

II. Quality Processing of Wool Scheme (Q&P)

The Woollen industry suffers from inadequate and outdated processing facilities. The pre-loom and post-loom facilities are required to be modernized for ensuring quality finished product. Quality finishing of the woollen products will not only increase use of indigenous wool but will also make the product more competitive in the international market. It will also assist in procuring better price for wool growers and will make quality raw material available to the Khadi and Handloom sector.

Owing to overall size of the woollen industry and specialized nature of equipments required for processing, the industry has been dependent on imported plant and machinery except for few complimentary equipments from local sources. Machinery required for processing from raw wool fibre to fabrics followed by knitting and garmenting, is mostly imported from European countries, USA and Japan.

With this view setting up of Common Facility Centre for all kind of wool and woollen processing facilities like-wool scouring, drying, carding dyeing, knitting, weaving, felting\ non woven, and finishing are proposed to be taken up by the CWDB for the integrated processing of raw wool and woollens in wool producing and wool trading areas. This new separate programme would provide a comprehensive service package of all kind of wool and woollen processing facilities including Machine Sheep shearing, quality parameters testing equipments, computer aided designing software etc.,. Establishing such plants/centers will increase wool processing capacity and will bring more fruits of value addition to Indian wool industry and will create more employment generation and income augmentation in the country.

The objectives of the scheme are:-

- To increase consumption of indigenous hilly area as well as carpet grade wool.
- To provide quality yarn in quantity to unorganized sector for manufacturing quality woollen products.
- To support entrepreneurs to set up wool processing facilities with latest technology machinery and to replace obsolete machineries and development of new and diversified products through designing software.
- To increase value addition of raw material and to generate employment in wool potential areas.
- To provide all types of processing facilities such as carbonizing, scouring, carding, spinning, knitting, felt manufacturing, quality testing, and wool packaging facilities including Machine Shearing ,Wool & Woollen Testing, Computer aided designing software.
- To upgraded machinery and equipments for wool processing and testing.
- To upgrade machinery and equipments for Finishing of Woollens including carpet.

Project beneficiaries: -

The project will be implemented by the Govt. organization/NGO's /Society/ Company/ Private entrepreneurs engaged in processing of wool and woollens including wool blend. Projects may be sanctioned to above even if it is not working in textiles but are interested in establishing machineries for wool and woollen processing The agency coming forward to run the plant on commercial basis will be encouraged.

Eligibility Criteria for Assistance: -

- Assistance under the scheme will be available to any entrepreneur working in the cottage/small scale/medium/large scale/cooperative interested in production of value added diversified wool or wool blended items by setting up processing facility.
- The grant under this scheme shall not be given to any unit for the same project and machineries if they have received benefits of subsidy/grant for same project and machineries from any other central sector/centrally sponsored scheme, but Grant will be admissible to Implementing Agencies for setting up different kind of processing machineries (Other than for which grant have already been released) even if he has received grant from CWDB or from other central sector/centrally sponsored scheme for separate wool processing machineries.
- Agency should be registered body under the relevant act and should have last 3 years audited account statement.
- Agency should provide services to the wool growers/weaver/artisans etc on priority basis.
- Agency/Unit should have land & building (Lease hold/ freehold) either before submission of the project or agency has to arrange land and building (purchase\take on lease) after sanction of the project and submit clear ownership rights after sanction of the project.

Project Description: -

Under this project the agency has to bear the cost of land & building by their own resources and should have ownership rights. The Govt. of India (CWDB) will provide grant under non-recurring expenses for purchase of machinery required for setting up the unit. Recurring expenditure shall be borne by the agency/association out of its own resources.

It is proposed to set up 06 Common Facility Centre for all kind of wool and woollen processing, testing, Sheep shearing, Designing software (Auto CAD) and other related machineries with total financial assistance of up to Rs. 50.00 lakhs per centre. These centers are proposed to be set up in wool growing areas where such facilities are not available/less available or as desired by State Govt. Wool Board/ Sheep Boards/ Federation etc.

