

Textile Ministry seeks Rs 1,050 cr for tech upgradation fund

Govt will be considerate towards the sector this Budget, says Maran

Our Bureau

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The Textile Ministry has sought Rs 1,050 crore additional allocation under the Technology Upgradation Fund (TUF) in the Budget.

Mr Dayanidhi Maran, Minister for Textiles, said here on Tuesday that the Ministry had spent Rs 5,000 crore under TUF in the last year-and-a-half and Rs 80,000 crore in 10 years.

"Though I cannot discuss Budget proposals, I can assure you that the Government will be considerate towards the textile sector," he said at the Textile Industry Roundtable organised by the Confederation of Indian Industry.

Mr Maran said it was up to the industry to come up with innovative ideas that would stimulate competitiveness. The Centre, he said, announced a stimulus package within 72 hours of the industry seeking help.

"About 70 per cent of the beneficiaries are spinning



Mr Dayanidhi Maran, Minister for Textiles, with Mr T. Kannan, Chairman-CII National Committee on Textiles and Managing Director of Thiagarajar Mills, at a Textile Industry Roundtable Interactive session held in Mumbai on Tuesday. — Paul Noronha

mills," he added. Growth in the textile sector is expected to be 5 to 7 per cent sector

this fiscal against a fall of 15 per cent in 2008-09, Mr Maran said.

According to him, the textile sector needs to look at aggressive investments to

meet the challenges posed by countries such as China.

Over 50 per cent of the output is exported but the industry also needs to focus on the domestic market.

"We have to focus on the rural market. Retail space created by malls is not the solution to increasing business. Companies in garments should focus on the big rural market too but compete more with international brands which sell products at very high prices," Mr Maran said.

The Ministry has decided to focus on exports and technical textiles in the near future.

"Exporters are more dependent on Europe and the US but should focus on other big markets too.

"The entire US import markets fell by 12.04 per cent and yet Indian exports to the US maintained their share and fell by 7.56 per cent. A similar trend is also seen in the EU market," he added.