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**STANDING COMMITTEE ON LABOUR
(2008-09)**

(FOURTEENTH LOK SABHA)

MINISTRY OF TEXTILES

**GENERAL CONDITIONS OF WEAVERS IN THE COUNTRY-
A CASE STUDY OF SIRCILLA CONCENTRATION ZONE OF
WEAVERS**

THIRTY-FIFTH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

November 2008/Kartika, 1930 (Saka)

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Presented to Hon'ble Speaker, Lok Sabha on 12 November, 2008

Presented in Lok Sabha on 12.12.2008

Laid in Rajya Sabha on 12.12.2008



**LOK SABHA SECRETARIAT
NEW DELHI**

November 2008/Kartika, 1930 (Saka)

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2. Gist of Organisations/Individuals who made written/oral submissions before the Committee during the study visit of the Committee to Sircilla and Hyderabad on 5th and 6th October 2008.

3. Minutes of the Sitting of the Committee held on 3rd November, 2008.

**COMPOSITION OF THE STANDING COMMITTEE ON LABOUR
(2008-2009)**

Shri Suravaram Sudhakar Reddy-CHAIRMAN

MEMBERS

LOK SABHA

2. Shri Furkan Ansari
3. Shri Ramdas Bandu Athawale
4. Shri Subrata Bose
5. Shri Santasri Chatterjee
6. Shri Thawar Chand Gehlot
7. Shri Munawar Hasan
8. Smt. Sushila Kerketta
9. Shri Mohammad Tahir Khan
10. Shri Virendra Kumar
11. Shri Rajesh Kumar Manjhi
12. Shri Basangouda R. Patil
13. Shri Devidas Pingle
14. Shri Chandra Dev Prasad Rajbhar
15. Shri Mohan Rawale
16. Shri Dhan Singh Rawat
17. Shri Kamla Prasad Rawat
18. Smt. C. S. Sujatha
19. Shri Paras Nath Yadav
20. Vacant
21. Vacant

RAJYA SABHA

22. Chowdhary Mohammad Aslam
23. Shri Rudra Narayan Pany
24. Shri Narayan Singh Kesari
25. Shri K. Chandran Pillai
26. Shri Gandhi Azad
27. Smt. Renubala Pradhan
28. Shri Arjun Kumar Sengupta
29. Vacant
30. Vacant
31. Vacant

SECRETARIAT

- | | | |
|---------------------|---|------------------|
| 1. Shri S.K. Sharma | - | Secretary |
| 2. Shri Brahm Dutt | - | Joint Secretary |
| 3. Shri R.K. Bajaj | - | Director |
| 4. Shri N.K. Pandey | - | Deputy Secretary |

INTRODUCTION

I, the Chairman of the Standing Committee on Labour 2008-09 having been authorized by the Committee to submit the Report on their behalf, present this Thirty-Fifth Report on the subject "General conditions of weavers in the country- A case study of Sircilla concentration zone of weavers".

2. The Committee undertook an on-the-spot visit to Sircilla on 5th October, 2008 to have the first hand information regarding the problems/issues being faced by the handloom weavers. The Committee also heard the views of the Hyderabad based Associations/Individuals at Hyderabad on 6th October 2008.

3. The Committee wish to express their thanks to the representatives of various organizations concerned with weavers, trade unions, political parties, NGOs, experts, individuals, powerloom owners associations, officials of the State Government of Andhra Pradesh and representatives of the Ministry of Textiles for placing before them their views and also for providing detailed written notes on the subject as well as furnishing the information as desired by the Committee in connection with the examination of the subject.

4. The Committee would also like to place on record their deep sense of appreciation for the valuable assistance rendered to them from time to time by the officials of the Lok Sabha Secretariat attached to the Committee.

5. The Committee considered and adopted the draft Report at their sitting held on 3rd November 2008.

6. For facility of reference and convenience, the observations/recommendations of the Committee have been printed in bold type in the body of the Report.

New Delhi;
3rd November, 2008
12 Kartika, 1930 (Saka)

SURAVARAM SUDHAKAR REDDY,
CHAIRMAN,
STANDING COMMITTEE ON LABOUR

PART - I NARRATION ANALYSIS

General conditions of weavers in the country - A case study of Sircilla concentration zone of weavers

Handloom sector is one of the largest employer in the country second only to the agriculture in the rural economy. As per the joint census of Handlooms and Powerlooms 1995-96, 65.51 lakh persons are engaged in weaving and associated activities in the Handloom Sector. The Handloom reflects a wide variety of traditions and techniques from the simple cotton dhotis to the rich silk saris of Banaras and Kancheevaram. Handloom weaving is part of the socio-cultural life style of the weaving community. With the advent of mechanized textile production, the contribution of handlooms to cloth production has been declining but even today handlooms contribute over 5,000 million square meters of cloth production in the country. However, the Sector is beset with manifold problems such as obsolete technologies, unorganized production system, low productivity, inadequate working capital, conventional product range, weak marketing link, overall stagnation of production and sales and above all, competition from powerloom and mill sector. High employment in this sector is beset by the cost disadvantages faced by handlooms due to manual nature of production.

2. As per the last census large population of handloom weavers belong to disadvantaged sector of society, with 10.76% of weavers belonging to Scheduled Castes and 25.50% belonging to Scheduled Tribes and 42.65% belonging to Other Backward Classes. As per the Working Group of Textile Industry for X Plan, about 120 lakh persons are engaged in the handloom weaving and allied activities in the country.

3. In view of the vulnerability of the persons engaged in the sector', the Government of India had been following a policy of protection of the Handlooms Sector since long. This policy consisted of subsidy for production and yarn supply, marketing rebate as well as exemption from excise on the hank yarn, which is the main raw material of the cotton handloom sector. The Handloom (Reservation of Articles for Production) Act, 1985 also extends statutory protection to the Sector, by reserving 11 items of textile products for production only on handlooms.

4. The Government of India has been implementing a number of Developmental and Welfare Schemes for the benefits of the handloom sector. Previously, there were as many as 11 such Schemes, which have now being reduced to five by merging various components of the scheme or the scheme itself into the new one. The five Schemes, which the Government is implementing for the development of handloom sector and for benefits of handloom weavers, are:-

- (i) Integrated Handlooms Development Scheme consisting of essential components of Deen Dayal Hathkargha Protsahan Yojana, Integrated Handloom Training Project, Workshed-cum-Housing Scheme and Cluster Development Scheme.
- (ii) Handloom Weavers Comprehensive Welfare Scheme consisting of two components viz. Health Insurance Scheme and Mahatma Gandhi Bunkar Bima Yojana.
- (iii) Mill Gate Price Scheme
- (iv) Marketing and Export Promotion Scheme consisting of two components viz. Marketing Promotion and Handloom Export Promotion
- (v) Diversified Handloom Development Scheme consisting of three components viz. Strengthening of Weavers Service Centres/Indian Institutes of Handloom Technology, National Centre for Textile Design, Research and Development, conducting of Third Census and Issue of identity Cards to Handloom weavers.

