



Impact of National Handloom Development Programme (NHDP) – Adoration to GI Tagged Kuthampully Sarees

U Priyanka and V Vimala[†]

¹Department of Commerce, Avinashilingam Institute for Home Science and Higher Education for Women, Coimbatore – 641 043, Tamilnadu, India

Received: 26th April 2021; accepted: 21st June 2021

Geographical Indication (GI) handloom products are traditional authentic products with irreplaceable uniqueness and quality. Indian handlooms play a prominent role in the nation's socio-economic development. The Fourth Handloom Census pinpointed that millions of weavers are employed and are contributing to India's GDP growth. Nationwide pandemic COVID-19 affected this local community. Still, the Government's Make in India Scheme moving towards the Atmanirbhar Bharat Abhiyan Scheme implemented many sub-schemes and government programmes for GI tagged product and weavers. One among the noticeable centrally launched scheme is National Handloom Development Programme (NHDP). This study emphasised on the Geographically Indicated Kuthampully weavers to understand the awareness and benefits of NHDP along with the impact on financial assistance provided to the weavers. About ninety three weavers of GI tagged *Kuthampully Sarees* of KaitharyNeithuVyavasayaSahakaranaSangham Limited, No. H.IND. (R) 196, P.O: Kuthampully Cooperative Society was selected. The results revealed that most of the weavers were aware of and received benefits from this scheme. More financial assistance and needed benefits have to be provided to the traditional handloom weavers as their effectiveness, and efficiency in production along with government support make these Made-in-India GI tagged products and handloom weavers a treasure and valuable asset for our country.

Keywords: Make-in-India, Atmanirbhar Bharat Abhiyan, Geographical Indication, Gross Domestic Product, Kuthampully weavers, National Handloom Development Programme, Handloom Census Report, 2019-2020, Textile Policy

The traditional Handloom system in India plays a prominent role in the nation's socio-economic development. This sector holds up the second position in terms of employment and exports. As per the Fourth Handloom Census Report, 2019-2020, 28.2 lakhs of handlooms are operated with more than 34 lakh allied workers, thereby contributing to India's GDP growth.⁵ Narrowing down to Kerala, this sector has significant potential with the growing demand for authentic products.⁹ Kerala sarees bear a stamp for their highly unique and flawless quality. According to Section-3 of the TRIPS (Trade-Related Intellectual Property Right), the Agreement¹⁵ lays down basic principles and pinpoints Geographical Indication as a tag that indicates and identifies goods originating from a specific geographical location and possess the characteristics due to place of origin.¹¹ The state of Kerala is renowned with more than five geographical indicated handloom products with the oldest being the *Kuthampully Sarees* registered in the year 2010-2011.³ This product is categorized under Class 25 as

handloom. The production is concentrated in the village of Thiruvilamala with five registered applicants. Due to increased demand for *Kasaav Sarees* and economic benefit, production and marketing are now widespread in areas of Palakkad. GI *Kuthampully Sarees* weaving is the primary source of income among weavers thereby leading to rural and economic development.³

The worldwide pandemic COVID-19 mostly knocked down the handloom sector and weavers; however, this local community stabilized and got significant support from the various schemes endeavoured by the Government of India. Handloom programmes and their production is an intrinsic objective of the Make-in-India Scheme. Taking a major step towards Atmanirbhar Bharat Abhiyan, the Ministry of Textiles, along with various state governments, announced numerous schemes that benefit and provides credit assistance for GI tagged handloom weavers. Thus, the study assesses the impact of the National Handloom Development Programme (NHDP) of the Make-in-India Scheme among the *Kuthampully Weavers*.

