HANDLOOMS, HANDICRAFTS, TEXTILES AND KHADI DEPARTMENT

HANDLOOMS AND TEXTILES

POLICY NOTE
2026 – 2027

DEMAND No. 17

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MINISTER FOR HANDLOOMS, TEXTILES AND KHADI

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POLICY NOTE 2026-2027

Sl. No.	Departments	Page No.
1.	Department of Handlooms	1- 134
2.	Department of Textiles	135-194

DEPARTMENT OF HANDLOOMS

INDEX

Sl. No	Table of Contents	Page No.
	Introduction	1
1	Department of Handlooms	5
2	Handloom Industry	11
3	Powerloom Industry	16
4	State Sponsored Schemes for the Development of Handlooms and Powerlooms	20
5	Centrally Sponsored Financial Assistance Schemes	58
6	State and Central Shared Schemes	68
7	Acts and Quality Certifications for Protection of Traditional Handloom Varieties	74

Sl. No	Table of Contents		Page No.
8	Institutions under the Administrative Control of the Department		81
	8.1	Handloom Weavers Cooperative Societies	81
	8.2	Powerloom Weavers Cooperative Societies	85
	8.3	Tamil Nadu Handloom Weavers Co-operative Society (Co-optex), Chennai	87
	8.4	Tamil Nadu Zari Limited, Kancheepuram	119
	8.5	Tamil Nadu Co-operative Textile Processing Mill Ltd., Erode	122
	8.6	Tamil Nadu Handloom Development Corporation Ltd., Chennai	125

Sl. No	Table of Contents	Page No.
9	Sustainable Development Goals (SDG), 2030	127
10	Revised Budget Estimate for the Handloom Department, 2026-2027	131

DEPARTMENT OF TEXTILES

INDEX

Sl. No	Contents		Page No.
1	Introduction		135
2	Department of Textiles – Leading to Progress		138
3.	Growth of Textile Industry in Tamil Nadu		144
	3.1	Spinning Sector	146
	3.2	Fabric Formation	148
	3.3	Apparel Sector	150
	3.4	Textile Processing Sector	153
	3.5	Technical Textiles	156
4	Catalytic Growth for Marketing		163
5	Textile Industry Development Initiatives		165

Sl. No	Contents		Page No.
6	Textile Infrastructure Development for a Competitive Industry		171
7	Institutions Functioning under the Department		177
	7.1	Co-operative Spinning Mills	177
	7.2	Tamil Nadu Textile Corporation Limited (TNTC), Coimbatore	182
	7.3	Tamil Nadu Cooperative Spinning Mills Federation Limited (TANSPIN), Chennai	185
8	Sustainable Development Goals (SDG)		187
9	Revised Budget Provision for 2026-2027		189

DEPARTMENT OF HANDLOOMS

Introduction

In the earliest stages of human civilization, humankind first clothed itself with leaves and foliage, and later with the hides of animals. Over time, guided by intellect, ingenuity, and artistic imagination, it developed one of the most distinguished traditional crafts—the art of weaving. As civilization evolved, clothing transcended its primary function of merely covering the body to become a profound expression of a society's culture, heritage, aesthetic sensibilities, and historical identity. Among the many traditional crafts, the handloom industry stands as a living testament to this rich legacy, preserving and celebrating these enduring values across generations.

Every thread that passes through a weaver's hands is not mere yarn; it is a work of art that carries hard labour, livelihood, an artistic tradition

preserved across generations, and cultural pride. The pleasant sound of the loom and the weaver's delicate finger movements together transform every piece of cloth into a cultural legacy.

Thiruvalluvar extols the greatness of this tireless effort:

"அருமை உடைத்தென்று அசாவாமை வேண்டும்
பெருமை முயற்சி தரும்"

(திருக்குறள்–611)

The essence of this couplet is that greatness comes only to those who act with unwavering perseverance, without growing weary just because a task is difficult. In the art of weaving, where skill and patience go hand in hand, the dedication and perseverance shown by generations of weavers form the lifeblood of the handloom sector. Their labour and artistic skill provide a firm foundation for both the economic growth of Tamil society and the preservation of its cultural heritage.

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A continuing legacy for many centuries, this sector not only preserves the traditional art of weaving but also provides sustainable livelihoods to lakhs of weavers and their families. In particular, this sector makes a significant contribution to the economic advancement and social progress of women in rural and semi-urban areas.

The origins of this distinguished tradition can be traced back to the earliest Tamil literary sources. Classical Sangam works such as the *Purananuru* and *Natrinai* record the active participation of women in weaving, highlighting their contribution to household livelihoods. These literary works portray weaving not merely as an occupation but as an integral part of the cultural, social and economic fabric of ancient Tamil society.

The Purananuru refers to garments woven with such exquisite workmanship that they were extremely fine and delicate, resembling the outer

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skin of a snake and the thin inner membrane found inside a bamboo stalk, as follows:

"பாம்புரி யன்ன வடிவின காம்பின்
கழைபடு சொலியின் இழையணி வாரா"

(Puranaṉuru,383)

This rich literary heritage is further corroborated by archaeological evidence. Excavations at Keeladi, Kodumanal, Uraiyur and Arikamedu have unearthed dyeing vats, weaving accessories and other artefacts, demonstrating the advanced knowledge and technical expertise possessed by the ancient Tamils in weaving and textile dyeing. The discoveries at Keeladi, in particular, provide compelling evidence that handloom weaving flourished as a well-established industry during the Sangam Age.

- Excavations at Keeladi, Kodumanal, Uraiyur and Arikamedu have yielded dyeing vats and weaving accessories - archaeological evidence of Sangam-age weaving, alongside the literary evidence of Puranaṉuru and Natrinai.

Supported by both literary and archaeological evidence, this ancient tradition continues to thrive in contemporary Tamil Nadu. By preserving traditional designs, transmitting

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indigenous craftsmanship across generations and adapting to changing market demands, the handloom sector remains a living embodiment of the State's cultural heritage. It stands today not only as a repository of traditional knowledge and artistic excellence but also as a dynamic driver of sustainable livelihoods, rural employment and inclusive economic development.

1. DEPARTMENT OF HANDLOOMS

With a view to ensuring dedicated focus on the functioning of the Handloom and Textile sectors, the erstwhile Handlooms and Textiles Department was bifurcated into two independent departments, namely the Department of Handlooms and the Department of Textiles, with effect from 22.10.2021.

- The Handlooms and Textiles Department was split into two independent departments - Handlooms and Textiles - with effect from **22.10.2021**.

The primary objective of the Handloom Department is to ensure the balanced and integrated development of the handloom and powerloom sectors, while promoting the social,

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economic, and occupational advancement of weavers and workers engaged in allied activities.

1.1. Objectives of the Department

The principal objectives of the Department of Handlooms are as follows:

- To promote the sustainable development of the handloom and powerloom sectors by facilitating technological upgradation and enhancing productivity.
- To improve the socio-economic status of weavers and allied workers and ensure livelihood security through the implementation of the welfare schemes.
- To impart skill development training to weavers in line with evolving market demands and modern production practices.
- To strengthen handloom and powerloom cooperative societies and develop them into self-reliant and efficiently managed institutions.

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- To create expanded domestic and international market opportunities for handloom products of Tamil Nadu.
- To strengthen industry-related infrastructure, facilitate access to technology, and promote cluster-based development.
- To encourage research and innovation in handloom designs, production techniques, and product development.
- To preserve the traditional art of weaving and the rich handloom heritage and ensure its transmission to future generations.
- To promote environmentally sustainable and eco-friendly production practices in the handloom sector.

The Director of Handlooms has been vested with the powers of the Registrar under the Tamil Nadu Cooperative Societies Act, 1983 and the Tamil Nadu Cooperative Societies Rules, 1988, in

- The Director of Handlooms holds the powers of Registrar under the Tamil Nadu Cooperative Societies **Act 1983** and Rules **1988** for weavers' cooperative societies.

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respect of the handloom and powerloom weavers' cooperative societies and other related cooperative institutions functioning in the State.

1.2. Organizational Structure

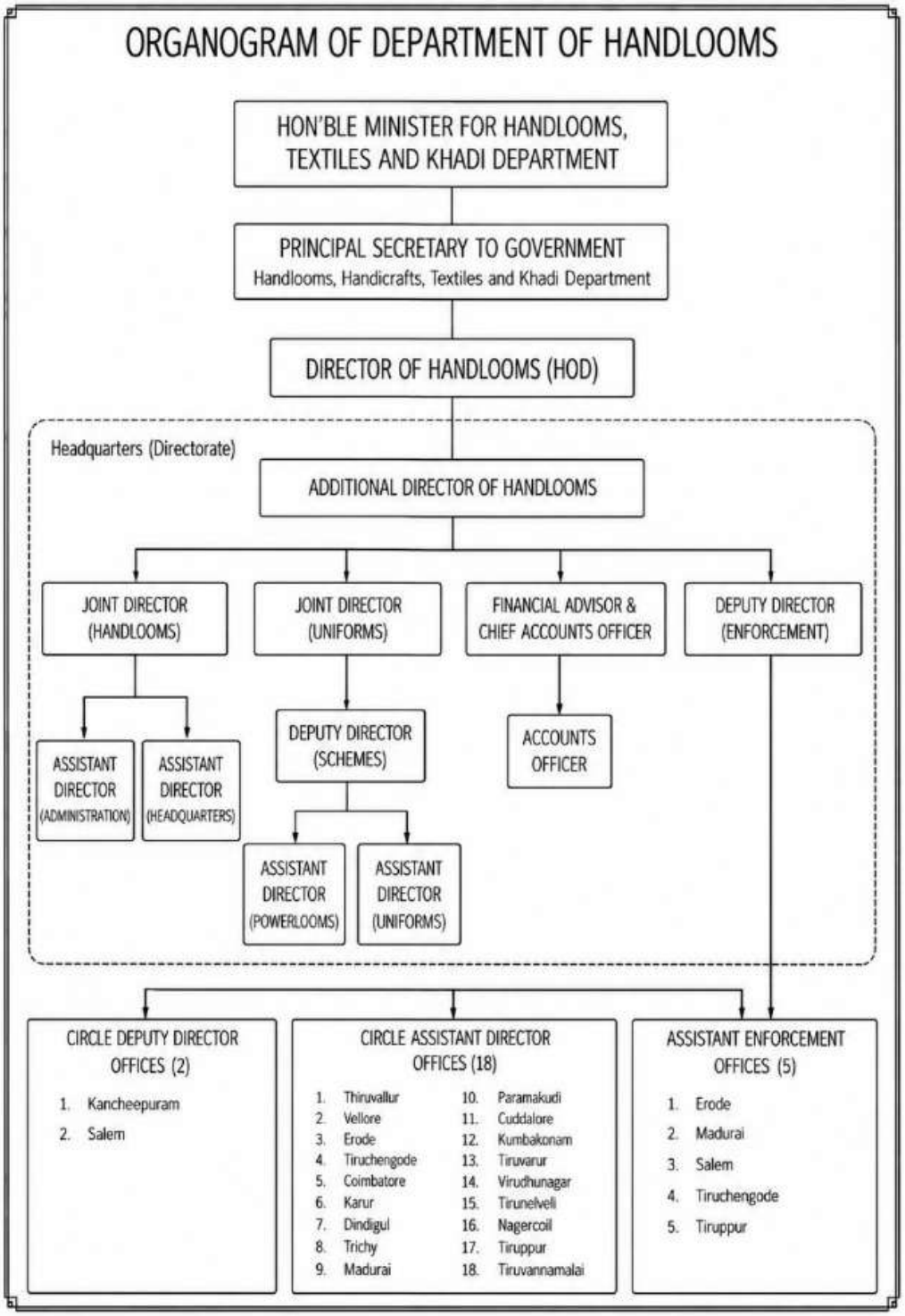
The Handloom Department functions under the administrative control of the Handlooms, Handicrafts, Textiles and Khadi Department of the Government of Tamil Nadu. The State has been divided into 20 circles covering all 38 districts, with each circle administered by a Deputy Director or an Assistant Director of Handlooms.

- The State is divided into 20 handloom circles covering all 38 districts, each under a Deputy or Assistant Director.

To prevent the production of fabrics reserved exclusively for the handloom sector on powerlooms and to monitor violations of the statutory provisions under the Handlooms (Reservation of Articles for Production) Act, 1985, six Enforcement Wings are functioning at Chennai, Salem, Tiruchengode, Erode, Tiruppur, and Madurai. The following organogram outlines the administrative structure of the department:

- The Handlooms (Reservation of Articles for Production) **Act, 1985** reserves 11 categories of article exclusively for handloom production, to stop powerlooms copying traditional varieties.

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1.3. Institutions Functioning under the Administrative Control of the Department of Handlooms

The following cooperative institutions and corporations are functioning under the administrative control of the Department of Handlooms:

- 1,119 Handloom Weavers Cooperative Societies (93 Silk and 1,026 Cotton Weavers Cooperative Societies)
- 245 Powerloom Weavers Cooperative Societies
- Tamil Nadu Handloom Weavers Cooperative Society (Co-optex), Chennai
- Tamil Nadu Zari Limited, Kancheepuram
- Tamil Nadu Cooperative Textile Processing Mills Limited, Erode
- Tamil Nadu Handloom Development Corporation Limited, Chennai

1,119 Handloom Weavers Cooperative Societies work in the State - Erode alone has 191.

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2. HANDLOOM INDUSTRY

India's handloom industry is one of the country's foremost traditional sectors, reflecting its rich cultural heritage and craftsmanship. Historical evidence indicates that weaving flourished during the period of the Indus Valley Civilisation. Passed down through generations over thousands of years, the art of weaving represents the uniqueness and continuity of India's craft heritage.

In Tamil Nadu, the handloom industry has evolved in close association with traditional weaving skills, artistic excellence, and community life. Besides preserving traditional designs and craftsmanship, it contributes significantly to rural economic development and employment generation. By integrating technological advancements with contemporary designs, the industry continues to evolve to meet changing market demands.

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2.1. Contribution of the Handloom Industry

According to the Fourth All India Handloom Census (2019–2020), Tamil Nadu ranks third in the country, after Assam and West Bengal, in terms of the number of handlooms.

- By the Fourth All India Handloom Census **2019-20**, Tamil Nadu ranks third after Assam and West Bengal - **1.91 lakh** of India's **27.01 lakh** handlooms and **2.44 lakh** of 35.22 lakh weaver**s,** 7% of each.

Indicator	India	Tamil Nadu
No. of Handlooms	27.01 lakh	1.91 lakh (7%)
Handloom weavers and allied workers	35.22 lakh	2.44 lakh (7%)

2.2. Distinctive Features of Tamil Nadu Handloom Products

The handloom products of Tamil Nadu have earned national and international recognition for their rich heritage, distinctive designs, and superior weaving craftsmanship. Their key strengths include:

- A long-standing heritage and unique craftsmanship
- The ability to weave a wide range of fabric varieties with great intricacy
- Diversity in design and colour combinations
- The contribution of skilled and experienced weavers
- Distinctive handloom varieties that cannot easily be produced on powerlooms
- The ability to incorporate new designs and innovations.

2.3. Challenges faced by the Handloom Industry and Government Initiatives

Although the handloom industry is an important sector of Tamil Nadu rooted in tradition and culture, its growth is affected by factors such as declining interest among the younger generation, rising production costs, increasing prices of raw materials, competition from

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powerloom producers, marketing challenges, and growing demand for modern designs. Furthermore, adapting the sector to global market shifts and the e-commerce environment has become an essential need.

To address these challenges and ensure the sustainable growth of the handloom sector, the Government of Tamil Nadu continues to implement the following schemes in the areas of technological development, infrastructure facilities, marketing support, and the livelihood advancement of weavers:

- Ensuring continuous employment for weavers through the Handloom Support Scheme and the Rebate Subsidy Scheme
- Providing skill-development training in weaving technology and new designs
- Establishing new cooperative societies and handloom clusters

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- Promoting the use of modern looms and production equipment
- Expanding e-commerce platforms and digital marketing
- Implementing social security and financial assistance schemes for weavers
- Organising handloom exhibitions, buyer–seller meets, fashion shows, and cultural exhibitions
- Participating in international exhibitions and trade fairs.

2.4. Export of Handloom Products

Bedspreads, blankets, and home-décor textile varieties produced in the Erode, Karur, Salem, and Tiruchengode regions of Tamil Nadu are exported in large volumes, through the Handloom Export Promotion Council (HEPC), Chennai, to countries including the United States, the United Kingdom,

The Handloom Export Promotion Council is headquartered at Chennai; bedspreads and home textiles from Erode, Karur, Salem and Tiruchengode go to the **USA**, **UK**, Germany, the Netherlands, **UAE**, Italy and France.

Germany, the Netherlands, the United Arab Emirates, Italy, and France.

In the year 2025–2026, the total export value of India's textile sector as a whole stood at Rs.3,16,334.90 crore. Of this, Tamil Nadu's textile export value was Rs.67,863.48 crore, accounting for around one-fifth of India's total textile exports i.e., 21.45 percent.

Tamil Nadu's total exports also include handloom textile varieties worth Rs.131.11 crore.

- Tamil Nadu's textile exports were **Rs.67,863.48 crore** in **2025-26** - 21.45%, about one fifth of India's **Rs.3,16,334.90 crore**. Handloom textiles alone accounted for **Rs.131.11 crore**.

3. POWERLOOM INDUSTRY

Tamil Nadu's Powerloom Industry plays a major role both in the state's textile sector and in the country's economic growth. Capable of producing cloth in large volumes through modernised looms, this industry stands as a key manufacturing sector that meets the demands of domestic and international markets. A wide range of fabrics are produced through this sector, based on cotton, synthetic, and blended yarns.

Closely linked to the textile and readymade garment industries, this sector supplies the fabric varieties required for the production of readymade garments, home-use textiles, and industrial-use fabrics. Through this, the powerloom sector makes a notable contribution to the state's industrial growth, employment generation, and export progress.

According to the Government of India's Ministry of Textiles Annual Report 2018–19, the status of the powerloom industry in India is as follows:

Indicator	India	Tamil Nadu
No. of Powerlooms	27.77 lakh	5.68 lakh (20%)
Labour Employment	44.18 lakh	10.18 lakh (23%)

- Tamil Nadu has **5.68 lakh** of India's **27.77 lakh** powerlooms (20%) and **10.18 lakh** of **44.18 lakh** workers (23%), ranking second after Maharashtra.

Tamil Nadu ranks second in India, after Maharashtra, in the powerloom sector. The

industry is predominantly concentrated in major textile centres such as Erode, Namakkal, Salem, Coimbatore, Tiruppur, Karur, Thiruvallur, Sankarankovil and Rajapalayam.

Powerloom centres: Erode, Namakkal, Salem, Coimbatore, Tiruppur, Karur, Thiruvallur, Sankarankovil and Rajapalayam.

