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National Handloom Day 2026 Highlights India's Handloom Heritage, Weaver Welfare and Sustainable Textile Ecosystem

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Recent Developments:

- **India observed the 12th National Handloom Day on 7 August 2026** to honour the country's rich weaving traditions and recognise the economic, social and cultural contribution of **handloom weavers and allied workers**.
- **National Handloom Day** was instituted in **2015** to commemorate the **Swadeshi Movement (7 August 1905)**, which promoted **indigenous production, self-reliance and economic nationalism**.
- The Union Government continued the **National Handloom Development Programme (NHDP)** and **Raw Material Supply Scheme (RMSS)** during **2026–27** with enhanced budgetary support and renewed emphasis on market access, technology adoption and social security.

Handloom Sector in India:

Meaning:

- **Handloom** refers to fabric woven manually on looms without the use of electrically powered weaving machines.
- The sector represents an important component of **India's traditional textile economy**, combining **heritage, employment generation, rural livelihoods and cultural diversity**.

Historical Evolution:

- India's handloom tradition traces its origins to the **Indus Valley Civilisation**, making it one of the world's oldest textile traditions.
- Ancient texts including the **Rigveda, Ramayana, Mahabharata** and **Kautilya's Arthashastra** mention India's advanced **cotton, silk, spinning and weaving traditions**.
- The **Swadeshi Movement (1905)** transformed handloom into a symbol of **economic self-reliance and resistance against colonial imports**.

Characteristics, Traditional Craftsmanship:

- The sector is based on **manual weaving skills, household enterprises** and **region-specific traditional knowledge** passed across generations.
- Every weaving region has developed distinct **motifs, designs, weaving techniques and dyeing traditions**, reflecting India's cultural diversity.

Economic Importance:

- The sector is among the **largest rural non-farm employment generators** after agriculture.

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- Contemporary designs, **digital commerce**, branding initiatives and domestic as well as international exhibitions have expanded market access for Indian handloom products.

Handloom Census:

- India has conducted **four All India Handloom Censuses** during **1987–88, 1995–96, 2009–10 and 2019–20**.

Status of India's Handloom Sector:

Employment, Workforce:

- The **Fourth All India Handloom Census (2019–20)** recorded approximately **31.45 lakh handloom households** and **35.22 lakh weavers and allied workers**.
- Around **8.48 lakh workers** are engaged in **pre-loom and post-loom activities**, including **winding, warping, dyeing and calendaring**.

Women Participation:

- Women constitute **more than 72%** of the total workforce.
- Approximately **25.46 lakh women** are engaged in weaving and allied activities, making handloom one of India's most **women-centric traditional industries**.

Social Inclusion:

- The workforce includes nearly **4.84 lakh Scheduled Caste, 6.28 lakh Scheduled Tribe and 12.67 lakh Other Backward Class workers**.
- The sector plays an important role in **inclusive growth, livelihood security and social empowerment**.

Rural Economy:

- Out of **28.20 lakh handlooms**, around **25.30 lakh** are located in rural areas, indicating that nearly **nine out of ten handlooms operate in villages**.

Digital Identification:

- Eligible workers receive **Pehchan/e-Pehchan Cards** for accessing government benefits.
- The **e-Pehchan Portal**, launched in **January 2025**, enables online registration, correction of details and digital card downloads.
- By **July 2026**, nearly **84,000 additional workers** had been approved under the portal.

Challenges Facing the Handloom Sector:

Production Challenges:

- Competition from **powerlooms and machine-made textiles** reduces market competitiveness.
- Rising input costs and limited access to quality raw materials affect profitability.

Marketing Challenges:

- Limited branding, fragmented supply chains and dependence on intermediaries reduce weavers' income.
- Counterfeit handloom products weaken consumer confidence.

Socio-Economic Challenges:

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- Low and irregular income discourages younger generations from continuing traditional weaving.
- Limited access to institutional finance, modern technology and organised markets constrains sectoral growth.

Technological Challenges:

- Slow adoption of modern weaving tools and digital marketing platforms limits productivity and market expansion.

Government Initiatives for the Handloom Sector:

National Handloom Development Programme (NHDP):

About:

- Implemented during **2021–22 to 2025–26**, the programme follows an integrated approach covering **infrastructure, technology, production, credit, marketing and welfare**.
- It is implemented through **government agencies, cooperatives, producer companies, federations and banks**.

Handloom Producer Companies:

- Member-owned enterprises improve **collective bargaining, value addition and market access**.
- Around **200 Handloom Producer Companies** were established during **2020–21 to 2026–27**.

Small Cluster Development Programme:

Financial Assistance:

- Assistance of up to **₹2 crore per cluster** is provided for **improved looms, worksheds, lighting, design development, product diversification and marketing**.

Progress:

- **357 clusters** were sanctioned between **2021–22 and June 2026–27**.
- Around **₹94 crore** was released during **2025–26** for infrastructure and productivity enhancement.

