Chapter IV
Weaving Industry in Karur: Evolution and Transitional Changes

The developmental changes that have taken place in Karur especially after the 80s are tremendous and remarkable. A predominantly agrarian economy has developed into an industrial economy. With the rapid growth of the industries, the town expanded to the extent of achieving the status of a district. To have a comprehensive understanding of this development one needs to trace the history of handloom weaving, its development over the years and its role in Karur’s economy. Thus, this chapter makes an attempt to study the evolution of weaving industry in Karur and the transitional changes it has undergone over the last two decades.

Historical Background

Karur, presently a new district was formerly under the administration control of Coimbatore district till 1910 and Tiruchirappalli district till 1995. The district at present has eight revenue blocks and is bounded on the west by Erode & Coimbatore districts, on the east by Tiruchirappalli district, on the north by Namakkal & Salem districts and on the South by Dindigul district. It is bounded on the north by the river Cauvery and traversed by the river Amaravathi.

Historically, Karur has been known as a handloom centre and it is said to be centuries old. The growth of handloom weaving in Karur can be traced back to the British period, during which period Karur was a taluk in Coimbatore district. Given the proximity of Karur to Coimbatore, it owes a lot to Coimbatore for its trade development. This necessitates us to study the evolution of weaving industry in Karur within the context of Coimbatore. As far back as in 1908, the Imperial Gazetteer of India describes Coimbatore was a highly industrialized district second only to Madras in Tamil Nadu. It is said to have possessed a huge and vibrant textile industry with textile mills and Handlooms. A large proportion of population earned their livelihood by working in these industries, trade and other related occupations.
The development of textile industry on a large scale was mainly due to the abundant growth of cotton in this district and the areas surrounding it. In Udumalpet, Coimbatore, Palladan more than one sixth of the cultivable area consisted of black cotton soil. Cotton was mainly grown in Erode, Palladam and Udumalpet taluks. Coimbatore district had many towns, which were not only producing cotton but also silk and muslin cloths. During the first half of the twentieth centuries the chief industries of Erode town were cotton press and making of carts. Tiruppur town was considered as a place of commercial activity and being surrounded by cotton soil contained two cotton presses. However it is recorded that Udumal Pet was an important centre of trade in cotton, grain and cloth; and its chief inhabitants belonged to commercial classes, such as Kommatis, Nattu Kottai Chettis, and Mohammadans.

One of the seven central Jails of the Presidency was located in Coimbatore city. The convicts were largely employed in weaving. Their average annual output being 4,20,000 Yards of cotton fabrics, worth Rs. 9,20,000, most of which was Khaki or white drill made for the army or civil departments. Coimbatore city contained a steam cotton press, cotton spinning, with 20,000 Spindles employed nearly 1,000 hands daily and turned out some 850 tons of yarn. The district was considered as one of the important textile centres in the Indian Union comparable to Bombay and Ahmedabad. It is also reported that there were eight cotton-cleaning and pressing factories in the Districts. They cleaned and pressed the local cotton for export to Bombay and England, and employed an average of 300 hands daily, and pressed annually 3,000 tons of cotton, valued at 15 lakhs.

According to the Gazetteer (1908), “The only important arts in the district are cotton and silk weaving and the making of cotton carpets. Cotton weaving is of the ordinary kind only coarse cloth being made. Silk weaving is carried on only in the Kollegal taluk, where silkworms are bred in considerable number. The dyes used are good and the cloths effective and handsome. In some cases they are ornamented by the introduction of gold and silver embroidery and the gold-laced cloths and kerchiefs are well known. These some times sell for as much as Rs. 300 each, and even more, according to the quantity and quality of the embroidery, which in the highest period of cloths, is woven in intricate and elegant designs into
the texture of the cloth while still on the loom. The cloths are sold locally, or sent to Madras, Bangalore and Mysore. Small cotton carpets are made at Bhavani (now situated near Karur in Erode district). While yarn spun at the Coimbatore mills, is used for the warp, and the cotton for the weft is dyed locally. The Cauvery water is said to make peculiarly brilliant and best dyes. The carpets are sold locally to Trichinopoly and Madras. This indicates the conducive climate that prevailed during this period for the production of cotton handloom and also the growth of the industry since then.

