

**Bill No. 58 of 2023**

THE HANDLOOM WEAVERS AND WORKERS (WELFARE)  
AUTHORITY BILL, 2023

By

DR. SANJEEV KUMAR SINGARI, M.P.

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BILL

*to ensure protection and welfare mechanisms for the handloom weavers  
and workers and for matters connected therewith  
or incidental thereto.*

BE it enacted by Parliament in the Seventy-fourth Year of the Republic of India as follows:—

1. (1) This Act may be called the Handloom Weavers and Workers (Welfare) Authority Act, 2023.

Short title,  
extent and  
commencement.

5 (2) It extends to the whole of India.

(3) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

Definitions.

2. In this Act, unless the context otherwise requires,—

(a) “Authority” means the National Handloom Weavers and Workers Welfare Authority constituted under section 3;

(b) “Committee” means Local Committee for Handloom Weavers constituted by the Authority at local levels under section 5;

(c) “Fund” means National Handloom Weavers and Workers Welfare Fund constituted by the Authority under section 6;

(d) “handloom” means any loom used for the production of cloth that is operated fully or partly manually as defined in clause (g) of section 2 of the Factories Act, 1948;

(e) “prescribed” means prescribed by the rules made under this Act;

(f) “weaver” means a person engaged in the production of cloth on a handloom and includes a person who owns, works or operates on handloom for the production of cloth; and

(g) “worker” means a worker engaged in a handloom by a weaver and who earns wages on a regular or any other basis by working in a handloom.

Constitution of the National Handloom Weavers and Workers Welfare Authority.

3. (1) **The Central Government shall by notification in the Official Gazette, constitute an Authority to be known as the National Handloom Weavers and Workers Welfare Authority for carrying out the purposes of this Act.**

(2) The headquarters of this Authority shall be at Hyderabad which is the common capital of States of Andhra Pradesh and Telangana.

(3) The Authority shall consist of—

(a) **a Chairperson, committed to the causes of weavers or has adequate knowledge and professional experience in the handloom sector;**

(b) **a Deputy Chairperson with such qualification, as may be prescribed;**

(c) five members to represent the Union Ministry of Finance, Labour and Employment, Skill Development and Entrepreneurship, Social Justice and Empowerment and Textiles;

(d) three members from the Parliament, of whom two shall be from Lok Sabha and one shall be from Rajya Sabha, to be nominated by the Presiding Officer of the respective Houses;

(e) **five members to be nominated by the Central Government who represent the handloom weavers, provided that at least one Member shall be each from amongst persons belonging to the Scheduled Castes and Scheduled Tribes and women, respectively.**

Term of Office and conditions of Members.

4. (1) The Chairperson and every Member shall hold office for such period, not exceeding five years, as may be specified by the Central Government in this regard;

(2) The Chairperson or Member may, by writing and addressed to the Central Government, resign from the office of Chairperson or, as the case may be, of the Member at any time;

(3) The Central Government shall remove a person from the office of Chairperson or a Member if that person—

(a) becomes an undischarged insolvent;

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(b) gets convicted or sentenced to imprisonment for an offense which in the opinion of the Authority involves moral turpitude;

(c) becomes of unsound mind and stands so declared by a competent court;

5 (d) in the opinion of the Authority has so abused the position of Chairperson or Member as to render that person's continuance in office detrimental to the public interest.

(4) The salary and allowances payable to, and other terms and conditions of the service of the Chairperson and members of the Authority shall be such as may be prescribed.

10 **5. (1) The Authority shall, in consideration and coordination with the State Governments, as it may deem necessary for carrying out the purposes of this Act, appoint committee at the local level as may be prescribed, to be known as the Local Committee for Handloom Weavers.**

Functions of the Authority.

15 (2) The Authority shall in coordination with Local Committees and State Governments take, steps for the overall welfare of weavers and handloom workers including, raising their standard of living, removal of poverty and indebtedness, ensuring their social security, making easy availability of raw materials at an affordable price and encouraging market for the handloom sector.

20 (3) Without prejudice to the generality of the foregoing provisions, the Authority shall,—

(a) formulate and implement welfare policy for the handloom weavers and workers;

**(b) formulate and implement grievance redressal mechanisms for the handloom weavers and workers;**

25 **(c) maintain a district-wise register of handlooms, handloom weavers and workers with such particulars and in such manner as may be prescribed;**

(d) regulate the service conditions of workers including fixing of minimum wages in such manner as may be prescribed;

**(e) ensure modernization of old handlooms;**

30 **(f) encourage and provide all necessary assistance to handloom weavers cooperatives;**

**(g) organize exhibitions, meals, and such other activities to promote handloom sector in different parts of the country;**

35 **(h) develop and regulate four dedicated markets in each State for handloom articles, in consultation with the State Government of the respective States;**

**(i) make suitable arrangements for the purchase of handloom cloth by Government agencies on a cash and carry basis;**

**(j) encourage export of handloom cloth and handloom garments; and**

40 (k) perform such other functions as may be assigned to it by the Central Government from time to time.

**6. (1) The Central Government shall, by notification in the Official Gazette, constitute a Fund to be known as the Handloom Weavers and Workers Welfare Fund.**

Constitution of the Handloom Weavers and Workers Welfare Fund.