5. However, during their visit to Sircilla the Committee observed that there was hardly any impact of these schemes on the ground. For instance, the Mill Gate Price Scheme was introduced with an objective to provide all type of yarn to the handloom weavers organizations at the Mill Gate Price. National Handloom Development Corporation (NHDC), a Government of India Undertaking is the only agency authorized to implement the scheme. All types of yarn required for production of handloom items are covered under the scheme. The yarn is being arranged by NHDC from the mills as per the requirement of the user agencies and transported to the godown of the agency. There is also a provision for supply of yarn to the individual weavers through the yarn depots approved by the NHDC. 659 yarn depots have been established throughout the country till December 2007 but there is no yarn depot at Sircilla on the ground that there has been no demand for it. Besides, the individual weavers of Sircilla have also not been supplied the yarn through mobile vans which is one of the mechanism to supply the yarn to the weavers.

6. As far as the skill upgradation of weavers under the Diversified Handloom Development Scheme through training/workshops and exhibitions, design development etc. is concerned, not even a single weaver has been benefited during the last three years in Sircilla which is one of the concentration zone of weavers.

7. With regard to question of providing financial assistance to the individual weaver for purchase and sale of yarn and for production, procurement and marketing activities during the last three years, an evasive response has been given that financial assistance is being provided by the Central Government to the individual weavers for the purchase and sale of yarn and production, Procurement and Marketing activities. The State Government have introduced a scheme name Yarn Support Scheme to the individual weavers w.e.f. 1.4.08 for providing assistance of 10% subsidy on purchase of yarn with maximum eligibility of Rs.600/- per quarter. This is being so when the Government have agreed that lack of financial assistance has been one of the main reasons for the suicide of weavers.

8. Similarly, the coverage of weavers under Mahatma Gandhi Bunkar Bima Yojana at Sircilla is only 96 handloom weavers and none of weaver have been given the benefit under the scheme as it has been stated that the scheme does not permit the relief for the suicide victims.

9. Regarding efforts of the Government for ensuring minimum job guarantee to the handloom and powerloom weavers/workers with a view to avoid such mishaps in future as also whether the Government has any plan to provide looms and other associated machinery to the powerloom workers and raw material to the handloom weavers on subsidized rates, the Government have stated the powerloom service centre at Hyderabad is organizing various training activities. The weavers in that area can avail the benefit of this training programme so that they can get employment to the industry after the training.

10. In the recent past, PSC Hyderabad also started garment training in association with Apparel Sewing Techniques, Hyderabad, which will be helpful to the workers in that cluster.

11. There is a Powerloom Service Center at Sircilla managed by the State Government which is giving training to weavers in and around Sircilla. This Centre needs to be strengthened by providing additional equipments, manpower, infrastructure facilities. If proposal in this regard is received from the State Government, the same would be considered to provide all possible help. There is no proposal to provide looms and other associated machinery to the powerloom workers on subsidized rates despite of the fact that Government concurs with the view that such a step can go a long way in solving the problems of weavers/workers throughout the country.

12. On the question whether the Government has any plan to provide soft loans without interest or at subsidized rates to the weavers/workers to enable them to develop themselves as entrepreneurs, it has been replied that Government has no plan at present to provide soft loan without interest or at subsidized rates to the powerloom weavers. However, the entrepreneurs can avail the benefit of 20% Margin Money Scheme. Under the Scheme, subsidy upto a maximum limit of Rs.20.00 lakh is being provided by the Government of India for the installation of specified machinery, for the SSI powerloom units.

13. On a question regarding causes of problems of handloom and powerloom weavers alongwith the remedial measures to solve the problems of the weavers, Government, that in respect of handloom weavers have stated that the various schemes implemented by the Office of the Development Commissioner for Handlooms address the felt needs of the weavers who constitute the disadvantage social strata and occupational groups and thus are at the bottom of the economic hierarchy. Concerted efforts are being made to enhance production, productivity, and efficiency in the handloom sector and enhance the income and social-economic status of the weavers by providing skill upgradation, infrastructure and input supply support to them.

14. It has further been stated that the Office of the Development Commissioner for Handlooms has been liberally funding the State Governments for implementing various Schemes of Handloom Sector.

15. During the last three years, Government of India has released fund to the tune of Rs.52.08 crore to State Government of Andhra Pradesh under various Plan and Non-Plan Schemes of Development Commissioner for Handlooms. State Government have initiated the following measures at Sircilla:-

- Counseling
- 50% Power Tariff Concession
- Upgradation and modernization of Powerloom Scheme with State Government grant of Rs.30,000/- for two powerlooms

- Establishment of Powerloom Service sub. Centre in Sircilla Textile Park.
- Sanction of Textile Park under Textile Cluster Infrastructure Development Schemes (TCIDS) with an outlay of Rs.7.73 crore.
- Sanction of Rs.21.00 lakhs as grant to Netha Cheyutha Trust -NGO to educate and rehabilitate the bereaved families.
- Sanction of exgratia of Rs.1.50 lakh to each one of the suicide case, fulfilling the norms.
- Conducting of Mega Health Camps.
- Implementation of Health Insurance Scheme covering 5954 Powerloom workers by paying the premium of Rs.800/- on behalf of all the Powerloom Weavers by State Government.
- Implementation of Group Insurance Scheme for Powerloom Workers by contributing premium of Rs.90/- per head under add on GIS. Covering (4500) powerloom workers.
- Sanction of Old Age Pensions reducing the age limit from 65 to 70 years reduction of eligibility age of Oldage pensions from 65-50 years.
- House sites and Houses (102)
- Modernisation/Upgradation of Powerlooms (407 beneficiaries) Rs.91.39 lakhs
- Anthyojana Anna Yojana Cards - 3538
- Old Age Pensions-2331
- Widow Pensions-589
- Sewing Machines-49
- IAY Houses-52
- Financial assistance under National Family Benefit Scheme-258
- Financial assistance to rejected suicide cases @Rs.25000/- per head-122
- Construction of Netha Bazar-Rs.15.00 lakhs.
- White Ration Cards-10788
- Formation of MAC Society with 50 members and training on Juki machine-400 (Women trained)
- Training in Powerloom Weaving Technology with placements-323

16. Besides, the status of various handloom schemes being implemented in Andhra Pradesh are as under:

1. Integrated Handlooms Development Scheme

- The “Integrated Handloom Cluster Development Scheme” was launched in 2005-06 for comprehensive and holistic development of 20 selected clusters. Out of 20 clusters, two clusters namely (i) Chirala and (ii) Madhavaram were sanctioned in the State of Andhra Pradesh.
- During the XI Plan, a new scheme called “Integrated Handlooms Development Scheme” has been introduced.
- The target and number of clusters sanctioned in the State of Andhra Pradesh are as under:-

Year	Target	Number of Clusters sanctioned	Amount Released (Rs.in crore)
2005-06	2	2	1.73
2006-07	10	10	1.57
2007-08	15	16	2.33
2008-09	09	09	1.39
		TOTAL	7.02

- * Under the Group Approach, 73 Group Approach Projects have been sanctioned to the State Government of Andhra Pradesh and a sum of Rs.180.85 lakh has been released as first installment towards Central Government’s share.

