

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:671

ANSWERED ON:05.12.2003

DETERIORATING CONDITION OF POWERLOOM SECTOR

JASWANT SINGH YADAV;MONI KUMAR SUBBA;RANEE NARAH

Will the Minister of TEXTILES be pleased to state:

- (a) whether the Government are aware of the deteriorating condition of powerloom industry in the country, particularly of Assam State.
- (b) if so, the details thereof;
- (c) whether the Assam Government has requested for any central assistance for reviving and rejuvenating Powerloom industry; and
- (d) if so, the steps taken or being taken by the Government to rejuvenation the Powerloom industry of the country particularly of Assam State?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI GINGEE N. RAMACHANDRAN)

(a) to (d) The decentralized powerloom sector of the country including that in Assam, which plays a pivotal role in meeting the clothing needs of the industry, suffers from various infirmities including:

- Technological obsolescence,
- The small size of units,
- Low HRD skills and poor quality consciousness, and
- Inadequate availability of good quality power supply.

2. Government has been receiving requests for central assistance for the powerloom industry from various parts of the country including Assam. Several initiatives taken to facilitate growth in the powerloom industry, which are also available to Assam include the following:

(i) Central Government has announced a powerloom package in the Union Budget 2003-04 for modernization of powerloom industry by enlarging the scope of Technology Upgradation Fund Scheme, providing Group Insurance Scheme for powerloom workers and assistance for Group Workshed for powerlooms to create a better working environment and obtain high productivity. The package has been made fully operational.

(ii) Government has taken up modernisation and strengthening of powerloom service centres, which have been set up to provide technical services of training, testing, project preparation etc.

(iii) Computer Aided Design Centres have been set up to enable small powerloom units to access new designs and upgrade fabric by product development inputs.

(iv) A programme for induction of 50,000 shuttleless and for 2.50 lakh semi automatic and automatic looms in the decentralised powerloom sector has been announced.

(v) Incentives have been made available under the Technology Upgradation Fund Scheme (TUFS) whereby the powerloom owner can reduce the cost of borrowing capital either by availing 20 % upfront Capital Linked Subsidy or by obtaining 5% interest reimbursement of on the loan availed.

(vi) Import duty on shuttleless looms has been reduced and excise duty exemption has been given to indigenous automatic looms. Accelerated depreciation benefits at the rate of 50% have been extended on the weaving machinery installed under TUFS.

(vi) Powerloom Export Entitlement (PEE) quota has been provided to encourage powerloom exports.