton Corporation of India Ltd. (CCI) is mandated for implementation of this policy. The CCI enters the market and makes purchases of cotton under support price operation whenever prices touch the MSP level.

NATIONAL JUTE MANUFACTURES CORPORATION LIMITED, KOLKATA:

National Jute Manufactures Corporation Limited (NJMC) was incorporated in 1980. There are six nationalised Jute Mills under its management of which five are located in and around Calcutta and one at Katihar, Bihar. NJMC is the only Public Sector Undertaking engaged in Jute goods

manufacture. The Undertakings of the six Jute Mills viz. National, Kinnison, Khardah, Alexandra, Union and RBHM, the management of which were earlier taken over by the Government under the Industries (Development & Regulation) Act 1951 were nationalised and vested in NJMC. The Mills produced traditional Jute goods like Hessian, Sacking, Jute Twine and also Jute Carpet Backing Cloth (CBC).

Production, Productivity & Performance:

At the time of nationalization production of the mills under NJMC was around 1.10 Lac tons per annum, which went up to 1.33 Lac tons in the year 1985-86. However there is continuous decline in production thereafter. During the year 2004-05, 6 (Six) units of NJMC are not in operation due to disconnection of Power supply by CESC / BSEB for non-payment of their bills owing to working capital crunch . The trend of production, productivity & performance is at table 6.1.

Table 6.1

PHYSICAL & FINANCIAL PERFORMANCE

Particulars	2007-2008	2008-2009	2009-2010 [Estimated]
Production (M.T.)	----	----	----
Sales	----	----	----
Processing Income	----	----	----
Other Income	11.53	17.93	2.00
Accretion / Decretion of stock	----	----	----
Total	11.53	17.93	2.00
VRS Expenditure	----	54.15	155.00
Wages & Salaries (including Gratuity)	30.39	23.90	20.00
Other Expenses	12.76	6.00	6.00
Fringe Benefit Tax	0.08	0.11	----
Interest on GOI Loan	439.36	479.23	560.00
Interest - Others	55.60	6.13	2.00
Depreciation	0.20	0.18	0.16
Extra ordinary Income	9.02	24.98	----
Prior Period Adjustment	(20.70)	6.92	----
Total	516.71	601.60	743.16
Net Loss (after charging interest on Govt.Loan)	505.18	583.57	741.16
Net Loss (Before charging interest on GOI Loan)	75.82	104.44	181.16
Cash Loss for the year (before charging interest on Govt.loan and extra ordinary items)	87.30	72.36	181.00

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). Time and again various revival proposals were submitted to BIFR which were turned down.

BIFR vide its order dated July 8, 2004, confirmed winding up of NJMC Ltd. in terms of Sec.20(1) of Sick Industrial Companies (Special Provision) Act, 1985 (SICA). BIFR forwarded the case to the Calcutta High Court for winding up of the company and appointment of official Liquidator

On January 6, 2005, the Single Judge Bench passed the order for 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 above order dated January 6, 2005. The matter was heard by the Division Bench on February 7, 2005, and stay was granted which is presently operational. In the meantime, 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 Cabinet in its meeting held on 24.03.2005 approved the following guidelines as a Plan of Action for the NJMC Ltd.

1. To reduce the manpower of the NJMC Ltd. by offering VRS to all the employees (13,942) of the organization, including the employees of the Head Office.
2. To extend budgetary support to the extent of Rs. 978.00 crores for providing VRS, liquidating statutory arrears, gratuity, and secured liabilities of NJMC Ltd.
3. the mills at Kinnison and Khardah will be referred to the Board for Reconstruction of Public Sector Enterprises and VRS offered to their employees; and
4. VRS will be given to employees of other mills but these will be dealt under BIFR proceedings.

Accordingly, the scheme for revival of two mills (Kinnison & Khardah) was submitted to BRPSE. In addition, submissions were made to AAIFR / High Court conveying the government's decision to revive the said two mills.

