

LOK SABHA
UNSTARRED QUESTION NO.1708
TO BE ANSWERED ON 28.12.2017

DEVELOPMENT OF POWERLOOM SECTOR

1708. SHRI V. ELUMALAI:

Will the Minister of TEXTILES वस्त्र मंत्री

be pleased to state:

- (a) whether the Government has launched a three year comprehensive scheme for the development of powerloom sector and if so, the details thereof;
- (b) whether the said scheme aims to boost common infrastructure and modernization of the powerloom sector and if so, the details thereof;
- (c) whether the said scheme with an outlay of Rs. 487 crore for three years from 2017-2018, has nine major components, including two new ones and if so, the details thereof;
- (d) whether it is also true that some of these existing schemes such as yarn bank and in situ upgradation of plain powerlooms already have huge response and these have been modified to benefit more weavers; and
- (e) if so, the details thereof?

उत्तर

ANSWER

वस्त्र राज्य मंत्री (श्री अजय टम्टा)

MINISTER OF STATE
IN THE MINISTRY OF TEXTILES
(SHRI AJAY TAMTA)

(a) & (b): Yes, Madam. The Government has launched PowerTex India, a comprehensive scheme for Powerloom Sector development, w.e.f. 01.04.2017 (from 1.04.2017 to 31.03.2020) to boost common infrastructure and modernization of the Powerloom Sector. The details of the Scheme and the incentives & assistance provided to Powerloom sector under this scheme are enclosed as **Annexure**.

(c): Yes, Madam. PowerTex India Scheme was launched with an outlay of Rs. 487 crore for three years from 2017-2018 to 2019-20 has nine major components, including two new ones (Solar Energy Scheme and Pradhan Mantri Credit Scheme). The details of each component are given at Sl. No. 5 & 6 of the **Annexure**.

(d) & (e): Yes, Madam. Subsidy under the component i.e. In-situ upgradation under PowerTex India has been modified and enhanced for each category i.e. (General, OBC, SC & ST). Government provides interest free corpus fund maximum upto Rs.200 lakh per yarn bank instead of Rs. 100 lakh to SPV/Consortium, earlier under Yarn Bank Scheme, a component under PowerTex Scheme. The details of In-situ Upgradation Scheme and Yarn Bank Scheme are given at Sl. No 1 & 3 respectively of the **Annexure**.

Details of the PowerTex India Scheme and incentives & assistance being offered under the scheme to the Powerloom sector:

S.No.	Name of the component	Incentives and Assistance																							
1.	In-situ Upgradation of Plain Powerloom	<p>Objectives:</p> <ul style="list-style-type: none"> ➤ To provide financial assistance to economically weaker low-end powerloom units, for upgrading existing plain looms to semi-automatic/shuttleless looms by way of fixing certain additional attachments/kits. ➤ Powerloom units having up to 8 looms are eligible. <p>Eligible subsidy is as under:-</p> <table border="1" data-bbox="580 674 1417 1151"> <thead> <tr> <th data-bbox="580 674 788 741" rowspan="2">Type of Technology</th> <th colspan="3" data-bbox="788 674 1417 707">GOI Subsidy per loom (in Rs.)</th> </tr> <tr> <th data-bbox="788 707 995 741">General (50%)</th> <th data-bbox="995 707 1203 741">SC (75%)</th> <th data-bbox="1203 707 1417 741">ST (90%)</th> </tr> </thead> <tbody> <tr> <td data-bbox="580 741 788 842">Plain loom to semiautomatic shuttle loom</td> <td data-bbox="788 741 995 842">20,000</td> <td data-bbox="995 741 1203 842">30,000</td> <td data-bbox="1203 741 1417 842">36,000</td> </tr> <tr> <td data-bbox="580 842 788 1010">Semi automatic shuttle loom to shuttleless Rapier loom</td> <td data-bbox="788 842 995 1010">25,000</td> <td data-bbox="995 842 1203 1010">37,500</td> <td data-bbox="1203 842 1417 1010">45,000</td> </tr> <tr> <td data-bbox="580 1010 788 1122">Plain loom to shuttleless Rapier loom</td> <td data-bbox="788 1010 995 1122">45,000</td> <td data-bbox="995 1010 1203 1122">67,500</td> <td data-bbox="1203 1010 1417 1122">81,000</td> </tr> <tr> <td data-bbox="580 1122 788 1151"></td> <td data-bbox="788 1122 995 1151"></td> <td data-bbox="995 1122 1203 1151"></td> <td data-bbox="1203 1122 1417 1151"></td> </tr> </tbody> </table>	Type of Technology	GOI Subsidy per loom (in Rs.)			General (50%)	SC (75%)	ST (90%)	Plain loom to semiautomatic shuttle loom	20,000	30,000	36,000	Semi automatic shuttle loom to shuttleless Rapier loom	25,000	37,500	45,000	Plain loom to shuttleless Rapier loom	45,000	67,500	81,000				
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2.	Group Workshed Scheme	<p>Objectives:</p> <ul style="list-style-type: none"> ➤ To facilitate the establishment of worksheds for shuttleless looms in an existing or new cluster, which will provide required scale of economy for business operations. ➤ At least 24 shuttleless looms of width upto 230 cms (or) ➤ 16 nos. of shuttleless looms of wider width i.e. 230 cms and above must be installed. ➤ Additional subsidy for construction of Dormitory: @ 125 Sq.ft per person. <p>Govt. Subsidy</p> <table data-bbox="676 1491 1177 1592"> <tr> <td>General</td> <td>(40%)</td> <td>: Rs.400 per Sq.ft</td> </tr> <tr> <td>SC</td> <td>(75%)</td> <td>: Rs.750 per Sq.ft</td> </tr> <tr> <td>ST</td> <td>(90%)</td> <td>: Rs.900 per Sq.ft</td> </tr> </table>	General	(40%)	: Rs.400 per Sq.ft	SC	(75%)	: Rs.750 per Sq.ft	ST	(90%)	: Rs.900 per Sq.ft														
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3.	Yarn Bank Scheme	<p>Objectives:</p> <ul style="list-style-type: none"> ➤ To provide interest free corpus fund to Special Purpose Vehicle (SPV) / Consortium to enable them to purchase yarn at wholesale rate and give the yarn at reasonable price to the small weavers. ➤ To avoid middleman/local supplier's brokerage charge on sales of yarn. ➤ Minimum 11 members required to form SPV ➤ SPV has to provide matching amount and also, a Bank Guarantee equal to an amount of 25% of Govt. of India share. <p>Max. GOI interest free corpus fund Rs.2 cr.</p>																							

