

Handlooms, Handicrafts, Textiles and Khadi Department

Handlooms and Textiles

Policy Note for the year 2008 - 2009

Demand No.17

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1. INTRODUCTION

“We salute the Agriculture and Weaving vocations”. Weavers weave handloom products, but their lives are woven by this Government headed by Dr.Kalaignar, the Hon’ble Chief Minister of Tamilnadu by taking concrete steps to improve the livelihood of weavers by introducing various welfare schemes as brought out in this Policy Note.

The Textile Industry of TamilNadu has the distinction of being the forerunner to the industrial development of the State. The textile industry plays a significant role in the economy of the State and the export market of this industry is a source for earning foreign exchange. Various sectors of this industry, viz. Handloom, Powerloom, Spinning, Processing, Knitwear and Garment production serve as a major employment provider to the qualified as well as ordinary public.

Handlooms

The handloom sector of Tamilnadu is of heritage value and the history of excellent craftsmanship of handloom weaving in the State dates back by thousands of years.

At present, there are 34.86 lakh handlooms in India, of which 4.13 lakh handlooms are located in the State providing employment to 6.08 lakh weavers. Out of 4.13 lakh handlooms in the State, 2.35 lakh are functioning under the co-operative fold and the remaining 1.78 are functioning under the private fold. The 2.35 lakh handlooms in the co-operative sector are brought under 1103 Co-operative Societies of Handloom Weavers. The development programmes and welfare schemes of the State and Central Governments intended for the handloom weavers are implemented through the Handloom Weavers Co-operative Societies functioning in the State.

On an average, the State produces handloom cloth annually for worth of around Rs.1,700 crore and this include the production of handloom cloth worth around Rs.700 crore by the weavers covered under co-operative societies. The average annual sales of handloom cloth by the State is around Rs.1,800 crore and this include the sales through export worth around Rs.875 crore.

Powerlooms

There are 19.03 lakh registered powerlooms in India, of which 3.66 lakh are located in Tamilnadu. Out of 3.66 lakh powerlooms functioning in the State, 39,927 are brought under 147 Co-operative Societies of Powerloom Weavers. The powerlooms in the State provide employment to around 9.14 lakh persons.

The main function of the Powerloom Weavers Co-operative Societies in the State is the production of the cloth required for Government sponsored schemes like Free

Supply of Dhothies and Sarees to the Poor (FDS), Free Supply of Uniforms to the School Children, etc. During the year 2007–2008, the Powerloom Weavers Co-operative Societies of the State have produced 1562 lakh metres of cloth worth around Rs.252.53 crore and the sales of the cloth produced by these societies stood at around Rs.269.19 crore.

Textile and Spinning Mills

There are 3039 large, medium and small spinning mills in India, of which, 1248 are located in Tamilnadu. The spinning mills in the State comprise 18 Co-operative Spinning Mills (5 functioning), 17 National Textile Corporation Mills (8 functioning) and 845 Private Mills (including 27 Composite Mills). The spinning mills provide employment for around 2.11 lakh persons. The capacity of the spinning mills in the State is around 14.74 million spindles. The State produces about 1516 million kg. of spun yarn per year and this is about 40% of the spun yarn produced per year in the entire nation.

Knitwear & Garmenting

The knitwear and woven garment sector is fast growing and the vital sector in the textile industry with an excellent export market. There are around 4000 knitwear and woven garment production units in the State providing employment to around 5 lakh persons.

Processing

Processing is another important segment in the Textile Industry. There are about 10397 Hand Processing Units and 2510 Power Processing Units in India, out of which 2614 Hand Processing Units and 985 Power Processing Units are located in Tamilnadu.

2. ACTIVITIES OF THE DEPARTMENT

The primary objectives of the Department of Handlooms and Textiles are (i) to promote the harmonious growth of Handloom, Powerloom and other sectors of the Textile Industry and (ii) to strive for the welfare of all connected with the industry, more particularly, the weavers and the textile workers.

This Department promotes the socio-economic well-being of the weavers and is incharge of implementing various welfare and developmental schemes of the Government intended to benefit the weavers. The overall responsibility lies with this department for ensuring the availability of raw materials to all sectors of the industry, augmenting the production of yarn and fabrics at reasonable prices as well as creating an environment to promote the sale of end products. There is a special responsibility for the

supply of yarn and other raw materials to the Weavers' Co-operative Societies and arranging for marketing of the finished products through the showrooms of Co-optex, Loomworld and Society as well as other sales outlets in and outside the State.

The following institutions are under the administrative control of the Department of Handlooms and Textiles.

- 1) 1103 Handloom Weavers' Co-operative Societies
- 2) 147 Powerloom Weavers' Co-operative Societies
- 3) 18 Co-operative Spinning Mills (5 Co-operative Spinning Mills viz., Anna (Theni), Bharathi (Thoothukudi), Pudukottai, Kanniyakumari and Dharmapuri are functioning)
- 4) Tamil Nadu Handloom Weavers' Co-operative Society Limited (Co-optex), Chennai
- 5) Tamil Nadu Zari Limited, Kancheepuram
- 6) Tamil Nadu Handloom Development Corporation Limited, Chennai
- 7) Tamil Nadu Co-operative Textile Processing Mills Limited, Erode
- 8) Tamil Nadu Textile Corporation Limited, Coimbatore
- 9) Tamil Nadu Co-operative Spinning Mills Federation Limited (TANSPIN), Chennai.

The State / Central Government schemes are implemented through the Commissioner of Handlooms and Textiles, who is the "Functional Registrar" for the Handloom and Powerloom Weavers' Co-operative Societies and other Co-operative Institutions functioning under the Department of Handlooms and Textiles in the State. He is vested with powers delegated under the Tamil Nadu Co-operative Societies Act, 1983 and Rules 1988. He also functions as the "State Textile Authority" and as such has a general responsibility to facilitate the smooth functioning of the Spinning and Textile Mills, processing units, Hosiery units, Handlooms and Powerlooms. There are 18 Circle Deputy Directors / Assistant Directors of Handlooms and Textiles in the State for implementation of the schemes at the field level.

3. SCHEMES IMPLEMENTED DURING THE YEAR 2007-08 AND ACTION PLAN FOR 2008-09

3.01 Free Supply of Dhothies and Sarees to the poor

In accordance with the assurance given in the Budget Speech for the year 2007-08, the Government have continued the scheme of Free Supply of Dhothies and Sarees to the Poor (FDS) during the year 2007-08 at the cost of Rs.256 crore, providing employment to 15,000 handloom weavers and 25,000 powerloom workers. Under this scheme, 164.00 lakh dhothies and 164.00 lakh sarees were produced by the Handloom and Powerloom Weavers' Co-operative Societies. These dhothies and sarees were procured by

Co-optex and supplied to the Revenue authorities by 31.12.2007 for distribution on the eve of Pongal 2008. The distribution of Dhothies and Sarees for Pongal 2008 was inaugurated by the Hon'ble Chief Minister on 1.1.2008 in Chennai.

The Government have ordered for the continuance of the scheme of Free Supply of Dhothies and Sarees for the year 2008-09 and sanctioned an amount of Rs.256 crore for the production of 164 lakh dhothies and 164 lakh sarees for distribution to the poor during Pongal, 2009. A provision of Rs.271.50 crore has been made in the Budget Estimate for the year 2008-2009 (this amount includes the handling charges payable to Co-optex) towards implementation of the scheme.

