

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:2037

ANSWERED ON:26.03.2012

HANDLOOM INDUSTRY

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Will the Minister of TEXTILES be pleased to state:

- (a) whether a large number of weavers have committed suicide in the recent years due to their miserable condition in the country;
- (b) if so, the steps taken by the Government to arrest the declining trend of the weavers alongwith financial assistance being provided by the Government for their upliftment, State-wise;
- (c) the details of production and sale of handloom textiles during the last three years State-wise;
- (d) whether the funds allocated for development and welfare of the weavers is not being optimally utilised;
- (e) if so, the details thereof alongwith fund allocated/utilised during the last three years and the current year, State-wise and efforts made by the Government for full utilisation of the allocated fund;
- (f) the details of handloom units in the country closed during the last three years; and
- (g) the details of weavers registered under handloom mark in the country for their benefits, State-wise including Rajasthan?

Answer

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

(a): No Madam. Except Government of Andhra Pradesh, no State Government has reported the suicide of persons belonging to weaver's community during the recent years.

(b): 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. Keeping in mind this aspect, the Government of India is implementing 5 Schemes in the 11th Plan with a special focus on the capacity building, infrastructure support, design & quality upgradation, marketing & raw material support, health care etc. The five schemes are:

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

Out of the above 5 schemes, 2 schemes i.e. Integrated Handlooms Development Scheme and Marketing & Export Promotion Scheme is implemented through the State Governments and the State-wise details of funds released in both the schemes are given in Annexure 'A' & 'B' respectively.

Further, Government of India has taken the following initiatives to address the issue of availability of institutional credit and availability of cheap hank yarn to handloom sector in order to compete with powerloom and mill sector:

(i) 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 weavers' coop. societies and individual weavers.

(ii) 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 disbursal /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.

(iii) For availability of cheap hank yarn, 10% price subsidy on silk and cotton hank yarn will be provided by the Government to ensure supply of subsidized yarn to handloom sector.

(iv) 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.

(v) In order to provide relief to the silk weavers due to very high prices of domestic as well as imported raw silk, on the initiatives of the Ministry of Textiles, Ministry of Finance has reduced the existing basic customs duty on raw silk from 30% to 5%, which has resulted in reduction of silk yarn prices.

(c): The state-wise details of handloom cloth production and sale is not maintained. However, the handloom cloth production during last three years is given below:

Sl. No. Year Handloom
Cloth Production
(million Sq. mtrs.)

1.	2008-09	6677
2.	2009-10	6806
3.	2010-11	6907

(d) & (e): No Madam. To ensure effective implementation of the schemes and optimum utilization of funds for the benefit of handloom weavers, 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.

Allocation of funds for the last three years and the current year is given annexure: