

CHAPTER V

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Chapter V

Steps and initiatives taken so far towards the solution of the Problem of the handloom weavers

The Indian textile industry today comprises of the large scale, well established and well organized mill sector on the one hand and the largely dispersed and unorganized handloom and power loom sector on the other. In fact, among the countries of the world, ancient India enjoyed an enviable position as a producer of the finest varieties of hand spun and hand woven cloth. The art of spinning and weaving had undoubtedly attained a high level of perfection and the craftsmen had acquired extra ordinary skills. Since ancient times, weaving has by and large remained the exclusive preserve of certain specific castes and communities. The significance of handloom industry needs to be looked and assessed from the point of view of the number of people deriving their livelihood from this sector. A wooden structure, called loom. It is totally different from the power loom as well as automatic loom and shuttleless loom. Handloom is unparalleled in its flexibility and versatility, permitting experimentation and encouraging innovation. Weavers with their skilful blending of tradition, confidence, and symbols provide their fabric an appealing charm. The strength of handloom lies in innovative design, which cannot be replicated by the power loom sector. The handloom industry, with its long tradition of excellence in craftsmanship, occupies a place of eminence in preserving the country's heritage and plays an important role in the economy of the country.

Despite their cultural and economic importance, however, both handlooms and handicrafts sectors suffer from perennial problems of weak infrastructure, inadequate availability of inputs at regular prices, poor supply chain systems and ineffective marketing and sales practices. Limited private entrepreneurial support has increased the sectors' dependence on Government resources and the lack of a universally recognised definition of 'handicraft' remains a challenge. Further, the lack of synergy between handlooms, handicrafts, and khadi and the village industry sectors leads to inefficient utilization of resources. Although these sectors are distinct, they have an undercurrent commonality. The sectors, therefore, need to be administered with greater synergy. Unfortunately, certain traditional crafts appear to be slowly dying due to prolonged neglect as well as lack of awareness and inadequate appreciation of the intricacies and skills involved.

Owing to their importance in India's development and livelihood policy, the Government of India has introduced various policies along with programmatic interventions for the handloom and handicrafts sectors, aimed at generating sustained, productive and gainful employment with decent working conditions for the entire weaver, artisanal and ancillary worker population. While a majority of the programmes have yielded positive results, several factors – demographic, social, technical and cultural – have led to a situation of only partial fulfillment of the policy objectives. Consequently, the extent, nature and structure of employment creation and sustenance in these sectors remains a major concern for policy makers. Textile Ministry looks after the sectors via Office of the Development Commissioner for Handlooms.

5.1 Government policies

Since Independence, the Government of India has been pursuing a policy of promoting and encouraging the handloom sector through a number of programmes and schemes implemented through the State Governments and their agencies working in the handloom sector.

Following schemes are being implemented by the Government for handloom sector:-

- (i) Integrated Handlooms Development Scheme (IHDS).
- (ii) Marketing & Export Promotion Scheme (MEPS).
- (iii) Handloom Weaver's Comprehensive Welfare Scheme.
- (iv) Diversified Handlooms Development Scheme (DHDS).
- (v) Mill Gate Price Scheme (MGPS).
- (vi) Revival, Reform and Restructuring (RRR) package as well as Comprehensive Package for handloom sector.

Deen Dayal Hathkargha Protsahan Yojana (DDHPY)

The scheme, in effect since April 2000, has a comprehensive focus and provides assistance for a range of components like margin money to avail credit, purchase of loom, dobbie, jacquard, accessories; infrastructure support; design input; publicity; marketing incentive; transport subsidy and strengthening of handloom organisations. The sharing of grant portion of this Centrally Sponsored Scheme, between the central government and state governments, is in the ratio of 50:50 except in the case of North Eastern States, Jammu & Kashmir, Uttarakhand and Himachal Pradesh where the funding pattern is in the ratio of 90:10. Agencies where 100% members are from SC/ST/Minorities/Women the funding pattern is in the ratio of 75:25. The assistance for marketing

incentives under the scheme, however, is in the ratio of 50:50 between central and state government in respect of all the States. Prior to the introduction of the DDHPY, most of the schemes were aimed at benefiting the weavers under the cooperative fold only. The DDHPY is covering weavers under both cooperative and non-cooperative fold.

