

LOK SABHA
UNSTARRED QUESTION NO. 4334
TO BE ANSWERED ON 19.07.2019

TECHNOLOGY UPGRADATION FUND

4334. SHRIMATI DARSHANA VIKRAM JARDOSH:
SHRI BENNY BEHANAN:
SHRI SHANMUGA SUNDARAM K.:

Will the Minister of TEXTILES वस्त्र मंत्री
be pleased to state:

- (a) whether the Technology Upgradation Fund Scheme (TUFS) was introduced in 1999 to attract new and appropriate technology for making textile industry globally competitive and to reduce the capital cost of the textile industry, if so, the total investment attracted and the subsidy released for the past three years and for the current year;
- (b) whether the Ministry is having sufficient funds under TUFS and the amount of finance release to Tamil Nadu for the last three years and the current year, if so, the details thereof, if not, the steps taken to augment the funds under TUFS;
- (c) the number of jobs created, applications for interest relief pending and applications cleared during the last three years under TUFS and the steps taken to increase the employment opportunities;
- (d) the time by which the pending applications are likely to be disposed off; and
- (e) whether the Government is planning for expeditious clearance of TUFS and tackling increased imports of garments from Bangladesh, if so, the details thereof?

उत्तर

ANSWER

वस्त्र मंत्री (श्रीमती स्मृति ज़ुबिन इरानी)

MINISTER OF TEXTILES
(SMT. SMRITI ZUBIN IRANI)

(a): Technology Upgradation Fund Scheme (TUFS), a credit linked subsidy scheme, was introduced in 1999 to catalyse capital investments for technology upgradation and modernization of the textiles industry by providing specified interest reimbursement and capital subsidy for investment in upgradation of machinery. The scheme has been revised and restructured several times in the past and the latest version of the scheme known as Amended Technology Upgradation Fund Scheme (ATUFS) was launched in January, 2016 for a period upto March, 2022.

Under ATUFS, a total of 6,999 new applications (issued with UIDs) have been registered in the online portal (iTUFS), covering a project cost (investment) of Rs. 25,603.98 crore during last three years and current year. A subsidy amount of Rs. 5,160.27 crore has been released under TUFS/ATUFS during last three years (2016-17 to 2018-19) and current year (upto June, 2019).

(b): The fund requirement under ATUFS is demand driven and the budget allocation under ATUFS for 2019-20 is Rs. 700.00 crore. A subsidy amount of Rs. 559.97 crore has been released under TUFS/ATUFS to the textile industry located in the state of Tamil Nadu during last three years (2016-17 to 2018-19) and current year (upto June, 2019).

(c) & (d): Under ATUFS, there is no provision for interest relief and only one time Capital Investment Subsidy (CIS) is provided to individual entity for investment in eligible benchmarked machinery. During last three years, a total of 7,09,472 employment has been projected under new cases of ATUFS against 6,982 applications (issued with UIDs) registered in the online portal (iTUFS).

(e): To ensure expeditious settlement of subsidy claims under TUFS/ATUFS, the process has been streamlined and online iTUFS solution has been operationalized. ATUFS was intended to facilitate augmenting of investment, productivity, quality, employment, exports along with import substitution in the textile industry. Under the scheme, higher rate of subsidy of 15 % subject to a ceiling of Rs. 30 crore is provided for garmenting and technical textiles segments.
