

**GOVERNMENT OF INDIA  
TEXTILES  
LOK SABHA**

STARRED QUESTION NO:121

ANSWERED ON:01.08.2006

LOAN TO HANDLOOM WEAVERS

Patel Shri Kishanbhai Vestabhai;Singh Shri Sugrib

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

- (a) whether the condition of handloom weavers is deteriorating due to non-availability of loan from banks/financial institutions;
- (b) if so, the details thereof;
- (c) whether the Government proposes to announce any scheme/package for extending low-interest loan facilities to handloom weavers/cooperative societies;
- (d) if so, the details thereof;
- (e) the time by which the said scheme/package is likely to be announced and implemented;
- (f) whether any assessment has been made in regard to employment generation and increase in production through the said scheme as a result of revival of handloom units; and
- (g) if so, the details thereof indicating the other steps taken to improve the conditions of handloom weavers/societies?

**Answer**

MINISTER OF TEXTILES ( SHRI SHANKERSINH VAGHELA)

(a) to (g) A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY PART (a) to (g) of LOK SABHA STARRED QUESTION No.121 for 01/08/2006 REGARDING LOAN TO HANDLOOM WEAVERS

(a)&(b) : Government is aware that there exists a problem of accessing credit in the handloom sector on account of high rate of interest and non payment of earlier dues to the banks/financial institutions.

(c)to(e) : The matter regarding reducing the rate of interest on loans for handloom weavers/cooperative societies is under consideration of the Government. The matter is being discussed with various financial institutions.

(f) : It is expected that the availability of bank credit at lower rate of interest will revitalize the handloom sector by rendering the handloom products price competitive which will not only improve their marketability but also generate better employment opportunities.

(g) : The Government is already implementing a number of schemes for development of the Handloom Sector and welfare of the weavers, such as Deen Dayal Hathkargha Protsahan Yojana, Integrated Handloom Training Project, Marketing Promotion Programme, Mill Gate Price Scheme, Workshed-cum-Housing Scheme, Weavers' Welfare Scheme, Handloom Export Scheme, etc. Further more, new schemes such as Integrated Handloom Cluster Development scheme, Mahatama Gandhi Bunkar Bima Yojna, Health Insurance Scheme, Handloom Mark have been launched recently.

It may also be pointed out that the estimated cloth production in handloom sector in the year 2005-06 was 6203 million sq. mtrs (Provisional) as compared to 5722 million sq. mtrs in 2004-05 and 5493 million sq. mtrs in 2003-04 which shows an annual increase of 8.41% in the year 2005-06 and 4.17% in the year 2004-05.