[†]Corresponding author: Email: dr.acharyvimala@gmail.com

National Handloom Development Programme in India-Central Scheme

NHDP is one of the noticeable schemes implemented by the Handloom Promotion in the year 2017-2018 to 2019-2020 for the development of the weavers and to have a holistic approach. The strategic intervention includes effective promotion, skill upgradation, uniform allowances, and for easy access to margin money with other financial assistance through the weaver's Mudra Scheme.¹⁴ Major components under the umbrella programme are:

- (i) Handloom Marketing Assistance
- (ii) Weavers Mudra Scheme
- (iii) Hathkargha Samvardhan Sahayata
- (iv) Education of Handloom Weavers
- (v) Indian Handloom Brand and Urban Haats

Handloom marketing assistance provides the best marketing platforms for the weavers, thereby enabling them to sell sarees or handloom products directly to the customers. Under the weavers, mudra scheme Rs. 10,000 is provided as margin money and interest concessional loans. HSS scheme ensures in providing innovative techniques to improve the quality of production. Free uniform and educational facilities are provided to children of the weavers. Indian handloom brand strategically enables in brand building and marketing of these products in the urban area through various exhibitions and E-Marketing.

The Textile Policy has given immense importance to the Handloom Traditional Sector since the early '80s. Geographical indications are a community held right with tremendous potential which has been recognised from late 1883 in Paris convention. From the various literature works, it can be pinpointed that there are fewer studies related to the impact of the National Handloom Development Programme on GI Tagged *Kuthampully Saree* weavers. The potential of Geographical Indicated products in the Indian market.¹

The producers' major problem was the lack of post-registration activities of marketing and the importance of Government schemes for its promotion. The handloom sector of Kerala employed more than 75 lakh employees from urban and rural areas. Government programmes enabled the workers to withstand stiff competition. The study also highlighted the need for various policies like NHDP, Yarn Supply Scheme, and other regulatory methods would pick up Kerala in its handloom sector.⁹

The Make-in-India programme created a considerable impact among the weavers and opened

vast investment opportunities. It began a new life in the handloom sector with sub-components, thereby strengthening the traditional culture of India. With the recognition of marketing opportunities in the handloom sector, government measures remained underutilised without proper implementation and planning of marketing and promotion.¹⁰ For leveraging the tag potential, more standards and brand-building technique have to be implemented. The handloom sector comprises of an organised and unorganised sector that has immense potential and strength to contribute to the Indian economy along with the various programmes launched by the textile ministry.⁸ The major schemes and government programmes provided a rebate at 10% and supported handloom weavers.⁷ National Handloom Development Programme has created a lesser impact on the skill and technical upgradation but provided financial and credit assistance to the weavers. The study emphasized the central scheme and its importance in the marketing and promotion of handicrafts products.⁴ Atmanirbhar Bharat Abhiyan, a new concept, enabled local communities to withstand the COVID-19 pandemic with fund allocation, this paramount scheme can make India self-reliant with more government schemes not only in urban but also in rural areas.²

Kerala consists of more than five geographical indicated handloom products and most of the products are linked to rural areas. Centre and state government initiated various schemes to support this local community, but the impact of schemes among handloom weavers is a question mark. *Kuthampully Sarees* are well known for the high export market and growing demand, but low income is forcing the weavers to look for more textile policies and support. Significant pieces of literature pointed out the lack of government support in post-registration activities. NHDP is an umbrella scheme covering credit assistance until the marketing of products. Hence, this study attempted to examine the impact of the National NHDP among the *Kuthampully* Weavers.

For the survey purpose, weavers of Kuthampully Kaithary Neithu Vyavasaya Sahakarana Sangham Limited, No. H.IND. (R) 196, P.O: Kuthampully, Dist: Thrissur, Kerala, India were selected. Society was established in the year 1972 with 792 looms (Society *et al.*, 1972). They were one among the applicant who applied for Geographical Indication Tag for *Kuthampully Sarees*. The product was registered as GI in the year 2010 as clothing with

Application number 179 as per Section 13 of the Geographical Indication Act of 1999 and branded as *Kuthampully Sarees*.¹³ These traditional products are entirely woven with Kora White Cotton with a unique production method, and no bleaching is involved. *Kuthampully Sarees* are culturally associated with women of the Cochin and Malabar regions.

