

## CHAPTER V

### HANDLOOM INDUSTRY

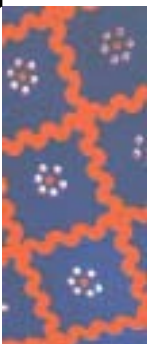
The Handloom sector plays a very important role in the country's economy. It is one of the largest economic activities providing direct employment to over 65 lakh persons engaged in weaving and allied activities. As a result of effective Government intervention through financial assistance and implementation of various developmental and welfare schemes, this sector has been able to withstand competition from the powerloom and mill sectors. Consequently, the production of handloom fabrics registered more than ten fold increase from a level of 500 million sq. metres in the early fifties to 7506 million sq. metres in 2000-2001. This sector contributes nearly 19 per cent of the total cloth produced in the country and also adds substantially to the export earnings. Handloom forms a part of the heritage of India and exemplifies the richness and diversity of our country and the artistry of the weavers. Hand-woven fabric is the product of Indian tradition, the inspiration of the cultural ethos of the weavers. Handloom is unparalleled in its flexibility and versatility, permitting experimentation and encouraging innovation. Innovative weavers with their skillful blending of myths, faiths, symbols and imagery provide the fabric an appealing dynamism. The strength of Handloom lies in

introducing innovative designs which cannot be replicated by the Powerloom Sector.

The Office of the Development Commissioner for Handlooms has been implementing since its inception in the year 1976, various schemes for the promotion and development of the handloom sector and providing assistance to the handloom weavers in a variety of ways. Some of the major programmes formulated by this office relate to:

- a) Employment Generation;
- b) Modernisation and Upgradation of Technology;
- c) Input Support;
- d) Marketing Support;
- e) Publicity;
- f) Infrastructural Support;
- g) Welfare Measures;
- h) Composite Growth Oriented Package;
- i) Development of Exportable Products; and
- j) Research & Development.

All these measures aim at meeting the objectives enshrined in the Directive Principles of State Policy for the growth of decentralised handloom sector. All the schemes are weaver oriented. Concerted efforts are being made through the schemes



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and programmes to enhance productivity, income and socio-economic status of weavers by upgrading their skills and providing essential inputs.

### **ONGOING SCHEMES & PROGRAMMES:**

#### **Deen Dayal Hathkargha Protsahan Yojana:**

The Deen Dayal Hathkargha Protsahan Yojana has been in operation w.e.f. 1.4.2000 and is proposed to be continued till 31.3.2007. This Centrally Sponsored Plan Scheme aims at catering to the needs of the handloom sector both at micro and macro levels. Under the scheme, assistance is given for covering basic inputs like looms and accessories, loans for working capital, product development, infrastructure and institutional support, training to weavers, supply of equipment and marketing support etc. A special component to provide transport subsidy to the NE States including Sikkim, and J&K has been incorporated under the 19. The scheme aims at providing all such facilities that would enable the weavers, both within and outside the cooperative fold, to produce quality fabrics that will find ready market. The National and State Level Handloom Organisations, Apex/Primary Weavers' Societies, Self-help groups/NGOs etc. are eligible to get assistance under the scheme.

Under this Centrally Sponsored scheme, the sharing between the Centre and the State Government is in the ratio of 50:50 except in the case of NE States, Sikkim & J&K 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 the Centre and the State Government in respect of all the States.

During the year 2000-01, a sum of Rs.16.96 crore was released to as many as 12 States under the Scheme. This release consisted of a component of Rs.7.64 crore towards basic inputs covering 197 projects and a marketing incentive component of Rs.9.32 crore. During the current financial year 2001-2002 out of the combined provision of Rs.77.00 crore a sum of Rs.26.04 crore has been released upto 31.12.2001.

#### **National Centre for Textile Design (NCTD):**

National Centre for Textile Design has been set up to promote the traditional & contemporary designs so as to be responsive



Exhibition on structure called "TANTAVI" organised by NCTD from 31.12.2001 to 09.01.2002

to the rapidly changing market demand, thereby providing adequate growth opportunity to the Textile industry and in particular to the Handloom Sector.

NCTD has been set up in Handloom Pavilion, Pragati Maidan, New Delhi having on-line and off-line activities. On-line activities are through its website www.designdiary.com. The site has been designed and developed with different components i.e. International and Indian trends and colour forecast, Panel of Designers, Design Pool, Linkages, Archives, Handcrafted Textiles of India, Yellow Pages etc. Brochure of the NCTD on-line activities have also been printed for publicity.

