CHAPTER - 1

HANDLOOM INDUSTRY IN INDIA

1.1 INTRODUCTION

Textile industry is a source of employment and income generation for about 20 million people in India. From growing raw materials like cotton, jute, silk and wool-to providing high value added products to the consumers in the form of fabrics and garments, the textile industry covers a wide range of economic activities and plays a significant role in the economy of the country. At present, it contributes about 13 per cent to 14 per cent to the industrial production and about 37 per cent of the country's export earnings with a share of less than 2 per cent of the gross import bill. The total production of cloth by all sectors i.e., mill, powerloom, handloom and silk was estimated to be 38,440 million square metres during 1999-2000, with an annual growth of 6 per cent during the last five years. It is anticipated that the total production of cloth will be 41,324 million square metres in 2000-2001.

Handloom cloth is a fabric woven on handloom equipment that uses mill spun yarn and weaving is done through the use of human power.

In the clothing scenario, handloom sector plays a key role in the development of rural economic activity after agriculture, providing direct employment to more than 7 million persons engaged in handloom weaving, dyeing, printing and allied trading activities. There are about 42 lakh handlooms operating in India with the major concentration in North Eastern states.
There are 30.6 lakh handloom weaver households in the country; of these 26.3 lakh weaver households are in rural areas. About 7.8 lakh households belong to scheduled tribes while 3.7 lakh belong to scheduled castes. Over 23.2 lakh handlooms are commercial looms and the remaining 18.8 lakh handlooms are used only for domestic purposes. In Assam alone, there are 12.3 lakh domestic looms.

1.2 ORIGIN OF HANDLOOM INDUSTRY

The earliest definite evidence of weaving and woven linen materials in the Neo-lithic culture of 5000 BC could be obtained from Egyptian sites. During 3000 BC weaving was done without the use of frames and done on the loin of the weaver. This type of loin weaving still exists in India in the NorthEastern states. Two scraps of textiles were found in silver vase at Mohenjo-Daro in India dating back to 3000 BC. The material used was cotton belonging to the indigenous Indian variety, Gossypium Arboreum, which is still cultivated in a few parts of India. This was the first evidence of cotton fibre used in the weaving process.

Excavations from Harappan sites revealed a scrap of a coarse madder dyed cloth revealing that the early inhabitants of the Indus Valley knew the art of spinning, weaving and even colouring. The ‘Adharvana Veda’ in one of its passages personifies day and night as two sisters weaving, with warp symbolising darkness and the weft the light of the clay. This also signifies that weaving was well known to people of Vedic ages. During this period the art of weaving rose to a high standard of perfection and beauty. It was not until the 3rd century AD that a shedding mechanism, originally invented in China, was introduced to Europe. They also used a comb-like material—a reed—to beat up
the weft to the fabric fell. The shed formation and weft beat-up across the full width of the warp resulted in considerable improvement to the quality of the output. The appreciation of art and textile reached the peak during the reign of the Mughal Emperors. Dacca Muslin’s dictated the fashion of the Asian and European aristocrats up to the end of the eighteenth century.

In 1733 AD, John Kay of Bury, United Kingdom made an important invention in the weaving process by inventing the fly shuttle. It almost doubled the weaving speed in hand operated looms. Fly shuttle differs from hand thrown shuttle, both in form and in the mariner in which it is driven from one end of the sley race and caught at the other end. This invention paved the way for the invention of power looms and automatic looms.

Joseph Jacquard (1752-1839), a French silk weaver, invented the loom that made automatic pattern-design weaving practicable for the first time. Named after its inventor the Jacquard loom formed the most important stage in the evolution of textile weaving with designs by mass production methods.

1.3 TYPES OF HANDLOOM

Technically handlooms are classified into four types:
1. Pit Looms
2. Raised Pit Looms
3. Frame Looms

There are about 16.8 lakh pit looms which include 4.8 lakh throw shuttle pit looms, 9.2 lakh fly shuttle pit looms, 2.6 lakh fly shuttle pit looms with Dobby/Jacquard attachment and 1.2 lakh improved pit looms. There are about 13.30 lakh frame loom
consisting of 1.8 lakh ordinary frame looms, 0.7 lakh frame looms with Dobby/Jacquard and 0.8 lakh semi-automatic looms. There are about 5.2 lakh loin looms, mostly found in NorthEastern States.8

The art of weaving either in handloom or powerloom consists of primary, secondary and auxiliary motions.

