

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:3762
ANSWERED ON:16.05.2006
CONTRIBUTION OF HANDLOOM SECTOR
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Will the Minister of TEXTILES be pleased to state:

- (a) the contribution of handloom in total cloth/ textile production in Tenth Plan period, Plan-wise;
- (b) the steps the Government has taken to ensure availability of raw materials to handloom weavers;
- (c) the details of the schemes being implemented in handloom sector and the results thereof;
- (d) whether the share of handloom industry which contributed 18% in textile production in 2001-02 had come down to only 13% in 2004-05 and 2005-06; and
- (e) if so, the steps taken to regain its lost ground and improve handloom production in the country?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI E.V.K.S. ELANGO VAN)

(a) The contribution of handloom in total cloth/ textile production comprising handloom, mill and powerloom in Tenth Plan period, year-wise, is as follows:-

Year Contribution of handloom.

2002-03	18%
2003-04	16%
2004-05	16.09%
2005-06 (Anticipated)	16.48%

(b) The main raw material used in the handloom sector is cotton and viscose spun yarn in hank form besides silk, wool etc. With the objective of providing the handloom weavers with adequate quantity of yarn in the hank form at reasonable prices and on an assured basis, Government of India has promulgated the Hank Yarn Packing Notification since 1974. The Hank Yarn Packing Notification 2003 prescribes that every producer of yarn who packs yarn for civil consumption shall pack yarn in hank form in proportion of not less than forty percent (40%) of total yarn packed by him for civil consumption, provided that in regard to yarn containing cotton including cotton waste to the extent of 90% or more by weight, not less than eighty percent of the yarn required to be packed in hank form shall be of counts 40s and below.

Ministry of Textiles is also implementing the Mill Gate Price Scheme, under which the National Handloom Development Corporation (NHDC), a Government of India Undertaking is arranging supply of all types of yarn required for the handloom weavers and their organizations at Mill Gate Price. The expenditure for transportation of yarn from the Mill Gate to the godown of the handloom agencies is being reimbursed by NHDC to the handloom agencies and then by Government of India to NHDC.

(c) The Government has been implementing a number of schemes for promotion and development of the handloom Sector and welfare of handloom weavers, such as, Deen Dayal Hathkargha Protsahan Yojana, Marketing Promotion Programme, Handloom Export Scheme, Mill Gate Price Scheme, Design Development and Training Programme, Workshed-cum-Housing Scheme, Integrated Handloom Training Project, Weavers Welfare Scheme comprising -Thrift Fund Scheme and New Insurance Scheme and Implementation of Handlooms (Reservation of Articles for Production) Act, 1985. In addition to the above schemes, the following new schemes were introduced during the year 2005-06:

- (i) Integrated Handloom Cluster Development Scheme (IHCD S),
- (ii) Mahatama Gandhi Bunkar Bima Yojna (MGBBY),
- (iii) Health Insurance Scheme (HIS)

Several schemes, including schemes for Cluster Development, Life Insurance and Health Insurance announced in the last Budget 2005-06 for the Handloom Sector are being implemented. The cluster development approach will continue. It is proposed to cover an

additional 100 cluster at a cost of Rs.50.00 crore in 2006-07. Yarn depots will be established in different parts of the country to ensure uninterrupted supply of yarn to weavers. It is also proposed to launch a "Handloom"Mark. A scheme similar to TUFS will be introduced for the handloom sector to provide interest subsidy.

(d) & (e) The share of handloom industry in the textile production, including hosiery sector has come down from 18% in 2001-02 to 13% in 2004-05 and 2005-06. The Government is implementing various schemes for improving handloom production in the country, as per details given in part (c) of the question.