Off-line activities include holding of Special Exhibition on a sustained basis. An exhibition on 'Structures' has already been held in Delhi and in Mumbai. It is proposed to be held in four other cities. For display in these exhibitions, 212 cloth samples were selected and produced in yardages of 50 mtrs and 45" width each. Also, 75 yardages were converted into finished products for display alongwith the yardages.

Expenditure incurred during the last year & the current year has been as follows:-

2000-2001	-	Rs.61.26 lakh
2001-2002	-	Rs.46.45 lakh (till 31.12.2001)

### **Enforcement of Handlooms Reservation Act:**

The Handlooms (Reservation of Articles for Production) Act, 1985 aims at protecting

millions of handloom weavers from the encroachment made on their livelihood by the powerloom and the organized mill sectors. Eleven textile articles are reserved under the provisions of the Act at present vide Reservation Order No.S.O.557(E), dated 26.7.96, as amended vide Order No.S.O.408(E), dated 2.6.99 and No.S.O.405(E) dated 25.4.2000. The physical and financial progress on implementation of the Handlooms (Reservation of Articles for Production) Act, 1985 by various implementing agencies during 1999-2000 and 2000-01 along with targets for the year 2001-2002 and achievements upto 31st December, 2001 are as given in Table no. 5.1

The Central Government has also been providing assistance to the States/UTs under the scheme "Central Assistance to States/UTs for setting up of Enforcement Machinery", to ensure effective implementation of the Act, at State level. The details of State wise assistance extended by the Central Government during the years 1999-2000, 2000-2001 and 2001-02 (upto 31st December, 2001) has been as below :

(Rs. in lakh)				
Sl.No.	Name of the State	Amount Released		
		1999-2000	2000-01	2001-02
1.	Andhra Pradesh	-	-	-
2.	Orissa	-	-	-
3.	West Bengal	5.78	5.90	-
4.	Uttar Pradesh	-	-	-
5.	Karnataka	-	-	-
6.	Gujarat	16.37	14.33	-
7.	Rajasthan	6.07	5.27	-
8.	Kerala	-	1.88	17.28
9.	Madhya Pradesh	6.93s	9.78	9.29
10.	Haryana	6.86	4.15	-
11.	Tamil Nadu	27.99	63.77	37.75
12.	Bihar	-	4.92	-
	<b>Total</b>	<b>70.00</b>	<b>110.00</b>	<b>64.32</b>

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Table No. 5.1

S.No.	Physical	1999-2000	2000-01	2001-2002 (Upto 31.12.2001)
1.	Target of Inspections	1,30,532	1,30,532	1,40,700
2.	No. of Powerlooms Inspected	1,76,523	1,43,969	1,00,984
3.	No. of FIRs lodged	25	27	25
4.	No. of Convictions	20	17	26
5.	Cases in pipeline	-	-	40
<b>Financial</b>				
1.	Budget grant (Rs.in lakh)	80.00	96.00	90.00
2.	Expenditure (Rs.in lakh)	78.39	56.06	45.35

The central funding to States/UTs has been cent per cent during the Ninth Five Year Plan as per the prevailing guidelines of the scheme. During the 10th Five Year Plan, Central Assistance is proposed to be reduced on a tapering basis @ 20% per annum. By the end of the Tenth Five Year Plan, the States will have to manage the expenditure on their own machinery, themselves.

### Input Support:

Handloom sector is largely dependent on the organised mill sector for supply of its principal raw-material, namely Yarn. This sector uses the bulk of its yarn in the form of hanks. The Central Government has been making efforts to ensure regular supply of yarn to the handloom sector by enforcing hank yarn packing notification strictly.

### Mill Gate Price Scheme:

The Scheme was introduced in the year 1992-93 with an objective of providing all types of yarn to the handloom weavers' organizations at the price at which it is available at Mill Gate.

National Handloom Development Corporation (NHDC), a Government of India

undertaking is the only agency authorised to implement the scheme. The scheme benefits the following organisations and their member weavers:

1. All Handloom Organizations of National/ State/Regional level;
2. Handloom Development Centres;
3. Handloom producers/exporters/ manufacturers registered with the Handloom Export Promotion Council (HEPC) or any other Export Promotion Council under the Ministry of Textiles, or with the State Directors of Industries, as the case may be;
4. All approved export houses/trading houses/star trading houses for production of handloom items;
5. Members of recognized/approved handloom associations;
6. NGOs fulfilling CAPART norms; and
7. Any other agency, with the approval of the Development Commissioner for Handlooms.

All types of yarn required for production of handloom items are covered under the scheme.

The Government of India has been meeting the entire expenditure under the Scheme. The yarn is arranged by NHDC from the mills as per the requirement of the user agencies and is transported to the godown of the agency.

