

10

Handloom and Handicrafts

OVERVIEW

10.1 The dispersed and decentralized handloom and handicrafts sectors embody the traditional wisdom, cultural wealth, and secular ethos of India. It is not just a source of livelihood for 130 lakh weavers and artisans, but also an environment friendly, energy saving form of art that has secured India's presence in millions of homes across the globe; a presence that has been crafted by dexterous hands, many of whom are among the most marginalized sections of society. The handloom and handicrafts sectors make a valuable contribution to our economy; they also have the potential to play a much bigger role given the right environment. The Eleventh Plan recognizes this but unfortunately, two-and-a-half years into the Plan the policy interventions required to promote these sectors need to be much stronger. This is cause for concern. Unless backed by supportive policies, programmatic interventions will do little to change the reality of the lives of the weavers and artisans.

10.2 Currently, 60.6 per cent of the weavers are women and 36 per cent are from SCs and STs. Similarly, of the 67 lakh artisans in rural and semi-urban areas, 47.42 per cent are women, 23 per cent belong to religious minorities, 12.38 per cent are STs, and 24.73 per cent are SCs. The Eleventh Plan recognizes this. It also acknowledges the deprivation and destitution faced by skilled craftspeople and emphasizes the need to secure a future, both for the art and the artisans.

10.3 Many of the old schemes have been revised, enhanced, and clubbed together. New measures like health insurance have been introduced to enhance the quality of life of the craftspeople. The emphasis has been on a cluster approach. Two-and-a-half years into the Plan, these efforts are clearly visible at least in the handloom sector. The Handloom Weavers Comprehensive Scheme that provides life and health insurance has become increasingly popular and has provided much-needed access to healthcare for the weavers and their families. The performance of the cluster scheme has been slower, but change is beginning to take place at the micro level. However, the pace and extent of this change is too small to be visible at the macro level. In the remaining years of the Eleventh Plan it is vital to formulate a comprehensive policy that addresses issues like anti-dumping duty on silk yarn, distinction between handloom and handicrafts, VAT, and preferential procurement. At the same time, new interventions like the Pension Scheme, thrift fund, and special measures for minority groups and women, as promised in the Eleventh Plan need to be launched.

ELEVENTH PLAN AT A GLANCE

10.4 Recognizing the need to focus on both the art and the artisans, the Eleventh Plan advocated a two-pronged approach for ensuring the growth of the handloom and handicrafts sectors. It talked of the need for policy interventions backed by suitable programmatic interventions. The salient features of the Plan,

its approach, monitorable targets, and interventions suggested are given in Box 10.1.

MID-TERM APPRAISAL: THE PROCESS

10.5 To review the commitments and make a balanced assessment of the progress made in the Eleventh Plan, sectoral data was analysed (see Table 10.1), official documents and other reports were received, and discussion and assessment meetings were held with nodal departments of the implementing ministries as well as the state departments dealing with the subject. A Consultative Group of Experts for Handloom and Handicrafts Sectors was constituted with representatives from NGOs, Chambers of Commerce and Industry, Export Promotion Councils, Financing Institutions, etc. In addition to all this, it was decided to listen to ‘voices from the field’. Given the Plan’s focus on inclusiveness, concerns of SCs/STs and minorities, women’s groups, elderly, and others belonging to the marginalized sections of society were heard. Five regional consultations were held—in Guwahati for the North-Eastern states, Jaipur for the western states, Bhubaneswar for the eastern states, Chandigarh for the northern states, and Bangalore for the southern states. In preparation for the regional consultations, state-level consultations were organized by national-level NGOs working directly with the poor. These fed into the regional consultations.

10.6 As the Plan had emphasized the cluster approach, a study of two clusters under the new Integrated Handloom Development Scheme was commissioned. The Crafts Revival Trust, New Delhi visited and studied the clusters in Varanasi (Uttar Pradesh) and Chirala near Vijayawada in Andhra Pradesh; the findings of their reports have been taken cognizance of in this appraisal.

PROGRESS THUS FAR

10.7 During the Eleventh Plan period, 12 schemes of the Tenth Five Year Plan for the handloom sector have been merged into five schemes: (i) the Integrated Handloom Development scheme (IHDS), (ii) the Handloom Weavers Comprehensive Development Scheme, (iii) the Marketing and Export Promotion Scheme, (iv) the Diversified Handloom Development Scheme, and (v) the Mill Gate Price Scheme (MGPS). A sum of Rs 1,370 crore has been set aside for these schemes. The expenditure by the end of the first three years of the Plan is expected to be about Rs 1027.67 crore, which is about 75 per cent of the approved outlay for the period. Except for the Handloom Weavers Welfare Comprehensive Scheme, where the anticipated expenditure in the first three years will cross the total Eleventh Plan allocation and has received enthusiastic response from the people, most of the other schemes do not show similar progress.

