INTRODUCTION
CHAPTER I
INTRODUCTION

Handloom industry is one of the oldest cottage industries in India. It is widely spread throughout the country. It is distributed both in rural and urban areas. It generates employment opportunities directly and indirectly to the millions of people. This is one of the major sectors, employing largest number of people next to agriculture and it holds similar position in the case of income generation. From the stand point of consumers, it meets a substantial part of their requirements. Its production patterns are selective and finally turned to meet the local and regional needs. The most unique and notable feature is its glorious survival despite the large scale mill sector. The importance of handloom industry can be gauged from the fact that it meets one third of the total cloth requirements of masses.

Tamilnadu (TN) is widely known for its multiple varieties of colourful handloom fabrics. As a matter of fact, handlooms of Tamilnadu are the fruits of traditional India. The formidable variety of handlooms have been drawn national and international attention. Tamilnadu has been the traditional abode of exquisite handlooms. The state
has significantly contributed to Indian handloom exports. In spite of the pre-eminent position enjoyed in Tamil Nadu and the statutory protection extended by the Government of India, handloom industry is not yet free from handicaps. Though the contribution of handlooms to the national economy is appreciable, socio-economic and working conditions of the weavers leave much to be desired. Actually the fruits of the industry are grabbed by the hard hearted money-lenders and middlemen with exorbitant rates of interest.

Owing to extreme poverty, the weavers have to depend invariably on middlemen both for business as well as subsistence. The performance of the existing institutional infrastructure for financing the handloom industry is far from satisfaction. The co-operative movement has not developed on sound lines to reach the needs of weavers, certain weavers' co-operatives are dormant. Under such circumstances, weavers have no other option but to dispose their output to middlemen, as selling on a rainy day and the middlemen who in their turn to the much advantages sell it at high prices. Poor weavers are sometimes forced to effect distress sales to keep the wolf away from the door. A weaver cannot exercise his power in price fixation, because of ignorance and helplessness. The indebted weaver is quite
often placed under an obligation to sell his output to local dealers and master weavers invariably at prices favourable to the latter. In Tamilnadu the Karur district occupies a significant place in the weaving industry of the state. The weavers in the region face all sorts of problems and hardships of weavers in the State. Karur district has an enviable position with markets in Karnataka along the border area in the district. Weavers in Karur district face a variety of problems as faced by their counterparts in the other parts of Tamilnadu. In view of the aforesaid facts, it is necessary to conduct study on the socio-economic background of weavers, the nature of problems, and their hardships and its reasons. Therefore, this will be useful in future policy making and for programme implementation.

Weaving is a specialised activity which involves different processes before which the raw materials is turned into the finished product. Moreover weaving is an individualised - human activity in which the weaver is the central figure. The weaver is the actor on the loom, but the relationship between the weaver and the loom on one hand and other aspects on the other are different. As such there are different types of weavers and the weaving is an age-old long activity, so also the problems of weavers and the handloom industry. These problems have attracted the
attention of many social scientists, economists, researchers and the Government. There have been many attempts from time to time to study the development of handloom industry and the problems faced by the weavers and the handloom industry.

Weaving is quite simply the interlacing of two sets of threads, usually at right angles to one another, to form a fabric.¹ It is an art of making cloth by intersecting of two distinct sets of fibres, threads or yarns—those passing longitudinally from one end to the other end of the web forming the wrap, to those crossing and intersecting the warp at right angles forming the weft.² According to handloom terminology, weaving is the process of interplacement of the warp and the weft in a fabric according to its design.³

To a casual observer weaving on the handlooms may appear a mysterious and simple processes for a layman. But, in fact, it involves a number of laborious preliminary


processes before the yarn is put on the loom. When the yarn is purchased from the dealers, it is not in a ready form for weaving. The yarn for warp and weft undergoes a number of different processes before being actually woven into required fabrics. In the actual practice, the processes are somewhat complicated. The entire weaving processes is briefly described in the following ways.

The very first process, which begins immediately after the yarn is received from the mills, is dyeing of yarn. The process of dyeing is highly skilled. Before the advent of chemical dyes, the indigenous and natural dye-stuffs, vegetable colours, were used. But with the advent of chemical dyes, the process of dyeing possess a fewer number of problems than it did in past. Moreover dyeing is a process based on industry. The dyeing industry in India is an ancient industry which dates back to 3000 B.C. Usually it is the seller in the retail trade and the master weavers who get the yarn dyed depending upon the fashion in vogue, prior to sale.

In the field survey, it was reported that the co-operative societies and the master weavers arrange the yarn and get dyed either at own dye-houses or at a private dye-houses. From the point of view of this it is very clear
that dyeing need not necessarily be a part of the activities of the household handloom units.

As soon as the dyed yarn is obtained, it has to be loosened and unwound. The yarn so unwound is rewound on the warp bobbins and used for the preparation of warp and weft. The work of winding yarn on Faratis or Reels is almost always given to women.