Primary motions are those motions without which the weaving is not possible. They are shedding, picking and beating-up. Shedding divides the warp line into two layers enabling the shuttle to insert the weft. Picking is insertion of weft in the opened shed for interlacement. Beating-up is the process of bringing the last laid weft to the fell of the cloth. The above operations are timed and sequential.

Secondary motions are let-off and take-up motions. These actions are necessary to ensure successful weaving. Let-off is the process of releasing the warp for weaving from weaver's beam. Take-up is the process of winding the woven fabric on the cloth roller.

Auxiliary motions are those additional activities, which help in production of ornamented woven materials using additional designing devices.

Third World development activists have become concerned that the benefits of the growth in developing economies had not reached the poor. In particular industrial development was capital intensive and absorbed little of the rapidly growing labour force. Increased demand for unskilled labour was surely an essential component of any programme to alleviate poverty. This concern for employment in rural areas was linked to the advocacy of rural and cottage industries. Handlooms are considered to be one of the
cottage industries and they offer more employment scope than larger enterprises for any given amount of investment⁹.

The Indian Constitution 43, Part II states that "The state shall endeavour to secure by suitable legislation or economic organisation any other way, to all workers, agriculture, industrial or otherwise, work, a living wage, conditions of work ensuring a decent standard of life and full employment of leisure and social and cultural opportunities and, in particular, the State shall endeavour to promote cottage industries on an individual or co-operative basis in rural areas". Based on this principle, the approach to the handloom sector has been

i. to uplift the weavers socially and economically,

ii. to make the handloom industry self-reliant, and,

iii. to make the handloom industry growing.

1.4 ECONOMIC IMPORTANCE OF HANDLOOM SECTOR

1. The socio-economic costs of finding alternative livelihood for over 15 million people will be too heavy for the nation and unthinkable.

2. The capital cost of handloom industry is lower than that of many small scale industries and village industries.

3. Closure of handloom units may lead to large scale urban migration.

4. Land being unexpandable, additional employment is unlikely to come from agricultural sector. Handloom offers a non-land based employment opportunity.
5. Handlooms meet the clothing requirement of rural India with varying climatic conditions. Agriculture and handlooms constitute the core of the self sustaining rural economic development.

6. It offers scope for unlimited flexibility in design production ideally suited to export markets.

7. Handlooms offer work to rural women.

8. Handloom activities are ecofriendly and have no adverse impact on ecology and energy requirements.

Keeping the above principles in view, the Government of India constituted the All India Handloom Board in 1953.

1.5 FUNCTIONS OF ALL INDIA HANDLOOMS AND HANDICRAFTS BOARD

i. To meet the clothing needs of the country progressively from the handloom sector.

ii. To make handlooms and handicrafts effective instruments of reducing unemployment and under-employment and achieving higher standards of living for weavers and craftsmen.

iii. To preserve and further promote the craft heritage of our handlooms and handicrafts.

iv. To devise strategies for expanding markets for handlooms and handicrafts within the country and abroad.

v. To take steps for effective coordination of the development efforts of the various State Governments/Union Territories in these sectors.

vi. To review the progress of development from time to time.
vii. Establishment of training institutes for disseminating advanced skills to handloom weavers.

viii. Establishment of "weavers service centres" for design inputs to handlooms.

ix. Making efforts to standardise handlooms goods.

1.6 HANDLOOMS IN THE PLAN PERIODS

As found in Table 1.1 the amount of allotment under the plans rose continuously. However, the share of handloom in Plan outlay fluctuated widely from 1.27 per cent in the II Five Year Plan to 0.19 per cent in the VII Five Year Plan. Variations in production and employment were not as sharp. Handloom exports rose continuously, especially during the last 10 years when value of exports more than trebled.

In the First Five Year Plan period, the All India Handloom Board was formed to monitor the development of handloom industry. A number of emporia, and sales depots for handlooms, handicrafts and village industries were established during the First Plan period\(^{10}\).

In the Second Five Year Plan period efforts were directed towards increasing production and sales of handloom products. Researches were also undertaken to increase productivity in handloom sector\(^ {11}\).

