

Title: Need to look into the problems being faced by Handloom sector.

SHRI T. GOVINDAN (KASARGOD): I would like to draw the attention of the Union Government towards the problems being faced by the handloom sector. Marketing is the major difficulty of handloom sector. It is learnt that the Market Development Scheme is likely to be discontinued from 1-4-2000. Till recently, the Government of India have provided financial assistance to the tune of 10 per cent on the sales of handloom cloth. This assistance was a great help in selling handloom cloth. The system of Market Development Scheme should be continued after 1-4-2000.

Under the Project Package Scheme, Government of India used to grant financial assistance to the tune of Rs. 1 lakh for showrooms. But the assistance is limited for construction of only one showroom, that too, only if the land is owned by the society. This is not generally possible, since showrooms are to be established in thickly populated areas where there is accessibility and marketability of the products. In such places, the cost of land is too high for it to be purchased by Primary Apex Cooperative Societies. Hence, the societies may be permitted to set up showrooms in rented premises also. This assistance may be provided for setting up of at least five showrooms for the larger Cooperatives as many of the Handloom weavers Cooperative Societies operate more than one hundred looms.

The second instalment of the scheme "Handloom Development Centre and Decentralised Dyeing Units" is yet to be reimbursed. The scheme has been discontinued from 1998-99 onwards. So, I would request the Government to sanction the amount immediately. (ends)