

'Textile industry to get Rs 2,550 cr in 72-hours'

New Delhi: The government on Thursday said the textile industry will get Rs 2,546 crore under the Technology Upgradation Fund Scheme (TUFs) within three working days, which is seen as a stimulus to the sector impacted by slump in global commerce.

"Rs 2,546 crore (under TUFs) will reach the beneficiaries in 72-hours," union textile minister Dayanidhi Maran told reporters here adding, "during the slowdown this will help the industry...and bring lot of comfort to the industry".

He said by releasing the amount, the dues to the industry under the scheme till June 30, 2009 stand "cleared". The fund would be transferred electronically through more than 121 financial institutions and banks to the accounts of 12,514 beneficiaries.

Maran also said the ministry would approach Prime Minister Manmohan Singh



and Finance Minister Pranab Mukherjee for more funds for the textile sector. Under the TUFs the government provides subsidies to the industry so that it can modernize by installing new machinery.

The government also announced the constitution of

a 41-member working group under the Textile Secretary Rita Menon to form a National Fibre Policy, aimed at making India self-sufficient in fibre consumption and export requirements. "The policy would be announced by the year end," Maran said. The group will submit its report in the next three months. Textiles exports have been affected due to change in the consumption pattern in the US and EU impacted by the global slowdown. The apparel exports dipped by 15.4 per cent in the first quarter of this fiscal.

Maran said there was no growth in the exports due to the demand slowdown. The ministry would be taking up the industry's demands like increased duty drawbacks with its commerce counterpart so that the same could be considered for inclusion in the Foreign Trade Policy (FTP) to be announced by month end. ■