

A STUDY ON FINANCIAL ASSISTANCE TO HANDLOOM WEAVERS UNDER VARIOUS SCHEMES IN INDIA

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ABSTRACT:

India is a developing country with majority of the population living in rural area. In rural area, agriculture is the main source of employment. Next to agriculture, the handloom industry generates maximum employment in rural areas. Handloom sector is one of the most decentralised and traditional industry sectors of the country. There are about 38.9 lakh handlooms in India. Total number of households involved in handloom activities is 31.45 lakhs. There are 20 per cent of the weavers working as a fulltime workers. This indicates that there is a growing demand for financial assistance from handloom weavers.

Though the handloom is one of the largest sectors in term of workforce, but in monetary term it does not have much importance. This industry faces various challenges such as low wages, no proper home or assets, low productivity, obsolete technology, unorganised production system, weak marketing links and no capital subsidy. In order to overcome these disadvantages, the government has intervened to raise adequate funds and implemented various schemes for the development of the handloom industry. The present paper makes an in depth study on financial assistance to handloom weavers under various schemes in India.

KEYWORDS: Handloom weavers, financial assistance, Schemes in India.

INTRODUCTION:

The handloom industry in India is an ancient cottage industry spread all over the country. This provide livelihood for millions of the people directly or indirectly. It plays an essential role in meeting the basic clothing need. It is a symbolic of Indian culture. Mahatma Gandhi said “the spinning wheel is a nation’s second lung”. He considered the spinning wheel, a symbol of revolution.

Importance of handloom sector in Indian economy as follows:

1. It provides employment opportunities.
2. It provide one fourth of the total textile production in the country.
3. It receives the foreign exchange money.

OBJECTIVES OF THE STUDY:

- a. To study the current situation of handloom industry in India.
- b. To analyse the socio-economic condition of handloom weavers in India.
- c. To make a focus on various schemes providing financial assistance to handloom weavers.

RESEARCH METHODOLOGY:

The present study is based on secondary data. The secondary data has been collected from published reports by government, departments and societies of handloom sector and also from books, journals and websites related to present study.

Socio-Demographic Profile of Weaver Households in India

According to the Fourth All India Handloom Census, the total number of households engaged in handloom weaving and allied activities is 31.45 lakhs. This census report explores the socio-demographic profile of weavers in India with reference of location, gender, age, religion, social category, education qualification, and the number of weaver’s engagement in handloom activities.

1. **Location:** There are 22.5 lakhs weaver households are located in rural areas while 2.8 lakhs are in urban areas.
2. **Types Of weavers:** Out of total number of weaver households, 10,456 were master weaver households.
3. **State:** Four states of India accounts for 18 lakhs of all weaver household. These states are Assam (10.9 lakhs), West Bengal (3.4 lakhs), Manipur (2.1 lakhs), and Tamil Nadu (1.7 lakhs).
4. **Gender:** Nearly 72% of handloom weavers are female while 28.4% are males.
5. **Caste:** 74.8% of handlooms weavers are belong to the Hindu faith where as 16.4% are Muslims and 8.8% are other religion.
6. **Education Qualification:**

Table-1: Gender wise Educational qualification of weavers (in % base= 26, 73,891)

	Never attended school	Below primary	Primary	Middle	High school/secondary	Higher secondary/M ore
Female	23.1%	12.5%	16.2%	23.6%	14.0%	10.6%
Male	21.4%	16.4%	22.4%	17.4%	12.5%	9.9%

Source: Fourth All India Handloom Census 2019-2020.

Nearly one in four weavers have not received any formal education while a further 14% have not completed primary level (refer Table-1). Higher percentage of females has completed middle and high school than males.

7. Engagement status:

Table-2: Engagement of weavers in Handloom Activities

	Male		Female	
	Part time	Full time	Part time	Full time
	28.2%	71.8%	63.5%	36.5%
	9.8%	90.2%	29.0%	71.0%
Total	24.4%	75.6%	60.6%	39.4

Source: Fourth All India Handloom Census 2019-2020.

Table-2 shows that majority of the weavers are full-time workers. Among them 75.6% of males are more than females. Around 60.6% of female workers are in part time nature.

Even though this sector provides huge employment opportunities. In present scenario, the handloom weaver faces various challenges due to insufficient financial assistance. Ministry of Textile was implemented various schemes for welfare of weavers and development of handloom sector across the country. The schemes are Handloom Weavers' Comprehensive Welfare Scheme (HWCWS), National Handloom Development Programme (NHDP), Yarn Supply Scheme (YSS) and Comprehensive Handloom Cluster Development Scheme (CHCDS) for eight mega handloom clusters in the country.

Under these schemes, financial assistance is provided for raw materials, purchase of looms and accessories, design innovation, product diversification, infrastructure development, skill up gradation, marketing of handloom products and loan at concessional rate.

