

IMPACT OF GOVERNMENT SCHEMES ON HANDLOOM WEAVERS AT MAHESHWAR, M.P.

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ABSTRACT

Handlooms form the highest employment generating, labor-intensive and export-oriented industry especially in rural and semi-urban areas in India. This paper aims to study the impact of various government welfare schemes on the weavers working in the handloom sector taking sample population of 106 weavers from Maheshwar city in Khargone district of Madhya Pradesh. Cross-sectional descriptive research was adopted to determine the awareness of weavers against the various schemes like yarn supply scheme, integrated handlooms development scheme, Marketing & Export Promotion Scheme, Health Insurance Scheme, Mahatma Gandhi Bunkar Bima Yojana and assessing the extent to which core issues in weaving are addressed through these schemes. It was revealed from the research that almost one-fourth of weavers surveyed was not aware of these government schemes. Hence, an immediate effort about awareness campaign from government of India in this area is required so that satisfactory usage of these schemes to improve the livelihood and enhancement income of the weavers may take place. This study thus gives recommendations to tackle the bottlenecks of the schemes.

Keywords: Handloom, Government Schemes, Maheshwar, Madhya Pradesh.

Introduction:

Textile industry plays a predominant role in India's socio-economic change at present providing employment to 43 million of the population directly dependent on this sector for livelihood. The Indian textile sector is the largest economic activity second only to agriculture and contributes significantly to GDP, manufacturing output and export earnings at 2%, 12% and 11% respectively in addition to employment generation.

Handloom, a part of textiles, comprising cotton, jute, silk, wool, artificial fiber, special fibers and sericulture faces intense competition from power loom and mill sectors. The Ministry of Textiles extended support to handloom through measures of policy formulation, trade regulation and export promotion. Nearly 19% of total cloth produced in the country via handloom substantially adds to export earnings.

NCAER's report on the third national handloom census in 2010 describes the handloom sector statistics in the country giving details on total number of households and non households involved in handloom sector, and individual handloom workers.

Some of the government handloom schemes implemented for development and welfare of handlooms providing holistic and sustainable development to weavers and enhancing their products in domestic as well as in global markets are:

- Yarn Supply Scheme
- Integrated Handlooms Development Scheme
- Marketing & Export Promotion Scheme
- Health Insurance Scheme
- Mahatma Gandhi Bunkar Bima Yojana

The history behind the formulation of the above mentioned schemes and the benefits they cater to the handloom weavers is discussed below:

Yarn Supply Scheme aims to aid in constant supply of basic raw materials and varieties of yarn to handloom weavers at a sustainable level off the mill gate price. This scheme constitutes three elements namely, supplying yarn at mill gate price; providing 10% subsidy on price of domestic silk, wool and cotton hank yarn and lastly, investing in NHDC.

Integrated Handlooms Development Scheme (IHDS) is a merger of four schemes implemented during the X Five Year Plan namely, the Deen Dayal Hathkargha Protsahan Yojana (DDHPY), Integrated Handloom Training Project (IHTP), Integrated Handloom Cluster Development Scheme (IHCDS) and Workshed-cum-Housing Scheme. The IHDS came into existence in the XI Five Year Plan (2007-08) with the main objective to form self-sustainable weaver's groups by including weavers within and outside the cooperatives in selected handloom clusters. It involves upgrading the skills of handloom weavers to produce diversified products meeting quality and market requirements and facilitating credits from financial institutions/banks. The scheme also assists in providing market orientation for marketing, designing and managing production by associating professionals, entrepreneurs and designers.

Marketing & Export Promotion Scheme (MEPS) is a centrally sponsored scheme initiated during the XI Five Year Plan. It constitutes promotion in the areas of marketing and handloom exports. This scheme aims to create awareness regarding fabric variety and design trends in handloom sector among consumers. It also provides infrastructural support to handloom agencies for marketing and sales of their products by establishing exhibitions at district, state, regional and national levels.

Health Insurance Scheme implemented in 2010-11 (in the revised form), is applicable for all handloom workers involved in dyeing, printing, finishing, sizing, Jhala making, jacquard cutting, warping and winding. This scheme covered (a) weavers along with their wife and two children, (b) all pre-existing diseases as well as new diseases and (c) has great provision for OPD.

The scheme is approved up to 30th November, 2012.

Mahatma Gandhi Bunkar Bima Yojana (MGBBY) implemented through Life Insurance Corporation of India (LIC). The scheme caters to handloom weavers providing them insurance cover under either

natural or accidental death and total or partial disability. Additionally, there is a provision of Rs 300 quarterly scholarship per child for maximum period of four years while studying from IX to XII or until completion of XII standard, whichever occurs prior to the other but is limited to two children per member covered under the scheme. The Scheme is approved till 31st March, 2013 only.

