Chapter - I

Development of Textile Industry: A Comparative Analysis of Handlooms and Powerlooms.
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DEVELOPMENT OF TEXTILE INDUSTRY: A COMPARATIVE ANALYSIS OF HANDLOOMS AND POWERLOOMS

"Weaving" is the art of making cloth and a textile is a woven fabric. Every day of human lives, people are surrounded by textiles and textiles are so much a part of our daily world that it is hard to imagine life without them. The textiles represent the progress or development which people have achieved in their walk of life towards a civilised and cultured society. They represent the tastes of the people, cultural, economic and sociological status of a particular society. The word "textile" stems from the Latin word "texere" which means "to weave." Textiles are formed weaving one set of yarn with another on a loom.

It is noticed from the pages of history of mankind, the fact comes to the fore that perhaps weaving had its beginning when early man intertwined twigs or reeds to form shelter for himself and his animals or barriers against his enemies. The art of fishing was also made possible by the net made of knotted vines. Man wove and braided baskets out of rushes, grasses and other plant fibers. Many studies failed to identify particularly how or when man began to weave fibre into textiles, but the oldest traces of weaving that have been found are the bits of flax and flax yarn in the remains of the Swiss Lake of dwellings and it was found that man was weaving as early as the "New Stone Age". The research disclosed that the weaving of linen and wool is atleast 5000 years old, that silk was widespread in China by 12th century BC. The Egyptians were the highly skilled weavers, who produced linen cloths for preserving
"mummies". A legend says that a princess developed silk weaving in China in 2700 BC. Cotton was known in India as early as 800 BC. At first all the fibers were plain. Ornamented textiles appear in Egyptian tomb drawings made about 2500 BC.

1.1 EVOLUTION OF WEAVING ON LOOMS

Textiles have many uses in the present world, and textile manufacturing is one of the most important industries. Textiles are divided into groups according to the source of material from which they are made. Plant and animal sources have furnished textile materials since ancient times. Cotton and Linen are two of the oldest and most widely used material from plant sources. Linen is obtained from fibers of the plants called flax. Wool is the oldest and most widely used animal material. Silk made from the cocoons of silk worms is another animal textile. Other natural plant fibers are jute and ramie. The modern science invented to produce new fibers by chemical and technical means obtained from minerals. Rayon fibers are made from either wood pulp or cotton fibers. Nylon fibers are synthetic and the original sources are coal, air and water. Some textiles are made from a single kind of natural or synthetic fiber. Others are produced from various combinations of two or more different fibers either natural or man-made.

1.2 THE LOOMS AND THEIR DEVELOPMENT

Even at the early times, fibers were woven into complicated and beautiful patterns. The earliest looms were probably just two sticks with stands of yarn stretched between them forming the length of the fabric. These stands were called "warp" and the other set of stands was "filling" threaded.
back and forth, crossing over and under the warp yarns perhaps with a needle. The looms were further modified during 15th and 16th centuries and particularly during the period of Industrial Revolution, the machinery of weaving were invented for speedy operations and production. In 1769, a mechanical spinning frame which could spin great quantities of yarn without the help of skilled workers was invented in England. This equipment led to the improvement of the weaving loom and Joseph Marie Jacquard (1752-1834) invented a machine loom that could produce the complex figured designs of the famous brocades of Lyons. This invention was "Jacquards" - the efficient power looms. Jacquards smashed away the first mechanical looms as these powerlooms could produce textiles speedily and cheaply. Today there are many hundreds and thousands of powerlooms in operation throughout the world, producing the figured weaves called Jacquards, after their invention. The developments in Science and Technology, in recent years, transformed the weaving machines, facilitating many improvements to meet the changing demands and tastes of the modern society. Giant electric looms weave the most complicated patterns automatically. Knitting machines with hundreds of needles turnout knitted fabrics. Other machines make delicate laces that could once be made only by hand and handlooms. Thus, the basic changes that were brought out in textile machinery have stressed increased production, greater efficiency and quality control. Electronic controls were also employed in recent years to ensure uniformity of the sliver, snubbing, towing and yarn. The development of new fabrics and finishes and the improvement of yarn strength and stretchability have also received much attention in recent years.
1.3 TEXTILE INDUSTRY IN INDIA

