

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:1805
ANSWERED ON:03.08.2000
MODERNISATION OF POWERLOOM INDUSTRY
GULAM MEHMOOD BANATWALLA;SWADESH CHAKRABORTTY

Will the Minister of TEXTILES be pleased to state:

- (a) whether the Government are aware that Powerloom Industry is passing through severe crisis;
- (b) if so, whether powerlooms are being closed down and being sold away at scrap value;
- (c) if so, the reasons therefore; and
- (d) the steps taken/proposed to be taken by the Government for the modernization of Powerloom Industry?

Answer

MINISTER OF STATE FOR TEXTILES (GINGEE N.RAMACHANDRAN)

(a) to (c):Textile sector including the decentralized powerloom sector is passing through the general recessionary condition prevailing in international and domestic markets. Powerloom sector is also facing problem due to technological obsolescence, hike in Power tariff in certain states, etc. As per sample survey carried out in different powerloom concentrated areas of the concerned States during the quarter April-June, 2000, the details of the closure position of powerlooms are as follows:

States Position of powerlooms closure
in the quarter ending in June, 2000

Gujarat	5.92%
Karnataka	7.14%
Maharashtra	24.15%
Orissa	1.28%
Punjab	4.32%
Rajasthan	7.77%
Tamil Nadu	8.16%
Uttar Pradesh	35.93%
West Bengal	12.5%

(d) The Government of India has taken the following steps for the development of powerloom sector:

i) Modernisation of Powerloom industries under Technology Upgradation Fund Scheme (TUFS);

ii) As the large chunk of powerloom sector is not adequately and properly trained, all the 44 Powerloom Service Centres have been geared to provide training to powerloom workers, consultancy to powerloom owners and other types of technical assistances, including design support and testing facilities. In order to reinforce these PSCs, the Government has started modernisation of 21 PSCs during the 9th five year plan period with an estimated cost of Rs.16.09 crore.The implementation of this programme is underway.

(iii) To provide support to manufacture good quality fabrics, the Government has undertaken a phased plan programme for the upgradation of textile testing laboratories. So far the laboratories of 14 PSCs have been upgraded at a cost of round 11.27 crore.

(iv) The Government is formulating a revised Group Insurance Scheme in consultation with the various State Governments and industries for the benefits of the powerloom weavers.

(v) The workshed scheme for the powerloom weavers is under preparation in consultation with the powerloom concentrations states and concerned industry bodies.

(vi) To encourage the decentralised powerloom sector in the direction of direct exports of its products to quota markets such as USA /

Canada / EU, Powerloom Exporters` Entitlement quota system was introduced in 1992.The annual export quota level under the PEE for the sector has been increased to 15% from the current year.

(vi) In order to rationalise the power tariffs for powerloom sector, Ministry of Textiles has taken up matter with the major textile manufacturing states in the country.