

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:5992
ANSWERED ON:30.04.2015
ASSISTANCE TO HANDLOOM SECTOR
Azad Shri Kirti (JHA)

Will the Minister of TEXTILES be pleased to state:

(a) whether the Government proposes to increase the budgetary allocation for the handloom sector and ask the National Bank for Agriculture and Rural Development (NABARD) to increase the credit availability in view of the huge employment potential and its contribution to the GDP;

(b) if so, the details thereof and if not, the reasons therefor;

(c) whether the Government also proposes to provide other kind of assistance to the handloom sector through organised funding, subsidies or interest free loans etc.; and

(d) if so, the details thereof?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF TEXTILES (SHRI SANTOSH KUMAR GANGWAR)

(a) & (b): There is no proposal at present, however Government approved Institutional Credit component in December 2011 and provided margin money assistance of Rs.4200/- per weaver, interest subsidy of 3% and credit guarantee through Credit Guarantee Fund Trust for Micro & Small Enterprises (CGTMSE). Further, emphasizing the importance of providing subsidized credit to handloom weavers, Honble Union Finance Minister in the Budget 2013-14 announced loan to handloom sector at 6% rate of interest. Accordingly, the Government approved the modified Revival, Reform and Restructuring (RRR) Package along with concessional credit sub-component on 24th September 2013. The Government also enhanced the margin money assistance from Rs.4200/- to Rs.10,000/-. So far an amount of Rs.47.56 crore has been released to National Bank for Agriculture and Rural Development (NABARD) for providing Credit to the handloom weavers throughout the country.

(c) & (d): The Government of India is providing assistance to handloom sector through organized funding and subsidies by way of implementing the following schemes :

1. National Handloom Development Programme- two components:

(i) Comprehensive Handlooms Development Scheme

(ii) Revival, Reform and Restructuring (RRR) Package for handloom sector.

2. Handloom Weavers Comprehensive Welfare Scheme- two components:

(i) Health Insurance Scheme for access to health care facilities

(ii) Mahatma Gandhi Bunkar Bima Yojana for life insurance

3. Yarn Supply Scheme

4. Comprehensive Handloom Cluster Development Scheme

The details of schemes are given in Annexure-I.