

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:5779
ANSWERED ON:11.05.2012
REVIVAL PACKAGE TO HANDLOOK SECTOR
Reddy Shri Anantha Venkatarami

Will the Minister of FINANCE be pleased to state:

- (a) whether the NABARD has launched Revival, Reform and Restructuring package/Scheme for Handloom sector in the country;
- (b) if so, the details thereof and if not, the reasons therefor alongwith the time by which such package/scheme is likely to be launched;
- (c) the terms and conditions stipulated under the scheme for the benefit of the industrial handloom weavers;
- (d) whether the NABARD has provided funds to State under the scheme; and
- (e) if so, the details thereof, State-wise including, Andhra Pradesh alongwith the beneficiaries likely to be covered under the scheme during the year 2012-13?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRf NAMO NARAIN MEENA)

(a) to (c): A 'Revival, Reform and Restructuring Package for Handloom Sector' has been approved by the Government of India with a total financial implication of Rs. 3884 crore, out of which Government of India's share is Rs. 3137 crore and the share of the State Governments is Rs. 747 crore. The Package covers loan waiver of 100% of principal and 25% of interest as on the date of loan becoming NPA, which is overdue as on 31.03.2010 in respect of handloom weavers and their societies, with the balance interest to be written off by the Banks. An interest subsidy of 3% for 3 years is provided for fresh loans extended by banks to the eligible handloom cooperative societies and individual handloom weavers with guarantee cover for such fresh loans. NABARD is acting as the implementing agency for the scheme.

(d) & (e) : Under the scheme, funds can be released to the eligible weavers cooperative societies upon completing of special audit. In case of individual weavers, the funds would be released to banks, who will agree to finance fresh loan to the weavers concerned. A sum of Rs.10 crore has been released to Andhra Pradesh for recapitalization of Apex Handloom Weavers Society. The scheme is expected to benefit about 15,317 cooperative societies and about 3,06,185 individual weavers across the country, including the State of Andhra Pradesh. State-wise details of likely number of beneficiaries is given in Annex