Handloom Export Scheme

The objective of this scheme is to promote marketing efforts of the handloom agencies and individual exporters for the development of export-worthy handloom products and their publicity & marketing. The assistance is thus given in the form of organization of exhibitions and fairs, setting up of urban haats and publicity etc.

Mill Gate Price Scheme

The Government is aware of various constraints/problems that weavers are facing across the country including cases of their miserable conditions and disparity in the prices of yarn. To address the issue of yarn supply at mill gate price, the Government has been in operation since 1992-93, the objective of the scheme is to provide yarns to handloom weavers' implementing Mill Gate Price Scheme through the National Handloom Development Corporation (NHDC) to the eligible handloom weavers. Further, to provide the subsidized yarn only to handloom weavers in order to enable them to compete with power loom and mill sector, a new component of 10% price subsidy on hank yarn has been incorporated in the Mill Gate Price Scheme w.e.f. 6.1.2012. Cotton and domestic silk required for production of handloom items are covered under the 10% price subsidy scheme. Organizations at the mill gate price. The National Handloom Development Corporation (NHDC) is the only agency authorized to implement the scheme.

NHDC has got 110 functioning Yarn Depots set up by associating State Handloom Corporations/Apex Bodies/Weavers Cooperatives/Exporters/Master Weavers, etc. from where yarn is being supplied to weavers at mill gate prices. Additional 273 yarn depots have been opened this year.

Integrated Handloom Training Project

Introduced in Dec. 2003, the project envisages skill up-gradation of handloom weavers/workers in Weaving Technology, Design Development, Dyeing Techniques & Managerial disciplines, to enable them to produce and market a diversified range of quality products in keeping with current trends in the domestic and international markets

Work shed -cum-Housing Scheme

This scheme is aimed at providing a suitable work place to the weavers to enable them to achieve better productivity. The scheme is being implemented by the respective State Handloom Development Corporations, Primary Societies or any other specialized agency set up by the concerned State Government for execution of such projects.

Design Development & Training Programme (DDTP)

The programme provides support for skill up-gradation of weavers through training programmes, workshops and exhibitions for development of new designs, developing linkages between various agencies etc. This is a 100 per cent Central Sector Programme, except for one component for Central assistance to State Governments for setting up of IIHTs and Work shed Centres (WSCs). In addition, there are various Welfare Schemes for weavers like Thrift Fund Scheme, Health Package Scheme, Group Insurance Scheme and New Insurance Scheme etc.

Major New Initiatives during the Tenth Plan

Integrated Handloom Cluster Development Scheme

The Scheme launched in Nov. 2005 is a significant initiative by Govt. of India for handloom sector. Realising the significance of cluster approach, this Scheme is targeted at major interventions in major handloom sectors across the country. This is presently operational in 20 clusters across the country, viz. Chirala and Madhavaram (Andhra Pradesh), Bijoynagar (Assam), Kullu (Himachal Pradesh), Gadag (Karnataka), Trivandrum (Kerala), Chanderi/Gwalior (Madhya Pradesh), Imphal (Manipur), Sonepur and Bargarh (Orissa), Triruvannamalai, Trichy and Kurinjipadi (Tamil Nadu), Varanasi, Bijnore, Barabanki and Mubarkpur (Uttar Pradesh), Burdwan, Nadia (West Bengal) and Bhagalpur (Bihar). The Scheme provides for Rs. 2 crore for development of a cluster in “an inclusive and holistic manner, and to build up its capacity to meet the challenges of the market and global competition in a sustainable and self-reliant manner”.

Handloom Mark

Launched in June, 2006, ‘Handloom Mark’ is another major initiative for the sector. The Handloom Mark is aimed at serving as a guarantee for the buyers that the product being purchased is genuinely hand woven. This is to address the increasing trend of power loom fabrics being sold as those of handlooms. The Handloom Mark helps distinguishing handloom products from power looms and mill made products. It is likely to promote sales of handloom products and improve price realization for handloom products in both domestic and international markets. This Handloom mark is in two forms.