As accounts of the Gazetteer show for the early part of the nineteenth century, "the chief exports are cereals and pulses, chillies, turmeric, spices, cotton, oil seeds, tobacco, ghi, sandal-wood, plantains, jaggery, brass and copper vessels, cattle and leather; while the main imports included rice, salt, salt-fish, metal goods and coconut oil. Exports and imports are mainly and to from the neighbouring Districts, but the cotton from the northern taluks goes to Madras and that from the southern to the cotton presses in Madura and Tinnevelly, the latter mainly by carts, which come in from those parts by the thousand during the cotton harvest. The jaggery goes chiefly to the west coast by road and rail through the Palghat gap; the tobacco largely to the same country and to North Arcot, where it is cured by Mohammadan dealers. Coimbatore and Dharapuram are the chief centres of general trade and Palladam of the cotton trade; and the principal trading castes are the Chettis and Labbais. The Nattu Kottai Chettis, the banking sub-caste of the former, are numerous in Udumalpet and Karur; and of the Labbais a large proportion are to be found in the Karur taluk especially at Pallapatti."

The District Statistical Handbook while tracing the historical significance of Karur cites, "Karur occupies a very significant place in the history and culture of the Tamils, with a record of achievements spanning over a period of 2000 years. Epigraphical, numismatic, archeological and literary evidences have proved beyond doubt that Karur was the capital of the Chera kings of the Sangam age from around first century to the 7th century. The people of the region came into very close contact with the ancient Roman and had regular commerce with them, which enriched the quality of life of the people of the region, and also enabled them to imbibe certain interesting features from the foreign trade partners. The
strategic location of Karur has been one of the reasons for its ready rise through centuries. The importance of roads and trade routes from the Pandiya capital Madurai, and Chola capital Thanjavur linked Karur with the Kongu Nadu (Coimbatore, Erode region) and connected the same to the west coast and the trade ambassadors from the distant Rome and European countries. The merchants from Rome who came to the West Coast soon made a beeline to Karur to further their trade and commerce”.

Handloom industry is said to have come to Karur from Kerala. But there is another version, which says, “in the later part of the nineteenth century, the handloom industry showed its face in this small town of about 15,000 population. This town was then in Coimbatore District. A few people of “Sengunda Mudaliyar community” immigrated from the long villages of Coimbatore district to Karur to seek their livelihood. When they came, just for living to Karur, they brought with them their skill of handloom weaving. They starched the hank yarn with the liquid of cooked rice “kuchu kilangu” which was called “kanji” in Tamil. This yarn was used for warp, which added strength to the warp to withstand the weaving in looms called “kuli thari” (Pit loom).

This was a crude method of weaving, sitting in a small mud pial created in a pit and the warp fixed at ground level. Sitting on the small pial, the weaver would operate in 2 shafts with his legs and throw the shuttle by hand ropes attached to the shuttle boxes to run the weft yarn through the warp yarn. They were able to weave small towels and sell them at low prices, they would get a very meager wages by working through out the day just to make a hand to mouth living.”

With this humble beginning Karur started producing Bed sheets and towels for the local market and “now on the international textile map Karur has become synonymous with handloom “made-ups first”, as Tiruppur in the hosiery product”

As there is no published material available on the status of handloom weaving industry in Karur especially after independence and before 80’s, the researcher had to extensively rely on information gathered from the interviews conducted with the key informants and Neelakandand’s working paper.
Neelakandan (1996) notes, “In the late 1940s, after the Second World War, there was a boom in traditional bed sheet production in Karur. Dominated by a group of traditional Hindu and Christian Kaikola Mudaliyar families, the business was booming. In the town itself, the trading classes- mainly Komutti Chettiyars and Nattukottai Chettiyars were the wealthiest. LRG Naidu and D.S. Mani Aiyar were the bus owners and were very rich. But the rural rich, mainly from Gounder, Thottia Naicker and Vellala Mudaliyar communities by virtue of the value of landed property commanded respect”. 16 He further reports that in 1948, Mr. Annamalai Mudaliyar, the textile magnate, was one of the richest men of Karur. He was the biggest whole saler of yarn, a commodity that was scarce in the boom time. But there was a Strike in Annamalai Mudaliyar factory- inspired by the Communist and Dravida Kazhagam parties. After a lathi charge, the crowd ran amuck, some one set fire to the godown of Annamalai Mudaliyar. Several hundred bales of Cotton yarn were burnt down. It created a tremendous scurry of bed sheets, especially for those who were doing “on line trade”.

