CHAPTER - III

REVIEW OF LITERATURE
This chapter is devoted to the review of various literatures of the past studies on handlooms in general and the performance of weavers cooperatives in particular. Both the conceptual and empirical literature are required. Distinguished scholars mentioned the relevance of employment, production and income in handloom industry.

*Kanakalatha Mukund and B. Shyama Sundari (2001)* in their book entitled “Traditional Industry in the New Market Economy - The Cotton Handlooms of Andhra Pradesh” provides an insight of handloom performance and prospects of this industry in the State. Some of the performance highlights placed by the authors were:

Weaving provides full time employment to 3.67 lakh persons and part time employment to 0.85 lakh persons in the State;

Leading producer of handloom cloth in the country, and,
Implementation of "a package of protection and subsidies" to nurture, save and support the weavers and craftsmen against competition from the large scale textile manufacturing sector.

The authors have advocated a fairly reasonable theory that their own qualities of resilience and dynamism have enabled handloom weaving to survive with some degree of strength. A countrywide policy to the problems of the handloom sector were offered. In conclusion, some policy initiatives for future implementation were suggested.

*The Industrial Policy of Kerala with reference to Handloom, Handicrafts, Khadi and Village Industry (www.technopreneur.net)* gives due emphasis on the development and production of value added, diversified and innovative products from traditional industries on a cluster based approach. Around 50,000 handlooms both in the private sector and over 750 co-operative societies provide employment to about 1.25 lakh weavers.

Some of the serious problems of handloom industry in the State were due to completion from cheap powerloom cloths, non-availability of quality yarn, inefficiency in the system particularly in the cooperative sector, etc. Suggestions for supplementary state schemes and popularisation and implementation of Central Government sectors were made.
The Industrial Policy of Madhya Pradesh(www.technopreneur.net) recognises the significance and contributions made by handloom, handicrafts and cottage industries. The policy pays close attention to the development of Handloom sector. It gives provisions to rehabilitate those weavers co-operative societies which have exhausted their credit limits and are enable to provide employment opportunities to their members. The thrust is given on providing employment opportunities to their member.

Smt. M. Purnimashi Devi (2000) has made an attempt to examine the performance of the oldest weaving co-operative society in Manipur, namely, The Women’s Co-operative Weaving Society Ltd. This society was registered in September 1948. Covering a period of three years (1997-1999), the case study have been conducted by using secondary data. Eight performance parameters with the help of ratio analysis were identified.

The major findings of her study were:

* A negative growth of net profit was observed during the study period;

* The society revealed too high liquidity position measured by current ratio of 8.56:1, against the ideal ratio of 2:1. In other words, the society is keeping lot of idle funds;

* Administrative expenses ratio shows a rising trend from 0.23 in 1996-97 to 0.64 per cent in 1998-99;
* Fixed Asset and Current Asset Turnover ratios have shown a declining trend, indicating inefficiency in asset utilisation.

* Return on capital was reduced by about 0.28 i.e. from 0.85 in 1996-97 to 0.57 in 1998-99.

* Most of the weavers were found to be government employees.

Among the suggestions, the researcher recomended to have a good management team, arrangement of regular service to weavers who have no opportunity to be employed at other places, upgradation of technology and skills to compete with the changing market and to have a workshop where weavers could work conveniently and also develop a proper work culture.

**Dr. Kh. Somorendro Singh (1999)** in his project entitled “A Study on Handloom Weavers Co-operative Societies in Manipur” focused on examining the performance of handloom weaver cooperative in Manipur. Special attempt has been made to identify the problems faced by the weavers and to make suggestions thereon. The researcher uses primary data, secondary data and discussion with government officials, members, office bearers of the society etc. The study covered 15 primary handloom co-operatives societies and 75 weavers/members in Imphal East. The author has elaborately analysed the problems faced by the women weavers and their causes.
covering right from the organisation of the society to marketing of products and maintaining of financial discipline in the society. Suggestions were also made with reference to marketing, technology, financial assistance, organisation and policy for handloom co-operatives societies. Finally importance of women's participation in co-operative movement has been emphasised.

