

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4478
ANSWERED ON:08.08.2014
BAIL OUT PACKAGE TO HANDLOOM INDUSTRY
Tharoor Dr. Shashi

Will the Minister of FINANCE be pleased to state:

- (a) the details of the schemes implemented or financial packages provided by the Government to bail out the handloom industry from financial crunch and the conditions laid down for availing the benefits by the industry;
- (b) whether some handloom units have been denied the benefits of the financial bail out packages/ schemes and if so, the details thereof and reasons therefor;
- (c) whether the Government has conducted the performance of handloom industry after granting them bail out package;
- (d) if so, the details thereof and the findings therefrom; and
- (e) the other measures taken or being taken by the Government for promotion development of handloom industry?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SMT. NIRMALA SITHARAMAN)

(a): The Government, in November, 2011, has approved Revival, Reform and Restructuring (RRR) package for waiver of overdue loan (100% principal and 25% of interest) as on 31/3/2010 and provide recapitalization assistance to eligible apex and primary weavers cooperative societies & individual weavers. The RRR Package was implemented upto 28.02.2014.

(b): As per the norms of the RRR package, only eligible Apex and Primary Weavers Cooperative Societies, which were found viable and potentially viable were entitled to the benefit under RRR package from across the country. For the purpose, State Governments had to provide statutory audit of eligible Apex & PWCs to NABARD to carry out special audit to assess the claims of such Apex & PWCs within the period of implementation of the scheme. Apart from this, the State Government concerned had to provide State Share for the implementation of the package. The apex and primary cooperatives for which State Government could not provide statutory audit of cooperatives within implementation period i.e. upto 28.2.14 have been denied of the benefits under RRR package alongwith non-viable cooperatives. The details of such cooperatives is not maintained centrally.

(c) & (d): The RRR package was implemented upto 28.2.14 and Government has not carried out performance study as yet.

(e): For sustainable development of handloom sector, following schemes have been approved for implementation all over the country during 12th Plan:

(i) National Handloom Development Programme includes:

(a) Cluster development Programme

(b) Handloom marketing assistance

(c) Subsidized loanii) Handloom Weavers Comprehensive Welfare Scheme- two components:

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

(b) Mahatma Gandhi Bunkar Bima Yojana for life insurance iii) Yarn Supply Schemeiv) Comprehensive Handloom Cluster Development Scheme