4.	Common Facility Center (CFC)	<p>Objectives: To provide financial assistance for setting-up of Common Facility Centres such as under:</p> <ul style="list-style-type: none"> ➤ Pre-weaving, post-weaving, design studio, testing facilities, training centre, information cum trade centre and common raw material / yarn / sales depot, water treatment plant for industrial use, dormitory & workers' residential space etc. ➤ Minimum 11 members required to form SPV <p>Govt. Subsidy Max. GOI subsidy Rs.2 cr.</p>
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5.	Solar Energy Scheme (New Component)	<p>Objectives: To provide financial assistance/capital subsidy for installation of On Grid Solar Power Plant (without Battery back-up) and Off Grid Solar Power Plant (with Battery back-up) by small Powerloom units to attain sustainable development goal of Government and to give thrust to renewable energy.</p> <ul style="list-style-type: none"> ➤ Powerloom units having upto 8 looms are eligible. ➤ On Grid Solar Power Plant (without Battery backup) and Off Grid Solar Power Plant (with Battery back-up). <p>Govt. Subsidy</p> <table border="1" data-bbox="584 902 1422 1482"> <thead> <tr> <th>No. of Looms (Solar capacity)</th> <th>General (50%)</th> <th>SC (75%)</th> <th>ST (90%)</th> </tr> </thead> <tbody> <tr> <td colspan="4">A) On Grid Solar Power Plant</td> </tr> <tr> <td>4 Looms (4 KW)</td> <td>Rs.2,25,000</td> <td>Rs.3,37,500</td> <td>Rs.4,05,000</td> </tr> <tr> <td>6 Looms (6 KW)</td> <td>Rs.3,00,000</td> <td>Rs.4,50,000</td> <td>Rs.5,40,000</td> </tr> <tr> <td>8 Looms (8 KW)</td> <td>Rs.3,75,000</td> <td>Rs.5,62,500</td> <td>Rs.6,75,000</td> </tr> <tr> <td colspan="4">B) Off Grid Solar Power Plant</td> </tr> <tr> <td>4 Looms (4 KW)</td> <td>Rs.2,75,000</td> <td>Rs.4,12,500</td> <td>Rs.4,95,000</td> </tr> <tr> <td>6 Looms (6 KW)</td> <td>Rs.3,75,000</td> <td>Rs.5,62,500</td> <td>Rs.6,75,000</td> </tr> <tr> <td>8 Looms (8 KW)</td> <td>Rs.4,75,000</td> <td>Rs.7,12,500</td> <td>Rs.8,55,000</td> </tr> </tbody> </table>	No. of Looms (Solar capacity)	General (50%)	SC (75%)	ST (90%)	A) On Grid Solar Power Plant				4 Looms (4 KW)	Rs.2,25,000	Rs.3,37,500	Rs.4,05,000	6 Looms (6 KW)	Rs.3,00,000	Rs.4,50,000	Rs.5,40,000	8 Looms (8 KW)	Rs.3,75,000	Rs.5,62,500	Rs.6,75,000	B) Off Grid Solar Power Plant				4 Looms (4 KW)	Rs.2,75,000	Rs.4,12,500	Rs.4,95,000	6 Looms (6 KW)	Rs.3,75,000	Rs.5,62,500	Rs.6,75,000	8 Looms (8 KW)	Rs.4,75,000	Rs.7,12,500	Rs.8,55,000
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6.	Pradhan Mantri Credit Scheme for Powerloom Weavers (New Component)	<p>Objectives: To provide financial assistance to the decentralised Powerloom units / weavers for their investment in machineries and working capital.</p> <p>(i)Under PowerTex MUDRA</p> <ul style="list-style-type: none"> • Existing individual powerloom units (or) New individual / group enterprises involved in weaving activity are eligible for a loan of maximum upto Rs.10 lakhs. <p>Financial Assistance:</p> <ul style="list-style-type: none"> • Margin money @20% of machinery cost with a ceiling of Rs.1 lakh and • Interest Subvention @ 6% per year for 5 years <p>(ii)Under PowerTex Stand-up India (SC/ST/Woman who are new entrepreneurs)</p> <p>Eligibility:</p> <ul style="list-style-type: none"> • New Powerloom units established by a person who belongs to SC/ST/Woman Entrepreneur, for a loan above