Apparently, two persons one of whom later on in 1960s started the present Amarjothi textiles (now situated near Karur Bus Stand) used this opportunity and started producing bed sheets by “putting out” system and used this unexpected demand. “The organisational changes these two started began to pay dividends in the 1950s. The change from “going on line with goods” to “distribution through samples” reduced transaction costs enormously. In the ‘on line’ system, bed sheets, towels etc. were produced, Stored and then transported to godowns in different towns in the north. Then a representative of the company went to different towns; take whole bed sheets as samples, canvassed for business in and around the town, and met the demand with the stock in the godowns.

In the other mode, “Sale by sample”, the representative carried in a briefcase small pieces of the design and quality of different bed sheets. After obtaining orders for this, they produced sent them within a stipulated time. Amarjothi fabrics is reported to have started the “distribution through samples” system. ‘Anar textiles’ and ‘Pasupathi textiles’ were also new entrants of that period. “It did not take long for the established Mudaliyar families to adopt the “distribution through sample” system. However, Amarjothi fabrics had a head start
and captured the Bombay market and held it till mid 70s. Anar textiles captured the Delhi market and were dominant there till mid 70s. A reference to the District Statistical Handbook tells us that “the export of handloom from Karur began on a modest scale with just fifteen exporters in 1975 and today Karur has over hundred exporters.”

Mr. Raja Sekar, an 80-year-old man, owned a tex (as it is called in Karur) for nearly 40 years, has retired now from active business leaving the responsibility to his sons. During an interview with him, he reminisced, “Belonging to a traditional weaving community of Mudaliyars, my family owned some 7-8 handlooms in the 60s and were producing Bed sheets for the local market. When my father passed it on to me I started expanding it and set up a small shop in the late 60s. During this period (late 60s & 70s), the textile business was in the hands of a few rich people belonging to Mudaliyars, Komutti Chettiyars and Gounder communities. But among them the Mudaliyars had a virtual advantage over others by knowing trade intricacies of Handloom production. But after the 80s the agriculturally prosperous Gounders entered the business and started setting up textile companies. From 85 onwards, more and more Gounders entered and set up more number of companies in quick succession. By the virtue of owning acres of land, it had become easier for them to mobilize capital to invest in the then emerging textile exports.

By the 90s, they had virtually taken over the trade from Mudaliyars and Chettiyars. My sons now are complaining of the difficulties withstanding the increasing competition. He further said, production during the 70s was largely for the local market with very few people exporting to foreign countries. But their presence then did not make much of a difference as it had happened after the 80s. The 80s and 90s were the peak period for export growth in Karur’s history. Even during the 70s, contracting and putting out system prevailed, but not to the extent that is prevailing now. As far as I know, only the task of weaving was generally assigned to the weavers through piece rate system. But now the payment for everything is made on piece-rate or Kilogram rate or metre rate depending on the products.
The 70 year old Mr. Raju belongs to a family which has been manufacturing cotton handlooms for over 40 years. He said, weaving till the 70s was more of a family affair which meant the entire family was engaged in producing cloth by each one undertaking some assignment within the home. For instance, the father took the order from the company and did the warping (refer to section on production process), the women of the family (wife and mother) did the weaving and twisting of the thread and other male members did the weaving besides returning of the finished woven cloth to the shop. By this way, the entire family knew the art of producing handlooms. But the trend has changed now and there is increasing specialisation – each one specialises in one task. The younger generation is moving out of home to the production units. However, women are largely retained at home doing the handloom weaving and the male members have moved out either to the export companies (called 'tex' in local parlance) and power loom units or to the recently flourishing mosquito net industries.

