

**GOVERNMENT OF INDIA  
TEXTILES  
LOK SABHA**

UNSTARRED QUESTION NO:763  
ANSWERED ON:04.03.2005  
CLOSURE OF POWERLOOM  
Chaliha Shri Kirip

**Will the Minister of TEXTILES be pleased to state:**

- (a) whether Government is aware that about 2500 power looms have been closed down in Assam;
- (b) if so, the reasons therefore; and
- (c) steps taken by the Government for revival of these powerlooms and also to check further closure of power looms in the State?

**Answer**

MINISTER OF TEXTILES ( SHRI SHANKERSINH VAGHELA )

- (a) As per the survey report of the Textile Committee, Mumbai out of the total 54 registered powerloom units with 846 looms only 7 units with 85 looms are in operation at present.
- (b) The reasons for the closure of the powerlooms include non-availability of working capital/raw materials, lack of entrepreneurial expertise and business management skills.
- (c) The Government of India has introduced w.e.f. 6.11.2003, a 20% credit linked capital subsidy scheme for the benchmarked technology pertaining to weaving and preparatory machinery in the powerloom sector. The investment limit on this machinery has been raised to Rs. 1.00 crore w.e.f. 13.01.05 from the previous limit of Rs. 60.00 lakhs. The powerloom sector is free to choose between benefits under this scheme or avail 5% interest reimbursement under Technology Upgradation Fund Scheme (TUFS). The Government has also introduced, a Scheme called the "Group Workshed Scheme" for the Powerloom Sector w.e.f. July, 2003. Presently, the Government of India encourages establishment of High-tech Weaving Parks in and around traditional powerloom clusters, by offering combined benefits under the Textile Center Infrastructure Development Scheme, the Group Workshed Scheme and the Technology Upgradation Fund Scheme.