Sample Design and Size

The multi-stage sampling method is adopted for the study. In the first phase, G.I. tagged handloom products of Palakkad district were selected, in the second stage, area research was carried out in Palakkad district and finally in the third phase of the study weavers of Kuthampully Kaithary Neithu Vyavasaya Sahakarana Sangham Limited. The sample of 93 weavers was randomly selected.

Statistical Tools

SPSS version 27 was used to analyse the collected data. Descriptive statistics of percentage, weighted average mean, charts for graphical presentation and chi-square test were carried out for the study.

Sources of Data Collection

Primary Data

Interview and Google Form Questionnaire was used. Most of the data were collected through an interview method with the weavers and from the Secretary of the Cooperative Society (Kuthampully Kaithary Neithu Vyavasaya Sahakarana Sangham Limited).

Secondary Data

Various journals, annual report of the society, articles of geographical indication registry, working papers, and census and survey reports were used to collect data.

Results, Analysis and Discussion

For the purpose of the study, the demographic profiles of handloom weavers were collected and presented in Table 1. The variables include age, area, education and years of employment in the cooperative society.

Demographic Profile

The profile depicted that a higher proportion of weavers are from rural areas (71%) and constitutes more percentage of male weavers (49%). 58.1% are effective literate groups but, 39 weavers were illiterate due to family circumstances. The majority of *Kuthampully* weavers are employed in the cooperative society for 4-8 years (35.5%) as the society was the backbone for the marketing and sales of the GI *Kuthampully Sarees*.

Benefits of National Handloom Development Programme

From Table 2, it is identified that 68 weavers were highly aware of NHDP from the cooperative society secretary and chief members within which 55.9% (52) received benefits from this scheme like training and financial assistance, and 17.2% (16) received no help as these weavers were newly registered members of the society. About one-fourth of the total respondents (26.9%), 25 were not aware of the existence of such a scheme for handloom weavers and 21 didn't receive any benefit. Weavers should be aware of such schemes and benefits for better production and livelihood.

Table 2 — Benefits of NHDP Schemes

Benefits	Received benefit	No benefit	Total
Aware	52 (55.9%)	16 (17.2%)	68 (73.1%)
Unaware	04 (4.3%)	21 (22.6%)	25 (26.9%)
Total	56 (60.2%)	37 (39.8%)	93 (100%)

Source: Survey Data, December 2020 to January 2021, N – 93

Table 1 — Demographic profile of *Kuthampully* handloom weavers

Demographic profile	Sub-category	Gender		Respondents (Frequency)	Percentage (%)
		Male	Female		
Area	Rural	35	31	66	71.00
	Urban	14	13	27	29.00
	Total	49	44	93	100.00
Education	Illiterate	22	17	39	41.90
	Literate	27	27	54	58.10
	Total	49	44	93	100.00
Years of employment	2-4 years	06	09	15	16.10
	4-8 years	19	14	33	35.50
	8-10 years	17	13	30	32.30
	More than ten years	07	08	15	16.10
Total		49	44	93	100.00

Source: Survey Data, December 2020 to January 2021, N – 93

National Handloom Development Programmes benefits on Weavers of GI Tagged *Kuthampully Sarees*

Table 3 depicts that the weavers are extremely benefitted with ease of selling the product and linkages in urban areas through creating more retail stores since the mean is near to 4, which is one of the major objectives of Urban Haats under NHDP. Direct selling was also a benefit to weavers and emphasised marketing. Respondents are not highly benefitted to upgrade skill and quality improvement as the value below 3 is due to lack of training and lower-income. This scheme's impact on block cluster development is very low because of the dispersed and unorganised community of weavers.