For Domestic products the word Handloom is written beneath the logo. For international marketing the same logo with the word Hand woven in India written beneath it.

Fig 5.1 Handloom Mark

Source: Textiles Committee (Ministry of Textiles Government of India)

Objective and Scope of Handloom Mark

Objective

- Promote handloom products in Domestic as well as International Market.
- Provide assurance to the consumers about the genuineness of the product origin.
- Improve international marketing linkages to the handloom weavers.
- Strengthen supply chain for Handloom products
- Improve price realization of the Handloom products in Domestic as well as International Market
- Improve the earnings of the handloom weaver community
- Facilitate uninterrupted workflow throughout the year to the handloom weavers.

- Develop database on the handloom supplies and weavers that will help in supporting the weavers through the existing schemes being implemented by the Govt. of India and framing of the future plans.

Technology Upgradation Fund Scheme (TUFS) for the Handloom Sector :

This Scheme, instrumental in giving a boost to the textile industry since 1999, has been made operational for Handloom sector since July 2006. The Scheme provides for 25 % capital subsidy for the purchase of new machinery and equipment for pre-loom & post loom operations, up-gradation of handlooms testing & Quality Control equipment's for exclusive use by the handloom production units. The capital ceiling per project is Rs. 80.00 lakhs and the maximum capital subsidy is Rs. 20.00 lakh. The eligible agencies for the assistance are both existing handloom units with a minimum of 10 handlooms housed in a common work-shed and new units which are proposed to be set up with at least 10 handlooms at one place in a common work-shed.

Weavers' Service Centre/Indian Institutes of Handloom Technology:

At present, 25 Weavers Service Centres are operational and they are primarily engaged in research and development for new technology and designs and providing training to weavers to upgrade their skill and increase productivity. The Indian Institutes of Handloom Technology (IIHTs) have been set up to provide qualified and trained manpower to the handloom Sector. IIHTs are further engaged in undertaking experimental and research programmes aimed at increasing productivity. Presently, there are four IIHTs at Varanasi, Salem, Guwahati and Jodhpur in the Central Sector and two IIHTs at Venkatagiri (AP) and Gadag (Karnataka) in the State Sector.

National Handloom Development Corporation (NHDC):

NHDC was set up in 1983 to act as the apex agency to assist the speedy development of the sector by coordinating activities relating to procurement and supply of inputs at reasonable prices, augmenting the marketing efforts of the state handloom agencies and initiating development activities for upgrading the technology in the handloom sector and improving their productivity. Presently, the Mill Gate Price Scheme is being implemented through the Corporation.

Handloom Export Promotion Council (HEPC) ;

HEPC was set up in 1965 as the nodal agency for export promotion efforts related to the cotton handloom textiles sector. The council provides to its members services like trade information & intelligence, business missions/buyer seller meets and participation in trade fairs abroad etc.

Association of Corporations and Apex Societies of Handlooms (ACASH) :

This is the apex body, created in 1984, for providing a common platform to various handloom development corporations and apex weavers' cooperative societies in the country and to coordinate activities of various departmental agencies in the sector.

5.2 Handloom Sector allocation:

Budget allocations to the Handloom and Handicrafts sector have not matched their role in the economy. Despite employing approximately 3% of the total workforce, budget allocations only amount to 0.05% of total budget, expenditures. The overall budget for the textile sector has been consistently increasing over the years but the total budget for handlooms reduced over its previous year allocations in six out of the last thirteen years. The budgetary allocations to the textile sector grew by over 350 percent from Rs.739.04 Crores in 1997-1998 to Rs.3, 389 Crores

in 2009-10. However, the share of handlooms registered an increase of only 61 percent over the same period, from Rs. 203.50 Crores to 328.07 Crores.

