CHAPTER VI

MAJOR FINDINGS, SUGGESTIONS AND CONCLUSION

Tamil Nadu has been occupying an important place in the silk handloom industry in India and has been an integral element in the economic structure of the state from time immemorial. The decline of co-operative silk handloom society due to the non-availability of raw materials and competition from mill-made imported textile products were among the other important factors that brought about the decline of the industry. The study presents contemporary nuances of the industry with a view to identifying the factors leading to its performance. So the study made an attempt to make analysis of co-operatives silk producers in Kumbakonam since the place is well known for Thirupuwanam silk sraees. It also attempts to focus on aspects of the conditions of co-operative silk producers process, constraints and challenges. The present study also gives broad indications of the likely consequence of different policies implemented by the successive Governments. The findings of this study have considerable relevance to run the industry on modern techniques at all levels and improve the conditions of the handloom industries.
MAJOR FINDINGS OF THE STUDY

The findings of the study have been categorized into various segments viz business profile, Overall performance of the co-operative silk producers, disaggregated analysis of financial and sales of all the co-operative silk producers, socio-economic conditions of the weavers of co-operative silk societies in the study area.

OVERALL PERFORMANCE OF THE CO-OPERATIVES SILK PRODUCERS IN KUMBAKONAM TALUK

No looms in silk producing

Around 39.8 percent of the looms owned and 60.2 percent were hired, it could be inferred from the empirical verification that the no of looms hired was high in co-operative silk producers.

Membership level of Silk co-operatives

During 2006 the average membership level were 1345 which has been steadily declining gradually and in 2013 it was 812 with the decline of around 40 percent which implies that the membership position have been declined sharply, lack of competence and the performance of silk weaving could be one of the important criterion for the decline of membership but in the same line growth of private players could be the important reasons for the membership deterioration in the study period.
Average Cost of Production for piece

Around 55.6 percent of the respondents spent minimum of Rs.1600 and 58.9 percent of spent maximum 45000 per piece, around 11.3 percent of the respondents spent minimum of Rs.400 and 35.3 percent of spent maximum 27000 per piece, with regards to Chemicals around 9.7 percent of the respondents spent minimum of Rs.350 and 2.2 percent of spent maximum 2100 per piece, with regards to Wages around 20.8 percent of the respondents spent minimum of Rs.750 and 2.7 percent of spent maximum 2100 per piece, with respect to other expenses around 2.8 percent of the respondents spent minimum of Rs.600 and 0.8 percent of spent maximum 600 per piece, with regard to total cost of production the co-operatives spent minimum Rs.3600 and maximum Rs.76400.

Source for capital

Nearly 14.3 percent of silk producers put their deposit from members for working capital in 2006 and same revealed for the year 2012 for the same category, 14.3 percent of the of the co-operatives silk producers borrowed reserve fund loan from District central co-operative bank for the year 2006 and the same amount of person borrowed for 2012 as well, 14.3 percent obtained trade credit from handloom development corporation in 2006 whereas in 2012 they didn’t got the fund from the said organization, 57.1 percent revealed that they utilized all the above sources for their working capital and 71.4 percent for 2012

Average Profit margin silk producers acquire the margin of 10% for the saree worth of Rs.3000, with respect to the worth between Rs 3001 to Rs 6000
private producers obtained the profit margin of 12% with respect to the saree worth between Rs.6001 to Rs. 10,000 the silk producers obtained the profit margin of 15% with regard to the worth between Rs.10001- Rs. 15000 the silk producers gained 20%, silk producers got 20% profit margin for the worth of the saree between Rs.15000-Rs 20000, and with regard to the worth of the saree more than Rs.20000 the producers obtained the profit margin of 25%

Value of sales

14.3 percent sold in the up to 10 lakhs and in 2012 around 42.9 percent sold the products in the same category, during the year 2006 around 14.3 percent of the silk producers sold between 10 lakhs to 20 lakhs whereas in 2012 around 14.3 percent were sold in same category with no variation, during the year 2006 around 42.9 percent of the silk producers sold between 21 lakhs to 30 lakhs whereas in 2012 around 28.6 percent were sold in same category with slight decline in the category, during the year 2006 around 14.3 percent of the producers sold between 31 lakhs to 40 lakhs whereas in 2012 around 14.3 percent were sold in same category without any changes, during the year 2006 silk producers sold more than 40 lakhs whereas in 2012 none of them fall in this category