The guidelines for implementation of the scheme has been revised with effect from 01.10.2001. As per the revised guidelines, the reimbursement rates to the user agencies are as under:

Types of Yarn	In plain areas	Hill/Remote area	North-East area
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 cost of material.

In addition to the above, the NHDC has to pay depot operation charges @ 1% of the value of yarn, wherever the yarn is supplied to weavers through yarn depots. Further there is a provision for supply of yarn to the weavers in the remote areas through mobile van for 20 days in a month. The actual expenditure involved for operating the mobile van is to be reimbursed subject to a maximum of Rs.1500/- per day per van by the NHDC.

The expenditure incurred above including the overhead expenditure by the NHDC on this yarn transaction is being reimbursed by the Government at a flat rate as detailed below:

Yarn other than Silk and Jute	3.5% of value
Silk Yarn	2% of value
Jute Yarn	10% of value

A new provision has been made in the

guidelines stipulating that at least 10% of the total yarn supplied shall be made to North-Eastern States in conformity with the National Policy for development of North Eastern States.

During the last 5 years, a sum of Rs.2290.08 lakh has been released to NHDC under this scheme. The release made during the current year upto 31st December, 2001 has been to the tune of Rs.632.16 lakh.

The year wise details are as given below:

YEAR	AMOUNT (Rs. in lakh)
1996 - 1997	117.24
1997 - 1998	300.00
1998 - 1999	368.21
1999 - 2000	414.50
2000 - 2001	1090.13
2001-2002 (uptoDec'2001)	632.16

Under the Mill Gate Price Scheme, supplies of yarn have increased from 49.42 lakh kg. in 1993-94 to 156.91 lakh kg. during 2000-2001. During the year 2001-2002, NHDC has supplied 127.39 lakh kg. yarn upto 31st December, 2001.

### Production and Employment Generation:

During the year 2000-01, a total production of 7,506 million sq. metres of Handloom cloth was achieved.

During the year 2001-02 upto October, 2001, it is estimated that Handloom Sector had produced 4,477 Million Sq. Mtrs of cloth. The Handloom Sector provides employment to about 124 lakh persons.



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### **Training to Handloom Personnel:**

To impart Training in modern management and Production techniques, dyeing practices, Marketing of handloom products etc., the office of the Development Commissioner for Handlooms has been operating training programmes for human resource development in the Cooperative sector for the benefit of personnel engaged in Handloom sector at different levels through Institutions like National Council for Co-operative Training, National Co-operative Union of India and National Handloom Development Corporation. The main objective of such programmes is to create consciousness on the latest techniques in dyeing/printing and processing of Handloom fabrics and awareness among the members and the functionaries of the Handloom cooperatives about their rights and duties and to inculcate in them the spirit of cooperation and enhance their participation in the day to day activities of the Co-operatives concerned.

The NCUI conducted 935 Classes covering 18,396 beneficiaries, NCCT 39 classes for 1,077 beneficiaries and NHDC 23 Classes for 1,937 beneficiaries in different parts of the Country during the year 2000-01 for the benefit of weavers and personnel engaged in the sector. During the year 2000-01 a sum of Rs. 30.00 Lakh was released by the Government of India to NCUI, NCCT and NHDC to undertake these programmes. During the year 2001-2002 (upto 31.12.2001) a sum of Rs. 50.28 lakh has been released to NCUI, NCCT and NHDC under the scheme.

### **Weavers' Service Centres/ Indian Institutes of Handloom Technology (WSC/IIHT):**

Weavers' Service Centres and Indian Institutes of Handloom Technology constitute Research and Development Wings of the Office of the Development Commissioner for Handlooms. 24 Weavers' Service Centres and 4 Indian Institutes of Handloom Technology have considerably strengthened the handloom industry by providing technically trained manpower, development of new designs, improvement in weaving and processing techniques, upgradation of skill etc. throughout the country. The Decentralised Training Programme was introduced in 1987 with the objective of generating gainful employment by upgrading the skills to enhance the productivity and income of weavers. Under this programme, assistance is provided towards the cost of material, looms, accessories, equipment, stipend to the trainees and honorarium to the Master Trainer. The implementation of the Scheme is made through the Weavers' Service Centres in co-ordination with the State Governments. Upto 31st December, 2001, an expenditure of Rs.1172.54 lakh was incurred to cover 22,242 weavers. The existing Scheme has been modified from 1st April, 2000. Under the modified scheme, a specific provision has been made for providing assistance for training in design development and dyeing techniques, besides training in weaving. During 2001-2002, the target is to cover 2,650 weavers. Till 31.12.2001, 1444 weavers have been imparted training under



this scheme and a sum of Rs.164.49 lakh has been sanctioned.

