

**STANDING COMMITTEE ON LABOUR  
(2005-06)**

**(FOURTEENTH LOK SABHA)**

**MINISTRY OF TEXTILES**

**Action taken by the Government on the Recommendations/Observations  
contained in the Ninth Report of the Standing Committee on Labour on  
“Development Schemes for Handloom Sector”.**

**FIFTEENTH REPORT**



**LOK SABHA SECRETARIAT  
NEW DELHI**

**August 2006/Sravana 1928 (Saka)**

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“Development Schemes for Handloom Sector”).**

**Presented to Lok Sabha on 2.8.2006**

**Laid in Rajya Sabha on 1.8.2006**



**LOK SABHA SECRETARIAT  
NEW DELHI  
August 2006/Sravana 1928 (Saka)**

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**COMPOSITION OF THE STANDING COMMITTEE ON LABOUR  
(2005-06)**

**Shri Suravaram Sudhakar Reddy – CHAIRMAN**

**MEMBERS  
LOK SABHA**

2. Shri Furkan Ansari
3. Shri Joachim Baxla
4. Shri Santasri Chatterjee
5. Shri Munawwar Hassan Chaudhary
6. Shri Sukhdev Singh Dhindsa
7. Shri Thawar Chand Gehlot
8. Dr. Satyanarayan Jatiya
9. Shri Virendra Kumar
10. Smt. Sushila Kerketta
11. Shri Rajesh Kumar Manjhi
12. Shri Ananta Nayak
13. Shri Bassangouda Patil (Yatnal)
14. Shri Lal Mani Prasad
15. Shri Chandradev Prasad Rajbhar
16. Shri Mohan Rawale
17. Dr. Dhan Singh Rawat
18. Smt. C.S. Sujatha
19. Shri Parasnath Yadav

**RAJYA SABHA**

20. Shri Gandhi Azad
21. Shri Debabrata Biswas
22. Ms. Pramila Bohidar
23. Shri Narayan Singh Kesari
24. Shri Rudra Narayan Pany
25. Shri K. Chandran Pillai
26. Shri Dilip Ray

**SECRETARIAT**

- |    |                         |   |                   |
|----|-------------------------|---|-------------------|
| 1. | Shri N.K. Sapra         | - | Joint Secretary   |
| 2. | Shri R.S. Misra         | - | Deputy Secretary  |
| 3. | Shri N.K. Pandey        | - | Under Secretary   |
| 4. | Shri C. Kalyanasundaram | - | Committee Officer |

## INTRODUCTION

I, the Chairman of the Standing Committee on Labour having been authorised by the Committee to submit the Report on their behalf, present this Fifteenth Report on the action taken by the Government on the recommendations contained in the Ninth Report of the Standing Committee on Labour (Fourteenth Lok Sabha) on “Development Schemes for Handloom Sector”.

2. The Ninth Report was presented to Lok Sabha and also laid in Rajya Sabha on 20 December 2005. The Ministry of Textiles furnished their replies indicating action taken on the recommendations contained in that Report on 24 March 2006. The report was considered and adopted by the Standing Committee on Labour at their sitting held on 12 June 2006.

3. The Report has been divided into the following chapters:-

I. Report.

II. Recommendations/Observations which have been accepted by Government.

III. Recommendations/Observations which the Committee do not desire to pursue in view of Government's reply.

IV. Recommendations/Observations in respect of which replies of Government have not been accepted by the Committee and which require reiteration.

V. Recommendations/Observations in respect of which replies of the Government are interim in nature.

4. An analysis of the action taken by Government on the recommendations contained in the Ninth Report of the Standing Committee on Labour (Fourteenth Lok Sabha) is given in Appendix.

5. For the facility of reference recommendations/observations of the Committee have been printed in thick type in the body of the Report.

**New Delhi;**  
**12 June, 2006**  
**22 Jyaistha, 1928 (Saka)**

**SURAVARAM SUDHAKAR REDDY**  
**CHAIRMAN**  
**STANDING COMMITTEE ON LABOUR**

## CHAPTER I

### REPORT

1.1 This Report of the Committee deals with the action taken by the Government on the recommendations contained in the Ninth Report (Fourteenth Lok Sabha) of the Standing Committee on Labour on “Development Schemes for Handloom Sector.”

1.2 The Ninth Report was presented to Lok Sabha and was also laid in Rajya Sabha on 20 December 2005. It contained 22 recommendations. Replies of Government in respect of all the recommendations have been examined and are categorised as under: -

(i) Recommendations/Observations which have been accepted by the Government:

Paragraph Sl. Nos. 1,9,16,20,21 and 22. (Total 6 – Chapter-II).

(ii) Recommendations/Observations which the Committee do not desire to pursue in view of the replies of the Government:

Paragraph Sl. Nos. 2,4,6,7,10,12,13,17 and 19 (Total 9 - Chapter III)

(iii) Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration:

Paragraph Sl. Nos. 5,11,14,15 and 18 (Total 5 - Chapter IV)

(iv) Recommendations/Observations in respect of which replies are of interim in nature:

Paragraph Sl. Nos. 3,8,9,16,20,21 and 22 (Total 7- Chapter V)

Recommendations Nos.9,16,20,21 and 22 have been included in two Chapters (II & V) as the replies furnished by the Government are interim in nature although these recommendations have been accepted by the Government.

**1.3 The Committee desire that action taken notes in respect of the recommendations contained in Chapter-I and final action taken notes in respect of recommendations contained in Chapter-V for which only interim replies have been given by the Government may be furnished to them at the earliest and in any case not later than three months of the presentation of this Report.** The Committee will now deal with recommendations/observations in respect of which the replies of the Government have not been accepted by the Committee and which require reiteration.

## A. Organisation of Handloom Workers

### Recommendation (Sl. No.5, Para 2.11)

1.4 The Committee had noted that the Government have come up with a new Scheme, namely "Integrated Handloom Cluster Development Scheme". As per this Scheme, weavers who are organized as clusters, would get the assistance directly from the Union Government. Although this Scheme is proposed to be implemented in 20 clusters, a diagnostic study has so far been conducted only in 5 clusters. The Committee, therefore, urged the Ministry to take expeditious steps to implement this Scheme in all the 20 clusters during 2005-2006 as planned and inform the Committee of the progress made in this regard. The Committee also recommended that all the handloom clusters in the country should be covered by the Scheme within a definite period of time.

1.5 In response to the above recommendation, the Ministry of Textiles in its action taken reply has stated as follows:-

"In respect of 20 clusters under the Integrated Handloom Cluster Development Scheme, it may be clarified that the names of the implementing agencies have since been finalized and the work in 19 clusters excepting the cluster at Varanasi, is likely to commence by April 2006. However, in respect of the cluster in Varanasi, it may be stated that the work has already commenced from October, 2005. In so far as extending the coverage of the scheme all over the country, it may be stated that it is envisaged to develop 100 more clusters throughout the country in the 2<sup>nd</sup> phase commencing from the next financial year".

**1.6 During the examination of the subject "Development Schemes for Handloom Sector", the Committee had noted that the efforts made by the Government to organize handloom workers during the last 50 years have not yielded the desired results. In this regard, the Committee were informed that a new Scheme, namely, "Integrated Handloom Cluster Development Scheme" was launched by the Government to organize handloom weavers and to provide them directly the assistance of the Union Government. This Scheme was proposed to be implemented in 20 clusters during the year 2005-2006. As the diagnostic study for the same was conducted only in five clusters, the Committee urged the Government to take expeditious steps to implement the Scheme in all the 20 clusters during 2005-2006. In reply, the Government has stated that the names of the implementing agencies have been finalized and the work in 19 clusters is likely to commence by April 2006. As such, the Scheme was not implemented during 2005-2006 as planned. The Committee take a serious view of such lapses in implementation of important Schemes and recommend that sincere efforts should be made by the Government to implement the Scheme in all the 20 identified clusters and to start the actual functioning of these clusters without any further delay. The Committee further recommended that all the handloom clusters in the country should be covered by the Scheme within a**

**definite period of time. In this regard, the Government replied that it is envisaged to develop 100 more clusters throughout the country in the second phase commencing from the next financial year. The Committee are not satisfied with this reply of the Government. The Government should work out strenuously the implementation period of the such development schemes before their launching and it should be ensured that every scheme is implemented within the stipulated time frame. In many cases time-lapse becomes the main reason for failure of the schemes. The Committee, therefore, urge the Government to chalk out a definite time frame for implementation of the Scheme in all the 100 clusters identified for the purpose and take concrete steps for the implementation of the scheme as per the schedule. Information in this regard should be communicated to the Committee within a period of three months.**



## Weavers Welfare Schemes

### Recommendation (Sl. No. 11, Para 3.41)

1.7 The Committee were concerned to note that Insurance Schemes were often either withdrawn or merged with new Schemes which leads to confusion in the minds of handloom weavers. For instance, Bunkar Bima Yojana was introduced in place of Group Insurance Scheme and the Committee were informed that policy holders of erstwhile Group Insurance Scheme are required to switch over to Bunkar Bima Yojana. Recently, a new Scheme named Mahatma Gandhi Bunkar Bima Yojana (MGBBY) has been launched and this would replace the Bunkar Bima Yojana. The Committee were of the view that such mergers should be preceded by proper information to policy holders regarding merger. The Committee, therefore, recommend that all the policy holders of Group Insurance Scheme and Bunkar Bima Yojana should automatically be covered under the Mahatma Gandhi Bunkar Bima Yojana (MGBBY). Necessary instructions should be given to the Insurance Company in this regard. The Committee also recommended that the eligibility criteria in regard to the upper age limit for coverage under MGBBY should be raised from 58 to 70 years as desired by the weavers.

