

A Study on Problems Faced by Handloom Industry in India

Dr. R.S.Sripoorni
Assistant Professor
KG College of Arts and Science
Saravanampatti, Coimbatore -35.

Abstract

In India textile industry is very crucial to the Indian economy in terms of its contribution to GDP and employment. It contributes about 4 percent to the GDP, generate 9 percent of the central excise revenue accounts for over 14 percent to total industrial production, 17 percent of its manufacturing capacity, 18 percent of Indian work force and 27 percent of its export earnings. This sector is the second largest employment provider after agriculture employing over 38 million people directly and another 50 million indirectly.

Keywords: Handloom industry, Sickness, Problems

Introduction

The Indian textile industry, old and rich had a great legacy, which is perhaps unmatched in the history of industrial development. Prior to colonization India's manually operated textile machines were among the best in the world, and served as a model for production of the first textile machines is newly industrialized in Britain and Germany. Indian textile was sought

after for their finesse, quality and design, colonization put an end to India's glorious textile legacy.

The Indian textile industry has a complex structure one on hand, it is marked by the presence of large – scale organized players, while on the other hand, are numerous small – scale independent units. The government organized the textile industry represents the mills. It could be spinning mills or a composite mill. Compound mill is where there is spinning, weaving and processing facilities are carried out under one roof. On the other hand, the decentralized sector has been found to be engaged mainly in the weaving activity, which makes it heavily dependent on the organized sector for their yarn requirements. This decentralized sector is comprised of the three major segments viz, power loom, handloom and hosiery. In addition to the above, there are readymade garments, Khadi as well as carpet manufacturing limits in the decentralized sector. The fragmented powerloom and handloom sectors account for around 95 percent weaving in India. Handloom sector is largely dependent on the organized mill sector for supply of its

principal raw material yarn. These sectors use the large volume of yarn in the type of hanks. The central government ensures regular supply of yarn to the handloom sector by enforcing the order by making it obligation on the spinning mills to pack a prescribed percentage of the raw material yarn produced in hank structure.

The handloom textiles industry constitutes an everlasting facet of the rich cultural heritage of India. As an economic activity, the handloom sector providing livelihood to the people next to agriculture. The element of art and craft present in Indian handlooms makes it a potential sector for the upper segment of market domestic as well as global. It is one of the largest economic activities providing direct employment 65 lakhs persons engaged in weaving and allied activities. The Handloom sector contribute nearly 18 percent of the total cloth produced in the country and also adds substantially to export earnings. Handloom is unmatched in its elasticity and flexibility permit experimentation and encouraging innovations. The strength of Handloom lies in the introducing and innovating design, which cannot be replicated by the Powerloom sector. Thus Handloom forms a part of the heritage of India and exemplifies the richness and diversity our country and the artistry of the weavers. (Ministry of textiles report 2004 – 05)

The Indian textile industry has occupied an vital role in the economy of the country because of its contribution to the industrial output, generating employment and foreign exchange earnings. The textile industry accounts for around 20 percent of India's industrial production and 25 percent of its total exports. Besides, it provides employment to over 30 million people. It is the second largest employment provider and the biggest export earner accounting for nearly third of the country's export earnings. It contribute Rs.7000 Crores annually as duties to the central exchange besides, state taxes and other taxes.

Handloom Industry the production of handloom cloth is concentrated in three states, viz., Tamil Nadu, Andhra Pradesh and Uttar Pradesh. Moreover, the majority of weaver are outside the handloom cooperatives. The handloom census shows that over 75.6 per cent of the country's 2.74 million full-time weavers work independently of the total textile output of 12,957 million meters in 1987-88, the handloom, sector had share of 27 per cent. About 50 per cent came from the powerloom sector. While 23 percent resulted from the mill sector. The share of mill declined to 13 per cent in 1990-91.

The powerloom sector's share increased to 54 per cent. The production of handlooms has risen from 3,600 million

during 1984-85 to 4,600 million in 1989-90. In terms of value, production has risen from Rs.28,800 million to Rs.36,800 million during this period. In case of full employment, million handlooms in the country capable of producing 6000 million meters of cloth at the rate of 2000 million per loom. But the annual target of production by the handlooms less than 4500 million meters in the past five-year plan period.

Problems of Handloom Industry:

- **Supply of Raw Material**

Receiving raw material to the industry such as yarn, dyes and dyestuffs has become a problem. Weaving in rural and semi-rural area have to go far to get these raw materials. Production activity and weavers, yarn prices always gradually increasing. As a result, there is a permanent shortage of yarn for the poor weavers. In spite of a few schemes, the yarn access issue has not been resolved.

- **Prices of Raw material**

Handloom mainly uses ordinary fibres such as cotton, silk and jute. A price of these fibres has more fluctuations increasing during production and processing period. Cotton production in India is expensive; it is demanding and high usage of cost agricultural inputs such as pesticides and fertilizers. Secondly, while the raw material production most

often happens in the neighborhood of the weavers, their processing is done in far-away areas, and as such the prices to the weaver are much higher.

