

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:446
ANSWERED ON:25.02.2010
INFRASTRUCTURE IN TEXTILE SECTOR
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Will the Minister of TEXTILES be pleased to state:

- (a) whether the Government is contemplating to initiate any ambitious programmes to develop infrastructure in textile sector;
- (b) if so, the details thereof;
- (c) the details of employment opportunities likely to be generated in this sector;
- (d) whether the Government is likely to take care of the financial aspect entirely; and
- (e) if so, the foreign exchange likely to be earned?

Answer

MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SMT. PANABAACA LAKSHMI)

(a) to (e): In order to provide infrastructure support, the Government has initiated the Scheme for Integrated Textile Parks (SITP) w.e.f. August 2005. Primary objective of the SITP is to provide the industry with world-class infrastructure facilities for setting up their textile units. The scheme facilitates textile units to meet international environmental and social standards. SITP creates new textile parks of international standards at potential growth centres. This scheme envisages engaging of a panel of professional agencies for project identification and execution. Government has already approved 40 projects under SITP. The estimated employment in the 40 projects is given below:

In Lakh nos.		
Direct	Indirect	Total
3.15	5.04	8.19

Funding pattern of SITP is as under:

- (i) The total project cost is funded through a mix of Equity/ Grant from the Ministry of Textiles, State Government, State Industrial Development Corporation, Industry, Project Management Consultant and Loan from Banks/ Financial Institutions.
- (ii) The Government of India's (GoI) support under the Scheme by way of Grant or Equity will be limited to 40% of the project cost subject to a ceiling of Rs. 40 crore. GOI support under the Scheme will generally be in the form of grant to the SPV unless specifically decided to be equity. However, the combined equity stake of GOI/State Government/State Industrial Development Corporation, if any, should not exceed 49%.
- (iii) Government of India support will be provided @90% of the project cost subject to a ceiling of Rs. 40 crore for first two projects in the States of Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Tripura, Sikkim and Jammu & Kashmir.

For powerloom sector the Government has initiated a scheme of Group Workshed Scheme with effect from 29.07.2003 which has been modified in 2007-08. The Group workshed scheme aims at setting up of powerloom parks with modern weaving machinery to enhance their competitiveness in global market Ordinarily minimum 4 weavers should form a group each with 12 modern looms single width or 6 wider width looms per person will be allowed to be installed.. The scheme does not envisage more than 500 looms under one project proposal. Under modified Group Workshed Scheme 27 projects have been approved .However, employment has not been estimated

As per Modified Group Workshed Scheme, subsidy for construction of workshed would be limited to 40% of the unit cost of construction subject to a maximum of Rs.120/- per sq ft. whichever is less. The maximum subsidy will be Rs.12 lakh per beneficiary. Under Modified Group Workshed Scheme, 27 projects with a project cost of Rs 239.19 crore has been sanctioned.

The Comprehensive Handloom Cluster Development Scheme was introduced in 2008-09 for development of 2 Mega Clusters i.e. Varanasi (Uttar Pradesh) & Sivasagar (Assam) for their integrated and holistic development. Each cluster will cover over 25,000 handlooms at a cost of Rs.70.00 Crore. The scheme will be implemented as a Central Sector Scheme. The scheme will provide sustainable employment for economic development of handloom weavers. During the year 2009-10, two additional Mega Handloom

Clusters have also been taken up one each in Virudhanagar (Tamil Nadu) and Murshidabad (West Bengal). Under the scheme, there are some components, which are fully funded by GOI. This includes conducting Diagnostic Study, formulation of Detailed Project Report (DPR), engaging Designer, Product Development, Corpus for raw material, Credit for working capital, Worksheds (for BPL weavers), Skill up-gradation etc. However, the components like Technology up-gradation, Design Studio, including the Computer Aided Design System, Marketing Complex, Value Addition (setting up of garment unit), Dye House, Common Infrastructure, Publicity etc., the share of Government of India is 80%.

The Central Silk Board (CSB), a statutory body under the Ministry of Textiles is implementing a centrally sponsored scheme viz. "Catalytic Development Programme (CDP) with the assistance of State Governments, covering all the States. Under the scheme, assistance is being provided during the XIth Plan to create basic infrastructure support mainly under private sector for the following sericulture related activities:

Infrastructure support for irrigation, plantation development etc.

Infrastructure support for seed multiplication

Infrastructure support for construction of rearing houses

Infrastructure support for establishment of Chawki Rearing Centres (CRCs)

Infrastructure support for construction of Cocoon storage houses (for tasar)

Infrastructure support for establishment of CSTRl Certified improved reeling units and Handlooms

Infrastructure support for loom upgradation

Infrastructure support for establishment of Computer Aided Textile Design (CATD)

Infrastructure support for establishment of Shuttle-less looms,

Infrastructure support for establishment of Common Facility Centres (CFCs) for post cocoon activities like dyeing & printing.

Details of employment generated under various activities of silk industry during the last three years (2006-07 to 2008-09) are given as under. By the end of XIth Plan it is targeted to generate employment to the tune of 77 lakh persons.

(in Lakh persons)

Year Employment in Sericulture Activities
Rearing Reeling Weaving Total

2006-07	43.24	3.04	13.74	60.03
2007-08	44.09	3.10	14.01	61.20
2008-09	45.45	3.20	14.45	63.10

The funding pattern under CDP among Central Government, State Governments and the beneficiaries is as under:

Category of States	Central Govt. contribution	State Govt. contribution	Beneficiary contribution
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General States	60%	20%	20%
Special Status States	80%	10%	10%

The silk export earnings expected by the end of XIth Plan period is Rs.4500 crores.