

LOK SABHA
UNSTARRED QUESTION NO.4367
TO BE ANSWERED ON 13.12.2019

POWERLOOM UNITS

4367. SHRI MANOJ KOTAK:

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

- (a) whether the Government has taken note of the fact that powerloom units in the country especially in Bhiwandi, Maharashtra are facing one of their worst economic crisis;
- (b) if so, the reasons therefor along with the corrective steps taken in this regard;
- (c) whether 60 per cent of powerloom units in Bhiwandi have been shut down and others are facing likely closure, if so, the details thereof; and
- (d) the necessary steps taken by the Government to save the powerloom units in the country particularly in Bhiwandi?

उत्तर

ANSWER

वस्त्र मंत्री (श्रीमती स्मृति जूबिन इरानी)

MINISTER OF TEXTILES
(SMT. SMRITI ZUBIN IRANI)

- (a): No Sir, there is no such type of report received in the Ministry of Textiles.
- (b): Does not arise.
- (c): There is no report received in the Ministry that 60% of Powerlooms have been shut down and others are facing closure in Bhiwandi area. However, around 15% of Powerlooms may not be working in Bhiwandi due to various reasons like shortage of manpower, Low market demand of fabrics, sluggish market, etc.
- (d): Government of India, Ministry of Textiles is implementing PowerTex India Scheme, a comprehensive Scheme for the development of Powerloom sector w.e.f. 01.04.2017 to 31.03.2020 on Pan India basis including the State of Maharashtra, to promote the decentralized Powerloom sector. The brief details of the Scheme is enclosed as Annexure-I.

Annexure-I**Schemes and initiatives of Govt. of India, Ministry of Textiles for development of Powerloom sector on Pan India basis**

| Sr. No | Schemes | Benefits | | | | | | | | | | | | | | | | | | | | |
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| 1 | PowerTex India For development of Powerloom Sector PowerTex India a compressive scheme for development of Powerloom Sector has been launched on 01.04.2017. | | | | | | | | | | | | | | | | | | | | | |
| | i. In-situ upgradation of plain Powerlooms | Objectives: -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. -To improve quality and productivity of the fabrics being produced and enable them to face the competition in domestic and international markets. ➤ Powerloom units having up to 8 looms are eligible. ➤ Eligible subsidy as under; <table><tr><td></td><td colspan="3">GOI Subsidy per loom (in Rs.)</td></tr><tr><td>Type of Technology</td><td>General (50%)</td><td>SC (75%)</td><td>ST (90%)</td></tr><tr><td>Plain loom to semiautomatic shuttle loom</td><td>20,000</td><td>30,000</td><td>36,000</td></tr><tr><td>Semi automatic shuttle loom to shuttleless Rapier loom</td><td>25,000</td><td>37,500</td><td>45,000</td></tr><tr><td>Plain loom to shuttleless Rapier loom</td><td>45,000</td><td>67,500</td><td>81,000</td></tr></table> ➤ Implemented on PAN India basis. ➤ Kits/attachments viz., Weft Stop motion, Warp Stop motion, Efficient Braking device, Semi positive let off motion, Dobby, Jacquard, Anti crack device, self lubricating nylon parts, pirn winding machine & rapier kit. Kits should be purchased from the empanelled manufacturer registered with the O/o.Tx.C | | GOI Subsidy per loom (in Rs.) | | | Type of Technology | 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 |
| | | GOI Subsidy per loom (in Rs.) | | | | | | | | | | | | | | | | | | | | |
| Type of Technology | 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 | | | | | | | | | | | | | | | | | | | |
| ii. Group Work Shed Scheme | Objectives: -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? -To organise Powerloom units in a cluster and to provide improved working condition in terms of more space, work environment, improve the work efficiency to enhance their competitiveness in the global market. ➤ At least 24 nos. of shuttleless looms of width upto 230 cms | | | | | | | | | | | | | | | | | | | | | |