2. Marketing and Export Promotion Scheme

- Number of events sanctioned/organized under Marketing and Export Promotion Scheme are as under:

Year	Name of the events sanctioned/organized	Amount sanctioned/ released (Rs.in lakh)
2005-06	01- National Handloom Expos 06-Special Handloom Expos, 01-Craft Mela and 26-District Level Events organised	115.99
2006-07	08-Special Handloom Expos, 01-Craft Mela & 30 District level events organized	120.17
2007-08	08-Special Handloom Expos 01-Crafts Mela and 30-District level events organized	95.78
2008-09	30 District level and 04 Special Handloom Expos	111.85

3. Handloom Weavers Comprehensive Scheme

- During the XIth Plan a Handloom Weavers Comprehensive Welfare Scheme is being implemented with the components of (i) Health Insurance Scheme and (ii) Mahatma Gandhi Bunkar Bima Yojana. The number of weavers enrolled under these schemes from Andhra Pradesh is as under:-

Health Insurance Scheme	No. of weavers enrolled
2005-06	54253
2006-07	34831
2007-08	127594
2008-09 (Upto September, 2008)	19406

Receipt and settlement of claims

- The claims received and settled as August, 2008 is as under:-

	Claims received		Claims settled	
	Number	Amount (In crore)	Number	Amount (in crore)
1 st Policy (2005-06)	53701	11.79	31929	5.77
2 nd Policy (2006-07)	16600	3.99	15968	3.52
3 rd Policy (2007-08)	38112	3.73	36357	3.07
TOTAL	108413	19.51	84354	12.36

Settlement of OPD and IPD Claims

	OPD		IPD	
	Number	Amount (in crore)	Number	Amount (in crore)
1 st Policy (2005-06)	24912	2.96	7017	2.81
2 nd Policy (2006-07)	13190	2.33	2778	1.29
3 rd Policy (2007-08)	34906	2.38	1551	0.69
TOTAL	73008	7.57	11346	4.79

Mahatma Gandhi Bunkar Bima Yojana

Year	No. of weavers enrolled
2005-06	14238
2006-07	89293
2007-08	83590
2008-09 (Upto July 2008)	21247

Number of claims settled

	Claims settled	
	Number	Amount (Rs. in lakh)
2005-06 to 2006-07 Natural death	584	292.00
Accidental death	4	3.20
2007-08-Natural death	1316	668.90
Accidental death	16	12.70
2008-09 (Upto July, 2008) Natural death	689	273.89
Accidental death	3	3.50
TOTAL	2612	1254.19

Scholarship provided

	Number	Amount (Rs. in lakh)
2005-06 to 2006-07	5882	53.08
2007-08	9038	91.97
2008-09 (Upto July, 2008)	5523	55.99
TOTAL	20443	201.04

4. Mill Gate Price Scheme

- Under the Mill Gate Price Scheme all types of yarn is made available at the Mill Gate Price to the eligible Handloom weavers. The scheme is being implementing throughout the country through the NHDC Ltd., Lucknow. The Supplies of yarn made by the Corporation to Andhra Pradesh for the last 2 years is as under:-

Year	Quantity in lakh kg.	Value in Rs. Lakh
2005-06	23.14	2735.66
2006-07	26.68	3689.31
2007-08	34.73	4660.98
2008-09 (upto August, 2008)	7.740	1078.22

So far 77 yarn depots are operational in Andhra Pradesh.

5. Marketing Incentive and Basic Input components of Intensive Handlooms Development Scheme

Year	Marketing Incentive Component (Rs. in lakh)	Under Basic Input Component of DDHPY (committed liabilities) (Rs. in lakh)
2005-06	656.12	-
2006-07	984.87	6.27
2007-08	1296.62	-
2008-09	-	-
TOTAL	2937.61	6.27

- No claims pending under Marketing Incentive Component in respect of Government of Andhra Pradesh.
- During the current financial year, we have received total 137 proposals under basic input component of DDHPY scheme. In this regard, some clarification has been sought from the State Government vide this Office letter dated 4th August, 2008.

6. 10% Rebate Scheme

Year	10% Rebate Scheme (Rs. in lakh)
2005-06	567.67
2006-07	200.63
2007-08	587.40
2008-09	626.62
TOTAL	1982.32

- * No claims pending under 10% Rebate scheme in respect of Government of Andhra Pradesh.

However, in respect of powerloom weavers there was no clear cut response as to the causes of the problems of the weavers.

17. Despite these measures by the Government there have been press reports on regular basis about the spate of suicides by the weavers in Sircilla of Karim Nagar District in Andhra Pradesh. Taking suo-moto cognizance of unabated suicides by the weavers, the Committee decided to make an emergency on-the-spot study visit to Sircilla on Sunday, 5th October, 2008 to ascertain the causes of extreme steps taken by weavers.

18. The Committee, in an open house session, had direct one to one interaction with the widows/families of those weavers who committed suicides to know about the reasons of suicides, assistance provided by the Central and State Government agencies and their problems regarding arranging and managing their families again after the loss of their bread earners. Weavers/workers, Powerloom owners, various associations concerned with the several aspects of powerloom weaving like yarn, dyeing etc., local representatives of various political outfits and trade unions including local MLA had an interaction with the Committee to share their views about the reasons for general ailment of powerloom weaving in Sircilla and causes for the suicides by the weavers. The weavers, widows of the deceased weavers, representatives of various associations connected with weavers, handloom/powerloom industry in and around Sircilla, placed before the Committee the following main problems being faced by the poor weavers:

1. Lack of continuous work for the weavers. Limiting the work to 6 months or so.
2. Non-lifting of finished products stocks leading to stoppage of production by the Powerloom/units.
3. 10-15 big traders from Hyderabad control the marketing of products from the area.
4. Lack of training facilities for improvement of skill.
5. Non-revision of minimum wages for the workers.
6. Due to poverty workers are unable to send their children to schools.
7. Scores of women workers including hundreds of widows work as beedi workers on paltry daily wages.
8. Entire weavers community under heavy debt and being exploited by the local moneylenders.
9. Lack of housing sites/homes to atleast 30% of weavers.
10. Non-allocation of sufficient rice under PDS.
11. Free availability of adulterated arracks/country liquors.
12. Lack of counselling centres.
13. Lack of medical facilities. Employees State Insurance Corporation and Employees Provident Fund Organisation presence sought.
14. Lack of proper coordination between Central and State Departments for an integrated approach for socio-economic upliftment of the weavers community.

15. Non-availability of ex-gratia for the weavers family for those who died on account of poor health/natural death.
16. Demand for making Sircilla a Specialized Textile Zone.
17. Heavy debts to each households of weavers upto one lakh to two lakhs.
18. High interest rates for credit from micro-finance companies which are main credit providers.
19. Malnutrition and unhealthy conditions for women who are beedi workers.

19. Subsequently, the Committee heard the views of various Hyderabad based individuals/NGOs/others. These also echoed the points brought out by various individuals at Sircilla. The Committee had a meeting with the officials of the various Departments of the Central and State Governments. Representatives from the Union Ministries of Textiles, Labour and Employment, Deputy Commissioner of the District, Officials from Labour, Textiles and Excise Departments of the State Government were present during the meeting. They were asked to respond to various issues raised during the open-house session. District Commissioner gave the details about ex-gratia paid to the families of the victims, their action plan about providing housing sites, dismantling of toddy supply network, more foodgrains on ration cards and other necessary steps to help the weavers. It was also assured that necessary steps would be taken by the Government of India in consultation with the State Government to facilitate the sale of unsold stock within a fortnight, training to powerloom workers and owners at Government cost, availability of health through network of ESIC, revision of minimum wages, giving Antodaya ration cards and provision of social security network to weavers wherever possible.