10.8 For the handicrafts sector Rs 975 crore has been allocated and the expenditure till 31 March 2010 has been Rs 579.51 crore.

10.9 After two-and-a-half years, many schemes like the Pension Scheme and the thrift fund are yet to take off. The promise of making credit and working capital available also remains partially fulfilled. Progress on census and mapping is tardy and we have not been able to create a viable brand for hand-crafted products.

10.10 At the same time, there are examples of visible progress in these sectors. Despite some complaints of corruption and access, the schemes for providing social security to weavers and artisans were praised

TABLE 10.1
Performance of the Handloom and Handicrafts Sector during the Eleventh Five Year Plan

Item	2006–07 (end of the Tenth Plan)	2007–08	2008–09	2009–10 (P)
Handloom cloth production (million sq. m)	6,536	6,947	6,677 (P)	6,788
Handicrafts production (Rs crore)	38,660	31,940	19,376	20,221.5
Employment (lakh persons) handicrafts	67.69	69.72	71.81	73.96
Handicrafts export (Rs crore)	20,963	17,536	10,891	11,224.27

Source: Offices of the Development Commissioner (Handlooms, Handicrafts), Ministry of Textiles.

Box 10.1 Eleventh Plan at a Glance

The Approach

- MSEs are instruments of inclusion.
- Handloom and handicrafts are capital saving, labour-intensive engines of economic growth.
- Recognize the heterogeneity and differential needs of the MSE sector.
- Remove the artificial distinctions within the sector to ensure that handloom and handicrafts can avail of the benefits and schemes launched for the industry in general and for MSE in particular.
- Move from competitive to complimentary relationships between various sectors like handloom, handicrafts, powerlooms and silk.
- Focus on the crafts as well as craftspeople.

Monitorable Targets

- Double the production of handicrafts from Rs 43,600 crore in 2007–08 to Rs 90,412 crore in 2011–12.
- Double the exports of handicrafts from Rs 23,400 crore in 2007–08 to Rs 48,522 crore in 2011–12.
- Create 11 lakh additional jobs in the handicrafts sector.
- Export target of Rs 500 crore and credit flow of Rs 150 crore for NER for the handicrafts sector.
- Handloom exports to grow at 15 per cent per annum and Rs 10,000 crore by the end of the Plan.

Financial Allocation

- Outlay for handlooms: Rs 1,370 crore.
- Outlay for handicrafts: Rs 975 crore.

Policy Interventions

- Position handlooms and handicrafts as value added niche products.
- Preferential procurement by government institutions.
- Recognize the urban presence of handlooms and handicrafts and ensure that the needs of these sectors are taken into account in urban and rural planning.
- Balance productivity gains with the interests of producers while looking at labour laws.
- Examine the anti-dumping duty on Chinese silk yarn and silk cloth.
- Draft a policy on export of cotton yarn.
- Put in place instruments to ensure availability of credit and working capital.

Programmatic Interventions

- **Cluster-based Approach:** Organization of over 36.88 lakh weavers into handloom clusters; 375 new artisanal clusters covering 4 lakh artisans.
- **Quality Control, Marketing, and Promotion:** Branding of products and launching a widespread publicity campaign backed by style icons.
- **Preservation of Knowledge:** Creating a heritage library documenting traditional designs and weaves.
- **Census:** Carrying out a census and a mapping exercise to determine the presence of crafts and craftspeople across the country, along with their skills. Issuing photo ID cards to weavers and artisans.
- **Availability of Working Capital and Credit**
- **Availability of Raw Material:** Creating raw material banks and ensuring timely availability of raw materials to individual weavers and artisans at reasonable prices.
- **Social Security:** Launching health and life insurance schemes with components like education to improve the quality of life of weavers and artisans. To cover 83.92 lakh weavers/allied workers and 40.80 lakh artisans. Launching schemes for distress relief, pension, and thrift fund.
- Technology Upgradation and Transfer of Knowledge to Weavers and Artisans.

in all the regional consultations. In addition, there is awareness, albeit limited, about the cluster schemes. At the micro-level, therefore, one notices some stir-

rings but given the fast deteriorating condition of the artisans and weavers, more progress needs to be made (see Tables 10.2 and 10.3).