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		<p>Rs.10 lakhs and upto Rs.1 crore.</p> <ul style="list-style-type: none"> In case of non-individual units at least 51 % of the share holding and controlling stake should be held by either an SC / ST (or) Woman entrepreneur. <p>Financial Assistance: 25% Margin Money (Max. Rs.25 lakh) on the machinery cost, the borrower is required to bring in 10% of the Project Cost as his/her own contribution.</p>
7.	Tex-Venture Capital Fund	<p>Objective SIDBI Venture Capital Fund Ltd.,(SVCL) invests on behalf of Ministry of Textiles in the form of equity in MSMEs to kick start on enterprises / expansion. Investment will typically be in innovative private Powerloom MSME companies.</p>
8.	Guidelines for Facilitation, IT, Awareness, Market Development and Publicity for Powerloom Schemes	<p>Awareness, Market Development and Exposure visit Programmes:</p> <p>(i) Seminars/ Workshops: To create awareness about schemes, disseminate the information about technology, products for the benefits of Powerloom weavers/workers.</p> <p>(ii) Buyer Seller Meets: The market development activities like Exhibition/Fair and Buyer-Sellers Meet under the scheme is serving the needs of the Powerloom weavers for marketing their products in national and international level.</p> <p>(iii) Exposure visit of Weavers: The exposure visits of Powerloom weavers/ entrepreneurs are organized as weavers/entrepreneurs from low level of technology are required to be exposed to the developed area of technology/manufacturing in order to motivate them to adopt technology and diversify the products.</p> <p>(iv) Setting up of On-line portal for the On-line application to the Powerloom units for availing the schemes under PowerTex India.</p> <ul style="list-style-type: none"> ➤ Facilitation services to Powerloom weavers like Help line, Registration services, SMS Alert, Bank services etc.. ➤ Publicity of Powerloom schemes in Electronic and Print Media
9	Grant-in-Aid for 32 Non-TxCs Powerloom Service Centres (PSCs) & Modernization of all PSCs	<ul style="list-style-type: none"> Textile Research Associations (TRAs)/State Govt. agencies are running 32 no. of PSCs located across the country and offering various services like training, sample testing, design development, consultancy, conducting seminar/ workshop, Buyer Seller Meet etc. to the Powerloom sector. Grant-in-Aid (GIA) provided to the PSCs of TRAs/state Govt. agencies is mainly for the recurring expenses for running the PSCs for providing the services to Powerloom sector. <p>Govt. assistance is provided for modernization and upgradation of the Powerloom Service Centres with the facilities which are required in the cluster. This would include improving testing facilities, installing modern looms, Preparatory machines, Testing instruments, Sewing machines for Garment and Apparel, Embroidery Machines, Design Development facilities etc.</p>
