

# Textile sector attracts 50 pc more investments in FY'09

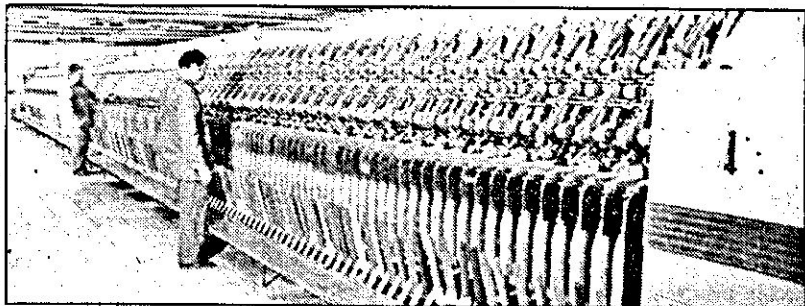
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THE country's textile sector, which is grappling with a slowing demand in the export markets and high input costs, saw a 50 per cent rise in investments in 2008-09 compared to the previous fiscal, the Lok Sabha was informed today.

The sector attracted an investment worth Rs 46,613 crore in 2008-09 against Rs 31,161 crore in 2007-08, data from Minister of State for Textiles Panabaaka Lakshmi said. "To encourage investment in the textile sector, the government in 1999 had launched the Technology Upgradation Fund (TUFs) and the Scheme for Integrated Textile Park (SITP) in 2005," Lakshmi said in a written reply.

Of the investment received last



fiscal, textile mills got the most with an investment of Rs 16,429.32 crore. Garment industry was a distant second at Rs 3,287.58 crore while handlooms and powerlooms received Rs 324.44 crore and Rs 189.75 crore respectively.

According to the data, the textile sector has attracted investments worth Rs 1,68,143 crore over the past three years.

Further, responding to another query in the Lok Sabha, Lakshmi said that the Government is likely to spend about Rs 450 crore on SITP within the overall outlay of the 11th Five-Year Plan. In the Budget 2009, the government extended the interest subvention scheme to March 2010, besides allocating funds worth Rs 3,140 crore under TUFs and Rs 397 crore for the SITP.