### **National Handicrafts and Handlooms Museum:**

The National Handicrafts and Handlooms Museum established at Pragati Maidan, New Delhi primarily serves as a resource Centre for the Indian handicraft and handloom traditions. Collection, conservation and preservation of crafts specimen, revival, reproduction and development of Art and Craft are the basic activities of the Museum.

**Museum collection:** The Museum has a collection of over 20,000 artefacts consisting of Metal Icon, Lamps, Incense Burners, Ritual accessories, items of everyday life, Wood carvings, Painted wood and Paper Mache, Dolls, Toys, Puppets, Masks, Folk and tribal paintings and sculptures, Terracottas, Ivories, Playing cards, Bidri work, Jewellery and an entire section of traditional Indian textiles out of which over 5000 objects are always under display. The Art Purchase Committee meets every year to screen proposals received from across the country to sell artefacts to Museum.

**Craft Demonstration:** The Museum re-establishes the weakening links of traditional handicrafts and handlooms through its regular craft demonstration programmes organised annually except for the monsoon season. Craftsmen not exceeding fifty per month are invited for the Craft Demonstration Programme for demonstration of their skill and craft and also for sale of their products. During the current year 2001-02 around 400

Craftsmen were invited from various States for a demonstration of their skill and craft. Around 35 performers also have participated in the performing arts programmes held in Museum.

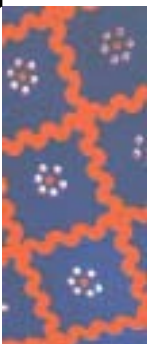
**Village Complex:** The Museum's Village Complex is a reminiscence of rural India with structures of village dwellings and court yards from Kulu, Himachal Pradesh; Sourashtra and Banni in Gujarat; Madhubani, Bihar; Bhilwara, Rajasthan; West Bengal, Nicobar, Kashmir and tribal huts of Adi, Gallongs of Arunchal Pradesh, Rabhas of Assam, Ao Nagas of Nagaland, Gadbas of Orissa and Todas of Tamilnadu and Gonds of Madhya Pradesh.

**Library:** Museum has a specialized reference Library on traditional Indian Arts, crafts, textiles and major Anthropological works on Indian tribes etc. The Library has about 10,000 reference books and other periodicals. Research scholars and students from various institutions regularly visit the Museum. During the current year around three thousand persons have visited the Library and 2600 books and 2408 Magazines were issued for reference, upto December, 2001.

**Conservation and Preservation:** During the current year the Museum this year has chemically treated 1250 silver and wooden/metal objects, mounted 250 paintings, and replaced background clothes in the showcases of galleries.

**Exhibitions:** The following exhibitions were organised in the Museum during the current year:





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- a) The Gold and the Clay during the period from 24.3.2001 to 31.5.2001
- b) Sericulture Industry - out of the Cocoon: Tasar Silk of India during the period from 1.8.2001 to 25.9.2001
- c) Exhibition of National Award collection of 1998-99 during the period from 16.8.2001 to 9.9.2001.
- d) Art and Craft of Kutch during the period from 4.10.01 to 31.10.01.
- e) Resplendent shadows: The Art and Craft of shadow puppets 23.11.01 to 13.1.02
- f) Kalam to computer- an interactive workshop on the art of drawing from 15.10.01 to 3.11.01 and exhibition on this was held from 6.11.01 to 30.11.01.

Further an exhibition "The living Gods on earth: The Indian Folk and Tribal Traditions" is proposed during the period from 1.2.02 to 15.3.02

**Advisory Committee:** During the current year two Advisory Committee meetings were

held in April and October, 2001 to review the various developmental activities of the Museum.

**Financial Progress:** As against a plan outlay of Rs.375.00 lakh and Non-Plan outlay of Rs.24.00 lakh the Museum has spent Rs.137.14 lakh under Plan outlay and Rs.15.25 lakh under Non-plan outlay during the current year upto 31st December, 2001.

### **Publicity and Exhibition:**

To provide marketing support to handloom agencies and the individual weavers, the Office of the Development Commissioner for Handlooms assists the State Governments in organizing the National Handloom Expos/Special Expos, District Level Events, Craft Melas etc. in different parts of the country. For this purpose, financial support is provided to the implementing agency towards infrastructure, Publicity etc. These activities are supportive to the handloom agencies, weavers and also to the consumers as these provide them an



Indian Handloom Participation in Heimtextil - 2002, Frankfurt Main, Germany.