In the Third Plan period, apart from strengthening the existing handloom production base, efforts were made to stimulate the export of handloom cloth. Further, expansion of Weavers Service Centres at Bombay, Madras, Varanasi, Calcutta and Kancheepuram was undertaken. The two institutes of Handloom Technology were reorganised to facilitate better training of handloom weavers\(^ {12}\).
In the Fourth Plan, measures were taken to activate the Handloom Reservation Act and to strengthen the co-operativisation of handlooms. Handloom exports increased considerably\textsuperscript{13}.

During Fifth Plan Period, employment through handlooms increased by 20 per cent and exports increased substantially from Rs. 5 crores to Rs.100 crores. Twenty five Intensive Handloom Development projects were established all over India during this period for employment generation in rural areas. Nine new Weaver's Service Centres were setup\textsuperscript{14}.

Table 1.1

<table>
<thead>
<tr>
<th>S.No</th>
<th>Plan Period</th>
<th>Plan outlay (Rs.in cr.)</th>
<th>Production in Million sq.meters</th>
<th>Employment in millions</th>
<th>Value of handloom exports (Rs.in cr)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>I FYP</td>
<td>11.6 (0.59)</td>
<td>1700</td>
<td>3.0</td>
<td>4.44</td>
</tr>
<tr>
<td>2.</td>
<td>II FYP</td>
<td>59.5 (1.27)</td>
<td>1471</td>
<td>3.2</td>
<td>6.55</td>
</tr>
<tr>
<td>3.</td>
<td>III FYP</td>
<td>34.5 (0.40)</td>
<td>1900</td>
<td>3.4</td>
<td>8.2</td>
</tr>
<tr>
<td>4.</td>
<td>IV FYP</td>
<td>39.35 (0.24)</td>
<td>3530</td>
<td>3.0</td>
<td>15</td>
</tr>
<tr>
<td>5.</td>
<td>V FYP</td>
<td>148.00 (0.40)</td>
<td>4250</td>
<td>5.0</td>
<td>100</td>
</tr>
<tr>
<td>6.</td>
<td>VI FYP</td>
<td>310.00 (0.32)</td>
<td>3600</td>
<td>6.0</td>
<td>261</td>
</tr>
<tr>
<td>7.</td>
<td>VII FYP</td>
<td>344.00 (0.19)</td>
<td>4155</td>
<td>6.5</td>
<td>485</td>
</tr>
<tr>
<td>8.</td>
<td>VIII FYP</td>
<td>1007.00 (0.28)</td>
<td>7000</td>
<td>7.0</td>
<td>1060</td>
</tr>
<tr>
<td>9.</td>
<td>IX FYP</td>
<td>1414.15 (0.38)</td>
<td>7250</td>
<td>7.2</td>
<td>3170</td>
</tr>
</tbody>
</table>

Source: Planning Commission Reports, Government of India.

Note: 1. Plan outlay for the I First Year Plan includes provision for Khadi, village and small industries.
2. Figures in columns 3, 4, and 5 represent performance in the last year of the plan period. However in IX Plan figures relate to 2000-2001 A.D.
In the Sixth Plan period, considerable efforts were made to ensure adequate raw material supply through establishment of co-operative spinning mills. Financial assistance was given to set up wet processing units for better marketing of handloom products. State level apex societies were provided with adequate financial support to establish retail show rooms to ensure better marketing of handloom products. Modernisation of looms was undertaken.

The Seventh Plan period concentrated on increasing the share of handloom cloth thereby increasing the employment generation. Measures were also taken to strengthen handloom training, research and marketing. Special attention was paid to the development of handloom in hill and tribal areas.

In the Eighth Plan period measures were taken to ensure reasonable wages for weavers, supply of hank yarn at reasonable prices, establishment of silk yarn bank and export development. Efforts were directed towards strictly monitoring the implementation of Handloom Reservations Act of 1985. Several welfare measures were undertaken for the handloom weavers.

