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## **Welfare Schemes of Handloom Units in Karnataka with special reference to Kalaburagi (Gulbarga) district**

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### **Abstract**

In spite of large scale expansion of modern textile industry in India. Handlooms continue to occupy a prominent place in the country total economic output. It play vital role in country's economy. It is essentially a household industry and all the family members work as one unit as the head household performs the manufacturing work. Whereas other member of the family do the supporting or ancillary role. In general the socio-economic conditions force the weavers to depend upon the external agencies for infrastructural facilities. Some of them work independently; some of them organisations and others seek outside support. State government and central government are many handloom welfare schemes are introduced, due to lack of awareness and improper way of distribution still handloom weavers are suffering from financial support. An attempt has been made in this paper to study welfare scheme available to handloom weavers and analysis about amount sanctioned the result are interpreted by using statistical tools such as trend analysis and correlation.

**Keywords:** Textile, Handloom, finance and Scheme

### **1. Introduction**

The handloom industry in India has been known all over the world for centuries for its excellent craftsmanship. This industry has a long tradition of excellence, forming a part of the ancient cultural heritage. It satisfies one-third of the total cloth requirement of our country. It is a traditional and semi urban cottage industry which is interwoven with the life and style of Indian people. Next to agriculture, handloom industry provides job opportunities to millions of people all over the country. Handloom weaving is a labour intensive family occupation, in which all the members of a family can work. It has been described as the home workshop. Not only direct employment to weavers, it provides indirect employment to carpenters, sizers, rewinders.

Textiles sector is one of the largest contributors to India's exports with approximately 11 per cent of total exports. The industry realised export earnings worth US\$ 41.4 billion in the financial year 2014-15, a growth of 5.4 per cent. The textile industry employs about 40 million workers and 60 million indirectly. India's overall textile exports during Financial Year 2015-16 stood at US\$ 40 billion. As compare to financial year 2014-15 and 2015-16 earnings from export is decreased that comes to percentage is 3.5.

The textile industry has two broad segments. First, the unorganised sector consists of handloom, handicrafts and sericulture, which are operated on a small scale and through traditional tools and methods. The second is the organised sector consisting of spinning, apparel and garments segment which apply modern machinery and techniques such as economies of scale.

This study covers only unorganised sector that confined to handloom units. Next to agriculture, handloom industry provides job opportunities to millions of people all over the country. Handloom weaving is a labour intensive family occupation, in which all the members of a family can work. It has been described as the home workshop. Besides direct employment to weavers, it provides indirect employment to carpenters, sizers, welf winders, rewinders etc.

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### 1.1 Review of Literature

Analyzed the conditions of the weavers of Balarampuram in Kerala state the author expressed the labourers weaver's income was not to their work. So they had to depend upon master weavers. Most of the cooperative societies are run under the control of master weavers themselves but the actual members are labour weavers hired weavers. The master weavers, with the connivance of the official concerned, used to pocket the funds earmarked for handloom made available by the central and state governments and other agencies in the name of bogus members.

Rajkishor Meher (1995) [9]: the paper titled on "The Handloom industry and the socio-economic conditions of weavers in Orissa" studied that, socio economic conditions of handloom weavers. due to lack of proper organizational efforts this traditional cottage industry is losing its attractive occupational status. Even the highly skilled weavers fail to make ends meet by solely depending upon this occupation. As a majority of weavers are illiterates and semi-literates, the weavers' co-operative society at the village level is found to be under the effective control of dominant non weaving and vested interest group consisting of private master weavers, petty merchants and the like.

Seemanthini Niranjana (2004) [6] the author expressed that the Andhra Pradesh, weavers Co-Operative Societies has failed especially where effective marketing is concerned. Ideally, the formation of weaver Co-Operative was meant to tackle problems such as yarn, market access and of course, employment. In reality, the author find that is working has been vitiated by the aspects indicated here. The atrophy or even failure of institutional supports to the handloom industry is undoubtedly a matter that needs immediate attention.

G. Krishna Murthy (2004) [8], entitled on "Income, Expenditure, Indebtness and Poverty among the and Indebtness in Srikakulam District and he opined that the improvement of handloom weavers. Skills of these weavers are improved in accordance with the change in the tastes of the consumed. The improved skills help to improve the quality of production and also wage rates, which increases the income position of the weavers. At most of the households are very close to the poverty line. Government should extend some poverty alleviation programmes to these households to enable them to cross the poverty line and thereby reducing the incidence of poverty among the handloom weavers to a large extent.

