

FACILITIES AND SUPPORTS PROVIDED BY THE GOVERNMENT TO THE DEVELOPMENT OF THE INDIAN HANDLOOM SECTOR

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ABSTRACT: Textile sector is one of the largest source of employment generation in India, it employs over 4.5 crore people directly. The Government of India has formulated numerous policies and schemes, aiding financial security as well as social security to the handloom weavers and handicrafts. To promote e-marketing of handloom products, 21 e-commerce entities have been engaged for online marketing of handloom products. Handloom industry plays vital role to reduce poverty, increase employment, and enhance household income and consumption in the country. Government's efforts made handloom sector form a priceless part of the generational heritage and demonstrates the fruitfulness and multiplicity of our nation and the talent of the weavers.

Key words: Facilities, Textile, Handloom, e-marketing

1. INTRODUCTION

Indian Textile Industry is one of the largest industries in the world. Textile sector is also one of the largest source of employment generation in India, it employs over 4.5 crore people directly. India has the second largest manufacturing capacity globally. Abundant raw material, skilled manpower and lower cost of production are some of the key features that contribute to the success of Indian textile industry. The demand for textiles and garments in India comes from three major segments – household sector, non-household sector (institutional, industrial and technical) and export sector. Household sector consumes the largest share of textiles and garments in India (60%), followed by the non-household sector (21%), and then the exports sector (19%). To enable the effective supply of handlooms to the country, the Government of India has formulated numerous policies and schemes, aiding financial security as well as social security to the handloom weavers and handicrafts.

Key factors to promote Indian Textile Industry:

1. Innovative marketing strategies
2. Diversification of product
3. Enhancement of textile oriented technology
4. Quality awareness
5. Intensifying raw materials
6. Growth of productivity
7. Increase in exports
8. Financing arrangements
9. Creating employment opportunities
10. Human Resource Development

Government of India has also tuned the functions of the TRA (Textile Research Associations) to find new ways for promotion of Textile Industry in India. One of the principal targets of the government policy is to enhance the quality and production of cotton and man-made fibre. Ministry of Agriculture, Ministry of Textiles, cotton growing states are primarily responsible for implementing this target. Government also uses IT (Information & Technology) to establish a sound commercial network for the prosperity of textile industry. Government has adopted some effective policies for the right utilization of the manpower for the prosperity and development of the textile industry. Government of India is also trying to encourage talented Indian designers and technologists to work for Indian textile industry and accordingly Government is setting up venture capital fund in collaboration with financial establishments.

Major acts relating to Indian Textile Industry

1. Central Silk Board Act, 1948
2. The Textiles Committee Act, 1963
3. The Handlooms Act, 1985
4. Cotton Control Order, 1986
5. The Textile Undertakings Act, 1995

Government of India is earnestly trying to provide all the relevant facilities for the textile industry to utilize its full potential and achieve the target.

3. SPECIAL SCHEMES FOR HANDLOOM SECTOR

Technology Upgradation Fund (TUF)

1. It is run by Ministry of Textiles, Office of the Development Commissioner
2. It provides subsidy to weavers for,
3. Purchase of new machineries and equipment,
4. Factory building and
5. Renovation of existing factory building

Integrated Handlooms Development Scheme (IHDS)

1. Form Self Help Groups (SHGs).
2. Government gives money for buying raw material and machines.
3. Training in weaving, dyeing, designing and business Management.

Mill Gate Price Scheme

1. Cotton yarn is the major input for handloom weaving. In recent years, there has been a phenomenal rise in the prices of yarn due to the sharp increase in the prices of cotton.
2. To solve this problem, Government launched this scheme.
3. Here, Government helps the handloom weavers to buy yarn at the price at which it comes out from a Mill. (No middlemen commission.)

Marketing Promotion Programme

1. Government organizes Special Expos, Craft Melas, Urban Haats and Marketing Complexes;
2. Gives National Awards and National Merit Certificates to weavers and artisans.
3. Holds seminars with professional designers and marketing consultants.

Block Level Clusters (BLCs)

Block Level Clusters (BLCs) are one of the components of National Handloom Development Programme (NHDP)/Comprehensive Handloom Cluster Development Scheme (CHCDS). 412 BLCs covering 3, 18, 347 beneficiaries have been sanctioned since July, 2015 with project cost of Rs. 557.59 crore. Rs. 212.77 crore has been released as Central share. Financial assistance is provided up to Rs.2.00 crore per cluster for various interventions like skill up-gradation, Hathkargha Samvardhan Sahayata, product and design development, construction of work shed, lighting unit and setting up of Common Facility Centre (CFC). Besides, financial assistance up to Rs.50.00 lakh is available for setting up of one dye house at district level.