The scheme would be implemented in project mode of Rs. 50.00 lakhs (Maximum) or cost of the equipments\ machinery, whichever is less. This assistance would be provided by the Government of India (CWDB) as grant for above activities. The approval of the individual project would be done by the Executive Committee of the CWDB. It's decision on awarding the

CFC including modification/alteration in project proposal/guideline, number of CFC and any relaxation/ concession required by Implementing Agency or in the interest of implementation of the Scheme or for growth/development of wool sector or for development in North East Region shall be final and binding.

After Seven years of sanction of CFC, machinery/plant installed under the scheme will be automatically fully transferred to the Implementing Agency.

Procedure for application:

The interested State Wool Board/ Corporations, Non-Governmental Organization, Societies, Private Entrepreneurs etc. may submit their application in the prescribed Performa showing detailed project cost along with justification for the project, financial status, availability of technical persons, required machinery/equipments with technical specification etc.

- The Project Proposals would first be technically vetted by Wool Research Association (WRA) Thane/ Central Sheep and Wool Research Institute (CSWRI) or by any other related technical institute as decided by CWDB. After Technical vetting, the approval of the individual project would be done by the Executive Committee of the CWDB.

Financial parameters

- The scheme would be implemented in project mode and Rs. 50.00 Lakhs (Maximum) or total cost of equipments\ machineries, whichever is less, would be provided by the Government of India (CWDB) as grant to the implementing agency.
- The grant would be provided in three installments in the following manner
 - (a) At the time of sanction-30% of total grant
 - (b) At the time of placement of purchase order of the plant/machinery-60% of total grant
 - (c) After commissioning of plant remaining 10% of total grant.

In the case of project being sanctioned to State Govt. agencies, full grant may be released in single installment on the request of State Govt. Agency.

The detailed physical and financial targets for Setting up of Common Facility Centres for Wool and woollen processing facilities are as –

Item/Year	20012-13	20013-14	20014-15	20015-16	20016-17	Total
Physical (No. of Units)	2	1	1	1	1	6
Financial (Rs. in crores)	1.0	0.50	0.50	0.50	0.50	3.00

Above targets are indicative and may be increased or decreased as per availability of funds being made available\re-appropriated or as per demand.

Performa for the Application for setting up of Common Facility Center

- 1- Name and address of the agency:- _____
- 2- Nature of applicant (Society\NGO\Entrepreneur etc.):- _____
- 3- Project title:- _____
- 4- Brief of the project cost:- _____
 - A) Total machinery cost:
 - a) To be procured from grant of CWDB:- _____
 - b) To be procured from own source:- _____
 - B) Other Cost if any. _____
 - C) Project Cost:- _____
- 5- Location of the CFC:- _____
- 6- Name of the nodal officer and its status in the agency:- _____
- 7- Brief of the agency and present activity:- _____
- 8- Existing functional machinery and details of technical expert, if any:- _____
- 9- Brief Justification of the project:- _____
- 10- Beneficiaries of the project :- _____
- 11- How Benefits will accrue from the project to them:- _____
- 12- List of machineries under project with tentative cost and specifications:- _____
- 13- Details of the funds received from Any Govt. Agency (Last 3 years):- _____
- 14- Details of Bank Account:- _____

Documents to be enclosed with the project-

- 1) Last 3 years balance sheet & Bank A/c Statements
- 2) Relevant registration certificate-
- 3) Clear title deed of land and non encumbrance certificate of the land from advocate
- 4) Certificate from concerned dept. regarding presently agency\plant is working.

Undertaking to be submitted-

- 1) Has not taken any grant from any Govt. dept for the same purpose.
- 2) The facilities of CFC will be provided to the needy persons.
- 3) Agency will bear the recurring expenses for running the plant.
- 4) Agency will provide Land and building for the machinery.