

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:890

ANSWERED ON:19.03.2012

PACKAGE TO WEAVERS

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Will the Minister of TEXTILES be pleased to state:

- (a) whether the Government has chalked out any action plan/ evaluation of the progress of the schemes to improve the living conditions of the handloom weavers/craftsmen in the country and to arrest the declining trend of the weavers to create employment;
- (b) if so, the details thereof alongwith special packages/ schemes for development of handloom weavers/craftsmen particularly some traditional textile products such as Banarsi Saree of Uttar Pradesh and Kosa Saree of Chhattisgarh in the country;
- (c) the number of weavers and craftsmen benefited under the ongoing development and welfare schemes including Mahatma Gandhi Bunkar Bima Yojana, State-wise;
- (d) whether the Union Government has received any representation from various States including Maharashtra and Andhra Pradesh to review the financial assistance provided to the weavers and craftsmen community; and
- (e) if so, the details thereof alongwith the concrete steps taken by the Government for development of the sectors?

Answer

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

(a): Yes, Madam. The Government of India is aware of the difficulties faced by the handloom weavers, who face stiff competition from international markets, powerloom and mill sector and Government is constantly making concerted efforts to arrest the declining trend of the weavers. Towards this end, the Government is implementing following 5 schemes in the 11th Plan for handloom weavers:

- (i) Integrated Handloom Development Scheme
- (ii) Marketing and Export Promotion Scheme
- (iii) Handloom Weavers Comprehensive Welfare Scheme
- (iv) Mill Gate Price Scheme

(v) Diversified Handloom Development Scheme

The Government is also implementing following 6 schemes in the 11th Plan for overall development of handicraft artisans:

- (i) Baba Saheb Ambedkar Hastshilp Vikas Yojana (AHVY)
- (ii) Marketing Support & Services
- (iii) Design & Technology Upgradation
- (iv) Research & Development
- (v) Human Resource Development; and

(vi) Handicraft Artisans Comprehensive Welfare Scheme.

Regular monitoring of the schemes is being done through field visits, calling for physical and financial progress reports and quarterly meetings with the State Directors in-charge of Handlooms so as to ensure effective implementation of the schemes and optimum utilization of funds for the benefit of handloom weavers.

(b): The Government has taken the following steps for the development of traditional textiles including Banarasi Saree of Uttar Pradesh and Kosa of Chhattisgarh:

- (i) The import duty on raw silk yarn has been reduced from 30% to 5%, in order to bring down the prices of different types of silk yarn in the country.
- (ii) The reference price (benchmark) for antidumping duty on imported Chinese silk fabric has been increased with effect from

5.12.2011 as indicated in the table below:

Reference Price for the Chinese Silk Fabric originated in or exported from China PR

Major Weight Earlier Sunset Review Reference
Products (gms/meter) Reference Price Price w.e.f. 5.12.11
(US \$/meter) (US\$/meter)

(1) (2) (3) (4)

Crepe 40 2.1 3.1
60 2.8 4.3
80 3.7 5.7

Georgette 40 2.2 2.6
60 3.0 3.6

Others 40 2.1 3.6
50 2.5 4.2

This measure will prevent dumping of cheap Chinese silk fabric.

(iii) The Government of India has approved Financial Package for loan waiver of overdues of weavers' coop. societies and individuals as on 31-3-2010 with a total outlay of Rs.3884 crore. This will open the choked credit lines of about 15000 weavers' cooperative societies and 3 lakh individual weavers.

(iv) Further, for easy credit availability to handloom weavers not covered under financial package, the Government will provide margin money assistance @ Rs 4200/- per weaver, interest Subvention of 3% per annum for 3 years from the date of first disbursement /and credit guarantee for 3 years by the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) for which the Government will pay the required guarantee fee and annual service fee.

(v) For availability of cheap hank yarn, 10% price subsidy on silk and cotton hank yarn has been approved by the Government to ensure supply of subsidized yarn to handloom sector.

(vi) The Government has further approved enhancement in the freight reimbursement for transportation of different types of yarn used by the handloom sector in order to offset the increase in fuel cost.

(vii) Banarasi Saree and Kosa saree, both items have been registered under the Geographical Indications of the Goods (Registration and Protection Act, 1999) to give legal protection and to prevent unauthorized use of these products by others.

(c): The state-wise number of weavers and craftsmen benefitted under the ongoing development and welfare scheme is given at Annexure – "A" and Annexure – "B" respectively.

(d): No specific proposals for enhancement of financial assistance provided to weavers have been received from the State Government of Andhra Pradesh and Maharashtra. However, various representations have been received regarding loan waiver of handloom weavers' cooperative societies and weavers, providing subsidized yarn etc.

(e): To address the issue of loan waiver for handloom sector, Government has approved financial package of Rs 3884 crore for loan waiver of overdues of weavers' coop. societies and individuals as on 31-3-2010. To address the two critical needs of the handloom sector, viz., institutional credit and availability of yarn at reasonable rates, a Comprehensive Package of Rs.2362.15 crore for the current financial year 2011-12, and for the 12th Plan has also been approved.