3.1. Strength of the Powerloom Industry

Although the Powerloom Industry faces challenges such as shortages of finance and raw materials, the need for technological upgradation, labour shortages, competition from large-scale mills, and environment-related challenges, the Government of Tamil Nadu continues to support the growth of this sector through subsidies for Technological Upgradation, Free / Subsidised Electricity, and the Powerloom Modernisation Scheme. As a result, Tamil Nadu's powerloom industry possesses the following strengths:

- High production capacity — Large-scale fabric production is carried out to meet the demands of domestic and international markets.

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- Skilled workforce — Experienced workers are available in large numbers in hubs such as Erode, Tiruchengode, Coimbatore, and Tiruppur.
- Quality production at low cost — The ability to manufacture and supply quality fabrics at low production cost.
- Diverse range of products — Fabrics required by various industries are produced through the use of cotton, synthetic fibre, and blended yarns.
- Export capability — Products are exported to global markets, contributing significantly in the state's foreign exchange revenue.
- Industry integration — Integrated growth alongside related industries including spinning mills, dyeing, processing, readymade garment manufacturing, and exports.

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4. STATE SPONSORED SCHEMES FOR THE DEVELOPMENT OF HANDLOOMS AND POWERLOOMS

4.1. Flagship Schemes

4.1.1. Distribution of Saree, Dhoty Scheme

The Government of Tamil Nadu has been implementing the Distribution of Saree, Dhoty Scheme since 1983 to meet the clothing needs of the public and ensure continuous employment for weavers. As a major social welfare initiative, the Scheme fulfils the clothing requirements of both urban and rural beneficiaries during the Pongal festival every year while providing sustained employment and livelihood security to handloom and powerloom weavers.

The Scheme provides continuous employment to about 2,500 handloom weavers, 12,500 pedal-loom weavers, and 53,000 powerloom weavers in Tamil Nadu.

- The free Saree and Dhoty distribution scheme has run since **1983**, tying a Pongal welfare transfer to guaranteed weaver employment - about 2,500 handloom, 12,500 pedalloom and 53,000 powerloom weavers.

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For Pongal 2025–2026, 177.64 lakh sarees and 177.22 lakh dhoties were produced through Weavers Cooperative Societies, dispatched to the godowns of the Tamil Nadu Civil Supplies Corporation, and distributed to beneficiaries along with the Pongal Gift Hamper.

- Pongal **2026**: **177.64 lakh** sarees and **177.22 lakh** dhoties - 354.86 lakh pieces in all, of which powerlooms made **288.04 lakh**.

Pongal 2026 – Production Details

Type of Loom	Saree	Dhoti	Total
	(Production in lakhs)		
Handloom	1.28	4.11	5.39
Pedalloom	45.19	16.24	61.43
Powerloom	131.17	156.87	288.04
Total	**177.64**	**177.22**	**354.86**

Continuous Employment Programme

To provide continuous employment to members of Handloom Weavers Cooperative Societies participating in the Scheme, annual production programmes are issued from January to June.

For Pongal 2026, the following production programme was allotted to Handloom Weavers Cooperative Societies, and the production target was successfully achieved.

Sl. No.	Product	Number of Looms	Production Target (in units)
1	Handloom Saree	788	1,31,200
2	Handloom Dhoti	2,018	3,36,360
3	Pedalloom Saree	8,982	45,90,863
4	Pedalloom Dhoti	2,531	13,70,900
Total		**14,319**	**64,29,323**

Introduction of New Designs for Pongal 2027

To provide beneficiaries with more attractive and contemporary products, the Government has issued orders introducing Sarees with Zari borders and bleached dhotis for distribution under the Pongal 2027 Scheme.

For the financial year 2026–2027, the Government has allocated Rs.612.61 crore for the implementation of the scheme. An advance of

- **Rs.612.61 crore** is allocated for the saree-dhoty scheme in **2026-27**, with **Rs.300.00 crore** already released for Pongal **2027** production. Zari-bordered sarees and bleached dhotis are being introduced.

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Rs.300.00 crore has already been released to commence production activities for Pongal 2027, and production is currently in progress.

4.1.2. Supply of Uniforms to School Children

The Government of Tamil Nadu has been implementing the Free Supply of School Uniform Scheme annually since the 1985–1986 academic year for students studying in Government and Government-aided schools. Under this scheme, students from Classes I to VIII covered under the Nutritious Meal Programme are provided with free uniforms. Every year, four sets of uniforms are supplied to each student, contributing significantly to educational continuity and social equity.

- Free school uniforms have been supplied since **1985-86** to Classes I to VIII under the Nutritious Meal Programme - four sets a year per student.

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	Uniform Type	
Class	Boys	Girls
Classes I–V	Green trousers and Green checked shirt	Green skirt and Green checked shirt
Classes VI–VIII	Sandal-coloured full-length pants and Sandal-coloured checked shirt	Sandal-coloured churidar bottom, top and Nehru-collar coat

The scheme provides continuous employment to approximately 700 handloom weavers, 9,000 pedalloom weavers, and 5,000 powerloom weavers across the State.

Academic Year 2025–2026

During the academic year 2025–2026, 450.21 lakh metres of uniform cloth valued at Rs.343.41 crore were produced by Weavers' Cooperative Societies and supplied to the Department of Social Welfare for stitching and distribution of school uniforms.

- **450.21 lakh** metres of uniform cloth worth **Rs.343.41 crore** were woven for 35,72,882 students in **2025-26**, giving work to about 700 handloom, 9,000 pedalloom and 5,000 powerloom weavers.

Loom	Number of looms	Uniform Cloth Produced	
		Quantity (lakh metres)	Value (Rs. crore)
Handloom	662	3.25	3.91
Pedalloom	8,832	87.54	64.05
Powerloom	4,391	359.42	275.45
Total	**13,885**	**450.21**	**343.41**

A total of 35,72,882 students benefited under the scheme during the 2025–2026 academic year.



Academic Year 2026–2027

For the academic year 2026–2027, 454.15 lakh metres of uniform cloth valued at Rs.337.69 crore were produced for 30,45,472 students, and supplied to the Department of Social Welfare.

In addition, an additional production plan has been received for 37.18 lakh metres of uniform cloth to cover 3,19,203 students, and production has been completed.

4.2. Development Schemes for the Handloom and Powerloom Industries

4.2.1. Handloom Support Programme

The Handloom Support Programme is implemented to ensure the sustainable growth of the handloom industry and improve the livelihoods of weavers. Its principal objectives are to create a better working environment through technological upgradation, infrastructure development, skill

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enhancement, design innovation, market expansion, fair wages to weavers, and strengthening of Handloom Weavers Cooperative Societies.

Under the guidelines, financial assistance is provided under the following eight components:

S. No	Components	Share Ratio (%)	
		Govt	Benefi-ciary
1	Technology Up-gradation	90	10
2	Design Development	100	-
3	Product Diversification	80	20
4	Brand Promotion and Positioning	80	20
5	Market Expansion	75	25
6	Working Capital Assistance	100	-
7	Research and Development	100	-
8	Skill Development	100	-

- The Handloom Support Programme funds eight components at varying shares - design development, working capital, research and skill development at 100%, technology upgradation at 90%, product diversification and brand promotion at 80%, market expansion at 75%.

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Key Support Interventions under the Scheme:

1. **Technology Upgradation:** Supply of modern handlooms and loom accessories to handloom weavers to improve productivity and efficiency.
2. **Design Development:** Development of new designs, engagement of professional designers, and revival and modernization of traditional handloom designs and products.
3. **Product Diversification:** Diversification of handloom products into value-added products, promotion of eco-friendly textiles, and introduction of improved colour combinations and contemporary designs.
4. **Brand Promotion and Positioning:** Creation of brand identities for unique and renowned handloom products and promotion through digital and electronic media campaigns.

5. **Market Expansion:** Organisation of handloom exhibitions and buyer–seller meets; modernization of retail outlets; establishment of mobile sales outlets; development of e-commerce platforms and mobile applications; and promotion through social media.

6. **Working Capital Assistance:** Provision of working capital loans of up to Rs.10.00 lakh per Handloom Weavers cooperative society at an interest rate of 5%, repayable over a period of 24 months.

7. **Research and Development:** Identification and adoption of appropriate technologies and processes to enhance the productivity of Handloom Weavers cooperative societies by reducing weaving waste, lowering production and dyeing costs, and improving product designs.

8. **Skill Development:** Training programmes on the operation of upgraded handlooms, post-loom value addition activities such as embroidery, printing and stitching, and design development.

A sum of Rs.20.00 crore has been allocated by the Government for continued implementation during 2026–2027.

4.2.2. Interest Subsidy Scheme

The Government of Tamil Nadu has been implementing the Interest Subsidy Scheme since 1956 under the NABARD Refinance Programme to meet the working capital requirements of Primary Handloom Weavers' Cooperative Societies through the District Central Cooperative Banks.

Under the scheme, the Government provides an interest subsidy of 6% on the interest charged by the District Central Cooperative Banks. By reducing the interest burden on cooperative

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societies, the scheme enables Handloom Weavers' Cooperative Societies to function efficiently and sustain their operations without financial constraints.

During 2025–2026, the Government released Rs.16.68 crore towards interest subsidy benefiting 750 Primary Handloom Weavers' Cooperative Societies.

For the continued implementation of the scheme during the financial year 2026–2027, the Government has allocated Rs.17.00 crore.

4.2.3. Rebate Subsidy Scheme

The Government implements the Rebate Subsidy Scheme to promote the sale of handloom products and enable them to compete effectively in the open market.

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The rebate structure is as follows:

❖ **Year-round Rebate:**

20% rebate on the sale of handloom cloth is permitted through out the year subsidised to the ceiling as follows :

- **Cotton products:** 20%, subject to a maximum of Rs.100 per item, whichever is less.
- **Silk products:** 20%, subject to a maximum of Rs.200 per item, whichever is less.

❖ **Special Rebate:**

To commemorate the birth anniversary of Perarignar Anna, an additional 10 per cent special rebate is provided for 139 days, from 15th September to 31st January every year.

- **Cotton products:** 30%, subject to a maximum of Rs.150 per item, whichever is less.

- **Silk products:** 30%, subject to a maximum of Rs.300 per item, whichever is less.

During 2025–2026, a rebate subsidy of Rs.225.00 crore was provided to 850 Primary Handloom Weavers' Cooperative Societies and Co-optex.

For the continued implementation of the scheme during the financial year 2026–2027, the Government has allocated Rs.210.00 crore.

4.2.4. Mini Handloom Parks

To improve the product quality, facilitate the adoption of modern technology, and to strengthen the market linkages, the Government is establishing Mini Handloom Parks at a total project cost of Rs.20.00 crore.

Six parks at Sirumugai (Coimbatore District), Chinnalapatti (Unit I, Dindigul District), Narikalpatti (Unit II, Dindigul District), Orikkai (Kancheepuram District), Emaneswaram (Ramanathapuram

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District), Vanavasi (Salem District), and Gudiyatham (Vellore District) have been established at a total cost of Rs.9.68 crore and are in use by handloom weavers.

Further, two additional parks at Chennimalai (Erode District) and Jayankondam (Ariyalur District) are being established at a project cost of Rs.4.62 crore.

4.2.5. Powerloom Modernisation Scheme

The Government implements the Powerloom Modernisation Scheme to facilitate technological upgradation and convert conventional powerlooms into modern looms capable of producing high-valued fabrics.

Financial assistance :

- 50% capital subsidy or maximum of Rs.1.00 lakh per loom, for conversion of conventional plain powerlooms more than three years old

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into automatic or shuttleless looms, subject to a maximum of 10 looms.

- 20% capital subsidy or maximum Rs.1.50 lakh per loom, for the purchase of new rapier looms, subject to a maximum of 5 looms.
- Financial assistance of up to Rs.50.00 lakh for the establishment of a Common Facility Centre.

During 2025–2026, subsidy amounting to Rs.1.16 crore was provided to 28 firms for the conversion of 156 conventional powerlooms into automatic or shuttleless looms.

A sum of Rs.30.00 crore has been allocated for the continued implementation of the Scheme during the year 2026–2027.

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4.3. Welfare Schemes for Handloom and Powerloom Weavers

4.3.1. Tamil Nadu Cooperative Handloom Weavers' Old Age Pension Scheme

With a view to ensuring social security for handloom weavers who are members of Handloom Weavers Cooperative Societies, the Government of Tamil Nadu has been implementing the Tamil Nadu Cooperative Handloom Weavers' Old Age Pension Scheme since 1997.

Under the Scheme, members registered under the Tamil Nadu Cooperative Handloom Weavers Savings and Security Scheme are provided with a monthly old age pension of Rs.1,200 on attaining the age of 60 years.

During 2025–2026, the Government released Rs.43.23 crore towards old age pension, benefiting 29,683 elderly handloom weavers.

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Of the total beneficiaries under the Scheme, 15,924 are male weavers and 13,759 are female weavers.

4.3.2. Tamil Nadu Cooperative Handloom Weavers Family Pension Scheme

With a view to providing financial security to the families of handloom weavers who die before attaining the age of 60 years, the Government of Tamil Nadu has been implementing the Tamil Nadu Cooperative Handloom Weavers Family Pension Scheme since 1992.

Under the Scheme, a monthly family pension of Rs.1,200/- is paid to the legal heir from the date of death of the handloom weaver for a period of 10 years or until the date on which the deceased would have attained the age of 60 years, whichever is more beneficial to the family.

During 2025–2026, the Government released Rs.1.78 crore towards family pension, benefiting the families of 1,160 handloom weavers.

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Of the total beneficiaries under the Scheme, 581 are male beneficiaries and 579 are female beneficiaries.

For the implementation of the Tamil Nadu Cooperative Handloom Weavers Old Age Pension Scheme and the Tamil Nadu Cooperative Handloom Weavers Family Pension Scheme during 2026–2027, a sum of Rs.48.30 crore has been allocated in the Budget Estimates.

4.3.3. Tamil Nadu Cooperative Handloom Weavers Savings and Security Scheme

The Tamil Nadu Cooperative Handloom Weavers Savings and Security Scheme has been under implementation since 1975 with the objective of encouraging the habit of savings among handloom weavers and ensuring their long-term financial security.

Under the Scheme, member weavers contribute 8 paise for every rupee of wages earned.

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The State Government makes an equal matching contribution of 8 paise per rupee.

The accumulated contributions are deposited in the Government account, on which the Government provides 6.5 per cent interest.

At the end of the financial year 2025–26, a sum of Rs.462.79 crore was deposited in the Government account.

Weavers who have remained members of the Scheme for 20 years or who have attained the age of 55 years are eligible to receive the final settlement amount comprising their own contribution, the Government's matching contribution, and the accrued interest.

In addition, members who have completed five years under the Scheme are eligible to avail themselves of partial advances from their savings to meet expenses relating to emergency medical

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treatment, higher education of their children, and house repairs.

During 2025–2026, the Government credited Rs.9.46 crore towards its matching contribution and Rs.27.03 crore towards interest at 6.5 percent to the Scheme account.

A total of 43,564 weavers are enrolled under the Scheme, comprising 20,079 male members and 23,485 female members.

For 2026–2027, a sum of Rs.12.00 crore has been allocated towards the Government's contribution and Rs.28.50 crore towards 6.5 percent interest.

4.3.4. Free Electricity for Handloom Weavers

The Government has been implementing the Free Electricity Scheme for Handloom Weavers since 2006–2007 with the objective of reducing the financial burden on handloom weavers.

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Under the Scheme, eligible handloom weavers are provided with 300 units of free electricity bimonthly.

During 2025–2026, the Government released a subsidy of Rs.14.77 crore to the Tamil Nadu Power Distribution Corporation Limited (TNPDCL) towards the supply of free electricity to 72,162 handloom weavers.

For the continued implementation of the Scheme during 2026–2027, a sum of Rs.14.64 crore has been allocated.

4.3.5. Free and Subsidised Electricity for Powerloom Weavers

With a view to reducing production costs, promoting the growth of the powerloom industry, and enhancing its competitiveness, the Government has been implementing the Free and Subsidised Electricity Scheme for Powerloom Weavers since 2006–2007.

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Under the Scheme, eligible powerloom weavers are provided with 1,000 units of free electricity bi-monthly. Electricity consumed beyond 1,000 units is charged at subsidised rates.

Revised Electricity Subsidy Rates (with effect from 01.07.2025)			
Consumption Slab	**Electricity Tariff per Unit (Rs.)**	**Government Subsidy per Unit (Rs.)**	**Amount Payable by the Weaver per Unit (Rs.)**
1-500 units	7.15	7.15	-
501-1000 units	8.25	8.25	-
1001-1500 units	8.25	3.80	4.45
Above 1,500 units	8.25	2.60	5.65

During 2025–2026, the Government released a subsidy of Rs.548.65 crore to the Tamil Nadu Power Distribution Corporation Limited (TNPDCL) towards the supply of free electricity to 1,64,046 powerloom weavers.

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For the continued implementation of the Scheme during 2026–2027, a sum of Rs.569.22 crore has been allocated.

4.4. Awards

4.4.1. State Level Best Weaver Award

With a view to recognising and honouring the handloom weavers who develop innovative and marketable silk and cotton handloom products and make significant contributions to the growth of Handloom Weavers Cooperative Societies, the Government of Tamil Nadu has been implementing the State Level Best Weaver Award since 2013–2014.

Total Prize Money: Rs.20.00 lakh

Best Weaver Award – Silk Category

- First Prize – Rs.5.00 lakh
- Second Prize – Rs.3.00 lakh
- Third Prize – Rs.2.00 lakh

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Best Weaver Award – Cotton Category

- First Prize – Rs.5.00 lakh
- Second Prize – Rs.3.00 lakh
- Third Prize – Rs.2.00 lakh

4.4.2. State Level Best Designer Award

The Government of Tamil Nadu has been implementing the State Level Best Designer Award since 2013–2014 to recognise designers who create innovative and marketable handloom designs and contribute significantly to the growth of Handloom Weavers Cooperative Societies.

Total Prize Money: Rs.2.25 lakh

- First Prize – Rs.1,00,000/-
- Second Prize – Rs.75,000/-
- Third Prize – Rs.50,000/-

The beneficiaries selected for the State Level Best Weaver Award and State Level Best Designer Award for the year 2025–2026 were felicitated by the Hon’ble Chief Minister of Tamil Nadu at the 12th

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National Handloom Day celebrations held on August 7, 2026. They were presented with cheques amounting to Rs.22.25 lakh as prize money and certificates of appreciation.

For the implementation of the State Level Best Weaver Award and State Level Best Designer Award during 2026–2027, a sum of Rs.20.40 lakh has been allocated by the Government.

4.4.3. State Level Best Young Designer Award

With a view to encouraging the creativity of young designers and attracting young talent to the handloom sector, the Government of Tamil Nadu has been implementing the State Level Best Young Designer Award since 2022–2023.

The Scheme encourages the students pursuing textile technology courses and young designers to understand the uniqueness of the handloom sector and develop innovative designs

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suited to contemporary market requirements. It also aims to enhance the popularity of handloom products beyond the State, thereby expanding marketing opportunities and increasing sales.

