

## HANDLOOMS

Handloom Industry in the Union Territory, which is next to agriculture, is a source of livelihood for about thousands of people and it has tremendous potentials. The weaver cooperatives have been organized to ameliorate the economic condition of the weavers by extricating them from the clutches of the master weavers and to bring the weavers above the poverty line. At present the Puducherry State Weaver Cooperative Society [PONTEX], Pondicherry Cooperative Handloom Export Development Project [PONFAB], 13 primary Weaver Cooperative Societies and one Pondicherry Cooperative Textile Processing Society Ltd. are functioning in the Union Territory of Puducherry. Two Cooperative Spinning Mills one at Puducherry and the other at Karaikal are taking care of supplying the entire needs of yarn to the Handloom Weavers through the 14 Primary Weaver Cooperatives, apart from sales in the outside market. The Handloom Development Programmes aim at strengthening the structure of weaver Cooperative Societies, improving the quality of Handloom fabrics, modernization of the handloom, up gradation of the weaving skills of the craftsmen and creation of more processing facilities. Further Market Development Assistance is given to facilitate the sale of Handloom products. Assistance to PONTEX/PONFAB for modernization of Showroom, for market study in foreign countries for the Export of handloom fabrics, purchase of yarn at concessional rate is contemplated during the Eleventh Five Year Plan period. Working capital assistance is extended to the Two Cooperative Spinning Mills for business Expansion, Modernization-cum-Rehabilitation Programme, New business activities and better performance. In addition to the Handloom Development Scheme, Schemes such as assistance to weaver during rainy season, pension to weavers, payment of pre-natal and post-natal subsidy, grant of assistance to purchase house-sites to the houseless weavers, issue of free dhothies and sarees, assistance to promote small family norms among handloom weavers, E.S.I. coverage and Insurance Scheme are covered under weavers welfare scheme.

**OUTLAY AT A GLANCE**

Sector : HANDLOOMS

No. of Scheme : 1

Department : CO-OPERATIVE

(₹ in lakh)

Eleventh Plan 2007-12 Actual Expenditure	:	7180.91
Annual Plan 2011-12 Actual Expenditure	:	1707.24
Annual Plan 2012-13 Approved Outlay	:	1965.00
Annual Plan 2012-13 Revised Outlay	:	997.26
Annual Plan 2013-14 Proposed Outlay	:	1300.00

(₹ in lakh)

Sl. No.	Name of the Scheme	Eleventh Plan 2007-12	Annual Plan 2011-12	Annual Plan 2012-13		Annual Plan 2013-14	
		Actual Expdr.	Actual Expdr.	Approved Outlay	Revised Outlay	Proposed Outlay	Of which Capital content
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Handloom Development, Handlooms Weavers' Welfare and Business Assistance to Co-op. Spinning Mills for business purpose	7180.91	1707.24	1965.00	997.26	1300.00	750.00

## Scheme No. 1

Sector : HANDLOOMS

Implementing : CO-OPERATIVE  
Department

**1. Name of the Scheme** : Handloom Development, Handlooms Weavers' Welfare and Business Assistance to Co-op. Spinning Mills for business purpose

**2. Objective of the Scheme** :

The scheme is to extend financial assistance to PONTEX and 14 Primary Weavers Cooperative Societies and one Pondicherry Cooperative Textile Processing Society Ltd. and Two Cooperative Spinning Mills as follows:

- Working Capital assistance
- Assistance for purchase of weaving appliances
- Contributory Thrift Fund
- Subsidy towards staff salary, rent and furniture for New Branches/Society
- Construction of office-cum-Godown / worksheet
- Assistance to write-off irrecoverable dues of members
- Interest subsidy on working capital
- Assistance for Opening of Retail Sales Depots
- Contribution to Handloom Development Fund for Apex society
- Purchase of site/extension of Office Building/extension or construction of additional Godown and Construction of Marketing Complex
- Purchase of van/ lorry and generator
- Assistance to PONFAB/PONTEX for Market study and for Export of Fabrics
- Production Incentive to weavers
- Setting up of Processing-cum-Yarn Dyeing Unit
- Market Development assistance on sale of Handloom Cloth.
- Yarn Subsidy to PONTEX/PONFAB
- Publicity and Propaganda
- Participation of Weavers Cooperative Societies in Exhibitions