### 1.2 Handloom industry in Kalaburagi district

In Kalaburagi district at present 16 Handloom weavers' co-operative societies are there. It is really a huge figure when compared to the total number of societies which are seen in the neighbouring district of Karnataka. In the same manner there are 1161 handloom weavers wildly engaged in the production of handloom cloth as a basic occupation. The main varieties of cloth that are produced in the district are Towels, Bed Sheets, Lungi, kambali and carpet. It is estimated that next to Agriculture, the handloom cottage industry functions as the second big occupation in Kalaburagi District. This field also gives employment to a lot of secondary handloom workers as winder, warper, dyer of cotton yarn and marketers. The handloom weavers' co-operative societies were started in this district with the assistance of Karnataka Government for the continuous

growth of the handloom industry. This is done through the office of the Assistant Director of Handlooms and Textiles, Government of Karnataka, Kalaburagi District.

The Assistant Director of Handlooms and Textiles at the district level (Kalaburagi) has the full power and control over the cooperative sector of the handloom industry in the district. The Assistant Director is responsible for the establishment of handloom weaver Cooperative societies, the enrolment of weaver members into these societies, the sanction of working capital, other finance and loans, the supply of handlooms to the loom less weavers, control over cloth production, disbursement of wage to the handloom weavers and the important handloom weaver "Welfare Schemes" such as group insurance scheme, integrated handloom development scheme, subsidies to the handloom cloths and small saving schemes to the handloom weavers have been also carried out by the Assistant Director of Handlooms and Textiles at the district level. The Assistant Director of Handlooms and Textiles is answerable to the Director of Handlooms and Textiles, Government of Karnataka, and the minister for the handlooms and Textiles. The Government of Karnataka comes at the top.

### 1.3 Handloom weavers and their welfare schemes

Handloom Industry plays an important role in providing non-farm sector employment opportunities in the rural areas especially for the handloom weaver and the weaker sections of the society.

The Central and state government have introduced various essential welfare schemes to give financial support, technical guidance, training, marketing assistance and Handloom basic facilities through cooperative societies. Basically divided two types' state wise and central wise. Some of the Central Sector Schemes are Integrated Handloom Development Scheme-IHDS Cluster, Group Insurance Scheme (Mahatma Gandhi Bunkar Bima Yojana) and Health Insurance Scheme: (ICICI Lombard). And state wise are Distribution of Saree, Dhoti to Weaker Sections, and Thrift Fund Scheme for Handloom Weavers, Assistance to Handloom Co-operatives, Marketing of Handloom Product, Weaver's special Package (KHDC), and Share capital assistance to Power loom Co-ops. Such Handloom weaves co-operative societies and their salient weavers welfare schemes certainly need and promote the real socio-economic conditions of the weavers. This is the major research study made in the present research work.

### 1.4 Scope of the study

The handloom sector is an important segment of the small scale and cottage industries providing jobs to lacks in the rural pockets. Even educated youth are taking up handloom weaving to eke out a living. Due to the decentralised and unorganised nature of the handloom sector, the Government has encouraged co-operative structure for the development of this industry. Hence the implementation of welfare scheme weavers' has been vigorously encouraged. The researcher intended to study "welfare scheme of Handloom Industry in Gulbarga district.

### 1.5 Objectives of the study

The following are the major objectives of the study.

1. To know the welfare schemes of handloom industries.
2. To analyse the handloom welfare schemes.

## 2. Methodology

**Sources of Data:** The study will be based on both the primary and secondary data. The information to be gathered from primary sources 150 handloom units located in the Gulbarga District; their performance, the support of government, weavers welfare scheme and other relevant data. Primary data pertaining to the welfare scheme for handloom weavers unit were collected from the sample survey by using questionnaire method. Secondary data were gathered from deputy officer, department of handloom and textiles industry Kalaburagi. And also Books, magazines,

journals, news papers, reports, and publications of government.

**Statistical Tools:** Trend analysis, correlation and chi-square tools are used to analyse the welfare schemes of handloom weavers.