Mr. Palanisamy Gounder, aged 48, is in the textile field for the past 20 years. He started his own company in 1985 after learning the trade details from a textile company where he worked as an employee for 10 years. Now he owns an export company of a medium scale, employing 30-40 workers, dyeing cum bleaching unit-employing 40-50 workers and a power loom unit. He said, in the 60s when I was in school, agriculture was the primary occupation of not only my family but also for all my relatives. Now it is just the reverse, I have included all my relatives in my business.

The 70s saw the entry of power loom and export business, when I had just completed my schooling 12th std and joined a textile company. I worked there for five years and then shifted to another company, which was doing exports, where I worked for another 6 years. According to him K. Periyasamy Gounder, the founder of Amarjothi Fabrics Ltd. was the first person to have introduced export business with quality products. Binny Ltd. of Madras then, had tied up with some of the handloom manufacturer of Karur and displayed the products in their outlets at other parts of India. Having seen the demand they gradually exported it abroad too. By seeing this development, some of the big companies in Karur started doing export on their own. But largely export in the beginning of 80s was through third
parties i.e., contractors from Delhi and Bombay purchased cotton handloom fabrics manufactured at Karur and exported them abroad from their own places.

This kind of indirect export was primarily due to language problem and lack of infra-structural facilities in Karur like communication and good hotels for the accommodation of foreign buyers. Therefore, there was no direct contact between Karur manufacturers and foreign buyers. After 1985, this scenario changed and Karur started doing "direct export". Karur now has several hotels and one them, is rated as a star hotel. Communication has improved and Karur is well connected with roads and railways. Moreover, the educated younger generation, most of them belonging to the second generation and in some cases third generation are sent abroad for business management studies like MBAs and textile technology courses, like textile designing and engineering. So, the problems that were impeding direct export earlier are no more encountered. It is learnt during the interviews that the upwardly mobile communities of Gounders and upper class Mudaliyars send their children abroad for higher education. And among them boys are given priority over girls.

Therefore, what needs to be highlighted here is that though the historical sources, point out to the presence of weaving industry and handloom production even during the British period, the production was for the local market. Prior to its export-oriented growth, Karur did have enterprising promoters who had links with Bombay and also saw the potential for the international market. But the seeds for export led growth were sown during the eighties and accelerated during the nineties. Thus, the developmental changes that have taken place since 80s assume greater significance.

**Transitional changes after 1980s**

Though the presence of handloom production was there before the 70s, the trade was in the hands of a few people and Karur’s economy was predominately an agrarian economy. A close look at the Census data would tell us this. The Table 4.1, given below shows, (1) how gradually the handloom production registered its presence, grew and expanded since 1981 onwards. (2) how the subsistence agricultural economy which produced and exported agricultural commodities in
1971, changed over two decades into an industrial economy. Census data being decadal in nature, it shows the decadal growth. It gives us data for a particular year taken after ten years. But our interviews with the owners and key informants would tell us the growth and happenings in the mean time.

Table 4.1

<table>
<thead>
<tr>
<th>Year</th>
<th>Class/Town</th>
<th>Three most important commodities manufactured</th>
<th>Three most important commodities exported</th>
<th>Three most important commodities imported</th>
</tr>
</thead>
<tbody>
<tr>
<td>1971</td>
<td>Karur</td>
<td>1st: - 2nd: - 3rd: -</td>
<td>1st: Turmeric 2nd: Chillies 3rd: Jaggery</td>
<td>1st: Oil seeds 2nd: Paddy 3rd: -</td>
</tr>
<tr>
<td></td>
<td>Punjai Pugalur</td>
<td>Sugar 2nd: Jaggery</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1981</td>
<td># Karur Urban Agglomeration</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>III. Inam Karur*</td>
<td>Handloom Cloth Powerloom - cloth</td>
<td>Handloom Cloth Powerloom - cloth</td>
<td></td>
</tr>
<tr>
<td></td>
<td>II. Karur*</td>
<td>Handloom Towels Bedsheets</td>
<td>Turmeric Chillies Jaggery</td>
<td>Oil seeds Paddy</td>
</tr>
<tr>
<td></td>
<td>IV. Punjai Pugalur</td>
<td>Sugar - -</td>
<td>Sugar Handloom Betal leaves</td>
<td>Rice Cloth</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1991</td>
<td>III. Inam Karur</td>
<td>Coco plastic Handloom nutoil cloth</td>
<td>Handloom Banana coconut Cloth</td>
<td>Cotton Plastic Iron for Thread articles industries</td>
</tr>
<tr>
<td></td>
<td>II. Karur</td>
<td>Textiles - -</td>
<td>Textiles Black Coconut metal</td>
<td></td>
</tr>
<tr>
<td></td>
<td>IV. Punjai Pugalur</td>
<td>Sugar Powerloom Cloth</td>
<td>Sugar Powerloom Betal Cloth</td>
<td></td>
</tr>
</tbody>
</table>