Statement of Problem:

This paper is aimed at studying the impact of government schemes on weavers by sampling the weavers from handloom zone of Maheshwar city of Madhya Pradesh. This sector was ignored by the government from the angle of revival of traditional techniques adopted by weavers in producing Maheshwar sarees since independence. With the advent of New Textile policy, government started some schemes to address few issues of workers involved in the area of cloth manufacturing (including handloom and handicraft sector). This research attempts to study the influence of such schemes towards enhancing the livelihood and income of weavers in this area.

Objectives of the Study:

The central objective of the study is to determine the impact of government schemes on the weavers of Maheshwar city in Madhya Pradesh. Several sub-objectives are as follows:

1. To determine the extent of awareness of weavers on various government and welfare schemes applicable to them.
2. To assess the reach of government schemes in addressing the core issues (for example, margin money requirement, basic inputs, up-gradation of skills, health issues and construction of worksheds, etc) involved in weaving.
3. To determine the impact of government schemes on the income level of weavers.

Literature Review:

Indian handloom sectors were given priority in the mid 80's with the advent of Textile Policy. Henceforth, various economists started conducting research from 1982 onwards. There is presently no research study conducted on the impact of government schemes related to the handloom sector. Some of the empirical studies conducted pan India to study handloom sector and Textile policy were as follows: Srinivasulu K. (1996) analyzed the impact of 1985 Textile Policy on handloom sector. He found that the objective of NTP (New Textile Policy) is to increase productivity and efficiency of mills and power-looms to meet national as well as international market demand. Due to implementation of NTP, there was fear of unemployment of artisan communities engaged in handloom weaving. In spite of their numerical strength, they could not protest and resist, and fail to be heard and their limited organization fails to threaten the electoral prospects of the governing elite. Similarly, Jain L. C. (1985) established in his research paper that if NTP is implemented in India then it is the end of handloom industry as there will be no protection for handlooms against unequal competition from mills and power-looms, and there will be a significant impact on rural employment in the country. He states that policy expects handlooms to depend on their own muscle power to compete with mills.

Niranjana S. (2001) raised the major issues faced by weavers in three states namely, West Bengal, Kerala and Andhra Pradesh. According to the study, weaver's sole dependence about what the weaver wove on organizational structure, inferior technology for cotton and yarn processing; high yarn procurement cost and yarn shortage has been a major problem for handloom weavers. Mukund K. and Syamasundari B. (1998) conducted a study to explore reasons for poor functioning of weavers' co-operatives in Andhra Pradesh. The function of co-operatives was to distribute yarn at subsidized price to the weavers. But the amount of yarn supplied was inadequate due to which weavers had to buy yarn from open market at a higher price. Wages were also low. The cause of inadequate supply of yarn is attributed to politicization of co-operatives. The functioning of cooperatives was therefore controlled by government by setting up certain regulations. Dev S. M., Galab S., Reddy P. P. and Vinayan S. (2008) studied the problems and projection of the handloom sector

in Andhra Pradesh. Two major factors that came into sight were poor performance of co-operatives and poor economic condition of weaver which was of interrelated nature. It was analyzed that weavers were paid well and got adequate work if co-operatives are strong. Hence, strengthening the functioning of cooperatives and producing brand valued products to counter competition from power-loom and mills and improve the conditions of weavers was the way forward.

Dharmaraju P. (2006) explored the experience of handloom weavers working in two co-operatives- Angara and Koyyalagudem in Andhra Pradesh. Unlike other societies in Andhra Pradesh which are mainly dependent on order based production, Angara handloom co-operatives adopted market driven production strategy of appointing professional designer to train weavers to integrate designs in production process. Angara closely observed market trends and quickly incorporated them in production process, used fine quality raw material and effective pricing strategy helping co-operatives to increase sales not only in Andhra Pradesh but in other states also. Koyyalagudem co-operative, on the other hand held on to their ikkat weaving technique. The falling of demand for 'ikkat' in 1995 and sluggish nature of export markets collectively contributed to downtrend of sales of Koyyalagudem co-operative products.

Sehgal G., Mir A. (2014) studied various developmental schemes implemented by government, semi government and other supporting agencies in Jammu and Kashmir State for socio economic development of various sectors such as agriculture, handlooms and handicraft. In agriculture sector, Kisan Credit Card (KCC) Scheme took a gradual increase in the first instance but later the achievement level decreased. As far as handloom sector was concerned, scheme showed an up down phenomenon. In handicraft sector, it was analyzed that the scheme implemented didn't show much achievement in the beginning but later achievement graph started increasing rapidly.