Financial Assistance of National Handloom Development Programme

Most of the *Kuthampully* weavers were getting some assistance through this Scheme. Table 4 represents that 28 respondents availed with a cut down interest rate of 6% and subvention as grant money from the Government. 31.2% of weavers have no influence of the credit guarantee scheme. Loans were provided at concessional rates, but lesser impact among the weavers as it constitutes only 14.0%. Marginal money assistance of Rs.10,000 under this scheme for *Kuthampully* weavers have a balanced effect due to less awareness about this financial assistance. Table 5 shows the chi square test with null hypothesis as there is no significant impact of the NHDP Scheme on financial assistance to GI Tagged

Kuthampully handloom weavers (H_{01}). However, there is a significant impact of the NHDP Scheme on financial assistance to GI Tagged *Kuthampully* handloom weavers (H_{a1}). The Cronbach's Alpha value for the study resulted is 0.809, which indicates a high level of internal consistency.

From the analysis, interest subsidy and subvention facilities - P-value < 0.05, hence the null hypothesis is rejected. This creates evidence that interest subsidy and subvention NHDP's scheme has a significant impact on the financial assistance of *Kuthampully* weavers. In other schemes where $P > 0.05$, it can be interpreted that other NHDP financial schemes have no impact on the weavers.

Table 4 — Financial assistance of NHDP on weavers

Financial assistance	EI – 5	MI – 4	N – 3	SI – 2	NI – 1
Interest subsidy and subvention	4 (4.3%)	28 (30.1%)	16 (17.2%)	21 (22.6%)	24 (25.8%)
Credit guarantee	14 (15.1%)	20 (21.5%)	13 (14.0%)	17 (18.3%)	29 (31.2%)
Loan at concessional rate	13 (14.0%)	5 (26.9%)	11 (11.8%)	23 (24.7%)	21 (22.6%)
Margin money	17 (18.3%)	18 (19.4%)	24 (25.8%)	10 (10.8%)	24 (25.8%)

Source: Survey Data, December 2020 to January 2021, N – 93
Note: [5 – (EI) Extreme influence; 4 – (MI) Moderate influence, 3 – (N) Neutral influence; 2 – (SI) Slight influence; 1 – (NI) No influence]

Table 3 — NHDP benefits on weavers of GI tagged *Kuthampully Sarees*

Benefits	EB – 5	MB – 4	N – 3	SB – 2	NB – 1	Total	Total weighted score	Weighted mean score
Skill Up gradation, product development and training programmes	5	19	12	22	39	93	200	2.15
Improvement and enhancement in handloom quality and production capabilities	8	21	6	22	36	93	222	2.38
Direct selling to consumers without middlemen	22	25	18	7	21	93	299	3.21
Providing uniforms and career development for children	4	13	7	28	4	93	139	1.49
Urban linkages and ease of selling	27	28	5	25	8	93	320	3.44
Block cluster development	0	12	11	17	53	93	168	1.80

Source: Survey Data, December – 2020 to January – 2021, N – 93

Note: [5 – (EB) Extreme benefits; 4 – (MB) Moderate benefits; 3 – (N) Neutral benefits; 2 – (SB) Strong benefits; 1 (NB) No – benefit]

Table 5 — Impact of the NHDP Scheme on financial assistance to GI Tagged *Kuthampully* handloom weavers

Test	Credit guarantee	Loan at concessional rate	Interest subsidy and subvention	Margin money
Chi-Square	8.882 ^a	8.344 ^a	18.452 ^a	7.269 ^a
df	4	4	4	4
Asymp. Sig.	0.064	0.080	0.001	0.122

Conclusion

The study shows that most of the GI tagged *Kuthampully* weavers (71%) are from rural areas and constitutes more male than female weavers. Most of the weavers are aware of NHDP as a part of the Make-in-India initiative and about around 60% of respondents of co-operative society received benefits under this scheme. Weavers are highly benefitted from the scheme Urban Haats for selling their products in cities and towns. However, the objective of providing training, skill up-gradation and product development were not useful for the producing GI tagged *Kuthampully Sarees*. Financial assistance being one of the major objectives of NHDP, the interest subsidy and subvention has a more substantial impact, and most of the weavers have availed this assistance from the Government.