Profit pattern

None of the co-operative obtained gross profit were fall in category up to 2 lakhs in 2006 which increased to 71.4 percent in 2012, with respect to net profit 28.6 percent fall in this category in 2006 which is increased to 85.7 percent in 2012, around 14.3 percent of the gross profit and 42.9 percent of net profit of silk
producers were fall in category between 2 lakhs to 3 lakhs in 2006 which decline to 14.3 and 14.3 percent respectively in 2012, 42.9 percent of the gross profit and 14.3 percent of net profit of silk producers were fall in category between 3 lakhs to 6 lakhs in 2006 which was declined to 14.3 and increased to 14.3 percent respectively in 2012, around 28.6 percent of the gross profit and none net profit of 14.3 silk producers were fall in category between 6 lakhs to 10 lakhs in 2006 which was deceased none for both gross and net profit in 2012.

**Operational Expenditure**

During the year 2006 around none of the silk producers spent up to 15k and 2012 remains the same status, during the year 2006 around 14.3 percent of the producers spent between 15k to 25k whereas in 2012 nearly 14.3 percent were spent in same category, during the year 2006 around 71.4 percent of the producers spent between 15k to 25k whereas in 2012 nearly none spent in same category, during the year 2006 around 14.3 percent of the producers spent between 25k to 40k whereas in 2012 nearly 57.1 percent were spent in same category, during the year 2006 none of the producers spent between 40k to 50k whereas in 2012 nearly 28.6 percent were spent in same category.

**Expenditure incurred for marketing**

During the year 2006 around 14.3 percent of the silk producers spent Rs.15,000 whereas in 2012 none spent in same category, during the year 2006 around 14.3 percent of the silk producers spent between 15,000 to 25,000 whereas in 2012 nearly 14.3 percent were spent in same category, during the year
2006 around 42.9 percent of the silk producers spent between 25k,000 to 30 whereas in 2012 nearly 14.3 percent were spent in same category, during the year 2006 around 28.6 percent of the silk producers spent between 35,00 to 50,book whereas in 2012 nearly 42.9 percent were spent in same category, during the year 2006 none spent more than 50k whereas in 2012 around 28.6 percent were spent in same category.

**Cruxes of Disaggregated analysis of Co-operatives silk Producers**

This section of the findings exemplifies the value of the Raw materials, sales, sources of finance, operational and marketing expenditure and the outstanding of loans of all the co-operative silk producers taken for the study.

**Thirubuvabanm co-operative silk co-operative society**

**Sources of Capital**

Nearly 10 crores 71 lakhs and 93 thousands have risen in 2006 which is enhanced to 18 crores 26 lakhs and 32 thousands in 2012 with the hike of 70.4 percent.

**Sales**

Overall value of the silk products sole were 27 crores 24lakhs and 55 thousands which is increased to 41 crores 4lakhs and 57 thousand with the hike of 50.7 during the study period.
Value of Raw materials

Total raw material purchase for Thirubuvanam co-operative silk producer was around 1 crore and 30 lakhs which is increased 2 crores and 53 lakhs in 2012 with the hike of 96.3 percent.

Operational Expenditure

Value of the operational expenditure was 18 crores 78 lakhs and one thousand which is increased to 28 crores 78 lakhs and 39 thousand with the hike of 53.3 during the study period.

Marketing Expenditure

Value of the marketing expenditure was 2 crores 80 lakhs and 52 thousands which is increased to 6 crores 9 lakhs and 48 thousand with the hike of 117.3 during the study period.

Outstanding of Loans

Nearly 32 lakhs and 55 thousnads owe to bank in 2006 which is declined to 12 lakhs and 12 thousands in 2012.

Cholan co-operative silk society

Sources of Capital

75 lakhs and 96 thousands have raised in 2006 which is enhanced to 1 crore and 68 thousands in 2012 with the hike of 32.5 percent.
Sales

Overall value of the silk products sole were 35 crores 41 lakhs and 91 thousands which is decreased to 24 crores 41 lakhs and 57 thousand with the decline of 31.8 during the study period.

