

UNSTARRED QUESTION NO:4410  
ANSWERED ON:17.12.2009  
COTTON AND MAN-MADE FIBRE MILLS  
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- (a) the total cotton and man-made fibre mills functioning in public and cooperative sectors in the country, as on date;
- (b) the production capacity and actual production of these mills during each of the last three years;
- (c) whether the Government is aware that these mills require modernisation to meet their production target; and
- (d) if so, the steps taken or being taken by the Government for modernisation of these mills?

1 Public 1516482 2120 4445 1624758 2120 4704 1654026 1400 4704  
Sector  
(NTC +  
STC)

2 Co- 1928406 8676 0 1924126 8676 0 1952640 11460 0  
opera  
tive  
Sector

Total 3444888 10796 4445 3548884 10796 4704 3606666 12860 4704

(iii) The actual production of textile items for the last 3 years is as under:

Items	Unit	2006-07	2007-08	2008-09	(April- Oct) (Prov)
	(Prov)	2009-10	2008-09		

Cotton Yarn Mn. Kg. 2824 2948 2898 1744 1705

spun yarn Mn. Kg. 3813 4003 3914 2371 2303

Man made filament yarn Mn. Kg. 1370 1509 1416 898 794

Fabrics (Mill Sector ) Mn. Sq.mtr 1746 1781 1796 144 152

(c) & (d): (i) Yes, Madam. In order to facilitate modernization, Government of India has launched Technology Upgradation Fund Scheme (TUFS) for textile and jute industries with effect from 01-04-1999 for a period of 5 years which was subsequently extended upto 31-03-2007 and further extended during Eleventh Five Year Plan upto 31-03-2012. It is a credit linked scheme and provides interest reimbursement of 5% points on the interest charged by the lending agency on a TUFS compatible machinery / project. The scheme provides an additional option to the powerloom units to avail of 20% Margin Money subsidy in lieu of 5% interest reimbursement on investment in TUF compatible machinery. The scheme also provides 15% Margin Money subsidy for SSI textile and jute sector in lieu of 5% interest reimbursement. The scheme provides 5% interest reimbursement plus 10% capital subsidy for specified processing, technical textile and garmenting machineries. Under TUFS 25893 units with a project cost of Rs.1,79,856 crore have been sanctioned an amount of Rs. 78,307 crore as on 30-06-2009. Out of this Rs. 66,284 crore have been disbursed to 25777 units as on 30-06-2009. With a view to improve productivity and quality of cotton, Government launched Technology Mission of Cotton (TMC). Government had also initiated Scheme for Integrated Textile Parks (SITP) to provide infrastructure support with effect from August, 2005. Under the scheme, 40 projects with total project cost of Rs.4141.39 crore including an assistance of Rs.1422.43 crore from Centre Government has been provided. Grant to the tune of Rs.645.68 crore has also been released.

(ii) The scheme for modernization is already in place. It is upto the textile units/ mills to avail the benefits of the scheme. Most of the textile mills have already availed the benefits of TUFS and has installed state of art technology. As on 30-06-2009, 808 units with a project cost of Rs.33921 crore have been sanctioned and an amount of Rs.12857 crore out of Rs.14817 crore of Central Government Share have been disbursed to 802 units.

(iii) After taking over the sick and closed mills, National Textile Corporation Limited (NTC) has modernised 17 mills and has invested Rs.768 crore for the said purpose.