10.11 At the macro-level, the picture of production reveals negative features, production in the handicrafts sector dropped from Rs 38,660 crore in 2006–07 to almost half in 2008–09. In large parts, it is because of the setback to exports due to the global crisis. Exports declined from Rs 20,963 crore in 2006–07 to Rs 10,891 crore in 2008–09. For carpets, the decline was 23 per cent on a year-to-year basis in 2008–09. Difficulties in the export market aside, there are problems of getting adequate labour, as both local labour (east Uttar Pradesh) and migrant labour (Orissa) are not showing up in adequate numbers, because NREGA and other development schemes are providing them jobs at home. In the handicrafts sector alone 8.86 crore man-days¹ have been lost since October 2008. Part of this can be explained by the recession that had gripped the world economy which affected the handloom sector as well. The level of cloth production, according to official figures, almost stagnated during this period. Information on handloom exports is unavailable. So far as the numbers employed in the handloom and handicrafts sectors are concerned, the Ministry of Textiles continues to use 1995–96 figures, which are irrelevant after 14 years. There is no authentic database with the Ministry of Textiles on such a vital income generating sector; one that contributes significantly to GDP and exports.

THE REPORT CARD

HANDLOOM

10.12 Integrated Handloom Development Scheme (IHDS): This scheme was introduced in 2007–08 to focus on the formation of self-sustaining weavers' groups, and to provide a workplace to weavers. Being in a Public–Private Partnership (PPP) mode, it is a major breakthrough, with the potential of empowering thousands of weavers. The Eleventh Plan allocated Rs 605 crore to cover 36.88 lakh weavers and provide them with basic inputs like looms and accessories, working capital loans, product development infrastructure support, supply of equipment, design development, and marketing support. Of this, the anticipated expenditure for the first three years of

the Plan is Rs 344.48 crore covering 482 clusters. An outlay of Rs 125 crore has been earmarked for Annual Plan 2010–11.

10.13 The study of the Varanasi and Chirala clusters carried out by the Crafts Revival Trust and visits by members of the Planning Commission revealed the need for some amendments: (i) To avoid a conflict of interest it is imperative that a diagnostic study to evaluate the needs of these clusters is carried out by an independent organization and not by the implementing agency. (ii) Given the striking regional variations in weaving, there is need for greater flexibility in keeping with the needs of the weavers in the local cluster (to be spelt out in the diagnostic report. (iii) To direct assistance to the most deprived weavers, clusters should also be graded based on parameters like access to raw materials, status of infrastructure and tools, current levels of production (both quantity as well as turnover), per capita income generated, connectivity to markets, and awareness regarding market trends. (iv) Most importantly, women and ancillary workers should be trained and made a part of cluster committees, instead of merely being treated as 'help'. These findings need to be carefully considered and used for a mid-course correction (see Box 10.2).

10.14 Handloom Weavers Comprehensive Welfare Scheme: This scheme was introduced in the Eleventh Plan. It has two components: the ICICI Lombard Health Insurance and the Mahatma Gandhi Bunkar Bima Yojana, which provides life insurance. Over 18.78 lakh weavers received benefits in 2008–09 and claims worth Rs 61.82 crore were disbursed. The Eleventh Plan allocated Rs 425 crore for this scheme; and Rs 433.91 crore will be the anticipated expenditure in the first three years of the Plan. An outlay of Rs 170 crore has been earmarked for Annual Plan 2010–11.

10.15 Given the popularity of these schemes and the visible difference they seem to be making to the lives of weavers, there is a need to enhance allocation for the schemes. However, given reports of corruption, there

¹ Loss of man-days have been calculated based on the correlation coefficient of 0.383 between per unit percentage decline in the export and number of artisans. The calculation of loss of man-days is based on artisan population of 47.61 lakh.

Box 10.2**Varanasi: Integrated Handloom Cluster Scheme**

Urban: A cluster was started six months ago for the 1 lakh weavers in Bazardiha located in the heart of Varanasi. The office is a tiny one-room structure. Most people are unaware of the scheme because less than 1 per cent are covered under it. Just 300 weavers are members and the only benefit they have received so far is six looms, two jacquards, and five accessories, which were disbursed according to the decision of a cluster consortium of nine weavers. Availability of yarn, marketing links, and inability to pay premium of the ICICI Lombard Health Insurance Scheme continue to be major problems.