Value of Raw materials

Raw material purchase for Cholan co-operative silk producer was around 1 crore and 85 lakhs which is increased 2 crores and 60 thousands in 2012 with the hike of 7.9 percent

Operational Expenditure

Value of the operational expenditure was 1 crore 32 lakhs and one thousand which is increased to 1 crore 35 lakhs and 58 thousand with the hike of 2.8 during the study period

Marketing Expenditure

Value of the marketing expenditure was 2 crores 28 lakhs and 83 thousands which is increased to 5 crores 23 lakhs and 2 thousand with the hike of 129 percent during the study period

Outstanding of Loans

Nearly 1 crores 99 lakhs and 15 thousands fund owe to depositers in 2006 and which decreased to 1 crore 84 lakhs and 66 thousands in 2012 with the decline of 7.3 percent.
Dharasuram Co-operative

Sources of Capital

Overall capital 32 lakhs and 75 thousands have raised in 2006 which is enhanced to 33 lakhs and 88 thousands in 2012 with the hike of 3.5 percent.

Sales

Value of the silk products sole were 17 lakhs and 70 thousands which is decreased to 12 lakhs and 25 thousand with the decline of 30.8 during the study period.

Value of Raw materials

Total raw material purchase for Dharsaram co-operative silk producer was around 2 lakhs and 88 thousands which is increased 17 lakhs and 66 thousands in 2012 with the hike of 513.4 percent.

Operational Expenditure

Value of the operational expenditure was 1 crore 5 lakhs and 10 thousand which is increased to 91 lakhs and 45 thousand with the decline of 12.9 percent during the study period.

Marketing Expenditure

Value of the marketing expenditure was 83 lakhs and 78 thousands which is increased to 1 crore 54 lakhs and 17 thousand with the hike of 84.02 percent during the study period.
Outstanding of Loans

Total outstanding was 3 crores and 4 lakhs and 49 thousands which was increased to 3 crores 48 lakhs and 43 thousands in 2012 with the increase of 14.4 percent during the study period

Thiruvalluvar Co-operative Silk Societies

Sources of Capital

Overall capital 52 lakhs and 21 thousands have raised in 2006 which is enhanced to 56 lakhs and 54 thousands in 2012 with the hike of 8.3 percent,

Sales

Value of the silk products sole were 34 lakhs and 39 thousands which is decreased to 1 crore 2 lakhs and 34 thousand with the increase of 197.6 during the study period

Value of Raw materials

Total raw material purchase for Thiruvalluvar co-operative silk producer was around 16 lakhs and 73 thousands which is increased 18 lakhs and 56 thousands in 2012 with the hike of 10.9 percent.

Operational Expenditure

Value of the operational expenditure was 25 lakhs and 8 thousand which is increased to 56 lakhs and 55 thousand with the escalation of 125.5 percent during the study period.
Marketing Expenditure

Value of the marketing expenditure was 1 crore 72 lakhs and 59 thousands which is increased to 4 crore 35 lakhs and 16 thousand with the hike of 152.1 percent during the study period.

Outstanding of Loans

Total outstanding was 1 crore and 55 lakhs and 34 thousands which was increased to 2 crores 93 lakhs and 30 thousands in 2012 with the increase of 88.8 percent during the study period.

Kalaivanar co-operative silk society

Sources of Capital

Overall capital 8 lakhs and 8 thousands have raised in 2006 which is declined to 7 lakhs and 40 thousands in 2012 with the decline of 8.3 percent.

Sales

Overall value of the silk products sole were 6 lakhs and 40 thousands which is decreased to 6 lakhs and 38 thousand with the decrease of 0.2 during the study period

Value of Raw materials

Outset total raw material purchase for Kalaivanar co-operative silk producer was around 24 thousands which is increased 2 lakhs and 68 thousands in 2012 with the hike of 997.2 percent.
Operational Expenditure

Value of the operational expenditure was 9 lakhs and 11 thousand which is decreased to 8 lakhs and 30 thousand with the decrease of 8.9 percent during the study period.

Marketing Expenditure

Overall value of the marketing expenditure was 2 lakhs and 34 thousands which is increased to 4 lakhs and 9 thousand with the hike of 75.1 percent during the study period.

Outstanding of Loans

Total outstanding was 75 lakhs and 71 thousands which was increased to 85 lakhs and 2 thousands in 2012 with the increase of 12.3 percent during the study period.

Super silk co-operative society

Sources of Capital

Overall capital 2 lakhs and 94 thousands in 2006 as well as in 2012 share of the government and depositors fund have neither increased nor decreased during the study period.
Sales

Overall value of the silk products sole were 7 lakhs and 43 thousands which is increased to 10 lakhs and 76 thousand with the increase of 44.8 during the study period.