1.8 Reply of the Government to the above recommendation is as follows:-

“The Bunkar Bima Yojana was introduced in December 2003 in place of the earlier Group Insurance Scheme. In the guidelines of the Bunkar Bima Yojana, it has been clearly mentioned that the earlier Group Insurance Scheme stands discontinued with the introduction of the Bunkar Bima Yojana and that the weavers already covered under the Group Insurance Scheme will be required to switch over to the Bunkar Bima Yojana. Similarly when the Mahatma Gandhi Bunkar Bima Yojana was introduced in September 2005, it has been indicated in the guidelines that on introduction of Mahatma Gandhi Bunkar Bima Yojana, the earlier Bunkar Bima Yojana stands discontinued. Necessary instructions in this regard have already been circulated to all State Governments and the LIC. The matter regarding extension of age limit under the MGBBY have been taken up with the LIC. The LIC has informed that since the scheme is approved by the Ministry of Finance, the matter regarding extension of age limit has been referred to the Ministry of Finance for modifications”.

1.9 **The Committee having been concerned over the frequent withdrawal or merger of insurance schemes which lead to confusion in the minds of handloom weavers, had recommended that all the policy holders of Group Insurance Scheme and Bunkar Bima Yojana should automatically be covered under the Mahatma Gandhi Bunkar Bima Yojana. In this regard, the Government has given an evasive reply that the policy holders of the erstwhile Group Insurance Scheme would be required to switch over to Bunkar Bima Yojana and that on introduction of Mahatma Gandhi Bunkar Bima Yojana, the**

earlier Bunkar Bima Yojana stands discontinued. The Committee are concerned to note that poor planning and the resultant evasive tendencies of the Government defeat the very purpose of the welfare schemes and the target population are hardly benefited despite the huge expenditure being incurred by the Government on those schemes. The Committee, therefore, reiterate their earlier recommendation and urge the Ministry to take immediate steps to cover all the policy holders of Group Insurance Scheme and Bunkar Bima Yojana automatically under the Mahatama Gandhi Bunkar Bima Yojana. In their earlier recommendation, the Committee had further recommended that the eligibility criteria regarding the upper age limit for coverage under Mahatma Gandhi Bunkar Bima Yojana should be raised from 58 to 70 years as desired by the weavers. In this regard it has been stated that the matter has been referred to the Ministry of Finance as the Scheme was approved by that Ministry. The Committee regret to note that the Government could not dispose of this matter even after a period of three months. This just demonstrates the lack of coordination between the Ministries in implementation of welfare schemes for the people. The Committee expect this matter to be taken up on a top priority with the Ministry of Finance and communicate the progress made to the Committee without any further delay.

### **Research and Training Programmes Recommendation (Sl.No. 14, Para 3.53)**

1.10 The Committee were deeply concerned to note that the Ministry has repeatedly failed to achieve the targets fixed for a particular year under Integrated Handloom Training Programmes and that it could complete the programme targets in the subsequent years only. As a result, the remaining targets are carried forward to the next Five Year Plan. The reasons put forth by the Ministry are : time taken to understand the Scheme by the States, invitation of proposals and their scrutiny, release of funds and other ground preparations. On the whole, the Scheme could not be implemented in the first year of the Tenth Plan. The Committee were of the view that before launching a Scheme all the ground preparations, including properly educating implementing agencies/States should be done and recommended that the Ministry should take concrete steps to achieve the target of imparting training to 1 lakh weavers within the Tenth Plan period.

#### **REPLY OF GOVERNMENT**

1.11 The then Prime Minister on 15 August 2002 had announced for skill up-gradation of one lakh weavers and artisans. This includes 90,000 handloom weavers and 10,000 handicraft artisans. Prior to announcement, training to the handloom weavers was provided under the Decentralized Training Programme (DTP) with coverage of about 2,000 weavers per year by the Weavers' Service Centres. In order to achieve the targets as per announcement till the new scheme was approved, the targets under DTP Scheme were increased for the year 2002-2003 and 2003-2004. Consequent upon announcement, a new Scheme "Integrated Handloom Training Project" (IHTP) was formulated with a wider coverage and higher financial assistance towards raw material, stipend to the trainees, honorarium to the master trainer, provision of documentation of designs, provision of hiring of shed etc. and the Scheme was approved in Dec. 2003, i.e. in the third quarter of 2<sup>nd</sup> year of the Xth Plan. The target of training for the period Jan. – March 2004 was fixed to 4000 trainees. This target could not be implemented during the said quarter as it was a new Scheme, which required various steps like release of advertisement for inviting the proposals, scrutinisation of the proposals received, constitution of the State Level Training Committee (SLTC), convening the meeting of the SLTC, etc. and therefore, the target of 2003-04 under IHTP Scheme spilled over to the year 2004-05. Similarly, some of the programmes sanctioned during the year 2004-05 spilled over to 2005-06 and so on. The progress of implementation of IHTP Scheme is as follows:

S.No.	Year	No. of beneficiaries covered
1.	2002-03	5,575
2.	2003-04	9,590
3.	2004-05	16,540*
4.	2005-06	12,740*
	<b>Total</b>	<b>44,445</b>

\* Sanctioned

However, efforts are made to achieve the maximum possible targets.

**1.12 The Committee were concerned to note that the Government had repeatedly failed to achieve the targets fixed for a particular year under Integrated Handloom Training Project and had, therefore, recommended that the Government should take concrete steps to achieve the target of imparting training to one lakh weavers within the Tenth Plan Period. In the action taken reply, it has been stated that 15,165 persons were trained during the period 2002-2004 and the Government sanctioned to train further 29,280 persons during 2004-2006. The details regarding the actual number of persons, who were trained during the period, have not, however, been provided. It has been merely stated that efforts are being made to achieve the maximum possible targets. The Committee are deeply concerned to note the lack of proper planning and steadfastness on the part of the Government made a target set by itself an unachievable one since the term of the Tenth Plan is on the way of completion. The Committee, while reiterating their earlier recommendation of achieving the target to impart training to one lakh weavers within the Tenth Plan Period, further recommend that a special cell comprising senior officers should be set up in the Ministry to coordinate and achieve the target in this regard. The steps taken in this regard and the progress achieved should be communicated to the Committee within three months.**

**Marketing Promotion Programme**  
**Recommendation (Sl.No. 15, Para 3.68)**

1.13 The Committee had noted that marketing events such as National/Special Handloom Expos and District Level events provide great opportunity to handloom weavers to market their products in various parts of the country and that 83 National/Special Handloom Expos were organized during the period from 2002-2005 as against a target of only 56 Expos. However, there were fluctuations in achieving the targets of District Level Events. The Committee were of the view that District Level Events (DLEs) would be easily accessible both to the weavers and consumers. The Committee, therefore, recommended that reasons for which DLEs could not be organised by implementing agencies should be found out and corrective steps taken to achieve targets in regard to DLEs. The Committee also recommended that the feasibility of providing mobile marketing facilities to the Primary Handloom Weavers' Cooperative Societies be explored which would be very useful for them for marketing their products.

1.14 In its action taken reply on the above recommendation, the Ministry of Textiles had stated as follows:-

“The slight variation in achieving the target under District Level Events (DLEs) is due to non-availability of ground at that point of time which leads to postponement of the DLEs in the next year. Also the implementing agencies could not submit the Utilization Certificate for the previous events sanctioned. The target of DLEs for the year 2005-2006 has been doubled making it to 300 as against 150 in the year 2004-2005 in view of the tremendous response received from the Directors of Handlooms of the States. So far 290 events have been sanctioned to various states against the target of 300. The target for National/Special Handloom Expos have also been increased from 37 in the year 2004-2005 to 50 in the year 2005-2006. So far 42 National/Special Handloom Expos have been sanctioned against the target of 50. A decision is being taken to sanction National Handloom Expos during the Melas where the congregation is more than 10 lakh people like Meerut Nauchandi (15 lakh), Allahabad Mag / Kumbh (17 lakh), Gwalior Trade Fair (20 lakh), Sonapur Mela (50 lakh) and Rath Yatra Puri (10 lakh). The concerned State Governments should send the proposal for organizing Special Expos during the melas where the congregation of people is around in Kullu Dusshera (8 lakh), Pushkar Fair (5 lakh), Kota Dusshera (8 lakh), Pandarpur Yatra Mah (8 lakh). As regards mobile marketing facilities, the possibilities are being explored”.

1.15 The Committee had noted that Marketing events such as National/Special Handloom Expos and District Level events (DLEs) provide great opportunity to handloom weavers to market their products in various parts of the country. As there were fluctuations in achieving the targets of District Level Events, the Committee recommended that reasons for which DLEs could not be organized by implementing agencies be found out and corrective steps taken to achieve the desired targets. The Government had stated in the action taken reply that non-availability of ground and non-submission of utilization certificates were the reasons for not achieving targets in this regard. Moreover, a target of 300 DLEs was set for 2005-2006, out of which 290 were sanctioned by the Central Government. The Committee are not satisfied with the reply of the Government because the Government could have easily solved the problem of non-availability of ground with its numerous field offices and with the help of State Governments. The Government has not indicated how many DLEs were actually organized out of 290 DLEs sanctioned for 2005-2006. It is pertinent to note that the Government could not organize the sanctioned DLEs during the previous years due to non-submission of utilization certificates by implementing agencies. The Committee regret to find that implementation of many schemes are halted due to non-submission of utilization certificates and recommend that in case of non-performance of implementing agencies an alternative panel of implementing agencies should be kept readily available so that the work could be entrusted to them to organize the events as planned. The Committee, therefore, reiterate their earlier recommendation and urge the Government to take effective steps to achieve targets with regard to DLEs and organize more number of Marketing Promotion Programmes such as DLEs/National/Special Handloom Expos in future.