3.02 Free Distribution of Uniforms to School Children

During the academic year 2007-2008, the Scheme of Free Supply of Uniforms to School Children has been implemented and 137.16 lakh metres of uniform cloth to the value of Rs.43.24 crore was produced and supplied to the Social Welfare Department for distribution to the school children studying from Std I to Std VIII under Noon Meal Programme. Besides, during the academic year 2007-2008, 24.43 lakh metres of uniform cloth has been supplied to the Departments of Adi-Dravidar and Tribal Welfare, Backward Classes, Most Backward Classes and Minorities Welfare.

The Government have ordered for the continuance of this scheme for the academic year 2008-09 and sanctioned an amount of Rs.41.38 crore towards the production of uniform cloth to be supplied to the Social Welfare Department. The entire requirement of uniform cloth is being produced by the handloom and powerloom weavers of the co-operative societies.

This Department has also received requests from the Departments of Backward Classes, Most Backward Classes and Minorities Welfare and Adi-Dravidar and Tribal Welfare for the supply of uniform cloth at a cost of Rs.16.54 crore.

The Government have initiated efforts to complete the production of uniform cloth before the end of May 2008, so as to distribute them along with the text books on re-opening of schools i.e., June 2008 for the academic year 2008-09. The supply of uniform

cloth along with the distribution of text books will be a pioneering effort and this scheme will help in providing continuous employment to the weavers in the State.

3.03 Free Power Supply to Weavers

The Government have fulfilled the long term demand of the handloom weavers by providing free power upto 100 units bimonthly to 1,35,200 handloom weavers. Similarly, free power supply has been provided upto 500 units bimonthly to 98,465 service connections of powerloom weavers who run their own powerlooms. This scheme has been implemented from 1.8.2006. The Government have sanctioned an amount of Rs.62.68 crore for the year 2006-07 and Rs.74.22 crore for the year 2007-08 for the free power supply to weavers scheme, and the above amount is reimbursed to the Tamilnadu Electricity Board to compensate the loss on account of the free power supply. This scheme will be continued during the year 2008-09 and a provision of Rs.78.04 crore has been made in the Budget Estimate for the year 2008-09.

3.04 The Co-operative Handloom Weavers'

Savings and Security Scheme

The Government of Tamilnadu is implementing the "Co-operative Handloom Weavers' Savings and Security Scheme" from the year 1975, aiming at encouraging the saving habits among handloom weavers. The Government of India is also participating in the Scheme from the year 1985-86 and contributes its share under the Central Thrift Fund Scheme.

Under this scheme, each Weaver of the Weavers' Co-operative Society contributes 8 paise per rupee of wages earned, the State Government is contributing 4 paise per rupee of wages and the Government of India contributes 4 paise per rupee under the Central Thrift Fund Scheme. Accordingly, the total subscription of 16 paise is being deposited in the Government Account for which the State Government allows 9.5% interest. Out of this 9.5% interest, 6.5% is being credited to the weaver member's account and the remaining 3% is being utilized for implementing the Old Age Pension Scheme and the Family Pension Scheme for handloom weavers. As on 31.3.2008, 78,443 weavers are enrolled in the scheme.

During the year 2007-08, the State Government have sanctioned an amount of Rs.418.40 lakh for this scheme towards State's share and the Government of India have sanctioned an amount of Rs.418.40 lakh towards the Government of India's share as matching contribution.

In the Budget Estimate for the year 2008–2009, an amount of Rs.850 lakh (State share Rs.425 lakh and Government of India's share Rs.425 lakh) has been provided for this scheme.

3.05 Tamil Nadu Co-operative Handloom Weavers' Old Age Pension Scheme

The Government of Tamil Nadu, with effect from 1.04.1997, is implementing Old Age Pension Scheme for handloom weavers coming under the co-operative fold. As announced in the Budget Speech for the year 2007-2008, the Old Age Pension payable to the handloom weavers who have attained the age of 60 years has been enhanced from Rs.200/- to Rs.400/- per month with effect from 1.6.2007. As on 31.3.2008, 14,141 handloom weavers are provided with Old Age Pension under this scheme. During the year 2007–2008, the State Government have sanctioned Rs.663.65 lakh for this scheme and the Government has decided to continue this scheme during the year 2008 – 2009.

3.06 Tamil Nadu Co-operative Handloom Weavers' Family Pension Scheme

The Tamil Nadu Co-operative Handloom Weavers' Family Pension Scheme is being implemented by the Government of Tamil Nadu with effect from 01.01.1992. According to this scheme, in the event of death of a handloom weaver member before attaining the age of 60 years, the nominee of the deceased weaver will be paid Family Pension for 10 years from the date of death of the weaver.

As announced on the floor of Assembly during the year 2007, the Family Pension payable to the nominees of deceased handloom weavers has been enhanced from Rs.350/- to Rs.550/- with effect from 1.5.2007. As on 31.3.2008, 1029 families of the deceased handloom weavers have been provided with Family Pension under this Scheme. During the year 2007–2008, the Government has sanctioned an amount of Rs.66.73 lakh for this scheme and this scheme will be continued during 2008-09.

3.07 Health Insurance Scheme for handloom weavers

To protect and to improve the health condition of handloom weavers, a Health Insurance Scheme has been implemented by the Government from 2005-06 through ICICI Lombard General Insurance Company Ltd. Under this scheme, 4 members of weaver's family are eligible to get medical assistance upto Rs.15,000/- annually. From the

year 2006-07, the Health Insurance Scheme has been implemented for all the weavers both within the co-operative fold and outside the co-operative fold. From the year 2007-08, the Government has also extended the scheme to the ancillary handloom workers of the handloom industry.

As per the modified premium pattern, the total premium to be paid to ICICI Lombard General Insurance Company Ltd, would be Rs.781.60 per weaver per annum. Out of the total premium, the Government of India's contribution is Rs.642.47, State Government's contribution is Rs.89.13 and the weaver's contribution is Rs.50/-. The State Government have decided to bear the weavers' contribution of Rs.50/- annually and have sanctioned an amount of Rs.417.39 lakh for this purpose for the year 2007-08.

The details of medical benefits availed by the weavers and medical claims settled by ICICI Lombard General Insurance Company Ltd, during the last 2 years are as below:-

S. No.	Year	No. of claims received	No. of claims settled	Amount paid (Rs. in lakh)
1.	2006-07	88377	70971	950.50
2.	2007-08	37308	29485	492.75

This scheme will be continued during the year 2008-09 and about 3 lakh weavers will be covered under the scheme. A provision of Rs.417.39 lakh is made in the Budget Estimate for the year 2008-09 by the State Government as its share for the implementation of this scheme.

3.08 Mahatma Gandhi Bunkar Bima Yojana (Insurance Scheme for Handloom Weavers)

The Insurance Scheme called "Mahatma Gandhi Bunkar Bima Yojana" is being implemented by Government of Tamil Nadu for weavers from the year 2004-05 with the assistance of Government of India in collaboration with Life Insurance Corporation of India. Under Mahatma Gandhi Bunkar Bima Yojana, the total premium to be paid to Life Insurance Corporation would be Rs.330/- per weaver/ per annum, of which Rs.150/- will be contributed by Government of India, Rs.100/- will be contributed by Life Insurance Corporation of India and the weaver's contribution of Rs.80/- will be paid by the State Government.

