

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:713
ANSWERED ON:01.03.2013
RELIEF PACKAGE FOR WEAVERS
Singh Shri Murarilal

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has formulated any relief package for weavers of the country including waiving off their loans; and
(b) if so, the details thereof, State/UT wise including the State of Chhattisgarh?

Answer

The Minister of State in the Ministry of Finance (Shri Namo Narain Meena)

(a) & (b) The Government of India has approved Revival, Reform and Restructuring (RRR) Package and Comprehensive Package for handloom sector to provide financial as well as input support to the handloom weavers of the country including the weavers of Chhattisgarh.

The RRR package aims at waiving the overdue loans and interest of eligible handloom cooperative societies and individual weavers as on 31.3.2010 and provides fresh credit with interest subsidy of 3% for 3 years with credit guarantee to the societies and weavers which are being benefitted under the RRR package.

On the other hand, the Comprehensive Package for handloom sector is for addressing the two critical needs of the handloom sector, viz. subsidized credit and yarn. The credit related interventions are (i) issuance of weavers' credit card; (ii) interest subvention@3% for 3 years on fresh loans sanctioned; (iii) margin money assistance @ Rs.4200 per handloom weaver and (iv) credit guarantee for 3 years. For ensuring the availability of subsidized yarn, the Government of India is providing 10% price subsidy on domestic silk and cotton hank yarn to handloom weavers.

The state-wise details with respect to RRR package for handloom sector, issuance of weavers' credit cards and loan sanctioned and yarn supply under 10% price subsidy is given in the Annexure.