Weaver Mudra Scheme

Under the Weaver Mudra Scheme, credit at concessional interest rate of 6% is being provided to the handloom weavers. Margin money assistance to a maximum of Rs. 10,000 per weaver and credit guarantee for a period of 3 years is also provided. 81,615 MUDRA loans worth Rs. 443.52 Crore have been sanctioned under the scheme. MUDRA platform adopted in September, 2016 for providing concessional credit. Procedure for loan application on MUDRA platform is user friendly for withdrawal of loan amount using RuPay card through ATMs.

Handloom Weaver Mudra Portal

This portal is operation from 1st of April, 2017, in association with Punjab National Bank to cut down delays in disbursement of funds for financial assistance. Bank claims worth Rs. 25 Crore have been settled through this portal. Participating banks submit the claim for margin money, interest subvention and credit guarantee fee on the portal and the margin money is transferred directly to loan account of the weaver and interest subvention and credit guarantee fee is transferred to banks in electronic mode.

India Handloom Brand

Sales of handloom products to the tune of Rs.582.93 crore has been generated as on 31.10.2018. 1185 registrations have been issued under 122 product categories. The India Handloom Brand was launched by the Prime Minister on First National Handloom Day on 7th August 2015 for branding of high quality handloom products, authentic designs set up in April 2017, provides single point contact to handloom weavers across the country for addressing their professional queries 7 days a week. Services are available through toll-free number in seven languages: Hindi, English, Tamil, Telugu, Bengali, Assamese and Kannada.

Common Service Centres (CSCs)

MoU was signed on 7th August 2017 with M/s CSC e- Governance Services India Limited to set up Common Service Centres (CSCs) to provide IT-enabled services, including e-commerce. Each CSC is set up @Rs. 3,78,400/- in handloom pockets, clusters and 28 Weavers' Service . Centres (WSCS). Of 162 CSCs sanctioned so far, 129 CSCs are functional.

Handlooms Promotion through e-Marketing

1. To promote e-marketing of handloom products, 21 e-commerce entities have been engaged for online marketing of handloom products. So far, total sales of Rs. 21.25 crores have been generated.

- To empower the weavers, and their families for career progression, memorandums of Understanding signed with Indira Gandhi National Open University (IGNOU) and National Institute of Open Schooling (NIOS). Ministry is providing reimbursement of 75% of the fee in NIOS/IGNOU courses for SC, ST, BPL and women learners.

Skill Development in Textiles sector

- Total 11,14,545 persons were trained under the scheme mainly in apparel and garmenting (86%) with total expenditure of Rs. 935.17 crore, of which 8,43,082 persons (75.64%) were given employment in the textile sector.
- Out of the persons trained during the years, 2015 to 2018, more than 70% were women, 22.69% were from SC category and 7.22% were from ST Category.
- In the last four years (from 2015 to 2018) 8.58 lakh persons trained in partnership with 58 Government and industry partners.
- The Samarath guidelines have been issued on 23.04.2018 and RFP for empanelment of Implementing Partners has been floated on 21.05.2018.

4. RECENT GOVERNMENT INITIATIVES

To promote exports of readymade garments and made-ups, Government of India increased Merchandise Export from India Scheme (MEIS) rates from 4 to 6 per cent under the Mid- Term Review of Foreign Policy 2015-20. The government is also making investments under the Scheme for Integrated Textile Parks and the Technology Upgradation Fund Scheme for training workforce and to encourage private investment in the Indian textile and apparel industry.

Export of textile items (in Million US \$)					
ITEMS	2013-14	2014-15	2015-16	2016-17	2017-18
Fiber incl. waste	4521.44	2711.85	2768.31	2520.74	2792.73
Yarn	6725.73	5984.31	5403.98	5260.58	5487.86
Fabrics	4676.39	4949.65	4572.89	4316.51	4349.51
RMG	15003.87	16847.20	16984.08	17469.43	16664.84
Made Ups	4469.39	4645.26	4584.91	4720.35	4996.72
Other textiles	2174.21	2521.27	2434.20	2342.46	2328.49
Total	37571.033	37659.52	36748.383	36630.07	36620.15
% change over the previous year	13.68	0.24	-2.42	-0.32	-0.03

Source : Monthly Statistics of the Foreign Trade of India. DGCIS, Kolkata.

5. CONCLUSION

Handloom industry creates noteworthy benefits for the economy in terms of micro- and macroeconomic impacts. It plays vital role to reduce poverty, increase employment, and enhance household income and consumption in the country. Handloom sector has positive contribution to employment generation and economic growth. But this sector faces various challenges which the reasons for non-operation of looms. Therefore, the government and the non-government organizations should come self-assured with financial, technical and policy supports for development of handloom industry. As a consequence of actual Government involvement through financial support and application of various progressive and welfare schemes, the handloom sector, to some magnitude, has been capable to flow over these hindrances. Accordingly, handloom arrangements a priceless part of the generational heritage and demonstrates the fruitfulness and multiplicity of our nation and the talent of the weavers.

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