

LOK SABHA  
STARRED QUESTION NO. \*397  
TO BE ANSWERED ON 30.03.2022

PRADHAN MANTRI CREDIT SCHEME POWERLOOM WEAVERS

\*397. SHRI SELVAM G.:  
SHRI DHANUSH M. KUMAR:

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

- (a) whether the Government is implementing Pradhan Mantri Credit Scheme for Powerloom Weavers and if so, the details thereof;
- (b) the number of Powerloom Weavers who have been benefited under the Scheme during each of the last five years in the country including States of Tamil Nadu and Maharashtra;
- (c) the other schemes/programmes being implemented by the Government to ensure adequate credit and to overcome the hardships being faced by the weavers/workers who are in unorganized powerloom sector in the country;
- (d) the funds provided under the said schemes/ programmes during each of the last three years and the current year, State/UT-wise and Scheme/Programme-wise;
- (e) the cases of irregularities reported in implementation of the said schemes/programmes across the country along with the action taken thereon; and
- (f) the corrective steps taken by the Government in this regard?

उत्तर  
ANSWER  
वस्त्र मंत्री (श्री पीयूष गोयल)  
MINISTER OF TEXTILES  
(SHRI PIYUSH GOYAL)

(a) to (f):- A statement is laid on the Table of the House.

**STATEMENT REFERRED TO IN REPLY TO PART (a) to (f) OF LOK SABHA STARRED QUESTION NO. \*397 DUE FOR ANSWERED ON 30.03.2022 RAISED BY SHRI SELVAM G AND SHRI DHANUSH M. KUMAR REGARDING PRADHAN MANTRI CREDIT SCHEME POWERLOOM WEAVERS**

**(a):** Government had launched Pradhan Mantri Credit Scheme for Powerloom Weavers (PMCS) as one of the sub-components of PowerTex India Scheme to provide adequate and timely financial assistance to the powerloom weavers to meet their credit requirements, for investment needs (Term Loan) as well as for working capital, in a flexible and cost effective manner for a period of three years w.e.f 1<sup>st</sup> April, 2017 to 31.03.2020 and was further approved as a component of restructured 'Textile Cluster Development Scheme' (TCDS) upto 2025-26.

2. The details of PM Credit Scheme are as below:

**(i) MUDRA**

- Eligibility: Existing individual powerloom units (or) New individual/ group enterprises involved in weaving activity are eligible.
- Financial Assistance:
  - Margin money @20% of machinery cost with a ceiling of Rs.1 lakh for a borrower. Remaining amount of margin money will be borne by the borrower.
  - Interest Subvention @ 6% per year for 5 years.

**(ii) Stand-up India**

- Eligibility: New Powerloom units established by a person who belongs to SC/ST/Woman Entrepreneur and in case of non-individual units at least 51% of the shareholding and controlling stake should be held by either an SC (or) ST (or) Women entrepreneur.
- 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.

**(b):** During past 5 years, total 99 powerloom weavers (6 in 2019-20; 88 in 2020-21; 5 in 2021-22) benefitted under Stand up India component of PMCS whereas no application was received under PM Mudra Scheme. From the states of Maharashtra and Tamil Nadu, no application was received under PMCS (Mudra and Stand up India) during last 5 years.

**(c) & (d):** Details of other schemes/programmes implemented to ensure adequate credit and to address the issues being faced by the weavers/workers who are in unorganized powerloom sector in the country, is given in the Annexure.

**(e) & (f):** No irregularities have been reported under Pradhan Mantri Credit Scheme for Powerloom Weavers.

PowerTex India is a comprehensive scheme for holistic development of Powerloom Sector which was launched on 01.04.2017 on pan India basis. The details of component and its benefits are as under:-

Schemes	Benefits																			
<b>i. In-situ upgradation of plain Powerlooms</b>	<p><b>Objectives:</b></p> <p>-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.</p> <p>-To improve quality and productivity of the fabrics being produced and enable them to face the competition in domestic and international markets.</p> <ul style="list-style-type: none"><li>➤ Powerloom units having up to 8 looms are eligible.</li><li>➤ Eligible subsidy as under;</li></ul> <table><tr><th rowspan="2">Type of Technology</th><th colspan="3">GOI Subsidy per loom (in Rs.)</th></tr><tr><th>General (50%)</th><th>SC (75%)</th><th>ST (90%)</th></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> <ul style="list-style-type: none"><li>❖ Implemented on PAN India basis.</li><li>❖ 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 &amp; rapier kit.</li></ul> <p>Kits should be purchased from the empanelled manufacturer registered with the O/o Textile Commissioner</p>	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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<b>ii. Group Work Shed Scheme</b>	<p><b>Objectives:</b></p> <p>-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.</p> <p>-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.</p> <ul style="list-style-type: none"><li>❖ At least 24 shuttleless looms of width upto 230 cms (or)</li><li>❖ 16 shuttleless looms of wider width i.e. 230 cms and above must be installed.</li><li>❖ Additional subsidy for construction of Dormitory: @ 125 Sq.ft per person.</li><li>❖ Govt. Subsidy</li></ul>																			

	General (40%) : Rs.400 per Sq.ft SC (75%) : Rs.750 per Sq.ft ST (90%) : Rs.900 per Sq.ft			
<b>iii. Yarn Bank Scheme</b>	<b>Objectives:</b> -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 of 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.			
<b>iv. Common Facility Centre (CFC)</b>	<b>Objectives:</b> -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.			
<b>v. Solar Energy Scheme</b>	❖ 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).			
	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
	B) Off Grid Solar Power Plant			
	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
<b>vi. Grant-in-Aid &amp; Modernisation/ upgradation of Powerloom Service Centres</b>	❖ To enable Powerloom weavers in various clusters to avail services of Powerloom Service Centres. ❖ Textile Research Associations (TRAs)/State Govt. agencies are running 32 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.			

	<ul style="list-style-type: none"> <li>❖ 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.</li> </ul> <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>
<b>vii. Text Fund-Venture Capital Fund</b>	<ul style="list-style-type: none"> <li>❖ 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.</li> <li>❖ Investments will typically be innovative in nature in private Powerloom MSME companies.</li> </ul> <p>Equity participation by MOT/SIDBI: Max. 50% of the project cost with a ceiling of Rs.3.00 cr.</p>
<b>viii. Facilitation, IT, Awareness, Market Development &amp; Publicity for Powerloom Schemes.</b>	<ul style="list-style-type: none"> <li>❖ Buyer Seller Meet: Provide platform to the decentralized sector to showcase/ sell their products to wider market and assess consumer feedback.</li> <li>❖ Exposure Visit: Exchange of information to strengthen existing clusters/ diversify products and technologies.</li> <li>❖ Seminar/ Workshops: Essential to create awareness/ mobilize weavers to utilize Govt. schemes.</li> </ul>

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