

MOST FREQUENTLY ASKED QUESTIONS

Q.1 What are the schemes / incentives available for setting up of a small scale powerloom units from Government of India?

Ans : Following Schemes are available for powerloom Industry :-

- 1) Modified Group Workshed Scheme for construction of Worksheds
- 2) Integrated Scheme for Powerloom Cluster Development.
- 3) Technology Upgradation Fund Scheme
 - a) 5% Interest reimbursement subsidy Scheme under Technology Upgradation Fund Scheme (TUFS) for any textile unit including powerloom unit.
 - b) 15% MMS under TUFS for any textile unit including PL unit.
 - c) 20%Margin Money Scheme under TUFS for exclusive small powerloom units.

A Powerloom unit can opt either of the Schemes a), b) & c).

- 4) Group Insurance Scheme for Powerloom workers.

MMS@20% TUFS

Q.1 Whether taking a term loan from a Schedule Bank is mandatory for availing subsidy under TUFS?

Ans : Yes. Taking a term loan from a Schedule Bank identified by the Nodal Agency is mandatory for availing any subsidy under TUFS.

Q.2 Whether Plain looms are eligible for availing subsidy under TUFS?

Ans : No. Plain looms are not eligible under TUFS. Only TUF compatible machinery as identified / notified in TUFS by Government of India.

Q.3 What is the promoter's contribution expected?

Ans : A minimum 15% of contribution from the entrepreneur is required.

Q.4 How to select a product and loom for manufacturing for a particular product?

Ans : The particular type of loom is to be selected as per the product mix.

Q.5 Are there any guide books available for the guidance of the Powerloom weavers / entrepreneurs?

Ans : Yes. Some of the guide books available such as a book on TUFS, Statistics of Textile Industry & Hand book on Powerloom Industry, which are available for sale at the Office of the Textiles Committee / Powerloom Development & Export Promotion Council.

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Q.6 What is the procedure for availing subsidy under MMS at 20% TUFs?

Ans : The concerned Powerloom owner / entrepreneur, at first has to prepare a project report and approach lending agency as per TUFs for term loan. After sanctioning of term loan, they should take steps for purchasing the machinery and commissioning of the same. Subsequently, they have to approach Office of the Textile Commissioner claiming for subsidy with all proof of documents for inspection by JIT, who will in turn submit the report to PDC Headquarters. Headquarters will process the proposal as per the guideline and if fit they sanction the subsidy.

Q.7 Whether second hand imported machinery is eligible under MMS@20% Scheme?

Ans : Yes, Second hand imported shuttleless loom of vintage upto 10 years and with residual life of 10 years is eligible.

3) **CLCS 15%**

Q.1 What are the machines eligible under 15% CLCS – TUF?

Ans : All TUF compatible textile machinery enlisted in the TUF book at Annexure A to H are eligible for 15% MMS.

1) **Group Workshed Scheme**

Q.1 Who are eligible under Group Workshed Scheme?

Ans : The beneficiaries eligible would include weaver(s) and entrepreneur(s) associated with powerloom units, including master weaver(s), registered co-operative societies of powerloom weavers or in group consist of at least 4 weavers / entrepreneurs having separate legal entity. At least either 48 Nos. of modern looms (auto / single width shuttleless looms) or 24 Nos. of wider width shuttleless looms with 4 persons in a group are to be installed in the Workshed. Each beneficiary should have at least 4 Nos. looms.

Powerloom unit would include weaving preparatory such as winding, warping, sizing etc. including stand-alone unit.

Looms to be installed under this scheme should have a technology level of auto looms and above as per TUF norms and scheme does not envisage more than 500 looms under one project proposal. The unit should function for a minimum lock-in period of three years.

Q.2 What are the benefits of the GWS and tell me the outline of the said Scheme?

Ans : Under the said scheme, 40% of the unit cost of construction or of Rs.160/- per sq ft. whichever is less will be given by the Government as subsidy for construction of Worksheds subject to the maximum subsidy per beneficiary to Rs.12 lakh.

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Q.3 What is the area entitled for modern looms under the said scheme?

Ans : The area for the modern looms is as under :-

- 1) Automatic loom – 200 sq ft.
- 2) Shuttleless loom – 400 sq ft.
- 3) Wider width Shuttleless loom – 600 sq ft.

Not more than 40% of the loomage area will be considered for weaving preparatory etc and including the area for common facilities like testing lab. Moreover, the beneficiary will not be eligible for any infrastructure benefits under any other scheme of MOT viz. SITP.

4) **Group Insurance Scheme for Powerloom workers**

Q.1 Is there any welfare schemes available under Government of India and who are eligible for availing the said scheme?

Ans : Yes. **Eligibility** : The Powerloom weavers who are aged between 18 to 59 years of age group.

The scheme is applicable to the families of powerloom workers engaged in the activity of weaving on powerlooms and in allied pre-weaving / preparatory activities like twisting, winding, warping and sizing. Self employed weaver families owning not more than 4 looms will also be eligible.

The scheme is operational on yearly basis i.e. the premium paid will cover the applicant under this insurance scheme for one year. He can continue the insurance every year by paying aforesaid premium up to the age of 59 years.

Q.2 What is the premium amount to be paid by each beneficiary?

Ans : The total annual premium per beneficiary is Rs.330/-, which is sharing by Government of India, LIC from Social Security Fund of the Government of India, and the beneficiary is as under :-

GOI contribution	- Rs.150/-
Weaver's contribution	- Rs. 80/-
Contribution from social security fund	- Rs.100/-
Total premium	- Rs.330/-

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Q.3 What are the benefits to the weaver under the GIS?

Ans : In the event of natural death, a sum of Rs.60,000/- will become payable to the nominee. On death or permanent disability due to accident a sum of Rs.1,50,000/- and partial disability due to accident, a sum of Rs.75,000/- will be paid to the nominee. The scheme is operational on yearly basis and premium paid - will cover for one year. Moreover, there are additional benefits like educational grant of Rs.600/- per child per half year for two children of weaver's family, who are studying in class IX to XIIth Std. for maximum period of 4 years under Shiksha Sahayog Yojana.

5) **Integrated Scheme for Powerloom Cluster Development**

Q.1 Is there any other scheme for Powerloom Cluster Development?

Ans : Yes. There is a scheme called Integrated Scheme for Powerloom Cluster Development. Under the said scheme, financial assistance is being provided to the implementing agencies for marketing, development i.e. organizing of exhibition and Buyer – Seller Meet and exposure visits etc.

6) **Seminar, Workshops**

Q.1 Is there any financial assistance available for conducting Seminars, Workshops / Publicity to create awareness on latest technology and products?

Ans : Yes. Financial assistance is being provided to designated institutions to disseminate new technology and creating awareness on the manufacturing of new products, new designs etc & Govt. schemes.

Q.2 Are there any facilities for training on the latest technology and up gradation of skills of powerloom weavers?

Ans : Yes. There are facilities available for training in 44 Powerloom Service Centres which are functioning under Office of the Textile Commissioner, TRAs & State Government agencies for up gradation of their skills, design development and to adopt latest technology by them. Further, there are also 17 CAD Centres in the said PSCs which provide training and render services to the industry for design development.