After the yarn is loosened and unwound it has to be wound again on the pirns. Pirn winding is done in the case of weft yarn or breadth-wise yarn. This process is done with the help of a spinning wheel by the females in the house.

After the yarn is unwound from the hanks, it has to be warped. Warping is length-wise yarn preparation. The threads that lie length-wise are called the warp. When the yarn is warped on the pegs, it is known as peg warping. The


2 NCAER, Survey of the Handloom Industry in Karnataka and Sholapur, New Delhi, 1959, p.22.

3 Ibid., p.23.

4 Peg Warping: Only one thread is warped at a time in case of peg warping, on warping machine 40 threads are warped at a time.
system of peg warping is outdated. During the field survey the use of circular warping machine has been noticed.

Sizing is necessary for providing strength to the yarn. The warping and sizing in rural places are often done in open space/area (road side) for reason of convenience. Warp is being stretched out on simple trestles made of bamboos. The water left after boiling rice (Ganji) is used in sizing yarn. The thick ganji rice is used as a paste in sizing the warps.¹

The sizing is done by two or more persons walking the length wise of the warp, meanwhile applying sizing paste with coir brushes.² The warp in such cases is done for no more than 40 yards length generally because of the obvious limitations of the space in public thoroughfares. This method of warpin and sizing in the open area has other disadvantages also. Apart from causing obstruction to the traffic, work is interrupted by excessive heat in summer and rains in the monsoon.

The process of joining the threads of the new warp to the ends of the warp on the loom is called 'Twisting' or joining. This is one of the important and delicate processes of weaving. This work is generally done by the experienced adult members of the family.

The warp yarn is wound on the wooden beam which is cylindrical in shape and is fixed in front of the loom. Each warp will last for 40 to 50 yards of cloth. After the weaving is done, the cloth thus produced is removed and another warp has to be arranged, otherwise it involves loss of time and discontinuity in weaving.

Each loom contains at least one Reed and one set of Healds. The number of Reeds and Healds depends upon the thickness of the cloth. The thinner the thread, the more the number of Reeds and Healds required. The threads of the sized warp yarn are inserted through the dents of a reed and attached to the cloth beam before actual weaving can be undertaken.

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Weaving is one of the most ancient of man's industrial arts. It is the process of combining warp and weft to make a fabric. The threads that lie lengthwise are called the warp, while the other threads which are combined with the warp and lie width-wise are weft. In all the methods of weaving before a length of weft inserted in the warp, the warp is separated, over a short length extending from the cloth already formed, into two sheets. This process is called shedding and the space between the two sheets of warp, in the operation is known as 'picking', a new shed it has formed in accordance with the desired fabric, which means that some or all of the ends in each sheet move over to the position previously occupied by the other sheet. In this way the weft is clasped between two layers of warp. Since it is possible to lay the weft cloth to the junction of the warp and the cloth already woven, a further operation is necessarily known as 'Beating in', or 'Beating up' which consists in pushing the pick to the desired distance away from the previous one inserted previously. Although 'Beating in', usually takes place while the shed is changing, it is normally completed before the new shed is fully formed.

The sequence of primary operations in one weaving cycle are thus 'Shedding', 'Picking', and 'Beating in'. At the time of the cycle the geometrical relation of the pick to the warp is the same as it would have been if the pick had been threaded through the spaces between alternative ends, first from one side of the cloth and then from the other as in darning. For this reason the weaving process is often described as 'interlacing'. The time required for completion of weaving in addition to the weaver's individual skill and capacity depends upon the designs used, the type of loom and the quality of inputs.

The weaving industry in Karur District is essentially a household industry. The handloom-weaver in his own home is at the base of the organisation of this industry. The head of the household is normally responsible for the execution of the manufacturing work and the members of the household are organised in an informal way by him to ensure its completion. The division of labour among the household members is on the basis of age and sex. The weaver works on his own looms. But the weaver, who has always been proverbial for poverty, does not have always the required working capital of his own. Apart from this, as a
small producer he is not capable of handling the marketing problems at the individual level. These factors compel him to depend upon external agencies. The nature of external agencies gives rise to different categories of the organisational structure of this industry. At present the weaver households can be classified into five broad categories.

The independent weaver has his own looms and works in his own or rented house. He purchases yarn in small instalments either from the local yarn merchants or travelling yarn dealers or in shandies. The members of his family assist him in winding, warping, sizing and occasionally in weaving too. The weaver sells his cloth to the local or travelling cloth dealers or to the customers directly either in his own locality or in shandies. Thus, he is totally independent of any outside agency. The difference between the cost of yarn and the sale price he is able to realise for his cloth represents wages for the labour of all the members of his family, who help him in production and of his own labour.