- **Investment and Infrastructure**

Investment in handloom industry has been limited to input supply costs. There is no high investment seen on sector growth hence it's a small scale industry. The producer will think on basic requirements of the industry on small level. Providing facilities such as land, water and electricity need to be provided in many places that are a harbor for handloom sector. The powerlooms can get more usable support from the government in procuring land, water and electricity.

- **Improvement in Design**

Today's pupil expectation on handloom sector should increase its design to change the reputation in market, the bottlenecks are many. The lack of change is mainly because of the weaver not being amenable to change, as is banded. Because of the unwillingness of the investor to take risk and provide incentive to weavers for an effective change.

- **Marketing the Products**

Marketing the Handloom products require more visibility. Market network become better and wider but the exhibitions organised with the support of government do not suffice.

- **Patenting varieties**

Handloom designs and varieties are not protected. But, investors are not interested lest they end up with high risk and copy the benefits. Protection options included to develop the handloom/ jute marks and registration under Geographical Indications Act.

- **Free Trade Opportunity**

An Agreement made on textile Clothing by the WTO, there is going to be free import and export of textiles. The handloom sector, as a traditional area, can able to claim some special packages or discriminatory measures, to protect this kind of production.

- **Cooperative system**

Many of the cooperative do help in maximising the benefits to poor weavers in the entire chain of production. The handloom cooperative system is with high corruption and more political interference are seen. Nowadays, Cooperatives have become independent of district-level officers in terms of management and decision-making.

- **Intermediaries Institutions**

Government has spend lot of money for research, training and input institutions to help the handloom sector. The institutions must include weaver service centers, institutions of

handloom technology, NIFT, etc. But their performance has not been developed and their presence has not helped in obviating the problems of handloom weavers.

- **Budget allocations**

Government Allocations for handloom in national and state budgets are being reduced and reversed. Budget has to increase with new schemes that should address the problems of the sector and the need to protect rural employment.

- **Enhancement of Value**

There is a need for enhancing the value of handloom products through utilization of organic cotton and organic yarn, application of natural dyes. Increasing the productivity of the looms through the process of research and innovation, changes in the width of the looms and some appropriate technical changes.

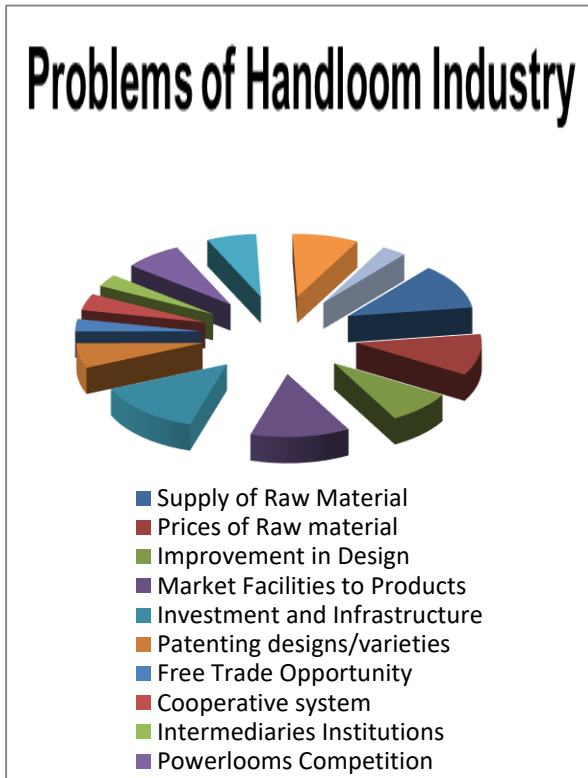
- **Powerlooms Competition**

Competition is uneven, with mill and powerloom sector are getting subsidies in many forms. Secondly, powerlooms have been undermining handloom markets by selling their products as handloom.

- **Livelihood Issues**

Wages have not increased in the last 15 to 20 years. Socio economic condition of handloom weavers are in very poor

standard of living, with no house or assets. The government have to meet at least effectively implement the Minimum Wages Act.



Conclusion

Indian Industry faces many problems it leads to Industrial Sickness. It was mostly seen under small scale industries. Especially the handloom industry weavers face many problems in day to day transaction. To recover them the government also spends huge amount and trying to build them with new research techniques. But still the handloom industry goes on backwardness; many weavers are migrated for their source of livelihood.

Reference

Kunhalkutty.K.P (2003) – The problem faced by the handloom Industry in Kerala WWW.Bharattextile.com online PP:- 26-31.

Mr.V.Sasi and John Mathai (2003) – Handloom export Journal, P.47.

LittleI.M.D(1987),“Small manufacturing enterprises in developing countries”,the world bank economic review, vol no:2, pp -203-235.