

**HANDLOOMS, HANDICRAFTS,
TEXTILES AND KHADI DEPARTMENT**

HANDLOOMS AND TEXTILES

**POLICY NOTE
2021 – 2022**

DEMAND No. 17

**R. GANDHI
MINISTER FOR HANDLOOMS AND
TEXTILES**

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**Government of Tamil Nadu
2021**

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HANDLOOMS AND TEXTILES

1. INTRODUCTION

The Textile Industry of Tamil Nadu has a significant presence in the National and State economy. It is a forerunner in Industrial development and in providing massive employment in the State. Handloom, Powerloom, Spinning, Processing, Garment and Hosiery are the various sectors of the Textile Industry in Tamil Nadu. It is the largest economic activity next only to Agriculture in providing direct and indirect employment.

Handloom Sector occupies a place of pride in preserving the country's heritage and culture and plays a vital role in the economy of the country. It has a tradition par excellence in its craftsmanship. The

Powerloom Sector in Tamil Nadu has also been playing an important role in meeting the clothing needs of the people. The Powerloom Sector in Tamil Nadu is next only to Maharashtra in terms of number of looms.

The Textiles Sector in Tamil Nadu is predominantly in the private sector, spinning oriented and labour-intensive because of the preponderance of the decentralized sector in most of the segments of the industry. The Textile Industry has a very important role to play in the industrial field with regard to employment potential, overall economic and commercial activities. This Industry enables the Union and State Governments to earn substantial revenue besides foreign exchange through exports.

2. THE DEPARTMENT OF HANDLOOMS AND TEXTILES

The primary objective of the Department of Handlooms and Textiles is to promote the harmonious growth of Handloom, Powerloom and Textile Sectors and to strive for the welfare of all concerned particularly that of the weavers and workers.

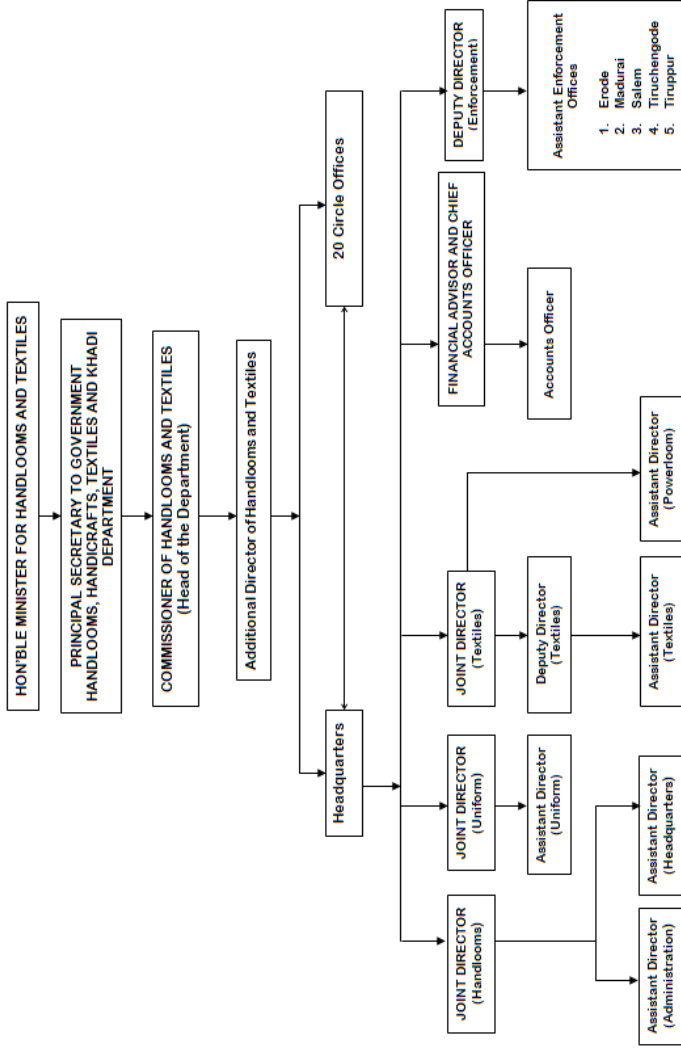
The Commissioner of Handlooms and Textiles is the "Functional Registrar" for the Handloom and Powerloom Weavers' Cooperative Societies and other Cooperative Institutions connected with the Industry throughout the State and is vested with powers delegated under the Tamil Nadu Cooperative Societies Act and Rules.

The Commissioner of Handlooms and Textiles 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,

Hosiery units, Handlooms and Powerlooms. The Department has the overall responsibility 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. The Department has a special responsibility for the supply of yarn and other raw materials to the Weavers' Cooperative Societies and arranging for marketing of the finished products through Co-optex, Loom World, Society's own showrooms and other selling outlets.

The Department of Handlooms and Textiles also promotes the Socio-economic well-being of the weavers and is in charge of implementing various welfare and developmental schemes for their welfare through 20 circle Deputy Directors / Assistant Directors of Handlooms and Textiles.

ORGANISATION CHART



Various Institutions functioning under the administrative control of the Department are as follows:-

- 1,134 Handloom Weavers' Cooperative Societies
- 209 Powerloom Weavers' Cooperative Societies
- Tamil Nadu Handloom Weavers' Cooperative Society Limited (Co-optex), Chennai
- 6 Cooperative Spinning Mills (Anna (Theni), Bharathi (Ettayapuram), Kanyakumari (Aralvoymozhi), Krishnagiri (Uthangarai), Pudukottai (Aranthangi) and Ramanathapuram (Achankulam)).
- Tamil Nadu Textile Corporation Limited, Coimbatore
- Tamil Nadu Zari Limited, Kancheepuram

- Tamil Nadu Cooperative Textile Processing Mills Limited, Erode
- Tamil Nadu Handloom Development Corporation Limited, Chennai
- Tamil Nadu Cooperative Spinning Mills Federation Ltd (TANSPIN), Chennai.

3. SECTORS OF THE TEXTILE INDUSTRY

3.1 HANDLOOM SECTOR

Handloom Sectors in Tamilnadu is unique in the sense that majority of the Handloom Weavers are in the Cooperative fold. There are 1,134 Handloom Weavers Cooperative Societies functioning in Tamilnadu as on 31.03.2021. As per 2019-20, 4th All India Handloom Census, there are 2.44 lakh handloom weavers in the State. The Handloom Weavers Cooperative Societies mostly exist

in Rural and Semi-Urban areas, where there is large concentration of weavers.

During the year 2020-2021, the Handloom Weavers Cooperative Societies have produced cloth valued at Rs.847.65 crore and sold Handloom Products to the extent of Rs.1027.01 crore.

3.2. POWERLOOM SECTOR

The Powerloom sector in Tamilnadu has been playing an important role in meeting the clothing needs of the people. Tamilnadu is the second highest State of Powerlooms in India in terms of number of Powerlooms. Our State accounts for around 5.63 lakh Powerlooms. Of which, 61,221 Powerlooms are functioning in 209 Powerloom Weavers Cooperative Societies in our State.

The Powerlooms are located mostly in Namakkal, Salem, Erode, Coimbatore, Vellore, Madurai, Karur, Tiruvallur, Tiruppur, Tirunelveli, Virudhunagar and Thiruvannamalai Districts. Most of the Powerlooms located in Salem, Karur, Tiruppur, Thiruvallur, Pallipalayam and Komarapalayam are engaged in export oriented production. Majority of Powerlooms in Tamilnadu are plain looms with very few "Shuttleless looms".

The Powerloom Weavers Co-operative Societies mainly produce the cloth required under the Scheme of Free Supply of Uniform to School Children and Distribution of Sarees and Dhoties Scheme for poor people.

During the year 2020-21, the Powerloom Weavers Co-operative Societies produced cloth valued at Rs.612.47 crore and sold cloth valued at Rs.641.05 crore.

3.3 SPINNING SECTOR

(i) Textile Mills

The Textiles mills in Tamilnadu are in the frontline for the development of the industry and providing large scale employment. Among them, most of the mills are Spinning related, especially cotton spinning mills.

In India there are about 52.48 million spindles, of which 24.03 million spindles are in Tamilnadu and providing employment to 2.80 lakh workers.

(ii) Cooperative Spinning Mills

To supply quality hank yarn to Handloom Weaver's Co-operative Societies and cone yarn to Powerloom Weaver's Co-operative Societies at reasonable rate without any hindrance, 18 Co-operative Spinning Mills were established in Tamil Nadu between 1958 to 1985 with an

installed Spindle capacity of 4.70 lakh Spindles.

At present, there are Six Co-operative Spinning Mills functioning with 1.18 lakh Spindle Capacity.

1. Anna Co-operative Spinning Mills, Andipatti, Theni.
2. Bharathi Co-operative Spinning Mills, Ettayapuram, Thoothukudi.
3. Kanyakumari District Co-operative Spinning Mills, Aralvaimozhi.
4. Krishnagiri District Co-operative Spinning Mills, Uthangarai.
5. Pudukkottai District Co-operative Spinning Mills, Aranthangi.
6. Ramanathapuram District Co-operative Spinning Mills, Atchankulam.

Apart from the above, there are 7 National Textiles Corporations functioning in the State.

3.4. READYMADE GARMENTS AND HOSIERY SECTOR

Readymade Garments occupy a predominant position in world trade as it is the fastest growing segment in the textile sector. The garment sector is located substantially around Chennai, with specialization in cotton and manmade fibre readymade garments. In Tamilnadu, the hosiery units are located in Tirupur area. There are about 13,000 hosiery and garment producing units in the State. These units provide employment to around 6 lakh persons. The hosiery units in Tirupur have contributed to the production of knitted garments of worth around Rs.45,000 crore during the year 2020-21.

3.5. PROCESSING SECTOR

The processing sector, which includes both pre-loom and post-loom activities, determines the value of core product and quality has tremendous scope for innovations and control over the final output. The process can be broadly classified as follows:-

- 1) The Bleaching and Dyeing of Yarn for the production of yarn dyed dress materials and home textiles
- 2) The Bleaching, Dyeing, Printing of grey fabric into sarees, lungies and converting to other home textiles

In Tamilnadu, processing facility is mainly in the unorganized sector. There are about 10,397 hand processing units and 2,510 power processing units in India. Out of which, 2,614 hand processing units and 985 power processing units are located in Tamilnadu.

4 FLAGSHIP SCHEMES

4.1 Distribution of Sarees and Dhoties Scheme

The Government of Tamilnadu have introduced the Distribution of Sarees and Dhoties Scheme during the year 1983 as one of the Flagship schemes. This scheme has been continued by the Government of Tamilnadu with the twin objectives of providing continuous employment to 14,000 Handloom Weavers and 54,000 Powerloom Weavers in the State and for distribution of Sarees and Dhoties every year to the poor people living in Rural and Urban areas in Tamilnadu on the eve of Pongal Festival.

During Pongal 2021, Rs.490.27 Crore was allotted for this scheme. 180.42 lakh Sarees and 180.09 lakh Dhoties were produced from Weavers Co-operative

Societies at a cost of Rs.517.42 crore and dispatched to all the Taluks of Tamilnadu for onward distribution to the people living in rural area and urban areas during Pongal 2021.

Sl. No.	Variety	Quantity (units in Lakh)		Value (Rupees in Crore)	
		Sarees	Dhoties	Sarees	Dhoties
1	Handloom	3.07	4.21	8.03	8.27
2	Pedalloom	41.48	17.70	84.53	26.04
3	Powerloom	135.87	158.18	236.52	154.03
Total		180.42	180.09	329.08	188.34

This scheme will be implemented continuously for the year 2021-22 also. The Government have made a provision of Rs.490.27 crore in the Revised Budget Estimate for the financial year 2021-22 for implementation of this scheme.

As per Handlooms, Handicrafts, Textiles and Khadi G.O. (Ms) No.85 dated: 28.07.2021, an amount of Rs.157.38 crore has been sanctioned as first instalment for the implementation of Pongal 2022 under Distribution of Sarees and Dhoties Scheme. In this regard, preliminary activities have been initiated.

4.2 Free Supply of Uniform to School Children

The Government is implementing the Free Supply of Uniform Scheme every year for the students who are studying in Government and Government Aided Schools. Under this scheme, students studying from 1st standard to 8th standard who are the beneficiaries of Nutritious Meal Programme are benefited. Every year 4 sets of uniforms

are being provided to the students under this scheme.

During the Academic Year 2020-21, 485.53 lakh meters of Uniform Cloth varieties at a cost of Rs.308.65 crore have been produced and supplied to Social Welfare Department for stitching and they were distributed to school children by Education Department as given below.

Sl. No.	Name of the loom	No. of Looms	Quantity of Uniform Cloth (in lakh Meters)	Value (Rupees in Crore)
1	Handloom	350	5.83	5.48
2	Pedalloom	6463	102.02	61.67
3	Powerloom	2727	377.68	241.50
Total		9540	485.53	308.65

The Government have accorded administrative sanction to continue the Free Supply of Uniform Scheme for the Academic Year 2021-22 and sanctioned the first and second installment amount totaling Rs.202.44 crore for the implementation of this scheme. Accordingly, actions are being taken to produce and supply the uniform fabric in full swing.

The Uniform fabric required by Adi Dravidar and Tribal Welfare Department, Backward Classes and Minorities Welfare Department and Most Backward Classes and De-notified Communities Welfare Department are also being supplied by the Department of Handlooms and Textiles.

Name of the Department	Total cloth requirement (in lakh meters)	Number of Students
Social Welfare (I to VIII Std)	485.53	38,05,250
Most Backward Classes and De-notified Communities Department (IV to X Std)	3.51	18,811
Backward Classes Hostel Students from IV to X std.	3.55	19,750
Adi Dravidar and Tribal Welfare Department (IX to XII std. Students)	13.19	76,021
Minority Welfare Department (IV to X std. Girls Students)	0.047	203
Total	505.827	39,20,035

5 SPECIAL SCHEMES

5.1 Free Electricity to Handloom Weavers

The Government of Tamilnadu is implementing the scheme for supply of free electricity to handloom weavers from the year 2006-07. Under this scheme, the Government provides free supply of electricity upto 200 units bi-monthly to handloom weavers. Under this scheme 77,550 handloom households are being benefited.

The Government have sanctioned a sum of Rs.7.46 crore in the Revised Estimate for the year 2020-21. The above amount has been released to Tamilnadu Generation and Distribution Corporation (TANGEDCO) as subsidy.

This scheme will be continued in the year 2021-22, for which a provision of Rs.7.83 crore has been allocated in the Revised Budget Estimate.

5.2 Free and Subsidized Electricity to Powerloom weavers

The Government of Tamilnadu is implementing the scheme for supply of free electricity for Powerloom weavers from the year 2006-07. The Government provides the free supply of electricity upto 750 units bi-monthly to Powerloom weavers. Under this scheme, 1,42,227 Powerloom Weavers are being benefited.

The Powerlooms are also given subsidy in the tariff as mentioned below:-

Unit	Tariff per unit	Government subsidy per unit	Tariff per unit payable by the weavers
	(Amount in Rupees)		
1 - 500	5.20	5.20	Free
501 - 750	5.75	5.75	Free
751 - 1000	5.75	3.45	2.30
1001 - 1500	5.75	2.30	3.45
1500 and above	5.75	1.15	4.60

The Government have sanctioned a sum of Rs.383.96 crore in the Revised Estimate for free electricity and for rebate in tariff for Powerloom Weavers for the year 2020-21. The above amount has been released to the Tamilnadu Generation and Distribution Corporation (TANGEDCO) as subsidy.

This scheme continues in the year 2021-22, for which a provision of Rs.403.16 crore has been allocated in the Revised Budget Estimate.

5.3 Rebate Subsidy Scheme

The State Government is providing rebate subsidy to handloom cloth to overcome the stiff competition faced by the handloom industry at the market from powerloom and mills. This scheme helps the Primary Weavers Co-operative Societies and Tamil Nadu Handloom Weavers Co-operative Society Limited (Co-optex) to improve marketing of handloom products and also helps them to liquidate the stock.

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.

Apart from this, on the eve of birthday of Perarignar Anna, the state is allowing an additional 10% special rebate on the normal rebate of 20% ie, 30% for a period of 139 days from 15th September to 31st January every year to the customers. Under this scheme 30% or Rs.150/- per unit for cotton varieties and 30% or Rs.300/- per unit for silk varieties (whichever less) is allowed.

The State Government has provided a sum of Rs.150.00 crore towards rebate subsidy scheme for the year 2020-2021. An additional fund of Rs.150.00 crore was also provided in the Revised Estimate. The total of Rs.300.00 crore has been sanctioned and released to the Primary Handloom Weavers Co-operative Societies and Tamil Nadu

Handloom Weavers Co-operative Society Limited (Co-optex) during the year 2020-21.

This scheme will be implemented during the year 2021-22, for which a sum of Rs.150.00 crore has been provided in the Revised Budget Estimate for the year 2021-22.

5.4 Interest Subsidy Scheme

The Primary Weavers Cooperative Societies are getting working capital assistance by way of Cash Credit from District Central Cooperative Banks under NABARD refinance Scheme as per their eligibility. In order to reduce the interest burden of the Primary Weavers' Co-operative Societies and to provide continuous employment to handloom weavers, "Interest

Subsidy Scheme” is being implemented by the Government of Tamilnadu.

Under the scheme, 6% interest Subsidy is being reimbursed by the Government on the rates charged by District Central Cooperative Banks on Cash credit of Primary Weavers Cooperative Societies

Accordingly, a provision of Rs.21.60 crore is made in the Budget Estimate for the year 2020-21 for disbursing interest subsidy, of which, a sum of Rs.20.64 crore has been sanctioned and disbursed from the month of February 2020 to February 2021 to the Primary Handloom Weavers Co-operative Societies concerned.

This scheme will be continued during the year 2021-22 and a budget provision of Rs. 21.60 crore has been made in the Revised Budget Estimate for the year 2021-22.

5.5 Handloom Support Programme

The scheme 'Handloom Support Programme' has been formulated for providing financial assistance for innovation and diversification of products in the Handloom sector. The Government have sanctioned Rs.40.00 crore per year for 3 years for implementing the scheme.

For the year 2020-21, the Government have sanctioned a sum of Rs.40.00 crore and the scheme is under implementation.

6. WEAVER WELFARE AND INSURANCE SCHEMES

With a view to improve the socio-economic condition of the handloom weavers, the following welfare schemes are being implemented by the Government of Tamil Nadu.

6.1 Tamilnadu Co-operative Handloom Weavers' Savings and Security Scheme

To inculcate the habit of savings in order to protect the future of the weavers, the Government is implementing the Tamilnadu Co-operative Handloom Weavers' Savings and Security Scheme from the year 1975.

Under this scheme, weavers who enrolled as members in the Handloom weavers' co-operative societies are contributing 8 paise per rupee of wages earned by them and the State Government is also contributing a matching share of 8 paise per rupee. Both the weavers' contribution and the State Government contributions are being deposited in the respective Government Account.

The State Government allows 6.50% interest on the deposit amount under the Tamilnadu Co-operative Handloom Weavers Savings and Security Scheme.

Under this scheme, till March 2021, 53,280 weavers have been enrolled as members. During the year 2020-21, the State Government have sanctioned a sum of Rs.10.45 crore towards State contribution against the weavers' contribution for the year 2019-20.

The State Government have sanctioned an amount of Rs.22.89 crore for the year 2019-20 towards 6.50% interest on the deposits in the Tamilnadu Co-operative Handloom Weavers Savings and Security Scheme Fund Account during the year 2020-21.

This scheme will be continued during the year 2021-22, for which, a sum of Rs.12.00 crore has been allotted in the Revised Budget Estimate towards State contribution and an amount of Rs.28.00 crore has been allocated towards 6.50% interest provided under the scheme.

6.2 Tamilnadu Cooperative Handloom Weavers' Old Age Pension Scheme

The Old Age Pension Scheme for Handloom Weavers in the Co-operative fold is implemented by the State Government from the year 1997. The members enrolled under the Tamilnadu Co-operative Handloom Weavers Savings and Security Scheme who attained the age of 60 years become eligible to get Tamilnadu Co-operative Handloom Weaver Old Age Pension. The Government have provided Rs.1000/- per month as Old

Age Pension and 26,996 Handloom Weavers are being benefited under this scheme.

During the year 2020-21, the Government have sanctioned a sum of Rs.31.51 crore towards payment of Old Age Pension to 26,996 handloom weavers, out of which, an amount of Rs.26.90 crore has been sanctioned from the Government account and the balance amount of Rs.4.61 crore is sanctioned from the 3% interest amount of the Savings and Security Scheme Fund.

This scheme will be continued for the year 2021-22. Under the Old Age Pension Scheme and Family Pension Scheme, a sum of Rs.27.00 crore has been allotted in the Revised Budget Estimate for the year 2021-22.

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

For the benefit of deceased Handloom Weavers' family, the Government of Tamilnadu is implementing the Tamilnadu Co-operative Handloom Weavers' Family Pension Scheme.

In case of handloom weaver member's death before attaining the age of 60 years, the nominee of the weaver is eligible to get Family Pension for a period of 10 years from the date of death of the weaver or upto the age of 60 years (If the deceased weaver would have been alive) whichever is beneficial to the weaver's family. The Government have provided Rs.1000/- per month as Family Pension to the nominee of deceased Handloom Weaver.

The Government have sanctioned a sum of Rs.1.50 crore in the year 2020-21 towards payment of Family Pension to the families of 1,232 handloom weavers, out of which, an amount of Rs.1.10 crore has been sanctioned from the Government account and the balance amount of Rs.0.40 crore is sanctioned from the 3% interest amount of the Savings and Security Scheme Fund.

This scheme will be continued for the year 2021-22.

6.4 Insurance Scheme for Handloom Weavers

6.4.1 Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) and Pradhan Mantri Suraksha Bima Yojana (PMSBY)

The handloom weavers in the age group of 18 to 50 years under co-operative fold and outside co-operative

fold and ancillary workers are enrolled under Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) and Pradhan Mantri Suraksha Bima Yojana (PMSBY). The details of premium structure per beneficiary and benefits provided under these two schemes are as follows:

Premium Structure

Contribution	Annual Premium (in Rupees)		
	PMJJBY	PMSBY	Total
Union Government	150/-	12/-	162/-
State Government	80/-	-	80/-
LIC of India	100/-	-	100/-
Total	330/-	12/-	342/-

The annual premium of Rs.80/- per weaver per annum payable to LIC of India is contributed by the Government of Tamil Nadu on behalf of the weavers.

Benefits

(i) Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY)

On death caused due to any reason, Rs.2,00,000/- is provided to the deceased weaver's family under this scheme.

(ii) Pradhan Mantri Suraksha Bima Yojana (PMSBY)

Details	Benefits (in Rupees)
Accidental Death	2,00,000
Permanent total disability due to accident	2,00,000
Partial permanent disability due to accident	1,00,000

6.4.2. Mahatma Gandhi Bunkar Bima Yojana (MGBBY)

Under Mahatma Gandhi Bunkar Bima Yojana (MGBBY), the handloom weavers in the age group of 51-59 years under co-operative fold and outside co-operative fold and ancillary workers are enrolled under this scheme. The details of premium structure per beneficiary and benefits provided under these two schemes are as follows:

Premium Structure

Contribution	MGBBY- Annual Premium (in Rupees)
Union Government	290/-
State Government	80/-
LIC of India	100/-
Total	470/-

The annual premium of Rs.80/- per weaver per annum payable to LIC of India is contributed by the Government of Tamil Nadu on behalf of the weavers.

Benefits

Details	Benefits (in Rupees)
Accidental Death	1,50,000
Natural Death	60,000
Total Disability	1,50,000
Partial Disability	75,000

During the year 2020-21, as many as 277 death claims have been settled to the tune of Rs.2.37 crore and has been paid to the beneficiaries through LIC of India.

The State Government have allotted an amount of Rs.85.01 lakh for the year 2021-22.

6.5 Health Insurance Scheme for Handloom Weavers

The “Chief Ministers’ Comprehensive Health Insurance Scheme” which has been implemented by Government of Tamilnadu is now being integrated with Pradhan Mantri Jan Arogya Yojana (AB-PMJAY). This integrated health insurance scheme provides coverage upto Rs.5.00 lakh per family per annum. The State Government have taken necessary action to bring all the eligible Handloom Weavers under this Integrated Health Insurance Scheme.

Accordingly, steps have been taken for inclusion of 66,539 weavers families under the “Chief Ministers’ Comprehensive Health Insurance Scheme”. As on 31.03.2021, 47,386 handloom weavers have been enrolled in the scheme.

6.6 Weaver MUDRA Scheme

In order to provide concessional credit to Handloom Sector, the Union Government has introduced the Weaver MUDRA Scheme, a component of National Handloom Development Programme (NHDP) since 2016-17. Under this Scheme, a minimum loan of Rs.50,000/- for cotton loom and Rs.1,00,000/- for silk loom are provided through nationalised banks at an interest rate of 6% per annum to all weavers/ ancillary workers towards working capital and to meet out the financial requirements viz., cost of tools and purchase of equipments required for carrying out weaving / allied activities.

The Union Government also provides the Margin Money Assistance of 20% of loan amount, subject to a maximum of Rs.10,000/- to the beneficiaries and the

quantum of Interest Subvention provided to the banks would be limited to 7% on the difference between the actual rate of interest charged by the banks and 6% interest borne by the weavers.

During the year 2020-21, loan amount of Rs.70.15 crore has been disbursed to the 14,545 MUDRA loan applications through banks.

Under this scheme, for the year 2021-22, the target has been fixed to enroll 15,000 weavers.

7. DEVELOPMENT SCHEMES

7.1 NATIONAL HANDLOOM DEVELOPMENT PROGRAMME

7.1.1 CLUSTER DEVELOPMENT PROGRAMME

The Government of Tamilnadu is implementing the Cluster Development Programme under National Handloom Development Programme (NHDP) for the

welfare of handloom weavers both within and outside the Co-operative fold as per the revised guidelines implemented by the Union Government during the period from 2017-18 to 2020-21.

The maximum permissible financial assistance of Union Government per Block Level Handloom Cluster (BLHC) is Rs.200.00 lakh for the following 7 components as indicated below:-

Sl. No	Intervention	Financial Assistance (Rs. in Lakh)
1	Technological Up-gradation	85.00
2	Common Facility Centre including Common Service Center	50.00
3	Skill Up-gradation	20.00
4	Engagement of Designer	15.00
5	Project Management Cost	15.00
6	Yarn Corpus Fund	5.00

Sl. No	Intervention	Financial Assistance (Rs. in Lakh)
7	Product Development / CATD	10.00
TOTAL		200.00

Apart from this, an amount of Rs.50.00 lakh is provided for setting up of dye-house with ETP at district level.

With regard to the above 7 components, the grant of funds for "Technological Up-gradation" is shared - 90% by Union Government and 10% by beneficiaries. In respect of remaining components i.e., Skill up-gradation, Product Development, Textile Designer-cum-Marketing Executive, Project Management Cost, CATD, Documentation, Baseline Survey etc., the funding pattern is 100% by Government of India.

The Government of Tamilnadu is implementing the Cluster Development Programme in 52 Block Level Handloom Clusters by incurring expenditure of Rs.56.24 crore. 35,293 handloom weavers are benefited in this scheme.

A provision of Rs.50.00 lakh has been allocated in the Revised Budget Estimate for the year 2021-22 towards implementation of Cluster Development Programme.

7.1.2 Marketing Incentive Scheme

Marketing Incentive is a component of National Handloom Development Programme (NHDP) under which financial assistance is provided to the handloom agencies for marketing of handloom products. The funding pattern is 50:50 which is shared by

the Union Government and the State Government.

As per the guidelines of the Union Government, an upper cap of Rs.30.00 lakh of annual sales turnover has been fixed as eligibility for claiming financial assistance under Marketing Incentive Scheme from 2017-18. The quantum of financial assistance provided is 10% of the average sales turnover of the last 3 years.

This scheme will be implemented during the year 2021-22, for which a sum of Rs.3.00 crore has been provided in the Revised Budget Estimate.

7.1.3 Handloom Marketing Assistance

The Union Government is providing financial assistance towards conduct of National Handloom Exhibitions, Special Handloom Exhibitions and Districts Level

Events under “Handlooms Marketing Assistance” component of National Handloom Development Programme. The quantum of financial assistance provided for conduct of exhibitions are as follows:-

Sl. No.	Name of the event	Financial Assistance (Rs.in lakh)
1.	National Handloom Expo	45.00
2.	Special Handloom Expo	12.00
3.	District Level Events	3.50

During the year 2020-21, one Special Handloom Expo was conducted in Trichy with the financial assistance of Rs.12.00 lakh sanctioned by the Union Government. Sales to the tune of Rs.79.05 lakh has been generated from this Special Handloom Expo.

This scheme will be continued during the year 2021-22.

7.2 Common Effluent Treatment Plants at Tiruppur

Tirupur is a hub of textile processing and knitting industry. It provides employment to over 5 lakh people and contributes significantly to the total garment export of the Country. 18 Common Effluent Treatment Plants (CETPs) have been established in Tirupur to treat the effluents generated by Textile processing units. These CETPs were established with Union and State Government assistance and also by taking loans from various banks.

The Union and State Governments had sanctioned a sum of Rs.300.00 crore as subsidy to the 18 Common Effluent Treatment Plants, of which the Union Government share was Rs.187.50 crore and the State Government share was Rs.112.50 crore.

In order to ensure Zero Liquid Discharge (ZLD) by adopting Nano or Brine reuse technology and to install additional machinery in the existing CETPs, the State Government sanctioned a sum of Rs.203.29 crore for the project as interest free loan to the 18 CETPs. Out of the sanctioned sum of Rs.203.29 crore, an amount of Rs.201.97 crore has been so far released to the CETPs.

The Union Government has also released a sum of Rs.200.00 crore as one time settlement of outstanding bank loan and upgradation of installed machineries in the 18 CETPs as Interest Free Loan.

7.3 Integrated Processing Development Scheme

For the rehabilitation of micro, small, medium scale textile bleaching, dyeing and its allied units in the Districts of Namakkal,

Erode, Salem and Karur this scheme is being implemented from 2014.