1.16 In their earlier recommendation, the Committee also recommended to explore the feasibility of providing mobile marketing facilities to the Primary Handloom Weavers'

**Cooperative Societies. In this regard, it has been replied that the possibilities are being explored. While reiterating their earlier recommendation, the Committee desire that the steps taken in this regard should be communicated to the Committee within three months.**

**Recommendation (Sl.No. 18, Para 3.71)**

1.17 The Committee had noted that certain export promotion measures have been contemplated to boost export of handlooms and to withstand the disadvantages of post Multi-Fibre arrangement period. The Committee expected that sincere efforts would be made to implement measures such as projection of the handloom as unique, custom designed and niche product besides conducting exclusive handwoven shows in leading international consumer centres and seeking tariff exemption for handloom products through WTO to boost handloom exports, etc. The progress made in this regard should be intimated to the Committee.

1.18 In reply to the above recommendation, the Ministry of Textiles in its action taken notes had stated as follows:-

“As per the Foreign Trade Policy announced on 8 April 2005 by the Hon’ble Union Minister for Commerce & Industry, Government has decided to develop a Brand for Handlooms similar to the lines of ‘Woolmark’ and ‘Silkmark’, which will enable handloom products to develop a niche market with a distinct identity. The Textile Committee has been entrusted with the task of development of brand for handlooms. Regarding the exclusive Handwoven Shows to be conducted in leading international consumer centres, HEPC is conducting Buyer-Seller Meets and shows periodically in different consumer markets of the world, which are basically exclusive events/shows of handloom products. As regards seeking tariff exemption for handloom products through WTO, the Office of the Development Commissioner for Handlooms has already taken up the issue with the Ministry of Finance for allotment of separate International Trade Classification (Harmonious System) (ITC (HS)) codes for handloom products. Once that is through, necessary proposal for seeking tariff exemption will be initiated. HEPC is also in the process of submitting a proposal to UNCTAD seeking Generalised System of Preference (GSP) concessions for the handloom products”.

**1.19 The Committee had been informed earlier that certain export promotion measures were contemplated by the Government to boost export of handlooms and to withstand the disadvantages of Post Multi-Fibre arrangement period. They had accordingly recommended that sincere efforts should be made to seek tariff exemption for handloom products through WTO to boost handloom exports. The Government has replied in this regard that the office of the Development Commissioner for Handlooms has already taken up the issue with the Ministry of Finance for allotment of separate International Trade Classification (Harmonious**

**System) [ITC (HS)] codes for handloom products and then the necessary proposal for seeking tariff exemption will be initiated. The Committee regret to note that the issue of separate ITC (HS) code for handloom is pending with the Ministry of Finance for quite some time now. This clearly indicates the lack of coordination between the Ministries on important development issues and the lack of sincerity of the Government to boost export of handlooms. The Committee, therefore, reiterate their earlier recommendation and urge the Ministry of Textiles to take up the issue with the Ministry of Finance at the Secretary level immediately for allotment of separate ITC (HS) code for handloom products. The Committee also recommend that expeditious steps should be taken to seek Generalized System of Preference (GSP) concessions for handloom products from UNCTAD.**



## CHAPTER-II

### RECOMMENDATION/OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

#### Recommendation (Sl.No.1, Para 1.7)

2.1 The Committee find that the data on number of weavers and allied workers engaged in Handloom Sector cannot be taken as authentic as it is based on a Survey conducted almost a decade ago. The Working Group of Textile Industry for Xth Plan has shown the data as about 120 lakh weavers and allied workers. The Committee, therefore, recommend that a new Survey should be conducted to find out the number of handloom weavers and allied workers as they are now.

#### REPLY OF GOVERNMENT

Action has been initiated for conducting Census of handloom weavers.

**(Ministry of Textiles O.M.No.2(47)/2005-DCHL/Parl. dated 23 March 2006)**

#### Recommendation (Sl.No. 9, Para 3.25)

The Committee also feel that a comprehensive review of the unit cost calculation of Rural/Urban Work-sheds and Rural/Urban Workshed-cum-Houses should be carried out and the scale of central assistance per unit should be enhanced accordingly.

#### REPLY OF GOVERNMENT

Currently, the Workshed-cum-Housing Scheme is being evaluated alongwith the other Handloom Sectors Schemes.

The units cost as well as the Central Assistance under the scheme will be reconsidered, based on the evaluation study.

**(Ministry of Textiles O.M.No.2(47)/2005-DCHL/Parl. dated 23 March 2006)**

### **Recommendation (Sl.No. 16, Para 3.69)**

The Committee have also noted that there is a proposal to develop a Trade Mark namely “Handloom Mark” for handlooms on the lines of Woolmark. Such a trade mark would definitely enable handloom products to develop a niche market with a distinct identity both in domestic and international markets. The Committee, therefore, recommend that expeditious steps should be taken by the Ministry to develop this trademark for handloom products.

### **REPLY OF GOVERNMENT**

The emerging need for a brand identity of pan National and International importance in respect of Indian Handlooms has been recognized at various fora. Brand adds in enhancing the economic value of the product and provides a focus around which product attributes and benefits can be articulated in a manner that is attractive to the customer. Towards this direction Creation of Handloom Mark for the handloom products has been entrusted to the Textiles Committee of Ministry of Textiles which have prepared a concept paper alongwith logo, etc. National Institute of Design (NID) is finalizing the logo.

**(Ministry of Textiles O.M.No.2(47)/2005-DCHL/Parl. dated 23 March 2006)**

### **Recommendation (Sl.No.20, Para 3.85)**

The Committee have noted that a Scheme for reimbursement of one-time rebate of 10 per cent was given to handloom weavers on sale of handloom cloth from 2002-2003 to 2004-2005 so as to kick-start this employment-intensive industry and revive its production cycle. The Committee are of the view that this one-time special rebate helped the handloom weavers to compete with the organized sector and recommend that the feasibility of extending this reimbursement of rebate should be examined and necessary relief should be provided to handloom weavers to protect them from powerloom and mill sectors.

### **REPLY OF GOVERNMENT**

The Government of India had received representations from various State Governments requesting for continuation of the Scheme specially since the scheme not only helped in clearance of handloom stocks but kept the production cycle alive and sustained the employment of weavers in the Sector. A proposal has therefore been moved to Ministry of Finance for continuation of the 10% rebate Scheme for another period of 3 years.

**(Ministry of Textiles O.M.No.2(47)/2005-DCHL/Parl. dated 23 March 2006)**

### **Recommendation (Sl.No. 21, Para 3.86)**

The Committee are concerned to find that handloom weavers are given credit at the rate of 12 per cent which is same as that given to industries. They just could not understand the logic of equating industries with poor handloom weavers. The Committee consider the high rate of interest as one of the reasons for failure of cooperative societies in handloom sector. Moreover, handloom sector is the second largest employment provider, next only to agriculture, comprising several lakh handloom weavers. The Committee, therefore, recommend that expeditious steps should be taken to lower the interest on the credit given to Handloom Weavers.

**REPLY OF GOVERNMENT**

A proposal for reducing the rate of interest on loans to the Handloom weavers is under consideration of the Government.

**(Ministry of Textiles O.M.No.2(47)/2005-DCHL/Parl. dated 23 March 2006)**

**Recommendation (Sl.No. 22, Para 3.87)**

The Committee have learnt that there is a proposal to examine the possibility of waiving the interest on the loans availed of by the Handloom units which are having poor financial health. The Committee expect that the proposal would be examined expeditiously and interest on handloom units with poor financial health is considered for waiver.

**REPLY OF GOVERNMENT**

A proposal for waiving the interest on loans availed by Handloom weavers is under consideration.

**(Ministry of Textiles O.M.No.2(47)/2005-DCHL/Parl. dated 23 March 2006)**

### CHAPTER-III

## RECOMMENATIONS/OBSERVATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF THE GOVERNMENT'S REPLY

### Recommendation (Sl.No.2, Para 1.8)

The Committee have noted that as many as 11 Development and Welfare Schemes for the Handloom Sector are being implemented by the Ministry of Textiles. But, there is no perceptible improvement in the Handloom Sector as a whole or in the conditions of workers engaged in it. Handloom Sector is in no position to compete with the powerloom despite the protection given to handloom by reserving 11 articles to be produced only in this Sector. This necessitates the total recast and a new fillip to revive it and make it viable, competitive and self-sufficient. Instead of loading it with the multiplicity of Schemes and programmes and looking for adhoc solutions to problems plaguing the Handloom Sector, the Committee recommend that solutions should be found with regard to the streamlining of the production in Handloom Sector with high productivity and latest technologies, ensuring availability of sufficient working capital, widening of the product range and strengthening of market links.

### REPLY OF GOVERNMENT

The production in the handloom sector had been registering a declining trend from the year 2000-2001 to 2004-2005 mainly due to shifting of work force from handlooms to powerlooms. However, this declining trend had been arrested during the year 2004-2005 in that the production figure reached 5,704 million sq. mtrs. as compared to the figure of 5,493 million. sq. mtrs. in the year 2003-2004. In the year 2005-2006 (April-December 2005), the production figure is reported to be of the order of 4,629 million sq. mtrs., which as compared to the corresponding figure of last year, is 10% higher.