Total Prize Money: Rs.2.25 lakh

- First Prize – Rs.1,00,000/-
- Second Prize – Rs.75,000/-
- Third Prize – Rs.50,000/-

Every year, three young designers selected for the Award are honoured by the Hon'ble Chief Minister of Tamil Nadu with a certificate of appreciation and a cash award.

The expenditure for implementing the Scheme is met annually from the Cooperative Research and Development Fund of the Tamil Nadu Cooperative Union.

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4.4.4. Talented Weaver Award

The Government of Tamil Nadu has been implementing the Talented Weaver Award since 1993 to encourage excellence among handloom weavers engaged in the production of silk and cotton sarees, dhoties, and export-oriented handloom products.

The Award is presented annually under 10 different handloom product categories**.** In each category, first, second, and third prizes are awarded to both male and female weavers, benefitting a total of 60 weavers every year.

Total Prize Money: Rs.10.00 lakh

- First Prize – Rs.25,000/-
- Second Prize – Rs.15,000/-
- Third Prize – Rs.10,000/-

The annual expenditure of Rs.10.00 lakh for implementing the Scheme is met from the

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Cooperative Research and Development Fund of the Tamil Nadu Cooperative Union.

4.5. Educational Scholarships for Weavers' Children

4.5.1. Dr. M.G.R. Handloom Weavers Welfare Trust

With a view to encourage the children of handloom weavers to pursue higher education, the Dr. M.G.R. Handloom Weavers Welfare Trust was established in the year 1986.

The Scheme is being implemented with the objectives of encouraging students belonging to handloom weaver families to excel in education, pursue higher studies, and expand educational opportunities among them. Promoting gender equality in education is also one of the important objectives of the Scheme.

Under this Scheme, educational scholarships are awarded every year to 5 male students and

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5 female students who secure the top five positions in the 10th and 12th Standard examinations.

Further, based on the marks secured in the 10th Standard, 12th Standard, and Degree examinations, scholarships ranging from Rs.2,000 to Rs.15,000 per annum are provided to students in 40 disciplines until the completion of their respective courses. A maximum of 400 students (200 male students and 200 female students) are benefited under this Scheme every year.

Educational Scholarship Amount for Top five Rank Holders (Based on Marks Secured)

Sl. No.	Course / Discipline	First	Second	Third	Fourth	Fifth
a) School Level						
1	Tenth (high score)	8000	5000	4000	3000	2000
2	Twelfth (high score)	8000	5000	4000	3000	2000
b) Diploma Courses						
3	Polytechnic	8000	5000	4000	3000	2000
4	Diploma in Nursing	8000	5000	4000	3000	2000

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Sl. No.	Course / Discipline	First	Second	Third	Fourth	Fifth
5	Diploma in Fashion Technology	8000	5000	4000	3000	2000
6	Diploma in Visual Communication	8000	5000	4000	3000	2000
7	Diploma in Hotel Mangt. & Catering Technology	8000	5000	4000	3000	2000
8	Diploma in Handloom Technology	8000	5000	4000	3000	2000
9	Diploma in Physiotherapy (DPT)	8000	5000	4000	3000	2000
10	Diploma in Engineering	8000	5000	4000	3000	2000
11	Diploma in Technology	8000	5000	4000	3000	2000
c) Under Graduation Courses						
12	M.B.B.S	15000	10000	9000	8000	7000
13	B.D.S	15000	10000	9000	8000	7000
14	B.V.S.C	15000	10000	9000	8000	7000
15	B.E.	15000	10000	9000	8000	7000
16	B.Tech.,	15000	10000	9000	8000	7000
17	Agriculture / Horticulture	8000	5000	4000	3000	2000
18	B.Pharm	8000	5000	4000	3000	2000
19	B.Sc.,(Nursing)	8000	5000	4000	3000	2000
20	B.A.	8000	5000	4000	3000	2000
21	B.Sc.,	8000	5000	4000	3000	2000

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Sl. No.	Course / Discipline	First	Second	Third	Fourth	Fifth
22	B.Com.,	8000	5000	4000	3000	2000
23	B.B.A.	8000	5000	4000	3000	2000
24	B.B.M.	8000	5000	4000	3000	2000
25	B.C.A.	8000	5000	4000	3000	2000
26	B.Sc., (Com. Sci.)	8000	5000	4000	3000	2000
27	Degree in Fashion Technology	8000	5000	4000	3000	2000
d) Post Graduation Courses						
28	M.S. (IT)	15000	10000	9000	8000	7000
29	M.E.	10000	7000	6000	5000	4000
30	M.Tech.,	10000	7000	6000	5000	4000
31	M.D.	10000	7000	6000	5000	4000
32	M.S.	10000	7000	6000	5000	4000
33	M.Com	10000	7000	6000	5000	4000
34	M.A.	10000	7000	6000	5000	4000
35	M.Sc.,	10000	7000	6000	5000	4000
36	M.B.A.	10000	7000	6000	5000	4000
37	M.C.A.	10000	7000	6000	5000	4000
e) Professional & Competitive Exams						
38	I.A.S / I.P.S. / Bank Officer Exam	8000	5000	4000	3000	2000

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Sl. No.	Course / Discipline	First	Second	Third	Fourth	Fifth
39	Charted Accountant (3 Years)	8000	5000	4000	3000	2000
40	Charted Accountant (5 Years)	15000	10000	9000	8000	7000

During the year 2025–2026, educational scholarships amounting to Rs.18.23 lakh were provided to 253 students under the Scheme. The Scheme will continue to be implemented during the year 2026–2027.

4.5.2. Educational Scholarship for Students Studying at Indian Institute of Handloom Technology, Salem

With a view of encouraging the children of handloom weavers to pursue education in textile and handloom technology, educational scholarships have been provided since 1977 to students pursuing the Diploma in Handloom and Textile Technology (DHTT) at the Indian Institute of Handloom Technology, Salem.

- Scholarships for the Diploma in Handloom and Textile Technology at the Indian Institute of Handloom Technology, Salem have run since **1977**, extended to Tamil Nadu quota students in Karnataka, Andhra Pradesh and Kerala.

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The Scheme has been extended not only to students studying at the Indian Institute of Handloom Technology, Salem, but also to the children of handloom weavers from Tamil Nadu admitted under the Tamil Nadu quota in Handloom and Textile Technology institutions located in Karnataka, Andhra Pradesh, and Kerala.

Students studying in the first, second, and third years of the diploma course are provided a monthly scholarship of Rs.2,500, comprising a Central Government share of Rs.1,250 and a State Government share of Rs.1,250. The State Government's share is met from the Cooperative Education Fund of the Tamil Nadu Cooperative Union.

The diploma scholarship is **Rs.2,500** a month, split equally between Centre and State, the State share met from the Cooperative Education Fund.

During the year 2025–2026, educational scholarships amounting to Rs.11.37 lakh were provided to 91 students studying at the Indian Institute of Handloom Technology, Salem.

4.6. Welfare Boards

4.6.1. Tamil Nadu Handloom and Handloom Silk Weaving Workers Welfare Board

With a view to improving the social security and welfare of handloom and handloom silk weaving workers, the Government of Tamil Nadu established the Tamil Nadu Handloom and Handloom Silk Weaving Workers Welfare Board during the year 2000–2001. Subsequently, the Board was merged with the Manual Labourers Welfare Board with effect from 21.07.2004. From 01.09.2006, the Board has been functioning independently under the administrative control of the Labour Department.

- The Handloom and Handloom Silk Weaving Workers Welfare Board of **2000-01** was merged with the Manual Labourers Welfare Board in **2004** and made independent again from **01.09.2006** under the Labour Department.

The Welfare Board implements various welfare schemes relating to social security, education, healthcare, and financial assistance to improve the standard of living of handloom and handloom silk weaving workers and their families. Financial assistance is provided under various categories

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such as Accidental Death, Natural Death, Disability, Education, Marriage, Maternity Assistance, and Pension.

Financial Assistance

The Board provides financial assistance under the following categories:

Sl. No.	Details		Amount (Rs.)
1.	**Accident Insurance**		
	i	Accidental Death	1,25,000
	ii	Accidental Disability (Based on extent of disability)	Upto 1,00,000
	iii	Artificial limbs and Wheelchair	Upto 1,00,000
2.	Natural Death Assistance		30,000
3.	Funeral Expenses Assistance		5,000
4.	**Educational Assistance**		
	i	Girl Children studying 10^{th}	1,000
	ii	10^{th} Passed	1,000
	iii	Girl Children studying 11^{th}	1,000
	iv	Girl Children studying 12^{th}	1,500
	v	All 12^{th} Passed students	1,500
	vi	Regular degree course	1,500

- Welfare Board assistance: **Rs.1,25,000** for accidental death, up to **Rs.1,00,000** for disability or artificial limbs, **Rs.30,000** on natural death and **Rs.5,000** for funeral expenses.

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Sl. No.	Details		Amount (Rs.)
	vii	Regular degree course with hostel facility	1,750
	viii	Regular Post Graduate course	4,000
	ix	Regular Post Graduate course with hostel facility	5,000
	x	Professional Degree course	4,000
	xi	Professional Degree course with hostel facility	6,000
	xii	Professional P.G. course	6,000
	xiii	Professional P.G. course with hostel facility	8,000
	xiv	I.T.I. or polytechnic course	1,000
	xv	I.T.I. or Polytechnic course with hostel facility	1,200
5.	**Marriage Assistance**		
	(i)	Male	3,000
	(ii)	Female	5,000
6.	**Medical Assistance**		
	i)	Maternity Assistance	6,000
	ii)	Abortion	3,000
	iii)	Reimbursement of cost of spectacles	Upto 500
7.	Pension (per month)		1,200

As on 30.04.2026, a total of 98,786 weavers are registered as members of the Welfare Board.

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During 2025–2026 alone, 2,951 new members were enrolled. During the same year, financial assistance amounting to Rs.42.79 crore was provided to 14,831 beneficiaries.

4.6.2. Tamil Nadu Powerloom Weaving Workers Welfare Board

With a view to improving the social and economic security of powerloom weaving workers, the Government of Tamil Nadu established the Tamil Nadu Powerloom Weaving Workers Welfare Board in July 2009 under the provisions of the Tamil Nadu Manual Labourers (Regulation of Employment and Conditions of Work) Act,1982.

The primary objective of the Board is to provide necessary financial and social security assistance to powerloom weaving workers and their families at various stages of life. The welfare of workers is protected through various schemes providing assistance for Education, Medical

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Treatment, Marriage, Natural Death, Accidental Death and Pension.

As on 30.04.2026, a total of 86,934 weavers are registered as members of the Welfare Board. During 2025–2026 alone, 5,262 new members were enrolled. During the same year, financial assistance amounting to Rs.26.58 crore was provided to 13,963 beneficiaries.

5. CENTRALLY SPONSORED FINANCIAL ASSISTANCE SCHEMES

5.1. Cluster Development Scheme

The Cluster Development Scheme, implemented under the National Handloom Development Programme, aims to empower handloom weavers socially and economically and develop them into self-sustained production centres. The Scheme provides financial assistance for improving production, design development, skill enhancement, marketing support, and

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infrastructure facilities by integrating both cooperative and non-cooperative weavers.

The earlier scheme of establishing "Block Level Clusters" has been revised as "Small Clusters" in accordance with the revised guidelines issued by the Government of India for the period 2022–2026. Each cluster is implemented for a period of three years.

Under this Scheme, financial assistance of up to Rs.2.00 crore is provided for each Small Handloom Cluster for the following components:

S. No	Components	Amount (Rs. lakh)
1	Looms / accessories, lighting units, construction of individual Work shed, Construction of Common work shed, Solar lighting system for common work shed,	150.00
2	Appointment of Designer	15.00
3	Project Management Cost	15.00
4	Other interventions	20.00
Total		**200.00**

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As the existing guidelines of the National Handloom Development Programme have ceased to be operational from 01.04.2026, the Ministry of Textiles, Government of India, has informed that proposals for new clusters during 2026–2027 will be considered based on the revised guidelines to be introduced shortly. After issuance of the new guidelines, necessary proposals will be submitted to establish additional clusters in various handloom centres across the State.

5.2. Weaver Mudra Scheme

The Weaver Mudra Scheme was introduced during 2016–2017 with the objective of meeting the financial requirements of the handloom weavers and weaving entrepreneurs and improving their production capacity.

The Scheme aims to provide concessional credit facilities through Scheduled Commercial Banks, Regional Rural Banks, and Cooperative

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Banks to ensure financial assistance for the growth and development of handloom weavers.

By providing easy access to credit and margin money assistance, the Scheme supports weavers in expanding their activities and purchasing modern technological equipment.

Margin Money Assistance provided under the Scheme:

- **Individual weavers and weaving entrepreneurs:** Margin money assistance of 20% of the loan amount or a maximum of Rs.25,000/- whichever is less.
- **Handloom Institutions:** Handloom institutions employing a minimum of 100 weavers are eligible for loans up to Rs.20.00 lakh and subsidy assistance up to Rs.2.00 lakh.

Loans with interest subvention are provided to handloom institutions at a concessional interest

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rate of 6% for a period of three years, subject to the maximum interest subsidy limit of 7% prescribed by the Government of India.

During the year 2025–2026, loans amounting to Rs.55.37 crore were provided to 9,187 handloom weavers in Tamil Nadu.

Since the introduction of the Scheme in 2016–2017, Tamil Nadu stands in the first position at the national level in implementation of the Scheme.

5.3. Integrated Complex (Unity Mall)

To promote the One District One Product (ODOP) initiative and provide a common marketing platform for Geographical Indication (GI) tagged products of Tamil Nadu and other States, an Integrated Complex is being established at the Co-optex Complex, Egmore, Chennai. The Integrated Complex is being developed on 5.84 acres of land with a built-up area of 4.54 lakh square feet,

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comprising eight floors and two basements, at a project cost of Rs.227.00 crore.

The complex will include One District One Product (ODOP) shops, a Design and Innovation Centre for creative and cultural handicrafts, the Co-optex administrative office and showroom, an experience centre, commercial spaces, and other facilities.

At present, 60% of the construction work has been completed.

5.4. Handloom Marketing Assistance

The main objective of this Scheme is to promote the marketing of handloom varieties produced by Handloom Weavers Cooperative Societies through exhibitions.

Under this Scheme, exhibitions, special sales events, and marketing promotion activities are conducted to directly connect handloom weavers,

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cooperative societies, and producers with consumers.

Financial assistance is provided under the National Handloom Development Programme for conducting handloom exhibitions:

Exhibition	Financial Assistance
National Handloom Expo	Rs.45 lakh
State Handloom Expo	Rs.30 lakh
District Handloom Expo	Rs.6 lakh

These exhibitions help create awareness among the public regarding the quality, designs, and traditional significance of handloom products and provide direct marketing opportunities to Handloom Weavers Cooperative Societies.

During 2025–2026, one National Handloom Expo was conducted in Chennai and five State Handloom Expos were conducted at Erode, Karur, Madurai, Kumbakonam, and Ramanathapuram,

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resulting in sales of handloom products worth Rs.10.70 crore.

5.5. Raw Material Supply Scheme

The Raw Material Supply Scheme is implemented with the objective of reducing production costs of handloom weavers and ensuring uninterrupted availability of quality raw materials.

Components of the Raw Material Supply Scheme:

- **Yarn Price Subsidy:** A 15% subsidy is provided, subject to quantity limits, for procurement of cotton yarn, domestic silk, wool, jute fibre, and blended yarn made from natural fibres.

- **Transportation Subsidy:** Transportation subsidy is provided up to a maximum of Rs.15,000 per month towards transportation charges for all types of yarn.

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Subsidy provided during 2025–2026:

a) Handloom Weavers Cooperative Societies

Yarn	Quantity Purchased (Lakh kg)	Purchase Value (Rs. crore)	15% Yarn Subsidy (Rs. crore)
Cotton	99.24	228.95	34.34
Silk	1.83	96.18	14.43
Total	**101.07**	**325.13**	**48.77**

b) Individual Weavers

Yarn	Quantity Purchased (Lakh kg)	Purchase Value (Rs. crore)	15% Yarn Subsidy (Rs. crore)
Cotton	-	-	-
Silk	0.07	4.22	0.63
Total	**0.07**	**4.22**	**0.63**

5.6. Pradhan Mantri Suraksha Bima Yojana (PMSBY)

The Pradhan Mantri Suraksha Bima Yojana (PMSBY) is designed to provide financial assistance

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in case of accidental death, disability, or injuries due to accidents.

The Scheme aims to provide affordable insurance coverage to the general public, particularly low-income groups.

Salient Features of the Scheme:

- **Age eligibility:** Available to all Indian citizens, including weavers, in the age group of 18 to 70 years.

Benefits:

- Accidental death: Rs.2.00 lakh
- Permanent total disability due to accident: Rs.2.00 lakh
- Permanent partial disability due to accident: Rs.1.00 lakh

The insurance premium of Rs.20 per weaver is borne by the Government of India.

For the year 2025–2026, the Government of India has released an insurance premium amount of Rs.9.75 lakh for 48,767 weavers.

6. STATE AND CENTRAL SHARED SCHEMES

6.1. Handloom Silk Park, Arni

With the objective of integrating all value-addition activities related to silk and attracting youth towards the handloom sector, a Handloom Silk Park is being established at Arani in Tiruvannamalai District at a project cost of Rs.33.50 crore.

With all necessary infrastructure are being established. In the second phase, with a project cost of Rs.9.69 crore, 3 silk reeling units, an administrative block, an exhibition hall, and a training and research centre will be set up.

Administrative approval for implementation of the Scheme has been obtained from the

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Government of India. The first installment of the Government of India share amounting to Rs.6.00 crore out of the total Central share of Rs.12.00 crore has been received.

Further, under the Handloom Support Programme, the Government of Tamil Nadu has sanctioned the first instalment of Rs.5.90 crore out of the State Government share of Rs.11.80 crore.

The Silk Park is expected to generate employment opportunities for around 5,000 weavers & allied workers and achieve annual sales turnover of approximately Rs.100 crore.

6.2. Perarignar Anna Handloom Silk Park, Kancheepuram

With the objective of integrating silk production and value-addition activities with world-class infrastructure facilities, the Perarignar Anna Handloom Silk Park is being established at Keezhkathirpur in Kancheepuram District over an

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extent of 75 acres, at a project cost of Rs.82.56 crore.

Sl. No.	Component	Amount (Rs. crore)
1	Land Acquisition	6.23
2	Common Infrastructure	21.47
3	Common Facilities	16.89
4	Worksheds	33.98
5	Design and Supervision Charges	3.99
Total		**82.56**

The total approved project cost for establishing the park includes a Central Government grant of Rs.33.02 crore and a State Government grant of Rs.7.54 crore. Out of this, the Central Government grant amount of Rs.19.80 crore and the State Government capital grant of Rs.7.54 crore have been released. In addition, out of the Rs.28.88 crore spent by the Special Purpose Vehicle (SPV) for the purchase of land for

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establishing the park, the State Government has provided Rs.6.23 crore as an unsecured loan.

