

LOK SABHA
UNSTARRED QUESTION NO. 3333
TO BE ANSWERED ON 12/07/2019

“Financial Assistance to Handicraft and Textile Industry”

3333. SHRI KRUPAL BALAJI TUMANE: SHRI SANJAY HARIBHAU JADHAV:

Will the Minister of Textiles be pleased to state:

- (a) whether the Government proposes to provide financial assistance and raw material to handicraft/textile industry to make it competitive globally;
- (b) if so, whether the Government proposes to set up textile clusters to generate employment opportunities in textile industry;
- (c) if so, the details thereof, Statewise;
- (d) the details of concession and incentives being provided by the Government for the said purpose; and
- (e) the steps taken or proposed to be taken by the Government in this regard?

ANSWER
MINISTER OF TEXTILES
(SMT. SMRITI JUBIN IRANI)

- (a) to (e) The Government provides financial assistance and raw material to eligible Handicrafts/Textiles workers under various textiles schemes the details of which are given at **Annexure**.

The Government is also providing financial assistance for setting up Mega clusters to create world-class infrastructure to integrate the production chain by filling the gaps to fulfill the felt needs of the existing clusters and to increase production/exports and to generate employment opportunities in the textile industry. The details of the sanctioned/proposed mega clusters/Block Level Clusters is given below:

1. Under Comprehensive Handicrafts Cluster Development Scheme 9 mega Clusters have been sanctioned viz. Moradabad, Narsapur, J&K Srinagar Carpet, J&K other than carpet, Lucknow, Bareilly, Jodhpur, Mirzapur-Bhadohi, and Kutchh-Bhuj.
2. Under National Handloom Development Programme and Comprehensive Handlooms Cluster Development Scheme, 412 Block Level Clusters have been sanctioned since 2015-16 to 2018-19 in different states viz. Arunchal Pradesh, Assam, Bihar, Jharkhand, Manipur, Meghalaya, Mizoram, Nagaland, Odisha, Sikkim, Tripura, West Bengal, Chattisgarh, Gujarat, Madhya Pradesh, Maharashtra, Delhi, Haryana, Himachal Pradesh, Jammu & Kashmir, Punjab, Rajasthan, Uttar Pradesh, Uttarakhand, Andhra Pradesh, Karnataka, Kerala, Tamil Nadu and Telangana.
3. 5 mega-clusters have been sanctioned under Comprehensive Powerloom Cluster Development Scheme(CPCDS) at following clusters viz. Erode(Tamil Nadu), Bhilwara (Rajasthan), Ichalkaranji (Maharashtra), Surat(Gujarat), Solapur(Maharashtra):
4. Government has also decided to setup one Silk Mega Cluster at Mysore(Karnataka).

Details of Schemes providing Financial Assistance/Incentives to Handicrafts/Textiles Workers

