

1	2	3	4	5
Salem Steel Plant	37.68	40.25	39.77	31.89
Visvesvaraya Iron and Steel Plant	70.33	57.75	53.95	42.22
Raw Materials Division and other Units	137.97	164.50	83.49	117.59
Rashtriya Ispat Nigam Ltd.	632.23	860.23	858.49	622.31

#### Restriction on export of iron

†896. SHRI SHREEGOPAL VYAS: Will the Minister of STEEL be pleased to state:

- (a) whether it is a fact that restriction on the export of iron, is under consideration;
- (b) if so, the names of the States which have raised this demand; and
- (c) whether Government is duly considering, or would consider these demands?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI BENI PRASAD VERMA): (a) to (c) The Chief Minister of Karnataka in July, 2010 had *inter-alia* requested the Central Government for restricting export of iron ore. With a view to conserve iron ore, which is a natural resource, the Government of India has increased the ad-valorem export duty on iron ore with effect from 1st March, 2011 to 20% on all sorts of iron ore (other than pellets).

#### Loss of employment in handloom and textile sectors

897. SHRIMATI BRINDA KARAT: Will the Minister of TEXTILES be pleased to state:

- (a) whether it is a fact that handloom and textile sectors which provide employment to lakhs of workers are facing a serious situation resulting in loss of employment to large number of workers;
- (b) the steps taken by Government to alleviate the crisis; and
- (c) the outcome of the measures, if any, taken by Government?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRIMATI PANABAKA LAKSHMI): (a) to (c) The Government of India is aware that handloom weavers are facing problems due to increase in prices of raw material and chocking of credit lines. As per Third Handloom Census 2009-10, 43.32 lakh persons are engaged in weaving and allied activities.

†Original notice of the question was received in Hindi.

To address the issue of increase in cotton and cotton yarn prices the Government of India has initiated multipronged actions which include :

1. Capping of cotton exports for cotton season 2010-11 (October to September);
2. Hank Yarn Obligation expanded from 40s counts to 80s counts w.e.f. 31.03.2010;
3. Stringent checking of Hank Yarn Obligations on spinning mills;
4. Withdrawal of DEPB incentive of 7.67% on cotton yarn exports w.e.f. 21.4.2010
5. Withdrawal of duty drawback on yarn w.e.f. 29.4.2010;
6. Constitution of a Cotton Yarn Advisory Board to monitor domestic and international prices of cotton yarn; and
7. Capping cotton yarn export for financial year 2010-11.
8. Reduction in import duty on silk yarn from 30% to 5%.

Further, the Finance Minister has announced a financial package in the Budget 2011-12 for the handloom sector, with a financial implication of Rs. 3000 crore.

In order to ensure uninterrupted and timely supply of yarn at reasonable prices to handloom weavers, the Government of India is implementing Mill Gate Price Scheme (MGPS) since 1992-93 throughout the country. Under the scheme, the expenditure for transportation of yarn from the Mill Gate to the godown of the handloom agencies as well as expenditure on depot operations are being reimbursed by the Government of India. 3598.9 lakh kg. yarn worth Rs. 3391.98 crore has been supplied during Eleventh plan period so far.

The Government of India is implementing Integrated Handlooms Development Scheme which provides need based inputs to clusters of 300-500 handlooms or Groups of 10-100 weavers for making them self sustainable by providing them financial assistance for margin money, new looms and accessories, skill upgradation, marketing opportunities and for construction of worksheds etc. So far, 521 cluster projects and 1592 Group approach projects have been sanctioned during the Eleventh Five Year Plan. In addition, Comprehensive Handloom Cluster Development Scheme (CHCDS) has been introduced in 2008-09 with an objective to empower handloom weavers and build their capacity to enhance competitiveness of their products in the domestic as well as global market in a sustainable and reliant manner. The scheme covers clearly identifiable geographical locations with at least 25,000 looms in which

Government of India's financial support would be up to Rs. 70 crore. Four such Mega Handloom Clusters have been sanctioned so far at Varanasi (Uttar Pradesh), Sivasagar (Assam), Virudhunagar (Tamil Nadu) and Murshidabad (West Bengal).

The Government of India is concerned about the welfare measures of the Handloom weavers and is implementing Handloom Weavers Comprehensive Welfare Scheme, which includes Health Insurance Scheme for providing Health Insurance cover to the Handloom weavers. 16.11 lac families of handloom weavers and workers were covered during the policy period of 2009-10. During the policy period of 2010-11, it is proposed to cover 18.56 lac families of handloom weavers and workers.

#### **Clusters under IHDS in Andhra Pradesh**

898. SHRIMATI GUNDU SUDHARANI: Will the Minister of TEXTILES be pleased to state:

- (a) the aims and objectives of Integrated Handlooms Development Scheme;
- (b) the details of clusters in Andhra Pradesh;
- (c) the details of inputs provided to clusters in Andhra Pradesh through IHDS; and
- (d) whether any financial assistance provided to the above clusters to become self-sufficient?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRIMATI PANABAKA LAKSHMI): (a) The Integrated Handlooms Development Scheme (IHDS) aims to focus on formation of handloom weavers' groups as a visible production group in a selected handloom clusters, to assist the handloom weavers' groups for becoming self-sustainable, to up-grade the skills of handloom weavers/workers to produce diversified products with improved quality to meet the market requirements etc.

(b) to (d) 52 handloom clusters have been sanctioned to the State Government of Andhra Pradesh from 2007-08 to 2010-11 (as on 28th February, 2011) and an amount of Rs. 10.86 crore has been released for implementing various interventions such as formation of Self Help Groups, skill up-gradation of handloom weavers, engagement of designers, corpus for setting up of Yarn Depots, purchase of new handlooms/accessories/jacquard/dobby, margin money for working capital, construction of worksheds, marketing of handloom products etc. and details are given in the Statement (*See below*).