As per the approved Detailed Project Report, the following units are proposed to be established:

Sl. No.	Component	Number
1	Silk Weaving Sheds	24
2	Silk Yarn Dyeing Units	16
3	Warping and Sizing Units	9
4	Embroidery and Garment Design Units	3
Total		**52**

The project is expected to generate direct employment opportunities for 6,000 weavers and indirect employment opportunities for 24,000 allied workers.

Present Status:

- Out of 24 weaving sheds, 12 sheds have been completed and 615 looms have been installed.

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- Out of 16 silk yarn dyeing units, 7 units have been completed.
- Internal roads, factory sheds, 10 borewells and the compound wall have been completed.
- The construction of the Effluent Treatment Plant (ETP) with a treatment capacity of 450 kilo litres per day has been fully completed.

6.3. Marketing Incentive Scheme

The Marketing Incentive Scheme is one of the important components of the National Handloom Development Programme**.** The objective of the Scheme is to encourage the sales activities of Handloom Weavers Cooperative Societies and Co-optex and improve the marketing potential of handloom products.

The Scheme also supports Primary Handloom Weavers Cooperative Societies in expanding their market share in the open market.

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Financial Assistance provided:

- **Primary Handloom Weavers Cooperative Societies:** 10% of the average sales turnover of the previous three years subject to a maximum of Rs.30.00 lakh.
- **State Apex Cooperative Society:** 10% of the average sales turnover of the previous three years subject to a maximum of Rs.2.00 crore.

The financial assistance under this Scheme is shared between the Government of India and the State Government in the ratio of 50:50**.**

Under this Scheme, the State Government releases its share first, followed by the release of the Central Government share.

During the year 2025–2026, the following shares of the Central and State Governments were received:

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- **Government of India share:** Rs.4.78 crore for the years 2017–2018 and 2018–2019.
- **State Government share:** Rs.2.71 crore for the years 2019–2020 and 2020–2021, and Rs.67.46 crore for the years 2021–2022 and 2022–2023.

7. ACTS AND QUALITY CERTIFICATIONS FOR PROTECTION OF TRADITIONAL HANDLOOM VARIETIES

7.1. Handlooms (Reservation of Articles for Production) Act, 1985

With a view to protecting the livelihood of handloom weavers and preventing the production of traditional handloom varieties on powerlooms, the Government of India enacted the Handlooms (Reservation of Articles for Production) Act, 1985.

The main objective of the Act is to protect traditional handloom varieties and maintain their uniqueness, authenticity, and credibility. Under

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this Act, 11 categories of articles have been reserved exclusively for production by handlooms.

(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	(10)	Woollen Tweed
(11)	Khes/Bedsheet/Bedcover/Counterpane/Furnishing (including tapestry, upholstery)		

- The 11 reserved articles include saree, dhoty, towel and angavastram, lungi, chaddar, jamakkalam or durry, dress material, barrack blanket, shawl, woollen tweed and bedsheet or furnishing.

For effective implementation of this Act, a dedicated Enforcement Wing is functioning with the office of the Deputy Director (Enforcement), Chennai, as its headquarters. Under the administrative control of this office, five Assistant Enforcement Officer offices are functioning at Salem, Tiruchengode, Erode, Tiruppur, and Madurai.

- An Enforcement Wing under the Deputy Director (Enforcement), Chennai, with five Assistant Enforcement Officer offices, polices the **1985** Act.

The enforcement activities undertaken in Tamil Nadu during the year 2025–2026 are as follows:

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Sl. No.	Name of the Region	Target for Inspection of Powerlooms 2025-26	No. of Powerlooms Inspected	No. of FIRs Filed 2025-26	No. of Cases Convicted (Including Previous Pending Cases)	No. of Awareness Campaigns Conducted
1	Erode	15500	15725	14	19	33
2	Madurai	11700	12910	8	16	44
3	Salem	15500	16076	8	9	37
4	Tiruchen-gode	15500	16872	10	8	31
5	Tiruppur	15500	16015	4	14	40
6	Chennai	2500	2607	2	0	3
TOTAL		**76200**	**80205**	**46**	**66**	**188**

- Enforcement in **2025-26**: 80,205 powerlooms inspected against a target of 76,200, 46 FIRs filed, 66 convictions and 188 awareness campaigns.

7.2. Geographical Indications of Goods (Registration and Protection) Act, 1999

- The Geographical Indications of Goods (Registration and Protection) **Act, 1999** gives a region's products an intellectual property right against imitation.

A Geographical Indication (GI) is an intellectual property right granted to products that represent the heritage, skill, and uniqueness associated with a specific geographical region. GI

registration ensures the authenticity of such products, prevents imitation, and enhances their value in both domestic and international markets.

So far, 11 handloom varieties of Tamil Nadu have been registered under the Geographical Indications Act:

Sl. No.	G.I. tagged Handloom Variety	Registration No. and Year
1	Kancheepuram Silk Saree	06/2005
2	Bhavani Jamakkalam	09/2005
3	Madurai Sungudi Saree	16/2005
4	Salem Venpattu Dhoti	56/2008
5	Coimbatore Kora Cotton Saree	57/2008
6	Arani Silk Saree	58/2008
7	Thirubuvanam Silk Saree	343/2019
8	Kandangi Saree	359/2019

- 11 handloom varieties hold **GI** tags, beginning with Kancheepuram Silk Saree (**2005**), Bhavani Jamakkalam, Madurai Sungudi, Salem Venpattu, Coimbatore Kora, Arani Silk, Thirubuvanam, Kandangi, Negamam, Tirunelveli Chedibutta and Uraiyur Cotton (**2025**).

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Sl. No.	G.I. tagged Handloom Variety	Registration No. and Year
9	Negamam Cotton Saree	471/2023
10	Tirunelveli Chedibutta Saree	491/2023
11	Uraiyur Cotton Saree	711/2025

Further, with the objective of obtaining GI registration for other renowned traditional handloom varieties of Tamil Nadu, applications for the following six handloom varieties have been submitted to the Geographical Indications Registry and are under the examination:

1. Gudiyatham Lungi
2. Koorainadu Saree
3. Nagercoil Dhoti
4. Chinnalapatti Artificial Silk Saree
5. Aruppukottai Cotton Saree
6. Paramakudi Bumber Cotton Saree

- Six more await **GI** registration - Gudiyatham Lungi, Koorainadu Saree, Nagercoil Dhoti, Chinnalapatti Artificial Silk, Aruppukottai Cotton and Paramakudi Bumber Cotton.

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7.3. Quality Certifications for Handloom Varieties

7.3.1. Silk Mark

The Silk Mark was introduced by the Government of India on 17.04.2004 to provide an official quality certification for pure silk products. It is issued by the Silk Mark Organisation of India functioning under the Central Silk Board. Products bearing the Silk Mark are made of 100 per cent natural pure silk.

- The Silk Mark, introduced **17.04.2004** and issued by the Silk Mark Organisation under the Central Silk Board, certifies 100% natural pure silk. 1,314 Tamil Nadu registrants bought **11.21 lakh** marks in **2025-26**.

In Tamil Nadu, 1,314 institutions and individuals have registered under this scheme. During the year 2025–2026, 11.21 lakh Silk Marks were purchased by cooperative and private institutions.

7.3.2. Handloom Mark

The Handloom Mark is an official certification mark that ensures the authenticity and quality of genuine handloom products. It provides an unique identity to handloom products and aims to improve their domestic and international market opportunities. The Government of India introduced the Handloom Mark Scheme on 28.06.2006.

- The Handloom Mark of **28.06.2006** certifies genuine handloom; 8,907 Tamil Nadu registrants bought 33,29,400 marks in **2025-26**.

Under the Handloom Mark Scheme, 8,907 institutions/individuals in Tamil Nadu have registered so far. During the year 2025–2026, 33,29,400 Handloom Marks were purchased by registered entities.

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7.3.3. India Handloom Brand

The India Handloom Brand was launched by the Government of India on 07th August 2015 during the first National Handloom Day. It is a quality certification initiative that recognises handloom products based on their quality, raw materials used, weaving techniques, design, social and environmental compliance.

- The India Handloom Brand was launched on 7 August **2015**, the first National Handloom Day, certifying quality, raw material, technique, design and social and environmental compliance.

In Tamil Nadu, 209 institutions and individuals have registered under the India Handloom Brand so far.

8. INSTITUTIONS UNDER THE ADMINISTRATIVE CONTROL OF THE DEPARTMENT

8.1. Handloom Weavers Cooperative Societies

Handloom Weavers Cooperative Societies constitute the backbone of the handloom industry in Tamil Nadu and play a vital role in its growth and

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sustainability. The State has 1,119 Handloom Weavers Cooperative Societies. These societies provide handloom weavers with sustained employment, raw material support and market access, while making a significant contribution to their social and economic advancement.

The societies also play an important role in preserving traditional weaving skills and in the production and marketing of intricate handloom products requiring specialised craftsmanship.

Sl. No	Circle	District(s)	No.of Societies		
			Cotton	Silk	Total
1	Coimbatore	Coimbatore	61	0	61
		Nilgiris	1	0	1
2	Cuddalore	Cuddalore	29	1	30
		Villupuram	20	1	21
		Kallakurichi	1	0	1
3	Dindigul	Dindigul	40	0	40
4	Erode	Erode	191	0	191
5	Kancheepuram	Kancheepuram	31	23	54
		Chengalpattu	20	0	20
6	Karur	Karur	43	0	43

Sl. No	Circle	District(s)	No.of Societies		
			Cotton	Silk	Total
7	Kumbakonam	Thanjavur	5	9	14
		Perambalur	1	0	1
		Ariyalur	32	0	32
8	Madurai	Madurai	31	0	31
		Theni	7	0	7
9	Nagercoil	Kanniyakumari	34	0	34
10	Paramakudi	Ramanathapuram	82	0	82
		Sivaganga	1	0	1
11	Salem	Salem	19	41	60
		Dharmapuri	4	0	4
		Krishnagiri	0	0	0
12	Tiruvannamalai	Tiruvannamalai	20	4	24
13	Tiruchengode	Namakkal	45	7	52
		Salem	19	0	19
14	Tirunelveli	Tirunelveli	16	0	16
		Tenkasi	12	0	12
		Thoothukudi	7	0	7
15	Tiruppur	Tiruppur	47	0	47
16	Tiruvallur	Tiruvallur	80	0	80
17	Tiruvarur	Nagapattinam	0	1	1
		Tiruvarur	0	3	3
		Mayiladuthurai	0	2	2
18	Tiruchirappalli	Tiruchirappalli	21	0	21
		Pudukkottai	0	0	0

Sl. No	Circle	District(s)	No.of Societies		
			Cotton	Silk	Total
19	Vellore	Vellore	35	1	36
		Ranipet	18	0	18
		Tirupathur	2	0	2
20	Virudhunagar	Virudhunagar	51	0	51
Total			**1,026**	**93**	**1,119**

In addition to producing a wide range of handloom fabrics for the open market, the Handloom Weavers Cooperative Societies supply fabrics required for the production programmes of Co-optex. They also play a key role in producing cloth for the Government of Tamil Nadu's flagship schemes, namely the Free Uniform Supply Scheme for school children and the Distribution of Saree Dhotie Scheme.

During the year 2025–2026, the Handloom Weavers Cooperative Societies produced handloom fabrics valued at Rs.1,149.70 crore and recorded total sales of Rs.1,423.04 crore.

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8.2. Powerloom Weavers Cooperative Societies

Tamil Nadu is one of India's leading powerloom States, with a large number of conventional powerlooms and a smaller number of shuttleless looms.

Powerloom activities are concentrated in the districts of Erode, Coimbatore, Tiruppur, Salem, Namakkal, Karur, Tiruvallur, Madurai, Tirunelveli, Vellore, Cuddalore, Kancheepuram, Tiruvannamalai and Virudhunagar. A wide range of fabrics based on cotton, synthetic and blended yarns is produced in these centres.

The State has 245 Powerloom Weavers Cooperative Societies with approximately 61,000 powerlooms.

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Sl. No.	Circle	District	No. of Societies
1	Coimbatore	Coimbatore	33
2	Erode	Erode	57
3	Madurai	Madurai	1
		Theni	2
4	Salem	Salem	21
5	Tiruchengode	Namakkal	85
6	Tirunelveli	Tenkasi	1
7	Tiruppur	Tiruppur	25
8	Tiruvallur	Tiruvallur	20
Total			**245**

Powerloom Weavers Cooperative Societies play a significant role in producing fabrics required for the Government of Tamil Nadu's Free Uniform Supply Scheme for school children and the Distribution of Saree Dhotie Scheme. In addition to supporting the implementation of these schemes, they provide continuous employment to approximately 20,000 powerloom weavers.

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During the year 2025–2026, the Powerloom Weavers Cooperative Societies produced and supplied 1,658 lakh metres of fabric valued at Rs.653.65 crore under various Government schemes.

- Powerloom weavers' cooperative societies produced **1,658 lakh** metres worth **Rs.653.65 crore** under Government schemes in **2025-26**.

8.3. Tamil Nadu Handloom Weavers Cooperative Society (Co-optex), Chennai

8.3.1. Co-optex – The Pride of Tamil Nadu's Handloom Heritage

Established in the year 1935 as the Tamil Nadu Handloom Weavers Co-operative Society Limited, Co-optex has a distinguished legacy of serving the handloom sector for nearly a century. As one of the largest and most longstanding co-operative institutions in India, Co-optex was founded with the objective of bringing together the dispersed handloom weaving communities of Tamil Nadu under an organized cooperative framework, thereby strengthening

- Co-optex was established in **1935** as the Tamil Nadu Handloom Weavers Cooperative Society - over ninety years old, among the largest and oldest cooperatives in India.

their socio-economic welfare and preserving the rich handloom heritage of the State. Over the last 9 decades, Co-optex has evolved into a premier institution, earning national and international recognition for its significant contribution to the promotion, preservation, and advancement of Tamil Nadu's traditional handloom textiles and cultural heritage.

Co-optex has remained a cornerstone institution in preserving and promoting the rich handloom traditions of Tamil Nadu while ensuring the socio-economic welfare of traditional weaving communities. As a premier co-operative organization, Co-optex has played a vital role in safeguarding traditional weaving techniques, designs, and craftsmanship, while providing sustainable livelihood opportunities to lakhs of handloom weavers across the State. Operating on a cooperative model that prioritizes Weavers' welfare, the organization ensures that the benefits

of its growth directly support weaver livelihoods, rural economies, and the continuity of traditional craftsmanship.

At the same time, Co-optex has successfully adapted to changing market dynamics by integrating heritage craftsmanship with modern design innovation, contemporary product development, and evolving consumer preferences. Regular collaborations with professional designers and design institutions like NIFT & NID, diversification into trend-driven product categories, and adoption of customer-centric retail strategies, Co-optex has strengthened its brand relevance and market competitiveness. Its extensive retail network, participation in exhibitions, institutional sales, and expanding e-commerce platform have significantly improved market reach both within India and internationally, particularly in markets that value sustainable and ethically produced handmade textiles.

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As a vital bridge between traditional weavers and modern consumers, Co-optex continues to uphold its commitment to heritage preservation, innovation, and inclusive growth. By combining cultural stewardship with commercial sustainability, the organization remains a proud ambassador of Tamil Nadu's handloom excellence and a leading cooperative institution dedicated to the long-term development of the weaving sector.

8.3.2. Objectives of Co-optex

With a glorious legacy of over 91 years, Co-optex has been pursuing the following key objectives for the growth and development of the handloom sector:

- To provide continuous and sustainable employment opportunities for traditional handloom weavers.
- To extend effective marketing support to Handloom Weavers' Co-operative Societies

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and enhance the reach and popularity of handloom products among consumers.

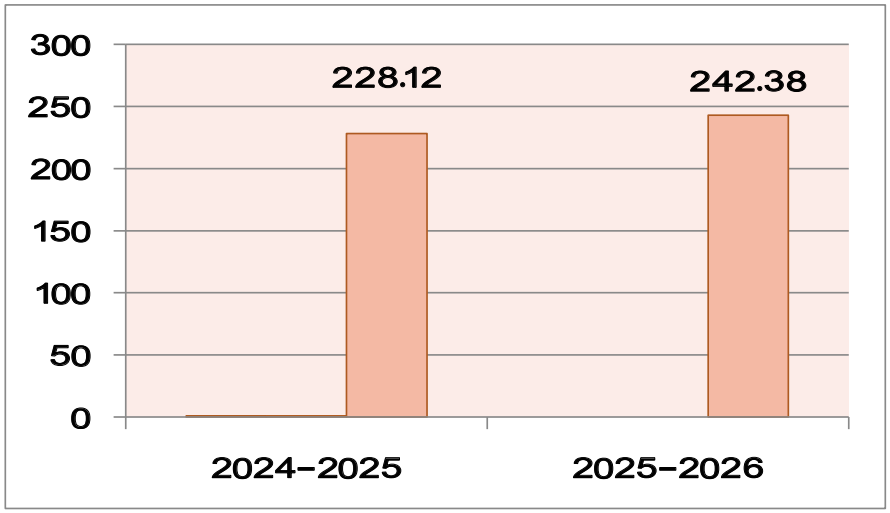
- ❖ To develop innovative products that harmoniously combine traditional craftsmanship with contemporary fashion trends, in line with changing customer tastes and market requirements.
- ❖ To introduce and implement innovative initiatives and schemes to ensure the authenticity and genuineness of handloom products.

8.3.3. Sales details and Activities

Co-optex has achieved retail Sale of Rs.242.38 crore during 2025-26 as against Rs.228.12 crore in 2024-25 registering an increase by Rs.14.26 Crore.

- Co-optex retail sales reached **Rs.242.38 crore** in **2025-26**, up **Rs.14.26 crore** on the previous year, with design collaborations with **NIFT** and **NID** and sales through cooptex.gov.in.

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(Sales Rs. in Crore)

This achievement in sales is the result of several initiatives, including continuous procurement throughout the year, the opening of new showrooms and the modernization of existing showrooms to improve their aura and ambience, design interventions by Professional Designers, introduction of new products and continuous motivation and training provided to the marketing staff in showrooms.

Through effective Facebook campaigns, Instagram and other Social Media Platforms,

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Co-optex has attracted a large number of young customers many of whom are first-time buyers of handloom products.

8.3.4. Online Sales – e-Commerce Portal

Co-optex operates its e-commerce platform through Co-optex Official Website www.cooptex.gov.in enabling customers across the country to conveniently purchase handloom products online.

Co-optex is the first Apex Weavers' Co-operative Society in India to successfully introduce and operate an exclusive e-shopping platform for handloom products.

During the year 2025–26, Co-optex achieved online sales of Rs.1.51 crore through its e-commerce business.

Further, as part of the branding initiative, Co-optex revamped its website and mobile application during the year 2025–26 with enhanced

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features and improved interface, making the platform more user-friendly, accessible and convenient for customers.