Based upon the proposal of revival prepared by the Ministry/NJMC in consultation with IDBI, the BRPSE has approved the revival plan of the NJMC with the following observations-

- a) The board approved the revival proposal (in respect) to the RBHM Mill in Katihar, with association of private partner as proposed by Ministry of Textiles.
- b) The Board also approved the proposal for revival of the Kinnison and Khardah Jute Mills as proposed by Ministry of Textiles. The Board also suggested that along with the revival of Kinnison and Khardah Mills in the public sector, the possibility of one or more appropriate private partner with their revival as in the scheme for revival of Katihar Mill should also be explored.

AAIFR has also concluded its hearing and issued oral orders to set aside the orders of BIFR.

As per the decision of the Cabinet, VRS was notified in all the mills. All the workmen have opted for VRS and have been released. The Secured liabilities of NJMC have also been liquidated. Most of the statutory dues of NJMC have been settled as well.

BIRDS JUTE & EXPORTS LTD.

Birds Jute & Exports Ltd., a subsidiary of the National Jute Manufactures Corporation (NJMC) Ltd. is a processing unit in Jute/Cotton/Viscose & Blended Decorative Fabrics. The Company resumed

production from April 1988 after a virtual closure for a period of 8 years during which period the condition of plant and machinery immensely deteriorated resulting in higher/cost of production and low productivity.

Due to frequent break down of old and outdated machinery, production of the company was suspended again with effect from October 1998. The production of the company was resumed in the month of August, 2001 after a long interval of about 3 years after repairing of major machinery and payment of electricity bills. However, the production in BJEL again discontinued from October 2002. The performance of BJEL during 2008-2009, in comparison to previous year is at Table 6.2.

Table 6.2 (Rs. In Lakhs)

Physical	2007-08	2008-09	2009-10
Production			(upto dec.09)
Own Fabrics (Mtrs)	0	0	0
Contract(Mtrs)	0	0	0
Financial Result	(Rs.in lac)	(Rs.in lac)	(Rs.in lac)
Sales value of Production	0	0	0
Rent & other Income	42.79	10.31	5.40
Total	42.79	10.31	5.40
Raw Material	0	0	0
Stores	00.15	0.22	00.9
Salary & Wages	24.06	25.44	13.75
Other expenses	35.77	98.65	41.16
Interest	478.37	666.70	450.00
Depreciation	7.70	7.57	5.55
Total	546.05	798.58	511.35
Net Loss ⁹ (before adjustment)	503.26	788.27	505.96
Adhustment	0.77	4.63	-
Net Loss(After adjustment)	504.33	783.64	505.96
Cash Loss	496.33	776.07	500.41
Cumulative Net Loss	6388.95	7172.59	7678.55

The major part of the losses incurred during the year under review is due to huge interest burden of secured and unsecured loan from bank, holding company and Govt. of India

A revival plan for BJEL is under consideration of the Government.

THE JUTE CORPORATION OF INDIA LTD. KOLKATA

The Jute Corporation of India Ltd. (JCI) is the Official Agency of the Govt. of India for implementing the policy of providing the Minimum Support Price to the jute growers and to serve as a stabilizing agency in the raw jute sector. However, when prices of raw jute rules above the minimum support level the JCI undertakes commercial operations. The JCI in April 2009, completed 39 years of service to the jute growers.

INFRASTRUCTURE

Currently, JCI operates through 171 purchase centres situated in 7 jute growing States namely, West Bengal, Assam, Meghalaya, Bihar, Orissa, Andhra Pradesh and Tripura. To increase market coverage, JCI associates involved co-operative societies to participate in the MSP operation in raw jute/mesta as agents of JCI.

RANGE OF SERVICES

The Price Support Operation aims at procuring raw jute from the small and marginal farmers at the minimum support prices (MSP) fixed by the Government from time to time.

The price support operations undertaken by the corporation has been found to be the most effective measure to arrest intra-seasonal fluctuation in raw jute prices as it creates a notional buffer stock from siphoning of the excess supply of the market.

The Corporation also undertakes commercial operation i.e. purchase of raw jute at prices above the minimum support level on commercial consideration to generate profit.

The Corporation has entered the field for marketing of non-traditional jute products in collaboration with the Jute Manufacturers Development Council (JMDC) through a Sales Emporium 'SONALI' at Kolkata.

