GOVERNMENT OF INDIA TEXTILES LOK SABHA

UNSTARRED QUESTION NO:179 ANSWERED ON:25.07.2006 BRAND FOR HANDLOOM PRODUCTS Ravindran Shri Pannian

Will the Minister of TEXTILES be pleased to state:

(a) whether Government is considering a proposal to brand all handloom products in the country; and

(b) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI E.V.K.S. ELANGOVAN)

(a) No, Sir. Government is not considering a proposal to brand all handloom products in the country. However, a scheme, namely, Handloom Mark Scheme has been launched by the Hon'ble Prime Minister on 28th June, 2006, the purpose of which is to serve as a guarantee for the buyer that the product being purchased is a genuinely hand-woven product and in that sense the Handloom Mark Scheme will provide a distinct identity to the handloom products. Further, Handloom Mark scheme is only optional.

(b) The details of the Handloom Mark Scheme are annexed.

ANNEXURE

Handloom Mark Scheme

The Office of the Development Commissioner for Handlooms, Government of India has introduced 'Handloom Mark Scheme' which will serve as a guarantee for the buyer that the product being purchased is genuinely hand woven. It will provide an identity to the handloom products and can be used not only for popularizing the hand woven products in India and abroad but also to become a hall mark of powerful creative work that distinguishes the product from powerloom and helps in providing better remuneration to the weavers.

Objectives:

Provide assurance to the consumers about the genuineness of the product origin.

Promote handloom products in Domestic as well as International Market.

Improve international marketing linkages to the handloom weavers.

Strengthen supply chain for Handloom products

Improve price realization of the Handloom products in Domestic as well as International Market

- # Improve the earnings of the handloom weaver community
- # Facilitate uninterrupted workflow throughout the year to the handloom weavers.

Develop database on the handloom supplies and weavers that will help in supporting the weavers of the existing schemes being implemented by the Govt. of India and the future plans.

Handloom Mark Logo:

The Handloom Mark Logo has been developed by the National Institute of Designs, Ahmedabad. The Mark is in two forms. One for Domestic use: the word Handloom is written below the logo and the other for exports : same logo with the word Hand woven in India written below it.

Each label is coded on its backside for easy identification/classification. For example, DF followed by coded number for fabric for domestic sale, DM followed by coded number for made-ups and garments for domestic sale: EF followed by coded number for fabric for export and EM followed by coded number for made-ups and garments for export). One label will be affixed on each handloom cutpiece of the fabric, made-up item and each garment produced from hand woven fabric.

Scope:

The scheme covers all handloom fabrics and products made thereof.

The Handloom Mark scheme will be operational throughout the country. Individual weavers, Weavers Co-operative societies, Master weavers, Retailers, and Exporters are entitled to participate in the scheme and avail benefits thereof.

Implementing Agency:

The Textiles Committee - a statutory body in the Ministry of Textiles constituted under an act of Parliament in 1963 with the mandate of promoting quality Indian Textiles is the Implementing Agency for Handloom Mark Scheme.

Modalities for obtaining Handloom Mark:

Application forms can be obtained from the offices of Textiles Committee.

In order to prevent the misuse of the scheme, the applicants will be registered after onsite verification of individual weavers, Master weavers, Apex and Primary Handloom Weavers' Cooperative Societies, Handloom Development Corporations, handloom retailers and exporters.

Genuine handloom weavers, Master weavers, Societies, retailers and exporters will be registered on payment of requisite fee after which an agreement will be signed.

Labels will be supplied on the basis of estimated annual production and sale except in the case of exporters (on quarterly basis)

In case of exporters, the initial verification will be based on Chartered Accountant's certificate on previous year's performance.

The registered users will be required to submit monthly returns.

Registration fee for the Handloom Mark:

S.No. Description of users Registration fee p.a.

1. Individual handloom weaver Rs.100/-

- 2. Master handloom weaver Rs.2000/-3. Primary Handloom Weaver's Co-operative Society Rs.2000/-
- 4. Apex Handloom Weavers' Coop.Society and Handloom Development Corporation. Rs.5,000/-
- 5. Traders/ retailer (Domestic market) Rs.5,000/-
- Manufacturer Exporter (Export market) Rs.10,000/-6.
- 7 Merchant Exporter (Export market) Rs.10,000/-

The following different types of application forms corresponding to 7 different categories of potential users are prescribed:

S.No. Description of users Application fee in cash

- 1. Individual handloom weaver Rs.5/-
- 2. Master handloom weaver Rs.10/-
- 3. Primary Handloom Weaver's Co-operative Society Rs.20/-
- 4. Apex Handloom Weavers' Coop.Society and Handloom Rs.25/-
- Development Corporation
- 5. Traders/ retailer (Domestic market) Rs.25/-6. Manufacturer Exporter (Export market) Rs.50/-5. Traders/ retailer (Domestic market)
- 7 Merchant Exporter (Export market) Rs.50/-

Price of label:

The Handloom Mark labels are made on polyester taffeta material. Each label will be priced at Rs.1.25 each. The registered users will be entitled for purchasing of labels as per their assessed production / sale capacity.

Enforcement measures:

Periodic surveillance audit by team of officials.

Random verification of Handloom Mark products will also be carried out by purchasing some such items from the market.

Manufacturers while supplying the handloom products to the merchant exporters, retailers etc. will be required to enclose a selfcertificate that the product has been manufactured on handloom alongwith the other requisite commercial documents.

Besides, there would be a penalty clause in the agreement for misuse of the Handloom Mark.

The first clause cancels the registration of the users after preliminary investigation; that would also lead to immediate stopping

further supplies of labels.

The second clause would attract action against unregistered persons/ entities as per the provisions given in Chapter XII of the Trade Marks Act, 1999 which includes imprisonment for a term which shall not be less than six months but which may extend to three years and with a fine which shall not be less than fifty thousand rupees but which may extend to two lakh rupees and enhanced penalty on second and consequent conviction etc.

The third clause would attract action against persons / entities as per the provisions given in Chapter XIII of the Copyright Act, 1957. The nature of punishment is same as that of Trade Marks Act, 1999.

Consumer concern: Any consumer having any doubt about the authenticity of product labeled with Handloom Mark can approach the Textiles Committee along with the copy of the bill and the code number. Based on the findings, Textiles Committee will initiate action according to the agreement entered into with the users and as per the Trade Marks Act, 1999. The consumer may also exercise the option of approaching the Consumer Courts. This will be given wide publicity through media.