

LOK SABHA
UNSTARRED QUESTION NO. 1270
TO BE ANSWERED ON 09.02.2022

FINANCIAL HELP TO HANDLOOM WORKERS

1270. KUMARI AGATHA K. SANGMA:

Will the Minister of TEXTILES वस्त्र मंत्री
be pleased to state :

- (a) whether there has been any initiative to improve and develop handloom sector, where over 50,000 weavers have been affected due to Covid - 19 in entire North Eastern Region;
- (b) if so, whether the Government is working on any measures for providing financial help to these handloom workers;
- (c) whether the Government is providing any relaxation in GST on various materials used in the cottage industry; and
- (d) if so, the details thereof?

उत्तर

ANSWER

वस्त्र राज्य मंत्री (श्रीमती दर्शना जरदोश)
THE MINISTER OF STATE FOR TEXTILES
(SMT. DARSHANA JARDOSH)

(a) & (b): Ministry of Textiles is implementing the following schemes during 2021-22 to 2025-26 to promote the handlooms and welfare of weavers across the country including NER:

1. National Handloom Development Programme;
2. Raw Material Supply Scheme;

Under the above schemes, financial assistance is provided to the eligible handloom agencies/weavers for raw materials, Common infrastructure development, marketing of handloom products in domestic/overseas markets, loans at concessional rates, etc.

To overcome the present challenges being faced by handloom workers, the Government has taken following steps:

- i. The States and UTs have been requested for their State Handloom Corporations/Co-operatives/Agencies to make purchases of the finished inventory available with the handloom weavers.
- ii. Steps have been taken to on-board weavers on Government e-Market place to enable them to sell their products directly to various Government Departments and organizations. So far about 1.50 lakh weavers have been on-boarded on the GeM portal.
- iii. To enhance productivity, marketing capabilities and ensure better incomes, 133 Handloom Producer companies have been formed in different States.

- iv. Under Concessional Credit/Weaver MUDRA Scheme, financial assistance is provided as follows:
- a. Margin money assistance
 - @20% of loan amount, subject to maximum of Rs. 25,000/- per weaver.
 - @20% of loan amount, subject to maximum of Rs. 20.00 lakh (@Rs. 2.00 lakh for every 100 weaver/worker) per handloom organisations.
 - b. Interest subvention upto 7% for 3 years; and
 - c. Credit Guarantee on loans for 3 years
- v. Design Resource Centres have been set up in Weavers' Service Centres at Delhi, Mumbai, Varanasi, Ahmedabad, Jaipur, Bhubaneswar, Guwahati and Kancheepuram with the objective to build and create design-oriented excellence in the Handloom Sector and to facilitate weavers, exporters, manufacturers and designers access design repositories for sample/product improvisation and development.
- vi. For export promotion of handloom products, Handloom Export Promotion Council has been organizing International Fairs in virtual mode. During the year 2021-22(till December 2021), 5 international marketing fairs/events have been organised. Besides, domestic marketing events were also organised in different parts of the country for the weavers to market and sell their products.
- vii. 534 Chaupals were organized in various States to educate the weavers to avail benefits of various handloom schemes for their welfare and socio-economic development.
- viii. To promote e-marketing of handloom products, 23 e-commerce entities have been engaged for online marketing of handloom products.

(c) & (d): GST has been introduced by the Government of India to rationalize multiple taxes on goods & services and to bring transparency in the taxation system. GST is implemented through an Act of Parliament with States as equal partners in GST Council with Government of India. Accordingly, it is applicable to the Textiles sector also including handlooms, along with corresponding implication.
