

**REPORT**  
**OF**  
**THE EXPERT COMMITTEE**  
**ON**  
**THE TEXTILE INDUSTRY**



सत्यमेव जयते

GOVERNMENT OF INDIA  
MINISTRY OF SUPPLY & TEXTILES

APRIL 1935



Tel. No. 3011769

No. 8/2/85-TPC

सचिव (वस्त्र)  
वाणिज्य मंत्रालय  
भारत सरकार  
नई दिल्ली  
Secretary (Textiles)  
Ministry of Commerce  
Government of India  
New Delhi

27 April, 1985

FROM

S. S. Varma,  
Secretary to the Government of India,  
Department of Textiles, and  
Chairman, Expert Committee on Textiles.

TO

Hon'ble Shri Chandra Shekhar Singh,  
Union Minister of State for Supply & Textiles,  
Ministry of Supply & Textiles,  
Government of India,  
NEW DELHI.

*Sub :- Letter of transmittal — Report of the Expert Committee on Textiles.*

SIR,

The Government of India had appointed an Expert Committee vide its Resolution No. 8/6/84-TPC, dated 12th October '84, (modified by Resolution No. 8/2/85-TPC, dated 12th March '85), with Secretary (Textiles) as the Chairman. The work of this Committee was set into motion by my predecessor Shri Harbans Singh and was continued by me after I assumed charge on the 14th February 1985.

2. In the short time available to us, the Committee has tried its best to tackle all the facets of complex problems of the textile industry. The Committee visited different parts of the country to meet with a large number of interests in the textile industry. The Committee also received the views of several Secretaries to Government of India, and representatives of State Governments and many other Government and non-official organisations. The Committee also had the benefit of the views expressed by the Members of the Advisory Committee on Textiles attached to the

(ii)

Ministry. The Committee also had discussions with Smt. Pupil Jayakar, Adviser (Handlooms and Handicrafts). After discussing all aspects covering the large spectrum of problems faced by the textile industry, the Committee has made a set of recommendations with a view to evolving a new textile policy and aiding in its implementation. Our objective has been to evolve an integrated textile policy which would make available cloth of good quality and at reasonable prices to the consumer and also lead to healthy and harmonious development of all sectors of the industry. The Committee is of the firm opinion that an integrated approach based on the package of recommendations has to be adopted, and that a piecemeal adoption of only some of the recommendations may tend to cause further distortions.

3. I have the honour to submit the report of this Committee signed by all the members except Shri S. K. Mishra, who is abroad, but whose organisation has given their full support to it.

4. I would like to place on record our appreciation of the arduous work competently carried out by the Textile Commissioner, Shri S. Ramamoorthi, as Member-Secretary of the Committee and the work done by officers and staff of his office. I would also like to take this opportunity to mention my deep appreciation of the painstaking hard work put in by the members who brought to bear a rich fund of experience to tackle the complex problem in the textile industry.

Yours faithfully,

Sd./-

(S. S. VARMA)

*Secretary to Government of India and  
Chairman, Expert Committee on Textiles.*

ENCL :—Report of the Committee.

## CONTENTS

CHAPTERS	PAGE
I Introduction . . . . .	1
II Summary of Conclusions & Recommendations . . . . .	3
III Overview of the Industry . . . . .	13
IV Measures for restructuring of the Textile Industry . . . . .	22
V Fiscal and Trade Policies with reference to the Textile Industry . . . . .	26
VI Controls and Regulations . . . . .	30
VII Measures for reviving closed/sick mills and for preventing sickness in the Textile Mills . . . . .	38
VIII Modernisation of the Textile Industry . . . . .	42
IX Consumption trends . . . . .	46
X Raw materials . . . . .	49
XI Exports . . . . .	51
XII Distribution and marketing Channels . . . . .	55
Acknowledgements . . . . .	57
<b>ANNEXURES</b>	
I (a) Government Resolution No. 8/6/84-TPC dated 12th October, 1984 . . . . .	59
(b) Government Resolution No. 8/2/85-TPC dated 12th March, 1985. . . . .	60
II Estimates of Income and Price Elasticity . . . . .	62
III Estimates of Income and Price Elasticities of Demand for Textiles in India . . . . .	68
IV Imports of Textiles and Clothing into Developed member countries of MFA from selected Developing countries . . . . .	72
V Percentage share of India in total imports of Textiles and Clothing—1973 to 1983 . . . . .	73
VI India's share in World exports of Textiles and Clothing . . . . .	74