

**GOVERNMENT OF INDIA  
TEXTILES  
LOK SABHA**

UNSTARRED QUESTION NO:972  
ANSWERED ON:01.08.2006  
HANDLOOM AND POWERLOOM SECTOR  
Sugavanam Shri E.G.

**Will the Minister of TEXTILES be pleased to state:**

- (a) whether the handloom sector is facing stiff competition with powerloom sector;
- (b) if so, the reasons and details thereof;
- (c) whether the production of handloom cloth has increased/decreased during the last three years;
- (d) if so, the details thereof alongwith the reasons for decrease in production; and
- (e) the steps taken to boost the production and sale of handloom clothes in the country?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI E.V.K.S. ELANGO VAN)

(a)&(b) : Yes, Sir. The Handloom Sector is facing stiff competition from cheap powerloom products due to various reasons. There is a high wage component in the cost of handloom products vis-À-vis powerlooms. Powerlooms also enjoy the advantage of superior technology and economies of scale. Handloom weaving is still largely a household enterprise and a predominantly rural activity, dispersed all over the country whereas powerlooms are better organized in terms of procurement of inputs and organization of marketing. Thus, both handloom and powerloom compete for the same market segment.

(c) : The estimated cloth production in handloom sector in the year 2005-06 was 6203 million sq. mtrs (Provisional), 5722 million sq. mtrs in 2004-05 and 5493 million sq. mtrs in 2003-04. Thus, there was an annual increase of 8.41% in the year 2005-06 and 4.17% in the year 2004-05.

(d) : Does not arise.

(e) : The Government is implementing a number of schemes to enhance production, productivity and efficiency of the handloom sector and to enhance the income and socio-economic status of the weavers by upgrading their skills and providing infrastructural input and marketing support. The main developmental schemes are Deen Dayal Hathkargha Protsahan Yojana, Integrated Handloom Training Project, Marketing Promotion Programme, Mill Gate Price Scheme, Workshed-cum-Housing Scheme, Weavers' Welfare Scheme and Handloom Export Scheme. Further more, new schemes of Integrated Handloom Cluster Development (IHCD), Mahatama Gandhi Bunkar Bima Yojna and Health Insurance Scheme have been launched in the year 2005-06.