Details of Various Schemes Providing Financial Assistance to Handloom Weavers

1. National Handloom Development Programme (NHDP)

- I. **Block Level Cluster:** This scheme was introduced in 2015-16 as one of the components of National Handloom Development Programme (NHDP). Financial Assistance up to Rs. 2.00 Crore per BLC for various interventions. Up to Rs. 50.00 lakh is also available for setting up of one dye house at district level.
- II. **Handloom Marketing Assistance:** It is one of the components of NHDP. It helps the handloom weavers to sell their product directly to the consumers, financial assistance is provided for marketing activities in domestic as well as overseas markets.
- III. **Weavers' MUDRA Scheme:** Under this scheme, credit provided at concessional interest rate of 6% to weavers. Financial assistance Rs. 10,000 per weaver and credit guarantee for a period of 3 years is also provided. Mudra portal has been developed with Punjab National Bank to avoid delay in disbursement of funds.
- IV. **Hathkargha Samvardhan Sahayata (HSS):** This scheme was introduced on 1st December 2016 with an objective to provide looms/accessories to the weavers. Under the scheme, 90% of cost of loom/accessories is borne by GOI while remaining 10% is borne by the beneficiary.
- V. **Education of Handloom Weavers And Their Children:** Ministry of Textiles is providing reimbursement of 75% of the fee towards admission in NIOS/IGNOU courses belonging to handloom weavers' families.

2. Comprehensive Handloom Cluster Development Scheme:

This scheme is implanted for development of Mega Handloom Clusters covering at least 15000 to 25,000 handlooms. Financial assistance from Rs.40.00 Crore to Rs.70.00 Crore provided in a period of 5 years. 8 mega handloom clusters taken up as announced in the Budgets.

Under the scheme, component like Conducting Diagnostic Study, engaging designer, product development, raw material, construction of work sheds skill up-gradation are fully funded by government of India, while 90% fund given for Technology up-gradation, lighting units and 80% for other common infrastructural projects.

3. Handloom Weavers' Comprehensive Welfare Scheme:

This Scheme is providing life, accidental and disability insurance coverage under various policies like Pradhan Mantri Jivan Jyoti Bima Yojana (PMJJBY), Pradhan Mantri Suraksha Bima Yojana (PMSBY) and Converged Mahatma Gandhi Bunkar Bima Yojana (MFBBY).

4. Yarn Supply Scheme:

Yarn Supply Scheme is being implemented throughout the country to make availability of all types of yarn at Mill Gate Price. This scheme is implemented through National Handloom Development Corporation. Under this scheme 2% depot operating and freight is given to depot agencies. 10% price subsidy is given for hank yarn.

Table-3: Scheme- wise funds allocated and released/spent in last three years is as under
(Rs. in Crore)

S. No	Name of Scheme	2016-17		2017-2018		2018-19	
		Funds allocated	Funds released/spent	Funds allocated	Funds released/spent	Funds allocated	Funds released/spent
1	National Handloom Development Programme	167.53	153.56	140.24	135.05	138.53	119.72
2	Comprehensive Handloom Cluster Development Scheme	50.00	40.11	32.50	31.82	21.50	16.38
3	Handloom Weavers' Comprehensive Welfare Scheme	26.56	26.56	25.00	24.98	10.05	2.06
4	Yarn Supply Scheme	261.50	261.35	200.00	199.84	155.41	126.84
	Total	505.59	481.58	397.74	391.69	325.49	265.00

Source: Ministry of Textile, Press Information Bureau.

Table-3 shows scheme wise funds allocated and released in last three years. The highest total fund was allocated in the year 2016-17 for various schemes. Here the allocation of fund was declined in 2017-18 and 2018-19. As we observe that the same condition was happened with fund spent in last three years. In 2016-17, the highest fund was released when compared to other two years. In 2017-18, nearly Rs. 391.69 Crore was released from allocated fund Rs. 397.74 Crore.

Table-4: Top five States wise Fund released/spent, total number of weavers and number of weavers benefitted during last two years as under:

S.No	Name of the States	During 2017-18 to 2018-19		
		Funds released/spent (Rs. in Crore)	Total No. Of Weavers (Including allied workers)	No. Of Weavers benefitted
1	West Bengal	22.03	6,31,447	1,62,000
2	Tamil Nadu	95.08	2,43,575	56,100
3	Uttar Pradesh	23.99	1,90,957	1,00,450
4	Andhra Pradesh	23.56	1,77,447	62,000
5	Assam	49.10	94,616	93,500

Source: Fourth All Indian Handloom Census (2019-20)

Table-4: shows top five states wise fund spent, total number of weavers and number of weavers benefitted from handloom schemes. We noticed highest number of weavers are living in West Bengal state, in this state only Rs. 22.03 Crore fund was released which was very less when compared to other four states. In Tamilnadu state the total numbers of weavers are 2, 43,575 but only 56,100 weavers are benefitted from schemes. At Assam state around 93,500 weavers are benefitted with government provided schemes.

FINDINGS:

- One of the highest employment generating sectors is handloom sector in India.
- It is noticed that 38.9 lakhs handlooms and 31.45 lakhs of households engaged in handloom activated in India.
- It is found that most of the weavers are under education.
- There is more demand for financial assistance from handloom weavers.
- Financial assistance schemes provided by central and state government were not according to regional requirement.

SUGGESTIONS:

- It is suggested to extend financial assistance to weavers through various schemes.
- Government should provide various schemes for improving the condition of weavers.
- Government should implement all the schemes properly.
- Better education facilities should be provided to children of handloom weavers.

CONCLUSION:

The study concludes that handloom weaving plays a vital role in our nation. It is an eco-friendly sector. The government should need to focus on development condition of handloom weavers. Few weavers are aware and benefitted by government provided schemes. All major handloom concentrated states should get more financial assistance. Allocation of funds for various schemes should be increased. Due to above mentioned schemes this sector has been in developing condition. The Indian handloom industry has great future it should get better financial assistance for development.

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