The Corporation provides service in the field of marketing research and acts as a decision-support-system in the field of agriculture marketing.

National Handloom Development Corporation.

The National Handloom Development Corporation (NHDC) Ltd., Lucknow, was set up by the Government of India in February, 1983 under the Companies Act, 1956 with the objective of ensuring availability of raw materials like yarn, dyes and chemicals and other inputs and to encourage production and marketing of handloom products by opening directly or assisting in the opening of marketing outlets. The total authorized capital of NHDC is Rs.20.00 crore and the paid up capital of the Corporation as on 31.3.2009 is 19.00 crores. With the aim to improve the market share of handloom products and increasing consumer awareness, NHDC has set up marketing complexes at Ahmedabad, Jaipur, Kanpur, Kolkata, Hyderabad, Mumbai, Indore and Delhi where various varieties of handloom products of different States/Regions are made available under one roof. The performance of NHDC during the last 3 years is as under:-

	(Rs.in lakhs)		
	2007-08	2008-09	2009-10 (P)
Sales Turnover	58867.17	82948.34	68339.65
Profit	104.52	393.84	253.18

The supply of yarn, dyes & chemical by NHDC during the last 3 years is as under:

YARN:

Year	Target (in lakh Kgs.)	Achievement (in lakh Kgs.)
2007-2008	345	682.14
2008-2009	575	858.27
2009-2010 upto Dec'09)	900	724.31

DYES & CHEMICALS:

Year	Target (in lakh Kgs.)	Achievement (in lakh Kgs.)
2007-2008	20.00	21.48
2008-2009	19.50	39.13
2009-2010 upto Dec'09)	32.00	37.67

With the aim of providing marketing support to the handloom sector, during the year 2008-09 NHDC has organized 12 exclusive Exhibitions for sale of Silk and woolen Products under the banner of 'SILK FAB' and 'WOOL FAB'.

Keeping in view the policy of the Government of India, while utilizing the financial resources available to the NHDC, the NHDC had declared dividend of Rs.21.00 lakh and Rs.22.00 lakh and Rs.80.00 lakh for the year 2006-07, 2007-09 and 2008-09 respectively.

THE HANDICRAFTS AND HANDLOOMS EXPORTS CORPORATION OF INDIA LTD.

The Handicrafts and Handlooms Exports Corporation of India Limited (HHEC) was set up in June 1962, for promotion of export and development of trade in handicrafts and handlooms. Presently, HHEC is a two star export house engaged in exports of handicrafts and handlooms products (including handknotted woollen carpets and ready-made garments) besides undertaking export bullion. In 1997-98, the Government vide notification no. 80/97- Customs dated October 21, 1997, nominated HHEC alongwith other ten agencies for import of bullion under Open General Licence (OGL) and sale in the domestic market. Subsequently, under Exim Policy 2002-2007 bullion has been put under OGL (subject to RBI Regulations) w.e.f. January 28, 2004.

CAPITAL

The authorised and paid up capital of the corporation are Rs. 20.00 crores and Rs. 13.82 crores respectively. The entire paid up capital has been subscribed by the Government of India.

WORKING RESULTS

During 2008-09, the Corporation achieved a turnover of Rs. 1592.18 crores as against Rs. 703.40 crores in 2007-08. The main reason for increase in turnover is due to higher bullion imports which increased from Rs. 673.04 crore in 2007-08 to Rs. 1545.44 crore during the year 2008-09. During the year 2008-09, the Corporation has ended with a loss of Rs. 0.47 crore as against a loss of Rs. 7.08 crore during 2007-08. The increase in loss is due to various staff and management related issues, particularly in the Company's Chennai operations and the variations in international trade during the year under report.

CENTRAL COTTAGE INDUSTRIES CORPORATION OF INDIA LTD.

The Central Cottage Industries was set-up in the year 1952, under the management control of the Indian Cooperative Union, and in 1964 was taken over by Central Cottage Industries Association. The Central Cottage Industries Corporation of India Ltd. (CCIC) was incorporated on February 4, 1976, as a wholly owned subsidiary of the Handicrafts and Handlooms Exports Corporation of India Ltd. (HHEC). CCIC, with effect from March 23, 1991, ceased to be a subsidiary of HHEC and was brought under the administrative control of Ministry of Textiles, as an independent public sector undertaking.