In order to streamline production in the handloom sector with high productivity and latest technologies, the Integrated Handloom Training Programme is being implemented as a Centrally sponsored scheme from December 2003. The scheme provides assistance for skill upgradation of the weavers in weaving, designing, dyeing techniques and marketing. This scheme therefore envisages enabling the weavers to produce and market high value and diversified quality products in keeping with the current trends in domestic and international market and providing the weavers with equipments. Under the Mill Gate Price Scheme, hank yarn is provided to the handloom organizations at the Mill Gate price through the National Handloom Development Corporation. The National Centre for Designs helps to promote traditional and contemporary designs so as to be responsive to the rapidly changing marketing demand, thereby providing adequate growth opportunity to the handloom sector.

To improve the competitiveness of the handloom sector and to provide a sustainable path for growth and diversification in line with the emerging market trends, the Government has adopted a

cluster development approach in the handloom sector. Accordingly, a new scheme named as “Integrated Handloom Development Programme (IHCDP)” has been introduced from the current year 2005-2006. Under the scheme 20 clusters have been taken up for a comprehensive development in the first phase of the scheme. The objective of the scheme is to build capacity of the weavers to meet the challenges of the market and global competition in a sustainable and self reliant manner, facilitate collectivization of handloom weavers to take up input procurement, production, marketing and other support activities, provide common infrastructure and encourage convergence of assistance and support from various other schemes and programmes of the Government so as to optimize resource utilization and enhance quality of life of handloom weavers.

In order to strengthen the marketing links of handloom products directly to the customers and to obtain a direct feedback, the Government of India is implementing marketing promotion programme. The target of District Level Events (DLEs) for the year 2005-2006 had been doubled making it to 300 as against 150 in the year 2004-2005 in view of the tremendous response received from the Directors of Handlooms of the States. The target for National/Special Handloom Expos had also been increased from 37 in the year 2004-2005 to 50 in the year 2005-2006.

To help the handloom organizations and societies to sell their merchandise and augment their marketing efforts, the one time 10% special rebate scheme was launched, which helped the handloom agencies to liquidate stocks of approx. Rs.900.00 crore. The scheme had been discontinued w.e.f. 31.3.2005. A proposal has already been initiated for continuation of the scheme for a period of three years beginning 2006-2007.

The Marketing Incentive component of Deen Dayal Hathkargha Protsahan Yojana is assistance to the implementing agency for preparing conditions, which are conducive to marketing of handloom products. This is largely an incentive to the price in competitiveness of handloom sector so that while on the one hand they are able to marginally reduce the price, on the other hand they invest in infrastructure so as to improve the production and productivity. The agency is expected to use this amount towards activities, which would attract consumers in order to gear up the overall sales of handloom goods.

The details of funds released under the Marketing Incentive component of DDHPY is given as under:-

<b>(Rs. in lakh)</b>	
<b>Year</b>	<b>Amount released</b>
2000-01	932.06
2001-02	2,993.69
2002-03	5,421.69
2003-04	3,538.98
2004-05	4,787.75
2005-06(Upto 21.3.06)	5,073.24

The Hon’ble Finance Minister in his Budget Speech 2006-2007 has announced that cluster development approach will continue with 100 clusters to be added at a cost of Rs.50.00 crore in 2006-2007, yarn depots will be established, a handloom mark will be launched, scheme to be

introduced to provide interest subsidy on term loan, provision for the handloom sector to be increased from Rs.195 crore to Rs.241 crore.

**Working Capital requirements:**

This issue is taken care of under the Deen Dayal Hathkargha Protsahan Yojana (DDHPY) Scheme. However, in September 2003 the Reserve Bank of India had launched the Swarojgar Credit Card Scheme to provide adequate and timely credit i.e. working capital/or block capital or both to handloom weavers. The term loan is provided to the tune of Rs.25,000/- @ interest 9%, repayable in 5 years. Further, NABARD provides concessional re-finance to the Weavers Cooperative Societies and State Handloom Corporations through State Cooperative Banks (SCB)/District Cooperative Consumer Banks (DCCB) to meet their working capital requirement.

**(Ministry of Textiles O.M.No.2(47)/2005-DCHL/Parl. dated 23 March 2006)**

**Recommendation (Sl.No. 4, Para 2.10)**

The Committee note that the Scheme to revitalize apex cooperative organizations under Deen Dayal Hathkargha Protsahan Yojana has so far covered only two States. In this regard, the Committee recommend that the Ministry should also assist the other States in revitalizing their apex cooperative societies in a time- bound manner if the desired results have been achieved under the Scheme in the two States. The Committee further recommend that this Scheme should cover primary cooperative societies in addition to apex cooperative organizations.

**REPLY OF THE GOVERNMENT**

The strengthening of Handloom Organization component of Deen Dayal Hathkargha Protsahan Yojana provides assistance to revitalize the Apex Organizations on the basis of viable proposals received from the concerned State Government, which is required to share the assistance equally to that of Centre. The viable projects received for revitalizing Andhra Pradesh State Handloom Weavers Cooperative Society, Tamil Nadu Handloom Weavers Cooperative Society, Karnataka State Handloom Corporation and U.P. State Handloom Corporation have since been sanctioned and Central assistance released to match the assistance released by the States. Viable proposals received from other States in conformity with the guidelines to revitalize the Apex Societies would be considered in a time bound manner. In so far as Primary Weavers Cooperative Societies are concerned, it may be stated that since these are very large in number, it may not be feasible to consider revitalizing them under the Restructuring component of the Deen Dayal Hathkargha Protsahan Yojana.

**(Ministry of Textiles O.M.No.2(47)/2005-DCHL/Parl. dated 23 March 2006)**

**Recommendation (Sl.No.6, Para 3.10)**

The Committee have noted that Deen Dayal Hathkargha Protsahan Yojana was launched by the Ministry of Textiles to provide comprehensive assistance in an integrated manner during the Tenth Plan period. However, the performance of the Scheme has not so far been encouraging as

only 1,004 projects were sanctioned out of 2,592 projects received during 2003-2004 and only 418 projects were sanctioned during 2004-05 upto 31 December 2004 out of 2,572 projects received under the Basic Input Component. The reasons put forth by the Ministry are non-provision of matching State share, non-submission of utilization certificate for the past releases of funds, non-issue of certificate by banks about loan tie-up, etc. The Committee find that the condition of providing matching share by the concerned State is not uniformly met by the States. Some States are proactive in this regard while others are not. As such, the Scheme has not been fully operational. The Committee take a serious view of this and recommend that immediate steps should be taken to review the Scheme comprehensively and revise it particularly with regard to the aspect of matching share and also in the light of the fact that a fully Centrally-Sponsored scheme, namely Integrated Handloom Cluster Development Scheme has been introduced though in a limited way on the pilot basis. The Scheme should be 100 per cent Centrally funded so as to make it fully operational in all States. The Committee are of the opinion that this comprehensive Scheme should not be confined to Tenth Plan period only particularly when the vast majority of the weavers have not yet been benefited from the Scheme. They, therefore, recommend that this Scheme should be extended beyond Tenth Plan period.

### **REPLY OF GOVERNMENT**

It may be mentioned that assistance under the Basic Input component of the Deen Dayal Hathkargha Protsahan Yojana is released only towards the projects that are found in conformity with the guidelines of the scheme. During the year 2004-2005, assistance was released towards 838 projects.

It is relevant to mention further that, besides assistance towards Basic Input components of the scheme, assistance is also released in the form of Marketing Incentive which helps large number of weavers cooperative societies in marketing of handloom products and to gear up production conducive to market requirements. The performance under this component since inception of the scheme has been as under:-

<b>(Rs. in lakh)</b>	
<b>Year</b>	<b>Amount released</b>
2000-01	932.06
2001-02	2,993.69
2002-03	5,421.69
2003-04	3,538.98
2004-05	4,787.75
2005-06 (Upto 21.3.2006)	5,073.24

During first three years of the X Plan, i.e; 2002-2003 to 2004-2005, 15,53,998 weavers have been benefited under Basic Input and Marketing Incentive components of the Deendayal Hathkargha Protsahan Yojana.

However, the State Governments are impressed upon from time to time the need to implement the scheme extensively so that the benefit of the scheme reaches to the weavers. However, sharing of assistance by the States has been the major bottleneck and impediment in implementation of the scheme. It is with this in view that the Integrated Handloom Cluster Development Scheme is being implemented under which assistance will be released directly to the

implementing agencies in the form of 100% Central Grant for development of 20 handloom clusters throughout the country in the first phase on a pilot basis. However, as announced in the Budget for the year 2006-2007, development of 100 more clusters will be taken up in the coming years as a 100% Centrally Aided Scheme.

**(Ministry of Textiles O.M.No.2(47)/2005-DCHL/Parl. dated 23 March 2006)**

**Recommendation (Sl.No. 7, Para 3.17)**

The Committee have noted that the Mill Gate Price Scheme was introduced in 1992-93 to ensure regular supply of yarn to weavers at prices at which yarn is available at Mill Gate. However, the Scheme has not achieved the desired results even after a decade of its implementation as it has covered only 15 per cent of the handlooms in the country so far. The reason given by the Ministry for the poor coverage of the Scheme is supply of yarn to weavers mainly through cooperatives. The Committee are not satisfied with the reply of the Ministry and are of the opinion that the steps taken by the Ministry were not adequate enough to increase the coverage of the Scheme. The Committee, therefore, recommend that immediate steps should be taken by the Ministry to extend the scope of the Scheme to the weavers outside the Cooperative fold besides encouraging individual weavers or a group of individual weavers to avail of the yarn supply through Mill Gate Price Scheme. More yarn depots should be opened near Handloom Weaving Clusters as far as possible or at places from where weavers could easily avail of the supply of yarn. Availability of a sufficient number of mobile vans may be ensured to cater to the yarn needs of the weavers. As the Cooperative concept has failed to deliver the desired results, other alternatives should be tried to make the Scheme more effective. Cooperatives are engaged in the Scheme on the recommendations of State Handloom Directors. Hence, steps should be taken to ensure that each of the State Handloom Directors is held responsible to own the responsibilities for the failure of Co-operatives recommended by them. The Committee also find that the publicity being given to the Scheme is not enough and recommend that the benefits of the Scheme should be widely publicized and steps taken for the speedy implementation of the recommendations of National Productivity Council.