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| | | (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. ➤ Govt. Subsidy General (40%) : Rs.400 per Sq.ft SC (75%) : Rs.750 per Sq.ft ST (90%) : Rs.900 per Sq.ft | | | | | | | | | | | | | | | | | | | | | | |
| iii. Yarn Bank Scheme | Objectives: -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 ➤ Max. GOI interest free corpus fund Rs.2 cr. SPV has to provide matching amount and also, a Bank Guarantee equal to an amount of 25% of Govt. of India share. | | | | | | | | | | | | | | | | | | | | | | | |
| iv. Common Facility Centre (CFC) | Objectives: -To provide financial assistance for setting-up of Common Facility Centres such as design centre/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, common pre-weaving facilities viz. yarn dyeing, warping & sizing, twisting etc., and post weaving facilities viz. processing, etc. ➤ 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 Max. GOI subsidy Rs.2 cr. for machineries and Rs. 0.40 cr for building. | | | | | | | | | | | | | | | | | | | | | | | |
| v. Solar Energy Scheme | <table><tr><td>➤ Powerloom units having upto 8 looms are eligible.</td></tr><tr><td>➤ On Grid Solar Power Plant (without Battery back-up) and Off Grid Solar Power Plant (with Battery back-up).</td></tr><tr><td><table><tr><td>No. of Looms (Solar capacity)</td><td>General (50%)</td><td>SC (75%)</td><td>ST (90%)</td></tr><tr><td colspan="4">A) On Grid Solar Power Plant</td></tr><tr><td>4 Looms (4 KW)</td><td>Rs.1,40,000</td><td>Rs.2,10,000</td><td>Rs.2,52,000</td></tr><tr><td>6 Looms (6 KW)</td><td>Rs.2,10,000</td><td>Rs.3,15,000</td><td>Rs.3,78,000</td></tr><tr><td>8 Looms (8 KW)</td><td>Rs.2,80,000</td><td>Rs.4,20,000</td><td>Rs.5,04,000</td></tr></table></td></tr></table> | ➤ Powerloom units having upto 8 looms are eligible. | ➤ On Grid Solar Power Plant (without Battery back-up) and Off Grid Solar Power Plant (with Battery back-up). | <table><tr><td>No. of Looms (Solar capacity)</td><td>General (50%)</td><td>SC (75%)</td><td>ST (90%)</td></tr><tr><td colspan="4">A) On Grid Solar Power Plant</td></tr><tr><td>4 Looms (4 KW)</td><td>Rs.1,40,000</td><td>Rs.2,10,000</td><td>Rs.2,52,000</td></tr><tr><td>6 Looms (6 KW)</td><td>Rs.2,10,000</td><td>Rs.3,15,000</td><td>Rs.3,78,000</td></tr><tr><td>8 Looms (8 KW)</td><td>Rs.2,80,000</td><td>Rs.4,20,000</td><td>Rs.5,04,000</td></tr></table> | No. of Looms (Solar capacity) | General (50%) | SC (75%) | ST (90%) | A) On Grid Solar Power Plant | | | | 4 Looms (4 KW) | Rs.1,40,000 | Rs.2,10,000 | Rs.2,52,000 | 6 Looms (6 KW) | Rs.2,10,000 | Rs.3,15,000 | Rs.3,78,000 | 8 Looms (8 KW) | Rs.2,80,000 | Rs.4,20,000 | Rs.5,04,000 |
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| No. of Looms (Solar capacity) | General (50%) | SC (75%) | ST (90%) | | | | | | | | | | | | | | | | | | | | | |
| A) On Grid Solar Power Plant | | | | | | | | | | | | | | | | | | | | | | | | |
| 4 Looms (4 KW) | Rs.1,40,000 | Rs.2,10,000 | Rs.2,52,000 | | | | | | | | | | | | | | | | | | | | | |
| 6 Looms (6 KW) | Rs.2,10,000 | Rs.3,15,000 | Rs.3,78,000 | | | | | | | | | | | | | | | | | | | | | |
| 8 Looms (8 KW) | Rs.2,80,000 | Rs.4,20,000 | Rs.5,04,000 | | | | | | | | | | | | | | | | | | | | | |