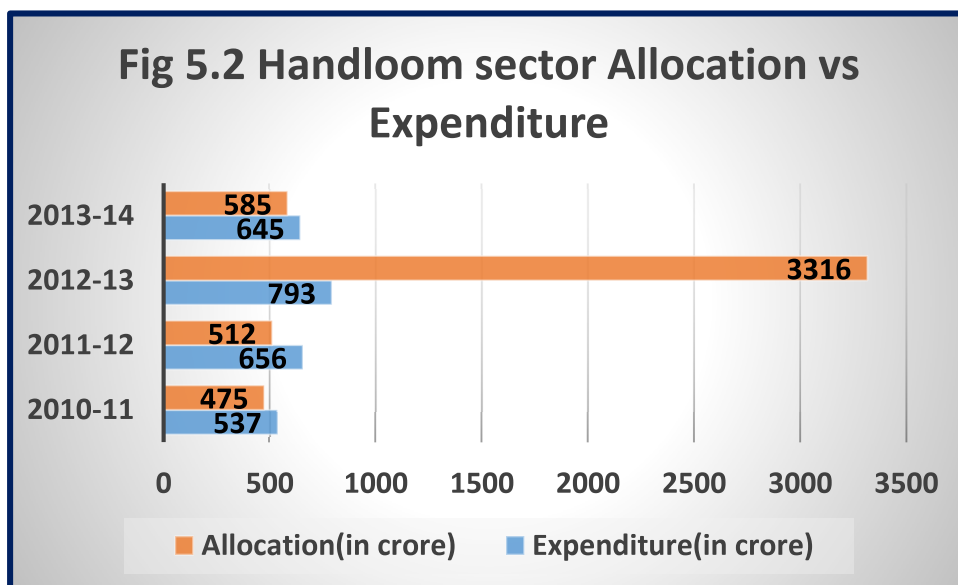
Allocations for handloom in national and state budgets are being reduced. This has to be reversed. Budget has to increase with new schemes which address the problems of the sector, in view of the linkage and the need to protect rural employment. Budget allocation to the handloom sector have not established their role in the economy. Despite employing approximately 3% of the total work force, combined budget allocation of handloom sector remains only 0.06% of total budget expenditure. In actual terms, the total budget expenditure for the year 2010-11 is eleven lakhs eight thousand seven hundred and forty nine crores. (INR 11, 08,749 crores)

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It is obvious that there is a major reduction in budget allocation for the handloom sector. Problems for the handloom sector's budgetary allocations stem out of the perspective of the Ministry of Textiles, framed as they are in Planning Commission approaches, and lobbying by anti-handloom sector groups. In general, ministers for textiles are from either Gujarat or Tamil Nadu, which boosts the prospects for exporters, spinners and textile mill lobbying. Even secretaries have been toeing the line of the proautomation textile industry lobby. Advocates for the handloom sector are divided, and do not represent themselves as a lobby in the corridors of the Textile Ministry. Handloom weavers themselves are unorganised, and have ceased to be a vote bank. For this reason, governments have been bold in denying higher allocations even in the

election years. At the same time, the business lobby has become stronger and stronger.

Handloom weavers are still hanging on, only because of their sacrifices.



Source: compilation from union budget documents.

5.3 Various Development Schemes of Handloom & Textiles Department Cachar, Silchar :

Schemes/Programmes for the Handloom Sector in Cachar District :

In Cachar District also, various development programmes and schemes were adopted for the development of the handloom sector. A brief description of different schemes executed in the Dist. are as follows

DISTRICT DEVELOPMENT PLAN SCHEME FOR THE YEAR 2006-07(EMPLOYMENT GENERATION SCHEME) FOR PRODUCTION OF HANDLOOM FABRICS :

In this project grant provided to 395Nos. beneficiary weavers L.A.C. wise as follows as kinds i.e. Loom and Accessories with 1(one) bundle of yarn @5687/- and Rs. 500/- respectively and provided modern technique for production of Handloom cloth which generate employment opportunity through weaving under the scheme, project implemented by the Assistant Director Handloom and Textiles, Cachar, Silchar

DISTRIBUTION OF LOOM AND ACCESSORIES ETC. TO POOR WEAVERS (GRANTS-IN-AID) FOR THE YEAR 2007-08 UNDER GENERAL AREA PLAN. :

Grants- in- aid provided to 22 Nos. poor weaver following sub division of the Dist. In kinds i.e. Loom and Accessories and Rs. 7,500/- per weaver for self-employment by producing Handloom cloths. The project/scheme implemented by the Asstt. Director, Handloom and Textile, Cachar.