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 five showrooms at Delhi, Kolkata, Mumbai, Bangalore, Chennai and a franchise outlets at Gurgaon.

Capital

The authorized capital of the Corporation is Rs.1200 lakhs and the paid-up capital is Rs.1085 lakhs.

Working Results

a) Turnover

The turnover of the Corporation during 2008-09 was Rs. 6859.02 lakhs against Rs. 8493.34 lakhs in 2007-2008.

b) Exports

The total exports of the Corporation during 2008-09 were Rs.313.37 lakhs as compared to Rs.342.48 lakhs in the previous year.

c) Profitability

The Gross Profit during the year 2008-09 decreased from Rs.3836.75 lakhs in the previous year to Rs.3454.31 Lakhs. The decrease in gross profit is due to decrease in turnover resulting from economic slowdown across the world and terrorist attack in Mumbai on 26.11.2008. The overheads of the Corporation increased by 8.11% from Rs.3138.50 lakhs in the previous year to Rs.3393.18 lakhs in the current year. The year 2008-09 ended with a pre-tax profit of Rs.61.13 lakhs as against corresponding profit of Rs.698.25 lakhs during the previous year.

Statistics

Summarized working results for the last three years are given in at table 6.5 :

TABLE 6.5

(Rs. in lakhs)

	2007-08	2008-09	2009-10 (Prov.)
Turnover* -Retail	7493.81	6859.02	6675.00
- Bulk Orders	999.53	Nil	Nil
Total	<u>8493.34</u>	<u>6859.02</u>	<u>6675.00</u>
Exports	342.48	313.37	300.00
Net Profit (+) / Loss (-) Before tax	698.25	61.13	N A
Net Profit (+) / Loss (-) after tax	191.76	421.57	20.61
Dividend	38.35	217.00	4.13

*includes exports also.

Development of Designs

The Corporation continued 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's Wear, Women's Wear and Children's 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 2008-09, CCIC organized many in-house thematic exhibitions, wherein new products were displayed by the Corporation to expand the patronage of Corporation.

Manpower Strength & Training

As on 31st January 2010 the Corporation had strength of 344 employees as compared to 361 in the previous year.

CENTRAL WOOL DEVELOPMENT BOARD

The Central Wool Development Board (CWDB), Jodhpur was constituted by the Government of India in 1987 for promoting growth and development of wool and woollens. It pursues its objectives through various activities- market intelligence, improvement of wool and woollens, price stabilization, and quality control.

For the XIth Five Year Plan, the Board has undertaken following schemes with some modifications and addition of the components under fully funded central sector scheme to support different wool development activities and to provide support to the entire chain from shepherds to the end use of wool.

1. Integrated Wool Improvement and Development Programme (IWIDP)

- A. Sheep & Wool Improvement Scheme:
- B. Angora Wool Development Scheme :
- C. Pashmina Development scheme :
- D. Human Resource Development & Promotional Activities

2. Quality Processing of Wool and Woolen Products

- A. Setting up of Common Facility Centre for Wool Scouring, Drying etc.
- B. Setting up of Wollen Shawl/Carpet Finishing.

3. Social Security Programme for Sheep Breeders

During the 11th Five Year Plan, following new scheme is proposed to implement for social security for Sheep Breeders.

- A. Shepherd Insurance Scheme
- B. Sheep Insurance Scheme.

Integrated Wool Improvement and Development Programme (IWIDP)

- A. Improvement of Wool Fibre:

(i) Sheep & Wool Improvement Scheme:

The Sheep & Wool Improvement Scheme was introduced during the Xth Five Year Plan period, as part of Integrated Wool Improvement Programme (IWIP), to provide Health Care to sheep to improve their breed, to set up Multipurpose Extension Centres, provide marketing and support, product development Support and marketing assistance to the breeders.