Kasisomayajula S. R. (2012) analyzed the socio-economic status of handloom industry in Andhra Pradesh. The real income of handloom workers was found to be declining even though active central and state government schemes were prevalent. There is a need for policy change at central as well as state level. He suggested that instead of designing similar schemes all over the country, there should be separate and customized schemes for North East India and the rest of the India. Failure of many schemes is because of improper coordination of central and state government. Budget allocation to handloom sector is quite low and government is unable to utilize allocated funds properly. Devi L. (2014) studied the socio-economic conditions of the handloom workers in India. It has been found that handloom sector has slowly deteriorated over the years. Handloom weavers were facing severe livelihood crisis because of adverse government policies, globalization and change in socio-economic conditions. Ineffective implementation of government schemes has increased unfair competition from the power loom and mill sectors which are responsible for the crisis.

Kumar, P. S. (2014) reviewed state-wise handloom position in India in the year 2009-10, production of handloom sector from 1995-96 to 2013-14, export of handlooms from 2009-10 to 2011-12 and financial assistance to states from the period of 2001-02 to 2013-14. It is observed that numbers of weavers were reduced from 65 lakh in 1995 to 43.32 lakh in 2010, due to global recession in 2008 and impact of growing competition from mills and powerlooms. Production in handloom sector has declined from 7202 million square meters in the year 1995-96 to 7116 million square meters in 2013-14. Export of handlooms surged from US\$ 265 million in 2009-10 to US\$ 554 million in 2011-12. Tamil Nadu got the highest funds from centre accounting from the period of 2001-02 to 2013-14, followed by Andhra Pradesh, Gujarat, West Bengal, Rajasthan, Kerala, Uttar Pradesh, Haryana and Madhya Pradesh. Current study taken is an attempt in the handloom sector as it is done by Sehgal G., Mir A for Jammu and Kashmir State in handicraft and agricultural sector. This study is limited to find out the impact of Government schemes for handloom sector in the Maheshwar city in Khargone district of Madhya Pradesh.

Research Methodology:

Research is the science of exploring the existing knowledge and examining it to discover or prove results, establishing facts and solving and developing theories. A research can be classified by purpose or by method. This study is based on certain purpose that how much impact government schemes made on the income level and livelihood of weaver. This study is based on cross-sectional descriptive research.

Research Design:

Target population/Area:	Handloom weavers of Maheshwar City in Khargone district of Madhya Pradesh.
Sampling unit:	Weavers and master weavers of Maheshwar
Sampling Method:	Convenience sampling method (non-probability sampling) was chosen to save time and cost
Data Collection Methods:	Primary and Secondary Data
Data Collection tools:	Interview through Structured Questionnaire
Sample Size:	106 individuals (97 weavers and 9 master-weavers)

After collecting data, the information was edited, coded and tabulated to facilitate analysis of data on Microsoft Excel 2007 and SPSS 20. Testing of the hypotheses was done on the statistical tools like Friedman Test.

Hypotheses of the Study:

1. There is significant awareness of government schemes related to handloom sector amongst the weavers and master weavers in the Maheshwar.
2. There is significant impact of government schemes in all the areas it addresses.
3. There is a significant impact of government schemes on the income level of weavers and master weavers in the Maheshwar.

Data Analysis:

In response to the questionnaire which is administered 146 people we got the response for 97 weavers and 9 master weavers. Demographic analyses of these were as follows:

Demographic Profile:

Table 1: Demographic Profile

Particulars	Number of Weavers, (Master-weavers)	Percentage
Gender		
Male	53 (9)	59.5
Female	44	41.5
Age Group (years)		
15 - 25	14 (1)	14.16
25 - 35	12 (1)	12.26
35 - 45	37 (5)	39.62
45 - 55	22 (4)	24.53
above 55	10	9.43
Area to which weaver belongs		
Rural	86 (9)	89.62
Urban	11	10.38
Education level		
Illiterate	28	26.41
Primary School	34	32.07
Secondary School	24 (1)	23.58
High School	8 (1)	17.92
Graduate	3 (3)	5.66
Post-graduate	0 (4)	3.77
* Figures in bracket stand for master-weaver responses.		

Source: Compiled by researcher

The demographic profile showed that weavers were practiced by a greater proportion of rural people (88.65 percent) than urban with males outnumbering the females in this sector. As far as master-weavers are concerned, all were belonging to rural area. Nearly nine-tenth of the handloom weaver population studied was in the productive age group of 15 to 55 years (89.47 percent). Also, over one-fourth of the weavers attained little or no schooling. Nearly one-third and another one-fourth of the weaver population had completed just primary and secondary schooling respectively. Master-weavers are mainly graduates and post-graduates.

