

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

RAJYA SABHA
STARRED QUESTION NO. *273
TO BE ANSWERED ON 27.03.2023

SUPPORT TO HANDLOOM UNDER MSMEs

***273 SHRI SANDOSH KUMAR P:**

Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

- (a) whether Government is aware of the fact that the MSME units that manufacture various handloom products are experiencing serious crisis in exporting their products;
- (b) whether Government is concerned about the post-COVID-19 financial situation of these units due to fall in demand and decline in exports;
- (c) if so, whether there is any revival plan to extend handholding/support to these MSME units that produce handloom products; and
- (d) if so, the details thereof?

ANSWER

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI NARAYAN RANE)

- (a) to (d): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PART (a) to (d) OF THE RAJYA SABHA STARRED QUESTION No.*273 FOR ANSWER ON 27.03.2023.

(a): MSME units manufacturing handlooms have not reported any issues in exporting their products.

(b) to (d): The Government is concerned about the post-COVID-19 financial situation of handloom units. The Office of Development Commissioner for Handlooms is implementing following revival plan to extend handholding/support to MSME units that produce handloom products: -

1. National Handloom Development Programme (NHDP);
2. Raw Material Supply Scheme(RMSS)

Under the above schemes, financial assistance is provided to the eligible handloom agencies/weavers for Raw materials, Looms & accessories, Infrastructure development, Design & Product development, Marketing of handloom products in domestic/overseas markets, Weavers MUDRA Loans etc.

The Office of Development Commissioner for Handlooms has also taken the following steps to revive the handloom sector:

- To enhance productivity, marketing capabilities and ensure better incomes, 149 Handloom Producer companies have been formed in different States.
- Handloom weavers are on-boarded on Government e-Market place to enable them to sell their products directly to various Government Departments and organizations. So far about 1.5 lakh weavers have been on-boarded on the GeM portal.
- 16 Design Resource Centres have been set up in Weavers' Service Centres, across the country 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.
- Various domestic marketing events are organised in different parts of the country for the weavers to market and sell their products. Around 200 marketing events are organised every year at National, State and District levels to provide marketing avenues for the weavers.
- For export promotion of handloom products, Handloom Export Promotion Council (HEPC) has been participating/organizing various international marketing fairs/events.

Besides, Ministry of MSME has taken several steps to support MSME sector including Handloom sector for improving the post-COVID-19 financial situation, enhancing competitiveness and export from them. Some of them are as under:

- The Emergency Credit Line Guarantee Scheme (ECLGS) was launched to support eligible MSMEs and other business enterprises in view of the distress caused by the COVID-19 crisis. Under ECLGS as on 28.02.2023, 1.13 crore Guarantees amounting to Rs. 2.39 lakh crore have been provided to MSMEs.
- Credit Guarantee Scheme for Micro and Small Enterprises provides collateral free loan to MSEs. Since inception, as on 28.02.2023, 69.04 lakh guarantees were approved involving an amount Rs. 4.06 lakh crore.

- Under International Cooperation Scheme (IC) Scheme, financial assistance is provided to facilitate visit/participation of MSMEs in the international exhibitions/fairs/buyer-seller meets held abroad and for organizing international conference/seminar/workshops in India. The scheme also assists new MSE exporters for costs incurred on Registration-cum-Membership Certification (RCMC) with EPCs, Export Insurance Premium and Testing & Quality Certification for exports.
- The Scheme of Funds for Regeneration of Traditional Industries (SFURTI) is implemented by the Ministry for making Traditional Industries more productive and competitive. Out of 498 clusters supported under SFURTI, 38 clusters are Handloom clusters and out of these 28 clusters are functional.
- Other schemes/programmes implemented by the Ministry such as Prime Minister's Employment Generation Programme (PMEGP), Micro & Small Enterprises-Cluster Development Programme (MSE-CDP), ZED, Incubator, LEAN, IPR, Procurement and Marketing Scheme (PMS) etc. are assisting MSMEs including handloom sector to boost export competitiveness.
- The criteria of classification of MSMEs, has been revised and new criterion of turnover has been added. To promote MSME exporters, the export of the enterprises is excluded from the gross turnover of the enterprise to decide classification of an MSME.