20. It also came out that there are no welfare scheme as such for the weavers of powerloom sector, except Insurance, as are available for the weavers of handloom sector. The classification of weavers into handloom and powerloom restricts them to be eligible for various schemes of the Government. The Office of the Textile Commissioner is responsible to cater to the development of all sectors of Textile industry through various developmental schemes under the policy framework of Ministry of Textiles, Government of India. Considering the social security needs of the de-centralised powerloom workers, since 2003 the Office of Textile Commissioner, Mumbai in collaboration with LIC of India covered a large number of powerloom workers under the Group Insurance Scheme of LIC of India. Out of the yearly premium of Rs.330/-, the Ministry of Textiles contributes Rs.150, LIC contributes Rs.100 and Rs.80 are borne by the workers. However, the benefit of Group Insurance Scheme is not available in the event if death by suicide as per the LIC regulations. This is also one of the reasons why the suicide deaths are not reported to the Office of Textile Commissioner, Mumbai.

21. As far as suicides of the powerloom weavers in Sircilla are concerned, the Government have replied that as per the information given to the team at the time of interaction, the main reason for the suicides was due to financial debt from the private moneylenders, chronic illness and addiction to country adulterated liquor. No one among the suicides is reported due to lack of work in the powerloom industry.

22. Regarding supporting measures taken by the Government to curb the incidents of suicides the following steps have been proposed are:

- (i) Special camp for enrollment of more and more number of powerloom weavers of Sircilla under Group Insurance Scheme for a period of 2 weeks from 13.10.2008 to 25.10.2008 at Sircilla, which will be repeated in due course of time. It may be noted that considering the incidence of suicide deaths in the past, prior to 1.1.2008, the Government of Andhra Pradesh through the Director of Handlooms & Textiles was contributing Rs.90 per worker (i.e. entire workers contribution) under the then Add on Group Insurance Scheme (AGIS). However, since 1.1.2008 the support (contribution) of the State Government in Group Insurance Scheme has been suspended by which the enrollment of the worker under Group Insurance Scheme has been drastically reduced. In the present Group Insurance Scheme, the worker contribution is Rs.80. Considering the economic status of the powerloom workers in Sircilla and the increase in incidents of suicide, it is need of the hour that the State Government should continue contributing Rs.80 in the Group Insurance Scheme on behalf of powerloom workers. This was already brought to the notice fo the State Government in January, 2008for extending their contribution in the enrollment of powerloom workers under Group Insurance Scheme being implemented by the office of Textile Commissioner. The State Government is being persuaded for resuming such contribution, as it would increase enrollment of weavers under the Group Insurance Scheme.
- (ii) During the interaction it was brought to the notice of the Textile Commissioner and his team that the powerloom industry in Sircilla has accumulated unsold fabric on account of which they are forced to curtail the production. Income generation of workers was thus affected. Considering this, the Textile Commissioner has already directed the Powerloom Development and Export promotion Council (PDEXCIL) and his field Offices covering Andhra Pradesh to organize a Buyer Seller Meet during 22nd and 23rd November,

2008 at Hyderabad wherein the powerloom producers of Sircilla would be given stalls free of cost to promote marketing. Buyers would be appealed through advertisement for the proposed Buyer Seller Meet to prefer Sircilla powerloom products in the wake of calamity suffered through recent suicides in large number.

- (iii) It was seen during the visit of the team that the powerloom producers in Sircilla are engaged in production of low value cloth in outdated looms on account of which there may be less demand to their fabric elsewhere. If the powerloom industry in Sircilla upgraded gradually, the cluster employment and income generation may increase by which the economic status of workers in the cluster will improve. Keeping this in view the Textile Commissioner has decided to organize an exposure visit to the powerloom weavers of Sircilla to the modernised powerloom clusters of Solapur, Ichalkaranji, Bhiwandi etc., so that they can diversify their production and also some entrepreneurs may invest in installation of latest Technological weaving machines and processing. This exposure visit will be conducted in the month of November/December, 2008. Towards exposure visit, the Office of Textile Commissioner will provide financial support to the powerloom weavers @ Rs.2000/- towards incidental expenses and to and fro railway fare.
- (iv) In order to upgrade and modernize the powerloom industry in Sircilla, awareness programme for the benefit of Textile industry in and around Sircilla will be conducted at Sircilla repeatedly in order to make them aware about the various subsidy schemes implemented by the Office of the Textile Commissioner in this regard namely Technology Upgradation Fund Scheme (TUFS), 20% Margin Money Subsidy Scheme for Powerlooms, 15% Margin Money Subsidy Scheme for SSI units, Modified Group Work Shed Scheme, Scheme for Integrated Textile Parks (SITP), Integrated Textile Cluster Development Programme. Under some of the Schemes, the Sircilla industry can take up new activities like investment in apparel sector.

23. Handloom Sector is a highly decentralized and dispersed sector. Handloom weavers can be found in most parts of the country and large concentrations are found in over 200 clusters in the country, a majority of the handloom weavers operate as household units. Only 1,98,590 had been identified as commercial units as against total of 34,87,146 units in the Sector as per the census conducted in 1995-96. This emphasizes that handloom weaving is practiced more as vocation than as a purely commercial activity. In fact, there is a considerable lack of entrepreneurship and profit motive in the Sector.

24. As per the current estimate only about 17% of the handloom weavers are within cooperative fold. This could also an over estimation since may of the cooperatives are defunct either due to financial mis-management or due to accumulation of stock and are therefore unable to provide yarn to the handloom weavers for cloth products. Most of the handloom rich States also have their State Handloom Development and State Apex Cooperatives. However, these organizations have also been facing difficulties due to over staffing, poor marketing activities and over dependence on Government purchases and rebates.

25. Regarding implementation of Central Schemes to weavers, the Committee were informed that prior to introduction of Deen Dayal Hatkargha Protsahan Yojana (DDPHY) most of the Schemes were aimed at benefiting the weavers under cooperative fold only. Even under DDPHY, the Central Government releases assistance to agencies recommended by the State Directors of Handlooms. In general, the State Directors have been recommending projects in respect of cooperative agencies. In this regard, the Secretary, Textiles was candid before the Committee that the Government of India for the last 30 years has taken the cooperative approach to handloom sector. All the schemes are operated basically through the cooperative sector. In certain parts of the country the cooperative sector is very strong, in other it is not so strong and in still others it is weak.

26. On being asked about the conditions of weavers remaining far from satisfactory despite the fact that there are numerous schemes for the welfare of weavers, both in organized and unorganized forms since last many decades ranging from their social security to making them available of raw material and loan to weavers to carry out their activities, the Government of India stated that the reasons are strenuous. Powerloom weavers are addicted to drinking and debt ridden and their health is deteriorating due to occupational hazards. Workers get addicted to drinking more during the period of unemployment, under employment and helplessness with utter poverty. Bankers are not providing the required finance to the weavers on account of poor repayment capacity. There is need to relax norms for coverage of weavers under P.F., ESI, Age relaxation for coverage under Group Insurance Schemes.

27. In reply to a question whether the Government propose to provide similar infrastructure on a lower level, to the group of artisans/weavers/handloom workers etc. to enable them to carry out their professions on the line that has been envisaged in Textile Parks, the Ministry replied that at present there is no provision for higher or lower level of assistance. Interested artisans/weavers/handlooms workers may join hands and form a Special Purpose Vehicle to develop a Textiles Park as per their business plan. It may be noted that an exclusive Handlooms Park is being developed at Pochampally, Andhra Pradesh, under SITP. Surprising local handloom workers are not very optimistic with these schemes and parks.