opportunity to purchase the handloom products of various states under one roof. During the year 2001-02, a budgetary provision of Rs.575 lakh has been made which includes a provision of Rs.100 lakh for North Eastern States under the Scheme. A sum of Rs.557.59 lakh has already been released during the year upto December 31, 2001. In order to keep pace with the momentum and the acceleration of publicity gained in the past, programmes were drawn well in advance in consultation with the State Governments. During the year 2000-01, 05 National Handloom Expos and 06 Special Expos, 85 District Level Events, 4 Craft Melas and 1 Master Creations Programme were organized in different parts of the country and 02 Urban Haats were set up. During the current year 2001-02, 9 National Handloom Expos and 9 special Handloom Expos are being organized. 111 District Level Events in different parts of the country have been sanctioned. The office of the Development Commissioner for Handlooms is also participating in the Craft Melas at Shilpgram (Udaipur), Suraj Kund (Haryana), Craft Bazar Madepura (Hyderabad), Taj Mahotsav (Agra) and a Master Creations Programme at Dilli Haat, New Delhi by sponsoring weavers for demonstration of their crafts together with sale of handloom products. In order to give importance to the marketing of handloom products, assistance is also provided to handloom agencies/organisations like State Handloom Federations, State Handloom Corporations etc. to organize District Level Fairs (Melas), Festivals (Parvas) and setting up of Urban Haats in different parts of the country.

Upto 31.12.2001, funds for 7 National Handloom Expos, 9 Special Expos, 70 District Level Events and Four Crafts Melas ie at Hyderabad, Surajkund, Taj Mahotsav and Shilpgram Crafts Mela at Udaipur have been sanctioned to the implementing agencies. One Master Creations Programme for the National Awardees was organized in Dilli Haat from 1.12.2001 to 15.12.2001. Till 31.3.2001, 8 Urban Haats at Agra, Kolkata, Bhubaneswar, Ahmedabad, Tirupati, Karnal, Jammu and Ranchi stood sanctioned and those were under construction or were nearing completion. In addition, 3 Urban Haats have been sanctioned during 2001-2002 at Bhopal, Allahabad and Agartala.

### **Scheme for Handloom Export Development:**

The importance of the handloom sector in the national economy cannot be over-emphasised. On account of having the advantage of flexibility of small production run, uniqueness, innovation and adaptability, this sector can contribute towards export earnings in a big way. Export of handloom has, therefore, been identified as a "Thrust Area" for the overall development of the sector. The Government has been exploring the possibility of making optimal use of the resources to enhance production capabilities of exportable products.

In order to give substantial impetus to the export of handloom fabric, made-ups and other handloom items from the country, a scheme for Development of Exportable Products and their Marketing was introduced during 1996-97. Under the scheme, the assistance is available for developing



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exportable products, building up production capability for export and thereafter marketing it.

National and State level Handloom Corporations, Apex Cooperative societies, Primary Cooperative societies and Handloom Cooperative Societies affiliated to /registered and sponsored by Councils/Corporations, Handloom Export Promotion Council(HEPC), Association of Corporations and Apex Societies of Handlooms(ACASH), Handicrafts and Handloom Export Corporation(HHEC), Indian Silk Export Promotion Council(ISEPC), National Handloom Development Corporation (NHDC) etc. are eligible for assistance under this scheme. Private handloom exporters can also be assisted through HEPC.

The project cost in respect of the agencies sponsored by the State Governments is shared by the concerned State Government itself or by the beneficiary agency. The agencies sponsored by Central Government like HEPC, HHEC, NHDC, ACASH etc. are entitled to 100% assistance from the Government of India under the scheme.

Since the inception of the scheme in October, 1996, year-wise releases made have been as under:-

During the current financial year 2001-02, out of a provision of Rs.350 lakh, a sum of Rs.223.08 lakh has been released in respect of 11 DEPM projects and participation in 7 International events upto 31.12.2001.

### **Project Package Scheme:**

The Project Package Scheme, introduced in the year 1991-92, had been formulated with the objective of meeting the diversified needs of the weavers which normally vary widely from State to State, and were, therefore, drawn in a manner that would suit the beneficiary organisations to come up with the projects that may be tailor made for their requirements.

The scheme covered within its ambit, provisions for purchase of new looms, modernisation of existing looms, provision of accessories, margin money, training, design input and infrastructural benefits including construction of worksheds and workshed cum houses. The scheme also took adequate care to include beneficiaries from geographically contiguous areas emphasizing on handloom concentration.