The Detailed Project Reports of feasible 8 Common Effluent Treatment Plants (CETPs) in Erode District with the project cost of Rs.1374.88 crore and 2 Common Effluent Treatment Plants (CETPs) in Namakkal District with the project cost of Rs.351.89 crore and Southern District Textile Processing Cluster in Virudhunagar District with the project cost of Rs.151.86 Crore have been submitted to the Government of India (GoI). Out of the above projects in-principle approval for Sree Bhavani Dyeing Cluster and Southern District Textile Processing Cluster have been accorded by the Union Government (GoI) and the projects are under implementation.

7.4 Scheme for Integrated Textile Parks

Considering the growth in the Textile Industry and in order to create world-class infrastructure facilities for setting up their Textile Units, in one place, the Union Government have launched the **“Scheme for Integrated Textile Parks (SITP)”** in the year 2005. This Scheme would create new Textile Parks of international Standards at potential growth centres. The scheme is being operated on Public Private Partnership basis with the Union Government grants of 40% of the Project cost, subject to a maximum of Rs.40.00 crore. State Government provides grant of 9% of the project cost, subject to a maximum of Rs.9.00 crore.

The Textile parks cover production / support activities in all the subsectors of Textile Industry viz., Spinning, Weaving

(Handloom and Powerloom), Processing, Knitting and Apparel Garmenting, Home Textiles, Technical Textiles etc., including Textiles Engineering, Accessories and Packaging.

Under the Scheme for Integrated Textile Parks (SITP), 8 Textile Parks have been approved by the Union Government. Among which, the following 4 Textile Parks have been fully established and are functioning now.

1. Hi-Tech Weaving Park, Palladam, Tiruppur.
2. Integrated Textile Park, Karur.
3. Madurai Integrated Textile Park, Vadipatti, Madurai.
4. Hi-Tech Weaving Park, Kumarapalayam, Namakkal.

The works of the remaining following 4 Textile Parks are under process.

1. GILT Integrated Textile Park, Chengampalli, Tiruppur.
2. SIMA Textile Processing Park, Cuddalore.
3. Kancheepuram Aringar Anna Handloom Silk Park, Kancheepuram.
4. Pallavada Technical Textile Park, Erode.

7.5 Technical Textiles

Technical Textile is a sunrise segment of the Textile Sector, offering a lot of opportunities for domestic utilization of technical textiles as well as exports.

Technical Textile focuses on 12 application areas : viz., Agrotech, Buildtech, Clothtech, Geotech, Hometech, Indutech, Meditech, Mobiletech, Oekotech, Packtech, Protech and Sporttech.

The Government have offered the following incentives for the development of Technical Textiles in "Tamilnadu New Integrated Textile Policy 2019":-

- 9% of Project Cost, subject to a maximum ceiling of Rs.9 crore will be provided as State Government grants for setting up of Technical Textile Parks under Scheme for Integrated Textile Parks (SITP).
- 6% Interest subsidy for Technical Textile projects will be provided in addition to other incentives offered by the Union Government.
- Overseas study will be conducted to identify potential possibilities of Technical Textile markets and products.

- 100% Stamp Duty Exemption will be given for Technical Textile projects.

7.6 Samarth Scheme

Ministry of Textiles, Union Government has introduced the Samarth Scheme for capacity building in Textile Sector. It was proposed to impart Training in the discipline of **“Handloom Weaving”** for 1,400 beneficiaries through the 4 Training Institutes which are functioning under the control of the Department of Handlooms and Textiles. The Union Government have approved the estimated project cost of Rs.196.14 lakh and initially released a sum of Rs.58.84 lakh for the first phase of training to 1400 beneficiaries and permitted to utilise Rs.19.61 lakh for initial expenses. This scheme is being implemented as per the guideline of GOI.

8 Awards and Scholarships

8.1 Award for Best Exporters

In order to encourage the Handloom Exports and augment the sale of Handloom products in the international market, the Government of Tamil Nadu have been giving Awards for the Best Exporters since 1975.

To encourage the Handloom Weavers' Co-operative Societies and exporters those who produce the export varieties, a sum of Rs.1.00 lakh per annum is provided every year to distribute trophies and certificates to the best exporters and Primary Handloom Weavers Co-operative Societies under this scheme.

This scheme will be continued during the year 2021-22 and a provision of Rs.1.00 lakh has been made in the Revised Budget estimate.

8.2 Prize Award Scheme for the Talented Weavers

The Government of Tamilnadu have been implementing Prize Award scheme called "**Talented Weavers**". This scheme aims to encourage weavers those produced Silk and Cotton Sarees, Dhothies and Handloom Export goods with attractive designs in the 20 categories every year. The First Prize, Second Prize and Third Prize are being distributed to 60 Talented Handloom Weavers as detailed below:-

First Prize	Rs.10,000/-
Second Prize	Rs.6,000/-
Third Prize	Rs.4,000/-

The expenditure for this scheme amounting to Rs.4.00 lakh is being met

out from the Co-operative Research and Development Fund of Tamil Nadu Co-operative Union. This Scheme will be continued during the year 2021-22.

8.3 State Level Best Weavers Award

In order to promote the Handloom Weavers who have significantly contributed for development of Handloom Weavers Cooperative Societies through interventions of new and attractive designs, producing trendy market demandable Silk and Cotton sarees, the Government have been implementing the scheme "Best Weavers award" . Under this scheme, 6 Handloom Weavers and 3 Designers are being awarded Prizes as given below:-

Sl. No	Details	First Prize (Rs.)	Second Prize (Rs.)	Third Prize (Rs.)	Total Prize Amount (Rs.)
1.	Best Weaver for Silk Varieties	100000	75000	50000	225000
2.	Best Weaver for Cotton Varieties	100000	75000	50000	225000
3.	Best Designer	25000	10000	5000	40000
Total		225000	160000	105000	490000

Provision of Rs.4,90,000/- has been made in the Revised Budget Estimate for the year 2021-22.

8.4 Awarding Scholarships under Dr. MGR Handloom Weavers Welfare Trust

With a view to encourage the wards of the Weavers to pursue higher studies, Dr.MGR Handloom Weavers Welfare Trust was formed in the year 1986. Every year

scholarships are provided to Five Male and Five Female students, who have secured First Five places in the State Level in X and XII Standard. Based on the marks secured in Tenth and Twelfth Standard., scholarships are awarded to Five Male and Five Female Students in 40 Disciplines ranging from Rs. 1000/- to Rs.7500/- per annum till they complete their courses. A total of 400 students (200 Male and 200 Female) are getting scholarships under this scheme every year. This scheme will be continued for the year 2021-22.

8.5 Scholarships to the Wards of Workers of Co-operative Spinning Mills and Tamil Nadu Co-operative Textile Processing Mills

Under this scheme, scholarship is provided to the wards of workers of Co-operative Spinning Mills and Tamil Nadu Cooperative Textile Processing Mill, who have

secured first 3 places in 10th and 12th standard are given scholarships of Rs.5,000/-, Rs.3,000/-, Rs.2,000/- and Rs.10,000/-, Rs.7,500/- Rs.5,000/- respectively at the Mill's level.

8.6 Stipend to Students of Indian Institute of Handloom Technology, Salem

In order to encourage the wards of Handloom weavers, priority is being given to them while selecting candidates for the 3 year diploma course in Handloom and Textile Technology in the Indian Institute of Handloom Technology, Salem. The Government of Tamilnadu is providing stipend to the students admitted in the three years diploma course in "Handloom and Textile Technology" in the Indian Institute of Handloom Technology, Salem as below:

Year	Stipend per month / student	50% of GOI share (per month)	50% of TN Govt. share (per month)
	(Amount in Rupees)		
I Year	1,000	500	500
II Year	1,100	550	550
III Year	1,200	600	600

In addition to the stipend amount, contingency amount of Rs.1,000/- per annum for purchase of books is also provided for each student. Apart from this, educational tour allowance of Rs.1,000/- per annum for the 2nd year students, and project work allowance of Rs.500/- for the 3rd year students, are also being paid. This financial assistance is provided by the Government of Tamilnadu from Co-operative Education Fund of Tamilnadu Co-operative Union.

The students studying in Indian Institute of Handloom Technology in Gadag (Karnataka), Venkatagiri (Andhra Pradesh)

and Kannur (Kerala) under Tamilnadu Government quota are also being paid stipend from Co-operative Education Fund of Tamilnadu Co-operative Union.

86 students benefitted under the scheme.

9 OTHER ACTIVITIES OF THE DEPARTMENT

9.1 Implementation of Handlooms (Reservation of Articles for Production) Act, 1985

The Union Government have enacted the Handlooms (Reservation of Articles for Production) Act in 1985, for safeguarding the traditional handlooms industry which has been mingled with culturally as well. The primary aims of the Act are to save the Handlooms from the aggressive clutches of

powerloom and textile industry to ensure the livelihood of the weavers involved in the industry. In order to enforce the Handlooms (Reservation of Articles for Production) Act, the Enforcement Offices have been set up by the Handlooms and Textiles Department in the respective states.

In our State, the Commissionerate of Handlooms and Textiles have formed separate enforcement machinery headed by Deputy Director (Enforcement) with headquarters at Chennai and 5 subsidiary Assistant Enforcement offices at Salem, Thiruchengode, Erode, Tiruppur and Madurai.

While introducing the Handlooms (Reservation of Articles for Production) Act in 1985 by Government of India, 22 varieties had been reserved for Handloom. However, the varieties were reduced to 11 through an

amendment made on 26.07.1996 as follows:-

(1)	Saree	(2)	Dhoty
(3)	Towel/ Gamcha and Angavastram	(4)	Lungi
(5)	Chaddar Mekhala/ Phanek	(6)	Jamakkalam/ Durry or Durret
(7)	Dress Material	(8)	Barrack Blanket, Kambal or Kamblies
(9)	Shawl, Loi, Muffler, Pankhi etc.,	(10)	Woollen Tweed
(11)	Khes/Bedsheet/Bedcover/Counterpane/ Furnishing (including tapestry, upholstery)		

A series of inspections are being carried out in the areas where powerlooms are most abundant and legal actions are being initiated against the violators by lodging F.I.R. and filing cases in the Criminal Court within the legal frame work as per the

Act 1985. Further, in order to propagate the provisions of Handlooms (Reservation of Articles for Production) Act, 1985, among the powerloom weavers/ workers, the awareness campaigns are being conducted periodically. The varieties reserved for Handlooms, details of action and punishment awardable against the violation are being explained in detail during the awareness campaigns.