PART II

Recommendations/Observations of the Committee

Suicide by Weavers

28. The Committee note that there are 2,50,805 handlooms and 45,064 powerlooms in the State of Andhra Pradesh. Sircilla is predominantly a powerloom center as there are 22,168 powerlooms whereas the number of handloom units there is only 220. 13,500 weavers are working as powerloom weavers in Sircilla and there is no figure of handloom weavers. During their visit to Sircilla, the Committee were informed that over a period of time handloom units have been converted to powerloom units and consequently the weavers have shifted to powerloom units. There have been greater and unusual incidents of suicides by the powerloom weavers in Sircilla and the reasons attributed for these suicides are (i) Lack of regular jobs, (ii) inadequate wages, (iii) indebtedness and resultant harassment by the micro-finance companies, (iv) closure of powerloom units on account of piling of unlifted stock, (v) ill health and other domestic reasons (vi) prolonged addiction to alcohol. Out of the reported 314 cases of suicides, 161 cases of assistance have been rejected and 8 cases are pending decision. Reasons for rejection of cases have been stated to be (i) natural death, (ii) accidental death, (iii) suicides due to family disputes etc. etc. However, an amount of Rs. 25,000/- has been released to 122 cases from CM Relief Fund as a special case. Other benefits sanctioned to suicides families are 70 widow pensions, 54 houses, 47 upgradation of powerlooms, 122 AAY Cards, 18 old aged pensions, 49 sewing machines and

25 IAY houses. As far as the assistance to powerloom weavers is concerned, Group Insurance Scheme for powerloom workers appear to be the only scheme which is directly related to them. No other meaningful scheme exists which can provide succor to powerloom weavers at the time of their need. The Central Government provided fund of about Rs. 52 crores to the State Government of Andhra Pradesh during last three years for running various plan and non-plan schemes for the weavers. The State Government also inter-alia initiated the various measures viz. (i) 50% power tariff concession, (ii) upgradation of powerloom with grant of Rs. 30,000/- for 2 powerlooms, (iii) sanction of 2 Textile Parks, (iv) sanction of Rs. 21,00,000/- to an NGO, NETHA Cheyutha Trust, (v) coverage of 5,954 powerloom workers under Health Insurance Scheme, (vi) sanction of ex-gratia of Rs. 1.5 lakh to each one of the suicide case fulfilling the norms etc. etc. Besides the Government propose to conduct awareness programme for the benefit of textile industry around Sircilla to make weavers aware about the various subsidy schemes implemented by the Government. They are Technology Upgradation Fund Scheme (TUFS), 20% Margin Money_Subsidy Scheme for powerlooms, 15% Margin Money Scheme for SSI units, Modified Group Workshed Scheme, Scheme for Integrated Textile Park (SITP) and Integrated Textile Cluster Development Programme etc. etc. The Committee, however, feel that these schemes are in vogue in one form or the other for last many years. However, the primary and direct beneficiary of most of these schemes have been mainly the owners of the powerlooms and textile industry rather than the poor weavers/workers. Delay in implementation, improper implementation, lack of monitoring, procedural wrangles etc. have deprived the weavers from the intended benefits of all these schemes. Had the

intended benefits actually reached them, the conditions of weavers in Sircilla might not have been what it is today. The suicide cases are the result of severe distress wherein weavers are left with no hope but to resort to such an extreme step. The conditions of weavers, whether in powerloom or in handloom more or less, remains shaky and lacking very essential minimum requirements of life, threatening the very survival of the community. The Committee, therefore, strongly recommend that the incidents of suicides by weavers should be an eye-opener to the Government to become pro-active in protecting the interests of the weavers both from handloom and powerloom sector. Instead of distributing ex-gratia after the suicides and salvaging actions, it will be in the fitness of things if suo-motto initiatives are taken in right earnest to promote weavers' welfare while formulating policies and schemes for the textile sector as a whole.

Conducting of Census

29. Handloom sector is one of the largest employer in the country. However, there are no authentic figures with regard to the number of weavers and allied workers engaged in this sector. Like all informal sectors in the country, especially the rural non-formal sector, information about the statistical base on handloom sector is based more on estimates or assumptions, which could be incorrect. However, the policies of the Government are formulated on the assumptions based on this data. Resultantly, not only the policy and programme formulations become unrealistic, the Government is not in a position to exactly assess the impact of implementation of these policies and programmes on the weavers, not to say of the benefits whether these weavers have actually got or not. As per the census conducted in 1995-96, about 65 lakh persons are engaged in weaving and associated activities in the Handloom sector. The Working Group of Textile Industry for X Plan indicated 120 lakh persons engaged in handloom weaving and allied activities. Considering 100% difference between the two estimates by the Government, immediate action is required to determine the number of persons directly or indirectly involved with this sector. This exercise should not be restricted to counting of heads only but other issues like gender proportion, their economic status, dependent family members, self dwelling space, education to children and all related issues which could form basis of formulating plans/schemes for development of the weavers, be taken into account. This will also help in preparing a data base about the weavers and other persons

engaged in this sector so as to enable the Government to frame new schemes, recast existing schemes and synchronising them with the need of the weavers. The Committee, therefore, strongly recommend that with an identified objective, urgent steps should be taken to conduct a survey of weavers and other workers engaged in the handloom and powerloom sector in the country not only to ascertain their figures but also to identify the real problem plaguing the weavers' community. Needless to emphasis this exercise should be done in a time bound manner under intimation to the Committee.

Organising Weavers

30. The Committee find that handloom sector is a highly decentralized and dispersed sector. Handloom weavers can be found all over the country and majority of them are operating as household units. However, their large concentrations are located in about 200 clusters in the country. Against the total estimated 34, 87,146 units, only 1,98,590 units are working as commercial units. This shows that handloom weaving is still not a commercial activity and is practiced more as a vocation lacking entrepreneurship and profit motive. Only about 17% of their total population is stated to be within the cooperative fold as of now. Moreover, many of the cooperatives are defunct due to one reason or the other. As assistance under central schemes is routed through cooperatives, it is anybody's guess whether such assistance really reach the intended class of people. The cooperative structures need a revisit so as to make it weaver friendly. Besides, the weavers should also be encouraged to act more as a self help group and the Government assuming the role of a catalyst in such an endeavour. The objective behind such a move should be to unite the weavers for availing the benefits of the various schemes of the Government. The Committee would also like to underline that the welfare schemes of the Government aimed at weavers should not be regimented as the conditions of the weavers working in handloom or in powerloom are equally miserable, as many places handloom units are being converted to powerloom units and workers/weavers remain the same. Moreover, Developmental schemes for powerloom sector are

meant for upgradation of the powerlooms thereby benefiting the powerloom owners. There is no denying the fact that weavers working there hardly get even the prescribed minimum wages. With the existing schemes of the Government for powerloom sector, the sector as such may grow but the conditions of weaver/worker working there may not improve. Hence, regimentation of schemes between handloom weavers and powerloom weaver/worker will deprive one segment of weavers/workers for the benefits which they strongly deserve. Therefore, the weaver community should be identified as one irrespective of the sector they are working in. Accordingly, the Committee strongly recommend that efforts should be made to form cooperatives, Associations and Self Help Groups of the weavers with a view to cover the maximum number of weavers so that the benefits of various welfare schemes are ensured to them and there should be no classification of weavers (between handloom or powerloom) as far as the benefits of the Government schemes to the individual weavers are concerned.