8.3.5. Sales Promotion Schemes

8.3.5.1. Co-optex Monthly Saving Scheme

Co-optex offers a customer-friendly savings programme titled the "Co-optex Monthly Saving Scheme", under which customers can enroll with monthly instalments starting from Rs.300/-.

Under this scheme, customers remit 11 monthly instalments and Co-optex contributes the 12th instalment, thereby providing an attractive additional benefit equivalent to 48% of the customer's total 11-month contribution.

The scheme has been instrumental in attracting new customers, encouraging regular savings, and ensuring steady business growth and cash flow for Co-optex. During the year 2025–26, sales amounting to Rs.19.11 crore were generated through this scheme.

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8.3.5.2. Buy 2 Get 1 Free Scheme

Co-optex introduced the "Buy 2 Get 1 Free" promotional scheme during 2011–12 to enhance customer engagement and increase sales volume. Owing to the overwhelming response and continued patronage from customers, the scheme continues successfully across Co-optex showrooms.

During the financial year 2025–26, Co-optex achieved sales of Rs.24.12 crore through this promotional scheme.

8.3.6. Co-optex Export International Initiatives

The Export Wing of Co-optex, functioning under the name "Co-optex International" has undertaken various strategic initiatives to strengthen and expand its export business across global markets.

Co-optex exports a wide range of handloom products to countries such as Germany, Belgium,

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Spain, Italy, France, Switzerland, United Arab Emirates and Netherlands.

The export product portfolio of Co-optex International includes handloom products such as Bed Linen, Table Linen, Kitchen Linen, Bath Linen, Fashion Bags, Kalamkari Stoles, Silk Sarees and various other traditional Handloom Products.

8.3.7. Participation in Fairs

During the year 2025–26, Co-optex participated in several National and International Fairs to promote its handloom products in the global market and to explore new export opportunities.

Fairs Participated During 2025–26

S.No	Name of the Fair	Location	Duration
1.	HGH (Home décor, Gifts, House ware)	Bombay Exhibition Centre, India	01st–04th July 2025
2.	India International Handloom Expo	Bharat Mandapam, New Delhi	07th–09th August 2025

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S.No	Name of the Fair	Location	Duration
3.	International Apparel and Textiles Show	Dubai World Trade Center, UAE	17th–19th November 2025
4.	Heimtextil Fair	Messe Frankfurt, Germany	13th–16th January 2026
5.	Bharat TEX-2026	Bharat Mandapam New Delhi	14th –17th July 2026

Through participation in the above fairs, Co-optex expects Export orders worth Rs.100.00 lakh from buyers in Germany, Spain, Belgium, Netherlands and United Arab Emirates.

In addition, enquiries and orders were received for new product categories such as Silk Sarees, Lehengas and other value-added handloom products. Participation in these fairs is expected to further strengthen Co-optex's International market presence and generate additional export orders in the future.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/handlooms-textiles · Daily TNPSC tests: essaaracademy.in/mission-80 106 / 212

8.3.8. Market Expansion Activities

To enhance sales and promote handloom products, Co-optex has undertaken various Market Expansion and Sales Promotion Initiatives.

8.3.8.1. Campus Sales

Co-optex organized exclusive sales events at Colleges, Government Offices and Companies to attract new customers and create awareness about handloom products. Around Rs.25.31 crore worth of handloom goods has been sold in the 1492 Campus sales events conducted during the year 2025-26.

8.3.8.2. Exhibitions

Co-optex participated in the various National & Regional level exhibitions so as to reach a wider customer base and to attract new customers. During the year 2025-26, Co-optex have sold around Rs.1.48 Crore worth of handloom products by participating in 28 exhibitions held in the cities of Chennai, New Delhi, Jaipur, Mumbai, Nagpur,

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Hyderabad, Vijayawada and Bhubaneswar. These efforts help increase brand visibility, boost sales, and support the livelihood of handloom weavers.

8.3.8.3. Handloom outreach program in Colleges and Universities

As part of its social awareness initiatives, Co-optex has been organising Handloom Outreach Programmes in Universities and Colleges across Tamil Nadu with the objective of creating awareness among the student community about the uniqueness, artistic craftsmanship, and rich cultural heritage of Tamil Nadu's handloom sector, while also promoting the usage and sale of handloom products. The initiative seeks to sensitise the younger generation to the significance of handlooms and their vital role in preserving the traditional arts, culture, and heritage of the State, while showcasing the diverse range of handloom products, including Silk Sarees, Cotton Sarees, Home Textiles, and Contemporary Apparel.

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The programme also highlights the socio-economic importance of the handloom sector, which provides livelihood support to approximately 2.50 lakh weavers across Tamil Nadu. Further, it facilitates direct interaction between students and artisans, enabling them to gain first-hand understanding of the intricate processes involved in weaving, dyeing, designing, and the craftsmanship associated with handloom production, thereby fostering greater appreciation and support for the handloom sector.

8.3.8.4. Franchise Sales Model

Co-optex has initiated the process of introducing a Franchise Sales Model in both Domestic and International markets to enhance the sales of Handloom Products and generate sustained employment opportunities for Handloom Weavers. An Expression of Interest (EOI) has already been floated, and responses have been received from prospective entities.

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Co-optex is presently engaging with the interested parties to address queries and finalize suitable franchise partners. This initiative is aimed at expanding market reach through the establishment of franchise outlets across India and overseas, thereby making authentic handloom products more accessible to a wider customer base.

8.3.9. Performance in Government Schemes

8.3.9.1. Distribution of Saree, Dhothy Scheme – Pongal 2026

Under the Government's Dhothy and Saree Distribution Scheme for Pongal 2026, Co-optex functioned as one of the Nodal Agencies for the supply and distribution of free Dhothies and Sarees through the Tamil Nadu Civil Supplies Corporation.

As part of the scheme implementation, Co-optex inspected 75.35 lakh sarees and

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59.94 lakh Dhothies for distribution to beneficiaries across the State, valued at Rs.237.54 crore.

8.3.9.2. Supply of Uniform Scheme

During the year 2025-2026 Co-optex also served as one of the Nodal Agencies for the supply & distribution of uniform materials to school students under the Supply of Uniform to School Children Scheme, valued at Rs.146.03 crore. Also Co-optex supplied the following uniform fabrics to the Social Welfare Department after conducting quality inspection.

- 61.13 lakh metres of Boys' Suiting Drill Cloth,
- 74.03 lakh metres of Girls' Bottom Casement Cloth, and
- 66.06 lakh metres of Shirting Material.

8.3.9.3. Supply of Sarees and Dhothies to Old Age Pensioners

Co-optex acted as the Nodal Agency for the procurement and supply of Sarees and Dhothies to

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Old Age Pensioners during Deepavali 2025 through the Tamil Nadu Civil Supplies Corporation, valued at Rs.51.99 crore.

Under this welfare initiative, Co-optex procured and supplied 24.42 lakh Sarees and 9.66 lakh Dhothies for distribution to eligible beneficiaries across Tamil Nadu.

8.3.10. Production Activities

Development of Innovative Designs and Value-Added Products:

8.3.10.1. Introduction of Ready-to-Wear Sarees

Co-optex has introduced Ready-to-Wear Sarees on a pilot basis, which has received tremendous response from customers across various market segments. Following the success of the trial launch, initiatives have been undertaken to scale up production on a larger commercial. The introduction of Ready-to-Wear Sarees has improved product accessibility, attracted younger

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customers, and broadened the overall consumer base.

8.3.10.2. Launch of Corporate Gift Sets

Co-optex has developed and launched 8 varieties of exclusive Corporate Gift Sets, thereby establishing a promising new business vertical in the institutional and corporate segment. These thoughtfully curated gift collections have created significant opportunities in the B2B market, particularly during festive seasons, conferences, employee engagement programmes, and corporate events.

The initiative has received an excellent market response from various organizations and institutions. To further expand this segment and secure bulk corporate orders, a special team has been constituted for focused marketing, client outreach, and business development activities.

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8.3.10.3. Introduction of Bamboo Fibre-Based Products

As part of its commitment towards sustainability and eco-friendly initiatives, Co-optex has introduced Bamboo Fibre-Based Products made from biodegradable and environmentally sustainable materials. Known for their superior softness, breathability, moisture absorption, and natural antibacterial properties, these products offer enhanced comfort and premium quality to consumers.

The bamboo fibre range has been introduced across multiple product categories such as Bedspread and Towel products. The collection has received a highly positive response from customers, particularly among eco-conscious consumers and younger demographics, owing to its luxurious feel, sustainability appeal, and contemporary lifestyle relevance.

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8.3.10.4. Introduction of Wrinkle-Free Shirts

Co-optex has launched a premium range of Men's Wrinkle-Free Shirts aimed at meeting the requirements of working professionals and modern-day consumers seeking convenience and functionality in apparel. This initiative marks a significant step towards introducing easy-care and time-efficient clothing solutions within the ready-to-wear segment. Designed to maintain a crisp, neat, and professional appearance with minimal ironing, these shirts are especially suitable for office-goers, business travellers, and frequent commuters.

8.3.11. Product Development Activities

8.3.11.1. Focus on Women's Wear Segment

Co-optex has introduced an exclusive range of women's fashion garments that effectively combine the richness of traditional handloom craftsmanship with contemporary fashion

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aesthetics. The collection comprises Kurtis, Crop Tops, Festive Wear, Women's Pants, and Dresses featuring vibrant colour palettes, elegant patterns, and modern styling elements.

This initiative represents a major step towards product diversification while reaffirming Co-optex's commitment to preserving and promoting traditional weaving heritage.

The strategic emphasis on women's fashion has enabled Co-optex to expand into trend-driven apparel categories and strengthen its presence in a rapidly growing and highly competitive market segment.

8.3.11.2. Establishment of Pattern Making and Tailoring Unit

A dedicated Pattern Making and Tailoring Unit has been established with the required infrastructure and technical facilities for the development of garment patterns, fit analysis, and production samples. The developed samples are

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subsequently shared with production units for bulk manufacturing in accordance with approved specifications and quality standards.

To streamline the development process and ensure consistency in garment construction, a qualified Pattern Master-cum-Tailor has been engaged on a contract basis. This initiative has significantly improved sample development efficiency, reduced turnaround time, and ensured better adherence to design accuracy and production standards.

8.3.11.3. Development of New Product Samples

An extensive range of innovative product samples has been developed in Co-optex to strengthen the organization’s product portfolio and cater to emerging market trends and customer preferences. The major developments include:

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- Stoles and Dupattas featuring contemporary motifs and modern design concepts.
- Dual-tone Terry Towels with enhanced aesthetic appeal and premium finishing.
- Fashion Garments and Designer Sarees reflecting current trends and modern styling elements.
- 7D Printed Bedspreads offering distinctive textures, innovative patterns, and a premium visual

The newly developed samples are likely to receive encouraging market response, indicating strong consumer acceptance and promising commercial potential across various product categories.

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8.3.12. New Showroom Launches & Modernization and Expansion Activities of Existing Showrooms

8.3.12.1. Opening of New Showrooms

With the objective of expanding market presence and enhancing sales growth, Co-optex established and modernized two new showrooms at Thiruvananthapuram in Kerala and Jaipur in Rajasthan at a total investment of Rs.101.07 lakh.

The launch of these showrooms has strengthened Co-optex's retail network and improved accessibility of handloom products to customers in prominent cities across different regions of the country. The initiative has also contributed towards promoting traditional handloom products to a wider customer base and enhancing Co-optex brand outreach in new markets.

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8.3.12.2. Initiative for establishment of showrooms in International Airports

Co-optex has established exclusive showroom at Chennai International Airports in collaboration with the Airports Authority of India. The Chennai International Airport showroom was modernized and inaugurated by the Hon'ble Minister for Handlooms, Textiles and Khadi on 15.06.2026 at a cost of Rs.37.87 lakh, covering interior, electrical works, display of products and allied works.

The initiative is expected to enhance brand visibility, improve customer experience and increase the sales potential of Co-optex products among domestic and international travellers, while promoting Tamil Nadu's handloom products at major transit hubs.

8.3.12.3. Establishment of First Co-optex Showroom in a Shopping Mall

Co-optex has established its first showroom in a shopping mall at Ampa SkyOne in Chennai, equipped with modern interior and display facilities to enhance the shopping experience for customers. The renovated showroom was inaugurated by the Hon'ble Minister for Handlooms, Textiles and Khadi on 15.06.2026, following modernization works undertaken at a cost of Rs.12.40 lakh, covering interior, electrical works, display of products and allied works. This initiative marks an important step in strengthening Co-optex's presence in modern retail spaces and is expected to enhance product visibility, attract more customers and improve sales performance.

8.3.12.4. Modernization of Showrooms

As part of its continuous retail infrastructure enhancement programme, Co-optex has

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modernized 12 showrooms during the year 2025–2026 at a total cost of Rs. 662.31 lakh.

The modernization initiatives were undertaken to improve customer experience, to display handloom products , to enhance visual merchandising standards, optimize showroom layouts, and create a contemporary retail ambience aligned with evolving consumer expectations. The upgraded showrooms provide improved product display facilities and a more attractive shopping environment for customers.

The following showrooms were modernized during the year:

Showroom	Region
Marthandam Showroom	Tirunelveli
Palayamkottai Showroom	Tirunelveli
Alagappan Nagar Showroom	Madurai
Chidambaram Showroom	Cuddalore
R.S. Puram Showroom	Coimbatore

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Arcot Showroom	Vellore
Lavanya Showroom, Hyderabad	Vijayawada
Mylapore Showroom	Chennai
Tiruvallur Showroom	Chennai
Pudupavu Showroom	New Delhi
Sellur Showroom	Madurai
Thiruvananthapuram Showroom	Tirunelveli

8.3.13. Admission of New Member Societies

During the period from 01.04.2025 to 31.03.2026, a total of 9 Handloom Societies and 10 Powerloom Societies were admitted as member societies of Co-optex.

The inclusion of these societies in Co-optex has strengthened the cooperative network and expanded the production base, thereby supporting increased manufacturing capacity, wider product availability, and improved livelihood opportunities for weavers.

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8.3.14. Sales Incentive Scheme

A Sales Incentive Scheme for marketing staff was introduced during the year 2025–2026. The scheme was implemented with the objective of encouraging improved sales performance, enhancing employee motivation, and promoting greater accountability in achieving sales targets.

The initiative has yielded positive results by improving staff engagement, increasing productivity, and contributing towards higher retail sales performance across regions. During the year, an amount of Rs.30.01 lakh was disbursed to marketing staff as sales incentives under the scheme.

8.3.15. Appointment of Staff

During the year 2025–26, Co-optex issued appointment orders to 166 candidates as "Assistant Sales Person" selected by the Tamil Nadu Public Service Commission in Co-optex showrooms. Among them, 90 were male candidates and

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76 were female candidates to strengthen showroom operations, improve customer service, and support expanding retail activities across the organization.

In addition, with prior approval from the Government and in view of manpower shortages in Interstate showrooms, Co-optex has recruited 40 “Assistants” through direct recruitment during February 2026. The appointments were made to improve operational efficiency and support the objective of increasing retail sales in Interstate markets.

8.3.16. Memorandum of Understanding (MoU)

With the objective of promoting and marketing handloom products produced across various regions of the country in Co-optex showrooms, Co-optex signed Memorandum of Understanding (MoUs) with leading State Apex Handloom Societies and cultural institutions during

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the Handloom Day celebrations held on 7th August 2025 at Kalaivanar Arangam, Chennai.

The agreements were entered into with the Kerala State Apex Handloom Weavers' Cooperative Society (HANTEX), North Eastern Handicrafts and Handlooms Development Corporation Limited (NEHHDC), Guwahati, and Dakshinachitra, Chennai for the procurement and promotion of handloom products.

As part of these collaborative initiatives, Co-optex established consignment-based business arrangements and signed MoU's valued at Rs.10.00 lakh with Dakshinachitra and Rs.20.00 lakh each with HANTEX and NEHHDC.

8.3.17. Tirumala Tirupati Devasthanam Supply Order

Co-optex has successfully secured bulk supply orders valued at Rs.19.00 crore from Tirumala Tirupati Devasthanam (TTD), Tirupati for the supply of various traditional products.

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The order includes the supply of the following items:

- Melchath and Uthariyam
- 6-yard and 9-yard Silk Sarees
- Cotton Uppers
- Silk and Polyester Dupattas
- Cotton Blouse Materials and related textile products

Securing this prestigious institutional order reflects the quality, reliability, and strong production capabilities of Co-optex. The order is also expected to provide substantial support to Weavers Societies and strengthen the organization's institutional business segment.

8.3.18. Vettri Thari Scheme

The Government has launched the "Vettri Thari" Scheme with the objectivie of revitalising the cooperative handloom sector through strengthened branding, enhanced marketing support and

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expanded market access. The Vettri Thari logo was unveiled by the Hon'ble Chief Minister on 07th August 2026 at the HANDTEX 2026 Exibition held at Kalaivanar Arangam, Chennai, thereby establishing a distinct identity for the scheme.

Further, a new Vettri Thari retail outlet has been established at T. Nagar, Chennai, as a modern and premium retail destination for showcasing quality handloom products. It is also proposed to established 30 Vettri Thari retail outlets with in the next 5 years at the rate of 6 outlets in each financial year.

The Scheme aims to enhance the visibility and presentation of Handloom product, attract young and new-generation customers, expand market opportunities and improve the livelihoods of cooperative weavers across Tamil Nadu.

8.4. Tamil Nadu Zari Limited, Kanchipuram

Tamil Nadu Zari Limited was established in 1971 with the objective of manufacturing and

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supplying high-quality zari required by silk handloom weavers' cooperative societies. The company commenced commercial production in 1974 and is a Government of Tamil Nadu Public Sector Undertaking certified under ISO 9001:2015.

The company supplies nearly 60% of the zari requirements of silk handloom weavers' cooperative societies in Tamil Nadu at reasonable prices. By ensuring the availability of quality raw materials, it supports uninterrupted silk weaving production and contributes significantly to the sustainability of the silk handloom sector.

The company also operates an X-Ray Fluorescence (XRF) Analyser at Kanchipuram to examine and certify the quality of zari used in samples and finished fabrics through a Non-Destructive Testing Method, ensuring that the products remain undamaged during testing. This facility plays a vital role in maintaining the quality and authenticity of silk products.

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The Government of Tamil Nadu has invested Rs.34.40 lakh as equity in the company. Based on the profits earned, the company has paid a cumulative dividend of Rs.361.04 lakh to the Government up to 2025–2026.

During 2025–2026, the company produced zari worth Rs.32.69 crore, achieved sales of Rs.37.18 crore, and is expected to earn a profit of Rs.1.74 crore.

Initiatives planned during 2026–2027

- **Production efficiency and waste reduction:** Studies will be undertaken to analyse scrap generation during zari production and to develop a Standard Operating Procedure (SOP) for waste management and raw material–production analysis. The work will be carried out with technical support from the Central Electrochemical Research Institute (CECRI),

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Karaikudi, and the Department of Textile Technology, Anna University.