Notes: 
# As per Census an Urban Agglomeration is a continuous urban spread constituting a town and its adjoining urban outgrowths or two or more physically contiguous towns together with continuous well recognised urban outgrowths, if any of such towns.

* A town with a population of 20,000- 49,999 is classified as class III, 50,000- 99,999- class II. Punjai Pugalur is one of the 22 villages located in Karur CD block.

As Table 4.1 shows, the three most important commodities exported from Karur town in 1971 were Turmeric, chillies and jaggery. The manufactured items for the same year are not registered. The village Punjai Pugalur situated near by Karur town had also produced and exported agricultural commodities like sugar,
jaggery and betal leaves. But notably, during this period, both Punjai Pugalur had imported cloth, while both (Karur town and Punjai Pugalur) reported to have imported rice, paddy and oil seeds.

In ten years i.e., in 1981, Karur town had expanded to attain the status of Karur Urban Agglomeration. This meant the growth of the town and urbanisation of a near by area called Inam Karur, resulting in the inclusion of Inam Karur with Karur town, and henceforth, Karur town was classified as Karur Urban Agglomeration. During this period in 1981, Karur has registered handloom bed sheets and towels as important commodities manufactured, but has not exported the same products. Instead, it has exported only the three agricultural commodities. Notably, in the same year Inam Karur had not only manufactured but also exported both handloom and powerloom cloth. Therefore, one can assume that the production of cloth in Karur town catered to the local market and that from near by towns catered to the outside market during this period.

Another significant point to be observed here is the recorded growth of manufacturing and exporting of powerloom cloths, which was first from Inam Karur and then from Punjai Pugalur. Karur town has no record of either production or manufacture of powerloom cloth in all 3 decades. This corroborates the findings of the study done by Subathra, which explains how gradually powerlooms penetrated and captured the areas surrounding Karur.

In 1991, Karur appear to have manufactured and exported textiles. Whereas Inam Karur and Punjai Pugalur have recorded the other commodities besides cloth. What is significant is that by the end of 1991 all the three places have registered both the manufacture and export of textile cloth.

The new economic policies of the Govt. and the resultant liberalisation of the market have had its major influence in Karur handloom weaving industry. The findings of the studies support this. With the arrival of powerloom coupled with the liberalisation of market, export oriented growth started gaining momentum in Karur. The Export-Oriented growth perspective reshaped the weaving industry, which was so far considered as the traditional industry primarily catering to the
domestic needs. This trend has ultimately changed the lives of the people in Karur (Vijayas, 1997).  

On the production side, there seems to be an increase in the amount produced with lots of export companies coming up. Of the 50 owners interviewed 80% of them had opined that Karur has started producing more cotton textile goods for export. The total production of handloom cloth in Karur during the year 1997-98 was 93,75,00000 meters. The annual production totals to a whopping of 1.000 crores, of which 60% is exported to various countries.  

As per the Karur Cotton Textile Manufacturers and Exporters Association “The approximate value of direct exports exceeds 750 crores and outside exporters who purchase Karur products and export is 750 crores. Thus the total earnings of foreign exchange amount to Rs. 1500 crores per year.  

During an interview with the director of Handloom Export Promotion Council, she said, “we do not maintain data on the district-wise break up of the value of handlooms produced and exported”. However, Mr. Oppila Mani said, “though we have data for the distribution of handloom production centres all over India, we do not have these centres’ production and export.” The reason he stated for not maintaining the record was the operational difficulty involved in eliciting data from the private operators. “For example, private operators form Delhi and Bombay have their base at Karur and export the manufactures of Karur first to Bombay and Delhi and from there to foreign countries. But approximately Karur Contributes to 65% of the total cotton handloom exports.”  