Formulation of welfare schemes

31. The Committee take note of the fact that there are multiple schemes aimed at improving the conditions of weavers. They vary from training projects to workshed-cum-housing, cluster developments, weavers comprehensive welfare inclusive of health insurance, mill get price scheme, marketing and export promotion, strengthening of weavers service centre, etc. etc. The primary objective of all these schemes is to improve the condition of weavers. With the sizeable presence of Government machinery throughout the country and handsome expenditure of public money on this Governmental set-up as well as on the schemes framed in this regard, the condition of common weavers in the country has remained desperate and distraught. Schemes are introduced without proper spade work and thereafter withdrawal, modifications and merger of schemes with other schemes keep going on and every time some or the other excuse is put forward for such display of incompetence and un-imagination. The worst sufferer for this kind of goof-up is the poor weaver who is not even aware as to what is being done by the Government for weavers in the country. Moreover, because of the procedural difficulties most of the weavers remain outside the reach of the system. The Government should appoint a high level Committee to evaluate the performance of the existing welfare schemes for the workers. Based on findings by such Committee necessary follow-up action should be taken by the Government. The thrust of such schemes should be on the

problem of weavers relating to minimum wages, sickness, maternity, housing, education of children, employment injury, unemployment, subsistence allowance when owners are not giving work on account of temporary closure of units, invalidity, old age and death.

Availability of finances to weavers

32. The Committee note that self investment or private investment in the handloom sector has been the mainstay for production of handloom. As most of the weavers belong to very poor section of the society, they manage finances from the private parties/credit companies at great cost in terms of the interest. Because banks do not finance them or provide loans without counter guarantees or due to weak repaying capacity of weavers, they do not have any option but to take money from private finance companies for raising their working capital or to run their household. Private micro finance units exploit poor weavers to the hilt and sometimes they even work under wage bondage to these private companies. Cooperative system has also failed miserably in terms of arranging finances to the individual weavers. Even informal system of marketing did not help in attracting public investment into the sector due to its inherent shortcomings like risk of defaults and renegeing of promises, etc. Therefore, the Committee strongly recommend that with a view to overcome the problem, it will be most appropriate if formation of handloom bank on the pattern of NABARD and SIDBI is given thought of. To start with specialized branches could be set-up in the highly concentrated zone of weavers from amongst nationalized/cooperative banks. Loan to weavers from these banks should be made available on soft terms. Some mechanism be devised to waive the existing loan of the weavers who are heavily indebted and are not in a position to repay the loan to the local money lenders. This will not only go a long way in bringing out the poor

weavers from the clutches of micro finance units/individuals ending their exploitation, but will also pave the way for the healthy growth of textile sector as well as of the weavers in the country.

Raw material to weavers

33. Another area where the Committee would like to pin-point is inadequate access to raw material in handloom sector. Hank yarn availability has been the principal problem since decades. To overcome the problem, it will be appropriate to encourage development and grounding of decentralized spinning technology which would enable the production of hank yarn at places where cotton is produced. This will also establish direct linkage between cotton farmers and handloom weavers enabling availability of hank yarn at competitive rates. As the Mill Gate Price Scheme has failed to meet the objective of supplying yarn either through its depot or through mobile vans, it will be purposeful to develop a network of yarn depots which can ensure the supply of yarn to Handloom clusters. National Handloom Development Corporation (NHDC) has grossly and squarely failed in meeting the demands of hank yarn for the handloom sector. There is an urgent need for revamping the work of NHDC making it more efficient in supply of yarn to weavers and also making it accountable for any lapse in this regard. The Committee strongly recommend that to ensure the availability of raw material to clusters and to individual weavers, raw material depots should be opened on the lines of shops of public distribution system so that individual weavers may also avail the facility of getting yarn at reasonable prices from these shops. This will also end of the reported unholy nexus among the officials of NHDC, master weavers and other unscrupulous persons to manipulate the supply of raw material to weavers.

Institutional structure

34. The Committee note that the Government have introduced many schemes and established institutions like Weavers Service Center (WSC), Indian Institute of Handloom Technology (IIHT), National Handloom Developmental Corporation (NHDC) and National Institute of Fashion Technology (NIFT) etc. to provide base support for the growth of handloom sector in the country. Despite such a wide-ranging infrastructure there is no improvement as far as growth of handloom sector is concerned. Besides, the conditions of weavers have become more miserable from every yardstick. The institutional structure established for promotion of handloom sector has squarely failed in responding to the needs of the sector in general and weavers in particular. NHDC and NIFT have been unable to inspire the sector. It will, perhaps, not be out of place to mention that NIFT has become the spring board for self promotion and self aggrandizement despite the fact that the growth of NIFT has been enabled by the Government in the name of handloom promotion and development. Similarly, NHDC has not been able to respond to the expectations of the weavers in supplying yarn to them on time. There is a strong need of a thorough review of these institutions with the objective to re-dedicate their efforts for promotion of the sector and make them effective in promoting handloom sector by addressing the sector's problems. Local, traditional and indigenous designs need to be promoted through training programmes, exposure visits, scholarships and other incentives. The Committee therefore, strongly recommend that the performance of WSC, IIHT, NIFT and NHDC needs a thorough reappraisal so as to make them

accountable as far as the performance of their responsibility towards weaver and handloom sector is concerned. A comprehensive, sensitive and result oriented institutional network be set up with a view to improve working/living conditions of weavers.

Proper working/living condition

35. In most of the handloom clusters, handloom weavers, workers are working in dismal conditions and are living in extreme inhospitable conditions. Many families with more than two couples have been staying in one room for years. Workshed-cum-housing scheme have not been able to address the problem of weavers in this regard. It is high time that Government should increase allocation under the scheme so that proper changes may be brought in the dwelling pattern of the weavers and they are provided with basic minimum requirements of living. Unlike, in any other housing schemes, weavers tend to hold on to their houses given by the Government and as such it is only one time affair to settle the weavers as far as their housing is concerned. Cluster development programme should necessarily include creation and maintenance of houses and basic amenities like provision of drinking water, toilets, bathrooms, proper ventilation in the working space, etc. This will also help in improving the productivity and competitiveness of the sector.

Wage Revision

36. The Committee find that weavers are one of the most exploited segment of workers in the country. Lack of proper working conditions, non-payment of minimum wages wherever applicable, non-regulation of working hours etc. are the most rampant form of exploitation they are subjected to. Reportedly, debt related wage bondage is also most prevalent form of exploitation in the sector. Stipulated minimum wages are not being paid to weavers. Their indebtedness is so baneful that it does not allow them to come out of the vicious circle of poverty. Their wages have not been revised for the last many years. Implementation of Minimum Wages Act is a statutory requirement and these should be revised periodically taking into account various factors relating to price index. As women constitute a major workforce in the handloom and powerloom sector, and at times they are discriminated in term of wage payment it becomes more essential that minimum wages to them are also ensured. Similarly, their need revolve around access to proper health care, education, housing, food and work security. The Committee, therefore, strongly recommend that minimum wages to weavers across the country be ensured and it should be revised from time to time taking into consideration the price index and other related factors.