It is also planned to enforce this act aggressively during the year 2021-22.

9.2 Registration of Handloom Products under Geographical Indication of Goods Act, 1999

Specialised goods produced in a particular region can be registered under the Geographical Indication of Goods Act 1999 so as to provide legal protection to the goods produced in a particular region and

customers are protected against misuse of these geographical indications. The registration of goods under the Geographical Indication Act not only promotes sale of specialized products but also the exports of such goods, which come under the Trade Related Intellectual Property Rights (TRIPS) Agreement of World Trade Organisation (WTO).

Under the Geographical Indications of Goods (Registration & Protection) Act, 1999 the following products have been registered by the Department of Handlooms and Textiles. 1) Kancheepuram Silk Sarees, 2) Bhavani Jamakkalam, 3) Madurai Sungudi Sarees, 4) Salem Venpattu Dhoti, 5) Arni Silk Sarees, 6) Kovai Kora Cotton Sarees, 7) Thirubhuvanam Silk Sarees and 8) Kandangi Sarees.

Further, the Department is taking action to register Negamum Sarees, Veeravanallur Chedibutta Sarees and Woraiyur Cotton Sarees under Geographical Indications of Goods Act.

9.3 Handloom Mark



To create an exclusive identity to the Handloom products and to improve its marketing in domestic as well as international markets, the "Handloom Mark Scheme" was launched by the Union Government on 28.06.2006. This scheme provides a Handloom logo to ensure the availability of the genuine Handloom products to the buyers, thereby improving the marketability of Handloom products.

The Primary Handloom Weavers' Co-operative Societies of Tamilnadu, The

Tamilnadu Handloom Weavers' Co-operative Society Ltd. (Co-optex), individuals, private weavers and exporters are registered under Handloom Mark Scheme for using the Handloom Mark Labels.

Till the year 2020-21, 8693 organisations/individuals have been registered under the Handloom Mark Scheme and 4.86 crore labels have been purchased.

9.4 Silk Mark



The Union Government have introduced "Silk Mark" to promote the sale of silk products in domestic and international market, with effect from 17.04.2004. Silk Mark is an identity label, which is affixed on pure and natural silk products to ensure their fine quality.

The Silk Mark scheme is sponsored by the Central Silk Board, Ministry of Textiles, Government of India and being implemented by the Silk Mark Organization of India (SMOI) which has been registered under the Karnataka Societies Registration Act 1960.

Any Individual Firm/Institution, Union and State Government Institutions and Primary Weaver Cooperative Societies and Apex Cooperative Societies can become a member of Silk Mark Organization of India. The registered members of this organization are only authorized to use these Silk Mark labels.

So far, 85 Silk Handloom Weavers Co-operative Societies in Tamil Nadu have registered themselves as authorized users.

9.5 India Handloom Brand



To promote Handloom industry on a sustainable basis “India Handloom” Brand was launched by the Government of India on 7th August 2015, during the celebration of first National Handloom Day, to endorse the quality of Handloom products in terms of raw material, processing, establishment, weaving, design and other parameters besides social and environmental compliance for earning the trust of customers.

The main objective of launching the brand is to ensure the production of quality products with new designs for winning the trust and confidence of customers by giving particular attention to defect free, hand

woven, authentic niche products with zero defect and zero impact on environment.

The Weavers Service Centre at Kancheepuram receives applications for registration of Handloom products under India Handloom Brand in Tamilnadu. So far 107 Handloom Weavers Cooperative Societies and 53 individuals have been registered under India Handloom brand.

10 INSTITUTIONS UNDER THE ADMINISTRATIVE CONTROL OF THE DEPARTMENT

10.1 The Tamil Nadu Handloom Weavers' Co-operative Society Limited (Co-optex), Chennai

The Tamil Nadu Handloom Weavers Co-operative Society popularly known as "Co-optex" is established in the year 1935. Co-optex has the distinction of being geographically, the most spread Apex society

with outstanding contribution to Handlooms in the country.

Its logo of multihued butterfly is synonymous with quality and fair trade in handlooms to its customers. This has been possible because of its large base of highly skilled weavers producing handlooms representing a historic weaving tradition of Tamil Nadu with unmatched aesthetic quality. Today Co-optex not only represents the highest tradition of handlooms of Tamilnadu but also a great social cause by providing sustained employment to the weavers of the State.

Co-optex extends marketing support to the affiliated 1055 Handlooms Weavers' cooperative societies and 194 Powerloom weavers' cooperative societies by selling their products through its own outlets spread

across the country, thus creating continuous employment opportunities for the Handloom weavers families in the cooperative sector.

Co-optex is endeavoring to achieve on following objectives:

- 1) Extending market support to Weavers' Co-operative Societies and popularizing Handloom products.
- 2) To develop products that combine tradition and fashion to meet the changing demand of customers.
- 3) Implementing various innovative schemes.
- 4) Creating continuous employment Opportunities for handloom weavers.

Co-optex markets various handloom goods through its 154 retail outlets sprawled across the country.

As a part of its activity, Co-optex joins hands in implementing various Government schemes and acting as Nodal Agency.

The Government Schemes implemented by Co-optex are

1. Distribution of Sarees and Dhoties Scheme.
2. Free Supply of Uniform to School Students Scheme
3. Distribution of Sarees and Dhoties Scheme for Old Age Pensioners.

Sales Details and Activities

Retail Sales during 2020-21

Even during the Pandemic period, Co-optex has achieved a sale of Rs.206.21 crore during 2020-21. This sale was a result of many initiatives including continuous procurement throughout the year, modernization of a large number of

showrooms to improve their aura and ambience, increased design interventions, introduction of new products, as well as motivation and training imparted to all the staff in the 11 Regions.

By effective campaigning in Face Book and other social medias, Co-optex has added a large number of young generation customers who are the first time buyers of handloom goods.

Sales through Online Portal – e - Commerce

In order to increase the sales in domestic and International market, Co-optex has launched Online sales through its own portal, since inception in 2014-15, the online sale is showing considerable growth potential.

During the year 2020-21, Co-optex has achieved a sale of Rs.186.32 lakh through Online Portal.

Modernization of Showroom's Activities during 2020-21

Co-optex has modernized Sivakasi Showroom in Madurai Region at the cost of Rs.24.48 lakh.

Sales Promotion Schemes to attract Customers

Buy 2 Get 1 Free Scheme

During the year 2011-12 an innovative scheme "Buy 2 Get 1 Free" was launched. The scheme is being continued due to continuous support from the customers. During 2020-21, Co-optex has achieved a sale of Rs.13.74 crore through this scheme.

Kanavu Nanavu Thittam

Co-optex offers a popular monthly savings schemes named as "Kanavu Nanavu Thittam". Customer can invest through monthly installments starting from Rs.300/- Customer pays 11 monthly installments and Co-optex pays 12th installment as bonus. A sale of around Rs.13.18 crore was achieved during the year 2020-21 through this scheme.

From May 2021, 2 schemes have been introduced.

Scheme No.1 - 5+1 scheme - The customer have to pay 5 installments, 6th installment to be paid by Co-optex as bonus.

Scheme No.2 - 10+2 scheme - Customers shall pay 10 installments and Co-optex will bear 11 & 12th installments as bonus. The facility to pay their monthly

installments through online has also been introduced now.

Cooptex International

Co-optex endeavors to increase its volume of Export sales with continuous efforts. Co-optex exports its products to Italy, France, Switzerland, United Kingdom and other countries. Co-optex International had exported home textiles goods, viz., bed linen, table linen, kitchen linen, fashion bags etc., and the export turnover was Rs.57.20 lakh for the year 2020–21.

Participation in Trade Fairs

During the year 2020–21 Co-optex International could not directly participate in the International Fairs due to prevalence of Covid-19 pandemic throughout the year. However, Co-optex International have participated in the virtual fairs through online.

Sl. No.	Indian Hand Woven and Home Textiles Sourcing Fair and Participation Countries	Participation Period
1.	South America	December 15-17 , 2020
2.	Sweden / Denmark	February 09 -11, 2021
3.	Australia	March 16-18, 2021
4.	USA / Canada	March 23-25, 2021
5.	Japan	March 24-26, 2021
6.	Spain / France / Italy	March 29-31, 2021

Introduction of New Varieties for 2020-21

Co-optex is engaged in the continuous development and production of new varieties with innovative designs and colour patterns in tune with the market demand to cater to the needs of its customers. In this context,

Co-optex has introduced the following new varieties during 2020-21.

i) Yuva Silk Sarees

Soft silk sarees produced by the weavers of Salem area with weft tie & dye solid / plain borders in bright contrast colours and contrast pallu to attract younger demographic saree lovers have been introduced for sales.

ii) Korvai Jamakkalam

Woven by Salem and Erode area weavers with the incorporation of geometrical patterns in multi colours by hand korvai method giving aesthetic appeal can easily be differentiated from traditional type Jamakkalams. These jamkkalams have been introduced for sales.

iii) Cotton Woven Sarees with Hand Block Prints

Fine cotton sarees woven by the weavers of Salem area printed with meticulous hand block motifs and patterns by using wooden blocks in contemporary style, is a unique collection for saree lovers have been introduced for sales.

iv) Attached border printed bed sheets

Printed bedsheets are stitched / attached with matching plain colour fabric all along four sides, making it a perfect and unique bed linen variety have been introduced in 72" x 100" and 90" x 108" sizes for sales. These bedsheets are produced by the weavers in Chennimalai area.

Performance in Government Schemes

Free Distribution of Sarees and Dhoties Pongal 2021

Under the Free Distribution of Sarees and Dhoties Scheme for Pongal 2021, Co-optex was one of the Nodal Agencies for supply of sarees and dhoties. Co-optex has supplied 40.38 lakh sarees and 49.04 lakh dhoties to the Revenue Department for distribution to beneficiaries in Tamil Nadu up to 31.01.2021.

Free Supply of Uniform Scheme

Under Free Supply of Uniform Scheme, Co-optex is one of the Nodal Agencies for supply of free uniform cloth to School Students. Co-optex has supplied Drill cloth 25.05 lakh mtrs and Casement fabric 147.21 lakh mtrs to Social Welfare Department for the year 2020-21.