SNo.	Year	No. of DEPM Projects Sanctioned	No. of Exhibitions Participated	Amount Sanctioned (Rs. in lakh)
1.	1996-1997	10	8	250.00
2.	1997-1998	19	2	469.00
3.	1998-1999	8	4	335.00
4.	1999-2000	26	5	400.00
5.	2000-2001	15	9	400.00
6.	2001-2002 (upto 31.12.2001)	11	7	223.08
	<b>Total</b>	<b>89</b>	<b>35</b>	<b>2077.08</b>

The scheme was discontinued w.e.f. 1.4.2000 and its components suitably modified and incorporated in the new Scheme namely Deen Dayal Hathkargha Protsahan Yojana. However, committed liabilities of earlier sanctioned projects are proposed to be admitted during the 10th Plan period also.

During the period of its operation, 2,794 projects were sanctioned to as many as 22 States and 1 National Level Corporation. During the current financial year upto 31.12.2001, Central assistance to the tune of Rs.72.39 lakh (Grant & Loan) has been provided to various State Governments towards 16 ongoing projects sanctioned in the previous years.

### **Handloom Development Centre and Quality Dyeing Unit Scheme**

With a view to ensuring timely supply of yarn of the requisite quality and count, providing training in improved dyeing practices and tying up the marketing of the cloth produced in the sector and also providing adequate working capital to sustain long term production etc., a Scheme for Handloom Development Centre and Quality Dyeing Unit was introduced during the year

1993-94 with a target of 3000 Handloom Development Centres (HDCs) and 500 Quality Dyeing Units (QDUs) in different parts of the country over a period of 4 years.

During the years of the operation of this scheme a sum of Rs.9060.39 lakh had been released for setting up of 1710 HDCs and 382 QDUs. Committed liabilities towards the sanctioned projects are to be met out by the end of the financial year 2001-2002 i.e. upto 31st March, 2002.

### **Workshed-cum- Housing Scheme:**

The Government of India introduced a centrally sponsored scheme called "Workshed-cum-Housing Scheme" for handloom weavers from the beginning of VII Five Year Plan i.e. 1985-86. The scheme is being implemented primarily for providing suitable work place to weavers thereby achieving better productivity. The Scheme is being implemented by the respective State Handloom Development Corporations, primary societies or any other specialised agency set up by the concerned State Government for the execution of such projects.

During the IX Five Year Plan, the funding pattern of the Central assistance and the weavers' contribution, as also the loan tie up arrangement is as under:

Name of the Component	Unit cost in Rs.	Maximum Subsidy in Rs.	Loan from HUDCO/FI in Rs.	Weaver's Contribution in Rs.
Rural Workshed	9000	7000	-	2000
Urban Workshed	14000	10000	-	3000
Rural Workshed-cum-Houses	35000	18000	14000	3000
Urban Workshed-cum-Houses	45000	20000	20000	5000



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During the year 2000-01 a sum of Rs. 1499.99 Lakh was released to the State Governments for construction of 16,190 units of workshed/Workshed-cum-Houses.

For the current financial year 2001-2002, a budget provision of Rs. 1400.00 Lakh has been provided, out of which a sum of Rs. 500.00 Lakh has been earmarked for North Eastern States. So far a total sum of Rs. 774.23 lakh has been released towards second instalment in past cases and also towards fresh proposals for construction of 1407 units of Workshed/Workshed-cum-Houses to the various State Governments. Releases to the extent of Rs.203.04 lakh out of the total release of Rs.774.23 lakh has been to North Eastern States.

### **Welfare Package Scheme:**

A provision of Rs.700 Lakh has been made during 2001-02 for Welfare Schemes i.e. Thrift Fund, Group Insurance and Health Package Scheme, out of which a sum of Rs. 200.00 Lakh has been allocated for the North Eastern States.

### **Health Package Scheme:**

The Health Package Scheme was introduced in March 1993. Under this Scheme, the weavers are to be provided financial assistance for the treatment of diseases like asthma, TB, inflammation of the respiratory system, cost of testing of eyes and spectacles, 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.

During the financial year 2000-01, a sum of Rs. 539.89 Lakh was released under this scheme to various State Governments for covering 44681 weavers. This included a sum of Rs.45.21 lakh released to the North Eastern States. During the current financial year 2001-02, a budget provision of Rs.250.00 lakh was kept for this Scheme including Rs.50.00 lakh for States in the North Eastern Region. Out of this, a sum of Rs.20.91 lakh has been released under this Scheme to the State Governments, upto December 31, 2001.

### **Thrift Fund Scheme for Handloom Weavers:**

The Thrift Fund Scheme for Handloom Weavers was introduced in the VIII Five Year Plan as one of the special welfare measures from the Government of India. The Scheme envisages the creation of a fund in the nature of a provident fund. The weavers belonging to corporate sector are also covered under the Scheme. As per the funding pattern, 8% of the wages are contributed by weavers, 4% each by the the Central and the State Governments.