The Government of India have revised the insurance amount payable to the handloom weavers enrolled under the scheme with effect from 1.10.2007 as detailed below:

Sl. No	Details	Earlier rate of Insurance amount Rs.	Revised rate of Insurance amount Rs. (from 1.10.2007)
1	For Natural Death	50000	60000
2	For Accidental Death	80000	150000
3	For Total Disability due to accident	50000	150000
4	For Partial Disability due to accident	25000	75000

The scheme, which was till then beneficial to the weavers of co-operative fold, was extended by the Government to the handloom weavers outside the co-operative fold also from the year 2006 – 2007 onwards. In the last three years, an insurance amount to the tune of Rs.468.10 lakh has been paid to 949 families of deceased handloom weavers so far.

At present, 1,92,220 handloom weavers (1,25,054 from the co-operative fold and 67,166 from outside co-operative fold) have been enrolled and during 2007–2008, a premium amount of Rs.1,53,77,600/- has been paid to the Life Insurance Corporation of India by the State Government on behalf of the weavers.

This Scheme will be continued during the year 2008-09 and it is proposed to cover around 2,25,000 weavers under this scheme. The State Government have made a provision of Rs.160 lakh in the Budget Estimate for the year 2008–2009 towards the payment of premium on behalf of weavers under this scheme.

3.09 Rebate Subsidy Scheme

The handloom industry is facing stiff competition at the market place from powerloom and mills. The State Government is providing rebate subsidy to handloom cloth as a measure of reducing the price of handloom cloth and increasing the sales.

Under this scheme, the State Government have permitted the primary weavers' co-operative societies and Co-optex to allow rebate at the rate of 20% for the sale of handloom cloth throughout the year for the retail and wholesale. This rebate is subjected to a ceiling of 20% or Rs.100/- per unit whichever is less for cotton varieties and 20% or Rs.200/- per unit whichever is less for silk varieties.

The Government of India also contributes to the Rebate Scheme and provides assistance under Marketing Incentive Component of Integrated Handloom Development Scheme. As per the guidelines of Government of India, primary weavers' co-operative societies are eligible to get financial assistance under Marketing Incentive at 10% of the

average sales turnover of the last 3 years. As per the policy of the State Government, the excess expenditure over and above the Government of India's contribution under Marketing Incentive component of the Integrated Handlooms Development Scheme will be borne by the State Government.

During the year 2007–2008, the Government have permitted the primary weavers co-operative societies and the Co-optex to allow 10 % as special rebate without ceiling in respect of sale of silk fabrics (cost exceeding Rs.2001/-) during selective festivals for a period of 135 days. By availing this special rebate of 10%, silk goods worth Rs.119.50 crore were sold.

Apart from this, on the eve of birthday of Perarignar Anna, the Government permit the primary weavers co-operative societies and the Co-optex to allow additional 10% special rebate along with normal rebate of 20% on the sale of cotton and silk varieties with ceiling of Rs.150/- for cotton and Rs.300/- for silk for a period of 139 days i.e. from 15.9.2007 to 31.1.2008. By availing this additional 10% special rebate, handloom goods worth Rs.222.97 crore were sold.

During the year 2007-08, Rebate Subsidy to the extent of Rs.118 crore have been sanctioned to the Primary Weavers Co-operative Societies and Co-optex, of which, the Government of India have reimbursed a sum of Rs.23,79,04,597/- as Central Assistance under Marketing Incentive Component of Integrated Handloom Development Scheme. This apart, the Government of India, during the year 2007–2008, have also reimbursed a sum of Rs.4,07,02,439/- under the “Scheme for reimbursement of one time rebate @ 10% given on sale of handloom products” .

The Rebate Subsidy Scheme will be continued during the year 2008-09 and a provision of Rs.118 crore has been made in the Budget Estimate for the year 2008-09.

3.10 Integrated Handlooms Development Scheme

The Government of India have introduced a new Scheme called “Integrated Handlooms Development Scheme” for implementation during the XI Five Year Plan period for the welfare of handloom weavers and for the development of handloom sector. Under this scheme, the Government of India have merged the components of the existing schemes, namely, Deendhayal Hathkargha Protsahan Yojana (Basic Inputs, Marketing Incentive etc.) Workshed-cum-Housing Scheme.

The major 4 components of Integrated Handlooms Development Scheme are as follows :

- Cluster Development Programme
- Group approach for development of Handlooms
- Assistance for Handloom Organisations
- Assistance for Innovative Ideas and Publicity, Monitoring, Supervision, Training and Evaluation of Scheme

(A) Cluster Development Programme

The Ministry of Textiles, Government of India have recently introduced the 'Integrated Handlooms Cluster Development Scheme' which aims at facilitating sustainable development of handloom weavers located in identified clusters into a cohesive, self managing and competitive socio-economic unit. Under this programme, Government of India has selected 20 clusters in the entire nation in the first phase, amongst which Tiruvannamalai, Kurinjipadi and Tiruchirapalli were from Tamilnadu State. The Government of India is providing an amount of Rs.2.00 crore per cluster for the implementation of the programme. The Co-optex has been appointed as the Implementing Agency for the cluster development programme at Kurinjipadi and Tiruvannamalai and Textiles Committee has been appointed as the Implementing Agency for Tiruchirapalli. The works under this programme in these clusters are under progress.

In the second phase, Government of India has identified 100 clusters with 300 – 500 looms in the country for the implementation of Integrated Handlooms Development Scheme (IHDS). In Tamilnadu, 25 new clusters have been identified for the implementation of the second phase of IHDS. Under this scheme, financial assistance to the tune of Rs.60.00 lakhs is being provided for each cluster over a period of three years, for various components such as skill upgradation, purchase of new looms and accessories, setting up of dyeing units, common facility centers, opening of showrooms, conducting of exhibition / fairs, publicity, providing of design inputs etc., This programme aims to facilitate the overall development of handloom weavers located in the clusters to make them self-reliant and competitive. During the year 2007-08, the Government have sanctioned a sum of Rs.4,62,28,900/- (Central share Rs.4,02,88,700/- + State share Rs.59,40,200/-) towards 1st instalment of grant component for implementation of the programme in 25 Handloom Clusters.

(B) Group Approach for development of handlooms

'Group Approach' scheme is intended for the benefit of Handloom Weavers not covered under the Cluster Development Scheme to produce value added products to compete with the market trends. The components of Group Approach are as follows :

Basic input such as Margin Money, purchase of New Looms, Loom Accessories, Jacquard and Dobby has to be shared by the Central Government, State Government and by the implementing Agency / Beneficiary.

Skill upgradation by training of weavers in batches consisting of 20 weavers each in weaving, dyeing & designing

Construction of Workshed is being continued for the weavers who own land adjoining to their house by linking the Housing scheme with the Indira Awas Yojana (IAY)

The Government of India provides entire assistance of Rs. 25,000 in the case of weavers falling under below the poverty line category, while the weavers above the Poverty Line are provided with Rs.18750/- each and the remaining Rs.6,250/- has to be borne by the State Government / beneficiaries.