The independent producer may some times employ outside labour depending upon his particular pattern of
production and turnover. He has very little capacity to withstand the fluctuations in the market both in the matter of supply and demand. The independent weaver is fast disappearing with increased dependence on distant local and non-local markets for the disposal of his finished products. Sometimes the independent weavers also depend upon master weavers, dealers and agencies to sell their finished products.¹

The master-weaver is similar to the independent weaver in many respects, except for the fact that he employs outside labour for weaving. He and the members of the household may also work in the unit, but in addition, there is some outside labour employed. At the same time, he advances raw materials or cash or both to other weavers on condition that they should supply him certain pieces of fabrics of specified dimensions, quality and pattern, within a stipulated period of time. There is another class of master-weavers who cannot strictly be called weavers, since they no longer engage themselves in weaving activity. Many among them, might have now given up weaving and concentrated

on trading in yarn and cloth. Generally speaking they belong to the traditional communities of weavers. The master weavers also work in their own homes.

The weavers who are working as master weavers, or dealers (middlemen) are called middlemen weavers. The middlemen weaver has his own house and his own loom. The master weaver or middlemen supply yarn either in processed or unprocessed form and specify the pattern, design and standard of cloth to be woven. The weavers under middlemen are a technically skilled and independent. He can work according to his convenience, but he has to deliver the finished products within the specified time agreeable to both the parties and ultimately get his wages.

Some of the weavers under middlemen get cash advances through master weaver or middlemen and orders of production for particular varieties and of quantum. The weaver is free to purchase yarn and other materials from the sources he likes but he is bounded by agreement to give the

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finished products to the master weavers or middlemen from whom he has taken advance and loan.¹

It has been the state policy in India to organise cottage and handloom production on co-operative lines. Even the British rule as early as 1905, tried to organise handloom co-operatives. After independence, the emphasis was changed and now we find weavers' co-operatives, production and sales societies at different steps in the industry.

A weaver who becomes a member of a co-operative, obtains yarn direct from the society. The weaver has to weave according to the specifications of the co-operative society and handover the finished product within the stipulated period to the society. The weaver obtains a piece-wage for his weaving effort. In addition to wages, he is entitled to have a dividend on his share capital. There are successful co-operatives which not only provide work regularly to their members but also cater to the various requirements of the weavers. They channelise credit, establish weavers' colonies, supply better tools and designs and promote health and welfare schemes of their members.

Some of the bigger co-operatives have their own dyeing and the pre-weaving processing facilities.¹

The master weavers bring the weavers together in small work sheds such workers are called labour weavers. Master weaver provides the labour weavers with suitable looms and other equipment. The master weavers construct worksheds and provide shelter to the labour weavers during their work. The wages of the labour weavers, under nearly all systems, are paid on the basis of piece rate. In most cases the labour weavers draw cash advances and have to be later adjusted when wages fall due. Sometimes, the wages of skilled labour weavers weaving special fabrics requiring skill and carefulness are higher but such work is got occasionally and their total earnings do not amount much.²

LITERATURE REVIEW

In this section, earlier studies relating to the present theme of enquiry are reviewed to find out the gaps in the existing literature.


During 1925-26 N.G. Ranga\textsuperscript{1} conducted a study on the economics of handloom industry in the Madras Province. The author estimated that the monthly earnings of weavers ranged from Rs.8 to Rs.25 depending on their work turned out which was generally hard. In majority of the cases, income was insufficient to make both the ends meet and consequently they were heavily indebted. It gave a fairly good account of the important handloom centres of production, analysed the nature of economic organisation, pattern of production and the structure of markets. R.G.Kakade's\textsuperscript{2} study analysed the socio-economic conditions of weavers at Sholapur, Maharastra State. Kakade adopted census method due to the absence of reliable information regarding weaving communities. He found that 53 per cent of weavers were steeped in abject poverty and 36 per cent on a slightly higher level, but certainly below the poverty line. The author argued that poverty was largely due to the non-judicious spending of incomes. The author narrated how handlooms faced stiff competition from mills and powerlooms.

\textsuperscript{1} N.G. Ranga, \textit{The Economics of Handloom Industry in Madras}, Taraporwala Sons and Co., Bombay, 1930, p.21.

His recommendations include: (i) complete prohibition of mill from producing those goods that are produced on handlooms and in which competition exists, (ii) demarcate market between handlooms and mills by statutory enactment, (iii) impose duty on mill made cloth which enters competition with handlooms and (iv) mills have to pay subsidy or subvention to the handloom weavers on the basis of their production.

In 1953, the Textile Enquiry Committee\(^1\) was constituted under the chairmanship of Nityananda Kanungo to make an in-depth study of textile mills and decentralised sector. The committee recommended the conversion of handlooms into semi-automatic looms or powerlooms to make them technically more efficient and recommended abolition of middlemen to eliminate exploitation of primary producers. The Village and Small Scale Industries Committee on 1955 suggested that the restrictions be imposed on the production of cloth by mills and powerlooms leaving the increased demand for cloth to be met by handlooms.\(^2\) In addition, it


recommended the extension of co-operative form of organisation to a large number of handlooms.

