

Problems of powerloom owners in Maharashtra

*427 SHRI SANJAY RAJARAM RAUT: Will the Minister of TEXTILES be pleased to state:

(a) whether Government are aware that powerloom owners in Maharashtra are facing problems and seeking Central Government's help; and

(b) if so, the details of effective steps taken for the benefit of powerloom sector in Maharashtra?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) and (b) The Government had been receiving requests from the Maharashtra powerloom industry for removal of CENVAT. In this year's budget the following important announcements have been made for the textile sector as a whole including the powerloom sector:—

- Except for mandatory excise duty on polyester filament yarn including texturised yarn, synthetic and artificial fibres and synthetic and artificial filament yarns, the whole value addition chain has been given excise exemption option.
- This excise exemption has been given across the value addition chain. For those, opting to pay duty and avail CENVAT credit, two rates of duty have been given as under:-
- All textile goods made of pure cotton, not containing any other textile material—4%
- Other textile goods—8%
- Additional Excise Duty on Textiles and Textile Articles (AT&T) and Additional Excise Duty (Goods of Special Importance) Act have been abolished.

Following steps have been taken for modernisation of the powerloom sector:-

- * 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.

- * Government has announced a Scheme for assistance for construction of Group Workshed for powerlooms to create a better working environment and obtain high productivity.
- * Import of shuttleless looms has been allowed under concessional customs duty of 5% without countervailing duty. Excise exemption has also been given on such looms.
- * Accelerated depreciation benefits at the rate of 50% have been extended on the weaving machinery installed under TUFs.
- * Government has taken up modernization and strengthening of Powerloom Service Centres (PSCs), which have been set up to provide technical services of training, testing, project preparation etc.
- * Computer Aided Design Centres have been set up to enable small powerloom units to access new designs and upgrade fabric by product development inputs.

Special Modernisation Fund for Textile Industry

*428. SHRI S.M. LALJAN BASHA: Will the Minister of TEXTILES be pleased to state.

(a) whether Government have set up a Special Modernisation Fund for the entire textile industry to help it face international competition;

(b) if so, the details thereof;

(c) the quantum of loans and grants, separately that will be given; and

(d) the details of other facilities Government propose to give to the textile industry to meet foreign competition?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) No, Sir.

(b) Does not arise.

(c) Does not arise.

(d) Major initiatives in terms of facilities for textile industry for its modernisation and meeting foreign competition are:—