Free Distribution of Sarees and Dhoties to Old Age Pensioners

Co-optex is the nodal agency for supply of Free Distribution of Sarees and Dhoties to Old Age Pensioners. During Deepavali 2020, Co-optex has supplied 22.88 lakh Sarees and 8.75 lakh Dhoties to Old Age Pensioners. Similarly, during Pongal 2021, 23.32 lakh Sarees and 9.02 lakh Dhoties were supplied.

Action Plan for 2021-22

Sales Target

Co-optex aims to achieve sale of Rs.250 crore during 2021-22 by developing new designs, introducing new products, modernization of the showrooms, wide advertisement and publicity and by canvassing more orders from the Government Departments.

10.2 Co-operative Spinning Mills

In Tamil Nadu, 18 Co-operative Spinning Mills were established between 1958 and 1985 with an installed spindle capacity of 4.70 lakhs spindles with the objective of providing employment to rural people and to ensure continuous supply of quality yarn at reasonable rate to weavers and to meet the requirement of hank yarn of Handloom Weavers Co-operative Societies in Tamilnadu.

Owing to various factors, viz., economic stagnation, market condition, rise in price of cotton, obsolete machinery, low production and shortage of working capital, 13 Co-operative Spinning Mills became defunct. Except Ramanathapuram District Co-operative Spinning Mills, the remaining 12 Non-functional Co-operative Spinning Mills have been liquidated. At present five

Co-operative Spinning Mills i.e., (i) Anna Co-operative Spinning Mills, Aandipatti, (ii) Bharathi Cooperative Spinning Mills, Ettayapuram, (iii) Kanyakumari District Co-operative Spinning Mills, Aralvoymozhi, (iv) Pudukottai District Co-operative Spinning Mills, Aranthangi and (v) Krishnagiri District Co-operative Spinning Mills, Uthangarai have been modernised and are continuously functioning. The Ramanathapuram District Co-operative Spinning Mills has been modernised on 2015 and is continuously functioning. At present six cooperative spinning mills are functioning.

Modernisation of Co-operative Spinning Mills

The Government of Tamilnadu with the financial assistance of National Co-operative Development Corporation, New Delhi have

provided Rs. 147.21 crore for the restructuring and modernisation of these functional Cooperative Spinning Mills. Accordingly, at the cost of Rs. 147.21 crore, 5 Co-operative Spinning Mills have been modernised successfully.

At present 6 Functional Co-operative Spinning Mills are now running with a capacity of 1,18,368 spindles and producing high quality yarn. After modernization, the productivity has gone up from 5975 M.T to 9856.50 M.T. The yarn produced by these mills are being supplied to the Government Schemes such as Distribution of Sarees and Dhoties Scheme and Free Supply of Uniform to School Students Scheme and also to the Handloom / Powerloom Weavers Co-operative Societies.

Further, Government have sanctioned a sum of Rs.19.295 crore to 6 functional Cooperative Spinning Mills for the purchase of additional machinery like “Two for one Twister”, Doubling Machines and Comber Machines with the financial assistance of National Cooperative Development Corporation as follows:

S. No.	Name of the Cooperative Spinning Mills	Approved Project cost (Rs. in lakh)
1.	Anna	579.39
2.	Bharathi	482.11
3.	Kanyakumari	86.00
4.	Pudukottai	417.00
5.	Krishnagiri	100.00
6.	Ramanathapuram	265.00
	Total	1929.50

The Government have accorded financial sanction of Rs.207.60 lakh towards replacement of Card Wire, Cots, Aprons and Spindles to Six Functional Cooperative Spinning Mills in order to upgrade the yarn quality and upgrade the machinery to supply 60s and 80s combed yarn required for the Handloom Weavers Co-operative Societies.

Functional Cooperative Spinning Mills

Sl. No.	Details	After modernization
1	No. of Spindles	1,18,368
2	Average production per annum (in M.T.)	Hank: 2476.25 Cone: 7380.25 ----- Total: 9856.50 -----
3	Production value (Rs. in Crore)	228.99
4	Average spindle point production (SPP) (in grams)	110.00
5	Count strength product (CSP)	2500

Yarn Supply Details by Co-operative Spinning Mills for the year 2020-21

- The Six Co-operative Spinning Mills have supplied 5007.254 Metric Tonne of yarn valuing Rs.118.61 crore to the Weavers' Co-operative Societies for the production of cloth under the Free Distribution of Sarees and Dhoties Scheme for Pongal 2021.
- The Six Co-operative Spinning Mills have supplied 2,704.27 Metric Tonne of yarn valuing Rs.70.04 crore to the Weavers' Co-operative Societies for production of cloth under the Free Supply of Uniform Scheme for the year 2020-21.
- The Co-operative Spinning Mills are producing and supplying required hank yarn of Weavers Co-operative Societies

in respect of the counts like 20s, 26s, 2/17 NF and 40s.

- The Co-operative Spinning Mills have supplied 1355.26 Metric Tonne of yarn valued at Rs.31.16 crore to Handloom Weavers Co-operative Societies during the year 2020-21.

**Count wise supply of yarn by
Co-operative Spinning Mills to weavers
cooperative society through NHDC**

Sl. No.	Count	Total Supply per annum (in M.T.)
1	20s hank	66.92
2	26s hank	15.16
3	30s hank	0.91
4	40s hank	136.74
5	60s hank	10.22
6	2/17s hank	633.40
7	2/30s hank	239.71
8	2/40s hank	62.47
9	2/60s hank	20.61
10	60s combed	169.12
Total		1355.26

10.3 Tamil Nadu Textile Corporation Limited (TNTC), Coimbatore

Tamilnadu Textile Corporation Ltd, as a wholly owned Government Company, was established in the year 1969 under the Companies Act 1956.

Tamilnadu Textile Corporation owns 3 Power loom complexes with working 36 looms each at Aruppukottai (Virudhunagar District), Sivagiri (Erode District) and Kurichi at Coimbatore. In order to improve the quality of cloth, productivity and to provide continuous employment to the workers of the Corporation, 10 imported Air jet looms were installed in the Air jet Weaving Unit at Kurichi. The Corporation have installed additional 2 wider width High speed Air jet looms for the production of wider width fabrics.

The Corporation produces Polyester cotton suiting and shirting varieties in the above Power loom Complexes as well as Air jet Weaving Unit and supplies the fabric to various Government Institutions. Further, the Corporation undertakes the production and supply of Shirting, Casement and Drill cloth under Free Supply of School Uniform Scheme and Dhoties under Distribution of Sarees and Dhoties Scheme.

In order to produce checked shirting uniform cloth, Tamilnadu Textile Corporation purchased and installed Four colour Electronic feeder for its 10 Airjet looms assisted under the Tamilnadu Innovation Initiatives (TANII) scheme funds sanctioned by Tamilnadu Government and started its commencement of production.

Besides this, the Tamilnadu Textile Corporation has been appointed as agency for handling Uniform cloth under Free Supply of School Uniform Scheme and Sarees and Dhoties under Distribution of Sarees and Dhoties Scheme. The total quantity of uniform cloth handled by the Corporation under the Uniform Scheme (AY 2020-21) is 314.44 lakh metres worth about Rs.205.57 crore. The Sarees and Dhoties handled by the Corporation under Free Distribution of Sarees Dhoties Scheme, Pongal 2021 is 113.84 lakh Sarees and 124.22 lakh dhoties worth about Rs. 318.83 crore are procured and supplied from the Powerloom Weavers Co-operative Societies.

The Corporation produced and supplied of 23.50 lakh metres of Uniform cloth to the value of Rs. 9.52 crore under Free Supply of School Uniform Scheme (AY 2020-21) and 1.09

lakh units of Dhoties to the value of Rs. 106.53 lakh under the Free Distribution of Sarees Dhoties Scheme, Pongal 2021 from their own units.

During the year 2020-21, the Corporation has fetched orders for supply of 20.94 lakh metres of Polyester cotton uniform cloth from the State Transport Corporation, Tamilnadu Electricity Board, Tamilnadu Police Department, TEXCO, Integrated Child Development Scheme (ICDS), Municipal Corporations and other Public Sector Undertakings to the value of Rs. 1460.20 lakh. The Corporation has earned net profit of Rs.79.32 lakh for the year 2019-20 and paid dividend of Rs.21.86 lakh to Government.

The details of financial performance of the Corporation for the year 2020-21 are as follows:-

Year	Total production (In lakh mtrs.)	Value (Rs. in lakh)	Total sales (in lakh mtrs.)	Sales Value (Rs. in lakh)	Net Profit / loss (Rs. in lakh)
2020-21	42.50	1936.81	59.63	3503.78	(+) 78.12 (Tentative)

Action Plan for the year 2021-22

The Corporation aims to produce 25 lakh metre uniform cloth under Free Supply of Uniform scheme, besides planning to produce Rs.20.00 crore worth of cloth production for Government institutions.

Further, the Corporation is entrusted with the work of distribution of free supply of Uniform (AY 2021-22) to handle 294.32 lakh metres of Uniform cloth worth Rs.204.04 crore and expected to handle 115.00 lakh units of sarees and 115.00 lakh units of dhoties worth Rs.310.00 crore produced under Distribution of Sarees and Dhoties

Scheme through Handloom and Powerloom Weavers Co-operative Societies. Hence, the Corporation has planned to achieve a sales turnover of Rs.32.00 crore and to earn a net profit of Rs.75.00 lakh during the year 2021-22.

The Corporation has installed one Rapier loom on trial basis at Kurichi unit. The production of double width Casement and checked shirting cloth for the supply of uniform cloth is under process for the Free Supply of Uniform Scheme.

Further, it is planned to replace all ordinary Power looms with Rapier looms in phased manner.

10.4 Tamil Nadu Zari Limited (TNZL), Kancheepuram

Tamilnadu Zari Ltd was established in the year 1971, to manufacture Zari to meet the requirement of zari of the Silk Handloom Weavers Co-operative Societies and started

commercial production in the year 1974. The Company is an ISO 9001:2015 certified State Public Sector Undertaking. The Company produces gold zari to meet the 60% requirement of the Silk Handloom Weavers Co-operative Societies and sell the zari marc at reasonable rate. The Company is undertaking the quality checking of Zari and Zari made fabrics by Non -Destructive Testing (NDT) method without affecting the fabric through X-ray fluorescence analyser installed at the testing centre at Kancheepuram.