Change in the Production Profile and Countries Exported  
Notably, the variety of cotton handlooms produced shifted from mere production of bed-sheets and towels for local markets to a lot more varieties. The handloom products being exported could be broadly classified under three heads-kitchen, bathroom and bedroom-furnishing items. Some of the handloom made up exported form Karur are; bedspreads, towels, floor rugs, tea-mats, napkins, aprons,
kitchen towels, plate-mats, bats, curtains, pillow covers, quilt covers, shower curtains etc.\textsuperscript{31}

"These products are marketed to countries like Europe, USA, Japan, Canada, Australia, Singapore, South Korea, South Africa and the Scandinavian countries. Thus, the weaving industry of Karur generates an annual turn over of nearly Rs 1000 crores with nearly Rs 700 Crores of direct and indirect exports of textile goods. The thrust on export led to the mushrooming growth of other allied industries apart from handloom and powerloom units such as dyeing & bleaching units, tailoring & packaging units etc.\textsuperscript{32} It is observed that, even for a big company, which might make a good turn-over, carrying out all the operations within its premises seemed unviable given the nature of production and the terms and conditions of the industry. As Mr. Alagesan of Vijay Tex said, "Working for foreign buyer is like a project, one gets a stipulated period of time say three months or six months or more than that, depending on the quantity and variety of production. In order to complete the order within specified time, majority of the owners opt for dividing the processes and allotting each task to each unit. Therefore, one finds all the activities associated with handloom production done at different places by small and big units in Karur. Through this way, more employment opportunities are also generated".

\textbf{Shift in Production- Dominance of Powerlooms over Handlooms}

Karur weaving industry is found to have the characteristics of both traditional as well as modern methods of production, which in other words means, it has not completely lost the traditional character of production, but at the same time it accommodates modern technological advancement in production. Though hand weaving has not fully disappeared, one could observe how the traditional industry is losing its ground by giving way to the powerlooms to dominate the scene. This is evident from the fact that the areas surrounding Karur town are predominantly power loom based leaving aside Karur town which still has more handlooms and also employs more number of families.
Table 4.2
Distribution of Families Engaged in Weaving (Handlooms and Powerlooms)
across the Blocks in Karur District

<table>
<thead>
<tr>
<th>Sl. No</th>
<th>Name of the Block</th>
<th>Families engaged in</th>
<th>Handlooms</th>
<th>Powerlooms</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Karur</td>
<td></td>
<td>1550</td>
<td>565</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>(37.3)</td>
<td>(28.7)</td>
</tr>
<tr>
<td>2</td>
<td>Thanthoni</td>
<td></td>
<td>1300</td>
<td>420</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>(31.3)</td>
<td>(21.3)</td>
</tr>
<tr>
<td>3</td>
<td>Aravakuruchi</td>
<td></td>
<td>500</td>
<td>485</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>(12.0)</td>
<td>(24.6)</td>
</tr>
<tr>
<td>4</td>
<td>K. Paramathi</td>
<td></td>
<td>450</td>
<td>495</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>(10.8)</td>
<td>(25.1)</td>
</tr>
<tr>
<td>5</td>
<td>Kulithalai</td>
<td></td>
<td>200</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>(4.8)</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Thangamalai</td>
<td></td>
<td>150</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>(3.6)</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>K.R. Puram</td>
<td></td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Kadavur</td>
<td></td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Total</td>
<td></td>
<td>4150</td>
<td>1965</td>
</tr>
</tbody>
</table>

Source: District Statistical Handbook of Karur District, 1997-1998, District Statistical Office, Karur
Note: Figures in parentheses are percentages.

