

**GOVERNMENT OF INDIA  
TEXTILES  
LOK SABHA**

UNSTARRED QUESTION NO:623

ANSWERED ON:09.12.2013

INCENTIVES TO WEAVERS

Chanabasappa Shri Udasi Shivkumar;Devappa Anna Shri Shetti Raju Alias;Dubey Shri Nishikant ;Naranbhai Shri Kachhadia;Natarajan Shri P.R.;Shankar Alias Kushal Tiwari Shri Bhisma;Singh Shri Bhola;Vishwanath Shri Adagur H

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

- (a) the number of weavers employed in the handloom sector along with the steps taken to provide employment to them, State-wise;
- (b) whether the condition of weavers and the reason for their suicides have been assessed by the Government in the country and if so, the details thereof along with the number of suicides and the steps taken by the Government to address the issue and if not, the reasons therefor;
- (c) whether the Government proposes to provide loans at concessional rate to handloom weavers and if so, the details thereof along with the funds allocated during the last two years and the current year;
- (d) the aims and objectives of Revival, Reform and Restructuring Package along with the loan waiver scheme/revival, reform and restructuring package given by the Government to handloom weavers and their co-operative societies and number of weavers and co-operative societies from the schemes benefited during the above period, State-wise;
- (e) the details of Handloom Weavers Comprehensive Welfare Scheme for handloom weavers in the country along with the number of weavers' families benefited under the scheme during the above period, scheme/State-wise; and
- (f) the details of representations received from various State/weavers co-operative societies to provide more financial assistance/concessions to them along with the steps taken by the Government to strengthen the weavers' cooperative societies ?

**Answer**

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

(a) As per the handloom census of 2009-10 total 43.31 lakh weavers are engaged in the handloom sector. State-wise details of handloom weavers and allied workers is given at Annexure-I. For the overall development of handloom sector including employment generation, the Government of India has been implementing various schemes / programmes such as Comprehensive Handloom Development Scheme (which includes Marketing and Export Promotion, Cluster Development and Development and Strengthening of Handloom Institutions), Revival, Reform and Restructuring Package , Institutional credit, etc. The Government of India also implements various training programmes under Integrated Skill Development Scheme to upgrade skills and employability of the handloom weavers.

(b) No State Government except the Government of Andhra Pradesh has reported suicides by the weavers. The State Government of Andhra Pradesh has reported 31 suicides by weavers so far in the calendar year 2013. To address the problems being faced by the weavers, the Government of India has taken up various

policy initiatives and interventions through schemes such as cluster approach, technological upgradation, marketing assistance, revival of viable and potentially viable societies, availability of subsidized yarn and credit, besides providing health and life insurance cover to the handloom weavers.

(c) To provide concessional loan to handloom weavers, the Government of India had approved Institutional Credit scheme which is one of the components of Integrated Handloom Development Scheme in December, 2011 and the Government provided margin money assistance @ Rs.4200/- per weaver, interest subvention @ 3% for 3 years and credit guarantee through Credit Guarantee Trust Fund from Micro & Small Enterprises (CGTME). Further in pursuance to the budget announcement of 2013-14, the Government has now approved concessional credit to handloom sector at 6% and interest subvention by the Government of India will be maximum 7%. The margin money assistance has also been enhanced to 20% of loan amount subject to maximum Rs.10,000/- per weaver.

(d) The objectives of Revival, Reform and Restructuring (RRR) package is to open the choked credit lines of handloom sector by way of waiver of over due loans along with interest as on 31.3.2010 and provide the recapitalization assistance to eligible primary weavers cooperative (PWC) societies that they become functional and self sustainable and could access the fresh credit from banks for which Government of India also provided interest subvention and credit guarantee to such loan. Further, Government has recently approved modified RRR package with certain relaxations in eligibility norms of apex and PWC societies. The scheme was to be implemented by 31st December, 2012. The State-wise details of beneficiaries up to 31.10.2013 is given in Annexure-II.

(e) Government of India has been implementing Handloom Weavers Comprehensive Welfare Scheme with the components viz.

(i) Health Insurance Scheme; and

(ii) Mahatma Gandhi Bunkar Bima Yojana. The status of both the schemes is as under :-

The Health Insurance Scheme aims to provide the weavers and ancillary workers Comprehensive healthcare assistance for a wide range of ailments including a substantial provision for out patient department (OPD) services. The Scheme is implemented through ICICI Lombard GIC Ltd. The annual cover per family is Rs.15,000/- out of which substantial provision of Rs.7,500/- has been kept for OPD.

The Mahatma Gandhi Bunkar Bima Yojana aims to provide insurance cover to the handloom weavers in the case of natural as well as accidental death. The scheme is implemented through LIC of India. A scholarship of Rs.300/- per quarter per child is available to students studying in standard IX to XII. Benefits under the scheme are as under :

Type	Existing amount (Rs.)
Natural death	60,000/-
Accidental death	1,50,000/-
Total Disability	1,50,000/-
Partial disability	75,000/-

State-wise weavers benefited under the scheme in the last two years and current year is at Annexure-III.

(f) The Ministry of Textiles had received requests/representations from various States and handloom organizations to relax the eligibility norms particularly, the condition of networth & transaction through banks under RRR package, to bring them back into positive networth after financially supporting them.

The representations have been considered by the Government and Government of India has approved the modified RRR package with certain relaxations in the eligibility norms of apex and PWC societies under RRR package. Further to provide working capital loan to weavers cooperative societies at concessional rate, the Government has approved loan to handloom sector at 6% interest rate and interest subvention upto maximum 7% will be borne by the Government of India along with credit guarantee through CGTMSE.