In the Ninth Five Year Plan, the handloom sector faced severe competition from the powerlooms and the following new initiatives were taken during this period.

a. DEENPAYALAL HATHKARGHA PROTSAHAN YOJANA

Under this scheme, assistance was given for product development, infrastructure, institutional support, design input, training to weavers, supply of equipment, market incentive and publicity.
b. NATIONAL CENTRE FOR TEXTILE DESIGNS (NCTD)

The National Centre for Textile Design has been set up to provide information about fashion trends, colour and design forecast for the benefit of the weavers, exporters and handloom agencies. The centre aims at benefiting the weaver by linking him to the market.

c. HANDLOOM DEVELOPMENT CENTRES AND QUALITY DYEING UNIT SCHEME

With a view to ensure timely supply of yarn of requisite quality, to provide training in improved weaving practices, marketing of the cloth and working capital to sustain long term production needs etc., the scheme envisaged 3000 Handloom Development Centres and Quality Dyeing Units (QDUs) in different parts of the country over a period of 4 years.

Other schemes are, housing to weavers, thrift fund scheme, insurance to handloom weavers, research and development, marketing through ACASH (Association of Corporations and Apex Societies of Handloom) conducting international trade fairs and domestic exhibitions for promoting handloom goods market.

1.7. PERFORMANCE OF HANDLOOM SECTOR IN INDIA

A profile of the performance of the handloom sector during the last 13 years can be found in Table 1.2. In the total clothing scenario, the volume of output in handlooms rose continuously except in 1991-1992 and 1997-1998. However, annual growth rates fluctuated sharply during the period. The share of handloom in total textile production has decreased continuously since 1991-1992 because of growth in powerlooms and hosiery.
Table 1.2
Production of Fabrics in Handloom Sector in India

<table>
<thead>
<tr>
<th>S.No</th>
<th>Year</th>
<th>Production in Million Square meters</th>
<th>Percentage of increase over previous year</th>
<th>Percentage share in total textile production</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>1988-89</td>
<td>3381</td>
<td>-</td>
<td>24.56</td>
</tr>
<tr>
<td>2.</td>
<td>1989-90</td>
<td>3837</td>
<td>11.88</td>
<td>22.85</td>
</tr>
<tr>
<td>3.</td>
<td>1990-91</td>
<td>4237</td>
<td>9.44</td>
<td>23.40</td>
</tr>
<tr>
<td>4.</td>
<td>1991-92</td>
<td>4065</td>
<td>-4.23</td>
<td>23.11</td>
</tr>
<tr>
<td>5.</td>
<td>1992-93</td>
<td>5216</td>
<td>21.98</td>
<td>22.20</td>
</tr>
<tr>
<td>6.</td>
<td>1993-94</td>
<td>5851</td>
<td>10.70</td>
<td>21.29</td>
</tr>
<tr>
<td>7.</td>
<td>1994-95</td>
<td>6180</td>
<td>5.80</td>
<td>21.90</td>
</tr>
<tr>
<td>8.</td>
<td>1995-96</td>
<td>7202</td>
<td>16.58</td>
<td>22.80</td>
</tr>
<tr>
<td>9.</td>
<td>1996-97</td>
<td>7456</td>
<td>3.56</td>
<td>21.74</td>
</tr>
<tr>
<td>10.</td>
<td>1997-98</td>
<td>7603</td>
<td>1.98</td>
<td>20.60</td>
</tr>
<tr>
<td>11.</td>
<td>1998-99</td>
<td>6792</td>
<td>-10.60</td>
<td>19.10</td>
</tr>
<tr>
<td>13.</td>
<td>2000-2001</td>
<td>7725</td>
<td>5.08</td>
<td>19.90</td>
</tr>
</tbody>
</table>

Source: Ministry of Textiles, Government of India.

1.8 Handlooms of Tamil Nadu

Tamil Nadu occupies a prominent place in textile production and the handloom products of this state are quite famous all over India and even abroad. The handloom goods are better known as "Kaithari" in Tamil. At present, there are about 1382 Primary Handloom Weavers' Co-operative Societies producing about 94.83 million square metres of fabric of the value of Rs.4019.70 millions. There are about 4.2 lakh handlooms operating in Tamil Nadu.
accounting for 25.5 per cent of the output of the handloom sector of the country. Handlooms provide employment to around 10 lakh persons through weaving and allied trade activities. In Tamilnadu the handloom centres produce pure cotton goods, pure silk sarees and dhoties, furnishing goods and blended goods.