During 2009-10, 9 lakh sheep will be covered under the Scheme with financial allocation of Rs. 1090.70 lakh. The Board utilized Rs. 422.65 lakh till November, 2009 by covering 3 lakh new sheep and 22 lakh ongoing sheep and benefiting 33,744 sheep breeders from the States of Rajasthan, Gujarat, Madhya Pradesh, Uttarakhand, Maharashtra, Haryana and Jammu & Kashmir. During 2010-11, the Board proposes to benefit 20 lakh Sheep under different ongoing projects with a financial allocation of Rs. 9.41 crore.

(ii) Angora Wool Development Scheme

The Angora Wool Development scheme was first introduced during the IXth Five Year Plan period. It supports angora rearing activity among farmers, strengthens Germplasm Centre (GPC), and facilitated distribution of rabbit among rearers as foundation stock along with necessary training and feed and nutritional support. The scheme is part of IWIDP during the XIth Five Year Plan period and has the following components:

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

During the financial year 2009-10, 100 Angora rabbit rearing families are being covered at an estimated cost of Rs. 69.30 lakh. During 2010-11, the Board proposes to benefit 100 new families with a financial allocation of Rs. 0.69 crore.

(iii) Pashmina Development Scheme:

During the Xth Five Year Plan period, the Scheme for the development of Pashmina Wool was launched in Leh-Ladakh region of J&K as part of Prime Minister 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 of 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 2009-10, the Board is providing facilities 800 families in Ladakh region of J&K with a financial provision of Rs. 43.75 lakh. During 2010-11, the Board proposes to benefit 800 families under ongoing project with a financial allocation of Rs. 0.28 crore.

B. Human Resource Development & Promotional activities:

During the XIth Five Year Plan period, CWDB carried out various activities under the Support Services component. The Board is continuing these activities during the XIth Five Year Plan period. The following activities are part of Support Services –

- Marketing and Promotional activities (organizing of fairs and Woollen Expos, seminar and workshops, etc.)
- Market Intelligence and Publicity
- Publication of quarterly news magazine ‘Wool Bulletin’
- 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.
- Strengthening of the Central Wool Development Board and construction of office building.

During the financial year 2009-10, the Board had provided Rs. 146.25 lakh for the above activities. The Board had utilized Rs. 87.97 lakh and imparted training to 60 resource persons and organized 4 Woollen Expos till November 2009. During 2010-11, the Board proposes to impart training to 200 persons, ongoing Woollen Expos at different important locations, evaluation work and other above mentioned activities with a financial allocation of Rs. 1.30 crore.

2. 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. The Scheme provides a comprehensive service package from deburring to carding & spinning stage. The setting up of modern plants will increase wool-processing capacity and brings value addition to Indian wool industry and creates more employment and augments income of persons engaged in these decentralized activities.

The agency under the Scheme has to bear the cost of land & building. The Government of India provides non-recurring grant for purchase of machinery required for setting up of a unit. The recurring expenditure is borne by the agency/association.

A provision of Rs. 100 lakh has been made in 2009-10 to set up 2 new Common Facility Centers for Pre-loom activity like wool scouring, drying, deburring and carding, 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. Till November, 2009, the Board has utilized Rs. 42.71 lakh under different ongoing Common Facility Centres. During the year 2009-10, the Board will setup 2 Common Facility Centers under pre-loom activity at a financial outlay of Rs. 100 lakh. During 2010-11, the Board had made financial provision of Rs. 1.32 crore.

3. Social Security Programme for Sheep Breeders

A. Sheep Breeders Insurance Scheme

Approximately 12 Lakh people are engaged in Sheep breeding and rearing activities. The majority of them are living below the poverty line or are marginally above poverty line. The sheep breeder generally leads migratory life style in search of suitable green pastures. During migration, they face adverse conditions such as rains, cyclones, storms, snakebite, attack of wild animal, etc., and also lack of medical and insurance facilities. Therefore, Government of India has decided to protect this vulnerable section of society by providing them insurance cover. The Central Wool Development Board is implementing the Sheep Breeders Insurance Scheme during XIth Five Year Plan period. The basic objective of the Shepherd Insurance Scheme is to provide/ enhanced insurance cover to Sheep breeders in the case of natural as well as accidental death. Out of the annual premium of Rs. 330, the contribution from GOI is Rs. 150, breeders share is Rs. 80, and Rs. 100 is borne by LIC from its Social Security Funds.

