

**Steps taken to boost exports post implementation
of GST**

2051. SHRI M. P. VEERENDRA KUMAR: Will the Minister of TEXTILES be pleased to state:

- (a) whether Government has taken certain steps to boost exports in the wake of declining textile exports;
- (b) if so, the details thereof;
- (c) the manner in which these measures are helpful in the post GST regime; and
- (d) the extent to which competition from neighbouring countries like China, Bangladesh and Sri Lanka has affected India's exports in textile sector?

THE MINISTER OF TEXTILES (SHRIMATI SMRITI ZUBIN IRANI): (a) and (b) Government has taken various steps to boost exports and enhance competitiveness of the textile sector. Special Package announced by Government offered Rebate of State Levies (RoSL). The RoSL scheme has been replaced by RoSCTL (Rebate of State and Central Taxes and Levies) scheme w.e.f. 7th March, 2019. Assistance is provided to textile exporters under Market Access Initiative (MAI) Scheme. Government has enhanced interest equalization rate for pre and post shipment credit for exports done by MSMEs of textile sector from 3% to 5% w.e.f. 02.11.2018. Benefits of Interest Equalisation Scheme has been extended to merchant exporters from 02.01.2019 which was earlier limited to only manufacturer exporters.

(c) Textile exports have increased by 6.2% post-GST as compared with corresponding period pre-GST.

(d) India faces competition from countries like Vietnam, Bangladesh and Sri Lanka which enjoy duty free access to key markets while India faces a duty disadvantage. Besides, Bangladesh and Vietnam have the benefit of scale in apparel manufacturing and a large and productive labour force.

**Development of handloom weavers in
Tamil Nadu**

2052. DR. SASIKALA PUSHPA RAMASWAMY: Will the Minister of TEXTILES be pleased to state:

(a) whether Government is aware of the fact that there are around 3.5 lakh handloom weavers and allied workers in the State of Tamil Nadu, which is highest among the Southern States and second highest on all India basis;

(b) if so, the details thereof;

(c) whether Government has taken any concrete steps regarding the welfare of the handloom weavers and allied workers in the State of Tamil Nadu; and

(d) if so, the details thereof?

THE MINISTER OF TEXTILES (SHRIMATI SMRITI ZUBIN IRANI): (a) and (b) As per 4th All India Handloom Census (2019-20), there are 2,43,575 handloom weavers and allied workers in the State of Tamil Nadu, which is the highest among Southern States and third highest on all India basis.

(c) and (d) The Government of India, Ministry of Textiles is implementing following schemes for development of handlooms and welfare of handloom weavers across the country, including the State of Tamil Nadu:—

- (1) National Handloom Development Programme (NHDP)
- (2) Comprehensive Handloom Cluster Development Scheme (CHCDS)
- (3) Handloom Weavers' Comprehensive Welfare Scheme (HWCWS)
- (4) Yarn Supply Scheme (YSS)

Under the above 4 schemes, financial assistance is provided for raw materials, purchase of looms and accessories, design innovation, product diversification, infrastructure development, skill upgradation, lighting units, marketing of handloom products and loan at concessional rates.

A. National Handloom Development Programme (NHDP)

- (i) Block Level Cluster : Introduced in 2015-16 as one of the components of National Handloom Development Programme (NHDP). Financial assistance upto ₹ 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. Besides, financial assistance

upto ₹ 50.00 lakh is also available for setting up of one dye house at district level. The proposals are recommended by the State Government.

- (ii) Handloom Marketing Assistance is one of the components of National Handloom Development Programme. In order to provide marketing platform to the handloom agencies/weavers to sell their products directly to the consumers, financial assistance is provided to the States/eligible handloom agencies for organising marketing events in domestic as well as overseas markets.
- (iii) 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 ₹ 10,000 per weaver and credit guarantee for a period of 3 years is also provided. MUDRA portal has been developed in association with Punjab National Bank to cut down delay in disbursement of funds for margin money and interest subvention.
- (iv) Hathkargha Samvardhan Sahayata (HSS): Hathkargha Samvardhan Sahayata (HSS) 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. The Government of India's share is released directly in the Bank account of the beneficiary through designated agency.
- (v) Education of Handloom Weavers and their Children: Ministry of Textiles has signed Memorandums of Understanding with Indira Gandhi National Open University (IGNOU) and National Institute of Open Schooling (NIOS) to secure educational facilities for the weavers and their families. NIOS offers Secondary and Senior Secondary level education with specialised subjects on design, marketing, business development, etc. through distance learning mode for handloom weavers, whereas IGNOU offers continuing education programmes through accessible and flexible learning opportunities relevant to the aspirations of handloom weavers and their children for career progression.

Ministry of Textiles is providing reimbursement of 75% of the fee towards admission to NIOS/IGNOU courses in case of SC, ST, BPL, and Women learners belonging to handloom weavers' families.

- (vi) “India Handloom” Brand: During the celebration of 7th August, 2015 as National Handloom Day, ‘India Handloom’ Brand was launched by Hon’ble Prime Minister for branding of high quality handloom products. It promotes production of niche handloom products with high quality, authentic traditional designs with zero defect and zero effect on environment. Since its launch, 1232 registrations have been issued under 122 product categories and sale of ₹ 722.57 crore has been generated.

