

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:171
ANSWERED ON:02.07.2009
PACKAGE FOR HANDLOOM SECTOR
M.Thambidurai Dr.

Will the Minister of TEXTILES be pleased to state:

- (a) whether a large number of handloom units in the country are facing threat of closure;
- (b) if so, the details thereof, State-wise and the reasons therefor;
- (c) whether the Government proposes to provide a package for reviving handloom sector in the country; and
- (d) if so, the details thereof, alongwith funds earmarked for this purpose?

Answer

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

(a) & (b): The Government of Andhra Pradesh, Tamilnadu, Karnataka, Tripura and Chhatisgarh has reported that handloom units in their States are not facing any threat of closure whereas the State Governments of Assam, Uttar Pradesh, Rajasthan, Mahatrashta and Orissa have informed that some of the handloom units are facing threat of closure on account of competition from the mechanized sector, non-availability of credit, non-adaptability with the market requirements etc..

(c) & (d): The Government of India has formulated a Financial Package of Rs.3000 crore for waiver of the overdues of loans of the handloom cooperatives of the country and also, to provide loans at concessional rates of 7% per annum. The package has been sent to the Ministry of Finance. Furthermore, the Government of India is implementing the following scheme for development and welfare of the handloom weavers.

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