NHDP as a part of the Make-in-India initiative was successful to a extent as it is evident from the study but more financial and GI incentives have to be launched and the authorities have to make sure whether the benefit of such programmes penetrates into the weavers. Exhibitions and trade areas should also be organised from time to time in the urban areas to beautifully showcase the traditional authentic products. In addition to this, monthly training programmes may be conducted among the weavers and the members of the cooperative societies to make them aware of the various Central and State Government Schemes to promote the GI products and the artisans. The marketing and the promotion activities of GI products also need to be strengthened; only then the weavers have a decent source of income which creates numerous ripple effects in the rural areas.

Atmanirbhar Bharat has created more opportunity for traditional Geographical Indication products in India. The Government of India and our Honourable Prime Minister Shri Narendra Modi launched many schemes and programmes to provide benefits to this weaving community. India has around 365 GI tagged products with utmost commercial potential. NHDP has highly benefited *Kuthampully* weavers of the co-operative society. However, more financial assistance, support and training programmes have to

be strictly conducted to make Indian Made Products as treasure and to compete in this digitalised world. Though, COVID-19 Pandemic largely hit these weavers; however, the Government Schemes acted as a pillar to overcome this hurdle in a more effective way for GI products and *Kuthampully* weavers.

References

- 1 Sharma R W & Kulhari S, Marketing of GI products: Unlocking their commercial potential, Centre for World Trade Organisation (WTO) studies, 2015, 1-195.
- 2 Dubey S & Dubey H K, Atmanirbhar Bharat Abhiyan: An analytical review, *DogoRangsang Research Journal*, July 2020, p-27.
- 3 Government of India, *Geographical Indications Journal*, 32 (2011) 1-29.
- 4 Kaushik N & Jain M R, Impact of Government Schemes on Handloom Weavers at Maheshwar, M.P., *International Journal of Management Studies*, 1 (2015) 27-36.
- 5 Ministry of Textiles, Fourth All India Handloom Census 2019-20, (2019) 1-284, <http://handlooms.nic.in/writereaddata/3736.pdf>.
- 6 Trissur Society Kuthampully Details, Application Status Approved, 29/1/1972.
- 7 Shyamsundarachary R & Sreenivas A, Schemes and Programmes of Handloom Industry in India – A Study, 2017, 4-8.
- 8 Sundarapandan M, Growth and Prospects of Handloom Sector in India, National Bank for Agriculture and Rural Development, Mumbai, 2002, 3-22.
- 9 Varghese A & Salim M H, Handloom industry in Kerala: A study of the problems and challenges, *International Journal of Management and Social Science Research Review*, 1(13) (2015) 129-133.
- 10 Verma S & Mishra N, Recognition and marketing opportunities of a “GI” tag in handloom product: A study of Banaras brocades and sarees, *Journal of Intellectual Property Rights*, 23(2-3) (2018) 101-110.
- 11 Vinayan S, Intellectual property rights and the Handloom Sector: Challenges in implementation of Geographical Indications Act, *Journal of Intellectual Property Rights*, 17(1) (2012) 55-63.
- 12 Rangnekar D, Geographical Indications UNCTAD-ICTSD Project on IPRs and Sustainable Development Intellectual Property Rights and Sustainable Development, *Intellectual Property Rights and Sustainable Development*, 4 (2004) 1-53.
- 13 <http://www.ipindia.nic.in/registered-gis.htm> (accessed on 9 February 2021).
- 14 http://www.ipindia.nic.in/writereaddata/Portal/Images/pdf/GI_Application_Register_10-09-2019.pdf (accessed on 2 March 2021).
- 15 Section 3 of the TRIPS Agreement.

