

**GOVERNMENT OF INDIA  
TEXTILES  
LOK SABHA**

UNSTARRED QUESTION NO:1625  
ANSWERED ON:30.07.2015  
Financial Assistance to Handloom Industries  
Sonker Smt. Neelam

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

- (a) the details of financial assistance provided by the Government to handloom industries during the last three years and the current year for protecting the interests of weavers in the country;
- (b) whether the Government has taken any measures to strengthen the Mill Gate Price Scheme under which yarn is supplied by the Government and which is being implemented for welfare of weavers; and
- (c) if so, the details thereof?

**Answer**

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

(a): The Government of India is implementing following schemes for the development handlooms and welfare of weavers throughout the country:-

- I) National Handloom Development Programme  
i) Comprehensive Handloom Development Scheme (formulated by merging the components of Integrated Handloom Development Scheme, Marketing & Export Promotion Scheme and Diversified Handloom Development Scheme implemented during XI Plan)  
ii) Revival, Reform & Re-structuring Package  
II) Handloom Weavers' Comprehensive Welfare Scheme  
III) Yarn Supply Scheme.  
IV) Comprehensive Handlooms Cluster Development Scheme.

The details of financial assistance provided by the Union Government to handloom industries during the last three years and current year for protecting the interest of weavers in the country is given as under:-

Sl. No.	Year	Funds Released (Rs. in Crore)
1	2012-13	738.38
2	2013-14	550.00
3	2014-15	397.45
4.	2015-16(to till date)	136.46

(b) & (c): In order to strengthen the erstwhile Mill Gate Price scheme, the scheme was modified and has been renamed as Yarn Supply Scheme throughout the country to make available all types of yarn at Mill Gate Price to the eligible handloom weavers so as to facilitate regular supply of basic raw materials to the handloom sector and help utilize the full employment potential of the sector. Under the scheme the freight is reimbursed and depot operating charges @2% is given to depot operating agencies.

Further, to provide the subsidized yarn only to handloom weavers in order to compete with powerloom and mill sector, a component of 10% price subsidy on hank yarn also exist under which 10% subsidy is applicable on Cotton, Domestic silk and woollen yarn with quantity limitation.

As a new initiative under the scheme, NHDC has opened 10 yarn depots-cum-warehouses in 12th plan so as to ensure timely supplies to the users on cash basis, besides taking care of individual weavers who need yarn in small quantity. Location of these warehouses are Sitapur & Moradabad (UP), Guwahati (Assam), Samudragarh (West Bengal), Kannur (kerala), Chirala & Karimnagar (Andhra Pradesh), Agartala (Tripura), Bhubneshwara (Odisha) and Ranchi/Godda (Jharkhand). All these warehouses have become functional.

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