(C) Financial Assistance to the Handloom Organisations

i) Marketing incentive

Marketing Incentive is given on the sale of handloom products to maintain price competitiveness in the market. Handloom agencies are using the Marketing Incentive amount towards activities that would attract the consumers to improve sale of handloom goods. The assistance towards Marketing Incentive is available to the State Handloom Corporations, Apex Co-operative Societies, Primary Weavers Co-operative Societies and National Handloom Organisations. The quantum of financial assistance provided under Marketing Incentive Scheme shall be 10 % of the average sales turnover of the last 3 years.

ii) Strengthening of handloom organisations

Under the component of Strengthening of Handloom Organisations, financial assistance is provided towards restructuring of National and State Level Handloom Organisations such as Handloom Corporations, Apex Handlooms Co-operative Societies etc., with a view to making them viable by enhancing their credit limit / working capital. The funding pattern under this component shall be on 50:50 sharing basis between the Government of India and the State Government.

(D) Assistance for Innovative Ideas and Publicity, Monitoring, Supervision, Training and Evaluation of Scheme

Under this component, upto 10% of the project cost may be utilized towards innovative ideas and 2% of the project cost may be utilized towards Publicity, Monitoring, Supervision, Training and Evaluation of Scheme.

3.11 Awarding Scholarships under Dr. M.G.R. Handloom Weavers' Welfare Trust

With a view to encourage the wards of the weavers by way of awarding scholarships to pursue higher studies, Dr. M.G.R. Handloom Weavers' Welfare Trust was formed in the year 1986. The funds for this trust are raised from out of the contributions made by the Primary Weavers' Co-operative Societies and the Co-optex from their General Fund and Common Good Fund. The amount so collected are deposited as fixed deposits and the expenditure on awarding scholarships is being met from out of the interest earned thereon. Scholarship is being provided to one male and one female student for pursuing their higher studies in 29 disciplines and for undergoing coaching classes for Civil Services examinations. Besides, cash awards to the students scoring highest marks in 10th and 12th std are also being provided.

At present, 87 students are getting scholarship under this scheme. This scheme will be continued during the year 2008-09.

3.12 Payment of Scholarship to Students of Indian Institute of Handloom Technology, Salem

The wards of weavers are given priority in selection to the 3-year Diploma in Handloom Technology courses conducted by the Indian Institute of Handloom Technology, Salem. The Government of Tamil Nadu sanctions scholarships as detailed below:

First year	:	Rs.400/- per month
Second year	:	Rs.450/- per month
Third year	:	Rs.500/- per month

Apart from this, the students are also paid Book Money at the rate of Rs.60/- per month.

A tour allowance of Rs.200/- per annum is also being given to the second year students. The scholarship amount is met from out of the Education Fund of the Tamil Nadu Co-operative Union.

The students of Tamil Nadu studying in the Indian Institute of Handloom Technology at Gadag (Karnataka) and Venkatagiri (Andhra Pradesh) are also paid stipend from the Education Fund of Tamil Nadu Co-operative Union. At present, 78 students are getting scholarships under this scheme. This scheme will be continued during the year 2008-09.

3.13 Payment of scholarship under Shiksha Sahayog Yojana

The Shiksha Sahayog Yojana is one of the components of Mahatma Gandhi Bunkar Bima Yojana. Under this scheme, scholarship is extended to the children (restricted to 2 children) of handloom weavers who are members of the Mahatma Gandhi Bunkar Bima Yojana. The scholarship is provided for the children studying in Std. IX to XII at Rs.1,200/- per annum per child for a maximum period of 4 years or till they complete XII std., whichever is earlier.

The details of scholarship paid to the children of weavers for the past 3 years are as follows:

Year	No.of Students	Amount paid (Rs.in Lakh)
2004-05	9473	85.26
2005-06	14424	148.58
2006-07	23555	250.37

3.14 Special Project for Handloom Weavers under Swarna Jayanthi Gram Swarozgar Yojana (SGSY)

'Swarna Jayanthi Gram Swarozgar Yojana' a special project for handloom weavers was formulated at a total cost of Rs.2530.36 lakh for motivating the handloom weavers, who were hitherto engaged in the production of products for Free Supply of Dhothies and Sarees Scheme, to enter into design development and product diversification for producing marketable varieties and ensure higher income. The various components covered under this project are as under:

Sl. No	Component	Project cost (Rs in lakh)
1.	Training and capacity building	110.02
2.	Design Development	163.15

3.	Skill upgradation	519.75
4.	Creation of additional employment and value addition	107.44
5.	Infrastructure Development and Asset Creation	220.00
6.	Technology Upgradation	980.00
7.	Marketing	430.00
Total		2530.36

So far, under Phase I of the above scheme, the Government of India have released Rs.1085.94 lakh and the State Government have released Rs.361.98 lakh for the above scheme. The balance amount of Rs.1082.44 lakh will be released during Phase II.

Under the above scheme, the following are the achievements so far:

- A separate design team was appointed for design development and skill upgradation training.
- 11,620 handloom weavers were trained in producing dress materials, furnishing, table cloth, floor mat, stole, shirting, sarees, kitchen linen, towels etc.
- 26,237 new designs have been developed.
- 2,096 new looms provided.
- 11,620 looms were upgraded with requisite accessories.

The products produced under the above scheme have been assigned the brand name "IZHAI" and marketed through Co-optex. The IZHAI products are also sold in the exhibitions conducted by the Rural Development Department in various parts of the country.

3.15 Prize Award Scheme for the Best Exporters

To encourage the export trade of handloom cloth, the Government of Tamilnadu is implementing the scheme to award prizes to the Best Exporters in Tamilnadu. This scheme is being implemented from 1975 onwards. Under this scheme, Trophies and Certificates to the best exporters including primary weavers' co-operative societies are distributed. During the year 2007-08, a sum of Rs.50,000/- has been incurred for this

purpose. A provision of Rs.50,000/- has been made in the Budget Estimate for the year 2008-09 for this purpose.

3.16 Prize Award Scheme for Best Talented Weavers

To encourage handloom weavers for developing new designs, the Government is implementing Prize Award Scheme every year for best weavers who have developed new designs in cotton and silk varieties etc., The prizes for the best designs are as follows:

First Prize	:	Rs.5,000/-
Second Prize	:	Rs.3,000/-
Third Prize	:	Rs.2,000/-

The expenditure under this scheme is being met from the Co-operative Research and Development Fund of the Tamilnadu Co-operative Union (TNCU).

3.17 Handlooms (Reservation of Articles for Production) Act, 1985

To protect handloom weavers and the handloom industry from the onslaught of powerlooms, the Government of India have enacted the Handlooms (Reservation of Articles for Production) Act, 1985 and have reserved 11 items exclusively for production in handlooms. To implement the Handlooms Reservation Act, 1985 effectively, a separate Enforcement Machinery in Tamil Nadu has been formed with an officer incharge in the cadre of Deputy Director (Enforcement) at Chennai and 5 Assistant Enforcement Officers at Tiruppur, Erode, Salem, Tiruchengode and Madurai.

During the year 2007-08, 71,633 powerlooms were inspected by the enforcement machinery as against the target of 70,000 powerlooms.

With a view to propagate the provisions of the Handloom Reservation Act and also to safeguard the Handloom Industry, vigorous awareness campaigns are being organized periodically in powerloom concentrated areas. The inspections of powerloom areas would be continued during 2008-2009.