Silchar sub Division - 12 Nos.

Lakhipur sub Division -10 Nos.

Total = 22 Nos.

DISTRIBUTION OF YARN UNDER CHIEF MINISTER'S ASSAM VIKASH YOJANA FOR THE YEAR 2007-08, 2008-09 AND 2009-10 :

Grant distributed to poor beneficiary weavers in kinds i.e. 1(one) bundle of yarn each (weight contains 4,540 K.g.) free of cost as working capital among the following L.A.C wise beneficiary weavers of Cachar District under the scheme. The scheme implemented by the Assistant Director Handloom and Textiles, Cachar, Silchar.

DISTRIBUTION OF BLANKET UNDER CHIEF MINISTER'S ASSAM VIKASH YOJANA FOR THE YEAR 2008-09 AND 2009-10 :

Distribution of blanket as grant (free of cost) among the following L.A.C. wise poor people of the District under the scheme. The scheme implemented by the Block Development Officer concern.

SCHEME FOR ECONOMIC UPLIFTMENT OF SCCP/TSP WEAVERS THROUGH CO-OPERATIVE SOCIETY AND SELF HELP GROUP OF CACHAR DISTRICT FOR THE YEAR 2008-09 AT JAGRITI S.H.G. RENG TIBOSTI AND HARINAGAR RAJBONGSHI S/T TAT UNNAYAN S.S.S. LTD. HARINAGAR :

Fund was provided to the implementing Agency for training of modern technique and skill up gradation as well as economic upliftment of SCCP/TSP weavers under the scheme. Loom and Accessories and Rs. 8000/-workshed and Rs. 7000/-Prag.Imporved Jacquard and Rs. 8,017.50 etc. provided as grant among the 20 Nos. each beneficiary weavers of Jagriti S.H.G. Rengtibosti of Silchar L.A.C. and Harinagar Rajbongshi S/T Tat Unnayan S.S.S Ltd. Harinagar of Udharbond L.A.C. The scheme implemented by the respective implementing Agency under supervision of the Asstt. Director,Handloom and Textile, Cachar, Silchar

SCHEME FOR ECONOMIC UPLIFTMENT OF S.C./GENERAL WEAVERS THROUGH WEAVING AT MOONLIGHT S.H.G. CHANDRAPUR/ ROSE S.H.G., KULICHERRA/ PANGRAM PART 3 S.H.G. PANGRAM, UDHARBOND FOR THE YEAR 2009-10 :

Fund was provided to the Implementing Agency for training of modern technique and skill upgradation as well as economic upliftment of S.C./ General weavers under the scheme. Loom and Accessories and Rs. 8,000/-workshed and Rs. 6,000/-, prag. Improved Jacquard and Rs. 6,952.50 etc. provided as grant among the 20 Nos. each beneficiary weavers of Moonlight S.H.G. Chandrapur of Dholai L.A.C. / Rose S.H,G. Kulicherra of Dholai L.A.C./ PangramPart 3 S.H.G.

Pangram, of udharband L.A.C. The task of implementation of these schemes were left to the respective implementing agencies under supervision of the Assistant Director Handloom and Textiles, Cachar, Silchar.

Scheme of Economic upliftment of Weavers under S.C.S.P. for the year 2013-14 at Bisha Lakshmi S.H.G. Punirmukh within Dholai L.A.C.

Scheme of Economic upliftment of Weavers under S.C.S.P. for the year 2013-14 at Matri Kalyan S.H.G., Irognmara within Dholai L.A.C

Scheme of Economic upliftment of Weavers under S.C.S.P. for the year 2013-14 at Ashadeep S.C. Mohila Weaving S.H.G. Chotojalenga within Dholai L.A.C.