Sahai reported\textsuperscript{1} the problems of handlooms due to the competition from powerlooms and mills. He felt the need to employ modern techniques of production and designs. Government should establish training centres for the benefit of weavers where they are concentrated. And materials like, design books and related instruments have to be made available. The Council of Scientific and Industrial Research\textsuperscript{2} conducted an in-depth survey on the technical aspects of handloom industry viz., winding, warping, sizing and bleaching and like.

In 1958, the Government of India appointed the Textile Enquiry Committee under the Chairmanship of D.A.Jos to enquire into the existing conditions of cotton textile industry.\textsuperscript{3} The committee suggested the assistance

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\item[\textsuperscript{1}] Sahai Biswambhar, Handloom Weaving Industry in North India Agra University, Agra, 1956, p.208.
\item[\textsuperscript{2}] Council of Scientific and Industrial Research, The Wealth of India, New Delhi, 1957, Part IV, p.207
\end{itemize}
to handloom sector by way of rebate on a fairly stable basis. Besides, it suggested that Government should provide assistance to ensure efficiency and improve quality of products. A.V. Ramana Rao\(^1\) narrated how the handloom industry had suffered under British rule and gave a detailed account of various handloom centres and products produced in Andhra Pradesh.

In 1958, National Council for Applied Economic Research (NCAER)\(^2\) carried out a survey on the economics of Handloom industry in the Mysore State. On the basis of 'stratified sampling' method, among 714 households 499 urban and 215 rural were selected. The study showed that the earnings of weavers were relatively low and much less than the average standard of living. It also pointed that the earnings in the urban centres were considerably higher than those of the rural ones. During 1959, the Government of India set up a working group under the Chairmanship of V. Subramaniyan to assess the process of handloom industry during the Second Five Year Plan and draw programmes for the

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Third Five Year Plan. The Committee expressed its satisfaction on the performance of weavers' co-operative societies. However, it pointed out the weak spots in their working. The Committee opined that the loyalty of members to the society is doubtful. It recommended the creation of Thrift Fund Scheme which is to be contributed by weavers and Government. The Committee placed emphasis on activising the dormant societies. And suggested programmes for the supply of inputs and sale of fabrics. One of the limitations of this study was that it did not explain the reasons why the earnings in urban centres were higher than those of the rural areas.2

The Powerlooms Enquiry Committee, 1964 under the chairmanship of Ashok Mehta studied the powerlooms and handlooms in the country.3 The Committee recommended that the production of coloured sarees should be exclusively reserved to handloom sector. It further felt that a large

number of weavers should be brought under co-operative fold. The Working Group set up by the Government of India under the chairmanship of A.V. Venkateswaran submitted its report in 1964.\(^1\) For the development of handloom industry during the Fourth Five Year Plan, it recommended that a legitimate share of superfine yarn imported should be provided to handloom sector. The supply and marketing societies should be converted into production-cum-sales societies as quickly as possible. The State Financial Corporations should finance handloom sector. The Working Group emphasized on the need for intensive publicity and propaganda. Finally, it suggested the setting up of export promotion council for handloom textiles.

During 1967, programme Evaluation Organisation of the Planning Commission conducted a study on the impact of handloom development programmes on employment and earnings amongst weavers.\(^2\) The study concluded that the co-operative

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member households gained relatively more. It recommended
the adequate working capital towards production and
marketing activities. In 1973, under the chairmanship of
B. Sivaraman, Government of India setup a High Powered Study
Team to study indepth on the powerlooms and handloom
industry.  

M. Somappa opined that the capacity utilization is
low due to shortage of yarn and competition from mill
sector. The author suggested that mills should concentrate
on export market and the vacuum thus created in the internal
market will be met by handlooms. A study brought out by the
Commerce Research Bureau highlighted the causes for the
plight of weavers like low output, meagre returns, the high
costs, erratic supply of inputs like yarn, dyes and
chemicals, absence of adequate marketing facilities,
obsolete know-how, chronic indebtedness of weavers and
exploitation by middlemen and money-lenders, poor
organisation and failure, by and large, of co-operatives.

1 Government of India, Report of the High Powered Study Team
on the Problems of Handloom Industry, Ministry of Commerce
New Delhi, 1974, p.2.