*Shri Tirtunkar Roy (1999)* illustrates the switching of handloom weavers to powerlooms in Tamil Nadu. He has undertaken few case studies in this regard. The major finding were that handloom being slow machines often faced problems delaying in delivery schedules and about 1.50 lakh. Handloom in the State are engaged in non-competing goods such as very high quality silk sarees.

*Shri Irom Dilip (1998)* observed the following findings is his case study of Manipur Development Society (M.D.S.) with special reference to handloom sector covering a period of 13 years (1983 to 1996):

Production value increased from Rs. 0.19 lakhs in 1983-84 to Rs. 48.44 lakh in 1995-96. Sales value recorded at Rs. 46 lakh in 1995-96 which was Rs. 0.36 lakh in 1983-84. Employment generated was 242 mandays in 1983-84 which rose to 44135 mandays in 1995-96.
The author identified the following problems of MDS:

Lack of funds; improper inventory system and no rationale pricing for products; poor technology and lack of training facilities; lack of modern marketing strategies; production not up to the mark both in terms of quantity and quality; lack of co-operation and coordination among employers and employees and also among the various sections viz. production, sales, planning, accounts etc.; weak monitoring and supervision system and absence of workers' participation in the General Body.

Suggestions were made to have professionalised management, proper allocation of funds, technology upgradation for quality control to achieve production target, adoption of modern marketing strategies through training and discussions, proper coordination and effective decision making etc. Close monitoring and supervision was also suggested for image building of the society.

Amrik Singh Sudan (1997), in his comprehensively written book entitled “Marketing Management of Handloom Products in Jammu & Kashmir” placed a detailed and critical study of marketing management effectiveness. This book has covered all the important aspects of marketing management right from the product management, market oriented marketing organisation and also the suggestions to overcome the shortcomings of the marketing organisation. He has also examined five parameters for effective marketing viz; consumer research studies, trend of sales, trend of profit and loss, trend of closing stock and market share.
In his study, he identified the problems of raw-material, lack of upgradation in technology, poor marketing network, weakness in organisations, and competition from mill-made products. He recommended for the need to augment a weaver's daily earning to at least Rs. 50 per day as wage and strengthening of weavers cooperatives organisation. Suggestions were made for replacement of old looms by modernised looms in increase productivity and quality. Aggressive marketing efforts were suggested.

Shri Mutua Bahadur (1997), in his Monograph entitled "Traditional Textiles of Manipur" has placed very lucidly about the extraordinaries of textiles in Manipur. The speciality in textile is its indigenous character which are carefully spun, woven and embroidered by deft hands and fingers of Manipuri Women – depicting a symbolic and functional significance at each part. He has given a fascinating account of the weft-woven designs and the needle work, embroidery as also tie and dye pour. He clearly states the beginning using Khwang Iyong (Loin Loom) and Pang Iyong (throw shuttle loom) in Manipur before Christian era and eleventh century respectively. This book comprehensively dwelt upon the Myths, Costume, Materials, Vegetable Dye, Tools, implement and technique, weft-woven design, needle work embroidery, tie an Dye, Design and colour scheme etc.
In his *Prime Ministerial Speech, Shri P.V. Narasimha Rao (1993)*, at the meeting of the State Ministers Incharge of Handloom, New Delhi, 4 March 1993, stated that from his own experience that the price of something handmade in the Western markets may be hundred times more than the same thing made on a machine. In the handmade things, no things can be identical.

He pointed out the necessity of having a massive programme of supplying looms to the loomless weavers, importance of credit and availability of funds.

He stated that weavers of this country, cannot be neglected any longer.

*Shri Vedaja Sanjenbam (1993)* has identified number of potential and viable industrial units – large and medium industries in Manipur. He has advocated that with the kind specialised skill possessed by Manipuri women in handloom weaving, this industry could be a very promising area for gainful employment of womenfolk. He has also undertaken the efforts of separating the specialities of products of various localities.
Archana Sood (1993) has observed the various problems faced by the co-operative spinning mills. She also mentioned that these mills meet hank yarn needs of handloom weavers, even in the face of loss, at times. Some of the problems identified by her were that the assistance made available for reviving sick mills by NTC to co-operative spinning mills has been insignificant. Incentive and concessions being made to co-operative spinning mills are not at par with the mill in public and private sector. Finance available under the Textile Modernisation Fund are not available to the co-operative spinning mills.