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| | <p>B) Off Grid Solar Power Plant</p> <table> <tr> <td>4 Looms (4 KW)</td> <td>Rs.1,80,000</td> <td>Rs.2,70,000</td> <td>Rs.3,24,000</td> </tr> <tr> <td>6 Looms (6 KW)</td> <td>Rs.2,70,000</td> <td>Rs.4,05,000</td> <td>Rs.4,86,000</td> </tr> <tr> <td>8 Looms (8 KW)</td> <td>Rs.3,60,000</td> <td>Rs.5,40,000</td> <td>Rs.6,48,000</td> </tr> </table> | 4 Looms (4 KW) | Rs.1,80,000 | Rs.2,70,000 | Rs.3,24,000 | 6 Looms (6 KW) | Rs.2,70,000 | Rs.4,05,000 | Rs.4,86,000 | 8 Looms (8 KW) | Rs.3,60,000 | Rs.5,40,000 | Rs.6,48,000 |
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| 8 Looms (8 KW) | Rs.3,60,000 | Rs.5,40,000 | Rs.6,48,000 | | | | | | | | | | |
| vi. Pradhana Mantri Credit Scheme | <p>➤ <u>Under MUDRA</u></p> <ul style="list-style-type: none"> Existing individual powerloom units (or) New individual / group enterprises involved in weaving activity are eligible. <p><u>Financial Assistance:</u></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>➤ <u>Under Stand-up India (SC/ST/Woman who are new entrepreneurs)</u></p> <p><u>Eligibility:</u></p> <ul style="list-style-type: none"> New Powerloom units established by a person who belongs to SC/ST/Woman Entrepreneur. In case of non-individual units at least 51 % of the share holding and controlling stake should be held by either an SC (or) ST (or) Women entrepreneur. <p><u>Financial Assistance:</u></p> <p>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> | | | | | | | | | | | | |
| vii. Grant-in-Aid & Modernisation/upgradation of Powerloom Service Centres | <p>➤ To enable Powerloom weavers in various clusters to avail services of Powerloom Service Centres.</p> <p>➤ Textile Research Associations (TRAs)/State Govt. agencies are running 32 no. of PSCs located across the country and providing various services like training, sample testing, design development, consultancy, conducting seminar/ workshop, etc. to the Powerloom sector on behalf of the GOI.</p> <p>➤ The 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> <p>The Govt. assistance will be provided for modernization of the existing infrastructure etc. Powerloom Service Centre's and other facilities required in cluster for common services</p> | | | | | | | | | | | | |
| viii. Tex Fund-Venture Capital Fund | <p>➤ MOT and SIDBI invests in the Venture Capital Fund Ltd. (SVCL) who in turn invest in form of equity to MSMEs to kick start an enterprise/ expansion.</p> <p>➤ Investments will typically be innovative in nature in private Powerloom MSME companies.</p> <p>Equity participation by MOT/SIDBI: Max. 50% of the project cost with a ceiling of Rs.3.00 cr.</p> | | | | | | | | | | | | |

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| | ix. Facilitation, IT, Awareness, Market Development & Publicity for Powerloom Schemes. | <div>➤ Buyer Seller Meet: Provide platform to the decentralized sector to showcase/ sell their products to wider market and assess consumer feedback.</div> <div>➤ Exposure Visit: Exchange of information to strengthen existing clusters/ diversify products and technologies.</div> <div>Seminar/ Workshops: Essential to create awareness/ mobilize weavers to utilize Govt. schemes.</div> | | | | | |
| 2 | Converged Insurance Scheme for Powerloom weavers/workers. | Premium: | | | | | |
| | | Contribution | 51 to 59 Years of age | 18 to 50 Years of age | | | |
| | | | AABY | PMJJBY | PMSBY | | |
| | | Beneficiary contribution | Rs.80 | Rs.80 | - | | |
| | | LIC | Rs.100 | Rs.100 | - | | |
| | | MOT | Rs.290 | Rs.150 | Rs.12 | | |
| | | Total Premium | Rs.470 | Rs.342 | | | |
| | | Benefits: | | | | | |
| | | Insurance Coverage on | Schemes | | Total Benefits | | |
| | | | PMJJBY | PMSBY | PMJJBY + PMSBY | AABY | |
| | | | Natural Death | Rs.2,00,000 | --- | Rs.2,00,000 | Rs.60,000 (Death due to any reason) |
| | | | Accidental Death | Rs.2,00,000 | Rs.2,00,000 | Rs.4,00,000 | |
| Permanent Disability | --- | | Rs.2,00,000 | Rs.2,00,000 | | | |
| Partial Disability | --- | Rs.1,00,000 | Rs.1,00,000 | | | | |