2 M. Somappa, Utilise Capacity of Handlooms in Full, Khadi

3 Commerce Research Bureau, Handlooms our largest and
languishing industry, Commerce Bulletin, Vol.23, No.12,
V.B. Angadi found that the powerloom cloth is cheaper than the handloom cloth and hence, consumers prefer the former to the latter because of this the weavers face difficulties in marketing. It is, therefore, necessary that the Government should reserve certain items exclusively for the handloom sector. G.S. Kamat advocated the need to face-lift handlooms. The author examined potential reservation policy, regional imbalance and the like, he suggested the arrangement of buffer stocks and integration of channels of distribution of yarn to avoid instabilities. In an article K.N. Venkatappaiah felt that the inputs are to be supplied to weavers at controlled rates without which it is difficult for the weaver to earn his livelihood, because of non-availability of raw materials at reasonable rates, the looms are in lame position. Further, he emphasised the importance of producing quality fabrics.


J.D. Batra observed that the industry suffered from organisational weaknesses, uneconomic working conditions, irregular supplies with volatile prices, shortage of credit, lack of proper marketing facilities and not to speak of unbeatable competition from powerful mill and powerloom sectors. T.S. Srinivasan is of the opinion that the Government should frame guidelines for a concrete and definite relationship between composite mills, powerloom and handlooms.

The National Institute of Rural Development made a critical study of handloom industry and concluded that the new development plan for handloom sector is in the preliminary stages of implementation. It is opined that by considering the magnitude of the problems encountered by the handloom sector, the organisation of the Commissioner for Handlooms requires to be expanded with Regional Offices in the states where the industry is concentrated.

The Estimates Committee of the Sixth Lok Sabha appointed a sub-committee to look into the matters connected with handloom industry. The sub-committee submitted its report in 1978. It opined that the weavers are not coming forward to joining co-operative societies as there are no additional benefits or substantial incentives available to weavers. In addition, it concluded that the societies are unable to take advantage of Reserve Bank of India (RBI) scheme of handloom finance as most of the weaver co-operative societies are dormant or economically unviable or accounts are not audited in time.

The Government of India appointed a Study Group under the Chairmanship of M.V.Hate to review the working of RBI scheme to finance the handloom industry. The Study Group arrived at the conclusion that there is a conspicuous imbalance on the impact of the scheme across the states. It identified many black spots in both the formulation and implementation of the scheme and suggested several measures to make it effective and useful to handloom industry.


R.G. Kulkarni\(^1\) in his article on Improved Handlooms described how the industry evolved from times immemorial. The author felt that the handloom weavers will have to be provided with improved tools which will bring in more return at least double the present level and recommended the sevagram loom\(^2\) as the best substitute for the existing pitloom.

K.P. Radha Krishnan\(^3\) in his article on "Poverty and Unemployment - The Case of Handloom Sector" feels that for the poor economic conditions of the Indian economy the solution lies in popularising the handloom sector, which needs significantly less amount of capital. He concluded that the development of the handloom sector offers the right answer to the problem of providing better economic well-being to this under privileged section of the society within the framework of the policy objective of the Government.

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2 Technically improved loom by Institute of National Handloom Technology, Varanasi.

"The Cotton Weavers of Bengal" (1757-1883) by D.B. Mitra attempted to study the trade in cotton piece goods, production and organisations of industry factors influencing for the growth of monopolistic power and significance of the cotton industry in the general economy of Bengal state.

A study conducted by the Commerce Research Bureau in 1975 point out that the handloom sector had been playing an important role in providing livelihood to lakhs of people. The conditions of the weavers were precarious, most of them being semi-starved and ill-clad. The average earnings of a weaver was estimated at Rs.3.50 ps per day and the weavers do not get even this pitiably paltry income all throughout the year." Thus handloom weavers formed a significant component of the rural poor, the majority of people falling into the lower income/expenditure groups.

G. Varadaraj emphasized that it is essential to spend more resources in our co-operative spinning mills, and

mills' capacity should be increased to provide sufficient yarn to meet our requirements. The author again stressed that our yarn distribution system is not favourable to handlooms because a significant per cent of yarn going to large scale mills and powerlooms. So, the author concludes that we have to reorganise our distribution system and allot huge quantity of yarn to handloom sector.

D.S.Sharma\(^1\) in his study stated that the Government made several programmes for the benefit of the handloom weavers, but the weavers did not receive any benefit from any sources, because of the middlemen and master weavers have taken away all the benefits, who could get yarn and raw material for subsidized rates in the names of weavers, and appropriated the benefits. So, the Government introduced photo-pasted identity-cards of the actual weavers to eliminate middlemen. S.Arasaratham\(^2\) in his article on weavers, Merchants and Company - The handloom Industry in Southern India (1752-1790) narrated the historical facts pertaining to the industry, such as,

\(^1\) D.S.Sharma, Strategy to boost handloom industry in North Eastern Region, *The Economic Times*, 13 December 1980, p.9

relation between weaver and trader, caste, system prevailing in the industry, products produced, financial assistance provided for the industry, involvement of family members in general and children in particular, marketing aspects, looms tax, socio-economic background of the weaver during 1750-1790.

