GOVERNMENT OF INDIA TEXTILES LOK SABHA

STARRED QUESTION NO:240 ANSWERED ON:10.12.2012 MEGA HANDLOOM CLUSTERS Ju Dev Shri Dilip Singh;Vijayan Shri A.K.S.

Will the Minister of TEXTILES be pleased to state:

- (a) whether the Government has set up/proposes to set up mega/traditional handloom clusters particularly for silk-based handloom in the country including Tamil Nadu and Chhattisgarh;
- (b) if so, the details thereof, State-wise along with the technological and financial assistance being provided by the Government in this regard;
- (c) the number of weavers/their families who are dependent directly or indirectly on such clusters, State-wise;
- (d) the details of the funds allocated/utilised during the last two years and the current year on these clusters. State-wise; and
- (e) the other steps being taken by the Government to develop handloom sector in the country particularly in Tamil Nadu?

Answer

(MINISTER OF TEXTILES) (SHRI ANAND SHARMA)

(a) to (e): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF THE LOK SABHA STARRED QUESTION NO.240 TO BE ANSWERED ON 10.12.2012 BY SHRI A.K.S.VIJAYAN AND SHRI DILIP SINGH JU DEV REGARDING MEGA HANDLOOM CLUSTERS

(a) to (d): The Government of India, Ministry of Textiles, Office of the Development Commissioner (Handlooms) adopted Cluster Development Approach for handlooms in 2005-06 under Integrated Handlooms Cluster Development Scheme (IHCDS). 20 handloom clusters, each having about 5000 handlooms were taken up for their development in a time frame of 4 years at an upper Central share of Rs.2.00 crore per cluster. These clusters are spread in 12 States, including 3 in Tamil Nadu.

In XI Plan, the Cluster Development Approach was continued and a new scheme "Integrated Handlooms Development Scheme (IHDS)" was introduced having various components, including Cluster Development and Group Approach. Under the Scheme, cluster having 300-500 handlooms were taken up for their integrated & holistic development in a period of 3 years with an upper cost of Rs.60.00 lakh per cluster. 610 Clusters, including 49 Clusters in Tamil Nadu & 10 Clusters in Chhattisgarh have been sanctioned and Rs.216.25 crore has been released so far. Under Group Approach, group having 10-100 weavers have been taken for their development in a period of 2 years with per beneficiary cost ranging Rs.10,000/- to Rs.30,000/- and financial assistance is provided towards skill up-gradation, purchase of new looms, dobby, jacquard, accessories and construction of worksheds. 2248 Group Approach Projects, including 271 Groups in Tamil Nadu and 30 Groups in Chhattisgarh have been sanctioned and Rs.107.73 crore has been released so far.

In addition, 6 Mega Handloom Clusters at Varanasi (Uttar Pradesh), Sivasagar (Assam), Virudhunagar (Tamil Nadu), Murshidabad (West Bengal), Prakasam & Guntur Districts (Andhra Pradesh) and Godda & neighboring Districts (Jharkhand) have been taken up as announced in the Budget 2008-09, 2009-10 and 2012-13. Each Mega Handloom Cluster should have more than 25,000 handlooms and is to be developed in a period of 5 years with an upper Central share of Rs.70.00 crore per cluster.

Under the above Cluster Development Programmes, funds are provided on need basis towards diagnostic study, formation of Self Help Groups (SHGs) and consortia, technology up-gradation, setting up of Common Facility Centre/Dye House, raw material support, skill up-gradation, design development and product diversification, Publicity & Marketing, purchase of new looms, Dobby, Jacquard, Accessories, Margin Money, construction of worksheds etc. Technology up-gradation includes support towards purchase of new loom, dobby, jacquard, pneumatic system, motorised pirn winding machine, healds, reeds, warp beam, fabric beam etc., which varies from cluster to cluster.

Most of these Clusters primarily use cotton, wool, silk, jute etc. or blends thereof to provide varieties of handloom products. As per the information available, four Silk Clusters namely (1) Pallavar, Kancheepuram district, (2) Varadaraja, Kancheepuram district (3) Arni, Thiruvannamalai district, and (4) Rasipuram Super Silk, Tiruchengode district have been sanctioned to the State Government of Tamil Nadu in 2010-11.

A statement showing State-wise number of clusters sanctioned, amount released and number of weavers is at Annexure - I.

- (e): For development of handlooms and welfare of handloom weavers, the Government of India has been implementing following Schemes:-
- i) Integrated Handlooms Development Scheme (IHDS)
- ii) Handloom Weavers Comprehensive Welfare Scheme
- iii) Marketing and Export Promotion Scheme (MEPS)
- iv) Mill Gate Price Scheme (MGPS)
- v) Diversified Handloom Development Scheme (DHDS)

Above schemes are equally applicable to all States, including Tamil Nadu.

In addition to the above mentioned schemes, the Government of India has taken following steps for development of handloom sector across the country, including Tamil Nadu:-

- i) In order to open the choked credit lines, the Government of India has introduced Revival, Reform & Restructuring Package in 2011-12 for loan waiver of eligible handloom cooperative societies and individual weavers. So far, Rs.59.85 crore has been approved for waiver of loans of eligible handloom cooperative societies and individual weavers in Tamil Nadu.
- ii) The Government of India has also introduced "Institutional Credit for Handloom Sector" in 2011-12, which includes (i) issuance of Weavers' Credit Cards (ii) Interest Subvention @ 3% for 3 years on fresh loans, (iii) margin money assistance @Rs.4200/- per weaver and (iv) Credit Guarantee. So far, 790 Weavers Cards have been issued by the Banks, sanctioning loan of Rs. 197.50 lakh in Tamil Nadu.
- iii) To ensure availability of cheap yarn to handloom weavers, the Government of India has also introduced 10% Yarn Price Subsidy Scheme in 2011-12. So far, 5.569 lakh kgs. of yarn worth Rs.51.04 crore has been supplied in Tamil Nadu.

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