

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3390
ANSWERED ON:01.08.2014
LOAN TO HANDLOOM WEAVERS
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Will the Minister of FINANCE be pleased to state:

- (a) the details of the loans of handloom industry weavers that have been waved off by the Government during each of the last three years, State-wise;
- (b) whether the Government proposes to introduce any new monetary schemes to help handloom weavers;
- (c) if so, the details thereof; and
- (d) the other measures taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SMT. NIRMALA SITHARAMAN)

(a) : The Government in November, 2011, has approved Revival, Reform and Restructuring (RRR) package for waiver of overdue loan (100% principal and 25% of interest) as on 31/3/2010 and provide recapitalization assistance to eligible apex and primary weavers cooperative societies & individual weavers. The RRR Package has been implemented upto 28.02.2014. The State-wise details of waiver of overdue loan and recapitalization assistance approved under RRR package is at Annexure.

(b) to (d) : The Government has approved concessional credit component for providing loan to handloom weavers at 6% interest with Gol interest subvention upto maximum 7% and to leverage the loan, Government provides margin money assistance upto Rs. 10,000 per weaver. For subsidized raw material, the Government provide 10% price subsidy on cotton hank yarn, domestic silk yarn and woolen yarn.

For sustainable development of handloom sector, following schemes have been approved for implementation all over the country during 12th Plan:

- (i) National Handloom Development Programme which includes Cluster development Programme, Handloom marketing assistance and Subsidized loan.
- (ii) Handloom Weavers Comprehensive Welfare Scheme - two components which includes Health Insurance Scheme for access to health care facilities, Mahatma Gandhi Bunkar Bima Yojana for life insurance
- (iii) Yarn Supply Scheme
- (iv) Comprehensive Handloom Cluster Development Scheme