**REPLY OF GOVERNMENT**

Mill Gate Price Scheme is implemented through National Handloom Development Corporation (NHDC). Following are eligible agencies:-

- (a) All handloom organizations of National/ State/ Regional/ Primary level
- (b) Handloom Development Centres.
- (c) Handloom producers/ exporters/ manufacturers registered with HEPC/ any other export promotion council under Ministry of Textiles/Director of Industries/Handlooms of States/UTs.



- (d) All approved export houses/ trading houses/star trading houses for production of handloom items.
- (e) Members of recognized/approved handloom associations.
- (f) NGOs fulfilling CAPART norms
- (g) Any other agency approved by the Office of the Development Commissioner (Handlooms), Ministry of Textiles, Government of India.

It is estimated that currently only 15% weavers are organized in cooperative fold. Other weavers are either working thorough Master Weavers system or independently.

The weavers outside the cooperative fold are already eligible to avail of the benefit of the Mill Gate Price Scheme through members of recognized/approved association, NGOs fulfilling CAPART norms.

The National Handloom Development Corporation has already allowed operation of 169 depots through State Handloom Corporations, Apex Bodies, Weavers Societies and Exporters, etc. Presently, they cover 65 handloom clusters having more than 1,000 looms and 10 clusters having 1,000 looms. More yarn depots would be opened near Handloom Weaving clusters as for as possible or at places from where weavers could easily avail of the supply of yarn.

Previously NHDC used to supply yarn to the eligible agencies only after recommendation of Director of Handlooms but now NHDC has been authorized to supply yarn to the weavers even without recommendation of Director of Handlooms of the State Government to facilitate the supply of yarn to the weavers outside the cooperative fold.

The benefits available under the Scheme are being widely publicized by NHDC through focused advertisement in Newspapers.

**Ministry of Textiles O.M.No.2(47)/2005-DCHL/Parl. dated 23 March 2006)**

**Recommendation (Sl.No. 10, Para 3.40)**

The Committee have noted that Bunkar Bima Yojana was launched in 2003 to provide enhanced Life Insurance coverage of Rs.50,000/- in the case of natural death and Rs.80,000/- in the case of accidental death. A target has been set to cover one-third of all the handloom workers under the Scheme by 2007. The Committee recommend that an action plan should be chalked out and concrete and vigorous steps should be taken to cover one-third of handloom weavers under the Scheme by 2007 and to cover all the weavers before the end of next Five Year Plan.

**REPLY OF GOVERNMENT**

In pursuance of the budget announcement 2005, made by the Hon'ble Finance Minister, the Government of India has introduced a scheme called Mahatma Gandhi Bunkar Bima Yojana (MGBBY)

during the year 2005-06 in place of the earlier Bunkar Bima Yojana. The Government of India has already written to various State Governments and Life Insurance Corporation of India (LIC) to maximize the coverage of the weavers under the Mahatma Gandhi Bunkar Bima Yojana (MGBBY). The Secretary (Textiles) has also written a letter dated 13 February 2006 to all States Chief Secretaries to instruct the field machinery to educate the weavers about the benefits of the scheme and take all possible steps to enroll the maximum number of handloom weavers under the scheme.

**(Ministry of Textiles O.M.No.2(47)/2005-DCHL/Parl. dated 23 March 2006)**

**Recommendation (Sl.No. 12, Para 3.42)**

The Committee have also noted that only 26,814 weavers and 72,198 weavers were covered under Health Package Scheme during 2003-2004 and 2004-2005 respectively. A target for covering 3.2 lakh weavers each in the year 2005-2006 and 2006-2007 has been set under a new Health Insurance Scheme which is likely to be launched soon. The Committee expect that concrete steps would be taken to fulfill the targets during 2005-2006 and 2006-2007 as envisaged under the new Scheme. The Committee should be informed of the progress made in this regard at quarterly intervals. The Committee further recommend that suitable steps should be taken to cover all the beneficiaries of the existing Health Package Scheme under the proposed Health Insurance Scheme in a time-bound manner.

**REPLY OF GOVERNMENT**

The Government of India has already introduced the Health Insurance Scheme, the guideline of which have been circulated to all State Governments on 9 August 2005. The Government of India has already written various State Governments to maximize the coverage of the weavers under the Health Insurance Scheme (HIS). The Secretary (Textiles) has also written a letter dated 13 February 2006 to all States Chief Secretaries to instruct the field machinery to educate the weavers about the benefits of the scheme and take all possible steps to enroll the maximum number of handloom weaver under the scheme.

As regards coverage of all the beneficiaries of the Health Package Scheme under the Health Insurance Scheme, it may be stated that all those weavers who deposit their share of premium @Rs.200/- per annum will be covered under the Health Insurance Scheme. The coverage will be available for the weaver his pause and two children.

During 2005-2006 (upto 17 March 2006), 2,40,868 weaves have been covered under Health Insurance Scheme (HIS). More number of weavers are being covered under the scheme.

**(Ministry of Textiles O.M.No.2(47)/2005-DCHL/Parl. dated 23 March 2006)**

**Recommendation (Sl.No. 13, Para 3.52)**

The Committee have noted that Research and Development in the handloom sector is essential to enable them compete with other sectors. However, it is noted that fund allocation for Research and Development is hardly sufficient to meet the needs of Research and Development efforts in the Handloom Sector especially for suggesting measures for cost reduction in the

production of handlooms, exclusive design development and development of superior handlooms. The Committee, therefore, recommend that the Ministry should take more proactive steps for accelerating Research and Development efforts in Handloom Sector including enhancement of fund allocation and engagement of reputed institutions like Indian Institutes of Technology to find out ways and means for the development of Handloom Sector. More IITs and other Technical Institutions of repute should be requested to introduce the Textiles Technology as one of the courses keeping in view the ground situation of Textiles Industry particularly Handlooms.

#### REPLY OF GOVERNMENT

The Research and Development Scheme has been implemented in the handloom sector to develop means and ways for cost reduction in the production of handlooms, exclusive design development and development of superior handlooms. 90 projects have been undertaken under the Research and Development Scheme since 1996-1997. The implementing agencies inter alia, include the following agencies/ institutions:

Sl No.	Name of the Institution	Details of Project undertaken
1	Textile & Engg. Institute, Ichalkaranji, Maharashtra	'Development of an Instrument for Identification of Handloom Woven fabrics for its origin' (in the year 1998-99 )
2	ATIRA, Ahemdabad.	One day workshop on Development of Computer aided Design Package ( in 1996-97)
3	NITRA, Ghaziabad	Development of cost effective model process house for handloom sector (in 1997-98 )
4	NITRA, Ghaziabad	Supply and installation of Effluent treatment Plant at Orissa & Tamilnadu ( in 1998-99 )
5	SITRA, Coimbatore	Design & Development of High Production Handloom (in 2002-03)
6	Regional Research Laboratory and WSC, Bhubneshwar.	Natural dyes from plant resources in 2002-03
7	SITRA, Coimbatore	Design & Development of a Jacquard Card repeating machine (in 2002-03)
8	IIT, Delhi	Development of Sizing Techniques for Handloom weaving (in 2002-03 )
9	NITRA, Ghaziabad	Design and Development of an ETP suitable for erratic discharge and its installation at WSC, Delhi. (In 2003-04)
10	Malaviya Institute of Technology, Jaipur.	Design and Development of low built –wider width handloom. (2004-05)
11	Orissa University, College of Home Science, Bhubneshwar.	Revival and Development of Ethnic textiles of Dhalpatra area of Orissa. (2004-05)
12	IIT, Delhi	Design & development of Electromagnetic punch cards in conventional handlooms (in 1998-99 )

A sum of Rs.109.18 lakh has been released to various implementing agencies during the years 2002-2003, 2003-2004 and 2004-2005. A provision of Rs.26.50 lakh has been made in R.E. 2005-06 and so far an amount of Rs.19.13 lakh has been released and the balance would be released during the current financial year. The fund allocation for Research & Development Scheme will be enhanced as per requirement from time to time.

**(Ministry of Textiles O.M.No.2(47)/2005-DCHL/Parl. dated 23 March 2006)**

**Recommendation (Sl.No.17, Para 3.70)**

The Committee note that export of handloom products has shown an increasing trend over the years. However, this increase is lopsided. While the export to the continents of Europe and America is on very high side, the export to the countries in the continents of Asia, Africa, Latin America and Oceania is not appreciable. The Committee, therefore, recommend that export promotion measures should be augmented in such untapped markets which would boost handloom exports to those markets. In this regard, the Committee further recommend that apart from participation in potential fairs, Buyer-Seller-meets should be regularly arranged with the help of Indian Missions abroad to tap the potential markets for handlooms. The Committee also expect that the Government would help exporters of handlooms through bilateral trade talks with the countries concerned.