**(2) The Central Government and the State Governments shall contribute to the Fund in such a ratio as may be prescribed.**

(3) There shall also be credited to the Fund such other sums as may be received by way of donations, contributions, assistance, or otherwise from individuals and organizations.

Utilisation of Fund.

7. The Funds shall be utilized for the following purposes,—

(a) providing minimum unemployment allowance to handloom workers from time to time;

(b) providing respectable pension for handloom workers above the age of 55 years;

(c) providing interest-free loans to handloom weavers and workers;

(d) making *ex-gratia* payments at prescribed rates to each of the bereaved families of handloom weavers who die in harness;

(e) providing loans at a nominal rate of interest for purchasing cotton yarn and other necessary raw materials to the handloom weavers;

(f) providing an annual assistance of twenty-four thousand rupees to the families of weavers who own handloom to modernize their equipment;

(g) providing special assistance to women weavers to set up small-scale handloom workshops;

(h) providing healthcare facilities to the handloom weavers and workers and their dependent family members;

(i) providing educational facilities and vocational training to the wards of weavers and workers; and

(j) such other welfare measures as may be prescribed.

Annual Report.

**8. (1)** The Authority shall prepare, in such form and manner, as may be prescribed, an annual report giving a true and full account of its activities during the previous year and submit it to the Central Government.

(2) The Central Government shall cause the report submitted to it under sub-section (1) to be laid before each House of Parliament.

Power to remove difficulties.

**9. (1)** If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order published in the Official Gazette, make such provisions, not inconsistent with the provisions of this Act, as appear to it to be necessary or expedient for removing the difficulty:

Provided that no such orders shall be made after the expiry of the period of three years from the date of commencement of this Act.

(2) Every order made under this section shall, as soon as may be, after it is made, be laid before each House of Parliament.

Act not in derogation of any other law in force.

**10.** The provisions of this Act shall be in addition to and not in derogation of any other law for the time being in force in respect of any of the matters provided under this Act.

Power to make rules.

**11. (1)** The Central Government may, by notification in the Official Gazette, make rules for carrying out the purposes of this Act.

(2) Every rule made under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both the Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

## STATEMENT OF OBJECTS AND REASONS

The Handloom Sector is one of the largest unorganized economic activities after agriculture and constitutes an integral part of rural and semi-rural livelihood. Handloom weaving constitutes one of the richest and most vibrant aspects of our country's cultural heritage. Indian handloom artists are globally known for their unique hand-spinning, weaving, and printing style. In the financial year 2021-22, Indian exported handloom accounted for worth Rs. 1,693 crores. It not just contributes to the country's economy but has also been the backbone of the rural population involved in the handloom sector. According to the Handloom Census 2019-20, the industry employs about 3,522,512 handloom workers across the country.

Despite the aforementioned, the sector today faces many challenges. One of the most concerning challenges among them is the lack of social security for handloom weavers. Long working hours and complex work accompanied by low wages have pushed new generations of handloom weavers to look for different avenues of employment. Such decisions are motivated by the exploitative nature of work and non-profitable labour of procuring yarn and weaving for which handloom weavers sometimes take loans and get stuck in the cycle of debt. The overall number of weavers decreased by 19 per cent. from 43.31 lakh in 2009-10 to 35.25 lakh in 2019-20. Moreover, the Handlooms (Reservation of Articles for Production) Act, 1985 focuses on the preservation of handloom articles with blurring attention being given to securing the interest of the weavers, especially the women workers who constitute 72.29 per cent. of the total handloom workers whose future are insecure.

Furthermore, less visibility of handloom products in the market has also added to the problems of workers. Most handlooms enjoy prominence only in their locality and people elsewhere are unaware of the existence of many other varieties. The reason behind this is poor marketing and the industry's inability to adopt current marketing techniques. Promoting export of such products needs dedicated funds from the Government to market products. Despite this Government allocations for handloom in national and State budgets are being reduced and reversed.

The Bill, therefore, will strive to enact for the interest of handloom weavers by establishing an authority that will look after the welfare of the workers. The proposed authority would do so by undertaking the functions prescribed above and by establishing local welfare committees and dedicated welfare funds for the handloom weavers. The authority will also set up a mechanism to address the grievances and long-pending demands of the weavers. Such an initiative would encourage and empower the handloom sector to flourish in the domestic and global markets.

Hence this Bill.

NEW DELHI;  
*January 19, 2023.*

SANJEEV KUMAR SINGARI

## FINANCIAL MEMORANDUM

Clause 3 of the Bill seeks to constitute the National Handloom Weavers and Workers Welfare Authority. Clause 5 provides for certain steps to be taken by the authority for the welfare of the handloom weavers and workers. Clause 5 also provides for the constitution of the local committee for handloom weavers. Clause 6 seeks to constitute the National Handloom weavers fund.

This Bill, if enacted, will involve expenditure from the consolidated fund of India. It is estimated that a recurring expenditure of rupees ten crore per annum would involve from the Consolidated Fund of India.

A non-recurring expenditure to the tune of rupees fifty crore may also be involved.

## MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 11 of the Bill empowers the appropriate Government to make rules for carrying out the purposes of the Bill. As the rules will relate to matters of detail only, the delegation of legislative power is of a normal character.



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*(Dr. Sanjeev Kumar Singari, M.P.)*