Value of Raw materials

Total raw material purchase for Super co-operative silk producer was around 1 lakh and 66 thousand which is increased 1lakh and 76 thousands in 2012 with the hike of 5.8 percent.

Marketing Expenditure

Value of the marketing expenditure was 2 lakhs and 6 thousands which is increased to 3 lakhs and 67 thousand with the hike of 78 percent during the study period.

Outstanding of Loans

Total outstanding was 45 lakhs and 16 thousands which was increased to 64 lakhs and 45 thousands in 2012 with the increase of 42.7 percent during the study period.

Kamarajar co-operative silk society

Sources of Capital

To overall capital 3 lakhs and 25 thousands in 2006 as well as in 2012 share of the government and depositors fund have neither increased nor decreased during the study period.
Value of Raw materials

Outset total raw material purchase for Kamarajar co-operative silk producer was around 31 thousand which is increased 1lakh and 34 thousands in 2012 with the hike of 326.1 percent.

Sales

Overall value of the silk products sole was 6 lakhs and 68 thousands which is increased to 9 lakhs and 98 thousand with the increase of 49.3 during the study period.

Marketing Expenditure

Overall value of the marketing expenditure was 1lakh and 25 thousands which is increased to 2 lakhs and 24 thousand with the hike of 79.6 percent during the study period.

Operational Expenditure

Overall value of the operational expenditure was 25 lakhs and 59 thousand which is increased to 28 lakhs and 53 thousand with the increase of 11.5 percent during the study period.

Outstanding of Loans

Total outstanding was 23 lakhs and 50 thousands which was increased to 60 lakhs and 75 thousands in 2012 with the increase of 158.5 percent during the study period.
Socio-economic conditions of Weavers

Gender wise distribution of the Respondents

In the study 69.7 percent of the respondents constitutes male and 30.3 percent of the respondents were female.

Age wise distribution of the Respondents

Nearly 11.3 percent of the respondents were the age group up to 30; nearly 16.3 percent of them were in the age group between 31-40 years. 34 percent of them were in the age group of 41-50 years, 25.3 percent of them were in the age group of 51-60 years and 13 percent were lies in above 60 years category.

Educational status of the Respondents

Nearly 56 percent of the respondents were got the education up to primary level, 32 percent of the respondents have completed high school education, 5.5 percent and 3 percent of the respondents have studied HSc and degree respectively, 3.5 got the diploma in various disciplines with regard to the education pattern of the of the respondents it was observed that significantly major chunk of the respondents has got education up to S.S.L.C around 86 percent of the respondents were constitutes under this category.

Income Pattern of House holds

Around 50.3 percent of the respondents annual income is less than 60,000, nearly 41 percent of the respondents income range from 60001 to 90,000, 6
percent of the respondents' income constitutes from 90,001 to 1,20,000, and 3 percent of the respondents' annual income is above 120000, nearly 91% of the respondents' annual income were below 90,000 which implies that the women weavers were getting less income which had repercussions on poverty and purchasing power of the weavers in the study area.

**Household Expenditure**

Nearly 70.3 percent of the respondents were spend on procurement of food and non-food items up to 10000, 8.3 percent of the respondents spends between 10001-20000, 10.3 percent of the respondents spends from the slab between 20001-30000, 3 percent of the respondents spend between 30001-40000, 2 percent of the of the respondents spends from 40001-50000, 2 percent of the of the respondents spends from 50001-60000, and 3 percent of the respondents spends 60,000 and above per annum.

**No of years of experience**

Around 13.3 percent of the respondents had experience for last five years, 26.3 percent got experience between 6 yrs to 10 yrs, 34 percent run the company between 11yrs to 15 yrs, 13.7 percent got the between 16 yrs to 20 yrs, 12.7 percent of the respondents had experience for more than 20 years, majority of the respondents have got experience more than 15 years, around 60 percent of the respondents falls in the category.
Opinion on employment and Wage

Around 90.4 percent of the respondents have told that they haven’t got the adequate employment to meet their minimum subsistence level, only 9.6 workers have told that they use to get adequate employment, it could be quite strange from the above table but people have told that the employment given to them is not adequately support them to lead the minimum standard of living, with regard to income the income level generated through the work, 88.1 percent of the respondents have told that they don’t get the adequate income out of the weaving work, they are all very concern about the increasing prices for the essential commodities and also felt regret that their income is not increase to that level to meet the expenditure, 11.9 percent of the respondents have told that they got the adequate income from the work.

