

**GOVERNMENT OF INDIA  
TEXTILES  
LOK SABHA**

UNSTARRED QUESTION NO:2825  
ANSWERED ON:23.07.2009  
TEXTILES PROCESSING UNITS  
Swamygowda Shri N Cheluvarya Swamy

**Will the Minister of TEXTILES be pleased to state:**

- (a) whether any bailout package for textiles processing units is under consideration of the Government;
- (b) if so, the details thereof;
- (c) whether the Government is also proposing to set up new textiles parks in the country;
- (d) if so, the details thereof; and
- (e) the other steps being taken by the Government to improve the situation of textiles processing units?

**Answer**

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

(a), (b) & (e): Government provides capital subsidy @ 10% alongwith interest subsidy @ 5% to set up new processing units as well as to upgrade the machineries of existing processing units under Technology Upgradation Fund Scheme (TUFS). In addition, the Scheme also extends financial benefits upto 25% of the cost of machineries in respect of investments for setting up effluent treatment plant, which is essential for processing sector.

(c) & (d): The Government is contemplating to set up 15 new textile parks under Scheme for Integrated Textile Park (SITP) within available plan outlay for 11th plan for SITP.