As Table 4.2 shows, out of 4150 families engaged in handloom production in Karur District, Karur block alone shares the highest of 37.3%. And then comes Thanthoni block with its share of 31.3%. The percentages of families engaged in handloom production in other blocks form a considerable 12.0% in Aravakurichi, 10.8% in K. Paramathi and comparatively minimal percentages of 4.8 and 3.6 in Kulithalai and Thangamalai blocks. The rest two blocks have not registered their presence. As far as the percentages of families engaged in powerlooms are concerned, Karur block again has the highest 28.7% of families followed by
Thanthoni block with 21.3%. What is interesting is that in areas such as Aravakurichi and K. Paramathi one finds more no of families being engaged in powerloom production than handloom. While Aravakurichi block employs 12% of families in handloom, double the amount of 24.6% are engaged in power loom. In the same way, even in Paramathi block 10.8% of families are engaged in handloom production while 25.1% are in power loom production. This substantiates our finding that power loom is gradually subsuming the handloom.

An interview with the President of Karur Textile manufacturers and exporters Association revealed that nearly 60% of the production of textile goods in Karur is done through power loom since the export demand is very high and ever increasing. The traditional character of Karur as the nerve centre for handloom is rapidly switching over to power loom. This is mainly due to the fact that the demand for export is too high to be met with the handlooms. The exporters do not care to give preference to handlooms, as output from powerloom is faster and more profitable.

Mr. Velusamy of Sarathey tex, who has been manufacturing textiles for the past 15 years said during the interview, “export business meant quality, and timing. Hence we follow the strategy of mixed production, that is for the better quality, we opt for handloom and for production on large scale in a short period of time, we opt for power looms.”

Of the 50 owners interviewed, majority of them (80%) opined that the textile trade especially after the 90s has generated vast employment opportunities. In fact, it was observed during the fieldwork that the owners during the peak seasons face the problem of shortage of manpower. And many of the units were found be coming out with a display board at the entrance reading “labourers wanted”. Some time to meet this shortage, owners take workers from the near by areas by Vans. It is significant to note that the total work participation rate in Karur is 44% as against the state average of 43.3% and the total workers engaged in household industry category (manufacturing and procuring services) in Karur is 9.83% which is well above the state average of 3.32%.
Infra-structure Facilities

Of the 25 export company owners, about 80% of them felt that the rapid development of trade has resulted in the growth of infrastructure facilities favourable for trade. Many cities in the adjoining districts/ states are connected to Karur with broad gauge lines and by road with national highway 7. Generally, the goods are dispatched in containers by road transport up to madras or Kochi ports and from there they are exported either by sea route or air way. In some cases, the contractors who normally look after the export do send the goods by air in case of emergency or as per the order of the importer. About 62% of the export company owners expressed satisfaction over the infra-structural facilities like roads, railways, communications, banks, power and water supply. The rest 48% of them expressed dissatisfaction (with either banks or power supply) over the sanctioning of Bank loans. Of the 25 owners of dyeing units, 60% of them reported water shortage as the perennial problems. About 20% of them expressed dissatisfaction over the slow process of loan sanctioning by the banks and 20% of them expressed satisfaction over all the facilities. With the process of industrialisation, urbanisation has taken place in Karur. Due to the expansion of town, the rents of houses and land seemed to have increased.

Social Basis of the Karur Industry

A notable feature of this industrial expansion is the growth and diversification of capital. The social background of entrepreneurs in Karur suggests an interesting history. It is learnt that until the 60s, factories were mostly owned by the Mudaliyars (who are the traditional weaving community) and Chettiyars (who are the traditional business /banking community of Tamil Nadu). But with the introduction of export led growth and consequent changes in the organisation of production, many units started coming up with low investments. The new entrepreneurs who capitalised on this opportunity were the Gounders, who are basically middle and rich peasants. By seeing the profit generated by the export business, these middle/rich peasants of Gounder community have invested their surpluses from agriculture in to the upcoming business ventures in Karur. They have diversified not only in export business, but also in bus-body building, mosquito net manufacturing, real estate and other such ventures.
It is to be noted here that majority of the owners interviewed own minimum of 10-15 acres of land and do cultivation in them along with their new businesses. The caste composition of entrepreneurs in our sample reveals that 54% of the owners belong to Gounder community, followed by 26% Mudaliyar community and the rest 20% belongs to Chettiyars, Pillais and other communities. It was learnt during our interview that the upwardly mobile communities of Gounders and upper class Mudaliyars send their children abroad for higher education such as MBAs and textile technology courses.