The negligible percentages of higher educated people indicates towards educational poverty of the population under study and the lack of scientific practices and technological innovations at par with power-looms can be inferred as one of the consequences undermining handlooms.

Awareness of Welfare Schemes Provided by Central/State Government to Handloom Workers:

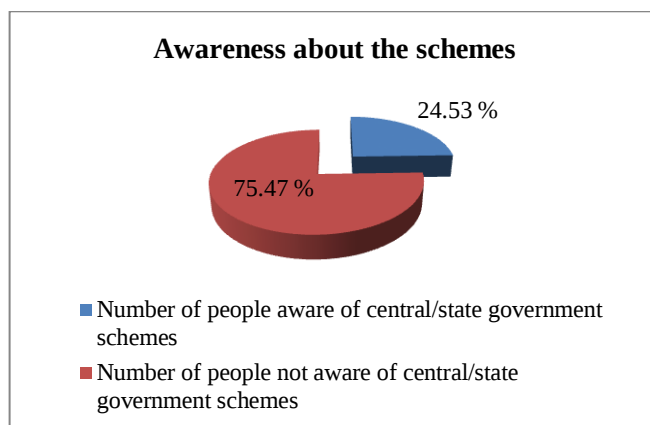


Figure 1: Awareness about government schemes

Around three-fourth of weavers and weaver-masters (72.6 percent) were found to be aware of central and state government schemes like Integrated Handlooms Development Scheme, Mahatama Gandhi Bunkar Bima Yojana, Health Insurance Scheme, Marketing & Export Promotion Scheme and Yarn Supply Scheme. Government should take necessary steps to make these schemes aware to all sections of the weaver community. Weavers must know benefits of these schemes, especially those living in the back of beyond.

Impact of Yarn Supply Scheme on Weavers:

Most of the weavers (98.11 percent) are satisfied with this scheme as they get all types of yarn (basic raw materials) at mill gate price.

Impact of Integrated Handlooms Development Scheme on Weavers and Master-Weavers:

The impact of IHDS on weaver and master-weavers was studied by ranking the satisfaction generated by the provisions of the scheme to the weaver using Friedman test (non-parametric test). Weavers satisfaction was found to be low associated with provision of providing margin money for working capital, money to purchase new loom, dobby, jacquard and accessories, money for construction of a worksheet, interaction with the connected organizations. In case of master-weavers, satisfaction level is low in providing money for purchase of computer aided textile design (CATD) system and creating awareness about the unique handloom products. But, the aspects of the scheme including training programs in weaving, dyeing and design to enhance working skills and provision of facilitating credit from financial institutions/banks found appreciation and high satisfaction among the weavers and for master-weavers providing one-time money assistance as corpus fund to ensure supply of yarn through yarn depot was highly satisfactory.

Nine-tenths of the population under study was found to be benefited from training programs in weaving, dyeing and design thereby increasing their annual earnings by 5% to 15%.

Table 2: Rank for IHDS (weavers)

Ranks	
	Mean Rank
Margin Money	2.68
Money to purchase	2.66
Construction of workshed	2.60
Training	5.32
Facilitate credit	5.26
Interaction with organization	2.48

Source: Compiled by researcher

Table 3: Rank for IHDS (master-weavers)

Ranks	
	Mean Rank
One time money assistance	2.78
Purchase of CATD	1.72
Create Awareness	1.50

Source: Compiled by researcher

The calculated value of test statistics (asymptotic significance), p -value is less than level of significance (α -value = .05), so the null hypothesis is rejected. This provides evidence that there is a significant difference in satisfaction level of components/aspects of IHDS.

Table 4: Friedman Test for IHDS (weavers)

Friedman Test	
N	97
Chi-Square	398.738
Df	5
Asymp. Sig.	.000

Source: Compiled by researcher

Table 5: Friedman Test for IHDS (master-weavers)

Friedman Test	
N	9
Chi-Square	10.414
Df	2
Asymp. Sig.	.005

Source: Compiled by researcher

Impact of Marketing & Export Promotion Scheme (MEPS) on Weavers:

Determining the impact of MEPS on weavers with regard to the satisfaction generated by the various aspects/ components of the scheme to the weavers was done using Friedman test (non-parametric test) on ordinal scale. The lower the mean rank, the higher is the overall dissatisfaction level for that component. Low belief/satisfaction is found to be associated with encouragement/support from the scheme towards innovation in designs and awareness of brand identity in the market. However, the provisions of the scheme including organizing national handloom expos, special expos and generating

awareness of technological developments and advances to improve quality and productivity of weavers have found healthy belief and satisfaction. Promotion of traditional skills was also positively appreciated by the weavers as part of this scheme.