Impact:

- Weavers can receive **up to 100% subsidy** for workshed construction.
- The intervention increased **daily production by 53%, working hours by 60%, monthly working days by 28%** and **daily earnings from ₹328 to ₹465**.
- Adoption of **Electronic Jacquards** increased production by 55%, daily wages from **₹360 to ₹560** and monthly income from **₹9,600 to ₹15,000**, while **96% of beneficiaries** reported productivity improvements.

Handloom Marketing Assistance (HMA):

Marketing Support:

- Supports **domestic marketing, exports, Urban Haats, exhibitions, expos and craft fairs**.
- More than **960 marketing events** were organised between **2021–22 and June 2026–27**.

Awards:

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- **Sant Kabir Handloom Award** carries ₹3.5 lakh, a mounted gold coin, **Tamrapatra**, shawl and certificate.
- **National Handloom Award** carries ₹2 lakh, **Tamrapatra**, shawl and certificate.
- During the **2024 award cycle**, presented on **National Handloom Day 2025**, **24 awardees**, including **six women and one Divyang weaver**, were honoured.

Concessional Credit, Insurance and Welfare:

Weaver MUDRA Scheme:

- Provides loans at **6% interest** for three years.
- Includes **interest subvention up to 7%**, margin money assistance and credit guarantee support.
- More than **40,000 loans** worth over ₹280 crore were sanctioned between **2021–22 and June 2026–27**.

Insurance Coverage:

- **PMJJBY** provides ₹2 lakh **life insurance** for eligible workers aged **18–50 years**.
- **PMSBY** provides ₹2 lakh for accidental death or total disability and ₹1 lakh for partial disability for workers aged **18–70 years**.

Educational Assistance:

- Scholarships of up to ₹2 lakh **annually** are available for **two children** of each eligible handloom worker pursuing recognised textile courses.
- By **June 2026**, **531 applications** had been approved.

Mega Cluster Development:

- Each mega cluster covers **at least 10,000 handlooms**.
- Central assistance of **up to ₹30 crore** is available over five years.
- **Eight clusters** are operational and **four** are under implementation.
- Around ₹370.72 crore has been released, benefiting **1.62 lakh weavers**.

Special Infrastructure Projects:

- Assistance of up to ₹12 crore is available for **quality improvement, productivity enhancement, value addition and marketing**.
- **Six Craft Handloom Villages** are operational, while **three** are under implementation.

Raw Material Supply Scheme (RMSS):

Objective:

- Ensures affordable and timely availability of yarn to handloom weavers.

Benefits:

- Reimburses freight charges on all categories of yarn.
- Provides **15% price subsidy** on notified yarns within prescribed limits.

Union Budget 2026–27 Initiatives:

GST Rationalisation:

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- GST on **36 handicraft items, cotton handloom rugs, handwoven carpets and sewing machines** was reduced from **12% to 5%** following recommendations of the **56th GST Council**.

National Fibre Scheme:

- Strengthens India's raw material ecosystem for **natural, man-made and new-generation fibres**.

Textile Expansion and Employment Scheme:

- Supports technology upgradation, modern machinery and common testing facilities in traditional textile clusters.

National Handloom and Handicraft Programme:

- Integrates existing schemes for coordinated development of the handloom and handicraft sectors.

Mahatma Gandhi Gram Swaraj Initiative:

- Promotes **Khadi, handloom, handicrafts, village industries and One District One Product (ODOP)** through branding, skilling, quality improvement and export promotion.

Market Access and Quality Assurance:

Handloom Mark:

- Introduced in **2006** to certify that products are genuinely handwoven.
- By **30 June 2026**, **29,402 registrations** had been issued and **815 retail outlets** were selling certified products.

India Handloom Brand:

- Launched on **7 August 2015** for premium natural-fibre handloom products.
- Certification is based on **authentic designs, colourfastness, skin-friendly dyes, social compliance, zero defects and environmental sustainability**.
- By **June 2026**, **2,305 registrations** had been issued across **184 product categories**.

Geographical Indication (GI):

- **GI registration** under the **Geographical Indications of Goods (Registration and Protection) Act, 1999** protects region-specific handloom products against imitation.
- As of **August 2026**, **106 handloom products, 6 product logos and 227 handicrafts** had received GI protection.

Handlooms (Reservation of Articles for Production) Act, 1985:

- Reserves **11 textile articles** exclusively for handloom production, safeguarding traditional weavers from powerloom competition.

UPSC Value Addition:

Constitutional Provisions:

- **Article 43:** Promotes **cottage industries** in rural areas.
- **Article 46:** Directs the State to promote the educational and economic interests of weaker sections.
- **Article 51A(f):** Makes preservation of India's rich cultural heritage a Fundamental Duty.

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Related Institutions:

- **Development Commissioner (Handlooms), Ministry of Textiles**
- **National Handloom Development Corporation (NHDC)**
- **Handloom Export Promotion Council (HEPC)**
- **Textiles Committee**