Market development and Handloom promotion

37. The Committee note that despite the fact that a number of events organized under marketing and export promotion scheme, the conditions of handloom sector is not improving. National Handloom Expos, Special Handloom Expos, District level events, Craft Mela etc. have not yielded the desired results. The allocations for organizing these events in Andhra Pradesh during the last three years is to the tune of Rs.120.17 lakh in the year 2006-07, Rs.95.78 lakhs in the year 2007-08 and Rs.111.85 lakhs in the year 2008-09. The Committee are not convinced that incurring an expenditure of about Rs. 1 crore annually for such events in a major handloom cluster state like Andhra Pradesh, has really helped the handloom sector in any manner not to speak of the weavers. Innovations is left to be much desired in the marketing of handloom products. NHDC and other concerned wings of the Government should devise more innovative schemes for promotion of the handloom sector. The proposed activities should inter-alia include catchy advertisements, new designs, developing trend images to promote handloom in the country and abroad. Such steps will retain the existing consumer base. The cost of production of handloom cloth is more than the cost of production in powerloom and hence the concept of 20% rebate on sale of production of weavers cooperatives, individual weavers be continued with.

38. The Committee understand that Kerala Government at the behest of Handloom Cooperative has advised the schools in the State to ask the students and teachers to wear handloom dress at least once a week. The Committee desire that Central Government may send similar advisory requests to all the States/UTs. This will go a long way in inculcating the use of handloom clothes in the Country.

Formulation of proper Economic policies of the Government for handloom sector

39. The Committee find that handloom sector is not getting the due attention of the Government. Despite its contribution, handloom sector is not acknowledged in various reports related to GDP, Exports, Development and Economic Policies as a distinct sector. Moreover, due to the duality of administration, overlapping responsibilities between the Union and State Governments even the existing schemes and policies do not deliver the desired results. Recognizing its potential in employment generation and contribution to Gross Domestic Product, handloom sector has to be recognized appropriately and this recognition should help in formulation of appropriate policy responses. Being environmental friendly products, Government should consider providing subsidy and incentives to handloom sector on the lines it is provided to powerloom in the form of 20% margin money subsidy scheme and also under Technology Upgradation Fund Scheme available to textile sector. This will help not only in the development of handloom but also enable it to compete successfully with powerloom sector. The Committee, therefore recommend that handloom sector should get the attention of the Government it merits so that it is provided with the thrust it requires for its development by making provisions for appropriate incentives and subsidies whenever necessary.

Protection to Handloom markets

40. The Committee note that handloom markets are under threat from unscrupulous business practices. Reportedly Powerloom products are being extensively sold as handloom products. This is impinging not only the consumer confidence but also preventing the genuine handloom products in entering the market. To obviate this, there should be strict implementation of the Handloom (Reservation of Articles for Production) Act, 1985 and proper machinery should be set up for its enforcement. There should also be proper labeling of the handloom products and powerloom products so that these have distinct identities.

To sustain the market and to give a fillip, if necessary, some buy back arrangements by the Government should also be made for the products of handloom. This will help in reducing the monopoly of a few to manipulate and influence the handloom market according to their whims and fancies. The Committee, therefore recommend that appropriate and necessary steps should be taken to protect the handloom market from the invasion of other non-handloom products. Besides, more and more articles should be reserved for production in handloom sector along with the institutional buy back arrangements by the Government.

Campaign for social awareness among the weavers

41. The Committee during their recent visit to Sircilla noticed that entire weaving community is under heavy debt and is being exploited by local money lenders. The Committee are of the view that besides the ongoing problems like lack of continuous work for weavers, non-lifting of finished products, non-receipt of minimum wages etc., their exploitation by money lenders followed by social humiliation coupled with lack of medical facilities have compounded the problems gravely. To save the poor and hapless weavers from this self destructive vicious circle of poverty, it is essential that proper social awareness campaign at appropriate level be launched forthwith. This should be introduced in all concentration zones of weavers. The Committee, therefore recommend that simultaneously with other policies and programmes for weavers, social awareness campaign about the ill effects of the liquor be initiated. The cooperation of local administrative set up should be enlisted to dismantle such network which is detrimental to the weavers and which is exploiting the weavers/workers for their own end.

42. In the foregoing paragraphs, the Committee, have recommended various measures for welfare and uplift of the weavers. The Committee also recommend that following steps are essential for the overall improvement in the conditions of weavers throughout the country:

- (i) Issue of identity cards to all the eligible weavers.**
- (ii) Scholarship to school going children from class I onwards as against class IX as of now.**
- (iii) Bridge school for school drop outs.**
- (iv) Anthodaya ration cards for households with adequate ration.**
- (v) Health care centers in major handloom clusters.**
- (vi) Housing sites/Houses.**
- (vii) Review of insurance schemes with a view to have minimum ensured amount of Rs. One lakh for health insurance and life insurance, respectively, to increase age of weavers for eligibility upto 72 years and adequate enhancement in , widow pension and old age pension.**
- (viii) Encourage genuine NGOs to work in weavers clusters.**
- (ix) Regular mechanism to review/monitor the schemes for taking corrective/remedial measures.**
- (x) Presence of ESI/EPFO in handloom/powerloom clusters.**

New Delhi;
3rd November, 2008
 12 Kartika, 1930 (Saka)

SURAVARAM SUDHAKAR REDDY,
 CHAIRMAN,
 STANDING COMMITTEE ON LABOUR

Annexure -I

List of individuals who appeared before the Committee during their study visit to Sircilla and Hyderabad (Andhra Pradesh) on 5th October, 2008.

Sl. No.	Name	Designation/Organisation
1.	2.	3.
1.	Ms. T. Lakshmi	Widow of a Weaver
2.	Ms. T. Sharada	Widow of a Weaver
3.	Ms. K. Annapurna	Widow of a Weaver
4.	Ms. K. Latha	Widow of a Weaver
5.	Ms. A. Rama Devi	Widow of a Weaver
6.	Ms. D. Madhavi	Widow of a Weaver
7.	Shri Ramachandraiah	Ex-MP
8.	Prof. G. Lakshminarayana	Former Vice-Chancellor, Dravidian University,
9.	Shri Mandala Sriramulu	Chairman, Andhra Pradesh State Handloom Weavers Co-operative Society Ltd.
10.	Shri U. V. Rao	Vice Chairman, Handloom Promotion Council
11.	Shri Surya Prakash Reddy	All India Powerloom Board
12.	Shri D. N. Reddy	Handloom
13.	Shri Mohan Rao	Rastra Chenetha Jana Samakhya

Annexure -IIGist of representations received from various organizations/individuals during the study visit of the Committee to Sircilla and Hyderabad (Andhra Pradesh) on 5th October, 2008.