Rural: The cluster at Sarai Mohana is also a year old. Of the 10,000 weavers, 320 are members. The cluster scheme has helped by providing work sheds to 17 families. Since most people lived in kuccha houses and have never got Indira Awas loans, these work sheds are doubling as homes. Eight people have gone to Chanderi and eight to Kolkata for exposure visits. A designer has been identified but no design has been developed because there is no money for sample development. As a result, no marketing linkages have been formed. A yarn depot has been sanctioned but weavers are unwilling to use it because the yarn supplied through the depot is more expensive than in the open market. There are no women members in the cluster (Observations of Member, Handlooms and Handicrafts, on a visit during November 2009).

is also a need to streamline processes. To avoid misuse, health insurance cards could follow the format of the smart card. An independent third party evaluation of the Health and Life Insurance schemes could be commissioned to analyse and compare the premium paid to service providers against parameters like pending cases, disbursement, and period of pendency. This information should be put in the public domain and a grievance redressal system instituted. Data on the disease burden vis-à-vis the age profile of the weavers should also be obtained.

10.16 Many weavers expressed their inability to pay the premium for renewal of the Health Insurance scheme. There is a need to ensure that destitution and poverty do not force weavers out of this scheme. State governments should be encouraged to contribute towards the 20 per cent premium that is due from the weavers.

10.17 Diversified Handloom Development Scheme: The major objective of this scheme is to hold design exhibitions and workshops and to conduct the Third Handloom Census and issue photo identity cards to 50 lakh weavers. Though delayed, the census is expected to be completed by the end of March 2010. This will help in planning for the Twelfth Plan. Till 15 February 2010, 24.45 lakh weaver households had been interviewed. It is essential to include female weavers and ancillary workers engaged in the pre- and post-loom operations in the census and issue photo IDs

to them. These invisible workers form the backbone of the handloom industry and it is vital to ensure their well-being if the vibrancy of the sector has to be retained and sustained.

10.18 Mill Gate Price Scheme: The handloom sector is largely dependent on the organized mill sector for supply of yarn, in the form of hanks. Under the Mill Gate Price Scheme, yarn and dyes are supplied to individual weavers through 660 depots throughout the country. Mobile vans are also used to supply yarn to weavers in remote areas. Of the Rs 92 crore allocated for this scheme in the Eleventh Plan, Rs 88.09 crore will be the anticipated expenditure in the first three years of the Plan. The quantum of yarn distributed every year has also exceeded the annual target. An outlay of Rs 54 crore has been earmarked for Annual Plan 2010–11.

10.19 This scheme is popular but not because of its design or efficacy. The high utilization is largely because it is the only scheme that deals with supply of the most vital raw material required by handlooms. On the ground, the scheme restricts supply of yarn to master weavers and traders. In actual practice, cotton yarn is sold in the minimum quantity of two to three bales. Individual weavers are unable to access the smaller quantities that they need, thereby reinforcing their dependency on trader and the master weavers. Moreover, though the Mill Gate Price Scheme is designed to provide yarn to the Handloom

TABLE 10.2
Physical Progress made by Various Schemes in the Handloom Sector

Schemes	Eleventh Plan Targets	2007-08		2008-09		2009-10	
		Target	Achievement	Target	Achievement	Target	Ach. (up to March 2010)
Integrated Handloom Development Scheme	36.88 lakh weavers	13.50 lakh	15.41 lakh	9.22 lakh	11.61 lakh	9.00 lakh	13.02 lakh
Marketing & Export Promotion Scheme	Events: 1,841 Export projects: 75 Participation in international fairs: 50	343 15 10	313 01 07	343 15 10	389 14 09	500 15 10	560 18 10
Handloom Weavers Comprehensive Welfare Scheme	HIS: 83.92 lakh weavers MGBBY: 66.67 lakh weavers	17.74 lakh 4.66 lakh	17.74 lakh 4.66 lakh	18.00 lakh 4.94 lakh	18.78 lakh 5.75 lakh	14.31 lakh 6.00 lakh	16.11 lakh 5.10 lakh
Mill Gate Price Scheme	2,181 lakh kg yarn to be supplied	481.00	678.21	750.00	843.84	850.00	1076.46
Diversified Handloom Development Scheme	1,250 design exhibition-cum-workshops 22 lakh weaver households to be interviewed and 50 lakh photo ID cards to be issued	250	203	221	211	250	246
			Contract awarded on 19.03.08; to be completed in 18 months				24.45 lakh weavers households interviewed till 15.2.2010

Weavers' Organizations at the price at which it is available at the mill gate, weavers complain that National Handloom Development Corporation Limited (NHDC) yarn is often more expensive than what is available in the market. It is, therefore, important to revise the Mill Gate Scheme to ensure that small quantities of yarn and dyes required by independent weavers are supplied at reasonable prices. The yarn banks could also consider supplying ready-made warps.