It has also been observed that many co-operative sector mills have been losing on account of their commitment to discharge the hank yarn obligation while the enforcement attempts on the failing public and private sector mills have been half-hearted and some of the mills in Karnataka have been incurring losses due to power problems and not because of mismanagement or misutilisation of funds.

The author, however, concluded that despite of all these problems the objectivity performance of co-operative spinning mills is no less than the performance of mills in other sectors.
**Dr. G.S. Kamat (1992)** emphasises on the need for strong integrated structure for handloom co-operative sector. He has clearly pointed out that next to agriculture, handloom exhibits tremendous scope for employment, production and marketing both in rural and urban areas. He has stated that despite of the existence of Federations at the regional and state levels and also All India Handlooms Fabrics Co-operative Marketing Society, the progress of Weavers Co-operatives has been far from satisfactory.

He strongly felt that a sound integrated structure is to be evolved so as to take care of the handloom weavers in all stages right from availability of yarn, production of clothes and marketing.

**The Seventh Plan (1992)** envisages special attention to development of handlooms in hilly and tribal areas, production of handloom cloth during the plan has been targeted to 4600 million metres, with estimated additional employment to 23.47 lakh persons and export earnings of the order of Rs. 485 crores.
Professor T. Jyoti Rani and Dr. C.H. Prema

*Kumari*(1992) in their article “Impact and Evaluation of Cotton-Silk Handloom Weaver’s Co-operative Societies - A Study in Rural Area” published in Kurukshetra, Feb, 1992, stated that the handloom fabrics of India occupy an immeasurable position in the early civilization of Egypt, Rome and Babylon. For their study, they selected 4 societies from Nalgonda district of Andhra Pradesh in which Cotton Silk Handloom Weavers Co-operative Societies are more popular.

The authors have recommended for a system to provide adequate finances, procurement of quality raw material, implementation of new technology, education of weaver-members, supervision of co-operative societies, etc.

In the article entitled “The Craft of Hand Weaving” Shri A.V. Rao (1991) explains the development of various looms viz; primitive looms, pit looms, frame looms and semi-automatic looms. He has also placed the raw materials used by the weavers as cotton, pure silk, artificial silk, wool, jute, coir, hemp, flax and a variety of synthetic fibres, fancy yarn and also golden and silver thread zari, etc. He had concluded that the handloom always has a superiority in terms of artistic designs, durability, and the human touch which certifies the art and tradition of the craftsman.
The *NCDC Bulletin (1991)* have disclosed some interesting facts of handloom sector in Jammu and Kashmir. It states that contribution of handloom sector in the state economy was around Rs. 100 crores, out of which Kashmir division accounted for 70 to 75 per cent. During the year, handloom sector provides direct and indirect employment to over 55000 persons during the year. 140 handloom co-operatives societies have been registered by the Director, Handloom. During 1990-91, 30 handloom co-operative societies were registered against the target of 20 societies. Out of 36000 weavers, only 10 per cent have been brought under co-operative fold.

*Institute of Rural Management, Anand (1989)* in a “Study of Interventions in the Handloom Industry” observes the following findings:

* Only 37% of total weavers (excluding North-East) are state aided weavers (i.e. covered by the co-operatives, corporations etc.). The balance of 63 per cent of weavers are managing with little or no state support.

* Handlooms, even without state-aid, are better than the IRDP Milch Animal Scheme.

* The simplest modernisations in handloom as compared to similar modernisation in IRDP, have an outstanding cost-benefit ratio;
* State interventions in handloom (subsidies, revenue support) were definitely better than the interventions in the NTC.

* 12% of weaver households (excluding North East) are relatively affluent having an income average about Rs. 1110/- per month from weaving income alone.

* 36% of weaver households earned an average total income of Rs. 250 per month, of which weaving income is only Rs. 150 per month.

* There is no significant difference in socio-economic status of weavers who are with state support and those with no State support.

* By and large, state aid did not help poor weavers substantially to get out of the trap of poverty.

It has been observed that various scholars have attempted to explain the importance of handloom industries in the country and also in different parts of the world. Still it is strongly felt to make more attempt to study the various implications of Handloom sub-sector with special reference to weavers co-operative societies.