5.4 Weaknesses regarding the implementation status of different schemes in District Cachar :

Against the background and the observation made regarding the implementation status of the different schemes of handloom during the household survey in Cachar, the study attempted to reveal the problems and administrative inefficiency in the programme implementation in the district.

- ❖ Due to the inefficient utilization of resources some people get double benefits of the schemes while others don't get even one.
- ❖ Artisans still rely upon local moneylenders. They charge heavy interest rate, leaving the artisan in vicious poverty cycle.
- ❖ Even the Mill Gate Scheme 1992-93, intended to deliver the hank yarn to weavers at mill rates is not properly implemented anywhere in the district.

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- ❖ The yarn depots started by APCO to supply yarn to primary weavers' cooperative societies were closed in March 2004 itself.
 - ❖ Lack of information to weavers regarding various Government policies and schemes under implementation, is a significant cause for the dwindling fortunes of the weaver community. Sometimes, the implementing agencies and the concerned Governments Departments may not possess complete information, resulting in critical gaps in implementation. Negligence of investment in infrastructure in the industry for decades and the support institutions like Weavers Service Centre, Apex Marketing bodies and Primary Co-operatives have failed to deliver the benefits to weavers.
 - ❖ There has been a wide gap between the policy statement and the kind of state support concerning to this industry.
 - ❖ There is very little monitoring of these bodies and the Department of Handlooms fails to check on the proper functioning of these bodies. There has to be a restructuring of the mechanisms of delivery from the state department to the primary co-operative to the weaver and proper sharing of resources and information between the State level bodies and the offices at the Centre.
 - ❖ Prestigious schemes like cluster development launched for business promotion have not managed to accelerate growth in the clusters beyond a certain limit.
 - ❖ The design of schemes has to be intelligent, in order to know where small centralizations are needed and where decentralized processes need. The wholesale adaptation of mainstream schemes will not benefit the sector.
 - ❖ Despite the demands of weavers the Reservation Act has never been implemented efficiently and effectively. In addition to this, the approach paper to Tenth Plan, suggests

that reservation is uneconomical in the wake of liberalization and hence has to be implemented eventually.

- ❖ The government subsidy being given to the handlooms has been reduced and thus resulting to the low production.
- ❖ Benefits given by Govt. are not properly utilize and are not effectively reaching the hands of majority of the handloom weavers belong to the most backward and poorer sections of the population. The high incidence of poverty and illiteracy among weaver families is accompanied by poor access to basic necessities including health, water, sanitation, housing and livelihood facilities.
- ❖ The administration faces at each stage the implementation problem of various policies and schemes in Cachar District. The administration at the district level has faced the problem of delay in wage payment due to various formalities in fund disbursement. The administration at the district level have faced problems like people's attitude towards govt. schemes, lack of man power for execution and inadequate implementation infrastructure.

Even though many schemes and policies had been implemented but very few of them are in reality applied in the practical field. The condition of the handloom sector in Cachar is still lagging behind. Due to the various factors such as corruption, lack of adequate knowledge of the weavers regarding their subject matter, low standard of the mindset of the politicians, the weavers are deprived from their actual right. The government has announced several policies and schemes for promotion and development of the handloom sector and welfare of handloom weavers. Nevertheless, the sector is suffering from low productivity, competition from power looms and

mill sector, inadequate supply of hank yarn and high prices. To protect the millions of handloom weavers from encroachment on their livelihood by the power looms and mill sector, the Handloom Reservation Act 1985 should be strictly implemented. The financial performance of the APCO was not satisfactory. There was no controlling to reduce operating costs and interest burden on borrowing funds. Despite the welfare-oriented policies implemented by the Government, almost most of the handloom weavers belong to the most backward and poorer sections of the population. Although these measures have yielded manifold benefits to the handloom weavers and ancillary workers, yet the sector continues to face several daunting challenges and uncertainties. The high incidence of poverty and illiteracy among weaver families is accompanied by poor access to basic necessities including health, water, sanitation, housing and livelihood facilities.