

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:164

ANSWERED ON:05.08.2013

HANDLOOM SECTOR

Rao Shri Nama Nageswara;Sivaprasad Shri Naramalli

Will the Minister of TEXTILES be pleased to state:

(a) whether the handloom sector is facing stiff competition from powerloom and mill sector in the country;

(b) if so, the details thereof and the reasons therefor along with the concrete measures taken/fund allocated by the Government, State-wise including Andhra Pradesh and Karnataka; and

(c) the details of the central schemes being implemented in the country for the welfare of the sector and success achieved so far, State-wise?

Answer

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

(a) & (b): Handloom sector is facing stiff competition from powerloom and mill sector in the country primarily due to very low productivity, inadequate marketing facilities/channels as well as insufficient credit flow from financial institutions. For the overall development of handloom sector and welfare of handloom weavers, the Government of India has taken various policy initiatives and schemes interventions like cluster approach, technological up-gradation, 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. The funds are allocated scheme-wise and not state-wise, based on the requirements received from states and the implementing agencies the funds are released under various schemes. The state wise funds released in last three years for Integrated Handloom Development Scheme and Marketing and Export Promotion Scheme including Andhra and Karnataka are shown in Annexure-'A'. For other schemes the funds are released to the Implementing agencies.

(c): The details of schemes being implemented by Ministry of Textiles, GOI and achieved physical progress through its various schemes is as under:-

Integrated Handloom Development Scheme provides need based inputs to clusters of 300-500 handlooms or Groups of 10-100 weavers for making them self sustainable by providing them financial assistance for margin money, new looms and accessories, skill upgradation, marketing opportunities and for construction of worksheds etc. During the 11th five year plan, 610 Cluster projects and 2248 Group Approach projects have been sanctioned. Total beneficiaries covered under Cluster and Group Approach projects is 3,49,624 and total amount of Rs. 318.04 crore has been released. The statewise details are shown in Annexure 'B'

Marketing and Export Promotion Scheme provides platform to the weavers and their organizations to participate in the domestic as well as international trade events and sell their products directly to the buyers. During the 11th five year plan period, 2693 marketing events were organized which had resulted in a sale of more than Rs.1567 crore. Assistance to participate in 60 international exhibitions was also provided wherein spot orders worth Rs.107.94 crore were received and business enquiries worth Rs. 343 crore were generated. Handloom Mark scheme has also been launched to ensure the genuineness of handloom fabric and 2.5 crore handloom mark labels have been sold. Financial assistance to 35 items has also been provided for registration under Geographical Indication of Goods (Registration and Protection Act 1999) out of 35 handloom products, 21 have already been registered under the Act. The statewise details of marketing events sanctioned in 11th plan are given in annexure 'B'

Handloom Weavers Comprehensive Welfare Scheme: This comprises of two separate schemes viz. the Health Insurance Scheme (HIS) for providing Health Insurance to the Handloom weavers and Mahatma Gandhi Bunkar Bima Yojana (MGBBY) for providing Life insurance cover in case of natural/ accidental death, total/partial disability due to accident. During last year under HIS 17.5 lakh families of handloom weavers and workers were covered and under MGBBY, 5.5 lakh handloom weavers were enrolled. The state wise details of enrolements during last year are given in Annexure 'B'.

Mill Gate Price Scheme: This scheme makes available all types of yarn at mill gate price to the eligible handloom agencies to facilitate regular supply of basic raw material to the handloom weavers and to optimize their employment potential. Under the scheme, the Government of India reimburses the transportation expenses involved in the supply of yarn from mill to godown of the user agencies. During the last five years, 5050.97 lakh kg of yarn valuing Rs. 5329.28 crore has been supplied to the handloom weavers under the scheme and Rs. 302.37 crore has been released to NHDC who is the implementing agency of MGPS. In addition, a new component of 10% price subsidy on hank yarn has been added to the scheme since January 2012 for supply of cotton and silk yarn to handloom weavers and their cooperative societies. Under this component, 134 lakh kgs of Yarn for the value of Rs.291 crore has

been during 2012-13 under the 10% subsidy component. The state wise supply details are given in Annexure 'B'

Diversified Handloom Development Scheme: This scheme provides assistance for technological and skill- upgradation of weavers for design and product development through 25 Weavers' Service Centres and 05 Indian Institutes of Handloom Technology all over the country to improve the productivity and earnings of the handloom weavers.