K.R. Panday in his article entitled 'The Handloom Industry - Strategies for Marketing' states that handloom industry constitutes one of the major sectors employing the largest number of people next to agriculture. In terms of economic impact on rural employment and income, the handloom industry occupies important place. From the stand point of consumers, it meets a substantial part of the market requirements and its production patterns are selective and finally turned to local and regional demand patterns.

S.M. Chakraborty in his study emphasized that the quality of the handloom products has declined, because of the high rate of raw material the weavers were using cheaper quality of dyeing colours. As a result of this the consumers prefer millmade cloth, and numerous weavers lost

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their source of livelihood, employment and kept their looms idle. To overcome this type of situation the author suggested, the Government should supply the raw material at subsidized rates and at proper time. The Loom of Interdependence by J.Y. Arterbunn Yvone\textsuperscript{1} is a case study of what makes co-operative succeed rather than fail. It analyses how weavers have an indigenous ethic of brotherhood and equality and use skill and craftsmanship as a source of pride in work and evaluation of status thereby.

Ken Pointing\textsuperscript{2} in his book entitled 'Beginner's Guide to Weaving' explained the types of loom, auxiliary process, woven design, the development of the loom, modern weaving, and piece dyeing, the development of the finishing process and products of weaving.

L.C. Jain\textsuperscript{3} in his study showed that the woollen handloom industry has been mainly with economically weaker sections and thus emphasised that the Textile Policy has to take care of these people. The study showed that two-thirds

\textsuperscript{1} J.Y. Arterbunn Yvone, \textit{The Loom of Interdependence Silk Weaving Co-operatives in Kanchipuram}, Hindustan Publishing Corporation (India), Delhi, 1982, p.27.


of total employed were engaged in the woollen weaving cottage sector. They are mainly self-employed and belong to the economically weaker sections. As the raw materials cost was very high and the product out of spinning mills was cheaper these economically weaker sections of the people were badly affected. The author opined that the Textile Policy is only proxy for the organised lobby and suggested that the new policy has to take care of these weaker sections. In another study Handlooms Face Liquidation - Powerlooms mock at Yojana Bhavan L.C.Jain expressed the view that the powerloom industry was eating away the market reserved for the handloom sector. The resultant loss of employment in weaver households is unimaginable. Among those who lose their jobs are women, who are engaged in pre-weaving processes and in certain areas, in weaving as well.

G.B.Goel, emphasized that there is need for financial assistance to handloom co-operatives. He felt that handloom co-operatives are facing the problem of lack


of proper financing facilities. To provide financial facilities to the weavers and to the weavers' co-operative societies, the Government should spend more resources. L.C.Jain,1 asserted that there had been no significant change in the handloom production pattern. The bulk of production continues to be cotton fabrics of lower and medium counts.

Amlan Choudhury in his article2 says, that New Textile Policy (1985) was long over-due and has come as a relief to the handloom industry. The policy takes clear-cut division of the industry into powerlooms and handlooms. This is a positive step towards accelerating the modernisation of the textile industry and streamline the public distribution system of Janata cloth and controlled cloth. Nagen C.Das3 suggested that the processing facilities in handloom industry should be improved through the Governmental assistance and its intervention. The State Government should come forward in this sphere. He also suggested that primitive looms should be replaced by modern

ones. The author had recognised the importance of working capital for the healthy growth of the handloom industry. Das had tried to focus light on the marketing problems of the handloom cloth. The individual weavers were mostly in a disadvantageous position for marketing their produce. The author suggested that a comprehensive plan should be highly desirable for the industry, and that it should embrace all the aspects of handloom production, promotion and development.

The work of P.C. Mahapatro\textsuperscript{1} in his work on the Handloom industry of Orissa examined the relevance of the industry to the economy of the state, and economic conditions of the weavers were analysed. The major problems faced by the industry were also pinpointed.

The National Institute of Rural Development's unpublished report entitled\textsuperscript{2} 'Employment Factor in Handlooms by B. Sudhakar Rao and others studied in detail employment generation capacity of the handlooms. It also attempted to estimate the underemployment and unemployment prevailing

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among handloom weavers. The study throws light on existing institutional support such as supply of raw-material, credit and marketing of fabrics needed for the over-all development of handloom industry. The study also suggested various measures and opined that both policy and programme should be related and are necessary to safeguard and strengthen employment factor in the industry.

N. Sundari and Manimekalai\(^1\) enumerated that in the unorganised textile sector, participation of women workers is very high, but, most of them live below poverty line. The reasons for living below poverty line are low wages, insecurity of job, illiteracy and lack of skill. Even though the Government have taken anti-poverty programmes, their economic condition has not improved. Finally, the authors conclude that the provision of proper financial assistance gives adequate employment generation among the women labourers. According to V. Chandra Sekhar Rao and V.V. Prasad\(^2\) the handloom industry is facing the problems of scarcity of yarn, raw material and lack of sufficient marketing facilities. The weavers are also


facing the problem of lack of proper financial facilities. The commercial banks failed to provide the weavers sufficient finance. The weavers in the state required more financial assistance from the commercial banks, and adequate supply of yarn at the same time.