For the year 2000-01, a sum of Rs. 299.05 Lakh was released to the State Governments to cover 1,22,586 weavers under the scheme. During the current financial year 2001-2002, a budget provision of Rs.300.00 lakh has been kept under this Scheme including Rs.100.00

lakh for North Eastern Region. Out of this, an amount of Rs.26.11 lakh has been released (upto 31.12.2001) to the various State Governments under this Scheme. Out of this release of Rs.26.11 lakh, a sum of Rs.0.13 lakh has been to a North Eastern State.

### **Group Insurance Scheme:**

The Government of India introduced a Group Insurance scheme for Handloom Weavers throughout the country from the year 1992-93 in order to help weavers to meet their socio-economic obligation towards his family and to act as a support system against the uncertainty of their working capacity in old age. Under the Scheme, a weaver is provided an insurance coverage of Rs.10,000/- for an annual premium @ Rs.120/-. The premium is shared equally among the beneficiary, Central Government and the concerned State Government.

During the year 2000-01, a sum of Rs. 65.92 Lakh was released under this scheme to the State Governments for covering 1,66,238 weavers. During the current financial year 2001-2002, a sum of Rs.150.00 lakh was earmarked for this scheme including Rs.50.00 lakh for States in the North Eastern Region. Out of this, an amount of Rs.16.71 lakh has been released for covering 41,771 weavers (upto December 31, 2001) to the State Governments.

### **New Insurance Scheme for Handloom Weavers:**

In order to provide relief to handloom weavers in the 50th year of Independence, the Government of India introduced the New

Insurance Scheme for weavers through United India Insurance Company for the Ninth Five Year Plan. The New Insurance Scheme provides coverage against loss or damage to dwelling due to flood, fire, earthquake etc., damage to contents of the dwelling like looms, raw material etc.; medical coverage and Personal Accidental Insurance against accidental death, at a premium of Rs.120/- per annum, with a contribution of Rs.20/- by the weaver, Rs.40/- by the State Government and Rs.60/- by the Government of India.

During the year 2000-01, an amount of Rs. 25.00 Lakh was released to United India Insurance Company for covering 41,666 weavers. During the current financial year 2001-02, a provision of Rs.25.00 lakh was made in the budget under the New Insurance Scheme for Handloom Weavers, and upto December 31, 2001, a sum of Rs.2.99 lakh has been released to the United India Insurance Co. to cover 4,989 Handloom Weavers of various State Governments.

### **RESEARCH & DEVELOPMENT:**

The Handloom Industry is the most ancient cottage Industry of India. Its preservation for posterity will ensure continuation of our cultural heritage. However, Research & Development is an essential ingredient for any Industry to keep pace with the fast changing developments on account of the increasing global interest in Indian Handlooms. Hence, undertaking Research & Development in this sector is very essential. The main objective is to assist Weavers through the supply of input support,





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marketing of their products and to improve their living and working conditions. Some projects have been sanctioned to reputed research institutes to elicit a feedback on economic, social, aesthetic, technical and promotional aspects of the handloom sector.

Under the Research & Development programme, assistance was released to different Weavers' Service Centers, National Handloom Development Corporation, institutions engaged in Research and Development work including professional and voluntary Organizations etc. for undertaking R & D Projects for the development of Handloom Sector. During the year 2000-2001, a sum of Rs.44.00 lakh was released to different organizations under this scheme.

For the current financial year 2001-2002, a budget provision of Rs. 50.00 lakh has been kept for R&D Projects and a sum of Rs.20.25 lakh has been released to the concerned organizations upto 31st December 2001.

### MARKETING THROUGH ACASH

The Association of Corporations and Apex Societies of Handlooms (ACASH), New Delhi was registered in 1984 under the Societies Registration Act to coordinate and promote marketing in the Handloom Sector. It serves as a nodal agency for supply of handloom goods to be purchased by Central Government Departments/Agencies/Public Sector Undertakings etc. under Single Tender System (STS). During the year 2000-2001, ACASH received supply orders worth Rs.28.55 crore and executed orders worth Rs.22.17

crore. During the current year i.e. 2001-2002 (upto 31st December, 2001), ACASH has received orders worth Rs.15.95 crore and executed orders worth Rs.21.63 crore.

### International Fairs:

ACASH Coordinated participation in -

(1) Buyer-Seller Meet, Tokyo from 15-17 May, 2001 organized by India Trade Promotion Organization( ITPO). Five agencies had participated.

(2) Textiles D'Interieur Premiere (TIP'9), Brussels from 08-11 September, 2001. Four agencies had participated.

ACASH has also Coordinated participation in Heimtextil'2002 at Frankfurt, Germany from 09-12 January, 2002. Twenty-two Agencies participated in the fair.