- **Worker welfare and infrastructure improvement:** As the existing workers' rest room, which is over 50 years old, has become unusable, a new 500 sq. ft. workers' room will be constructed at a cost of Rs.15.00 lakh to improve employee safety and welfare.

8.5. Tamil Nadu Cooperative Textile Processing Mill Ltd., Erode

The Tamil Nadu Cooperative Textile Processing Mill Ltd. was registered on 06.07.1973 and commenced operations on 05.09.1973. The mill is an ISO 9001:2015 certified enterprise engaged in textile processing activities including bleaching, dyeing, finishing, and printing.

The mill has a processing capacity of 32 lakh metres of fabric per month through its stenter machine. In addition to processing fabrics produced under the Government of Tamil Nadu's

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Free Supply of School Uniform Scheme, it provides textile processing services for Co-optex, National Textile Corporation, Tamil Nadu Textile Corporation, Tamil Nadu Khadi and Village Industries Board, Coimbatore Central Prison, Kerala State Handloom Weavers' Cooperative Society, Kerala State Handloom Development Corporation, and several handloom weavers cooperative societies.

Effluent Treatment Facility

With a strong commitment to environmental sustainability, the mill has implemented a Zero Liquid Discharge (ZLD) System, under which dye effluents are treated, recycled, and reused in the production process. The effluent management system, equipped with Reverse Osmosis (RO) technology, ensures high-quality processing while fully complying with the norms prescribed by the Tamil Nadu Pollution Control Board (TNPCB).

- Tamil Nadu pioneered Zero Liquid Discharge in textile processing - the effluent regime that reshaped dyeing in Erode, Tiruppur, Karur and Salem.

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In accordance with TNPCB guidelines, the mill has replaced conventional solar evaporation methods with modern technologies such as:

- Forced Circulation Evaporator (FCE)
- Agitated Thin Film Dryer (ATFD)

These facilities have significantly enhanced wastewater management and promoted environmentally sustainable textile processing.

Machinery procured during 2025–2026

- A Vertical Drying Range Machine – Procured at a cost of Rs.75.00 lakh to improve drying efficiency of processed fabrics.
- Four Double-End Jigger Dyeing Machines – Procured at a cost of Rs.37.00 lakh to enhance dyeing capacity for cotton fabrics.
- A Jet Dyeing Machine **–** Procured at a cost of Rs.19.00 lakh to improve dyeing efficiency for polyester fabrics.

During the year 2025–2026, the mill processed 1.40 crore metres of fabric, achieved a business turnover of Rs.29.23 crore, and is expected to earn a net profit of Rs.4.38 crore.

8.6. Tamil Nadu Handloom Development Corporation Ltd., Chennai

The Tamil Nadu Handloom Development Corporation Ltd. was established in 1964 as a Government of Tamil Nadu Public Sector Undertaking, even before the nationalisation of banks. Its primary objective was to provide affordable institutional credit to non-cooperative handloom weavers, thereby freeing them from dependence on private moneylenders charging exorbitant interest rates.

The Corporation mobilised financial resources through share capital contributions from the Government and its members, along with Government loans.

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A. Share Capital(Rs.lakh)		
1	Government	267.00
2	Members	162.24
Total Share Capital		429.24
B. Government Loan(Rs. lakh)		494.15
Total Funds Mobilised(Rs. lakh)		**923.39**

The Corporation has 11,841 members. However, loan recovery has been adversely affected by the implementation of loan waiver schemes announced for various cooperative institutions, resulting in constraints on its working capital and lending operations.

Despite these challenges, the Corporation continues to support the handloom sector by functioning as the implementing agency for several Government schemes and generating revenue through these activities.

Major Activities

- Organising handloom exhibitions

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- Sales Promotion Scheme
- Handloom Support Programme
- Free Supply of School Uniform Scheme
- Marketing handloom products through the Loom World online platform

To strengthen the marketing network of handloom weavers' cooperative societies, the Loom World brand was introduced in 2000. Its e-commerce platform was launched on 30.12.2015 and continues to market a wide range of handloom products through online sales.

During the year 2025–2026, the Corporation achieved a business turnover of Rs.453.52 lakh and is expected to earn a net profit of approximately Rs.14.50 lakh.

9. SUSTAINABLE DEVELOPMENT GOALS (SDG), 2030

The 2030 Agenda for Sustainable Development, adopted by the United Nations in

2015, comprises 17 Sustainable Development Goals (SDGs) and 169 targets aimed at promoting inclusive social, economic, and environmental development worldwide.

Sustainable Development Goals of the Handlooms, Handicrafts, Textiles and Khadi Department

The following Sustainable Development Goals are directly and indirectly addressed through the implementation of various programmes in the handloom sector in Tamil Nadu.

SDG 9.1: Develop quality, reliable, sustainable and resilient infrastructure, including regional and trans-border infrastructure, to support economic development and human well-being with a focus on affordable and equitable access for all.

SDG 9.2: Support domestic technology development, research and innovation in developing countries, including by ensuring a

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conducive policy environment for, inter alia, industrial diversification and value addition to commodities

Actions Taken by the Department to Achieve the Sustainable Development Goals (SDGs)

SDG Target 9.1

- To promote the marketing of products under the One District One Product (ODOP) initiative and Geographical Indication (GI)-tagged products, an Integrated Commercial Complex is being established at the Co-optex campus, Egmore, Chennai, at an estimated cost of Rs.227.00 crore.
- A Silk Park is being developed at Arni over an area of 20.53 acres at a project cost of Rs.33.50 crore. The park is expected to generate employment for around 5,000 persons and will integrate the entire silk production value chain at a single location.

- To enhance the quality of Tamil Nadu's traditional handloom varieties, modernize infrastructure, introduce new technologies, and strengthen market linkages, six Mini Handloom Parks have been established and brought into use by weavers at:
    - Sirumugai (Coimbatore)
    - Chinnalapatti and Narikkalpatti (Dindigul)
    - Orikkai (Kanchipuram)
    - Emaneswaram (Paramakudi)
    - Vanavasi (Salem)
    - Gudiyatham (Vellore)

SDG Target 9.2

- Under the Handloom Support Scheme, the Government provides subsidies ranging from 75% to 100% for activities such as

technology upgradation, design development, product diversification, brand promotion, market expansion, and research-related initiatives.

- To meet the evolving technological requirements of the powerloom sector, the Government provides:
    - ❖ A 50% capital subsidy for upgrading old conventional powerlooms into automatic looms, and
    - ❖ A 20% capital subsidy for the purchase of new rapier looms.

10. REVISED BUDGET ESTIMATE FOR THE HANDLOOM DEPARTMENT 2026–2027

The Government of Tamil Nadu has allocated Rs.1,595.67 crore for the Handloom Department in

The Handloom Department's revised estimate for **2026-27** is **Rs.1,595.67 crore**, of which free electricity for powerloom weavers takes **Rs.569.22 crore** and the saree-dhoty scheme **Rs.612.61** crore.

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the Revised Budget Estimate for 2026–2027, as detailed below:

Sl. No.	Scheme	Amount (Rs. lakh)
1	Distribution of Saree, Dhoty Scheme	61,260.59
2	Free Electricity for Handloom Weavers	1,464.00
3	Free Electricity for Powerloom Weavers	56,922.00
4	Handloom Support Scheme	2,000.00
5	Tamil Nadu Institute of Design (TNID)	30.00
6	Interest Subsidy Scheme	1,700.00
7	Rebate Subsidy Scheme	21,000.00
8	Tamil Nadu Cooperative Handloom Weavers' Savings and Security Scheme	1,200.00

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Sl. No.	Scheme	Amount (Rs. lakh)
9	Tamil Nadu Cooperative Handloom Weavers Old Age Pension and Family Pension Scheme	4,830.42
10	State-Level Best Weaver Awards	20.40
11	Powerloom Modernisation under the New Integrated Textile Policy, 2019	1,500.00
12	Powerloom Modernisation Program	3,000.00
13	Rent Subsidy for the Erode Powerloom Service Centre	6.76
14	Administrative Expenses of the Enforcement Wing	382.31

- Weavers' old age and family pension draws **Rs.4,830.42 lakh**; powerloom modernisation **Rs.3,000.00 lakh** and the **2019** Integrated Textile Policy component **Rs.1,500.00 lakh**.

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Sl. No.	Scheme	Amount (Rs. lakh)
15	Salaries and Administrative Expenses	4,250.20
16	Other Items	0.07
Total		**159,566.75**

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DEPARTMENT OF TEXTILES

Introduction

Tamil Nadu has consistently maintained its position as the leading textile and apparel manufacturing State in India. It has a fully integrated textile industry encompassing the entire value chain, including cotton cultivation, spinning, weaving, knitting, fabric processing, garment manufacturing, technical textiles, and exports.

Ancient Tamil literature bears testimony to the long-standing prosperity and excellence of the Tamil weaving tradition and textile production. The Silappathikaram records:

'பட்டினும், மயிரினும், பருத்தி நூலினும் கட்டும் நுண்வினைக் காருகர் இருக்கையும்...

கிழியினுங் கிடையினுந் தொழில் பல பெருக்கிப் பழுதில் செய்வினை'

This passage illustrates that even during the post-Sangam period, Tamil Nadu excelled in the

- The Silappathikaram records weavers working in silk, wool and cotton - the note's literary anchor for the textile tradition, alongside Purananuru 383 on cloth as fine as a snake's slough.

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production of high-quality textiles made from silk, wool, and cotton.

Carrying forward this rich heritage, Tamil Nadu has now emerged as India's leading textile exporting state, contributing about 22% of the country's textile exports.

- Tamil Nadu is India's largest textile exporter at about 22% of national textile export earnings, a third of India's textile business, 46% of yarn capacity and 20% of powerlooms.

The textile industry is one of the major employment-generating sectors in Tamil Nadu. It provides extensive direct and indirect employment opportunities, particularly for women, rural communities, and Micro, Small, and Medium entrepreneurs, thereby playing a vital role in the State's economic development.

Tamil Nadu accounts for 46% of India's total spinning capacity. The state is home to 1,629 spinning mills, along with powerloom and handloom weaving units, knitting and hosiery manufacturers, textile processing units, ready-made garment factories, and numerous textile-related ancillary industries.

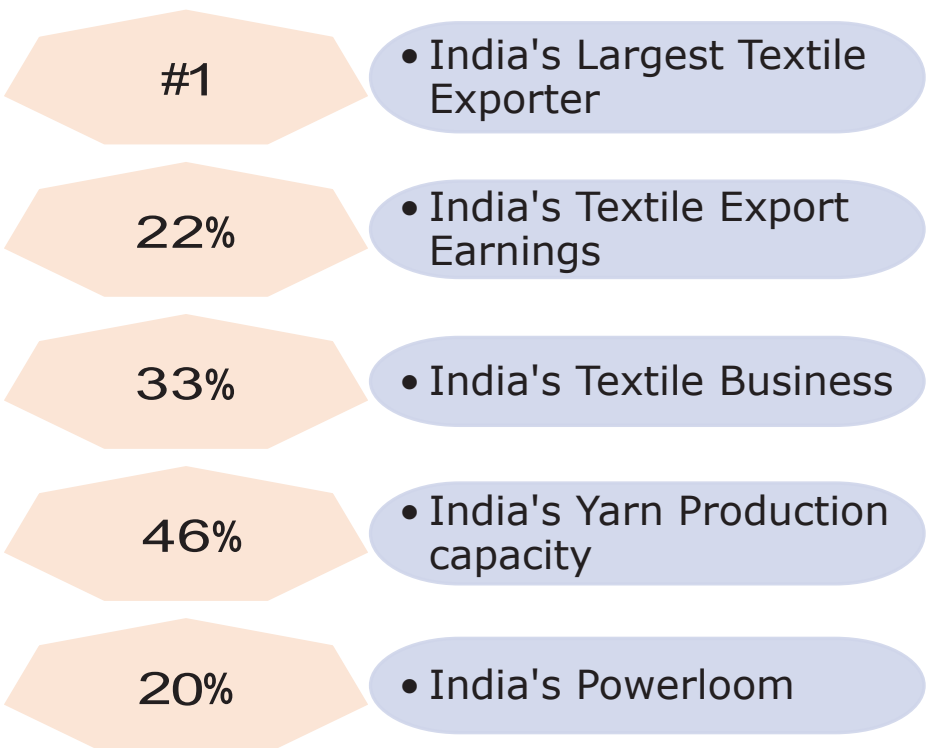
- Tamil Nadu holds 46% of India's spinning capacity with 1,629 spinning mills, about **2.95 crore** spindles and **5.55 lakh** open-end rotors.

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The major textile hubs of the state include Coimbatore, Tiruppur, Erode, Salem, Karur, Namakkal, Dindigul, Madurai, and Virudhunagar. Tiruppur is globally recognised as a major centre for knitwear production and exports, Karur is renowned for the manufacture and export of home textile products and Erode is a prominent hub for textile trading and fabric processing.

- Tiruppur is the knitwear export hub, Karur the home textiles centre and Erode the trading and fabric processing hub.

Tamil Nadu's Position in the Indian Textile Industry



2. Department of Textiles - Leading to Progress

Recognising the significant contribution of the textile industry to Tamil Nadu's industrial sector, and to give focused attention for the growth of the textile industry, including the technical textiles segment, the erstwhile Handlooms and Textiles Department was bifurcated in the year 2021 and the Department of Textiles was created.

2.1 Objectives of the Department

The Department of Textiles functions with the following objectives to ensure the sustainable and globally competitive growth of Tamil Nadu's textile industry:

- To promote the sustainable development of the entire textile value chain—from Fibre to Fashion—including textile machinery, by leveraging the state's skilled human workforce, suitable land resources, efficient

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logistics infrastructure, and other inherent strengths.

- To encourage research, innovation, and technological advancement in the technical textiles sector through the Tamil Nadu Technical Textiles Mission.
- To enhance the state's textile exports by providing the necessary policy support and infrastructure, and by facilitating the development of new export markets and business opportunities.
- To position Tamil Nadu as the preferred destination for domestic and foreign investment in the textile sector by fostering an investment-friendly ecosystem.
- To strengthen the collaboration among apparel designers, design institutions, research organisations, industry associations, and global brands, thereby

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promoting innovation, design excellence, and value addition.

- To develop textile industry infrastructure across all districts of Tamil Nadu, ensuring balanced industrial growth and the creation of new employment opportunities.
- To expand environmentally sustainable, resource-efficient, cost-effective, and modern textile processing infrastructure.
- To promote the production and use of Man-Made Fibres (MMF), Technical Textiles, recycled and sustainable textile products.
- To support the textile industry in adopting State-of-the-Art Technologies and implementing Good Manufacturing Practices (GMP), while ensuring compliance with environmental and social responsibility standards.
- To address the shortage of skilled manpower in the textile industry by identifying industry-specific skill

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requirements and providing Industry-oriented skill development programmes for students through strengthened Industry–Academia Linkages.

- To facilitate the establishment of textile parks and support the creation of world-class infrastructure within these parks.

2.2 Organisational Setup of the Department of Textiles

The Department of Textiles is headed by the Hon'ble Minister for Handlooms, Textiles and Khadi Department and functions under the administrative control of the Principal Secretary to Government, Handlooms, Handicrafts, Textiles, and Khadi Department.

The Commissioner of Textiles is the Head of the Department, assisted by various officers such as the Additional Director, Joint Directors, Deputy Directors and Assistant Directors in the Commissionerate. It has four regional-level offices

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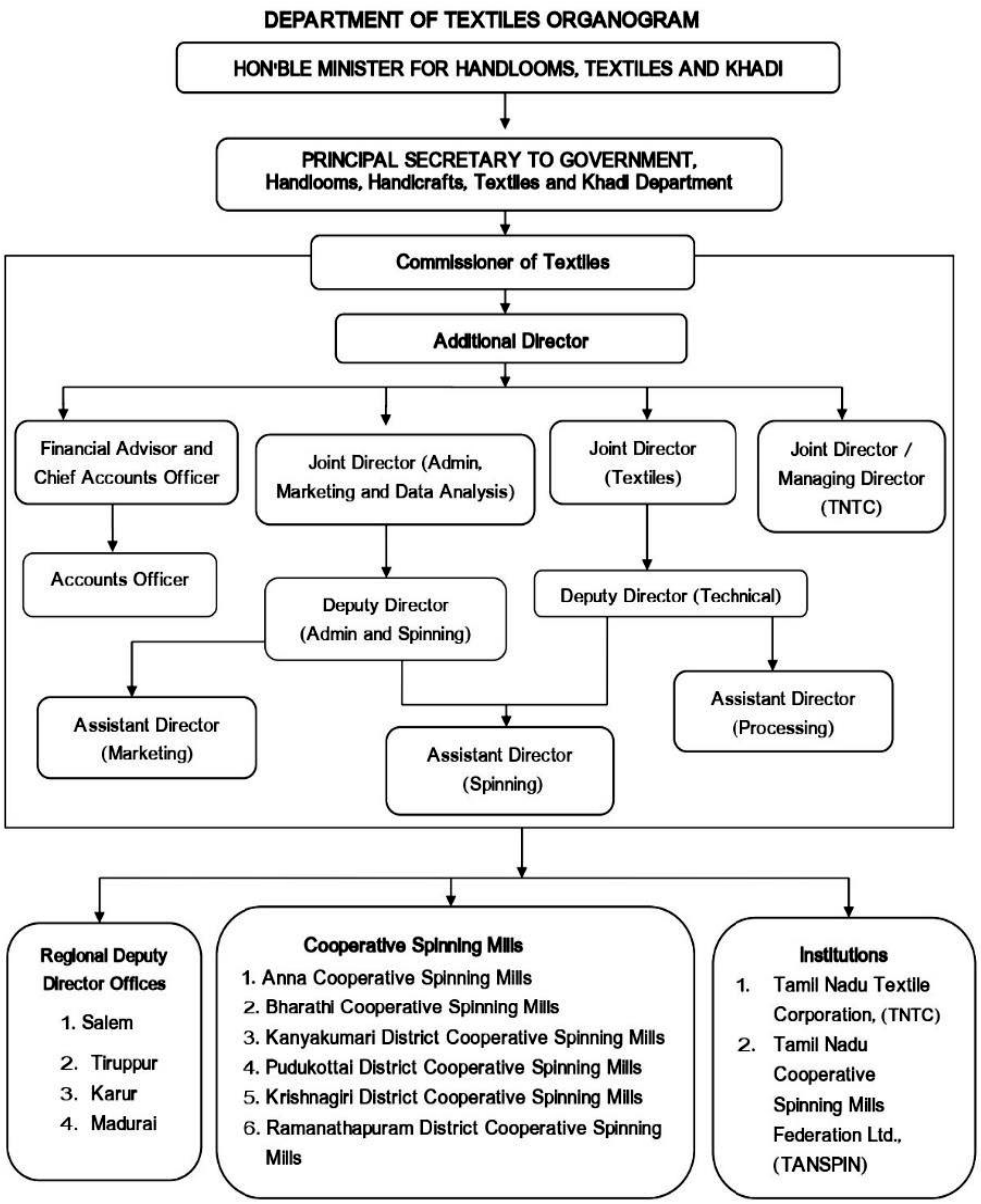
at Salem, Karur, Tiruppur, and Madurai headed by Regional Deputy Directors.