Influence of work environment on disease

Around 69.3 percent of the respondents opined that the work environment caused headache,30.7 percent of the respondents opined no for the same,62.3 percent of the respondents opined that the work environment caused anxiety disorder,37.7 percent of the respondents revealed it didn’t caused, 66 percent of the respondents opined that the work environment caused injuries, 34 percent of the respondents opined no for the same,66.7 percent of the respondents opined that the work environment caused skin rashes,33.3 percent of the respondents didn’t accept the statement,61.7 percent of the respondents opined that the work environment caused ulcers,38.3 percent of the respondents opined no for the same,70 percent of
the respondents opined that the work environment caused dust allergy problems, 30 percent revealed no for the assertion.

**Reasons for failure of funds management of co-operatives**

With regard to deliberate diversion of funds 29.7 percent of the respondents strongly agree the statement, 32.7 percent agreed, with regard to Poor collections of funds 34 percent of the respondents strongly agree the statement, 39.7 percent agreed, with respect to Unplanned payments to creditors 30.3 percent of the respondents strongly agree the statement, 37.3 percent agreed, with respect to High Inventory 30 percent didn’t agreed the statement and 25.3 percent strongly disagreed the statement, with respect to Unproductive expenditure 36 percent of the respondents strongly agree the statement, 37.7 percent agreed, with respect to Delay in Sanction of loans 38.3 percent of the respondents strongly agree the statement, 43.7 percent agreed, with respect to Delay in sanction of working capital limits by bank 36.3 percent of the respondents strongly agree the statement, 46.7 percent agreed, with regard to Delay in implementation of project 32.7 percent of the respondents strongly agree the statement, 40 percent agreed.

**Perceptions on weavers on the performance of Co-operatives**

With respect Clear Transactions 15 percent of the respondents highly satisfied with the transparency in transactions, 16.7 percent satisfied and 68.3 percent of the respondents were not satisfied, with respect Payment in time 17 percent of the respondents highly satisfied with the payment process, 18 percent satisfied and 65 percent of the respondents were not satisfied, with respect to
Cordial function 13.3 percent of the respondents highly satisfied with the cordial functional relationship among the co-operative members and officials, 15.3 percent satisfied and 71.3 percent of the respondents were not satisfied, with regard to Provision of subsidies 10.7 percent of the respondents highly satisfied with the provision of subsidies, 12.7 percent satisfied and 76.7 percent of the respondents were not satisfied, with respect to Good Market ambience 7.7 percent of the respondents highly satisfied with the marketing facility available in the co-operative, 9.7 percent satisfied and 82.7 percent of the respondents were not satisfied, with respect to Loan arrangements 10.3 percent of the respondents highly satisfied with the institutional loan facilities made available through co-operatives, 12.3 percent satisfied and 77.4 percent of the respondents were not satisfied, in connection with Supply of Raw materials the 9 percent were highly satisfied, 11.7 percent have satisfied and 79.3 percent of the respondents were not satisfied, and in regard to Political Intervention in co-operative around 9 percent highly satisfied, 11.3 percent were not satisfied and the 79 percent were not satisfied with the facilities, it could be inferred from the empirical findings that majority of the respondents have not satisfied with the various activities of the co-operative societies, however, co-operative societies use to give minimum guarantee to the weavers when compare with the private players, thus, it was apparent from the study that the amenities were inadequate in the study area.

**Suggestions to improve silk co-operatives performance**

7 percent of the weaver respondents revealed that timely delivery of raw materials without compromising the quality, 5.3 percent institutional credit at
Cheaper interest rate need to provided for co-operative operation and launch, 4 percent opined that adoption of new innovative method reduce the cost of the production, 3.7 percent revealed that technical education/training and research need to be developed with more focus to SSI development, 4.3 percent for extension of market for the product, 3.3 percent opined that periodical Organization of trade fairs and exhibitions is essential for the development of silk co-operative, 3.7 percent opined that there is a need to Display of products at show rooms and imports at different trade centers and a broader level, 3 percent of the respondents opined that Government taxation policy need to be restructured in favour of silk co-operatives development, 65.7 percent of the respondents opined that all the above suggestions is essential for the development of silk co-operatives

Syntheses of constraints faced by the stakeholders in Silk handloom industries in the study area

The Problem of Wages

The most crucial problem on labour wages raised due to lesser wage rate, the silk producers are unable to maintain substantial business but it inevitable labour need to be acknowledged with their work, it would be suggested that fixing the wage rate may be increased by the societies for their betterment.

