

(d) and (e). We have indigenous capabilities of fabricating and erecting blast furnaces. This may require a small amount of foreign exchange for import of components or refractories not readily available in the country.

(f) and (g). No blast furnace is kept in reserve against an emergency and as such no loss is suffered on this account.

Crisis in Powerloom Industry under New Textiles Policy

2920. SHRI P. R. KUMARA-MANGALAM : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) the basis on which the powerloom have been equated with mills in the textiles policy especially when many of the single loom power-looms are owned by small weavers and can in any way appear to be mills; and

(b) the steps taken to ensure that the powerloom industry does not face the crisis similar to handloom industry consequent to the new Textile policy and the other restrictions being imposed on the powerloom industry ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRASHEKHAR SINGH) : (a) and (b). In the weaving sector, the composite mills and the powerlooms have their own respective strengths and weaknesses. There has been an unplanned growth of powerlooms in the unorganised sector in the recent past. In order to restore health to the textile industry, it has been decided to treat the powerlooms in the mill sector and powerlooms in the unorganised sector at par, as far as possible, for the purpose of policy. The powerlooms in the unorganised sector are not expected to face crisis consequent to the new textile policy.

Ad Hoc subsidy to Handloom Weavers

2921. SHRI P. R. KUMARA-MANGALAM : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) the total quantum of subsidy that the Union Government and the State

Governments are giving to handloom weavers especially to Khadi weavers;

(b) the stage at this subsidy is given;

(c) whether the subsidy is given in order that it reaches the weavers; and

(d) considering the fact that the averages handloom weavers and specially the Khadi weaver's economic conditions have not improved the steps being taken by Government to ensure that the subsidies reach the weavers ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRASHEKHAR SINGH) :

(a) and (b). For the handloom sector financial assistance is given by Central and State Governments on matching basis for modernisation of handlooms out of which $\frac{1}{3}$ rd is given by way of subsidy. Besides, special rebate at the rate of 20% is given for retail sale of handloom fabrics, which is shared equally by the Central and State Governments. In addition subsidy at the rate of rupees two per square metre is also given for sale of janata cloth at fixed prices. The entire subsidy on janata cloth is borne by Government of India. The quantum of rebate and janata subsidy during 1984-85 was Rs. 14.45 crores and Rs. 58.28 crores, respectively. The quantum of subsidy on modernisation paid by Central Government was Rs. 29.70 lakhs.

For the Khadi sector, rebate on retail sales of Khadi is given by Central Government and the total assistance under this Head during 1984-85 was Rs. 21.23 crores.

(c) and (d). The special rebate, both in the handloom and khadi sectors, is a marketing assistance as it helps liquidation of stocks and in turn generates more demand. It thus provides more employment and greater earnings. The janata subsidy is basically consumer oriented since the products, which are meant for poorer sections of the population, are sold to the consumers at prices less than the cost prices. However, the weavers get more sustained employment an account of this scheme. The modernisation subsidy directly benefits the weavers and helps them in modernising their looms to improve their productivity as well as earnings.