Out of 4.2 lakh handlooms, around 65,000 are silk weaving handlooms. Silk handlooms produce around 30 lakh metres of silk goods valued at about Rs.2000 millions. The major silk weaving centres are Kancheepuram, Kumbakonam, Thanjavur, Arani, Salem and Paramakudi. Silk goods include pure silk sarees and dhoties, which are mainly worn during wedding seasons. The above centres are the home of the finest, and pure silk goods. The golden zari thread is used in extra warp and weft figuring using ethnic motifs like Kalasam, mango, parrot, temple and floral designs using Dobby or Jacquard. The colours are fascinating and rich. Korvai sarees are those items that come with solid border from the skillful hands of the weavers.

For cottons, the major weaving centres are Erode, Trichy, Madurai, Coimbatore, Tirupur and Jayankondam. Finer and medium counts of cotton yarn are used in the production of sarees and dhoties. First the cotton yarn is dyed with synthetic or natural dyes. After warp preparation, the warp and weft are interlaced to produce the cotton sarees and dhoties. Tamilnadu produces some of the finest material having delicate texture and super fine softness with art silk decorated figures of animals, leaves, fruits or abstract or geometrical patterns, checks or stripes and diamond patterns woven skillfully.

In the case of furnishing materials, societies operating in Erode District have earned a name for their products known in India and abroad. The handloom centres concentrating on the production of furnishing fabrics are Erode, Chennimalai, Karur.
Dharapuram and K. Valasu. They produce bed linens, Jacquard beds spreads, pillow covers, pieques, table cloths, napkins, towels, table mats, kitchen madeups, and a variety of household items. Around Rs. 800 crores worth of furnishing goods were exported from this region in 1999-2000.

1.9 CO-OPTEX

Co-optex is the apex body of the handloom co-operative societies. Established in 1935, Co-optex is a leading textile co-operative marketing federation with a paid up capital of Rs. 26 crores and a sales turnover of Rs. 275 crores in 1998-99. It has a wide range of product categories (about 30) with a large number of variations within each. It is the nodal marketing federation for several handloom weavers' co-operative societies with 328 exclusive show rooms all over India. Co-optex manages its distribution through fifteen regional warehouses including nine within Tamilnadu. The textile market went through drastic changes due to competition from low eoyl. Ion/., hinting yynthul.le powerloom / mills goods. In customer preference there was a shift from traditional sarees to other fashionable dress materials. These factors forced co-optex to reorient its marketing strategies from product orientation to market orientation.

1.10 HANDLOOM COOPERATIVES IN TAMILNADU

As Table 1.3 shows, between 1995-1999 the handloom cooperative sector shrank as shown by the decline in the number of societies, number of looms, production and sales.
Table 1.3

Performance of Handloom Cooperatives in Tamil Nadu

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>No. of Weavers' Co-op societies</td>
<td>1439.00</td>
<td>1439.00</td>
<td>1386.00</td>
<td>1382.00</td>
</tr>
<tr>
<td>2.</td>
<td>No of Handlooms in lakhs</td>
<td>4.15</td>
<td>3.45</td>
<td>3.67</td>
<td>3.44</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(-16.88)</td>
<td>(6.38)</td>
<td>(6.28)</td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Production in lakh meters</td>
<td>1240.86</td>
<td>1055.36</td>
<td>1006.4</td>
<td>948.34</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(-14.9)</td>
<td>(-4.66)</td>
<td>(-5.76)</td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>Sales in (Rs. in Crores)</td>
<td>455.68</td>
<td>422.56</td>
<td>431.68</td>
<td>445.30</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(-7.26)</td>
<td>(2.13)</td>
<td>(3.25)</td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Working capital (Rs. in Crores)</td>
<td>221.93</td>
<td>268.78</td>
<td>270.19</td>
<td>304.13</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(21.2)</td>
<td>(9.74)</td>
<td>(12.65)</td>
<td></td>
</tr>
</tbody>
</table>

Source: Department of Handloom and Textiles, Government of Tamil Nadu.
Figures within parenthesis indicate the percentage growth or decline in the parameters.

All the four important parameters show a declining trend but the working capital loan rose from Rs.222 crores in 1995-96 to Rs.304 crores in 1998-99. This contradiction in the trends of important variables in handloom industry led the researcher to take up the present study investigating the lacklustre performance of the handloom industry for remedial measures.
References


10. Government of India, New Delhi, Planning Commission, Chapter XX, Village and Small Scale industries, First Five Year Plan, Pp.40-44.


