

SPIRALLING COST OF COTTON

3515. SHRI S VENKATESAN:

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

- (a) whether the closure of textile mills, loss of livelihood, lack of opportunities and spiralling raw material prices which had crippled the industry and export markets and if so, the details thereof;
- (b) the steps are taken to contain the spiralling cost of cotton and other raw materials which made it nearly impossible for mills to keep up production while Industry associations are demanding policy support from the Government; and
- (c) the measures are taken to ensure access to finance as banks were hesitant citing difficulties faced by the industry?

उत्तर

ANSWER

वस्त्र राज्य मंत्री (श्री पबित्र मार्घेरिता)

THE MINISTER OF STATE FOR TEXTILES
(SHRI PABITRA MARGHERITA)

(a) to (c): The Government of India is implementing various schemes/initiatives to boost production, employment and exports in the textile sector while continuously monitoring export performance. The major schemes/initiatives include PM Mega Integrated Textile Regions and Apparel (PM MITRA) Parks Scheme; Production Linked Incentive (PLI) Scheme focusing on Man-Made Fibre (MMF) Fabric, MMF Apparel and Technical; National Technical Textiles Mission (NTTM) focusing on Research Innovation & Development, Promotion and Market Development; SAMARTH-Scheme for Capacity Building in Textile Sector with the objective providing demand driven, placement oriented, skilling program; Silk Samagra-2 for comprehensive development of sericulture value chain.; National Handicraft Development Program etc. Further, the Government of India is implementing National Handloom Development Programme and Raw Material Supply Scheme to promote handloom sector and welfare of handloom weavers across the country.

In order to address the challenges faced by the Cotton ecosystem, the Government has taken following initiatives to enhance India's competitiveness in the global cotton market:

- i. Constitution of a Textile Advisory Group (TAG) as an advisory body to deliberate, recommend and facilitate inter-ministerial coordination to address issues pertaining to the entire cotton value chain including enhancing yield of cotton, crop protection measures, branding of cotton, farm mechanization & development of cotton economy by promoting advanced technologies through holistic planning from farm to fashion.
- ii. Brand name "Kasturi Cotton Bharat" for Indian cotton was launched to encourage the Trade and Industry to work on the principle of self-regulation by owning complete responsibility of Traceability, Certification and Branding of Kasturi Cotton Bharat.
- iii. Basic Customs Duty has been removed on Extra Long Staple Fibre of Raw Cotton effective from 20.02.2024.
- iv. Government is declaring Minimum Support Price (MSP) of cotton every year. This mechanism not only ensures that farmers receive a fair remunerative price for their produce in the event market prices of cotton falls below MSP rates but also facilitates the availability of cotton at competitive prices through daily e-auctions by Cotton Corporation of India (CCI).