10.20 Marketing Export and Promotion Scheme: Recognizing the need for market linkages, the Eleventh Plan allocated Rs175 crore for this scheme. It also stipulated the need for a change in the marketing strategy. It recommended positioning of handcrafted items as niche products and use of innovative measures for their promotion. Branding of products and use of youth icons to make handlooms into a fashion statement are two important strategies of the Plan. Not much progress has been made on this

front. There has been a tendency to carry on with the old marketing method of participating in regional, national, and international fairs, often with limited sales. Till March 2010, 1,262 events had been organized in the handloom sector against the target of 1,841 events for the Eleventh Plan as a whole, reaching an achievement of 69 per cent. For popularizing handloom products, the Ministry of Textiles has taken a number of steps like declaration and celebration of handloom week from 21 to 27 December every year; release of four postage stamps on Indian textiles in December 2009, publication of a Handloom Atlas in four foreign languages, as a sourcing guide for importers; and making available a design pool of ethnic and contemporary designs in 12 Indian languages on the web-portal www.designdiary.nic.in There is, however, a need to do even more and to ensure that handloom becomes a 'must have' in the wardrobe of every fashion, environment, or socially conscious citizen of this country. An outlay of Rs 57 crore has been earmarked for Annual Plan 2010-11.

HANDICRAFTS**Baba Saheb Ambedkar Hastshilp Vikas Yojana**

10.21 The Eleventh Plan allocated Rs 246.58 crore for providing basic inputs and infrastructure to 4 lakh artisans under this scheme. Using the cluster approach, approximately 75,000 artisans have been covered under the scheme so far. The expenditure till end of 2009–10 was Rs 132.19 crore, which is 54 per cent of the total Eleventh Plan allocation. An outlay of Rs 72.82 crore has been earmarked for Annual Plan 2010–11.

10.22 This is without doubt one of the most visible schemes and many of its components like provision of a credit guarantee, margin money, training of artisans, and creation of raw material banks have the potential of providing the much-needed impetus to the sector. However, in the regional consultations and during field visits, artisans expressed their inability to attend exhibitions outside the state as no TA/DA is provided. Few Common Facilities Centres have been established and only 11 Raw Material Banks have been sanctioned during the Plan. The process of getting ID cards is also very cumbersome. To fill these gaps and ensure greater reach and efficacy, an independent evaluation of this scheme and its revamping is recommended.

10.23 Research and Development Scheme: Rs 30.69 crore have been set aside under this scheme for various important activities like Artisans' Census and GI registration of products. Up to end 2009–10, Rs 13.07 crore had been spent. A website detailing all the handicrafts schemes along with their performance has been launched. This site also contains details about crafts clusters, products, and exporters. This is an important achievement. An outlay of Rs 12 crore has been earmarked for Annual Plan 2010–11.

10.24 Meanwhile the census for 40 per cent of the districts in the country and some surveys has been commissioned, but these are still in progress. It is imperative that the handicraft census and mapping be completed within the Eleventh Plan period to ensure that our policies and schemes in the Twelfth Plan are based on current realities and not figures which are almost two decades old.

10.25 Progress on the GI front has been lax. Although there are no targets for GI, being need-based, only 33 crafts have been registered so far and for 51 more crafts, the registration process is underway. Progress on the GI front needs to be expedited.

10.26 Handicraft Artisans Comprehensive Welfare Scheme: There are two components under this scheme. The Janashree Bima Yojana, launched in 2003–04 provides life insurance, accident insurance, disability insurance, and some educational support up to two children of the artisans. The Eleventh Plan targeted to cover 5 lakh artisans under this scheme. This scheme requires the artisan to pay a highly affordable premium of Rs 40 per annum. So far 9.42 lakh artisans have been covered under this scheme.

10.27 The Rajiv Gandhi Shilpi Swasthya Bima Yojana (RGSSBY) was launched in March 2007 on a pilot basis to provide artisans access to quality healthcare. Under this scheme an artisan family is covered for three years and primacy is given to renewals. The Eleventh Plan targeted to cover 40.80 lakh artisans under this scheme. For the first two years of the Plan this scheme has been open to all artisans, irrespective of their BPL status. Since the Health Insurance Scheme of the Ministry of Labour, which covers BPL families is being phased in, RGSSBY was continued in 2009–10 as well. Under the present scheme artisans are required to make an annual contribution of Rs 150. Those from the North-Eastern region and SCs/STs have to pay half of this. Currently, a large percentage of the artisans belong to the minority community and/or are women. Since they are also extremely deprived and vulnerable, the provision of halving the annual premium should be extended to them as well. Against the allocation of Rs 328.51 crore, Rs 226.17 crore had been spent up to end 2009–10. An outlay of Rs 84.11 crore has been earmarked for Annual Plan 2010–11.

