

LOK SABHA
UNSTARRED QUESTION NO. 5604
TO BE ANSWERED ON 06.04.2022

HIGHER COST OF RAW MATERIALS

5604. SHRI GANESH SINGH:

Will the Minister of TEXTILES वस्त्र मंत्री
be pleased to state :

- (a) whether higher cost of raw materials makes Indian Mills spend more and thereby increases the production costs and if so, the details thereof;
- (b) whether lack of efficient export infrastructure, finance and marketing facilities and innovation etc. are posing a huge challenge to them;
- (c) if so, the details thereof;
- (d) whether reduced rate of import duty is also posing a challenge and if so, the details thereof;
- (e) whether labour laws in India are complex and the rate of overtime payment, statutory contribution to Provident Fund and Pension Funds etc. are very less and thus reduce their total wage income upto 45 per cent; and
- (f) if so, the details thereof?

उत्तर

ANSWER

वस्त्र राज्य मंत्री (श्रीमती दर्शना जरदोश)

THE MINISTER OF STATE FOR TEXTILES
(SMT. DARSHANA JARDOSH)

(a): Prices of raw materials including raw cotton is governed by forces of demand and supply. Cotton, being an internationally traded commodity, its price moves in tandem with the prices in the international market.

(b) & (c): PLI Scheme for Textiles is intended to remove disabilities of MMF and Technical Textiles segments, which is a sunrise industry segment in the country, and to enable textiles industry to achieve size and scale so as to become competitive. Government has also approved setting up of 7 (seven) PM Mega Integrated Textile Regions and Apparel (PM MITRA) Parks in Greenfield/Brownfield sites to develop world class infrastructure including plug and play facility. The scheme is to develop integrated large scale and modern industrial infrastructure facility for entire value-chain of the textile industry. It will reduce logistics costs and improve competitiveness of Indian Textiles. The scheme will help India in attracting investments, boosting employment generation and position itself strongly in the global textile market.

In addition, Government is implementing various schemes to improve competitiveness and to modernize textile mills which have higher employment generation and potential for export, which would eventually create economic and cost incentives for indigenous textile manufacturing.

(d): No sir.

(e) & (f): The labour laws in India are not complex. The provision of overtime rate is provided under the Factories Act, 1948 and the provision regarding contribution to provident fund and pension fund are provided under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.