*A scene from Heimtextil'2001, Frankfurt, Germany*

### Domestic Exhibition:

ACASH organized National Handloom Expo namely "India Weaves 2001" at Dilli Haat, Delhi from 17-31 Oct., 2001. 150 handloom agencies from various parts of the country participated. It has also participated in the India

International Trade Fair organized by the India Trade Promotion Organization at Pragati Maidan, New Delhi during November 14 - 27, 2001.

### **ALL INDIA HANDLOOM FABRICS MARKETING COOPERATIVE SOCIETY LIMITED:**

The All India Handloom Fabrics Marketing Cooperative Society Ltd., Delhi is a National Level Cooperative Society presently governed under the Multi-State Cooperative Societies Act, 1984 and comes under the jurisdiction of the Central Registrar of Cooperative Societies, New Delhi. The procurement of handloom products from Apex, Regional and Primary Handloom Cooperative Societies and the promotion and marketing of handloom fabrics both within the country and abroad are the main objectives of the Society. To achieve these objectives, the Society has set up 26 Retail Outlets, which are popularly known as "HANDLOOM HOUSE". The Society has its Export Houses at New Delhi, Salem and Chennai. Also, the Society has showrooms in Singapore and Mauritius for giving an impetus to marketing of Indian handloom products in the foreign markets.

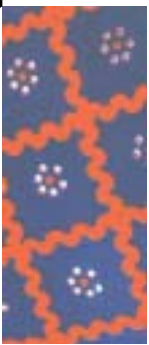
The affairs of the Society are administered by a Board of Directors consisting of 21 Members including three Government of India nominees.

Membership of the Society consists of State Level/Regional Level Apex Handloom Weavers' Cooperative Societies ('A' Class), Primary Level Handloom Weavers'

Cooperative Societies ('B' class) and Public Trusts, Government and Government owned/controlled organizations engaged in production and sale of handloom products etc. ('C' class). The total number of shares were 1,53,631 in 2000-2001 as against 1,52,671 in 1999-2000. The paid up share capital of the Society has increased to Rs.818.63 lakh in 2000-2001 from Rs.813.11 lakh of the previous year. The Fabrics Society's purchases during 2000-2001 amounted to Rs.4397.05 lakh against Rs.4264.80 lakh in 1999-2000. The Society's total export during 2000-01 was of Rs.2693.16 lakh as against Rs.2843.86 lakh in the previous year. During 2000-01, the Society has been able to achieve a net profit of Rs.44.54 lakh as against Rs.20.21 lakh during the previous year. The Society was also able to achieve a sales turnover of Rs.57.65 crore during 2000-01 as against the turnover of Rs.55.35 crore during the previous year.

### **Handloom Activities in North-Eastern Region:**

North Eastern Region has the highest concentration of Handlooms in the Country. Out of 25.4 lakh units engaged in handloom activities, 14.6 lakh units (household and non-household) are in five States only, namely, Arunachal Pradesh, Assam, Manipur, Nagaland and Tripura as per the handloom census 1995-96. Over 53% of looms in the country and more than 50% of weavers belong to North Eastern States. The share of



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these five States of North Eastern Region in the domestic looms is 82%. However, only 13.4% of the commercial looms of the Country are in these States and the contribution of these States in total production of handloom fabrics is merely 20%.

Keeping in view the potential of the region, it was decided to upgrade the Weavers Service Centre, Guwahati as a Regional Design Centre in pursuance of the recommendations of the conference of the State Ministers (Handlooms) of North Eastern States held on 21-22 September'2000. It is now functioning as a Nodal Centre for design development and dissemination of designs to the weavers in the region.

The Centre has set up a web-site which includes a museum of north-eastern designs. The web-site has been linked with the National Centre for Textile Design, for the benefit of the user agencies. It will also help link all those connected with the handloom

industry. The Regional Weavers' Service Centre also undertakes imparting of training to the weavers in and outside the cooperative fold under Decentralised Training Programme and Deen Dayal Hathkargha Pratsahan Yojana for providing value addition to the fabric.

As desired by the Ministers (handlooms) of North Eastern States, a special provision has been made under the Deen Dayal Hathkargha Pratsahan Yojana for the North Eastern States, Sikkim & J&K. Under the Scheme, the financial assistance under the projects is shared between Central and State Governments for North Eastern States, Sikkim & J&K in the ratio of 90:10, except marketing incentives, which is in the ratio of 50:50.

It has also been decided to extend new transport subsidy to handloom agencies in the region to facilitate marketing of handloom products in other parts of the Country and strengthen backward linkages in terms of more employment opportunities.