The Company is manufacturing zari by procuring the raw material such as Silver Thread and Gold which are required for manufacturing of Zari. The Government of Tamilnadu had invested Rs.34.40 lakh in the shares of the Company. The Company had paid so for Rs.147.88 lakh as dividend to the

Government of Tamilnadu from the profit earned by it. For the year 2020-21, the Company has earned tentative net profit of Rs.153.46 lakh before tax.

Many steps are carried out to improve the colour and quality of Zari. A high speed spinning machine with 240 spindles is installed and production is being carried out.

ACTION PLAN FOR THE YEAR 2021-22

- The Tamilnadu Zari Ltd has planned to produce 4,000 zari marcs per month and supply to the Silk Handloom Weavers Co-operative Societies to fulfill their complete requirement.
- It is planned to install 4 more High Speed Spinning machines with 240 spindles each in order to increase the in-house Silver Thread production to meet at least 25% of the total requirement of Silver Thread of the Company.

10.5 Tamil Nadu Co-operative Textile Processing Mills Limited (TCTP), Erode

The Tamilnadu Cooperative Textile Processing Mills was registered on 06.07.1973 and started functioning on 05.09.1973. The mill is undertaking various processing activities like Bleaching, Dyeing, Mercerizing, Printing and Finishing. The Mills production capacity per month is 23 lakh meters of cloth. The Mill is processing the uniform cloth supplied by Government of Tamilnadu under Free Supply of uniform scheme. The Mill is also processing the uniform cloths of Government of Kerala. Moreover the mill is undertaking cloths of various institutions like Co-optex, National Textile Corporation, Tamilnadu Textile Corporation, Coimbatore, Tamilnadu Khadi and Village Industries Board, Kerala State Handloom Weavers Cooperative Society,

Kerala State Handloom Development Corporation and Primary Weavers Cooperative Societies.

At present, the mill processing capacity is 90,000 metres per day and 23 lakh metres per month.

Effluent Treatment Plant

In order to achieve Zero Liquid Discharge, the mills is equipped with Effluent Treatment Plant, Reverse Osmosis System and Reject Management System. The cloths are being processed with quality by adopting Zero Liquid Discharge System and fulfilling the norms of Tamilnadu Pollution Control Board.

As per the direction of the Tamilnadu Pollution Control Board, the mills have installed the Forced Circulation Evaporator and Agitated Thin Film Dryer Machinery at

the mills by replacing Solar Evaporation plant at the cost of Rs.1.01 crore.

In order to increase the production capacity of mills, setting up of cone yarn dyeing unit in the mill premises has been planned at a total project cost of Rs.4.00 Crore with the financial assistance from the National Co-operative Development Corporation Ltd. As first phase of project, the Government of Tamilnadu has sanctioned and released an amount of Rs.165.00 lakh and work is going on for the installation of cheese dyeing machinery.

During the year 2020-21 the mills have processed 115.17 lakh metres of cloth, valuing of Rs.22.20 crore with a tentative net profit of Rs.410.00 lakh. For the academic year 2021-22, the mills have been allotted processing order for 127.40 lakh metres of cloth under Free Supply of Uniform Scheme

and the processing of cloths are being carried out.

Action plan for the year 2021-22

The Mill has planned to process about 118.49 lakh metres of cloth under Free Supply of Uniform Scheme and 3.00 lakh metres of cloth of other Institutions, totally 121.49 lakh metres during the year 2021-22. Thereby the mills could earn a Net Profit of Rs.4.75 crore.

10.6 Tamil Nadu Handloom Development Corporation Limited (TNHDC), Chennai

The Tamilnadu Handloom Development Corporation Limited is a State Public Sector Undertaking, commenced its operation in the year 1964 when major banking institutions were not nationalized. The Corporation has been serving the weavers outside the co-operative fold by

extending working capital assistance at reasonable rate of interest and to liberate them from the clutches of the local money lenders. In order to achieve the cause, it mobilized resources by way of share capital from Government and members and loan from Government of Tamilnadu as detailed below:-

(Rs. in lakh)

A) Share Capital		
(i)	Government	267.00
(ii)	Members	162.24
Total Share Capital		429.24
B) Loan from Government of Tamilnadu		547.00
Grand Total (A + B)		976.24

The Corporation has 11,841 members on it's roll. Due to waiver of loan from time to time extended to co-operative sector, the members are reluctant to settle the dues thereby the Corporation is in paucity of working capital.

Since the primary objective of the Corporation is to sanction loan to weavers outside co-operative fold is affected due to the poor recovery of loan, the Corporation manages to continue its existence by handling various Government Schemes.

The Government have appointed Tamilnadu Handloom Development Corporation Ltd. as Nodal Agency / Implementing Agency in respect of following schemes / activities:-

Sl. No.	Name of the Scheme / Activities
1	Trichy Mega Handloom Cluster
2	Virudunagar Mega Handloom Cluster
3	Marketing handloom products through e-shopping under the brand name Loomworld
4	Conducting National Level Handloom Exhibitions
5	Marketing Incentive Scheme

6	Handloom Support Programme
7	Distribution of Sarees and Dhoties Scheme
8	Free Distribution of Uniform Cloths

During the year 2020-21, the Corporation has recovered a sum of Rs.3.24 lakh towards principal and Rs.1.90 lakh towards interest.

The tentative net profit of the Corporation for the year 2020-21 is Rs.11.90 lakh.

Loomworld Sales outlet

In order to popularize the Loomworld concept for the convenience of the customers an e-commerce facility in the domain of www.loomworld.in was launched on 30.12.2015.

During the year 2020-21, products to the value of Rs.7.45 lakh have been sold through the e-shopping portal of Loomworld.

Action Plan for 2021-22

- This Corporation will continue to act as Nodal Agency / Implementing Agency in respect of above schemes / Programmes of Union Government.
- The Corporation will continue to act as Nodal agency for implementing Distribution of Dhoties and Sarees Scheme Pongal 2022.
- The Corporation has been appointed as Nodal Agency for implementing Free Uniform Scheme for the Academic year 2021-22.
- The Corporation has proposed to collect Rs.75 lakh towards principal and Rs.100 lakh towards interest from the weavers members who had availed loan.
- The Corporation is planning to increase the sales through e-commerce website for the year 2021-22.

10.7 Tamil Nadu Co-operative Spinning Mills Federation Limited (TANSPIN), Chennai

The Tamil Nadu Co-operative Spinning Mills Ltd (TANSPIN) has been established during December 1994 to regulate the procedure of Cotton purchase for Co-operative Spinning Mills.

The main objective of the federation is to purchase good quality of cotton at reasonable rates from the Co-operative societies, Federations, Cotton Corporations of India etc, functioning in India and supply the same to all Co-operative Spinning Mills of Tamil Nadu. For this purpose the Government of Tamil Nadu has invested a share capital of Rs.25.00 crore and a cotton Revolving fund of Rs.2.07 crore in TANSPIN. The TANSPIN paid a sum of Rs.9.24 crore as loan for 6 Co-op Spinning Mills for purchase of cotton. The federation has earned a tentative profit of Rs.111.68 lakh during 2020-21.

11. SUSTAINABLE DEVELOPMENT GOALS

The Handlooms and Textiles department, formulates policies to achieve integrated growth of all segments of Textiles sector in the State. The Policies are in tune with the sustainable development goals.

The department is taking steps to develop designs, infrastructure development, infusing Technology in handlooms, and improving the marketing of handlooms cloth with an objective to provide regular employment to handloom weavers and allied workers to earn better wages.

Various measures are taken by the department to ensure yarn availability by opening more yarn depots at textile clusters. The emphasis is to support the textile sector on innovation, value addition and diversification as envisaged in the Tamilnadu New Integrated Textile Policy 2019.

The Government have constituted High Powered Committee along with Working Groups for the implementation of the Sustainable Development Goals in Tamilnadu. Innovation, Industrialization and Sustainable Development (Goal 7, 8, 9 & 11) are allotted as Working Groups for Handlooms, Handicrafts, Textiles and Khadi Department.

The “Nodal Officer” for Sustainable Development Goals (SDG) Units of the Department and a team has also been constituted for monitoring and coordinating the programmes identified as critical in achieving the Sustainable Development Goals (Goal No.8: Decent Work and Economic Growth & Goal No.9: Industry Innovation and Infrastructure) that would assist and strengthen in the work of the department.

12. REVISED BUDGET ESTIMATE OF THE DEPARTMENT OF HANDLOOMS AND TEXTILES FOR THE YEAR 2021-22

The State Government has made allocation of Rs.1221.17 crore in the Revised Budget Estimate 2021-22 for the Department of Handlooms and Textiles as detailed below:

Sl. No	Name of the Scheme	Revised Budget Estimate 2021-22 (Rs. in lakh)
1	Distribution of Sarees and Dhoties Scheme	49027.00
2	Free Electricity to Handloom Weavers	783.30
3	Free Electricity to Powerloom Weavers	40315.80
4	Interest Subsidy Scheme	2160.00
5	Rebate Subsidy Scheme	15000.00
6	Payment of Premium for Tamil Nadu Co-operative Handloom Weavers under Mahatma Gandhi Bunkar Bima Yojana Scheme	85.01

Sl. No	Name of the Scheme	Revised Budget Estimate 2021-22 (Rs. in lakh)
7	The Co-operative Handloom Weavers Savings and Security Scheme - Contributions	1200.00
8	Old Age Pension and Family Pension Scheme	2700.00
9	Prize Award to Best Weavers	4.90
10	State Textile Advisory Committee - Office Expenses and TA/DA to Non-Official Members	2.50
11	Capital Subsidy for purchase of Wider Width Fabric Machine under New Integrated Textile Policy, 2019	100.00
12	Assistance for conducting Energy Audit / Water Audit /Environmental Compliance under New Integrated Textile Policy, 2019	300.00

Sl. No	Name of the Scheme	Revised Budget Estimate 2021-22 (Rs. in lakh)
13	Promotion of Powerloom Sector under New Integrated Textile Policy, 2019	3282.51
14	Interest Subvention for Modernisation of Spindles in existing Spinning Mills under New Integrated Textile Policy, 2019	2240.00
15	Cluster Development Programme under Integrated Handloom Development Scheme	50.00
16	Marketing Incentive under Integrated Handloom Development Scheme	300.00
17	Rent for Powerloom Service Centre at Erode	6.72
18	Transfer to Powerloom Registration Fund	20.46
19	Assistance to Co-operative Spinning Mills-Subsidies	21.43