The Problem Lack of Credit Facilities

The most penetrating problem that is frequently experienced by silk producers of the place of selected study area is the lack of credit facilities it is found out from the analysis, it’s suggested that the seven co-operative silk societies at kumbakonam Taluk may attempt tie-up with the bankers and arrange the credit facilities.
**Problem of Raw Material Shortage**

Another important problem that is again met with the poor silk producers is the shortage of raw-materials. It is found out that the regular employment and production of silk handloom cloths are frequently affected with the shortage of raw-materials such as yarn, dyes, chemicals and loom breakages. This creates actually a very great lag to the silk producers not only in terms of discontinuing in production.

**The Problem of Marketing of Handloom Products**

This is very frequency expedience problem of silk producers in the study area. This is because of the fact that the quality of the selected silk products is always found to be relatively lower attraction in the cloth market when compared to the rest of the cloth of Power Loom and the Mill Sector regain, it is also found out that the marketing condition is very poor and highly in certain for the silk sarees because of the factors such as high cost of production and low productivity which are often hampering fair prices to the handloom products.

**The Problem of Low Economic Status**

A very important but serious handloom weaver problem that quite often cited by this poor to silk producers is the low economic status which is often to these people in the community. Even though few people are affluent but the in general the sauratra people engaging in silk production engulfed with lot of indebtedness and relatively lower economic status, When we talk in terms of a great social concept of Economic Development with social principle, it is seen that the social status appears sound but the Economic status is very poor and low in the study area. The usual yard
stick which is followed to measure out the economic status of any people in the community, occupation and the level of income that is generally gained by a person when we measure the silk producers with the above mentioned yardstick, it is clearly found out that by all means the silk producers have certainly in lower economic status.

The Problem of Stock Piling of Handloom Products

Another long felt and yet another vital handloom weaver welfare problem is stock piling problem of handloom products. The silk producers of the study area are very often affected by the stock piling problem for fairly a long period of time. Only now the Government of Tamil Nadu has taken effort to rectify this grave problem to a very great extent. Therefore, this problem very seriously affects their regular employment opportunities and income conditions, especially in the long period. So, silk producers may be thrown out of job opportunities, even now and then. This will aggravate their existing high degree of poverty and misery in the study area.

The Problem of Political Intervention

The last but one identified problem by the silk producers of the study area especially in the co-operatives is frequent intervention of political parties in the regular functioning of handloom industry. This is often complained by the poor silk producers that their ordinary political and economic conditions are very often disturbed by the Statesmen in the study area. Any social or economic advancement is made by these political people with great caution and political advantage.
Therefore many social and economic policies which will favour the weaving population quite often seem to be in an uncompleted form. It is the fact to see in any Government of „Eastern Block Countries” that each and every „Economic and social Policies” of the Government are strictly based on „working the vote Banks principle”. But they do not know that this political policy very seriously affects the real interest of poor communities and their participation in the co-operatives have nullify the interest of the silk weavers and the industries in the study area.

Policy Suggestions

Silk industries is an age-old traditional industry beset with multi-furious problems. The industry, thus, requires a multi-pronged approach to infuse life and sustain its development. Industry is providing one of the most basic needs of people and holds importance; maintaining sustained growth for improving living standards of the weaver and customers. An attempt has been made in this section to offer a few suggestions for improving the plight of silk industries encompassing the interest of all the stakeholders involved in the silk production.

- There is a need to increase the variety of products by focusing on designs and modernize the dying and processing activities in the sector to increase the share of cloth production by the sector in the total cloth production of the country.
- For protecting the silk producers from the encroachment on their livelihood, the Government of India shall strictly implement the Reservation Act 1985 by placing the reserved items of sector in the IX Schedule of Indian Constitution. The Government shall innovate
some new product ranges which are so far untouched by power looms. The Government also shall regulate the production of hank yarn by the spinning mills meant to be supplied to sector.

- Competition from power looms and mill sectors is obviously a major threat. This can be countered if the sector produces high value, and distinctive products for foreign market.

- The supply of yarn is another chronic problem faced by the industry. There is a necessity to ensure adequate and smooth supply. Further, intermediaries present in the yarn trade should be eliminated. There is also a requirement for expansion and strengthening of the co-operative coverage and more spinning mills should be set up in the state to reduce heavy dependence from other States/Centres.