The following Co-operative Institutions and Public Sector Undertakings are functioning under the Department of Textiles.

1. **Six Co-operative Spinning Mills**
    - Anna Co-operative Spinning Mills, Andipatti
    - Bharathi Co-operative Spinning Mills, Ettayapuram
    - Kanyakumari District Co-operative Spinning Mills, Aralvaimozhi
    - Pudukkottai District Co-operative Spinning Mills, Aranthangi
    - Krishnagiri District Co-operative Spinning Mills, Uthangarai
    - Ramanathapuram District Co-operative Spinning Mills, Achankulam.
2. Tamil Nadu Co-operative Spinning Mills Federation Limited (TANSPIN), Chennai
3. Tamil Nadu Textile Corporation Limited (TNTC), Coimbatore

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The following organogram provides an overview of the administrative structure of the Department:



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3. Growth of Textile Industry in Tamil Nadu

Tamil Nadu's textile industry is one of the leading industrial sectors in India and holds a prominent position in both the domestic and global textile markets. The state manufactures a wide range of high-quality textile products, including traditional Handloom and Powerloom fabrics, premium silk sarees, knitwear, Ready-Made Garments, Home Textiles and Technical Textiles for applications in Healthcare, Defence, Agriculture and various Industrial Sectors.

The textile industry in Tamil Nadu is based on a diverse range of raw materials, from natural fibres such as cotton and silk to Man-Made Fibres including polyester, viscose and nylon. With advanced manufacturing infrastructure, specialised textile clusters, and strong industry linkages, Tamil Nadu has evolved into a globally competitive textile production and export hub, catering to both domestic and international markets.

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Major Textile Clusters in Tamil Nadu



Spinning clusters: Coimbatore, Dindigul and Virudhunagar.

Weaving clusters: Erode, Namakkal.

Garment Clusters: Chennai, Salem and Tiruppur.

Home Textiles Clusters: Karur and Madurai.

Processing Clusters: Erode and Tiruppur

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3.1 Spinning Sector

Tamil Nadu's spinning industry plays a pivotal role in India's textile sector, accounting for approximately 43 to 46% of the country's total spinning capacity. The state is home to 1,629 spinning mills with a wide range of spindle capacity, and more than 650 open-end spinning mills are also functioning in the State.

Over 650 open-end mills spin cotton waste, fabric waste and **PET** bottles into yarn - the note calls it 'Wealth from Waste'.

These mills collectively operate with around 2.95 Crore spindles and 5.55 lakh open-end rotors. The open-end spinning mills primarily use cotton waste, fabric waste, and PET Bottles as raw materials. By converting these waste materials into value-added textile products, they help to reduce environmental pollution and promote sustainability in the textile industry, thereby advancing the concept of "Wealth from Waste."

Tamil Nadu has consistently retained its leading position in India's spinning industry due to its strong linkage with international markets, high-

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quality infrastructure, uninterrupted availability of raw materials, rich industrial experience spanning several decades and usage of advanced textile machinery and technologies.

3.1.1. 6% Interest Subvention Scheme

The spinning segment of the textile industry not only provides employment opportunities to lakhs of workers but also serves as a key foundation for the growth of sectors such as Knitwear, Ready-Made Garment Manufacturing, and Textile Exports. To replace outdated machinery used in the spinning sector and encourage the adoption of technologically advanced machinery, a scheme providing 6% interest subsidy has been implemented with a budget allocation of Rs.500.00 crore.

- A 6% interest subvention scheme with a **Rs.500.00 crore** outlay helps spinning mills replace outdated machinery; **Rs.10.00** crore is allocated for **2026-27**.

With the objective of extending the benefits of this scheme to pre-spinning and post-spinning machinery used in spinning mills, the Government has amended the guidelines of the scheme. Under

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this scheme, an expenditure of Rs.13.93 lakh has been incurred. For the year 2026–2027, a financial allocation of Rs.10.00 crore has been provided for continuous implementation of this scheme.

3.1.2 25% Capital Investment Subsidy for Non-Conventional Fibre/Yarn Production.

To promote the development of environmentally sustainable non-conventional fibres and yarns, detailed guidelines have been issued for the implementation of the 25% Capital Investment Subsidy for purchase of new machineries for production of non-conventional fibres/yarns. The Textile units engaged in the manufacturing of non-conventional fibres and yarns will benefit under the scheme.

3.2 Fabric Formation

The fabric formation process includes technologies such as weaving and knitting, through which yarns are converted into fabrics required for

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garments, home textile products, and technical textile products.

Tamil Nadu, being India's leading textile manufacturing state, plays a significant role in fabric formation. Out of India's 27.77 lakh powerlooms, approximately 5.68 lakh powerlooms are located in Tamil Nadu. The state also accounts for nearly one-third of the country's total textile trade. Around 13,000 knitwear and garment manufacturing units are functioning in the state. To strengthen and modernise the fabric formation segment, the Government is implementing the scheme for the modernisation of the powerloom and knitwear sectors.

- About 13,000 knitwear and garment units work in the State, which also accounts for nearly a third of India's textile trade.

3.2.1 20% Capital Investment Subsidy Scheme for Advanced Fabric-Formation Machinery

In Tamil Nadu, a 20% capital investment subsidy is being provided for the purchase and

- A 20% capital investment subsidy supports advanced weaving and knitting machinery - **Rs.30.00 crore** a year, split equally between weaving and knitwear.

installation of advanced weaving and knitting machinery with automated and modern control systems, with the objective of promoting the production of value-added, high-performance, and technical textiles.

The Government has accorded administrative sanction for an annual allocation of Rs.30.00 crore under the scheme, with Rs.15.00 crore each for the weaving sector and the knitwear sector. For the year 2026–2027, a financial allocation of Rs.30.00 crore has been provided for implementing the scheme.

3.3 Apparel Sector

The apparel industry plays a significant role in generating foreign exchange earnings and creating employment opportunities, thereby contributing substantially to the Indian economy. Tamil Nadu is a leading state in India in cotton-based textile and apparel manufacturing. With

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diverse production capabilities, this sector caters to both domestic and international market requirements.

The clusters of Coimbatore, Tiruppur, Erode, Madurai, and Chennai in Tamil Nadu serve as important apparel manufacturing centres, continuously evolving with emerging business trends. Tiruppur has gained international recognition as India's leading knitwear export hub.

The apparel sector, creates large-scale employment opportunities, particularly for women and enables them to achieve economic independence. It also plays a significant role in improving the livelihoods of people living in rural and semi-urban areas.

3.3.1 50% Capital Investment Subsidy for Procurement of Automatic Fabric Cutting Machines

With the objective of modernising Tamil Nadu’s textile manufacturing sector, a capital

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investment subsidy scheme for the procurement of automatic fabric cutting machines (Cut and Sew Sector) is being implemented.

Under this Scheme, a 50% capital investment subsidy, subject to a maximum ceiling of Rs.50.00 lakh per unit, is being provided for installing computerised fabric cutting machines with CAD/CAM software in Common Facility Centres (CFCs) and Hybrid Common Facility Centres (HCFCs).

- A 50% subsidy up to **Rs.50.00 lakh** a unit funds computerised fabric cutting machines with **CAD**/**CAM** in common facility centres, aiming to modernise 100 units over five years.

Through this scheme, it is expected that 100 production units will be modernised over the period of five years, involving an estimated amount of Rs.50.00 crore.

Five projects were approved during 2025–2026, and the first instalment of 60% subsidy amounting to Rs.1.43 crore has been released. For the year 2026–2027, a financial allocation of Rs.5.00 crore has been provided for implementing the scheme.

3.4 Textile Processing Sector

Tamil Nadu's textile processing sector encompasses a wide range of technologies, from traditional methods to modern automated machinery-based technologies. It plays a crucial role in enhancing the value and quality of textile products. The processing sector, which is concentrated mainly in districts such as Erode, Tiruppur, Karur, and Salem makes an unparalleled contribution to the growth and advancement of the textile industry.

3.4.1 Effluent Treatment Plants

To ensure environmental protection, Tamil Nadu has emerged as a pioneering state in effectively implementing Zero Liquid Discharge (ZLD) systems, through which wastewater generated from textile processing industries is completely treated and reused.

Tamil Nadu currently has 19 Common Effluent Treatment Plants (CETPs) with a combined treatment capacity of 101.86 MLD, and 1,271 Individual Effluent Treatment Plants (IETPs) with a combined capacity of 180.38 MLD.

With financial assistance of Rs.703.29 crore extended by the Central Government and the Government of Tamil Nadu, 18 Common Effluent Treatment Plants (CETPs) equipped with Zero Liquid Discharge (ZLD) systems were established in Tiruppur District.

This investment promotes sustainable and environmentally responsible manufacturing practices while ensuring the conservation of natural resources. In addition, it creates employment opportunities in the knitwear and garment sectors, accelerates industrial development, and contributes significantly to the overall economic growth of the State.

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3.4.2 25% Capital Investment Subsidy for Textile Processing Sector

The Government gives priority to establishing Common Effluent Treatment Plants (CETPs) incorporating Zero Liquid Discharge (ZLD) systems and other advanced treatment technologies for textile processing units. This initiative is aimed at mitigating environmental pollution, conserving natural resources, and fostering a clean, green, and sustainable ecosystem.

To enhance the national and global competitiveness of Tamil Nadu's textile sector and ensure environmentally sustainable and technology-driven industrial growth, the following financial assistances are being extended:

- A 25% capital investment subsidy, up to a maximum of Rs.5.00 crore (Greenfield), is provided for setting up new textile processing units (Dyeing, Printing, and Finishing units)

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and Individual/Common Effluent Treatment Plants (IETPs/CETPs).

- A 25% capital investment subsidy, up to a maximum of Rs.4.00 crore (Brownfield), is provided for the expansion, modernisation, and quality improvement of existing textile processing units and Individual/Common Effluent Treatment Plants (IETPs/CETPs).

These initiatives enable complete treatment, recycling, and reuse of processing wastewater, reduce environmental pollution, conserve natural resources, and create a green and clean industrial environment that supports sustainable industrial growth.

3.5 Technical Textiles

Technical textiles are high-performance textile products designed to meet specific industrial and functional requirements rather than conventional clothing and decorative purposes.

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These products use natural fibres, recycled fibres, man-made fibres, mineral fibres, and their blends as raw materials. Advanced manufacturing processes such as weaving, knitting, and non-woven technologies are employed in their production.

The global demand for technical textile products continues to witness sustained growth driven by Technological advancement, the expanding range of end-use applications, cost-effective production process, longer product life, environmental sustainability, and their diverse industrial applications.

The Government has set a target of transforming Tamil Nadu into a $1.5 trillion economy by 2036. The textile and apparel sector is expected to make a significant contribution towards achieving this goal. Currently growing at an annual Compound Annual Growth Rate (CAGR) of around 10–11%, the sector needs to achieve a

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growth rate of 17–18% to meet the state's economic development target.

The technical textiles sector is expected to play a crucial role in achieving this additional growth. High-value-added segments such as Automotive textiles (Mobiltech), Medical textiles (Meditech), Industrial textiles (Indutech), Sports textiles (Sporttech), Home textiles (Hometech), Agricultural textiles (Agrotech), and Protective textiles (Protech) are expected to significantly contribute to the state’s manufacturing, investment, and export growth.

With its strong textile ecosystem, skilled workforce, advanced manufacturing capabilities, excellent industrial infrastructure, and increasing domestic and global demand for specialised textile products, Tamil Nadu has strong potential to emerge as India’s leading state in the technical textiles sector.

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3.5.1 Government Initiatives

3.5.1.1 Tamil Nadu Technical Textile Mission (T^3M)

The Tamil Nadu Technical Textile Mission (T^3M) is being implemented with the objectives of promoting production in the technical textiles sector, attracting investments, and establishing new technical textile enterprises in Tamil Nadu. The key objective of this mission is to facilitate the establishment of new technical textile manufacturing units by providing entrepreneurs with comprehensive technical guidance and consultancy support from "Concept to Commissioning".

Under this mission, a target has been set to establish 24 technical textile manufacturing units with a financial allocation of Rs.15.00 crore for technical support.

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Consultants with specialised national and international experience have been appointed to provide technical, business, and project development consultancy services to entrepreneurs interested in investing in the technical textiles sector.

To create awareness among investors regarding investment opportunities in the technical textiles sector, investor awareness sessions have been conducted at Tiruppur, Karur, Madurai, Salem, and Coimbatore.

Further, the Project Management Team (PMT) participated in the international exhibitions Heimtextile 2026, held in Frankfurt, Germany from 12.01.2026 to 16.01.2026, and Techtextil 2026, held from 21.04.2026 to 24.04.2026, with the objective of studying global technological advancements and market opportunities in the technical textiles sector.

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During the fifth technical textiles awareness session held on 25.06.2026 at Coimbatore under the chairmanship of the Hon'ble Minister for Handlooms, Textiles and Khadi Department, five Memoranda of Understanding (MoUs) were signed under the Tamil Nadu Technical Textile Mission to promote diversification in the technical textiles sector. These MoUs involved a total investment commitment of Rs.123.00 crore.

Under this mission, an expenditure of Rs.39.79 lakh has been incurred. A financial allocation of Rs.5.00 crore has been provided for implementation of the scheme for the year 2026–2027.

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3.5.1.2 Research and Business Development Fund for Technical Textiles and Man-Made Fibres

With the objective of promoting research, innovation, and commercialisation in the fields of technical textiles and man-made fibres, a Research and Business Development Fund with an outlay of Rs.25.00 crore has been created. Through this fund, financial assistance is extended for Research and Development projects undertaken by textile manufacturing companies in Tamil Nadu for developing new technical textile products.

During 2025-2026, 6 projects have been approved, and a subsidy of 50% of the project cost has been sanctioned. Subsequently, 35% of the subsidy amounting to Rs.48.41 lakh has been released to Research Institutions as first instalment.

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A financial allocation of Rs.1.00 crore has been provided for this scheme for the year 2026–2027.

4. Catalytic Growth for Marketing

4.1 "TAMIL NADU PAVILION" at International Textile Fairs

To promote the international marketing of textile varieties manufactured in Tamil Nadu and to position Tamil Nadu globally as a major sourcing hub for textiles, the Government of Tamil Nadu has been establishing an exclusive "Tamil Nadu Pavilion" every year at four international textile exhibitions, featuring entrepreneurs from Tamil Nadu.

For exhibitors participating in the Tamil Nadu Pavilion, the Government of Tamil Nadu provides a subsidy of 50% of the stall rental charges (up to a maximum of Rs.2.00 lakh

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per entrepreneur) and 50% of the air travel expenses (up to a maximum of Rs.1.25 lakh) as financial assistance.

During the financial year 2025–2026, Tamil Nadu Pavilions were established at the following four international textile exhibitions.

1) Saigon Tex–2025, Vietnam (9–12 April 2025)

2) Texworld Apparel Sourcing, New York, USA (23–25 July 2025)

3) Home Textiles Sourcing, New York, USA (23–25 July 2025)

4) Heimtextiles, Frankfurt, Germany (13–16 January 2026)

Through the Tamil Nadu Pavilions established at the above-mentioned four international textile exhibitions, 40 exhibitors have been benefited. These exhibitions attracted more than 1,000 visitors and buyers, resulting in business enquiries worth approximately Rs.150.00 crore. Participation

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through dedicated pavilions at international textile exhibitions enables Tamil Nadu's textile industry to understand the latest customer preferences, market trends, and developments in the global textile sector. Under this scheme, an expenditure of Rs.2.00 crore has been incurred. A financial allocation of Rs.2.00 crore has been provided for this purpose for the year 2026–2027.

5. Textile Industry Development Initiatives

5.1 Textile Trade Facilitation Centre

The Textile Trade Facilitation Centre (TTFC) has been established under the Textile Promotion Cell to encourage new entrepreneurs in Tamil Nadu to invest in textile-related sectors and to facilitate the operation of an e-commerce platform that connects textile manufacturers in Tamil Nadu with customers across the world.

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To connect textile manufacturers and exporters from Tamil Nadu with domestic and international textile importers and buyers, the Textile Trade Facilitation Centre has developed a B2B digital marketing platform. So far, 77 exporters and 36 users have registered on this platform and are benefiting from its services.

5.2 Compendium of Compliance Certificates for the Textile Sector

A Compendium of Compliance Certificates for the Textile Sector has been prepared to help the textile exporters from Tamil Nadu for obtaining comprehensive understanding of the compliance certificates insisted by the importers while exporting textile products from India to various countries. This compilation has been uploaded in the B2B digital marketing platform of the Textile Trade Facilitation Centre for the benefit of exporters.

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5.3 International Textile Summit -360

The Government of Tamil Nadu, in association with the Confederation of Indian Industry (CII), organised the International Textile Summit 360 on 29th and 30th January 2026 at Coimbatore.

- The Tamil Nadu new Integrated Textile Policy **2025-2026** was released at the International Textile Summit 360 held with CII at Coimbatore on 29 and 30 January **2026**.

During this two-day summit, the Tamil Nadu new Integrated Textile Policy 2025–2026 was released. The event also featured a range of panel discussions covering the entire Textile Value Chain, Exhibition Stalls, Reverse Buyer–Seller Meets, Fashion Shows, distribution of Best Exporters awards and Government subsidies, and the signing of Memoranda of Understanding (MoUs) for new investments in Tamil Nadu's textile sector.

The summit was attended by more than 1,700 visitors, including approximately 1,200 delegates from India and 47 international delegates.

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5.4 Bharat Tex, New Delhi

Bharat Tex 2026 is one of the most significant textile exhibitions at the global level. It was organised by the Federation of Export Promotion Councils from 14th to 17th July 2026 at Pragati Maidan, New Delhi.

At this exhibition, an exclusive "Tamil Nadu Pavilion" was established in collaboration with SIPCOT, the Department of Handlooms, Co-optex, and the Tamil Nadu Handicrafts Development Corporation. The Tamil Nadu Pavilion was inaugurated by the Hon'ble Minister for Handlooms, Textiles and Khadi Department and the Hon'ble Minister for Industries. The pavilion showcased the State's sustainable production practices, factors that attract international buyers to Tamil Nadu, and the textile and handloom clusters of Tamil Nadu.

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5.5 Best Exporter Award

With the objective of encouraging enterprises that perform exceptionally well in Tamil Nadu's textile export sector and recognising their contributions, the "Best Exporter Award" is being presented annually in five categories viz., Micro, Small, Medium, Sub-Large, and Large Enterprises. An amount of Rs. 12.00 lakh has been allocated towards cash prizes for these awards and the expenses related to the award presentation ceremony.

Based on export performance, the best exporters selected from the five categories viz., Micro, Small, Medium, Sub-Large, and Large Enterprises—were presented the "Best Exporter Award" along with a cash prize of Rs.2.00 lakh each at the International Textile Summit – 360 held in January 2026 at Coimbatore.

