

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:1522
ANSWERED ON:04.03.2011
REVIVAL OF HANDLOOM UNITS
Kashinath Shri Taware Suresh

Will the Minister of TEXTILES be pleased to state:

- (a) whether a large number of handloom units of the country are sick and on the verge of closure;
- (b) if so, the details thereof and the reasons therefor indicating the number of sick and closed handloom units, State/UTwise;
- (c) whether the Government proposes to provide any financial package for revival of sick units in handloom sector; and
- (d) if so, the details and present status of the proposal and the time by which the same is likely to be finalised?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF TEXTILES (SMT. PANABAACA LAKSHMI)

(a) & (b): As per the Third Handloom Census of India (2009-10), there are 230,899 idle looms in the country. State-wise number of idle looms is furnished in annexure. However, it may be noted that percentage of idle looms at 4% in Third Handloom Census is lower than that in Second Handloom Census (1995-96), which stood at 10%. There are several reasons for looms lying idle, such as migration, competition from powerlooms & mills, changes in people's preference, raw material prices, marketing etc.

(c) & (d): Based on the recommendations of High Level Committee, and keeping in view the observations and suggestion of Ministry of Finance (Department of Expenditure), a revised package had been submitted to Ministry of Finance, which was under scrutiny. The proposals inter-alia include:

(i) Waiver of overdue interest and overdue loans of Societies

(ii) Recapitalisation of the balance sheet of Primary Weavers Cooperative Societies and State level Apex Societies with adequate fund support from Government;

(iii) Financing the credit needs of handloom weavers/ societies at lower rate of interest with interest subvention etc. In the Budget speech delivered on 28.02.2011, the Finance Minister has announced a financial package in the Annual Budget 2011-12. The package, with a financial implication of Rs. 3000 crores, benefits more than 15000 handloom weavers cooperative societies.