Initiatives with various leading brands has been undertaken to bring out a separate range of handloom garments in their brand.

- (vii) E-Commerce: In order to promote e-marketing of handloom products, a policy framework was designed and under which any willing e-commerce platform with good track record can participate in online marketing of handloom products. Accordingly, 23 e-commerce entities have been engaged for on-line marketing of handloom products. A Total sales of ₹ 66.20 crore has been reported through the online portal.
- (viii) Urban Haats are set up in the big towns/metropolitan cities to provide adequate direct marketing facilities to the craft persons/weavers and eliminate middle agencies. 38 such Urban Haats have been sanctioned across the country so far.

B. Comprehensive Handloom Cluster Development Scheme CHCDS :

The Comprehensive Handloom Cluster Development Scheme (CHCDS) is implemented for development of Mega Handloom Clusters covering atleast 15,000 to 25,000 handlooms and financial assistance as Gol share from ₹ 40.00 to ₹ 70.00 crore is in a period of 5 years. 8 mega handloom clusters taken up as announced in the Budgets *i.e.* Varanasi, Sivasagar (2008-09), Virudhunagar, Murshidabad (2009-10), Prakasam and Guntur districts and Godda and neighbouring districts (2012-13), Bhagalpur and Trichy (2014-15).

Under the scheme, components like conducting Diagnostic Study, engaging Designer, Product Development, Corpus for raw material, Construction of Worksheds (for BPL/SC/ST/Women weavers), Skill upgradation etc. are fully funded by Government of India, while the components like Technology upgradation, lighting units funded 90% and other common infrastructure projects like Design Studio, Marketing Complex, Value Addition Centres, Publicity etc., are funded by the GoI to the extent of 80%.

C. Handloom Weavers' Comprehensive Welfare Scheme HWCWS:

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).

D. Yarn Supply Scheme YSS :

Yarn Supply Scheme is being implemented throughout the country to make available all types of yarn at Mill Gate Price. The scheme is being implemented through National Handloom Development Corporation. 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, wool and linen yarn with quantity caps.

The Government has undertaken following activities in the State of Tamil Nadu in the last three years (2016-17 to 2018-19) and the current year (2019-20 upto 30.09.2019):—

- (i) Two Mega Handloom Clusters are under implementation in the State of Tamil Nadu at Virudhunagar and Trichy. A sum of ₹ 40.66 crore has been released for Virudhunagar Mega Cluster and a sum of ₹ 19.17 crore has been released for Trichy Mega Handloom Clusters.
- (ii) ₹ 25.02 crore has been released for 20 Block level Clusters covering 28,626 beneficiaries.
- (iii) ₹ 1.77 crore has been released for 25 marketing events covering 54100 beneficiaries.
- (iv) Loan worth ₹ 328.37 crore has been disbursed under Weavers' MUDRA Scheme covering 68,727 beneficiaries.
- (v) 3,08,964 beneficiaries have been enrolled under Mahatma Gandhi Bunkar Bima Yojana (MGBBY)/converged Mahatma Gandhi Bunkar Bima Yojana and 1,43,819 beneficiaries have been enrolled under Pradhan Mantri Jivan Jyoti Bima Yojana/Pradhan Mantri Suraksha Bima Yojana.
- (vi) 12,037 upgraded items (looms and accessories) have been distributed to 12,037 beneficiaries under Hathkargha Samvardhan Sahayata Yojana.

- (vii) 3,896 beneficiaries have been imparted training for skill upgradation under National Handloom Development Programme (NHDP).
- (viii) 1397.39 lakh kg. of yarn worth ₹ 2532.20 crore has been supplied at mill gate price and 245.47 lakh kg. of yarn worth ₹ 942.49 crore has been supplied to the weavers of Tamil Nadu under 10% subsidy scheme of Yarn Supply Scheme (YSS).
- (ix) 166 Yarn Depots are functioning in Tamil Nadu for supply of yarn at subsidized rates.
- (x) To protect imitation of products by others, following handloom products of Tamil Nadu have been registered under Geographical Indications Act:—
 - (a) Kancheepuram Silk
 - (b) Madurai Silk
 - (c) Kawai Cara Cotton
 - (d) Arani Silk
 - (e) Salem Venpattu Dhoti
 - (f) Bhavani Jamakkalam

Apart from the above schemes of the Government of India, Ministry of Textiles, the Tamil Nadu Government has launched a scheme *viz.* Handloom Support Programme (HSP) for the handloom weavers of the State to provide financial assistance for innovation and diversification of products in the handloom sector and has allocated a sum of ₹ 40.00 crore towards implementation of this Scheme.

Decline in export of cotton yarn

2053. SHRI HUSAIN DALWAI: Will the Minister of TEXTILES be pleased to state:

- (a) whether export of cotton yarn from India in first quarter of April-June, 2019 have fallen by a steep 33 per cent from 338 Mn. Kgs. for the period between April-June, 2018 to 226 Mn. Kgs. in April-June, 2019;
- (b) if so, data on spinning units that have closed due to declining exports;
- (c) measures taken by Government to help cotton yarn units, State/UT-wise details since 2014;