- According to the Hank Yarn Obligation Order, the spinning mills have to produce 50 per cent of yarn in the form of hanks for ensuring adequate supply to sector. This order should be strictly implemented.

- In order to ensure adequate and regular supply of yarn, the Government, Tamil Nadu shall establish yarn depots or yarn banks at the prominent centers of Tamil Nadu or within clusters.

- Increasing the productivity of the sector is also essential to bring down the average cost of production. Mechanisms must be developed for reducing the cost of activities. A Working Group may be constituted by the Government of India/Tamil Nadu with qualified Cost Accountants to examine the cost structure of products and make suitable recommendations.
Weavers are using traditional type of pit looms that are designed to produce only certain varieties of fabrics. Thus, there must be focus on technology in favour of improved production methods. The Government also should provide training to enable weavers to lean to use modern looms and technology to produce quality products and increase productivity per loom.

Weavers. Service Centres should conduct dyeing demonstration-cum-Design Exhibitions with a view to bringing awareness among weavers and dyers of that area on the importance of dyeing to improve the quality of the product. These centers shall be directed extend help to all types of weavers.

Co-operatives are facing the problem of periodical accumulation of finished goods. The Government shall arrange for an organized and assured marketing facility for the development of co-operatives. For this purpose, the State Government may continue the policy of financing Tamil Nadu Department to procure stocks from the Primary Co-operative Societies on cash payment basis, than on credit.

Instead of entirely depending on the apex society for marketing, the primary co-operative societies may also adopt a multi-pronged strategy for marketing their products through local sales, participation in exhibitions and sales to be made through Non-Government Organisations.

The Government shall take necessary measures to reorganize the defunct co-operative societies. If necessary, it has to initiate criminal proceedings against those responsible for mismanagement.
The industry till now depended mainly on private sources or moneylenders for its credit requirements. A beginning was made to make available credit facility to the industry on an institutional basis. Through the introduction of the RBI schemes for financing the weavers. Co-operative societies. This should be pursued vigorously.

The Government should provide financial assistance to the silk producers by way of loans through Artisan Credit Cards at nominal rate of interest i.e. 3 per cent and recover the loans in flexible installments.

Insurance, Gratuity and Pension schemes must be extended to the silk weavers also.

The Government should also devise a mechanism to meet consumption needs and social obligations of weavers. Lest, they should fall into a debt trap of money-lenders.

The Government has been organizing textile parks so far. These parks are meant to serve all types of mills. Instead, the government may establish Parks. Exclusively for sector.

The Government deserves all appreciation for designing the scheme of supplying yarn at the Mill Gate Price. But the supply is far short of the requirement. There are also complaints that the cost of the yarn supplied through this scheme is much higher than the prevailing market price.

This needs to be corrected. Further, other inputs like dyes and chemicals also need to be covered under the scheme, since price fluctuations are considerable for these items also.
➤ There is also a need for establishing more Weavers. Service Centres country with a weaving population of 65 lakh persons, 25 WSCs is too small a number. It would be in the fitness of things to recognize Mandal Headquarters for establishing WSCs (one for each Mandal) at least in those districts having high concentration of weaving population.

➤ Capacity Building in Sector through Training and Technology Interventions need to be given, with an objective of increasing the productivity and earning capacity of the weavers. All independent weavers, weavers working for co-operative societies, SHGs, Master Weavers, NGOs are eligible for availing benefits under this scheme. It proved very helpful to all categories of workers.

➤ All the more, it is evident from the study that the Central Government only appears to be the sole initiator. Unless the State Governments at the grassroots level take interest, it becomes difficult to make programmes successful.

➤ The Ministry of Textiles has initiated the development of Export Zones (HEZ) at various clusters in India to create supply hubs for the export market with an upgraded infrastructure and trained weavers. This needs to gain further momentum.

➤ From time to time, the Government of India has been formulating various National Textile Policies. Instead of focusing on Textile Policies, the Government of India should concentrate on the formulation of National Policy to facilitate weavers to meet the challenges of global environment.
The Government should also introduce separate women welfare schemes. For women entrepreneurs, weavers/workers, since more women were engaged in the sector.

Scope for further studies

- Socio Economic conditions of the handloom weavers could be important area need to be probed
- Government Handloom policies in the new economic policy regime is an another vital area need introspection
- Transition of clothing pattern and the silk sarees consumption could be an another area which deserved assessment