The Abid Hussain Committee appointed by the Government of India made the following observations:¹ (i) textile policy of 1985 was anchored on right principles; (ii) restructuring and modernisation would result labour displacement, and hence they must have human face, and (iii) the higher growth in both production and consumption of textiles will benefit large scale sector, powerloom sector and the handloom sector. However, it felt that the 1985 textile policy failed to provide adequate institutional support to the weavers. It suggested to open new institutions like Apex Cotton Development and Technology, area based Textile Restructuring Asset Trust (TRATS), Apex Textile Restructuring Agency (ATRA) area based, Handloom Promotion Agencies, National Handloom Development Authority, Powerloom Area Development Corporations, Labour Enforcement and Welfare Agency as a subsidiary of the Powerloom area

Development Corporation. The Government was considering evolving a new textile policy in the year 1991 in keeping in view the various recommendations of Abid Hussain Committee.

V.K. Agnihotri in his study, 'Present status of Indian Handloom Industry' identified the complexity of Indian textile system and general inadequacy of policy-making machinery and process. The policy prescriptions have suffered from intra and inter level dissonances and conflicts. The programmes and schemes for protection and development of handloom industry have not, therefore, always succeeded in attaining professed objectives and the chronic problems of the industry pertaining to supply of inputs, marketing and credit have continued to defy permanent solutions.

The All India Handloom Conference in New Delhi on 20 Feb. 1993 discussed the problems faced by handloom industry. In this conference, several delegates expressed their ideas on different problems of the industry and they came to a conclusion that to mitigate all the problems, the Government should supply yarn regularly to the weavers at subsidized rates. To provide employment on continuous

basis, the reservation items should continue and restrict the production of the powerlooms. Marketing centres should be opened in rural areas for the products from the weavers. Additional spinning mills should be established to increase the production of yarn and supply it to the handloom sector. In an article on "Handloom Weavers' Struggle for Survival in Andhra Pradesh" K. Srinivasulu, opined that handloom sector was seriously threatened by the unequal competition from powerlooms. The very survival of the handloom sector and handloom weavers has been imperilled by the sharp rise in prices of yarn, chemicals and dyes.

The Andhra Pradesh Handloom Weaver's Congress has expressed concern over the steep hike in yarn prices by 50 to 100 per cent in the last three years and shortage of certain counts of yarn used for production of different goods. As the yarn prices continued to rise, handloom cloth produced out of high priced yarn could not be sold and stocks worth crores of rupees are piling up both in private


and co-operative sectors. Consequently, they have slowed down or stopped production denying work to weavers and exposing them to utter starvation. The Congress felt that the present crisis would have been averted if the Government had implemented its decisions strictly. Again the Congress suggested, that had the Government taken immediate decisions handlooms would not have faced any problems due to frequent hike in prices or scarcity of yarn or both.

M.Harish Govind\(^1\) analysed the conditions of the weavers of Balarampuram in Kerala State. Most of the coolie weavers are working under master weavers. They worked on an average for 12 hours a day and each person will get a daily wage of Rs.25 only. The labour weavers' income was not sufficient and so, they had to depend upon master weavers. Most of the cooperative societies are run under the control of master weavers themselves but the actual members are coolie weavers or hired weavers. The master weavers, with the connivance of the officials concerned, used to pocket the funds earmarked for handloom made available by the Central \& State Governments and other agencies in the name of bogus members.

\(^1\) M.Harish Govind, Where Weavers end up as Bonded Labour, The Hindu, 14th June 1995, p.17.
The Government of India appointed a High Powered Committee under the chairmanship Mira Seth during 1995\(^1\) to review the performance of handloom sector in the decade since 1985. The Committee reported that the production increased by 63.64 per cent in 1996 over 1991. The Committee recommended that Integrated Handloom Village Development and Margin Money Schemes have to be merged into package scheme. The Committee opined that the ongoing schemes worked satisfactorily. However, weavers outside the cooperative fold have to be helped by instituting National Fund with an amount of Rs.500 crores. This has to be implemented by voluntary organisations. The Committee emphasised the training of weavers through Weavers' Service Centres in computer aided designing and computer colour matching in a big way as a part of the strategy to meet the challenges of globalisation, mainly a strategic process for its survival. It suggested policy support like modernisation of looms, establishment of Common Facility Centres with world standard pre-loom and post-loom facilities to meet the changing global market.

It is evident from the above literature that handloom industry is facing many problems viz., improper

supply of raw material, lack of proper marketing facilities, lack of proper financial resources, lack of technological facilities and competition from large scale sector and powerlooms. Further, the failure of weavers' co-operative societies resulted in unemployment and under-employment. In recent years the weavers have been trying to change their profession and try to switch on to alternate occupations. The studies reviewed above, could foresee problems faced by the industry.