### 2.1 Analysis and Discussion

#### i) To Know The Welfare Schemes Of Handloom Industries.

**Table 1:** The major handloom scheme

S no.	Name of the scheme
I	Central Sector Schemes
1	Integrated Handloom Development Scheme-IHDS Cluster
2	Group Insurance Scheme (Mahathma Gandhi Bunkar Bima Yojana)
3	Health Insurance Scheme : (ICICI Lombard)
II	State Sector Schemes:-
4	Distribution of Saree, Dhothi to Weaker Sections
5	Thrift Fund Scheme for Handloom Weavers
6	Living cum workshed:
7	Assistance to Handloom Co-operatives:-
8	Suvarna Vastra Neethi (2008-13)-
9	Marketing of Handloom Product
10	Weaver's special Package (KHDC)
11	Share capital assistance to Power loom Co-ops.
12	NA
13	NA

#### 1. Integrated Handloom Development Scheme-IHDS Cluster.

This is a Centrally Sponsored scheme formulated during XI Plan by merging the essential components of Deen Dayal Hathkarga Prothshahan Yojana Integrated Handloom Training Project, Workshed cum Housing Scheme and Integrated Handloom Cluster Development Scheme implemented during X Plan.

#### 2. Group Insurance Scheme (Mahathma Gandhi Bunkar Bima Yojana)

This is a Group Insurance Scheme for handloom weavers being implemented through LIC of India. All type handloom weavers (K.H.D.C., Co-ops.and unorganized) between 18 to 59 years of age are eligible to be covered under the scheme.The basic objective of Mahatma Gandhi Bunkar Bima Yojana is to provide insurance cover to handloom weavers in case of natural death (Rs. 60,000/-), accidental death (Rs. 1,50,000/-), total disability (Rs. 1,50,000/-) and partial disability (Rs. 75,000/-). In addition to above, a scholarship of Rs. 300/- per quarter per child is available to students studying in standards IX to XII, for a maximum period of four years or till they complete XII standard, whichever event occurs earlier. The benefit is restricted to two children of the member covered. And also, scholarships are provided for weavers children under Shikshak Sahayog Yojana from LIC. To assist the handloom weavers 50% of their annual premium contribution i.e., Rs.40/- per weaver beneficiary is being given by the State Government.

#### 3. Health Insurance Scheme: (ICICI Lombard)

Health Insurance Scheme for handloom weavers is being implemented through ICICI Lombard General Insurance Co.Ltd. The scheme enables the weaver community access to the best of health care facility. The scheme covers

weaver, spouse and two children. It covers all pre existing diseases as well as new diseases and keeping substantial provision for OPD.

#### 4. Distribution of Saree, Dhothi to Weaker Sections

The State Government has introduced the scheme with the twin objective of providing continuous employment to the weavers of KHDC and to provide basic clothing to the weaker sections at affordable prices. Sarees, Dhothies produced under the Scheme by Karnataka Handloom Development Corporation are distributed to the weaker sections in rural areas and urban slums through Public distribution system.

#### 5. Thrift Fund Scheme for Handloom Weavers:

Thrift Fund Scheme for handloom weavers of KHDC is in operation from the year1985. So far 5000 weavers have been covered under the scheme. Under the scheme each weaver will contribution 8% of his/her earning from weaving and Government will also contribute 8% as matching contribution (4%GOI +4%GOK). Both the contribution will be deposited in the Government Treasuries of respective places. 12% interest is paid for the deposit. The total operation of the scheme is restricted to 15 years. After completion of 15 years, the deposited amount will be refunded to the weavers along with interest.

#### 6. Living cum work shed:

As per Government order No. Vakai 37 Jakaiyo 2009 Dated 28.10.2009, and during the budget speech 2012-2013 Govt. has announced unit cost of Rs.95,000/- per living cum work shed, the Government will give assistance of Rs. 75,000/-, the beneficiaries contribution will be Rs. 5,000/- and the remaining Rs. 20,000/- will be the loan component. With

simple rate of interest and repayment in ten years half yearly for the constriction of living com work shed.

**7. Assistance to Handloom Co-operatives:-**

Under the scheme assistance will be provided for the development of Handloom Cooperatives, Weavers and Institutions.

**(i) Health Scheme:** Reimbursement of the medical expenditure for treatment of Cancer (maximum limit Rs.50.000/-) and financial assistance of Rs.500 per annum during the treatment Period. Reimbursement of the medical expenditure for treatment of Heart operation and transplantation of Kidney (maximum limit Rs.50.000/-) and financial assistance of Rs.500/- per annum during the treatment period. Financial assistance to mentally retarded and leprosy patients (Rs.500/- per annum). Rs.1000/- will be paid to the family members for cremation of the deceased weaver.