- Purchase of Computers/Fax/Xerox machine
- Assistance to PONTEX for setting up of Design Development Cell.
- Assistance to PONTEX for All India Handloom Fortnight Celebration.
- Assistance for extension of Office-cum-Godown/additional Work shed
- Assistance for construction/Extension/repairing of office Building, Factory Shed, additional Godown.
- Subsidy for purchase of house site by weaver members.
- Assistance for setting up of a loom by the weaver of the Primary Weavers Coop. Societies.
- Modernization of Looms of Existing Weavers:
- Financial assistance in the form of grant to the Apex Society, which will be utilized for social welfare measures.
- To provide assistance to weavers in the form of grant for taking shares in the Weavers Cooperative Societies.
- To provide assistance to the weavers during rainy season
- To provide assistance for training of weavers and appraisers
- Payment of additional stipend to the trainees at IIHT
- Payment of Pre-natal and Post-natal subsidy to women Weaver
- To provide financial assistance to Pondicherry Coop. Spinning Mill, in Puducherry and the Jayaprakash Narayan Cooperative Spinning Mill at Karaikal.

**3. Actual Physical Achievements during Eleventh Five Year Plan (2007-12) :**

One Apex & 14 Primary Weavers Cooperatives, one Textile Processing Society and two spinning mills assisted.

**4. Physical Achievements for the Annual Plan 2012-13:**

One Apex & 14 Primary Weavers Cooperatives, one Textile Processing Society were assisted.

**5. Proposed Physical Targets for Annual Plan 2013-14:**

One Apex & 14 Primary Weavers Cooperatives, one Textile Processing Society and two spinning mills will be assisted.

**6. Remarks :** Continuing Scheme.

**Pattern of Assistance for handloom development scheme:**

Sl. No.	Existing		Revised	
1.	<b>Construction of office-cum-Godown/Workshed/Additional Office-cum-godown/ Workshed/Improvements to Office-cum-godown/Workshed/Purchase of site :</b>		<b>Purchase of site /Construction of office-cum-Godown/Workshed/Additional Office-cum-godown/ Workshed/Improvements to Office-cum-godown/Workshed /Extension of office-cum-Godown</b>	
	The scheme aims at enabling the Weavers Cooperative Societies to have own building for the office-cum-godown/work shed:		The scheme aims at enabling the Primary Weavers Cooperative Societies/PONTEX/PONFAB/ TEXPRO and Spinning Mills to have own building for the office-cum-godown/work shed:	
	i) For purchase of site	Maximum limit is Rs.10.00 lakhs 25% loan and 75% subsidy	i) For purchase of site by Primary Weavers Co-operative Societies	Maximum limit is Rs.10.00 lakhs 75% of the site cost will be released as subsidy.
	ii) For construction of Office-cum-godown / workshed	Maximum limit is Rs.10.00 lakhs 25% loan and 75% subsidy.	ii) Purchase of site by PONTEX / PONFAB / TEXPRO / SPINNING MILLS	Maximum limit is Rs.100.00 lakhs 75% of the site cost will be released as subsidy
	iii) For construction of additional Office - cum-godown / workshed :	Maximum limit is Rs.10.00 lakhs 25% loan and 75% subsidy.	iii) For construction / addition / improvement / Extension of Office-cum-godown / workshed to primary weavers cooperative societies:	Maximum limit is Rs.10.00 lakhs 75% of the site cost will be released as subsidy.
	iv) For improvements to Office-cum-godown / workshed	Maximum limit is Rs.6.00 lakhs 25% loan and 75% subsidy.	iv) For construction / addition / improvement / Extension of Office-cum-godown / workshed to PONTEX / PONFAB / TEXPRO and Spinning Mills.	Maximum limit is Rs.50.00 lakhs 75% of the site cost will be released as subsidy.

Sl. No.	Existing	Revised
2.	<p>The loan is recoverable along with interest as per the terms and condition of the Government rules existing then and there at the time of drawal. The assistance for purchase of site can also be given as reimbursement of the expenditure incurred by the society in this regard, since, the societies cannot wait for the sanction of the Government assistance before finalization of the purchase.</p> <p>Purchase of site; construction of office building/Godown; additional Construction of office building/Godown; Construction and purchase of complex for business expansion by PONTEX / PONFAB / TEXPRO / Spinning Mills:</p> <p>The scheme aims at enabling the PONTEX/PONFAB/TEXPRO/Spinning Mills to purchase of site/construction of office building/Godown/additional office building/Godown/ Construction and purchase of marketing complex. The assistance will be in the form of 25% loan and 75% grant subject to a maximum of Rs.100.00 lakhs including the site cost. The loan is recoverable along with interest as per the terms and condition of the Government rules existing then and there at the time of drawal</p>	<p>The assistance for purchase of site can also be given as reimbursement of the expenditure incurred by the society , since; the societies cannot wait for the sanction of the Government assistance before finalization of the purchase.</p>
	<p>Market Development assistance to PONTEX (Apex Society), PONFAB and Primary Weavers Cooperative Societies:</p> <p>Reimbursement of the actual rebate/discount allowed on the following pattern:</p>	<p>Market Development assistance to PONTEX (Apex Society), PONFAB and Primary Weavers Cooperative Societies:</p> <p>Reimbursement of the actual rebate/discount allowed on the following pattern:</p>
	<p>a) The Market Development Assistance sanctioned by the Government shall be utilized only for rebate/discount and other consumer incentives on the sale of handloom products only.</p>	<p>a) The Market Development Assistance sanctioned by the Government shall be utilized only for rebate/discount and other consumer incentives on the sale of handloom products only.</p>
	<p>b) The sale of cloth in a bill up to gross value of Rs.7500/- or the actual gross value of one Bill which ever is higher will be termed as retail sales.</p>	<p>b) The sale of cloth in a bill up to gross value of Rs.7500/- or the actual gross value of one Bill which ever is higher will be termed as retail sales.</p>