Table 6: Rank for MEPS

Ranks	
	Mean Rank
Organize expos	4.03
Innovation in designs	1.48
Promote traditional skills	3.96
Awareness of brand identity	1.54
Awareness of technology	4.00

Source: Compiled by researcher

Test statistics (asymptotic significance), p -value is found to be less than level of significance (α -value = .05), so the null hypothesis is rejected. This provides evidence that there is a significant difference in satisfaction level of components/aspects of IHDS.

Table 7: Friedman test for IHDS

Friedman Test	
N	106
Chi-Square	415.813
Df	4
Asymp. Sig.	.000

Source: Compiled by researcher

The calculated value of test statistics (asymptotic significance) is less than level of significance (.05), so the null hypothesis is rejected. This provides evidence that there is a significant difference in satisfaction level of components/aspects of MEPS.

Impact of Health Insurance Scheme on Weavers:

This gave benefits to handloom weavers of Maheshwar from pre-existing diseases as well as new diseases not only to weaver but also his wife and children. But scheme has been disapproved by the government, once they came to know that weavers are producing fraud bills to take wrong advantage of this scheme. Scheme was drawn back by government in November, 2012.

Impact of Mahatma Gandhi Bunkar Bima Yojana on Weavers:

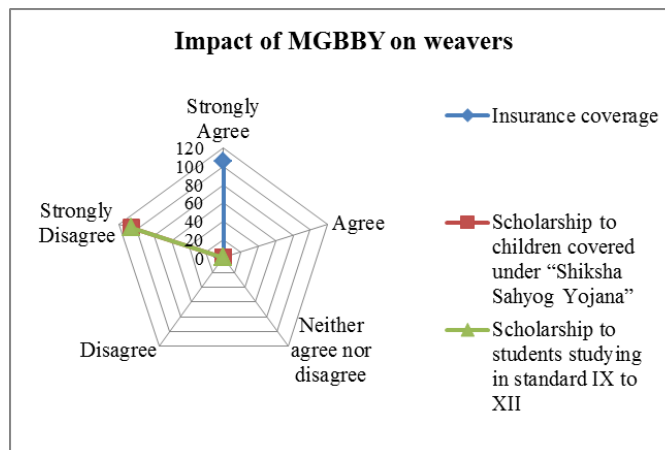


Figure 2: Impact of MGBBY

The insurance coverage in case of natural death or accidental death or total disability or partial disability was availed by each and every weaver who comes under this scheme. But the other two components which are regarding scholarship to children were not given to weaver's family. The scheme was withdrawn in March, 2013.

Limitations of Study:

- The short duration of the research limited the study of all possible factors impacting the livelihood of weavers of Maheshwar, Bhopal.
- Respondents available for study were limited due to the master weaver's apprehensions on losing his workforce to interaction with outsiders on better livelihood opportunities.
- There could be bias in the responses of the respondents owing to on their unwillingness towards disclosing personal information.

Conclusion:

The study concludes that almost one-fourth of weaver population sampled was not aware of central and state government schemes. Hence, immediate efforts are to be made by the government of India to increase the awareness and satisfactory usage of these schemes to improve the livelihood and enhance income of the weavers.

Research study on Integrated Handlooms Development Scheme suggests that various facilities/components (provision of providing margin money for working capital, money to purchase new loom, dobby, jacquard and accessories, money for construction of a worksheet, interaction with the connected organizations, providing money for purchase of computer aided textile design (CATD) system and creating awareness about the unique handloom products) were not effectively catering to the weavers and less than 15 percent of the weaver population were only found to be benefited by the IHDS. This could be attributed towards inadequate fund allocation and slow process of release of funds by the government bringing down the belief/satisfaction towards the scheme. Technical training was not found to bring any satisfactory result despite computers being provided to weavers through government schemes.

Study on Marketing & Export Promotion Scheme revealed that weavers get little or no support from the scheme regarding innovation in design component and they themselves develop new designs as per the market needs. They have little knowledge of brand identity and its impact on customer's thinking. Sales of handloom products of Maheshwar in global market can be increased essentially by registering their products with brand name and logo.

The findings on Mahatma Gandhi Bunkar Bima Yojana (MGBBY) and Health Insurance Scheme illustrate weaver's illicit way of producing fraud bills and taking undue advantage of these schemes. This misuse can be counteracted by regular monitoring of health centers by employing third party non-governmental organizations for the sake of effective and judicial implementation of the schemes.

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