The benefits accruing to the Sheep breeder are:

- (a) On Natural death - Rs 60,000
- (b) On Accidental death - Rs. 1,50,000
- (c) On Permanent Disability- Rs. 1,50,000
- (d) On Partial Disability –Rs.75,000

B. Sheep Insurance Scheme:

India has the third largest sheep population country in world with 6.15 crores sheep. The annual wool production is 45 million kg which is 1.8% of total world wool production. It is expected that proper health care alone should lead to increase in the production by at least 10%, according to a study carried out by the Central Sheep and Wool Research Institute, Avikanagar. The Central Wool Development Board is implementing the Sheep Insurance Scheme during XIth Five Year Plan period under Social Security Scheme. The basic objective of the Sheep Insurance Plan is to provide insurance cover to sheep in the case of accident including fire, lightning, storm, tempest, floods, inundation, earthquake, famine and diseases contracted or occurring during the period of the policy in project areas.

The normal period of insurance is 12 months and maximum period is three years co terminus with the project period of SWIS. The average cost of sheep is estimated at Rs. 1,200, between one year to nine years old and premium is 3.2% plus service tax of the cost of the animal per annum i.e. Rs. 44 sheep. The premium of Rs. 25 per sheep per year is paid by the CWDB and remaining Rs. 19 per sheep per year is contributed by the Beneficiaries. In the event of death of sheep, the sum assured of Rs. 1,200 becomes payable to the shepherd. The benefit of subsidy is being provided to a beneficiary for a maximum period of three years.

During the financial year 2009-10, the Board had made total financial provision of Rs. 50 lakh to provide insurance coverage for 45,000 sheep breeders and 12 lakh sheep. The Board has covered 14,358 sheep breeders and 4,23,953 sheep, till December, 2009 and released Rs. 3.44 lakh. During 2010-11, the Board had made a financial provision of Rs. 1 crore under Social Security Scheme, i.e., Sheep Breeders Insurance Scheme and Sheep Insurance Scheme to provide 50,000 shepherds and 4 lakh sheep.

NATIONAL INSTITUTE OF FASHION TECHNOLOGY

The National Institute of Fashion Technology was set up in 1986 is 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 seven centres at New Delhi, Bangalore, Chennai, Gandhinagar, Hyderabad, Kolkata and Mumbai. A Centre at Rae Bareilly has been added from academic year 2007-08 and four Centres at Patna, Bhopal, Shillong and Kannur have been added from academic year 2008-09. New NIFT Centre at Kangra is being inaugurated on August, 2009. 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) Programme.

The National Institute of Fashion Technology Act, 2006 came into force on July 14, 2006 and comes 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 a 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 twelve Centres.

Fee for NIFT centres at Rae Bareilly, Kannur and Kangra has been reduced by 50% per semester by NIFT.

NIFT has signed MOUs with more than 24 leading Fashion Schools of the world.

Presently NIFT offers the following programmes:

- 4 year undergraduate programme: (i) Bachelor of Design (B.Des) in Fashion , Leather, Textile, Knitwear, Accessory & Fashion Communications (ii) Bachelor of Fashion Technology (B.F.Tech) in Approved Production.
- 2 year Post Graduate Programme (i) Master of Design(M.Des)-Design(ii)Master of Fashion Technology(M.F.Tech)-Technology(iii)Master of Fashion Management (M.FM)-Management.

NIFT also offers short term /part time courses for up gradation of knowledge and skill of industry professionals. Launching of 2 years Master Programme in Design in Fashion Space from academic session 2006-07 which has been mainstreamed from 2007-08.

Launching of 18 month Post Graduate Programme in Enterprise Management for Fashion Professionals from 2006-07, conceived in response to industry needs for mid career as well as family owned businesses.

Ph.D. and Faculty Development Programme courses are being planned and would be started in near future.

Govt. has decided to provide 27% reservations to OBC candidates without disturbing the strength of general candidates. The annual intake of students will thus increase from 1350 to 2079.

...