4. INITIATIVES TAKEN BY THE DEPARTMENT

4.01 Design Intervention

During the year 2007-08, a Design Intervention Project at a cost of Rs.65 lakh has been implemented by the Handlooms and Textiles Department in coordination with the National Institute of Design, Ahmedabad and 1602 new designs for various products of

cotton and silk fabrics have been introduced in Kurinjipadi, Tiruchirapalli, Vilandai, Thirubhuvanam, Gudiyatham, Kancheepuram, Arni, Rasipuram and Mannargudi. The design intervention have considerably helped to improve the marketing of handloom products and to ensure continuous employment to weavers, besides enabling them to earn enhanced wages for improving their standard of living.

During the year 2008-09, it is proposed to develop and introduce more number of new designs in the handloom sector, satisfying the needs of both traditional customers as well as the younger generation.

4.02 Exports by Weavers' Co-operative Societies

Primary Weavers' Co-operative Societies are being encouraged to take up export oriented production. At present, 25,839 looms of 404 weavers' co-operative societies are involved in export oriented production. During the year 2007-08, export varieties such as bed linen, bedspreads, table linen, aprons, curtains, terri-towels, kitchen linen, napkins, floor mats etc., to the tune of Rs.317.77 crore have been exported. Efforts are being taken to equip the weavers' co-operative societies to enter into direct export of their products and the weavers co-operative societies in Erode District have been identified for this purpose.

During the year 2008-09, it has been proposed to engage more number of weavers in the export oriented production for increasing the export turnover to around Rs.325 crore and help the weavers to improve their earnings.

4.03 Conduct of Exhibitions

To promote marketing of handloom goods, the Department has conducted 22 District Level Exhibitions at various places viz. Kancheepuram, Salem, Madurai, Dindigul, Tiruchirapalli, Coimbatore, Tirunelveli, Theni, Cuddalore, Villupuram, Thanjavur, Erode, Tiruvannamalai, Vellore, Virudhunagar, Ramanathapuram and Karur and one Special Handloom Exhibition at Nagercoil during the year 2007-08 with the assistance of Government of India. The total sales effected during these exhibitions were to the extent of Rs.10.56 crore. Besides this, National Handloom Expo, 2008 was organized by the Co-optex which was inaugurated by the Hon'ble Minister for Rural Development and Local Administration at Chennai on 19.3.2008. This apart, the Department has conducted exhibitions at the Lalit Kala Academy, Chennai, the Vijaya Mahal at Chennai, Palani and Puducherry generating sales to the tune of Rs.2.24 crore.

During the year 2008-09, it is proposed to organise such exhibitions with new handloom varieties.

4.04 Implementation of “Handloom Mark”

To provide an exclusive identity to the handloom products to improve marketing, the Department has initiated necessary steps to increase the usage of “Handloom Mark” in Tamil Nadu. To propagate the handloom mark, sensitization programme was organized in coordination with Textile Committee in 6 cluster areas of the State, viz., Kancheepuram, Tiruvannamalai, Kurinjipadi, Madurai, Erode and Kumbakonam. So far, 724 primary weavers co-operative societies and 1324 individuals have been registered under Handloom Mark Scheme.

4.05 Registration of Handloom Products under Geographical Indication Act, 1999

To protect the traditional heritage of the handloom varieties, the Department has initiated steps to register handloom products such as Salem Silk, Arni Silk and Kovai Kora Cotton under the Geographical Indication Act, 1999. Necessary applications were filed before the Geographical Indication Registry. The Geographical Indication Registry has published the details of technical specifications and other details in its journal No.23 in application No.92, 93 & 94. The certificates will be issued by the Geographical Indication Registry after the completion of the statutory period as stipulated in the above Act.

4.06 Lifting of ban on registration of new weavers’ co-operative societies

The Government, with a view to bring more number of handloom weavers in the Co-operative fold, have lifted the ban on the registration of new Handloom Weavers Co-operative Societies. Accordingly, 103 handloom weavers co-operative societies were registered during the last 2 years.

4.07 Scheme for Integrated Textile Parks (SITP)

The “Scheme for Integrated Textile Parks (SITP)” has been introduced by Government of India during the year 2005-06 by merging the existing two schemes namely, “Apparel Park for Exports Scheme (APES)” and “Textile Centre Infrastructure Development Scheme (TCIDS)”. The main purpose of the scheme is to provide the industry with world-class infrastructure facilities to meet international environmental and social standards to augment export and generate employment.

Under this scheme, 7 Textile Special Projects, viz., ILT park, Chengappalli, SIMA Processing park, Cuddalore, Palladam Hi-Tech Weaving Park, Palladam, Komarapalayam Hi-Tech Weaving Park, Komarapalayam, Erode Hi-Tech Weaving park, Erode, Madurai Integrated Textile park, Madurai and Karur Textile Park, Karur, have been approved by the Government of India at a total project cost of Rs.572.53 crore.

The Palladam Hi-Tech Weaving Park, Palladam in Tamilnadu sanctioned under SITP is the first park in the Country to commence its commercial production which was inaugurated on 19.04.2008.

The Cauvery Hi-Tech Weaving Park, Komarapalayam sanctioned under Textile Centre Infrastructure Development Scheme (TCIDS) was also inaugurated on 19.4.2008 and commenced its commercial production.

In respect of remaining textile special projects, the lands required for these parks have been procured and the construction of infrastructural facilities, including building construction are at various stages. These Textile Parks will provide direct and indirect employment to around 60,500 persons in the State.

4 .08 Handloom Export Zones

To encourage the export trade of handloom cloth, a Special Project is implemented to develop 'Handloom Export Zones' in selected handloom cluster areas like Nagercoil, Virudhunagar, Nagapattinam and Thiruvallur. These Handloom Export Zones are being developed jointly by the Department of Handlooms and Textiles and the Handloom Export Promotion Council (HEPC). The details of these zones are as follows:

Sl. No	Area of the Project	Focused Product	Project Cost (Rs.in lakh)
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1	Nagercoil	Terry Towel	Phase-I
			51.09
			Phase-II
			343.47
2	Virudhunagar	Place Mat	64.05
3	Nagapattinam	Silk Furnishings	55.17
4	Thiruvallur	Home furnishings	89.97

Under the above project, emphasis is laid on skill upgradation and design development for the weavers for producing export varieties and would be linked with the leading exporters, helping the weavers to earn more wages.

4 .09 Increase of Dearness Allowance to the weavers

The weavers enrolled in the Weavers Co-operative Societies are being provided with continuous employment and fair wages. Every year, 10% DA on the basic wages was given to weavers. However, after 1.11.2004, the DA has not been increased. Realizing the need for the increase, the Government has ordered for the sanction of 10% DA to the weavers on the basic wages earned by each member of the Weavers Co-operative Societies with effect from 1.05.2007.

4 .10 Setting up of Design Libraries

As per the announcement made during this Department's Demand on the floor of the Legislative Assembly on 19.4.2007, Design Libraries were established at 4 Handloom Production Centres in Kancheepuram, Salem, Coimbatore, Madurai and also at the Commissionerate of Handlooms and Textiles, Chennai so as to ensure collection of wide range of designs and to provide design input to the weavers.