**REPLY OF GOVERNMENT**

The Office of the Development Commissioner for Handlooms continues to focus on the growth of exports in Asia, Africa, Latin America and Oceania while sustaining the established markets of Europe and America, by way of participation in various international fairs and exhibitions and organising Buyer-Seller-Meets. Japan and Australia have emerged as very strong markets for the Indian handloom goods and shown a steady increase over the years. The exports to Asian Continent had increased by 30.33% in value terms during 2002-03 compared to the previous year. The exports to the major countries in Asian Continent are furnished below:

(Value in Rs. Lakhs)

Country	2001-02			2002-03			%age change
	Fabrics	Made-ups	Total	Fabrics	Made-ups	Total	
Japan	984.21	8899.93	9883.25	942.67	9342.87	10285.54	4.07
UAE	1796.34	2218.67	4015.01	3218.97	2668.61	5887.58	46.64
Saudi Arabia	601.84	916.55	1518.39	732.87	1554.84	2287.71	50.67
Malaysia	1364.72	573.80	1938.52	1093.63	1203.48	2297.11	18.50

Israel	281.98	1262.43	1544.41	1191.54	964.25	2155.79	-39.59
Indonesia	501.36	148.71	650.07	1431.01	192.27	1623.28	149.71

**Japan, one of the largest importers of handlooms, had also shown 4.07% increase.**

Buyer-Seller Meets and participation in international events have also been organised through Handloom Export Promotion Council (HEPC) in Asian, African, Latin American and Oceania countries during the years 2003-04, 2004-2005 and 2005-2006.

**2003-2004:**

**Buyer-Seller Meets Abroad:**

14 India Home Furnishing Fair (BSM) & 3<sup>rd</sup> India Handicrafts and Gift Fair held at Tokyo, Japan during 27 to 29 May 2003.

Buyer – Seller Meets in Australia and New Zealand during 21 to 29 July 2003.

**Exhibitions Abroad:**

Made in India Show held at Beijing, China during 16 to 19 October 2003.

Mini India Promotion held at Cape Town, South Africa during 4 to 6 November 2003.

Incredible India Show held at Kuala Lumpur, Malaysia during 2 to 6 December 2003.

Exintex Fair, Puebla City, Mexico, 9 to 12 March 2004

**2004-2005:**

**Buyer-Seller Meets Abroad:**

Buyer Seller Meet at Auckland, Newzealand during 25 to 27 May 2004.

Buyer Seller Meet in Chile during 4 to 6 November 2004.

**Exhibitions Abroad:**

15<sup>th</sup> India Home Furnishing Fair & 4<sup>th</sup> India Handicrafts & Gift Fair at Osaka, Japan during 18 to 20 May 2004.

Impex TCF Fair held at Melbourne, Australia during 18 to 20 May 2004.

Eveteks-2004 held at Istanbul, Turkey during 19 to 23 May 2004.

Apparel, Textile, Footwear 7 Machinery Trade Exhibition held at Cape Town, South Africa during 2 to 4 November 2004.

**2005-2006:**

Hongkong Houseware Fair held at Hongkong during 21 to 24 April 2005.

16<sup>th</sup> India Home Furnishing Fair & 4<sup>th</sup> India Handicrafts & Gift Fair at Tokyo, Japan during 18 to 20 May 2005.

Impex TCF Fair held at Melbourne, Australia during 7 to 9 June 2005.

TITAS-2005 held at Taipei, Taiwan from 29 September to 1 October 2005.  
ATF – 2005 held at Cape Town, South Africa, 2 to 4 November 2005.  
Fatex-2005, held at Paris, France, 8 to 10 November 2005.

**(Ministry of Textiles O.M.No.2(47)/2005-DCHL/Parl. dated 23 March 2006)**

**Recommendation (Sl.No.19, Para 3.84)**

The Committee have noted that at present 11 textile articles have been reserved for exclusive production by handloom weavers to protect them from the encroachment of the Powerloom and Mill Sectors under the Handloom (Reservation of Articles of Production) Act, 1985. This reservation was done in 1985 and after that no review of the same has been done so far. An Advisory Committee has been constituted under Section 4(1) of the Act to look into the various aspects including the demands for addition of more articles under reserved category of articles and to submit its recommendations to the Government for its consideration. However, no such demand have been received from the industry. The Committee are of the view that this Advisory Committee can suo-moto determine the nature of any article or class of articles that may be reserved for exclusive production by handlooms as per the provisions of the Act. The Committee, therefore, recommend that the textile articles reserved for Handloom Sector should be comprehensively reviewed and necessary steps taken to reserve more textile articles for Handloom Sector so as to protect it from powerloom and mill sectors.

**REPLY OF GOVERNMENT**

The Government of India promulgated the Handloom (Reservation of Articles for Production) Act, 1985 with a view to protect the interest of the handloom weavers in the country from the encroachment of the powerloom and mill sector on their livelihood. Under the Act, protection to the handloom sector was extended by way of reserving certain textile articles, which were traditionally being produced on handlooms.

At present, 11 textiles articles or class of articles are reserved for exclusive production on handloom which were notified vide S.O. 557(E) dated 26 July 1996 and amendments thereto vide S.O. 408(E) dated 2 June 1999 and 405(E) dated 25 April 2004. The items are as under:

1. Saree;
2. Dhoti;
3. Towel, Gamcha and Angawastaram;
4. Lungi;
5. Khes, Bed Sheet, Bedcover, counterpane, furnishing (including tapestry, upholstery);
6. Jamakkalam Durry or Durret;
7. Dress Material;
8. Barrack Blanket, Kambal or Kamblies;
9. Shawl, Loi, Muffler, Pankhi, etc.;
10. Woollen Tweed
11. Chaddar, Mehala/Phanek.

## PHYSICAL ACHIEVEMENTS

S.N.	Physical progress	2002-2003	2003-2004	2004-2005	2005-2006
1.	Targets for Powerloom Inspections	1,50,000	1,64,250	1,82,280	1,91,387
2.	Number of Powerlooms inspected	1,77,636	1,79,683	1,88,588	1,62,793
3.	Number of FIRs Lodged	30	13	10	32
4.	Convictions	33	15	7	10

The last meeting of the Advisory Committee constituted under the section 4 of the Handlooms (Reservation of Articles for production) Act, 1985 was convened under the Chairmanship of Secretary (Textiles) on 17.11.2005 to review the reservation order and to advise the Government on the articles to be reserved under the Act. The Committee has not recommended for any revision in number of articles presently reserved.

**(Ministry of Textiles O.M.No.2(47)/2005-DCHL/Parl. dated 23 March 2006)**

### CHAPTER-IV

#### **RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH REPLIES OF GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE AND WHICH REQUIRE REITERATION**

##### **Recommendation (Sl.No. 5, Para 2.11)**

The Committee also note that the Government have come up with a new Scheme, namely "Integrated Handloom Cluster Development Scheme". As per this Scheme, weavers who are organized as clusters, would get the assistance directly from the Union Government. Although this Scheme is proposed to be implemented in 20 clusters, a diagnostic study has so far been conducted only in 5 clusters. The Committee urge the Ministry to take expeditious steps to implement this Scheme in all the 20 clusters during 2005-2006 as planned and inform the Committee of the progress made in this regard. The Committee also recommend that all the handloom clusters in the country should be covered by the Scheme within a definite period of time.

##### **REPLY OF GOVERNMENT**

In respect of 20 clusters under the Integrated Handloom Cluster Development Scheme, it may be clarified that the names of the implementing agencies have since been finalized and the work in 19 clusters excepting the cluster at Varanasi, is likely to commence by April 2006. However, in respect of the cluster in Varanasi, it may be stated that the work has already commenced from October 2005.

In so far as extending the coverage of the scheme all over the country, it may be stated that it is envisaged to develop 100 more clusters throughout the country in the 2<sup>nd</sup> phase commencing from the next financial year.

**(Ministry of Textiles O.M.No.2(47)/2005-DCHL/Parl. dated 23<sup>rd</sup> March, 2006)**

**Recommendation (Sl.No. 11, Para 3.41)**

The Committee are concerned to note that Insurance Schemes are often either withdrawn or merged with new Schemes which leads to confusion in the minds of handloom weavers. For instance, Bunkar Bima Yojana was introduced in place of Group Insurance Scheme and the Committee were informed that policy holders of erstwhile Group Insurance Scheme are required to switch over to Bunkar Bima Yojana. Recently, a new Scheme named Mahatma Gandhi Bunkar Bima Yojana (MGBBY) has been launched and this would replace the Bunkar Bima Yojana. The Committee are of the view that such mergers should be preceded by proper information to policy holders regarding merger. The Committee, therefore, recommend that all the policy holders of Group Insurance Scheme and Bunkar Bima Yojana should automatically be covered under the Mahatma Gandhi Bunkar Bima Yojana (MGBBY). Necessary instructions should be given to the Insurance Company in this regard. The Committee also recommend that the eligibility criteria in regard to the upper age limit for coverage under MGBBY should be raised from 58 to 70 years as desired by the weavers.

**REPLY OF GOVERNMENT**

The Bunkar Bima Yojana was introduced in December 2003 in place of the earlier Group Insurance Scheme. In the guidelines of the Bunkar Bima Yojana, it has been clearly mentioned that the earlier Group Insurance Scheme stands discontinued with the introduction of the Bunkar Bima Yojana and that the weavers already covered under the Group Insurance Scheme will be required to switch over to the Bunkar Bima Yojana. Similarly when the Mahatma Gandhi Bunkar Bima Yojana introduced in September 2005, it has been indicated in the guidelines that on introduction of Mahatma Gandhi Bunkar Bima Yojana, the earlier Bunkar Bima Yojana stands discontinued. Necessary instructions in this regard have already been circulated to all State Governments and the LIC.

