

**GOVERNMENT OF INDIA  
TEXTILES  
LOK SABHA**

UNSTARRED QUESTION NO:6375

ANSWERED ON:06.05.2013

HANDLOOM WEAVERS SCHEME

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**Will the Minister of TEXTILES be pleased to state:**

(a) whether some States including Maharashtra have requested for exemption of Primary Weavers Co-operative Societies (PWSCs) from routing their sales through banks or from the mandatory submission of board resolution for routing their sales through banks and if so, the reaction of the Government thereto;

(b) whether the Government proposes to extend the scheme for waiver of loans to weavers till 2014 and if so, the details thereof;

(c) whether the Government proposes to provide social security/assured income to weavers like pension/insurance/stipend to weavers children and also widen the coverage/relaxation in procedure of Health Insurance programme;

(d) if so, the details thereof and the reaction of the Government thereto;

(e) the scheme/incentive being given by the Government to promote exports including Focus Product Scheme and increase the production of handloom products; and

(f) the steps taken by the Government to set up/proposed to set up training centres to impart training to weavers/workers in various State headquarters, State-wise?

**Answer**

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

(a) Yes Madam. Various State Governments including State of Maharashtra have sought exemption for Primary Weavers Cooperative Societies (PWCS) from routing their sales through banks, which is one of the eligibility norms of viable/potentially viable cooperatives under Revival, Reform and Restructuring (RRR) package. The proposal is under consideration of the Government.

(b) The proposal to extend the scheme of waiver of loan of handloom weavers till 31.12.2013 is under consideration of the Government.

(c) & (d) As a social security measure, the Government of India has been implementing Handloom Weavers Comprehensive Welfare Scheme for handloom weavers with the following components:-

(i) Health Insurance Scheme for health insurance cover and

(ii) Mahatma Gandhi Bunkar Bima Yojana for life insurance cover

The Health Insurance Scheme provides access to health care facilities to handloom weavers including their spouse and two children. It covers all pre-existing diseases as well as new diseases and a substantial provision has been kept for OPD. The annual limit per family is Rs. 15000/- out of which Rs. 7500/- is for OPD.

The Mahatma Gandhi Bunkar Bima Yojana scheme provides life insurance cover to handloom weavers in case of natural and accidental death as well as full or partial disability. This scheme also provides scholarship upto two children of the weaver covered under the scheme under "Shiksha Sahayog Yojana" to the extent of Rs.300/- per quarter per child studying in standard IX to XII for a maximum period of 4 years or till they complete XII standard (whichever event occurs earlier).

(e) In order to promote exports of handloom products from the country, the following developmental and incentive schemes are being implemented by the Government of India:-

1. Comprehensive Handlooms Development scheme: Under the scheme financial assistance is provided for development of exportable range of handloom products and participation in international marketing fairs and exhibitions.

2. Focus Product Scheme: The objective of the scheme is to incentivize export of such products which have high export intensity/employment potential, so as to offset infrastructure inefficiencies and other associated costs involved in marketing of these products. Additional bonus benefit of 2% over and above the existing 2% has been announced in the Foreign Trade Policy w.e.f. 1-04-

2010.

3. Focus Market Scheme: The objective of the scheme is to offset high freight cost and other externalities to select international markets with a view to enhance India's export competitiveness in these countries. Duty Credit scrip equivalent to 3% of FOB value of exports for exports made from 27-08-2009 is available under the Scheme.

Besides the above schemes, the Government of India is also implementing the following schemes for boosting exports of handloom products: -

1. Market Access Initiative Scheme.
2. Market Development Assistance Scheme.
3. Duty Drawback Scheme
4. 2% interest Subvention Scheme for handlooms, handicrafts, Carpets, readymade garments etc.

For increasing the production of handloom products and overall development of handloom sector, the Government of India has taken various policy initiatives and schematic interventions like cluster approach, technological up-gradation of looms, marketing promotion, revival of viable and potentially viable societies through loan waiver and recapitalization assistance, availability of subsidized yarn and credit, besides, providing health and life insurance cover to the handloom weavers.

(f) Weavers Service Centres (WSCs) functioning from the 25 locations across the country have been engaged in imparting training to the weavers. Three new WSCs in the States of Nagaland, Mizoram and Jharkhand have approved in 12th Five Year Plan. Besides WSCs, 5 Indian Institutes of Handloom Technology (IIHTs) functioning at Varanasi, Salem, Bargarh, Guwahati and Jodhpur are also conducting training programmes for the Weavers. State-wise list of WSCs and IIHTs is enclosed as Annexure.