4 .11 Setting up of Common Facility Centre / Community Centre

As per the announcement made during this Department's Demand on the floor of the Legislative Assembly on 19.4.2007, action is being taken to establish a Common Facility Centre / Community Centre in the areas concentrated by the weavers such as

Chennimalai, Aruppukottai, Emaneswaram, Chinnalapatti, Kurinjipadi, Madurai and Arni at a cost of Rs.10 lakh each.

4.12 Appointments on Compassionate ground

The Government has lifted the ban on compassionate ground appointments vide G.O.Ms.No.71, Labour and Employment Department, Dated 19.07.2006. Accordingly, appointments on compassionate ground has been made to the legal heirs of 62 deceased employees / workers of the institutions functioning under the control of the Department of Handlooms and Textiles and to one legal heir of deceased employee of the Department of Handlooms and Textiles.

5. PART II SCHEMES 2008-09

The following 3 schemes have been approved under Part II Scheme for the year 2008-09 by the Government.

- Modernisation of the existing warping and sizing unit at Nagercoil in Kanniyakumari District at a cost of Rs.30 lakh
- Replacement of existing vehicles of Commissionerate and Cuddalore Circle at a cost of Rs. 9.50 lakh
- To implement a Weaver cum Designer project through co-optex at a cost of Rs.15.00 lakh

6. BUDGET ANNOUNCEMENTS 2008-09

- ❖ In order to reduce the interest burden of the Handloom Weavers Co-operative Societies, 3% interest subsidy was granted to the Handloom Weavers Co-operative Societies upto 30.9.2002 and the same was suddenly stopped. Now the Government have revived the interest subsidy scheme and ordered 4 % subsidy thereby reducing the interest rate from existing 12 % to 8 % from the coming financial year. Towards implementation of Interest Subsidy Scheme, a provision of Rs.12.00 crore has been made in the Budget Estimate for the year 2008-09.
- ❖ To implement the House-cum-Workshed Scheme meant for Co-operative Handloom Weavers, HUDCO sanctioned loan to the handloom weavers. As the present financial position of the weavers is not conducive to repay the loan, the Government have decided to waive the outstanding loan of the handloom weavers to the tune of Rs.15.00 crore.

- ❖ With a view to benefit the three lakh powerloom weavers in the State, a separate welfare board, as in the case of the handloom weavers, will be established for them and various welfare benefits will be provided through it. Towards establishment of powerloom Welfare Board, a provision of Rs.1.00 crore has been made in the Budget Estimate for the year 2008-09.

7. THE TAMIL NADU HANDLOOM WEAVERS' CO-OPERATIVE SOCIETY LIMITED (CO-OPTEX)

The Tamil Nadu Handloom Weavers' Co-operative Society Limited, popularly known for its brand name of 'CO-OPTEX' was established in the year 1935 with the main objective of organizing and promoting the handloom industry in the co-operative sector. The main functions of Co-optex are to supply yarn to the Weavers' Co-operative Societies and market their products through its 209 showrooms (139 showrooms within Tamilnadu State and 70 showrooms located outside of the State).

Co-optex functions as a nodal agency for the following Government schemes

- (i) Government's Free Supply of Dhothies and Sarees scheme
- (ii) Government's Free Supply of Dhothies and Sarees scheme to Old Age Pensioners and
- (iii) Government's scheme for supply of uniform to school children.

Co-optex, through its export arm named as 'Co-optex International' is engaged in the export of home textile varieties like terry towels, furnishing fabrics, bedspread, table cloth, table mats, napkins, lunghis, shirtings and kitchen coordinates such as aprons and gloves directly to foreign countries.

PERFORMANCE DURING 2007-2008

During the year 2007–2008, Co-optex procured handloom and powerloom products worth Rs.375.53 crore from the weavers co-operative societies of the State. Co-optex has achieved retail sales of Rs.126.59 crore against a target of Rs.125.00 crore for the year 2007-08.

Design Intervention

To improve the marketing of handloom products, the co-optex, has introduced 703 new designs in sarees and home textile products in line with the taste of the consumers.

Notable developments through designs intervention are:

- 'Magic Design Silk Saree' with visibility of Peacock design from one side and Elephant design from the other side

- 'Royal Adukku Thuhil Silk Saree' with the technique of not allowing the zari and silk to mix at any point
- 'Sudarkodi Silk Saree' with the unique weaving technique of having zari design on one side and silk design on the other side
- 'Starch Free Cotton Saree' woven with mercerized folded yarn.
- 'Kolungal Silk saree' woven with 108 different kolams.
- Designer Saree exclusively woven for Madurai Meenakshi Amman Temple with Nandhi and Om Namachivayam in the border, Lingam in Butta and Meenakshi Amman Temple Tower in the Pallu.
- To popularise the production range, during Deepavali 2007, new design collection in cotton sarees in the name of Alagu Mayil Silk Saree, Malaiyarasi, Manthulir, Malligai, Thiruvarangam, Nachiyar and Giri Cotton sarees were released.
- Co-optex, with the objective of improving the design bank, has collected the traditional design silk sarees.
- To keep alive the interest of the customer, new design collections are introduced to the market in the name of Chithirai collection, Vaikasi Vasantham, Aadi Perukku, etc.
- To revive the market of the Home Textile products such as Bedspreads, Bed cover, furnishing, upholstery, curtain, floor covering etc., Iniya Illam exhibition was organized in November 2007.

New Initiatives

Co-optex, with the intention of thriving in the competitive market, is engaged in introducing new varieties with different designs. Some of the achievements of 2007-2008 are

- Co-optex has introduced eco-friendly natural dyes and organic cotton for the export products
- Co-optex has diversified its range of products by including readymade garments for gents and children.
- Aroma Shirt with semi permanent perfume.
- Reversible Shirt woven with different colour combinations on each side
- Denim Shirt woven in cent percent cotton with acid wash finish.
- Super Quality Platinum Shirt woven with 2/100s super fine cotton.
- Shirts woven with organic cotton
- New design salwar sets combining weaving with surface ornamentation work.
- A 16' x 35' mega size carpet to accommodate 500 persons has been developed and released.

In addition to this, readymade shirts of the following varieties introduced during 2007–08

- Pure cotton classic shirts
- Poly blended duro shirts
- Fancy weave shirts
- Self design supreme shirts
- Poly Cot Kurtha sets
- Marble finish cotton shirts
- Silk Shirts

Release of a Silk Saree with Thirukkural

Co-optex has introduced an exquisite Silk Saree inscribing the picturesque of “**Ayyan Thiruvalluvar**” together with **1,330 Thirukkural couplets**. This fabulous saree was released by the **Hon’ble Chief Minister of Tamil Nadu** on 22.04.2008 at Chennai.

Encouraging the Self Help Groups (SHGs)

Co-optex has taken the following steps towards the involvement of Self Help Groups (SHGs) in the production of handloom products.

- Co-optex has entrusted the production of value added materials like bags, kids wear, readymade garments etc. to the Self Help Groups (SHGs).
- Co-optex has taken up the marketing of the products of Self Help Groups (SHGs) such as Mattresses, Pillows, Children's bed, Children's cotton / woollen garments, Baby cradle Diapers, Napipads, Ladies handbags, Cell phone covers etc.