10.28 Credit Guarantee Scheme: Since the formal financing sector has been finding it difficult to support artisans in the absence of fixed assets to offer as collateral security for loans, a scheme called the Credit Guarantee Scheme has been launched. This scheme provides Guarantee Fee and Annual Service Charges (GF&ASF) on behalf of the borrower, which is charged

by M/s Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) in lieu of the guarantee extended against the loan sanctioned to them by Member Lending Institutions (MLIs). A sum of Rs 2.80 crore has been placed with CGTMSE towards GF & ASF for this purpose. With the mechanism in place, it has become possible to bring handcraft artisans into the formal finance sector through Artisan Credit Cards (ACCs). Some banks have come forward to issue ACCs and, therefore, credit to handcraft artisans. Moradabad was the first place where 12,000 artisans were issued these cards with a credit of Rs 65 crore. Other clusters in Tamil Nadu, Puducherry, Rajasthan, Orissa, West Bengal, and Uttar Pradesh are also being issued ACCs and credit is being sanctioned to them.

THE ROAD AHEAD

10.29 An appraisal of the Eleventh Plan reveals that some measures, particularly those concerning social security, have been taken and have proved to be a great success. In fact, such has been the need and the demand for insurance schemes that the allocation for them needs to be enhanced. However, many important policy and programmatic measures listed in the Plan are yet to be implemented. It is important that they are carried out in the remainder of the Plan period to ensure that the gains made through the existing schemes are not lost to the weavers and artisans. The Mid-Term Appraisal of the Plan, therefore, recommends the following measures with immediate effect.

10.30 Launch of the Distress Relief Fund: Competition from Powerloom and Chinese goods masquerading as handlooms has adversely affected weavers in many parts of the country with severe distress in many cases. Many of them are winding up their looms, pulling rickshaws, and collecting garbage for a living. Recognizing the need for immediate intervention, the Eleventh Plan promised a Distress Relief Fund to ensure that weavers and their families do not become victims of starvation or despair. However, halfway into the Plan, this important scheme is yet to take off. It is imperative that it is put into operation in the next financial year.

10.31 Launch of the Pension Scheme and the Thrift Fund: These social security measures outlined in the Eleventh Plan are important to ensure social security as well as working capital for the weavers. Without these, other programmatic interventions will not bear fruit. These schemes need to be launched in the balance of the Plan period both for handloom weavers and artisans.

10.32 Institution of a Powerloom Mark: To prevent powerloom cloth from masquerading as handwoven fabric, a handloom mark is not sufficient. There is need to consider the introduction of a compulsory powerloom mark on every fabric woven on the machines. This could be in the form of a selvedge (text or symbol) on every metre of powerloom cloth. This distinguishing mark will enable consumers to differentiate between handwoven and machine-made products. The responsibility of ensuring the selvedge should lie with powerloom owners. To ensure that this does not adversely affect the already impoverished powerloom weavers, the Ministry of Textiles could consider starting a parallel scheme to assist powerloom owners to make the requisite changes in their looms.

10.33 Enforcement of Handloom Reservation: It must be ensured that the items on the handloom reservation list are not cannibalized by the mechanized textile sector. Further, at present the Handloom Reservation List includes only items woven with cotton and/or silk yarn. This reserved list could also include items woven with blended yarns, such as viscose and other blended fibres as this is the current demand.

10.34 Mapping of Handcrafted and Handwoven Products: In addition to the census, a careful mapping of handloom and handcraft products and clusters across the country is essential. We need to know where the crafts and craftspeople are located, in what numbers, and with what skills. This is important not just for directing schemes to the right people, but also ensuring that the items registered under the GI Act do not rob craftsmen of their livelihoods. For instance, Bagh prints have been registered under the GI Act and cover an area of just 8 sq. km. However, the same craft