The Present Status of Weaving Industry in Karur

The very nature of weaving industry in Karur is such that, no unit, however big has under one roof all the facilities to carry out all the operations (processes) required for the conversion of yarn into the final product. It is observed that an entrepreneur after receiving the orders would buy yarn from a place, get it dyed or bleached at another place. Through contracting, assign the tasks of weaving and related operations to a third place. And then get cut, stitched and finished elsewhere. Finally the product comes to the home company where usually checking, packing and bundling take place. Hence this system of production has given way to the enormous growth of allied activities. One could observe plenty of such units in Karur. The notable feature of this system of production is that disruption in any one of these activities will affect the whole chain (system). The firms in Karur can be broadly categorised into four major categories:

1. Local Traders
2. Direct Exporters
3. Merchant Exporters and
4. Sub-contracting firms

The local units cater only to the demands of the local market and the production in the local firms are not specialised as that in export units since the question of quality control is not stringent in local firms. Direct exporters get orders from the international market and posses their own production facilities but put out a large proportion of their work to the sub contracting units. Merchant exporters do not own production facilities but they take orders and hire out the
work to other small units. Thus, though the exporting orders are catered by the large exporting units, the actual production is done in small units which are scattered. Sub contracting units specialise in finishing operations or ancillary operations or both. They take orders from all the three types of traders and are responsible for the particular operation or operations.

Therefore, what needs to be highlighted here is that though the historical sources, point out to the presence of weaving industry and handloom production even during the British period, the production then was for the local market. Prior to its export-oriented growth, Karur did have enterprising promoters who had links with Bombay and also saw the potential for the international market. But the seeds for export led growth were sown during the eighties and accelerated during the nineties. Thus, the developmental of changes that have taken place since 80s assume greater significance.
ENDNOTES

1 District Statistical Handbook of Karur District, 1997-98, District Statistical office, Karur.
2 Government of India, the Imperial Gazetteer of India central province to Coompta, Today and Tomorrow’s, Publication, 1908. Vol.x
4 Ibid.
5 Ibid.
6 Op. cit. 1908
8 Op cit, 1908
10 Ibid
11 The Kaikolars or the Sengunders are a caste of Tamil weavers. The word Kaikolar is said to be the Tamil equivalent of the Sanskrit “Virabahu”, a mythical hero from whom the caste is supposed to have sprung. It is also said to be derived from “Kai” (hand) and “kol” (shuttle). The Kaikolarala are also called Sengundar (red dagger). They consider the different parts of the loom to represent various devtas and rishis. There are among them several subdivisions. In religion, most of them are saivaites and some of them have taken to wearing the ‘lingam’, but there are also vaishnavites among them” (Source: Gazetteer of India, Madras District gazetteer, Government of Madras, 1966).
12 Indian Express, A special supplement; ‘Focus on Karur’; 1996, July 17.
14 In the course of fieldwork, senior persons in the textile business, doing trade from more than 20 years in Karur interviewed.
16 Ibid
17 Ibid
18 Ibid
20 Interviews were conducted with him on 20/07/2000, 25/07/2000, 28/07/2000 at his residence at Pasupathyopalam.
21 He is the former president of Karur Textiles Manufacturers- Exporters Association. He inherited his textile business from his father who was doing handloom business in the 70s. At present he owns many export companies and dyeing units. He was interviewed on 12/07/2000 at his office ‘Goodwill Export’ at Ramakrishnapuram.
22 He is the President of Karur Dyeing and Bleaching factory owners association. He was interviewed at his office ‘Jeyanthi Dye Chem’ on 29/07/2000.
23 Refer to the note given at the bottom the table.
26 Ibid.

27 In the course of fieldwork, interviews were conducted with 50 owners. Twenty-five of them were the owners of export companies and twenty-five of them were owners of dyeing units.


29 Interview conducted on 10/06/2000 at Directorate of Handloom Export Promotion Council, Chennai.

30 He is a statistician at HEPC interviewed at the office in Chennai, on 11/6/2000.


32 Ibid.

33 One of respondents of the twenty five owners of the export companies, interviewed in June 2000.