Market Intervention

- During the year 2007-2008, 405 exhibitions were conducted resulting in a sales turnover of Rs.11.67 crore. This trend will be continued and around 400 exhibitions will be organized both within and outside the State.
- National Handloom Expo 2008, has been conducted at the Co-optex grounds from 19.3.2008 to 11.04.2008. 138 weavers co-operative societies from different parts of the country participated. The handloom products for a value of Rs.4.25 crore was sold at the Expo 2008.

8. CO-OPERATIVE SPINNING MILLS

In Tamil Nadu, 18 Co-operative Spinning Mills were established from 1958 to 1985 with spindle capacity of 4.70 lakh with the objective of supplying quality yarn at

reasonable rates to meet the requirement of hank yarn to Handloom Weavers' Co-operative Societies and cone yarn to the Powerloom Weavers' Co-operative Societies.

Out of 18 Co-operative Spinning Mills, the following 5 Co-operative Spinning Mills are functioning at present :

1.	Bharathi Co-operative Spinning Mills, Ettayapuram (Thoothukudi District)
2.	Anna Co-operative Spinning Mills, Andipatti (Theni District)
3.	Dharmapuri District Co-operative Spinning Mills, Uthangarai (Krishnagiri District)
4.	Pudukottai District Co-operative Spinning Mills, Aranthangi (Pudukottai District)
5.	Kanniyakumari District Co-operative Spinning Mills Aralvaimozhi (Kanniyakumari District)

The above 5 Co-operative Spinning Mills are taking care of the hank yarn requirement of handloom weavers to certain extent.

9. TAMILNADU HANDLOOM DEVELOPMENT CORPORATION LIMITED, CHENNAI

The Tamil Nadu Handloom Development Corporation Limited was started during 1964 with the objectives of providing financial assistance to the weavers who are outside of the co-operative fold engaging themselves in manufacturing, trading and marketing of handloom, powerloom and hosiery cloth.

The paid-up share capital of the Corporation is Rs.429.23 lakh, of which, Rs.267.00 lakh has been subscribed by the Government of Tamil Nadu and the balance of Rs.162.23 lakh is contributed by the members. The Corporation avail credit facilities to the extent of Rs.550.00 lakh from commercial banks namely State Bank of India (Rs.330.00 lakh) and State Bank of Patiala (Rs.220.00 lakh).

At present, there are 11841 members in the Corporation. During the year 2007-08, the Corporation sanctioned loan to 580 members to the extent of Rs.207.32 lakh.

The Corporation, as a part of diversifying its activities, is engaged in the yarn sales under the Mill Gate Price Scheme in coordination with National Handloom Development Corporation at Lucknow (NHDC), Uttar Pradesh.

10. TAMILNADU ZARI LIMITED, KANCHEEPURAM

The Tamil Nadu Zari Limited, Kancheepuram, is an ISO 9001 certified State Public Sector Undertaking engaged in the manufacture of zari gold lace and supply to Silk Weavers' Co-operative Societies. During the year 2007-08, the company produced 48590 zari marcs and sold 51634 zari marcs at a value of Rs.26.78 crore, recording a profit of Rs.9.80 lakh (Tentative).

Apart from manufacture of Zari, the Tamilnadu Zari Ltd., is undertaking the centralized quality checking of zari parcels received from out-sourcing as per the allotment order of the Centralized Purchase Committee for Zari. During the year 2007-08, the company has tested 1729 samples of zari by collecting nominal testing charges.

To cater to the zari requirement of Kumbakonam area, the Tamil Nadu Zari Limited has established a branch unit at Kumbakonam during the year 1999, which is functioning profitably with a production capacity of 18000 marcs per year.

The company also undertakes testing of zari and zari made fabric by Non-Destructive Testing method through X-Ray Fluorescence Analyser. During the year 2007-08, 12191 samples of zari of silk sarees, pavadais and dhothies were tested through the X-Ray Fluorescence Analyser and a sum of Rs.3.11 lakh was collected as testing fees.

The Tamilnadu Zari Ltd also commissioned one X-Ray Fluorescence Analyser at Chennai on 24.9.2007.

The Non-Ferrous Materials Technology Development Centre, (NFTDC), Hyderabad has transferred an upgraded electroplating technology in Electroplating to improve the colour and luster of zari produced in Tamilnadu Zari. The new technology is being adopted in all the electroplating machines at Kancheepuram.

The company entered into an MOU to upgrade the Engineering Technology in silver thread making process with technological assistance from the Kumaraguru College of Technology and Technology Information Forecasting Assessment Council.

Action Plan of Tamil Nadu Zari Limited for 2008-09

- i) Propose to produce and supply 81000 zari marcs during the year 2008-09.
- ii) To implement Silver Wire production at Tamilnadu Zari Limited under Research and Development Scheme with the technology developed by the (Non-Ferrous Materials Technology Development Centre (NFTDC), Hyderabad.
- iii) To propose to get National Accreditation for the testing procedure to test the Zari.

- iv) To propose to get KVIC Certification to supply zari to Khadi and Village Industries Commission's certified institutions.

11. TAMIL NADU CO-OPERATIVE TEXTILE PROCESSING MILLS LIMITED, ERODE

The Tamil Nadu Co-operative Textile Processing Mills Limited, Erode is undertaking various processing activities such as Bleaching, Dyeing, Mercerizing, Printing and finishing of cotton/ synthetic fabrics. The mill has the capacity to process about 15 lakh metres of cloth per month. The mill mainly undertakes processing of cloth required for uniform scheme of the Government, Tamil Nadu Khadi and Village Industries Board, Powerloom Weavers' Co-operative Societies, Handloom Weavers' Co-operative Societies, Sarvodaya Sangam, Central Prison and Handloom Development Corporations of Kerala and Karnataka and also of Private Exporters and Institutions for processing and printing of fabrics.

Achievements for 2007-08

- The business turnover of the Tamil Nadu Co-operative Textile Processing Mills during the year 2007-08 stood at Rs.13.77 crore with a net profit of Rs.2.77 crore (tentative).
- The Mill has purchased 9.62 acres of land on lease for 99 years at SIPCOT, Perundurai for the purpose of starting new unit for fabrics processing.
- The Mill has installed LAN net work to computer systems installed at the Mill.

Action plan for 2008-09

- ✓ The Tamilnadu Cooperative Textile Processing Mills has proposed to modernize the existing unit by replacing the old machineries and equipments to enhance productivity and quality at a cost of Rs.41 lakh.
- ✓ The Mill has proposed to establish Reverse Osmosis Plant in the existing mill site at a cost of Rs.1.69 crore.

12. TAMILNADU TEXTILE CORPORATION LIMITED (TNTC), COIMBATORE

Tamil Nadu Textile Corporation Limited, Coimbatore was established in the year 1969 in order to provide employment to the workers of the closed textile units and to provide rehabilitation measures to the textile industry. The Corporation has 2 Powerloom Complexes with a capacity of 96 looms each at Aruppukottai and Sivagiri. Further, the Corporation is having one autoloom shed with 12 autolooms at Kurichi, Coimbatore. The Tamil Nadu Textile Corporation produces polyester suiting and shirting cloth varieties in Kurichi Autoloom Shed, Sivagiri and Aruppukottai Powerloom complexes.