TABLE 10.3
Physical Progress Made by Various Schemes in the Handicrafts Sector

Scheme	Eleventh Plan Targets	2007-08		2008-09		2009-10	
		Target	Achievement	Target	Achievement	Target	Achievement
Baba Saheb Ambedkar Hastship Vikas Yojana	600 clusters	120	147	120	125 clusters	120 clusters	123
Design & Technical Upgradation	1,186 events	220	340	197	162	237	522
Marketing Support & Services	<i>Domestic</i> 1,070 events <i>International</i> 743 events	205	487	212	492	263	289
Research & Development	Census of Handicrafts	99	59	61	65	170	63
	Census of 20 per cent districts in the country	Census of 20 per cent districts in the country	Census for 20 per cent of the districts for 4 regions awarded	Census of 20 per cent districts	Census of further 20 per cent districts for six regions awarded	One time survey/ census of remaining districts	Census in progress
	Artisan survey and studies as per requirement	As required	14 studies awarded	As required	30 new studies awarded; 17 workshops		10 new studies
	Set up 6 testing labs	1	1 (New Delhi)	1	1 (Bangalore)	1	Nil
Human Resource Development	Training through Institutions:120 Training under Guru Shishya Parampara: 350	12	07	18	7	30	6
	40,80,000 artisans	70	0	70	140	77	128
Handicrafts Artisans Comprehensive Welfare Scheme	Bima Yojana RGSSBY:	1.00 lakh 8.00 lakh	97.636 8.82 lakh	1.00 lakh 8.00 lakh	9.66 lakh 10.10 lakh	1 lakh 8 lakh	0.26 8.02lakh

is carried out in nearby Khugshi (in fact, Bagh learnt the craft from this town) and in many other towns along the Bagh and Gambhiri rivers. These craftsmen cannot be left out.

10.35 Inclusion of Ancillary Workers: To ensure continuity of weaving traditions, the skills involved in the entire production chain need to be preserved and supported. Ancillary workers who perform crucial pre-loom and post-loom operations must be recognized as significant contributors. They need to be enumerated in any mapping and diagnostic exercise in their own right. Ancillary workers should be included as beneficiaries within not only IHDS, but also all handloom schemes and should be provided with weaver as well as insurance cards.

10.36 Promotion as Niche Products: Both handloom and handicrafts should be promoted as niche products with a creative and social value. Celebrities, like film or sports icons, should be used to create a brand identity. For example, traditional weaves from the North-East should be used for creating furnishings by mixing and matching instead of imposing mainland designs in parts of the country where designs are germane and unique. There is a need to come up with innovative marketing ideas like preparing a small collectors booklet listing the 'unique' products handcrafted in India. This can then be distributed at Indian embassies and at all international airports in India. The attempt should be to encourage people to buy these items and to get a stamp on their collector's guide stating the place of purchase and USP of these unique items.

10.37 Examine the Anti-Dumping Duty on Silk Yarn and Silk Cloth: After a case filed by various Silk Reelers Associations in July 2002, the Directorate General of Anti-Dumping and Allied Duties (DGAD) imposed an anti-dumping duty on mulberry raw silk of 2A Grade and below indicating a reference price of US\$ 27.97 per kg of raw silk. This was to remain effective until January 2008. While this brought relief to the reelers, the weavers were hit hard. According to figures given in the Eleventh Plan, there is a shortfall of 10,000 metric tonnes of silk yarn. The weavers are forced to buy yarn at high prices due to anti-dumping duties.

For years they have been thus burdened. The Ministry of Commerce imposed an anti-dumping duty on silk fabric in April 2006, but the weavers still feel it is inadequate. The high duty on yarn makes it difficult for them to compete with Chinese fabrics despite the duty imposed (effective till April 2011). The extension of anti-dumping duty on yarn (with reference price of US\$ 37.32 per kg) till January 2014 is hitting them very hard. It is important to ensure yarn availability. If the government cannot reduce duty it should procure the 'shortfall' yarn and provide it to weavers at affordable rates.

OTHER POLICY DIRECTIVES

10.38 With the introduction of VAT, although cotton mill-made yarn has been exempted from sales tax or trade tax by a number of states, yet agencies have to submit set forms. Unregistered firms still have to pay tax depending on the state policy. Cotton mill-made yarn imported from outside the state by unregistered agencies/groups/firms raises the cost of production. Cotton or woolen mill-made yarn, which is the basic raw material, needs to be exempted from all restrictions in all the states. Similarly, the government needs to come up with a comprehensive policy on export of cotton yarn, keeping in mind the interests of cotton growers, reelers, and weavers.

10.39 Swarozgar Credit Card: Working capital loans need to be provided at easy repayment terms to ensure that the weavers have working capital for a three-month period to cover them during seasonal market cycles. The Swarozgar Credit Card scheme provides flexibility to weavers and artisans to withdraw and deposit money. A credit card can also be taken by SHGs and loan can be provided to members as per their requirements. This scheme needs to be publicized further and made more accessible to the weavers and artisans.

10.40 NGO Partnerships: The running refrain from all the regional consultations was the lack of awareness and the limited reach of programmes. This calls for an urgent response by way of developing an appropriate programme for awareness generation, which would involve NGO partners. They should be involved at all levels from design and implementation, to monitoring

and establishing linkages. Many NGOs have been running programmes successfully for the promotion of indigenous crafts and have even successfully created brands. These efforts need to be studied carefully, supported, and where possible expanded and replicated.