Sl. No	Name of the Scheme	Revised Budget Estimate 2021-22 (Rs. in lakh)
20	Ways and Means Advance to Non-functional Co-operative Spinning Mills	100.00
21	Salaries and Administrative Expenses	3450.11
22	Salaries and Administrative Expenses for Enforcement Wing	389.83
23	Salaries and Administrative Expenses for Secretariat – Handlooms, Handicrafts, Textiles and Khadi	571.59
24	Other items	0.13
TOTAL		122111.29

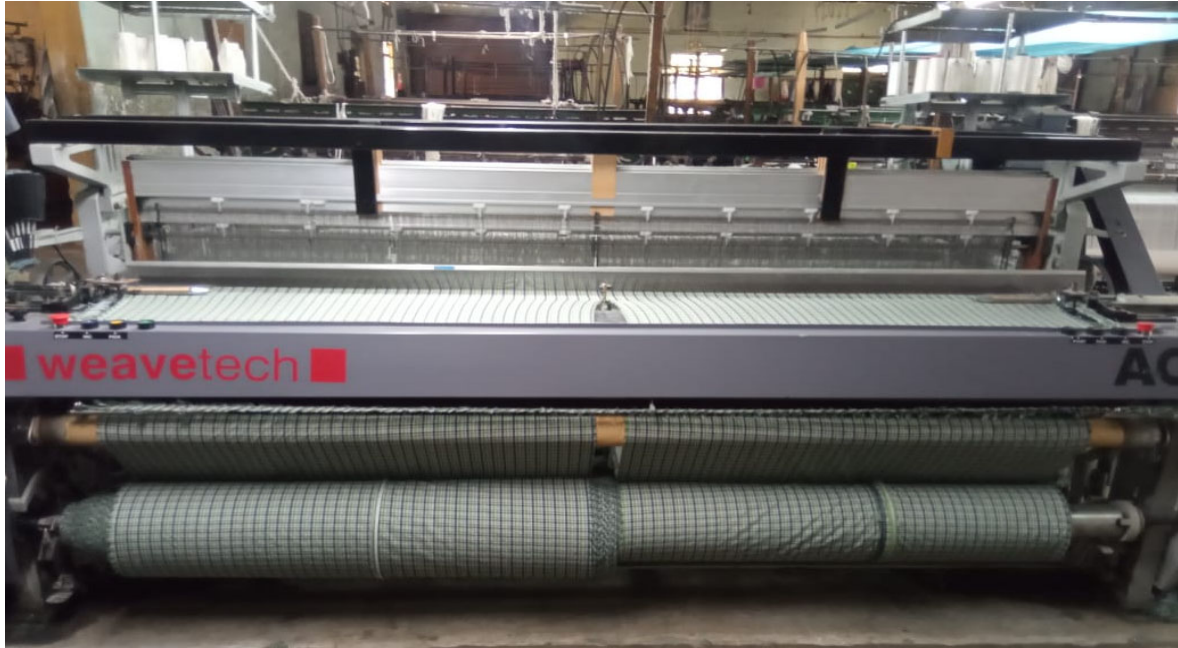
**R.GANDHI
MINISTER FOR HANDLOOMS
AND TEXTILES**



Hon'ble Chief Minister of Tamil Nadu Thiru M.K.Stalin inaugurated Souvenir Shop at Karaikudi, Sivagangai District under Virudhunagar Mega Handloom Cluster of Integrated Handloom Development Cluster Scheme on 30.8.2021 at Secretariat



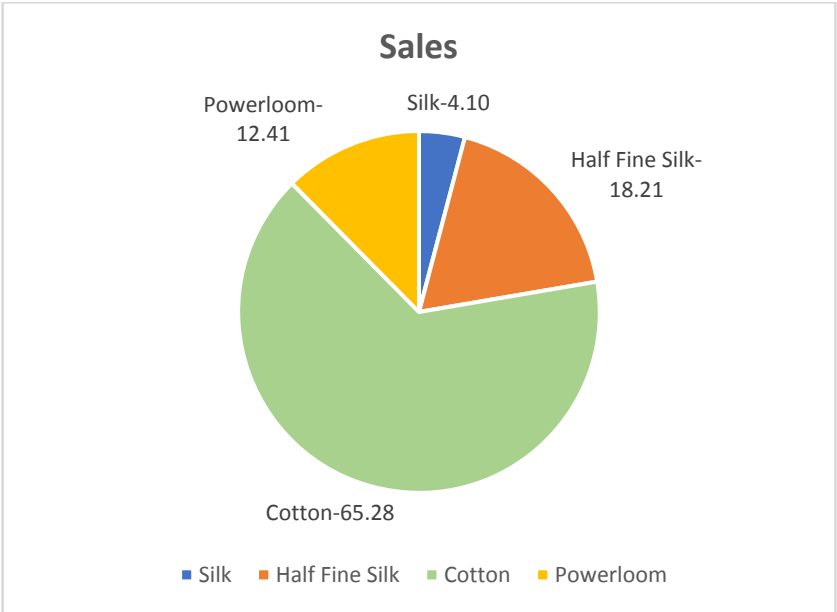
**Airjet loom fitted with Electronic 4 Colour Feeder
at Tamil Nadu Textile Corporation Limited, Coimbatore**



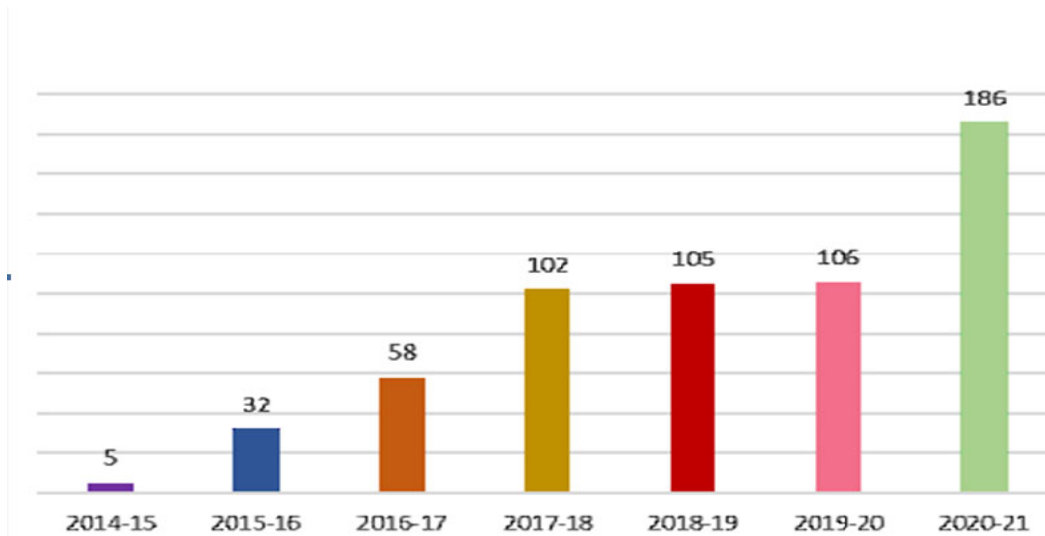
Kurichi Auto Loom Shed installed with Rapier Loom



Co-optex Sivakasi Showroom
Madurai Region



**Co-optex - Variety wise Sales during 2020–21
(Rs. in Crore)**



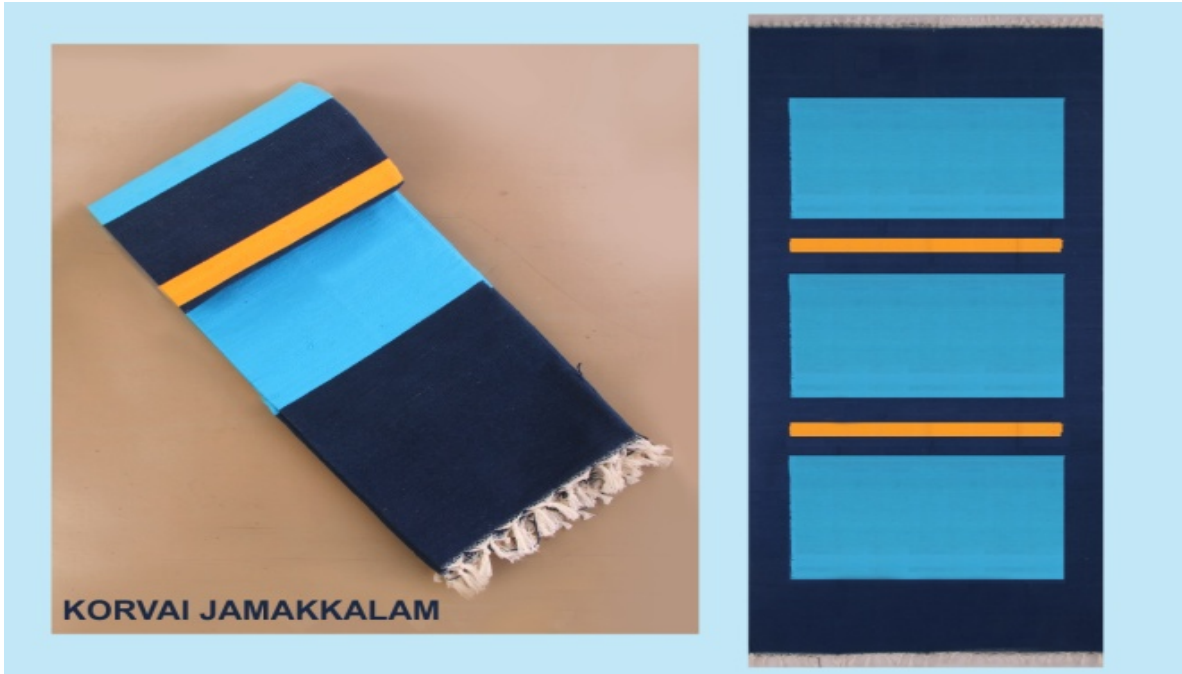
**Co-optex - Yearwise Online Sales Comparison
(Rs. in lakh)**



Cotton Woven Sarees with Hand Block Prints



Attached Border Printed Bed Sheets



Korvai Jamakkalam