An overview of the studies about the weavers reveals that there has been no attempt to study the specific problems of weavers, relating production and marketing at the district level in Karur district. Further, there was no study which made attempts to analyse the problems of different types of weavers like independent weavers, master weavers, weavers under middlemen, co-operative weavers and labour weavers. That is why, the present study is attempted with the objective of studying the problems of different types of weavers at the district level.
METHODOLOGY AND DATABASE

It was with a view to studying the cost structure and marketing practices of Weaving Industry in Karur District, this research work was undertaken. The main objectives of this study entitled A STUDY OF PRODUCTION PATTERN, COST STRUCTURE AND MARKETING PRACTICES OF WEAVING INDUSTRY IN KARUR DISTRICT TAMILNADU are as follows:

1. To know about the present position of Weaving Industry in Karur District.
2. To examine as to what extent Weaving Industry has contributed to the economic development of the region.
3. To get to know of the cost and price in the weaving industry.
4. To understand the lifestyle of weavers in Karur District.
5. To know the Labour Management in Weaving Industry.
6. To bring out the operational hazards in the weaving Industry.
7. To know whether future expansion of weaving industry would be economically viable and/or technically feasible.
8. To make suggestions for improving the Weaving Industry.

The significance of the present study consists in subject the Weaving Industry in a systematic way, to an acute academic analysis so as to draw therefrom an inferential framework for further development of this significant industry.
As a matter of fact, for the preparation of this thesis the researcher relied more on primary data than on secondary data. However, to clarify certain points and to know the general details relating to Weaving Industry in Karur District, the District Statistical Officials, Director of Handloom Industries, were consulted and some data of general nature were collected from them.

The following strategies were adopted to generate data for this thesis.

Interview technique was adopted for collecting data from the weavers. The weavers were the primary unit of the study. A survey was undertaken covering 300 weavers in Karur District. Besides the Weavers, Village Administrative Officers, District Statistical Officers, All India Handloom Boards, and officials of the District Collectorate were contacted to collect information regarding the conditions of the Weaving Industry and life style conditions of weavers.

**SAMPLE FRAME**

<table>
<thead>
<tr>
<th>Sample</th>
<th>Sample size</th>
</tr>
</thead>
<tbody>
<tr>
<td>Labour Weavers</td>
<td>96</td>
</tr>
<tr>
<td>Independent weavers</td>
<td>79</td>
</tr>
<tr>
<td>Master Weavers</td>
<td>14</td>
</tr>
<tr>
<td>Weavers under middlemen</td>
<td>74</td>
</tr>
<tr>
<td>Co-operative weavers</td>
<td>37</td>
</tr>
<tr>
<td>Total sample</td>
<td>300</td>
</tr>
</tbody>
</table>
The secondary data were collected from the office of the Development Commissioner of Handlooms, New Delhi, Annual Reports of All India Federation of Co-operative Spinning Mills Limited, Bombay, Indian Cotton Mills Federation, Export Council of India, Commissioner of Handloom and Textiles, Handloom Weavers Co-operative Society. In addition to the above mentioned data, supporting data were collected from the published and unpublished sources like reports, journals, periodicals and minutes of meetings. Primary data were collected through sample survey with help of two types of schedules designed for the purpose of personal interview method. The schedules were pre-tested before conducting field survey.

The primary data are collected through schedules. Proper care was taken to explain the weavers all the aspects in the schedule and elicit truthful and exaggerated replies from the weavers. The data are analysed with the help of multivariate tables cutting across different inter-related aspects. However, major part of the data is analysed in terms of different types of weavers in order to avoid the complexity of tables. In the analysis and interpretation of data different tools like averages, percentages, analysis of variance (ANOVA), compound growth rates, chi-square test and t test are used.
CHAPTER OUTLINE

The study is co-ordinated in Seven chapters.

CHAPTER I

The Introductory chapter is intended to provide a brief idea of the subject matter of the thesis, nature of the topic, the history of weaving industry, the area of the study and the objectives of the study. The methods used for the collection of information and data, statistical tools used, and chapter classification have also been detailed in this chapter.

CHAPTER II  HANDLOOM INDUSTRY STRUCTURAL ANALYSIS
CHAPTER III  WEAVER'S LIFE STYLE MANAGEMENT
CHAPTER IV  CAPITAL, COST AND SALES MANAGEMENT
CHAPTER V  HUMAN RESOURCE MANAGEMENT
CHAPTER VI  HANDLOOM INDUSTRY OPERATIONAL PROBLEMS
CHAPTER VII

The last chapter RESUME consolidates all the observations made in the previous chapters. This is intended to make the whole dissertation a comprehensive one with a beginning, middle and a proper end.
RESEARCHER DIALOGUE WITH WEAVING HUMAN RESOURCE