

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:5340
ANSWERED ON:05.05.2008
SETTING UP OF MODERN WEAVING AND KNITTING PROCESSING UNITS
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Will the Minister of TEXTILES be pleased to state:

- (a) whether the Government has provided assistance for setting up of modern weaving and knitting processing units;
- (b) if so, the details thereof;
- (c) the funds allocated, released and spent thereon during each year of Tenth Five Year Plan alongwith the allocation made for Eleventh Five Year Plan, State-wise and year-wise; and
- (d) the extent to which the textile industry has been benefitted by such assistance during the Tenth Five Year Plan?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF TEXTILES (SHRI E.V.K.S. ELANGO VAN)

(a) & (b): Government have been providing financial assistance for setting up of modern weaving and knitting processing units under two schemes. Under the Scheme for Integrated Textile Park (SITP), assistance @ 40 % of the project cost subject to the limit of Rs.40 Crore is provided for common infrastructure, common facilities and factory buildings. Under the Technology Upgradation Fund Scheme (TUF S), 5% interest reimbursement of the normal interest charged by the lending agency is provided for procurement of machinery. Apart from the 5% interest reimbursement, 10% capital subsidy is also provided under the TUF S for specified processing machinery.

(c) Funds released to the projects sanctioned under the SITP, year-wise and State-wise, are given in the table below:-

State	Number of Projects	Year-wise Release of Funds (In Crore Rupees)			
		2005-06	2006-07	2007-08	Total
Andhra	5	0.00	12.74	49.92	62.66
Pradesh					
Bihar	1	0.00	0.00	0.00	0.00
Gujarat	7	8.00	8.00	64.00	80.00
Karnataka	1	0.00	2.12	10.62	12.74
Maharashtra	5	4.82	6.89	45.39	57.10
Punjab	1	0.00	0.00	4.00	4.00
Rajasthan	3	0.00	3.87	15.75	19.62
Tamil Nadu	6	5.73	5.39	40.91	52.03
West Bengal	1	0.00	4.00	8.00	12.00
Total	30	18.55	43.01	238.59	300.15

Funds released under the TUF S, year-wise is as under: -
(In Crore Rupees)

1999-2000	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
1.00	70.00	198.894	202.59	249.06	283.604	485.00	823.92	1143.37

Note:- State-wise data is not maintained.

Rs. 450 Crore under the SITP and Rs.1090 Crore under the TUF S have been provided in the budget for the year 2008-09.

(d): Thirty (30) textiles parks sanctioned so far under the SITP will facilitate investment of Rs.17000 Crore (estimated), production of textiles worth Rs.27000 Crore annually and employment opportunities (direct / indirect) for more than five (5) lakh persons.

During 1999-2000 to 2006-07, TUF S has induced investment of Rs.93,447 Crore, which includes Rs.14,198 Crore in the weaving segment, Rs.2,894 Crore in knitting segment and Rs.9,325 Crore in the processing segment.