The Corporation undertakes production of white shirting cloth, blue dhavani cloth and casement cloth required for the Free Supply of Uniform Scheme for school children. The Corporation also gets orders for the supply of polyester uniform cloth from the State Transport Corporation, Tamil Nadu Electricity Board, Cooperative Sugar Mills, Tamil Nadu Cements, Police Department and other public sector undertakings. Thus, the corporation is having significant hold on the institutional market of the State.

The sales turnover of the Corporation during the year 2007-08 was Rs.31.42 crore and it has earned a profit of Rs.102.70 lakh (tentative).

The Corporation has planned to produce 17.95 lakh metres of uniform cloth under Free Supply of Uniforms to School Children Scheme and to meet out the cloth requirements of Government Institutions for the value of Rs.711.22 lakh from its own production.

Action plan for 2008-09

The Corporation has proposed to procure 113.36 lakh metres of white shirting cloth, dhavani cloth from powerloom weavers' co-operative societies for supply intended for Government schemes for the value of Rs. 2450.22 lakh during the year 2008-09.

The Corporation is aiming to achieve the total turnover of Rs.3161.44 lakh during the year 2008-09.

13. TAMILNADU CO-OPERATIVE SPINNING MILLS FEDERATION LIMITED (TANSPIN), CHENNAI

The Tamilnadu Co-operative Spinning Mills Federation Limited (TANSPIN) was established in the year December 1994 to streamline the procurement and supply of cotton to the Co-operative Spinning Mills in Tamil Nadu. The main objective of the federation is to procure and supply good quality cotton at reasonable prices to the member Co-operative Spinning Mills in the State from various co-operative institutions all over the country. For this purpose, the Government of Tamil Nadu have sanctioned a sum of Rs.25.00 crore as share capital and Rs.2.07 crore as Cotton Revolving Fund to TANSPIN for the purchase of cotton on cash and carry basis. At present, TANSPIN is fulfilling about 15% of cotton requirement of the 5 Co-operative Spinning Mills.

During the year 2007-08, the TANSPIN has purchased 11,100 bales of cotton and supplied to the member Co-operative Spinning Mills to the value of Rs.10.18 crore. Besides this, TANSPIN has purchased stores and packing materials required for the Mills to the value of Rs.49.03 lakh.

The TANSPIN has made a turnover of Rs.10.68 crore and earned a profit of Rs.6.00 lakh (tentative) during the year 2007-08.

14. BUDGET PROVISION FOR THE YEAR 2008-09

A provision of **Rs.573.79 crore** has been made in the Budget Estimate for the year 2008-09 under Demand No.17 Handlooms and Textiles as detailed below:-

SI No	Name of the Scheme	Budget Estimate 2008-09 (Rs.in lakh)
(1)	(2)	(3)
1	Free Distribution of Dhothies and Sarees Scheme (including handling charges of Co-optex)	27150.00
2	Free Electricity to Handloom Weavers	1120.00
3	Free Electricity to Powerloom Weavers	6684.00
4	Rebate on sale of handloom cloth	4000.00
5	Marketing Incentive / Rebate under Integrated Handloom Development Scheme	7800.00
6	Cluster Development Programme under Integrated Handloom Development Scheme	1000.00
7	Group Approach for Development of Handlooms under Integrated Handloom Development Scheme	5000.00
8	Co-operative Handloom Weavers Savings and Security Scheme	425.00
9	Health Insurance Scheme for handloom weavers	417.39
10	Payment of premium under Mahatma Gandhi Bunkar Bima Yojana	160.00
11	Old Age Pension and Family Pension Schemes for cooperative handloom weavers	330.00
12	Interest Subsidy to Primary Weavers Cooperative Societies and Co-optex	1200.00
13	Central Thrift Fund Scheme	425.00
14	Establishment of Enforcement	117.84

<i>(1)</i>	<i>(2)</i>	<i>(3)</i>
	Machinery	
15	Implementation of Textile Centre Infrastructure Development Scheme	0.01
16	Establishment of Hi-Tech Weaving Parks	0.01
17	Powerloom Census (Rent for Powerloom Service Centre, Erode)	0.25
18.	Dheen Dhayal Hathkargha Protsahan Yojana Scheme	0.06
19.	Assistance to Powerloom Weavers' Welfare Board	100.00
20.	Modernisation of Warping and Sizing Unit	30.00
21.	Weaver cum Designer Project	15.00
22.	Workshed Scheme	0.01
23.	House cum- Workshed Scheme	0.01
24.	Secretariat Economic Services (Salaries of Staff and other Administrative expenses)	162.38
25.	Administrative expenses (Including Pay and Allowances of staff)	1242.64
TOTAL		57379.60

ANNEXURE : 1

HANDLOOM CLUSTERS APPROVED BY GOVERNMENT OF INDIA UNDER
INTEGRATED HANDLOOM DEVELOPMENT SCHEME

Sl. No	Name of the Handloom Cluster	Project cost (Rs.in lakhs)	District
(1)	(2)	(3)	(4)
1.	Tiruchirapalli	200.00	Tiruchirapalli
2.	Tiruvannamalai	200.00	Tiruvannamalai
3.	Kurinjipadi	200.00	Cuddalore
4.	Nilaiyur	59.70	Madurai
5.	Veeravanallur	59.70	Tirunelveli
6.	Pathirivedu	59.70	Thiruvallur
7.	Jayankondam	59.70	Perambalur
8.	Kandachipuram	59.70	Villupuram
9.	Appakoodal	59.70	Erode
10.	Sholingar	59.70	Vellore
11.	Sirumugai	59.70	Coimbatore
12.	Thandampalayam	59.70	Erode
13.	Palani	59.70	Dindigul
14.	Emaneswaram	59.90	Ramanathapuram
15.	Vengamedu	60.00	Karur
16.	Edappadi	52.60	Salem
17.	Dasappa Goundanpudur	59.08	Erode
18.	Chennimalai	58.30	Erode
19.	Palliyadi	58.50	Kanniyakumari
20.	Tiruppur	59.00	Coimbatore
21.	Punalveli	55.00	Virudhunagar
22.	Thirubuvanam	58.10	Kumbakonam
23.	Attayampatti	59.99	Salem
24.	Vandiyur	60.00	Madurai
25.	Sayarpuram	59.00	Tirunelveli

(1)	(2)	(3)	(4)
26.	Chinnalapatti	59.00	Dindigul
27.	Gudiyatham	60.00	Vellore
28.	Pudupettai	58.25	Cuddalore

ANNEXURE: 2

PROFILE OF TEXTILE INDUSTRY

Item	All India	TamilNadu	Position of TamilNadu
SPINNING SECTOR			
No.of Spinning Mills	3039	1248	1
Workers (in lakh)	8.94	2.11	1
Spindles (in Million)	39.27	14.74	1
POWERLOOM SECTOR			
Powerlooms (in lakhs)	19.03	3.66	2
Workers (in lakhs)	47.57	9.14	2
HANDLOOM SECTOR			
Handlooms (in lakhs)	34.86	4.13	2
Weavers (in lakhs)	65.50	6.08	2
Handloom Cloth			
Production (Bn.Sq.Mt)	6.00	0.70	1
Value (Rs. in crore)	18000	2500	1
OTHER SECTORS			
Power processing units	2510	985	1
Hand processing units	10397	2614	1
Knitwear and Garment units	8000	4000	1

NKK.P.RAAJA
MINISTER FOR HANDLOOMS