

MAJOR SCHEMES AND PROGRAMMES RELATED TO THE HANDLOOM INDUSTRY

Different schemes have been implemented for the promotion and development of the handloom sector and providing assistance to the handloom weavers in different ways. Major programmes related to different schemes are:

- Employment generation
- Modernization and upgradation of technology
- Input, marketing and infrastructural support
- Publicity
- Welfare measures
- Research and development
- Development of exportable products

The schemes are weaver oriented and aim at meeting the objectives enshrined in the Directive Principles of State Policy for the growth of decentralized handloom sector. Some of the schemes are mentioned hereunder.

9.01 Deen Dayal Hathkargha Protsahan Yojana (DDHPY)

This has been launched to provide assistance to the handloom weavers in an integrated and comprehensive manner. The scheme was launched on 01.04.2000. Prior to the introduction of DDHPY, most of the schemes were framed to benefit the weavers under the cooperative fold only. However, DDHPY has been framed to cover weavers under both cooperative and non-cooperative folds. National and state-level organizations, primary societies, self help groups etc. are eligible to get benefits from this scheme. DDHPY emphasizes on purchase and modification of looms, design support and product diversification like production of shirtings, dress materials, table cloth, curtains etc., increase production and marketing facilities of handloom products. Apex handloom organizations at the state level are strengthened and restructured under this scheme. To improve the quality of the finished products, financial assistances are made available to the handloom agencies. The sharing of the grant portion of this centrally sponsored scheme, between the centre and the state, is in the ratio of 50:50, except in the case of North Eastern States, Sikkim, Jammu and

Kashmir, Uttaranchal 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 committed liabilities towards the projects sanctioned under PPS, IHVD, MMDW, and HDC/QDU schemes are also met out of the budget provision under the DDHPY head.

9.02 Scheme under National Centre for Textile Design (NCTD):

This was set up in January, 2001 at New Delhi, to promote traditional and contemporary designs and enable the textile industry, especially the handloom sector, to be responsive to the rapidly changing market demand. The major objectives include:

- Link weavers to the market and provide them with adequate tools to respond to the rapidly changing market situation and demands.
- Link people belonging to the textile industry with the development in other fields.
- Provide weavers, workers and designers greater exposure and access to national and international market.

These objectives are achieved through:

- a. On-line activities via its website www.designdiary.com where information is furnished about national and international trends, colour forecasts, design pools, linkages etc
- b. Off-line activities, which include holding of special exhibitions on a sustained basis.

9.03 Schemes for Input Support:

1. Mill Gate Price Scheme:

This was introduced in 1992-93 with the aim to provide all types of yarn to the handloom weavers' organizations at a price which is available at Mill Gate. The National Handloom Development Corporation is the only agency authorized to implement the scheme. The scheme benefits the following organizations and their members.

- All handloom organizations of National, State and Regional level;
- Handloom Development Centres;

- Handloom producers/ exporters/ manufacturers registered with the Handloom Export Promotion Council (HEPC) or any such organizations under the Ministry of Textiles, or with the State Directors of Industries, as the case may be;
- All approved Export Houses/ Trading Houses engaged in production of handloom items;
- Members of recognized handloom associations;
- NGOs fulfilling CAPART norms;
- Any other agency approved by Development Commissioner of Handlooms.

All types of yarn required for the production of handloom items are covered under the scheme. As per the revised guidelines, effective from October, 2001, the reimbursement rates to the user agencies are as under:

Types of Yarn	In Plain Areas	In Hilly / Remote Areas	North-East areas
Other than silk/jute yarn	1.00%	1.75%	3.00%
Silk Yarn	1.00%	1.25%	1.50%
Jute/jute blended yarn	7.00%	8.00%	8.50%

Note: Rates are at percentage of cost of material.

In addition to the above, the NHDC has to pay a depot operation charge @ 1% to the value of yarn, where the yarn is supplied through yarn depots. Further, there is a provision for supply of yarn to the weavers in the remote areas through mobile vans for 20 days a month.

2. Scheme for Reimbursement of CENVAT on Hank Yarn:

Consequent to the introduction of excise duty on cotton and cellulosic spun yarn packed in plain reel hank form, the Government of India has formulated this scheme on hank yarn to save the handloom weavers from adverse effects. This scheme came into effect from 01.03.2002. Under this scheme, the Government of India reimburses the excise duty paid by the handloom organizations while purchasing the cotton and cellulosic spun yarn packed in plain reel hank form plus 0.5% of the cost of yarn net of excise duty as administrative charges.

9.04 Schemes for Training of Handloom Personnel and Product

Upgradation:

1. Weavers' Service Centre:

These centres play a vital role in conducting research and development and imparting training to weavers to upgrade their skill and productivity. These organizations have been instrumental in evolving new designs and also reviving traditional designs.

2. Project Package Scheme:

This was introduced in the early nineties with the objective to meet the diversified need of the weavers. The scheme covered under its ambit, provisions for purchase of new looms, modernization of existing looms, provision of accessories, margin money, training, design input and infrastructural benefits including construction of worksheds and dwellings.

3. Indian Institute of Handloom Technology:

This provides qualified and trained manpower to the handloom sector and undertakes experimental and research programmes on all aspects of the handloom industry.

4. Design Development and Training Programme:

This aims to have a holistic and integrated approach to design development and skill upgradation in the handloom sector, by merging various schemes.

5. Design Exhibition-cum-Dyeing Workshop:

These are organized by the WSCs to create awareness in the weavers' clusters about their services and impart training in dyeing techniques and design development. The exhibitions also promote and propagate modern dyeing techniques and designs at the door steps of the weavers.