Under the scheme, Rs.12.00 lakh has been incurred. An allocation of Rs.12.22 lakh has been

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provided for continuous implementation of this scheme during the financial year 2026-2027.

5.6 Department Website

A dedicated website for the Textiles Department, https://tntextiles.tn.gov.in, was created by consolidating all important information related to Government announcements, schemes, policies, investment opportunities, and other key updates about the textile department, and the website enables the general public, entrepreneurs, and investors to easily access and benefit from the available information.

This website, which functions in both Tamil and English, serves as an important digital platform that strengthens information dissemination in the textile sector and enables the Government's services and initiatives to reach the public quickly and transparently.

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5.7 Single Window Portal

A Single Window Portal facility, www.tntextilesschemes.tn.gov.in, was created to integrate online application submission, document uploading, application status tracking, electronic scrutiny by departmental officials, and timely delivery of services under all major schemes of the Department of Textiles through a single platform. Through this online facility, the application process has been simplified, while ensuring transparency, faster decision-making, and complete e-Governance.

6. Textile Infrastructure Development for a Competitive Industry

6.1 Scheme for Integrated Textile Parks (SITP):

Considering the growth of the textile industry and to create world-class infrastructure facilities for the textile industry at a single place, the

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Government of India launched the "Scheme for Integrated Textile Parks" (SITP) in the year 2005.

This scheme is being implemented on the basis of a Public-Private Partnership (PPP) model, with the Government of India providing a grant of 40% of the project cost, subject to a maximum limit of Rs. 40.00 crore. The State Government provides a grant of 9% of the project cost, subject to a maximum limit of Rs. 9.00 crore.

Under the Scheme for Integrated Textile Parks (SITP), the following four parks have been fully established and are currently operational.

- Hi-Tech Weaving Park, Palladam, Tiruppur
- Integrated Textile Park, Karur
- Madurai Integrated Textile Park, Vadipatti, Madurai
- Hi-Tech Weaving Park, Kumarapalayam, Namakkal

Under the Scheme for Integrated Textile Parks (SITP), the works for establishing the

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following two textile parks are currently in progress.

- The Great Indian Linen & Textiles Infrastructure Company Ltd, (GILT Park), Sengampalli, Tiruppur
- Pallavada Technical Textile Park, Erode

6.2 Mini Textile Park

To elevate Tamil Nadu as India's premier textile hub and to create more employment opportunities by encouraging entrepreneurs to establish Mini Textile Parks in the State, the Mini Textile Park Scheme has been implemented by the Government of Tamil Nadu since 2015. Detailed guidelines for the implementation of the scheme were issued in the year 2022.

- The Mini Textile Park Scheme has run since **2015**; 19 parks with a project cost of **Rs.198.34 crore** are approved, eight of them in Karur and seven in Tiruppur.

Financial assistance is being provided to the entrepreneurs for establishing Mini Textile Parks, amounting to 50% of the eligible project cost, subject to a maximum of Rs.2.50 crore per park.

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The minimum eligibility criteria for availing benefits under this scheme are establishment of a minimum of 3 textile manufacturing units on a minimum of 2 acres of land. Under the Government of Tamil Nadu's Mini Textile Park Scheme, policy-level approval has been accorded for the establishment of 19 Mini Textile Parks with a total project cost of Rs.198.34 crore.

Sl. No	District	No of Mini Textile Parks Sanctioned
1	Karur	8
2	Tiruppur	7
3	Erode	2
4	Dindigul	1
5	Tiruvallur	1
Total		19

For the disbursement of subsidy assistance in instalments, the Government has so far sanctioned

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Rs.44.53 Crore, of which Rs.21.50 Crore has been released to Mini Textile Parks.

Further, 8 Mini Textile Parks have been inaugurated, and production activities are currently being carried out in these parks. Hon'ble Minister for Handlooms, Textiles and Khadi Department has inaugurated the M/s Leglobe and M/s Sri Pranav Textile Mini Textile Parks at Karur on 31.07.2026. For continuous implementation of this scheme, an allocation of Rs.18.50 crore has been made for the financial year 2026–2027.

The scheme facilitates the creation of common infrastructure for textile units, promotes private investment, and generates employment opportunities for around 200 persons in each park in textile clusters.

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6.3 Tamil Nadu New Integrated Textile Policy 2025-2026

To ensure the comprehensive growth of Tamil Nadu's textile sector and further strengthen Tamil Nadu's position as a leading textile hub in India, the Government of Tamil Nadu released the Tamil Nadu New Integrated Textile Policy 2025–2026.

The Policy provides a comprehensive package of incentives covering the entire textile value chain, including fibre production, spinning, weaving, processing, garment manufacturing, marketing, branding and institutional support.

Under the Tamil Nadu New Integrated Textile Policy-2025-2026, various financial and developmental incentives are being provided. These include a 6% Interest Subvention Scheme for the spinning sector, 50% Capital Investment Subsidy for the Cut & Sew Sector, 25% Capital

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Investment Subsidy for the Processing Sector, 25% Capital Investment Subsidy for the Non-Conventional Fibre Sector, 20% Capital Investment Subsidy for the Fabric Formation Sector, along with initiatives for Resource Efficiency, Market Development, Infrastructure Development and Skill Development.

Through these incentives, the policy aims to enhance the competitiveness, sustainability, value addition, and growth opportunities of the textile sector, while also promoting integrated industrial development.

7. Institutions Functioning under the Department

7.1 Co-operative Spinning Mills

Co-operative spinning mills were established with the primary objective of ensuring the regular and uninterrupted supply of yarn required for the handloom weavers and creating employment

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opportunities to promote the economic development of backward regions. At present, six Co-operative Spinning Mills are functioning in Tamil Nadu with a combined installed capacity of 1.18 lakh spindles, as detailed below:

Sl. No	Name of the CSM	Location
1	Anna Co-operative Spinning Mills	Andipatti
2	Bharathi Co-operative Spinning Mills	Ettayapuram
3	Kanyakumari District Co-operative Spinning Mills	Aralvaimozhi
4	Pudukkottai District Co-operative Spinning Mills	Aranthangi
5	Krishnagiri District Co-operative Spinning Mills	Uthangarai
6	Ramanathapuram District Co-operative Spinning Mills	Achankulam

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The above six Co-operative spinning mills are supplying hank yarn to the Handloom Weavers' Cooperative Societies and cone yarn to the Powerloom Weavers' Cooperative Societies for implementation of the Government's flagship schemes such as the Distribution of Sarees and Dhoties Scheme (DSDS) and the Supply of School Uniform Scheme. These Co-operative Spinning Mills also contribute significantly to stabilising yarn prices and ensuring timely availability of yarn to the Handloom Weavers' Cooperative Societies.

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Yarn supplied under Distribution of Sarees and Dhoties scheme-Pongal 2026 by Co-operative Spinning Mills.

S. No	Name of the Co-operative Spinning Mills	Installed spindles	Supplied Yarn Quantity (in M.T)	Value of yarn supplied (Rs in Cr.)
1	Anna	24192	750.55	23.62
2	Bharathi	18144	563.19	17.72
3	Kanyakumari	22800	707.56	22.27
4	Pudukottai	20976	650.80	20.48
5	Krishnagiri	20160	625.72	19.69
6	Ramnathapuram	12096	375.46	11.82
	Total	118368	3673.28	115.60

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Yarn supplied under Supply of School Uniform Scheme for the Academic Year 2025-2026 and 2026-2027 by Co-operative Spinning Mills.

S. No	Name of the Co-operative Spinning Mills	Supplied Yarn Quantity (in M.T)		Value of yarn supplied (Rs in Cr.)	
		2025-2026	2026-2027	2025-2026	2026-2027
1	Anna	591.90	577.98	19.69	18.34
2	Bharathi	427.26	394.98	14.21	12.53
3	Kanyakumari	538.98	522.42	17.93	16.58
4	Pudukottai	571.08	491.58	19.00	15.60
5	Krishnagiri	407.28	450.60	13.55	14.30
6	Ramnathapuram	265.14	269.58	8.82	8.56
	Total	2801.64	2707.14	93.20	85.91

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Yarn supplied to Handloom Weavers Co-operative Societies through NHDC during 2025-2026

S. No	Name of the Co-operative Spinning Mills	Yarn Supplied Quantity (in M.T)	Value of yarn supplied (Rs in Cr.)
1	Anna	517.30	14.15
2	Bharathi	163.90	4.38
3	Kanyakumari	411.02	11.04
4	Pudukottai	299.81	8.14
5	Krishnagiri	262.10	6.91
6	Ramnathapuram	140.36	3.92
	Total	1794.49	48.54

7.2 Tamil Nadu Textile Corporation Limited (TNTC), Coimbatore

Tamil Nadu Textile Corporation Limited (TNTC), Coimbatore, is a Government-owned company incorporated in 1969 under the provisions of the Companies Act, 1956. The Corporation owns

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an Air-Jet Weaving Unit at Kurichi, Coimbatore, equipped with 14 Air-Jet Looms, 3 Modern Rapier Looms and 1 ordinary Rapier Loom.

The Corporation manufactures polyester-cotton suiting and shirting fabrics in its Air-Jet Weaving Unit and supplies uniform fabrics to various Government departments, Public Sector Undertakings and Government institutions, including the State Transport Corporations, Tamil Nadu Electricity Board, Social Justice Department, Backward Classes, Most Backward Classes and Minorities Welfare Department, Municipalities and Municipal Corporations.

In addition, the Corporation manufactures shirting, casement and drill fabrics under the Government's Supply of School Uniform Scheme through the Kurichi Air-Jet Weaving Unit.

During 2026–2027 (up to July 2026), the Corporation supplied 18.83 lakh metres of

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polyester-cotton uniform fabrics valued at Rs.1909.08 lakh to various Government departments, public sector undertakings and other Government agencies.

Under the Supply of School Uniform Scheme (Academic Year 2026–2027), the Corporation produced and supplied 3.87 lakh metres of uniform fabrics valued at Rs.2.18 crore. Further, under the Distribution of Sarees and Dhoties Scheme - Pongal 2026, the Corporation manufactured and supplied 13,964 dhoties valued at Rs.16.26 lakh.

Apart from its manufacturing activities, Tamil Nadu Textile Corporation has also been designated as the Nodal Agency for the implementation of the Supply of School Uniform Scheme and the Distribution of Sarees and Dhoties Scheme. The Corporation earned a net profit of Rs.80.53 lakh during the financial year 2024–2025 and paid a dividend of Rs.24.15 lakh to the

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Government. The financial performance of the Corporation for the years 2023-2024, 2024-2025, 2025-2026 and 2026-2027 is given below:

Sl. No.	Year	Sales (In lakh metres)	Sales Value (Rs. in Lakh)	Net Profit (Rs. in Lakh)
1.	2023-2024	58.55	5077.00	(+) 71.94
2.	2024-2025	58.67	4602.37	(+) 80.53
3.	2025-2026	39.14	3555.83	(+) 116.59 (Tentative)
4.	2026-2027 (upto July	18.83	1909.08	(+) 24.25 (Tentative)

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

The Tamil Nadu Co-operative Spinning Mills Federation Limited (TANSPIN) was established in 1994 with the objective of coordinating and streamlining the procurement of cotton for the Co-operative Spinning Mills in Tamil Nadu. The

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primary objective of TANSPIN is to procure good quality cotton at competitive prices from Co-operative Institutions, Federations, Cotton Corporation of India and other recognised agencies across the country and ensure its timely supply to all the Co-operative Spinning Mills in the State. To strengthen the functioning of TANSPIN, the Government of Tamil Nadu has provided share capital assistance of Rs.25.00 crore and a Revolving Fund of Rs.2.07 crore for cotton procurement.

Utilising the Government share capital, TANSPIN has extended hand loans amounting to Rs.10.47 crore to the six functional Co-operative Spinning Mills to meet their cotton procurement requirements. During the financial year 2024–2025, TANSPIN earned a net profit of Rs.57.86 lakh.

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The financial performance of TANSPIN is furnished below:

(Rs. in lakh)

Sl No.	Details	Financial Year 2023-2024	Financial Year 2024-2025	Financial Year 2025-2026
1	Service Charges and Other Income	198.53	105.63	55.00 (Tentative
2	Net Profit	143.17	57.86	(+) 20.00 (Tentative

8. Sustainable Development Goals (SDG)

The United Nations Development Programme (UNDP) has set 17 Sustainable Development Goals (SDGs) with the objectives of Poverty alleviation, environmental protection, and ensuring peace and prosperity for all.

The Department of Textiles is providing significant importance to the implementation of the Sustainable Development Goals mapped with

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the Department (Goal 9: Industry, Innovation and Infrastructure), which aims to promote innovation, industrialisation, and enhance infrastructure.

The following scheme is being implemented by the Department of Textiles for achieving the objectives of the above Sustainable Development Goal.

8.1 Mini Textile Parks

To elevate Tamil Nadu as India's premier textile hub and create more employment opportunities by encouraging entrepreneurs to establish Mini Textile Parks in the State, the Mini Textile Park Scheme has been implemented by the Government of Tamil Nadu since 2015.

Under the Government of Tamil Nadu's Mini Textile Park Scheme, policy-level approval has been accorded for the establishment of 19 Mini Textile Parks with a total project cost of Rs.198.34 crore.

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Sl. No.	District	No of Mini Textile Parks Sanctioned
1	Karur	8
2	Tiruppur	7
3	Erode	2
4	Dindigul	1
5	Tiruvallur	1
	Total	19

For the disbursement of subsidy assistance in instalments, the Government has so far sanctioned Rs.44.53 Crore, of which Rs.21.50 Crore has been released to Mini-Textile parks. For continuous implementation of this scheme, an allocation of Rs.18.50 crore has been made for the financial year 2026–2027.

9. Revised Budget Provision for 2026–2027

The Government of Tamil Nadu has provided Rs.7,480.10 lakh to the Department of Textiles in the Revised Budget Estimates 2026–2027 for

- The Department of Textiles has **Rs.7,480.10 lakh** in the revised estimate for **2026-27** - a fraction of the Handloom Department's **Rs.1,595.67 crore**, because handloom carries the welfare transfers.

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implementation of various schemes and administrative activities. The details are as follows:

Sl. No.	Scheme / Head of Account	Revised Budget Estimate 2026–2027 (Rs. in Lakh)
1	State Textile Advisory Committee – Office Expenses	4.00
2	State Textile Advisory Committee – Hospitality and Entertainment Expenses	6.00
3	State Textile Advisory Committee – Travelling Allowance and Daily Allowance for Non-Official Members	3.00
4	Administrative Expenses (Salaries and Other Allowances)	1863.66

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Sl. No.	Scheme / Head of Account	Revised Budget Estimate 2026–2027 (Rs. in Lakh)
5	Implementation of Interest Subvention Scheme	1000.00
6	Research and Development Fund for Technical Textiles and Man-Made Fibres	100.00
7	Establishment of Mini Textile Parks	1850.13
8	Tamil Nadu Technical Textiles Mission	500.00
9	Financial Assistance under the Tamil Nadu New Integrated Textile Policy	500.00
10	Capital Subsidy for Textile Clusters	500.00

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Sl. No.	Scheme / Head of Account	Revised Budget Estimate 2026–2027 (Rs. in Lakh)
11	Textile Technology Centre	1000.00
12	Assistance to Co-operative Spinning Mills	0.01
13	Financial Assistance for Conducting Energy Audit, Water Audit and Environmental Compliance under the Tamil Nadu New Integrated Textile Policy, 2019	0.01
14	Interest Subsidy for Modernisation of Ring Spindles in Existing Spinning Mills under the Tamil Nadu New Integrated Textile Policy, 2019	67.55

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Sl. No.	Scheme / Head of Account	Revised Budget Estimate 2026–2027 (Rs. in Lakh)
15	Zero Liquid Discharge (ZLD) System at Tiruppur	0.01
16	Capital Subsidy for Purchase of Wide Width Fabric Printing Machine under the Tamil Nadu New Integrated Textile Policy, 2019	85.66
17	Establishment of High-Tech Weaving Parks under Textile Centre Infrastructure Development Scheme	0.01
18	Share Capital Assistance to Co-operative Spinning Mills	0.01
19	Establishment of High-Tech Weaving Parks under Textile Centre	0.01

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Sl. No.	Scheme / Head of Account	Revised Budget Estimate 2026–2027 (Rs. in Lakh)
	Infrastructure Development Scheme	
20	Loans to Co-operative Institutions	0.01
21	Ways and Means Advance to Non-Functional Co-operative Spinning Mills	0.01
22	Loans to Co-operative Spinning Mills	0.01
23	Ways and Means Advance to Functional Co-operative Spinning Mills	0.01
	Total	**7480.10**

M.Vijay Balaji
Minister for Handlooms, Textiles and Khadi

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The Hon'ble Chief Minister of Tamil Nadu, Thiru C. Joseph Vijay reviewed the activities of the Handlooms, Handicrafts, Textiles and Khadi Department on 16.06.2026.

1



The Hon'ble Chief Minister Thiru. C. Joseph Vijay inaugurated the HANDTEX 2026 Handloom Exhibition and visited the stalls during the celebrations of the 12th National Handloom Day, held at Kalaivanar Arangam, Chennai, on 07.08.2026.



The Hon'ble Chief Minister Thiru. C. Joseph Vijay launched the "Vettri Thari" logo of Co-optex at the 12th National Handloom Day celebrations held at Kalaivanar Arangam, Chennai, on 07.08.2026, with the objective of promoting and marketing the products of Tamil Nadu's handloom weavers.

3



The Hon'ble Chief Minister Thiru. C. Joseph Vijay felicitated the beneficiaries selected for the State-Level Best Weaver and Best Designer Awards at the 12th National Handloom Day celebrations held at Kalaivanar Arangam, Chennai, on 07.08.2026, by presenting them with cash prizes and certificates of appreciation.

4



The Hon'ble Minister for Handlooms, Textiles and Khadi, Thiru M. Vijay Balaji, met the Hon'ble Union Minister of Textiles, Thiru Giriraj Singh, in New Delhi on 13.07.2026 and presented a memorandum seeking financial assistance for various schemes proposed by the Handlooms, Handicrafts, Textiles and Khadi Department, Government of Tamil Nadu.

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The Hon'ble Minister for Handlooms, Textiles and Khadi, Thiru. M. Vijay Balaji, inaugurated a new Co-optex showroom at Ampa Skyone Mall, Aminjikarai, Chennai on 15.06.2026.

6



Memorandum of Understandings were exchanged in the 5th technical textiles awareness session held on 25.06.2026 at Coimbatore under the chairmanship of the Hon'ble Minister for Handlooms, Textiles and Khadi Department.

7





The "Tamil Nadu Pavilion" installed at Bharat Tex, New Delhi Exhibition was inaugurated by the Hon'ble Minister for Handlooms, Textiles and Khadi Department and the Hon'ble Minister for Industries on 14.07.2026.

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