

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:3241
ANSWERED ON:15.04.2010
JUTE TECHNOLOGY MISSION
Paranjpe Shri Anand Prakash

Will the Minister of TEXTILES be pleased to state:

- (a) whether the Government is planning to raise the cap on subsidy under the Jute Technology mission;
- (b) if so, the reason therefor; and
- (c) the effect of the enhancement likely to take place on the Jute industry?

Answer

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

(a) to (c): The Government has raised the cap on subsidy under the scheme for Acquisition of Machinery and Plant (Capital Subsidy) under Jute Technology Mission to Rs. 3.5 crore per mill (in respect of existing mills - General States) and to Rs.4.00 crore per mill (in respect of new mills and mills in NER), since the earlier cap on subsidy resulted in insufficient-off take of benefit under this scheme. The raise in the cap on subsidy will provide adequate amount of subsidy for the modernization of the jute mills and thereby incentivize the jute industry to invest in modernization.