**(ii) Educational Scheme:** Scholarships will be provided to the weavers children to the various courses like PUC and Diploma courses, ITI course, Science degree, Other degree courses (B.A./B.Com)- and Professional courses in terms of Scholarship per annum, purchase of books and Additional stipend to distinction holders (70% and above)

**8. Suvarna Vastra Neethi (2008-13)- Implementation of Garment Policy**

The objectives of the Policy are Overall development of Textile sector with emphasis on readymade garments and Employment generation– Special thrust on Women, educated and uneducated youth of rural and backward areas. This scheme covers various sectors like Readymade garments, Handlooms, Power looms, Spinning, Knitting, Processing, Technical textiles, Textile machinery manufacturing.

**10. Marketing of Handloom Product (20% Rebate on sale of Handloom Products) – Co-ops and KHDC.**

A rebate of 20% is provided under the scheme on the sale of Handloom products by KHDC and Primary Handloom Weavers Co-operative Societies and Cauvery Handlooms during the designated 135 days of the year.

**11. Weaver’s special Package (KHDC)**

**12. Share capital assistance to Power loom Co-ops.**

The scheme is intended to encourage rural artisans to form power loom co-operatives so that assistance in the form of purchase of raw-materials and marketing could be rendered to the artisans through the societies. For this purpose, societies will be assisted in the form of share capital to meet the margin money requirements and also to increase borrowing capacity of the societies.

**ii) To analyse the handloom welfare schemes.**

**Table 2:** shows the year wise amount sanctioned for welfare scheme.

Year	2011-12	2012-13	2013-14	2014-15	2015-16
Target (in lakhs)	50.79	37.86	15.392	37.895	128.700
Achievement (in lakhs)	40.79	37.86	15.392	31.370	128.700

Source: Periodical Registers and files, Assistant directorate of Handloom and Textiles, Gulbarga District, Karnataka.

**Table 3:** Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Target	5	15	129	54.13	43.591
Achievement	5	15	129	50.82	44.630

Above table shows the amount sanctioned and achievement of five years. The minimum amount sanctioned in the academic year 2013-14 and maximum amount sanctioned in the academic year 2015-16. First four sanctioned amount is less than the average amount sanctioned that is 54.13 and

more than average amount sanctioned in last year. It can be conclude that there is a fluctuation in sanctioning amount for welfare scheme to handloom weavers in Kalaburagi district.

**Table 4:** Shows the Trend Analyses, Amount in Lakhs

Year	Target	Trend	Achievement	Trend	% of achievement
2011-12	50.79	100	40.79	100	80
2012-13	37.86	74	37.86	92	100
2013-14	15.39	30	15.392	37	100
2014-15	37.89	74	31.37	76	82
2015-16	128.7	253	128.7	315	100
Total	270.63		254.11		
Average	54.13		50.82		

Source: Periodical Registers and files, Assistant directorate of Handloom and Textiles, Gulbarga District, Karnataka.

It is seen from the above table that both the amount sanctioned and amount spent or achievement of welfare scheme of handloom weavers in the district growing well. With regards to the achievement, it has reached it target during all the years except

2011-12 and 2014-15. And also the amount sanctioned and amount spent of welfare scheme oh handloom weavers is highly fluctuating. However trend line is stagnating defecting neither increase nor decrease.

**Table 5:** Shows Correlation between Target Amount and Achievement.

Correlations			
		Target	Achievement
Target	Pearson Correlation	1	.995**
	Sig. (2-tailed)		.000
	N	5	5
Achievement	Pearson Correlation	.995**	1
	Sig. (2-tailed)	.000	
	N	5	5

Table 3 indicates that there is a highly positive correlate that is 0.995 between amounts targeted and amount achievement. So it can be inferred that there is a highly coefficient of correlation between target amount and achievement amount.

### 2.2 Summary of findings

1. Many of respondents are not aware about scheme, which is provided by both state and central government.
2. Many of respondents are not satisfied about scheme, because imbalance method distribution.
3. The sanctioned amount of handloom scheme in Kalaburagi in fluctuation in nature.
4. The daily wage rate is very low compare to other sector.

### 2.2 Summary of suggestion

The minimum wages act has to be amended to enable women to get proper and appropriate wages for their work, while being dynamic to the inflationary trends.

### 3. Conclusion

Handloom industry is oldest industry in India. It is generating more employment opportunities to lacks of artistic weavers. Central government and state government are introduced welfare scheme to handloom weavers, but in the recent past it have been facing more problems mainly finance due to lack of awareness of scheme and low wage rate. to revive the industry, the government should take steps to implement various scheme and programmes in addition to the above mentioned.

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