Sl. No.	Subject	Name of the individual/ Organization
1.	2.	3.
1.	Waiving off loans to small industries and re-sanctioning loan @ 0.25% interest rate	(i) M/s Laxmi Textiles (ii) M/s Srija Textiles (iii) M/s Sri Sai Textiles (iv) M/s Rama Devi Textiles (V) M/s Madhavi Textiles
2.	Request for financial assistance from Government to the family of Late Rampally Rajender who committed suicide	Rampally Savitri
3.	Request for loan to construct house	Goshe Pushpala
4.	Request to withdraw ban on sale of Toddy in Sircilla Town	<u>Toddy Workers' Association</u> (Geetha Paarishramika Sahakaara Sanghaala Samakhya) (i) Burrapedda Sathaiah Goud (ii) Cherpally Mallaiah Goud

1.	2.	3.
5.	Request to look into reasons behind suicides committed by powerloom workers	Ambala Mallesham, President JD(U) Party
6.	Request to waive off loans taken by weavers under PMRY Scheme	J. Ravi G. Vishnu
7.	Request to withdraw Circular No. G4/28595/01 dated 26.11.01 disallowing mortgage of house sites sanctioned by State Government	Nandi Shankar, BJP Councillor Sircilla
8.	Request to make Sircilla a Special Power Loom Zone	Polyester Cloth Manufacturers' Association Sircilla
9.	Request to solve the problems faced by powerloom industries and industries related to cloth manufacturing	K. K. Mahender Reddy, General Secretary Telangana Rashtra Samiti Sircilla
10.	Request to extend help to weavers of Rajeev Nagar and Thangallapally on the outskirts of Sircilla	Regulapati Subhash Rao, President Mandal Praja Parishad Sircilla
11.	Request to announce special package to the weavers of Sircilla	Marri Venkata Swamy, Secretary Communist Party of India Sircilla
12.	Request to extend financial aid to the children of late Chilukala Devaraju who committed suicide alongwith his wife.	Chilukala Mallaiah

13.	Request to issue Antyodhya cards to Dalits and financial aid to families which witnessed hunger deaths	Raaghula Ramulu, District President Mala Mohanadu Karim Naga
14.	Request to provide work and appropriate wages to weavers.	Cherupalli Seetharamulu MLC A.P. Handloom Workers Association
15.	<p>(i) Financial assistance to Dalits and backward castes.</p> <p>(ii) Issue of Antyodhya cards to poor Dalits and backward castes.</p> <p>(iii) Job assurance to unemployed.</p> <p>(iv) waiver of loans to scheduled castes and backward castes.</p>	<p>Reddimalla Srinivas, District President</p> <p>Republican Party of India Karimnagar</p>
16.	<p>(i) The financial support is very meager and banks adopt highly security oriented approach for which the poor and marginal weavers fail to provide sufficient security and collateral.</p> <p>(ii) All the Powerloom Weavers should be assured through Group insurances for providing coverage.</p> <p>(iii) The old age pension should be enhanced from the existing Rs. 200 to Rs. 1000 to the persons of above 50 years of age.</p> <p>(iv) Need to provide linkages between production and markets.</p> <p>(v) Need to increase the financial support to at least 60% of the project cost under the scheme for integrated textile parks for the development of infrastructure etc.</p> <p>(vi) Need to ensure proper and regular</p>	<p>Andhra Pradesh State Powerloom Weavers' Association</p> <p>Narasiah R Uppala, President</p>

supply of raw material for weavers at reasonable prices through Government outlets.	
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17.	<p>(i) Need to waive all the loans taken from banks and money lenders.</p> <p>(ii) Need to provide year long market facilities and to provide 30% rebate.</p> <p>(iii) To cover all the weavers under ESIC and EPF benefits.</p> <p>(iv) Compulsory purchase of handloom cloths by all State and Union Government departments at production cost without the tender system.</p>	<p>All India Weavers United Front</p> <p>G. Rama Moorthy Working President</p>
18.	<p>Following areas need to be looked into for the welfare of the weavers:</p> <p>(i) Upgradation of technology of the old looms being used by the weavers.</p> <p>(ii) Proper supply of raw material at reasonable prices.</p> <p>(iii) Strengthening of marketing facilities.</p> <p>(iv) Proper training and testing facilities to the weavers to enable them to improve quality and designs of products as per the requirements of the market.</p>	<p>Narasiah R Uppala, Chairman</p> <p>Hyderabad Hi-Tech Textile Park</p>
19.	<p>(i) Outstanding loans should be waived for both , Cooperative and non-cooperative segments of handloom sector.</p> <p>(ii) Government should announce a special scheme to ensure a minimum income of Rs.6000 per handloom family per month.</p> <p>(iii) Separate departments should be established for handloom and powerloom.</p>	<p>Y. Venkanna Netha Chairman</p> <p>Handloom Promotion Council</p>
20.	<p>(i) Declare Sircilla as a Texrile special economic zone.</p> <p>(ii) Government should buy the piled up stocks of cloth and assure employment to those engaged in 26000 powerlooms.</p>	<p>Memorandum submitted by All Party Committee (A.P.)</p> <p>Shri Ch. Rajeshwar Rao, MLA and others.</p>

1	2	3
	<p>(iii) Providing free and continuous electricity to powerlooms.</p> <p>(iv) Waiver of loans taken by powerloom cooperatives.</p> <p>(v) Establish special labour officer to supervise labour welfare laws.</p> <p>(vi) Expedite the work of sanctioning and disbursement of pensions, House sites and house constructions.</p>	

MINUTES OF THE EIGHTH SITTING OF THE STANDING COMMITTEE ON
LABOUR HELD ON MONDAY, 3RD NOVEMBER, 2008

The Committee met from 1130 hours to 1300 hours in Committee Room `C', Parliament House Annexe, New Delhi to consider and adopt draft Thirty-Fourth and Thirty-Fifth Reports.

PRESENT

Shri Suravaram Sudhakar Reddy - CHAIRMAN

**MEMBERS
LOK SABHA**

2. Shri Furkan Ansari
3. Shri Ramdas Bandu Athawale
4. Shri Subrata Bose
5. Shri Santasri Chatterjee
6. Shri Thawar Chand Gehlot
7. Smt. Sushila Kerketta
8. Shri Virendra Kumar
9. Shri Basangouda R. Patil
10. Shri Chandra Dev Prasad Rajbhar
11. Shri Mohan Rawale
12. Smt. C.S. Sujatha
13. Shri Parasnath Yadav

RAJYA SABHA

14. Shri Rudra Narayan Pany
15. Shri Narayan Singh Kesari
16. Shri K. Chandran Pillai

SECRETARIAT

- | | | | |
|----|-------------------|---|------------------|
| 1. | Shri Brahm Dutt | - | Joint Secretary |
| 2. | Shri R.K. Bajaj | - | Director |
| 3. | Shri N. K. Pandey | - | Deputy Secretary |

2. At the outset, the Hon'ble Chairman welcomed the Members to the sitting of the Committee and apprised them about the three referred Bills i.e., (i) The Workmen's Compensation (Amendment) Bill, 2008, (ii) The Employees' State Insurance (Amendment) Bill, 2008 and (iii) The Plantations Labour (Amendment) Bill, 2008 as introduced in Lok Sabha/Rajya Sabha and referred to the Standing Committee on Labour for examination and Report within a period of three months and about draft Thirty-Fourth and Thirty-Fifth Reports on the Action Taken by the Government on the recommendations/observations contained in the Twenty-Seventh Report of the Standing Committee on Labour on the subject 'Sickness/Closure of Textile Mills' and the "General Conditions of Weavers in the country- A case study of Sircilla concentration zone of weavers" respectively.

3. Thereafter, the Committee took up the following draft reports for consideration:-

- (i) Draft Thirty-Fourth Report on the action taken by the Government on the recommendations contained in the Twenty-Seventh Report on the subject 'Sickness/Closure of Textile Mills'
- (ii) General conditions of weavers in the country-A case study of Sircilla concentration zone of weavers.

4. The Committee adopted the above reports with some verbal modifications.

5. The Committee then authorized the Chairman to finalise the above Reports and present the Thirty-Fifth Report to Hon'ble Speaker.

6. The Committee also placed on records their appreciation for the service rendered to the Committee by the officers/staff attached to the Committee.

7. XX XX XX

8. XX XX XX

The Committee then adjourned.