The matter regarding extension of age limit under the MGBBY have been taken up with the LIC. The LIC has informed that since the scheme is approved by the Ministry of Finance, the matter regarding extension of age limit has been referred to the Ministry of Finance for modifications.

**(Ministry of Textiles O.M.No.2(47)/2005-DCHL/Parl. dated 23<sup>rd</sup> March, 2006)**

**Recommendation (Sl.No. 14, Para 3.53)**

The Committee are deeply concerned to note that the Ministry has repeatedly failed to achieve the targets fixed for a particular year under Integrated Handloom Training Programmes and that it could complete the programme targets in the subsequent years only. As a result, the remaining targets are carried forward to the next Five Year Plan. The reasons put forth by the Ministry are : time taken to understand the Scheme by the States, invitation of proposals and their scrutiny, release of funds and other ground preparations. On the whole, the Scheme could not be implemented in the first year of the Tenth Plan. The Committee are of the view that before launching a Scheme all the ground preparations, including properly educating implementing



agencies/States should be done and recommend that the Ministry should take concrete steps to achieve the target of imparting training to 1 lakh weavers within the Tenth Plan period. The Committee also recommend that work loss of weavers should be continuously compensated by an appropriate amount of stipend during the training period. The stipend amount should also be reviewed periodically and enhanced, so as to attract more weavers for training.

### **REPLY OF GOVERNMENT**

The then Prime Minister on 15 August 2002 had announced for skill up-gradation of one lakh weavers and artisans. This includes 90,000 handloom weavers and 10,000 handicraft artisans. Prior to announcement, training to the handloom weavers was provided under the Decentralized Training Programme (DTP) with coverage of about 2,000 weavers per year by the Weavers' Service Centres. In order to achieve the targets as per announcement till the new scheme was approved, the targets under DTP Scheme were increased for the year 2002-2003 and 2003-2004. Consequent upon announcement, a new Scheme "Integrated Handloom Training Project" was formulated with a wider coverage and higher financial assistance towards raw material, stipend to the trainees, honorarium to the master trainer, provision of documentation of designs, provision of hiring of shed etc. and the Scheme was approved in Dec. 2003, i.e. in the third qtr. of 2<sup>nd</sup> year of the Xth Plan. The target of training for the period Jan. – March 2004 was fixed to 4,000 trainees. This target could not be implemented during the said quarter as it was a new Scheme, which required various steps like release of advertisement for inviting the proposals, scrutinisation of the proposals received, constitution of the State Level Training Committee (SLTC), convening the meeting of the SLTC etc. and therefore, the target of 2003-2004 under IHTP Scheme spilled over to the year 2004-2005. Similarly, some of the programmes sanctioned during the year 2004-2005 spilled over to 2005-2006 and so on. The progress of implementation of IHTP Scheme is as follows:

S.No.	Year	No. of beneficiaries covered
1.	2002-2003	5,575
2.	2003-2004	9,590
3.	2004-2005	16,540*
4.	2005-2006	12,740*
	<b>Total</b>	<b>44,445</b>

\* Sanctioned

However, efforts are made to achieve the maximum possible targets.

The wage loss during the training to the trainee under "IHTP" is compensated by way of paying them 'Stipend' of Rs. 100/- per day while the Master Trainer is paid an Honorarium of Rs. 200/- per day.

**(Ministry of Textiles O.M.No.2(47)/2005-DCHL/Parl. dated 23 March 2006)**

#### **Recommendation (Sl.No.15, Para 3.68)**

The Committee note that marketing events such as National/Special Handloom Expos and District Level events provide great opportunity to handloom weavers to market their products in various parts of the country and that 83 National/Special Handloom Expos were organized during

the period from 2002-2005 as against a target of only 56 Expos. This shows the overwhelming response of the weavers to such marketing events. However, there are fluctuations in achieving the targets of District Level Events. The Committee are of the view that District Level Events (DLEs) would be easily accessible both to the weavers and the consumers. The Committee, therefore, recommend that reasons for which DLEs could not be organised by implementing agencies should be found out and corrective steps taken to achieve targets in regard to DLEs. The Committee also recommend that fund allocation for such marketing events should be enhanced and the number of National/Special Handloom Expos and District Level Events should be increased as per the need of a particular area. The Committee further recommend that the feasibility of providing mobile marketing facilities to the Primary Handloom Weavers' Cooperative Societies be explored which would be very useful for them for marketing their products.

### **REPLY OF GOVERNMENT**

The slight variation in achieving the target under District Level Events (DLEs) is due to non-availability of ground at that point of time which leads to postponement of the DLEs in the next year. Also the implementing agencies could not submit the Utilization Certificate for the previous events sanctioned.

The target of DLEs for the year 2005-2006 has been doubled making it to 300 as against 150 in the year 2004-2005 in view of the tremendous response received from the Directors of Handlooms of the States. So far 290 events have been sanctioned to various States against the target of 300.

The target for National/Special Handloom Expos have also been increased from 37 in the year 2004-2005 to 50 in the year 2005-2006. So far 42 National/Special Handloom Expos have been sanctioned against the target of 50.

A decision is being taken to sanction National Handloom Expos during the Melas where the congregation is more than 10 lakh people like Meerut Nauchandi (15 lakh), Allahabad Mag / Kumbh (17 lakh), Gwalior Trade Fair (20 lakh), Sonapur Mela (50 lakh) and Rath Yatra Puri (10 lakh) {Source: Impact Communications}.

The concerned State Governments should send the proposal for organizing Special Expos during the melas where the congregation of people is around in Kullu Dusshera (8 lakh), Pushkar Fair (5 lakh), Kota Dusshera (8 lakh), Pandarpur Yatra Mah (8 lakh).

This Office is proposing to enhance the fund allocation of these events during the XI Plan period.

As regards mobile marketing facilities, the possibilities are being explored.

**(Ministry of Textiles O.M.No.2(47)/2005-DCHL/Parl. dated 23 March 2006)**

### **Recommendation (Sl.No.18, Para 3.71)**

The Committee further note that certain export promotion measures have been contemplated to boost export of handlooms and to withstand the disadvantages of post Multi-Fibre arrangement period. The Committee expect that sincere efforts would be made to implement measures such as projection of the handloom as unique, custom designed and niche product besides conducting exclusive handwoven shows in leading international consumer centres and seeking tariff exemption for handloom products through WTO to boost handloom exports, etc. The progress made in this regard should be intimated to the Committee.

### **REPLY OF GOVERNMENT**

As per the Foreign Trade Policy announced on 8 April 2005 by the Hon'ble Union Minister for Commerce & Industry, Government has decided to develop a Brand for Handlooms similar to the lines of "Woolmark" and "Silkmark", which will enable handloom products to develop a niche market with a distinct identity. The Textile Committee has been entrusted with the task of development of brand for handlooms. Regarding the exclusive Handwoven Shows to be conducted in leading international consumer centres, HEPC is conducting Buyer-Seller Meets and shows periodically in different consumer markets of the world, which are basically exclusive events/shows of handloom products. As regards seeking tariff exemption for handloom products through WTO, the Office of the Development Commissioner for Handlooms has already taken up the issue with Ministry of Finance for allotment of separate ITC (HS) codes for handloom products. Once that is through, necessary proposal for seeking tariff exemption will be initiated. HEPC is also in the process of submitting a proposal to UNCTAD seeking GSP concessions for the handloom products.

**(Ministry of Textiles O.M.No.2(47)/2005-DCHL/Parl. dated 23 March 2006)**

## CHAPTER-V

### RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH REPLIES OF THE GOVERNMENT ARE INTERIM IN NATURE

#### Recommendation (Sl.No.3, Para 2.9)

The Committee has noted that the Handloom Sector is a highly decentralized and dispersed sector. Efforts have been made to organize handloom weavers into Cooperatives during the last 50 years. However, these efforts proved dismal failures as only 17 per cent of the handloom weavers could be brought under the Cooperative fold so far. Moreover, many of the Cooperatives are defunct due to inaction on the part of the Union Governments to find out the root cause of their failure and to take timely and suitable corrective steps for their success. Since assistance under many of the Central Schemes is channelised through Cooperatives, the Committee are but skeptical about the percolation of intended benefits of Central Schemes to weavers when the Cooperatives are becoming increasingly defunct, more so when only 17 per cent of the weavers are covered under cooperative fold. The Committee, therefore, recommend that the Ministry should have a reappraisal of the role of Cooperatives in the Handloom Sector as to how Cooperatives can revive this Sector particularly in the light of the fact that only 17 per cent of the weavers have been brought under its fold despite such Herculean efforts. Alternative strategies may be chalked out for revival of the Sector. In this regard, the Committee further recommend that the Ministry should apprise the Department of Cooperation about the problems being faced by Cooperative Handloom Societies and take necessary corrective steps urgently in coordination with the State Governments and the Department of Cooperation to revitalize and restructure the cooperative societies on priority basis.

#### REPLY OF GOVERNMENT

The recommendations/observations of the Committee have been communicated to the Commissioner/Director In-charge of Handlooms & Textiles of all States, eliciting their comments. Further, to improve the coverage of weavers outside the cooperative fold, scope of the Schemes is widened for their implementation by NGOs, Self Help Groups, etc. The Govt. has already introduced Schemes called Integrated Handloom Cluster Development Programme, Mahatma Gandhi Bunkar Bima Yojana, Health Insurance Scheme, Integrated Handloom Training Project etc. Under these schemes, all weavers, including those within and outside the cooperative fold are covered. Further, in order to strengthen the State Handloom Corporations and Apex Societies, the Govt. has provided assistance to four Agencies, i.e. UP Handloom Corporation, APCO, Cooptex and Karnatka Handloom Development Corporation, which have large coverage of weavers in their fold and extend the benefits of Schemes to them.

