

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:3893
ANSWERED ON:19.03.2015
FINANCIAL CRUNCH TO SPINNING MILLS
K. Shri Parasuraman;Panda Shri Baijayant "Jay"

Will the Minister of TEXTILES be pleased to state:

- (a) whether the textile/spinning mills are facing financial crunch due to pending subsidies under the Technology Upgradation Fund Scheme (TUFS);
- (b) if so, the details thereof;
- (c) whether the Government proposes to clear the pending subsidies in order to safeguard the interests of these mills; and
- (d) if so, the details thereof?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF TEXTILES (SHRI SANTOSH KUMAR GANGWAR)

- (a) & (b): The financial assistance provided to Textile units under TUFS by way of Interest Reimbursement/Capital Subsidy is small as compared to the loan amount received by them from Banks. Disbursement of subsidy under TUFS has been made for the claims submitted by the lending agencies for the quarter upto June 2014.
- (c) & (d): The Government has approved the continuation of Technology Upgradation Fund Scheme (TUFS) for the 12th Five Year Plan under Revised Restructured TUFS (RR-TUFS) with a budgetary allocation of Rs. 11952.80 crore. The subsidy is being released to the textile units as per the approved budget allocation.