

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:591
ANSWERED ON:25.02.2010
JUTE MILLS
Dubey Shri Nishikant

Will the Minister of TEXTILES be pleased to state:

- (a) whether several Jute Mills in the country are on the verge of collapse due to obsolete technology which has effected the growth and development of textile industry;
- (b) if so, the details of other factors which are responsible for the poor state of affairs of textile industry;
- (c) whether the Government has initiated any action plan for the modernisation and development of textile industry/Jute Mills;
- (d) if so, the details thereof;
- (e) the amount of allocations made and the expenditure incurred on modernisation/development/ upgradation of technology/jute mills during each of the last three years and the current year;
- (f) whether the Government has any plan to equip the Jute Mills with state of the art technology; and
- (g) if so, the details thereof?

Answer

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

(a) & (b): No, Madam.

(c) to (g): The Government is aware of the technology obsolescence affecting the growth and development of jute textiles industry, and have taken steps to modernize the Jute Industry in consultation with various stakeholders. This includes implementation of Acquisition of Machinery and Plant (Capital Subsidy) under the Mini Mission-IV of the Jute Technology Mission (JTM) during the XIth Five Year Plan period.

The Government has enhanced the Cap on Subsidy under the Acquisition of Machinery and Plant (Capital Subsidy) to Rs. 3.5 crore per mill in respect of existing mills and to Rs. 4 crore per mill in respect of new mills and mills in North Eastern States. This will give an incentive to the mills to modernize, upgrade technology, increase efficiency and thus reduce cost. The details of the amount of allocations made and the expenditure incurred on modernization/development/upgradation of technology/jute mills during each of the last three years and the current year is as under:

Scheme for Acquisition of Machinery and Plant (Capital subsidy)

(Rs. in crore)

Year Release Expenditure Incurred

2006-07		-
2007-08	8.00	5.86
2008-09	20.00	7.46
2009-10	15.00	6.524

The scheme started in 2007-08
\$ Till January 2010