

LOK SABHA
UNSTARRED QUESTION NO.2930
TO BE ANSWERED ON 04.01.2018

DEVELOPMENT OF POWERLOOM SECTOR

2930. SHRI AJAY NISHAD:

Will the Minister of TEXTILES वस्त्र मंत्री
be pleased to state:

- (a) the details of the schemes being implemented for development of powerloom sector along with the amount allocated/ released and utilized for this purpose during each of the last three years and the current year, State/ UT-wise and scheme-wise;
- (b) the details of mega group centres developed in powerloom sector on publicprivate partnership mode in the country, State/UT-wise;
- (c) whether the Government proposes to set up and promote more powerloom centres in the country particularly in Bihar, Uttar Pradesh and Jharkhand; and
- (d) if so, the details thereof and the details of places identified for the purpose, State-wise?

उत्तर

ANSWER

वस्त्र राज्य मंत्री (श्री अजय टम्टा)
MINISTER OF STATE FOR TEXTILES
(SHRI AJAY TAMTA)

- (a):** Government was implementing several schemes for the development of decentralised Powerloom Sector which included:- (i) In-situ upgradation schemes for upgradation of plain powerlooms; (ii) Group Workshed Schemes for giving assistance for constructing work-shed for powerloom sector; (iii) The Integrated Scheme for Powerloom Sector Development (ISPSD) for extending support in the form of Buyer Seller Meet, Yarn Banks, setting up of Common Facility Centres, organising Seminar/ Workshop regarding Government schemes; (iv) Group Insurance Schemes for social security and (v) Integrated Skill Development Schemes(ISDS) for skill upgradation. The components of the schemes were rationalised and converged into “PowerTex India” which was launched in 1.4.2017. The details of the Schemes are at **Annexure-I**. There is no state-wise allocation of funds. The details of amount released/utilized for this purpose during each of the last three years under previous schemes and the current year, under PowerTex India, scheme-wise are at **Annexure-II**.
- (b):** The details of mega group centres developed in powerloom sector on public- private partnership mode in the country, State/UT-wise are at **Annexure-III**.
- (c) & (d):** There is no proposal, at present.

Details of the Powerloom Schemes and incentives & assistance being offered under them:

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="619 645 1461 1104"> <thead> <tr> <th data-bbox="619 645 970 678">Type of Technology</th> <th colspan="3" data-bbox="970 645 1461 678">GOI Subsidy per loom (in Rs.)</th> </tr> <tr> <td data-bbox="619 678 970 745"></td> <td data-bbox="970 678 1161 745">General (50%)</td> <td data-bbox="1161 678 1313 745">SC (75%)</td> <td data-bbox="1313 678 1461 745">ST (90%)</td> </tr> </thead> <tbody> <tr> <td data-bbox="619 745 970 857">Plain loom to semiautomatic shuttle loom</td> <td data-bbox="970 745 1161 857">20,000</td> <td data-bbox="1161 745 1313 857">30,000</td> <td data-bbox="1313 745 1461 857">36,000</td> </tr> <tr> <td data-bbox="619 857 970 992">Semi-automatic shuttle loom to shuttleless Rapier loom</td> <td data-bbox="970 857 1161 992">25,000</td> <td data-bbox="1161 857 1313 992">37,500</td> <td data-bbox="1313 857 1461 992">45,000</td> </tr> <tr> <td data-bbox="619 992 970 1104">Plain loom to shuttleless Rapier loom</td> <td data-bbox="970 992 1161 1104">45,000</td> <td data-bbox="1161 992 1313 1104">67,500</td> <td data-bbox="1313 992 1461 1104">81,000</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 work-sheds 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="715 1529 1262 1630"> <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	<p>Objectives:</p> <p>To provide financial assistance for setting-up of Common</p>																				

	(CFC)	<p>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="587 878 1428 1422"> <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 decentralized 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 Rs.10 lakhs and upto Rs.1 crore. • In case of non-individual units at least 51 % of the 																																				

		<p>share-holding and controlling stake should be held by either an SC / ST (or) Woman entrepreneur.</p> <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>

Annexure-II**Financial achievement under the Scheme****(Rs in crores)**

Year	Components under the Scheme								
	GWS	GIS	In-situ upgradation	BSM	Exposure Visit	Seminar/ Workshop	Common Facility Centre (CFC)	Yarn Bank	Grant-in-aid
2014-15	16.40	3.63	9.98	1.61	0.24	0.26	-	2.00	--
2015-16	20.07	6.62	59.185	2.15	0.283	0.234	0.03	4.87	--
2016-17	20.00	2.00	68.25	2.47	0.331	0.422	0.39	9.16	--
2017-18 (upto 15.12.2017)	9.42	-	61.675	0.90	0.321	0.522	-	1.31	4.1474

Annexure-III

Details of mega group centres developed in powerloom sector on public- private partnership mode in the country, State/UT-wise are as under:

Sr. no	Name of Powerloom Mega Cluster	Cluster Management and Technical Agency (CMTA)	Present Status
1	Erode (Tamil Nadu) (Announced in 2008-09) Project Cost: Rs. 153.63 cr. GOI subsidy: Rs. 38.05 cr.	C.S Associates Pvt. Ltd, Salem	Setting up of an Integrated Textile Market Complex which includes a) weekly market, b) daily market and c) Exposition Hall and ii) Warehouse and Dormitory. The construction work of daily market & weekly market is completed. GOI Released:- GOI subsidy released: Rs.35.74 cr.
2	Bhilwara (Rajasthan) (Announced in 2009-10)	Kushal Global Limited, Jaipur	The PAMC in the meeting held on 13.09.2017 decided that the CMTA should be cancelled.
3	Ichalkaranji (Maharashtra) (Announced in 2012-13)	D.K.T.E. Society's Textile & Engineering Institute, Ichalkaranji	Detailed Project Report (DPR) approved by PAMC in its meeting held on 19.06.2015 for Project cost of Rs.113.57 Crore out of which GOI Share is Rs. 50.00 Crore. GOI has released Rs.14.85 Crore.
4	Solapur (Maharashtra) (Mega Cluster announced for Bhiwandi Cluster in the year 2008-09 was shifted to Solapur)	Grant Thornton LLP India, Gurgaon.	Revised Detailed Conceptual Reports (DCRs) submitted by the CMTAs as per decision of PAMC in the meeting held on 13.09.2017. CMTA implements the project as per timelines fixed by PAMC.
5	Surat (Gujarat) announced in 2014-2015	IL&FS Cluster Development Initiative Ltd, Mumbai	