LONGER-TERM RECOMMENDATIONS

10.41 Institution of a Crafts Mark and Need for Handloom Handicraft Connection: The ambiguity between handloom and handicrafts limits benefits to artisans. There has to be a reduction in artificial barriers that prevent one group of workers from accessing certain schemes. What constitutes handicrafts needs a clear and firm definition so that items covered under this category are honoured by all agencies, including banks. There is an urgent need for a Crafts Mark to emphasize the art and creativity involved. The 'nomenclature' should also change from 'handicrafts' to 'handcrafted in India', to help further the branding process (see Box 10.3).

10.42 Creation of a Handmade in India Accreditation Board: The Handloom Mark is a much-needed brand identity for Indian handlooms. There is also a need for a powerloom mark and a crafts mark. However, none of these will be effective if they follow the same mode of implementation as the Handloom Mark. Similarly, while a scheme for registration of handloom and handcrafted products under GI has been launched, it is of little use as the weavers are too poor to fight legal battles against factory owners who breach their Intellectual Property Right. Currently, the Textiles

Committee is the main standard-setting body, the sole implementer, and certification agency. There is need for an independent Handmade in India Accreditation Board (HIAB) along the lines of the National Accreditation Board created for implementing the Organic Mark. The HIAB, under the Ministry of Textiles can have representatives from government, civil society, as well as the private sector. This body can be given the task of not only ensuring that the products using the handloom mark (and later crafts mark) are genuine but also for registering and investigating complaints for infringement of the GI Act, and for non-compliance on selvedging by powerlooms.

10.43 Promotion of Craft Education: Craft education should be introduced in schools and colleges. One example of this is the kind of initiative taken by the Craft Development Institute, Srinagar for conducting a 2-year postgraduate programme. Craft courses should be recognized for formal degrees or professional programmes. Further, in our country, craftsmanship has been traditionally handed down from parents to children but today, for fear of being accused of encouraging child labour, parents are not able to pass on their traditional knowledge to their children. Training children in crafts should, therefore, be seen as part of informal and formal education.

CONCLUSION

10.44 The handloom and handicrafts sectors showcase our cultural wealth. It encourages the coexistence of communities from diverse faiths, cultures, classes, and castes on a single production-cum-market

Box 10.3 Commonwealth Crafts Connection

Kamaladevi Chattopadhyay, the doyen of Indian crafts work wrote, 'The concept behind handicrafts, as originally conceived, was imbuing everything used in daily life, no matter how common or mundane, with a touch of beauty; to add brightness to an otherwise dull and drab existence.' Imagine if the Games Village and the Technical Village were furnished using our handlooms and handicrafts—curtains, bed covers, cushions, statues, and paintings. Each block could be done using the crafts and products of one state. Not only would this give the visitors a taste of India and its rich heritage, it would also provide livelihood opportunities to lakhs of families. Live crafts bazaars at the Villages or at the Games venue would sensitize people about our crafts, and at the same time, provide a 'never before' marketing opportunity for our skilled craftspeople. They could produce thousands of stoles, scarves, tweed jackets, hats, and paintings with the Games logo. They could sculpt the logo and mascot using different materials, designing unique Chamba rumaals with them and create hundreds of big and small memorabilia.

platform and thereby strengthens the secular fabric of Indian society. The Eleventh Plan recognizes this. The first half of the Eleventh Plan focused on schemes that ensure the well-being of craftspeople and improvement in the quality of their lives. These measures need to be continued. At the same time there is a need to re-vision the role of the government in these sectors in order to:

- a. Support preservation of traditional skills and knowledge, yet enable their development in the contemporary context.
- b. Provide financial and policy support and the necessary regulatory framework that fosters the development of viable entities which enable artisan and micro-enterprises (individually and collectively) to access:
 - i. supply chain management services;
 - ii. financing services, design, and technology services;
 - iii. branding and marketing services; and
 - iv. socio-economic services, in a manner similar to that provided to the organized sector.
- c. Enforce quality control and put in place a policy that enables weavers and artisans to become suppliers for big marketing chains, without being exploited.
- d. Facilitate marketing linkages, instead of doing the actual marketing.

10.46 In the long run a quality control and marketing mechanism needs to be put in place, which brings enough returns to the weavers and artisans to ensure that they lead a dignified life. The endeavour in the remaining part of the Plan period should be to create an environment in which these sectors (and consequently, those associated with them) can prosper and flourish.