Sl. No.	Existing	Revised
	c) The sale rate for Rs.7500/- and above in Godown will be termed as wholesale.	c) The sale rate for Rs.7500/- and above in Godown will be termed as wholesale.
	d) Special retail rebate maximum of 25% shall be allowed on all the festival days throughout the year in all show rooms of PONTEX & PONFAB and in the Primary weavers Coop. Societies and also for the sales effected in all Exhibitions/Fairs/Expos/Special Bazaars etc. and 15% for other days.	d) Special retail rebate @ 20% for the sale of handloom cloth throughout the year for the retail and wholesale, subject to the limit of 20% or Rs.100/- per unit for cotton varieties. Whichever is less.
	<p>e) Wholesale rebate/Discount @ 25% shall be allowed for whole sales throughout the year.</p> <p>The Market Development Assistance may be granted as advance to the societies on the following pattern:</p> <p>80% of the value of the rebate on the gross sales value of the previous year will be given as advance during the current financial year.</p> <p>The advance so released will be deducted, from the actual rebate claims at the time of settlement.</p>	<p>e) Wholesale rebate/Discount @ 20% shall be allowed for whole sales throughout the year.</p> <p>The Market Development Assistance may be granted as advance to the societies on the following pattern:</p> <p>80% of the value of the rebate on the gross sales value of the previous year will be given as advance during the current financial year.</p> <p>The advance so released will be deducted, from the actual rebate claims at the time of settlement.</p>
3.	<p><i>Assistance to set up Design Development Cell in PONTEX:</i></p> <p>In order to introduce new and enriched designs in handlooms so as to make them more popular among the public and to attract better marketing it is proposed to assist the PONTEX being an apex society, a computer Aided Design System for setting up of Design Development Cell at a cost of Rs.10.00 lakhs on cent percent subsidy basis. The cost of engaging a consultant (Technical Designer) and incidental expenditure, development charges may be reimbursed subject to a maximum of Rs.2.00 lakhs per year.</p>	<p><i>Assistance to Set up Design Development Cell :</i></p> <p>In order to introduce new and enriched designs in Hnalooms so as to make them more popular among the public and to attract better marketing it is proposed to assist the PONTEX / PONFAB, a Computer Aided Design System for setting up of Design Development Cell at a cost of Rs.10.00 lakhs on 100 % subsidy basis. The cost of engaging a consultant (Technical Designer), conduct of market study and Research Development and incidental expenditure etc., may be reimbursed subject to a maximum of Rs. 2.00 lakhs per year.</p>

Sl. No.	Existing	Revised
4.		<p><b>Release of state share / Contribution for the implementation of welfare scheme /packages announced by the Government of India for the welfare of weavers / Weavers Cooperative Societies:</b></p> <p>The scheme is intended for release / provision of State's share /contribution to the nodal agencies like NABARD for the implementation of various welfare schemes/ financial packages announced by the Government of India for the welfare of weavers / Weavers Cooperative Societies. (New Scheme)</p>
5.	<p><b>Pre-natal and Post-natal Subsidy:</b></p> <p>Assistance to women members of weavers cooperatives societies during pre-natal and post-natal period: To help the women members by providing a subsidy amount of Rs.1,500/- as a social welfare measure. The assistance is applicable only upto 2 children.</p>	<p><b>Pre-natal and Post-natal Subsidy:</b></p> <p>Assistance to women members of weavers cooperatives societies during pre-natal and post-natal period: To help the women members by providing a subsidy amount of Rs. 3,000/- as a social welfare measure. The assistance is applicable only upto 2 children.</p>