**(Ministry of Textiles O.M.No.2(47)/2005-DCHL/Parl. dated 23 March 2006)**

### **Recommendation (Sl.No.8, Para 3.24)**

The Committee note with concern the implementation of Workshed-cum-Housing Scheme at a tardy pace by the Ministry which aims at providing suitable work place and dwelling units for creating better working environment to the handloom weavers. Only 24 viable project proposals have been received during the last two years, out of which 20 project proposals have been sanctioned. The reasons advanced by the Ministry that the State Governments submit the proposals which are not complete or not as per guidelines of the Scheme are not acceptable to the Committee. The Committee are of the view that the Ministry is not serious enough to implement the Scheme and as a result the budgetary allocation has been reduced from Rs.17 crore for 2004-2005 to Rs.12 crore for 2005-2006. While allocation for the North-Eastern States has been kept at Rs.7 crore for the last three years, the allocation for the rest of India has been reduced to a mere Rs.5 crore for 2005-2006 which would be hardly sufficient to meet the requirements of the majority of the States. The Committee take a serious view of the pace of implementation of this Scheme and recommend that immediate steps should be taken by the Ministry to properly educate the State machinery about the features of the Scheme. The guidelines of the Scheme are also required to be reviewed on a priority basis and amendments carried out to facilitate the States to adhere to them. The Committee also consider it improper to release funds only on the basis of viable proposals submitted by the States. They recommend that a State-wise assessment of need of funds should be carried out for effective implementation of the Scheme and funds should be allocated as per the need of each State.

### **REPLY OF GOVERNMENT**

The Ministry of Textiles is serious about the implementation of the Workshed-cum-Housing Scheme and is making all efforts for its proper implementation. The State Governments have been requested from time to time to submit viable proposals under the Workshed-cum-Housing Scheme as a result of which during the current financial year 2005-2006, till 16 March 2006, 34 proposals from the State Governments have been received. Out of which 24 proposals have been sanctioned on the basis of their viability. A sum of Rs.1,444.00 lakh has so far been released for construction of 17,971 units.

In fact, the allocation for the current financial year has been increased to Rs.1,444.24 lakh by way of re-appropriation from the original allocation of Rs.1,200.00 lakh for 2005-2006.

The Government of India is making efforts for educating about the various Handloom Sectors Schemes. The National Handloom Development Corporation (NHDC) Ltd., has conducted 10 training programmes in various States for educating about the developmental and welfare schemes including the Workshed-cum-Housing Scheme.

The State Governments submit the proposals on the basis of the requirements of units/funds under the scheme with the recommendation of the State Level Project Committee (SLPC) and funds are released on the basis of the viability of the proposals.

The Government of India is getting the evaluation of the various Handloom Sectors scheme done by an external agency. Based on the recommendation of the Evaluation Study, the changes in the Workshed-cum-Housing Scheme will be considered after the submission of its report.

**(Ministry of Textiles O.M.No.2(47)/2005-DCHL/Parl. dated 23 March 2006)**

**Recommendation (Sl.No.9, Para 3.25)**

The Committee also feel that a comprehensive review of the unit cost calculation of Rural/Urban Work-sheds and Rural/Urban Workshed-cum-Houses should be carried out and the scale of central assistance per unit should be enhanced accordingly.

**REPLY OF GOVERNMENT**

Currently, the workshed-cum-Housing Scheme is being evaluated alongwith the other Handloom Sectors Schemes.

The units cost as well as the Central Assistance under the Scheme will be reconsidered, based on the evaluation study.

**(Ministry of Textiles O.M.No.2(47)/2005-DCHL/Parl. dated 23 March 2006)**

**Recommendation (Sl.No.16, Para 3.69)**

The Committee have also noted that there is a proposal to develop a Trade Mark namely "Handloom Mark" for handlooms on the lines of Woolmark. Such a trade mark would definitely enable handloom products to develop a niche market with a distinct identity both in domestic and international markets. The Committee, therefore, recommend that expeditious steps should be taken by the Ministry to develop this trademark for handloom products.

**REPLY OF GOVERNMENT**

The emerging need for a brand identity of pan National and International importance in respect of Indian Handlooms has been recognized at various fora. Brand adds in enhancing the economic value of the product and provides a focus around which product attributes and benefits can be articulated in a manner that is attractive to the customer. Towards this direction Creation of Handloom Mark for the handloom products has been entrusted to the Textiles Committee of Ministry of Textiles which have prepared a concept paper alongwith logo, etc. National Institute of Design (NID) is finalizing the logo.

**(Ministry of Textiles O.M.No.2(47)/2005-DCHL/Parl. dated 23 March 2006)**

**Recommendation (Sl.No. 20, Para 3.85)**

The Committee have noted that a Scheme for reimbursement of one-time rebate of 10 per cent was given to handloom weavers on sale of handloom cloth from 2002-2003 to 2004-2005 so as to kick-start this employment-intensive industry and revive its production cycle. The Committee are of the view that this one-time special rebate helped the handloom weavers to compete with the organized sector and recommend that the feasibility of extending this reimbursement of rebate should be examined and necessary relief should be provided to handloom weavers to protect them from powerloom and mill sectors.

**REPLY OF GOVERNMENT**

The Government of India had received representations from various State Governments requesting for continuation of the Scheme specially since the scheme not only helped in clearance of handloom stocks but kept the production cycle alive and sustained the employment of weavers in the Sector. A proposal has therefore been moved to Ministry of Finance for continuation of the 10% rebate Scheme for another period of 3 years.

**(Ministry of Textiles O.M.No.2(47)/2005-DCHL/Parl. dated 23 March 2006)**

**Recommendation (Sl.No. 21, Para 3.86)**

The Committee are concerned to find that handloom weavers are given credit at the rate of 12 per cent which is same as that given to industries. They just could not understand the logic of equating industries with poor handloom weavers. The Committee consider the high rate of interest as one of the reasons for failure of cooperative societies in handloom sector. Moreover, handloom sector is the second largest employment provider, next only to agriculture, comprising several lakh handloom weavers. The Committee, therefore, recommend that expeditious steps should be taken to lower the interest on the credit given to Handloom Weavers.

**REPLY OF GOVERNMENT**

A proposal for reducing the rate of interest on loans to the Handloom weavers is under consideration of the Government.

**(Ministry of Textiles O.M.No.2(47)/2005-DCHL/Parl. dated 23 March 2006)**

**Recommendation (Sl.No.22, Para 3.87)**

The Committee have learnt that there is a proposal to examine the possibility of waiving the interest on the loans availed of by the Handloom units which are having poor financial health. The Committee expect that the proposal would be examined expeditiously and interest on handloom units with poor financial health is considered for waiver.

**REPLY OF GOVERNMENT**

A proposal for waiving the interest on loans availed by Handloom weavers is under consideration.

**(Ministry of Textiles O.M.No.2(47)/2005-DCHL/Parl. dated 23 March 2006)**

**NEW DELHI;**

**12 June, 2006**

**22 Jyaistha, 1928 (Saka)**

**SURAVARAM SUDHAKAR REDDY**

**Chairman**

**Standing Committee on Labour**





**MINUTES OF THE EIGHTEENTH SITTING OF THE STANDING COMMITTEE ON LABOUR  
HELD ON MONDAY, 12 JUNE 2006.**

**The Committee met from 1130 hours to 1230 hours in Committee Room `B`,  
Parliament House Annexe, New Delhi.**

**PRESENT**

**Shri Suravaram Sudhakar Reddy – CHAIRMAN**

**MEMBERS**

**LOK SABHA**

2. Shri Furkan Ansari
3. Shri Joachim Baxla
4. Shri Santasri Chatterjee
5. Shri Thawar Chand Gehlot
6. Dr. Satyanarayan Jatiya
7. Shri Virendra Kumar
8. Shri Rajesh Kumar Manjhi
9. Shri Ananta Nayak
10. Shri Bassangouda Patil (Yatnal)
11. Shri Lal Mani Prasad
12. Shri Chandradev Prasad Rajbhar
13. Shri Mohan Rawale
14. Smt. C.S. Sujatha

**RAJYA SABHA**

15. Shri Gandhi Azad
16. Shri Debabrata Biswas
17. Ms. Pramila Bohidar
18. Shri Narayan Singh Kesari
19. Shri Rudra Narayan Pany
20. Shri K. Chandran Pillai

**SECRETARIAT**

- |    |                   |   |                    |
|----|-------------------|---|--------------------|
| 1. | Shri N.K. Sapra   | - | Joint Secretary    |
| 2. | Shri R.S. Misra   | - | Deputy Secretary   |
| 3. | Shri N. K. Pandey | - | Under Secretary    |
| 4. | Shri S.K. Saxena  | - | Assistant Director |

2. At the outset, the Hon'ble Chairman welcomed the Members and apprised them about the Draft Fifteenth Report on the Action Taken by the Government on the recommendations/observations contained in Ninth Report on the subject "Development Schemes for Handloom Sector". The Committee then welcomed two new Members from Rajya Sabha viz. Shri Rudra Narayan Pany (re-nominated) and Shri Narayan Singh Kesari.

3. Thereafter, the Committee considered the draft Fifteenth Report and adopted the same with the following modification:

Page 7, Para 1.12 , **add** at the end of the Para "The steps taken in this regard and the progress achieved should be communicated to the Committee within three months"

4. The Committee authorised the Chairman to finalise the above Report and present the same to Parliament on their behalf.

5. XX XX XX

6. XX XX XX

7. XX XX XX

**The Committee then adjourned.**