- i) **Direct Benefit to Artisans Scheme:-** This scheme provides financial assistance in the old age and social security to handicrafts artisans who are the recipient of Shilp Guru Award/ National Award/ Nation Merit Certificate hold/ State Award in handicrafts not less than 60 years and their annual income should exceed to Rs.50,000/-. financial assistance of Rs. 3,500/- P.M. is given to Master Craftsperson in indigent circumstances.
- ii) **Margin money:-** Margin Money for the artisans availing Mudra Loan under Director Benefit to artisans component has been included during 2018-19 to ensure the availability of concessional credit to artisans. 20% of MUDRA loan amount will be given as Margin money in their loan amount not exceeding to Rs.10,000/-.
- iii) **Comprehensive Handicrafts Cluster Development Scheme(CHCDS):-** Under this scheme, the artisans/exporters/Manufacturers are provided good quality raw material at subsidized rates(lower than market price) to enhance their competitiveness globally and under Infrastructure and Technology Support Scheme raw material is provided to artisans at a subsidized rates 8-10 % less than market rates.
- iv) **Amended Technology Up-gradation Fund Scheme (ATUFS):** The amended Scheme was launched in January 2016 with an outlay of Rs 17822 Crores for technology upgradation of textiles industry with one time capital subsidy for eligible machinery. The scheme has been designed to mobilize new investment of about Rs 95 000 cr and employment for 35 lakh persons by the year 2022.
- v) **Scheme for Integrated Textile Park (SITP):** This scheme is implemented in Public Private Partnership mode to attract private investments in developing new clusters of textiles manufacturing. Government of India provides financial assistance up to 40% of the project within a ceiling of Rs 40 crores.
- vi) **PowerTex India:** A comprehensive scheme for development of Powerloom sector has been launched w.e.f 01.04.2017 to 31.03.2020 with components like Insitu-upgradation of plain Powerlooms, Group Work Shed Scheme, Yarn Bank Scheme, Common Facility Centre (CFC), Solar Energy Scheme, Pradhan Mantri Credit Scheme, etc.
- vii) **Incentive Scheme for Acquisition of Plant & Machinery (ISAPM):** The ISAPM scheme has been launched in 2013 with an incentive @20% of the cost of machineries to Jute mills and 30% to the MSME –Jute Diversified Product (JDP) units During 2014-15 to 2018-19, capital subsidy amounting to Rs. 4971.19 lakhs to jute mills and JDP units has been released.
- viii) **National Handloom Development Programme(NHDP):** These programmes aim at holistic development of handloom and handicrafts clusters through integrated approach. The strategic interventions under the programme include financial assistance for new upgraded looms and accessories, design innovation, product and infrastructure development, skill upgradation, training, setting up of Mega clusters for increasing manufacturing and exports, easy access to working capital through customized Mudra loans for weavers and direct marketing support to weavers.

- ix) **Block Level Cluster:** Introduced in 2015-16 as one of the components of National Handloom Development Programme (NHDP). Financial assistance upto Rs. 2.00 crore per BLC for various interventions such as skill upgradation, Hathkargha Samvardhan Sahayata, product development, construction of workshed, project management cost, design development, setting up of common facility centre (CFC) etc. is provided.
- x) **Weavers' MUDRA Scheme:** Under the Weavers' Mudra Scheme, credit at concessional interest rate of 6% is provided to the handloom weavers. Margin money assistance to a maximum of Rs. 10,000 per weaver and credit guarantee for a period of 3 years is also provided.
- xi) **Comprehensive Handloom Cluster Development Scheme:**The Comprehensive Handloom Cluster Development Scheme (CHCDS) is implemented for development of Mega Handloom Clusters covering atleast 15000 to 25,000 handlooms and financial assistance as Gol share from Rs. 40.00 to Rs.70.00 crore is in a period of 5 years.
- xii) **Handloom Weavers' Comprehensive Welfare Scheme (HWCWS)** is providing life, accidental and disability insurance coverage under the components Pradhan Mantri Jivan Jyoti Bima Yojana (PMJJBY), Pradhan Mantri Suraksha Bima Yojana(PMSBY) and Converged Mahatma Gandhi Bunkar Bima Yojana(MGBBY).
- xiii) **Yarn Supply Scheme:**
Yarn Supply Scheme is being implemented throughout the country to make available all types of yarn at Mill Gate Price. Under the Scheme freight is reimbursed and depot operating charges @2% is given to depot operating agencies. A component of 10% price subsidy also exists on hank yarn, which is applicable on cotton, domestic silk and woollen yarn with quantity caps.
- xiv) **HATHKARGHA SAMVARDHAN SAHAYATA (HSS):** This scheme was introduced on 1st December 2016 with an objective to provide looms/accessories to the weavers to enhance their earnings through improved productivity and quality of the handloom products. Under the scheme, 90% of the cost of loom/accessory is borne by the Government of India while remaining 10% is borne by the beneficiary.