6. Integrated Handloom Training Project:

This has been primarily introduced in 2002 for comprehensive skill upgradation of weavers and workers of the handloom sector through extensive training facilities.

7. Handloom Development Centre and Quality Dyeing Unit Scheme:

This was introduced with the view to ensure timely supply of required yarn and provide training in improved dyeing practices to the workers of the handloom sector. Its objectives also included proper marketing of the products and arrange supply of adequate capital to sustain long term production.

8. Workshed-cum-Housing Scheme:

This has been introduced by the Central Government in the mid eighties for handloom weavers to provide suitable work place and dwelling units for better working environment. The State Handloom Development Corporations are primarily responsible for proper execution and implementation of the projects under this scheme.

9.05 Weavers' Welfare Schemes:

1. Health Package Scheme for Handloom Weavers:

This was introduced in March 1993 to provide the weavers with financial assistance for the treatment of diseases like asthma, tuberculosis, infections and diseases of eyes, and also ensuring supply of drinking water, maternity benefits to women weavers, payment of additional compensation for permanent measures of family planning and infrastructure for primary health care.

2. Thrift Fund Scheme for Handloom Weavers (C.P.F. Scheme):

This was introduced in the 7th Five Year Plan as one of the special welfare measures from the Indian Government. This scheme envisages creation of a fund like provident fund to meet expenses towards children's education, marriage, religious ceremonies etc. At present, 8% of the wages are contributed by the weavers.

3. New Insurance Scheme for Handloom Weavers:

It was introduced in 1997-98 for providing coverage against loss or damage to dwelling and other related properties due to flood, fire, earthquake etc.

4. Janashree Bima Yojana and others:

Under the coverage of Janashree Bima Yojana, scholarships would be provided to the children of Rs. 300 per quarter per child to students studying in classes IX to XII for a

maximum period of four years or till they complete the class XII standard, whichever event occurs earlier. The benefit is restricted to two children per member family. In 2002, the ***Bunkar Bima Yojana*** was introduced which was a combination of the Janashree Bima Yojana and add on Group Insurance, in collaboration with the LIC. ***Group Savings Linked Insurance Scheme (GSLI)*** was another popular welfare scheme adopted for overall socio economic development of the handloom weavers' community. ***Old Age Pension Scheme*** was also introduced to provide financial assistances to the weavers who were no longer able to work on a full time basis.

9.06 Marketing Promotion Schemes:

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

This was registered in 1984 to coordinate and promote marketing in the handloom sector. It serves as a nodal agency for supply of handloom goods to be purchased by the Central Government organizations. ACASH coordinates participation in national and international fairs and exhibitions.

2. Implementation of Handlooms (Reservation of Articles for Production) Act:

This was introduced in 1985 with the objective to protect millions of handloom weavers from the encroachment of the powerloom and the organized mill sector. At present, eleven categories of textile articles are reserved under the provision of the Act.

9.07 Export Promotion Schemes:

1. Development of Exportable Products and their Marketing (DEPM):

To give impetus to the export of handloom fabrics, the DEPM scheme was introduced in 1996. During the 10th Five Year Plan, the scheme continued as ***Handloom Export Scheme*** and covered the development of exportable products, their publicity and international marketing.

2. The Handloom Export Promotion Council (HEPC):

This was constituted in 1965 by Government of India as the nodal agency for export promotion. The council provides a wide range of services such as:

- Dissemination of trade information and intelligence;

- Publicity abroad for Indian handloom products;
- Organization of business missions in international trade events;
- Consultancy and guidance services for handloom exporters;
- Provision of design inputs to promote export of handloom products;
- Liaison with the Indian Government on all procedural and policy matters relevant to handloom export trade;
- Dealing with trade complaints pertaining to handloom products;
- Facilitating product diversification and adaptation to meet modern market requirements;
- Providing impetus for modernization of handlooms for the export market.

The performance of different schemes and programmes related to the handloom industry in Nadia district is summarized below in Table 21:

Table 21: Performance of Different Schemes and Programmes, Nadia, 2008

Sl. No.	Name of the Scheme (for increased production, product diversification and export promotion)	No. of Societies Covered
1.	Margin Money Grant for H.D.C. Scheme	22
2.	Grant for Yarn, Dyes and Chemicals under H.D.C. Scheme	15
3.	Rural Sale Centre under H.D.C. Scheme	20
4.	Quality Dyeing Unit Scheme	5
5.	Project Package Scheme	10
6.	Development of Exportable Products and their Marketing (D.E.P.M.) Scheme	5
7.	D.D.H.P.Y. Scheme	11
8.	Margin Money for Destitute Weavers	4
9.	Diversification of Traditional Handloom Products for Export	11

Sl. No.	Name of the Scheme (for welfare of the weavers and associated population)	No. of Beneficiaries
1.	Old Age Pension Scheme	320
2.	Contributory / Thrift Fund Scheme	1103
3.	Group Saving Linked Insurance Scheme	287
4.	Health Package Scheme	778
5.	Workshed/ House-cum-workshed Scheme	1202

Source: Compiled by the Author

From 2006-07 onwards, special mention was made in the budget of the textile industry to meet the global challenge. The finance minister proposed for new yarn depots and additional clusters. The previous schemes proposed were to be grouped under five schemes in the later stages, namely Integrated Handloom Development Scheme (I.H.D.S.), Marketing and Export Promotion Scheme (M.E.P.S.), Handloom Weavers' Comprehensive Welfare Scheme (H.W.C.W.S.), Mill Gate Price Scheme (M.G.P.S.) and Diversified Handloom Development Scheme (D.H.D.S.).



Chapter 10:

**ROLE OF COOPERATIVES IN THE
DEVELOPMENT OF THE
HANDLOOM INDUSTRY**