Recently while analysing the growth of and performance of apparel industry in India, it was commented that "in the years to come, there will be two clothiers to the world" - India and China." It was also observed that apart from India and China none of the other countries like Bangladesh, Mauritius, Srilanka and Vietnam, which are the leading suppliers of finished apparel to the developed world, have a strong textile base.

These observations and comments amply prove the fact that India has the advantage of producing good quality long staple cotton and relatively inexpensive manpower, which automatically keep our country at the top of the world apparel trade.

If it is viewed through the window to the Asian Textile threshold, China has the world's largest spinning capacity, India follows as the second and Pakistan is the third country. These three countries in Asia enjoy the natural advantage of home grown cotton and these countries have vast home markets also. Of late, India is also supplying large quantities of cotton yarn to the world markets at competitive prices.

Not only in the modern days but in ancient times also India was the prime-producer of finest cotton clothes in the world. Textile industry in the form of cottage industry dates back to the epic ages. Our country wrapped in mystique, enhanced with the romance of fabled crafts, has one of the finest textile traditions in the world. The quiet sensitivity of the weaver rooted in...
custom and ritual had its origin in religious fervor creating a relationship between him and the cloth that he wove. The cosmos, the ordered universe, was considered to be one continuous fabric with its grid pattern of warp and woof over which is painted life in all its cycles, illusions and dreams. The Vedas far from being merely antiquated, enunciate a period in the intellectual life of man which has no parallel in human history. The Atharva Veda in one of its passages personifies day and light as two sisters weaving with warp symbolizing darkness and the woof, the light of the day. The hallowed place that thread and weaving occupied is illustrated in many hymns of the Vedas.

Five thousands years ago, the people of Mohenjodaro knew the art of growing cotton and they knew too that this innocuous looking fluff could be magically transformed into cloth that would cover their bodies. Excavations from Harappan sites revealed a scrap of coarse madder dyed cloth. Ancient Sind deserts, unearthed terracotta spindle whorls which proved beyond a doubt that the early inhabitants of the Indus-valley knew how to spin and weave and that this was the earliest evidence that cotton and dyed cloth were used in the Indian sub-continent. Spinning and weaving existed during Mauryan period and this was the beginning of our textile heritage. India’s genius was expressed in its cotton weaves. The fine cotton woven with shadow-like patterns were known even in the Roman country, as "Nebula Venti", woven winds. The fact that a large number of spindle whorls were found in Harappan Harbour of Lothal in Gujarat indicates that cotton must have been explored from India 4000 years ago.²
It was undoubtedly cotton which gave the master weavers of India their splendid expression, Jamdani, the five cotton weave with intricate patterns woven into the cloth was so subtle, that only when the cloth was held against the light was the shadow pattern visible. It was woven specially for the "angarakhas" of royalty and the floating veils. The Chanderi Saris of Madhya Pradesh were also known for the quality of cotton weave. The intricate tapestry borders and "pallus" were woven in golden thread and silk, while the body carried gold Jamdani, "Hamsa", the swan or "ashlafi", gold coin. The women would spin and weave gossamer cotton and thus led a cloistered life.

The golden brocade of India was known the world over as "Khumkhab", nothing less than a dream, while its brilliant dyes made its fabrics coveted the world over. India has mastered dyeing since the Harappan period and this skill was known throughout the ancient world. Printed and dyed fabrics from Gujarat found their way all over the globe from time immemorial. They were exported to Foslat, the ancient city of Cairo and were distributed all over the western world and thus came to be known as 'fustian'. Ancient Indian literature abounds with references of indigenous clothes and fabrics. There were mentions of needles as "suchi" and "Arivesh" in Rigveda. Kalidasa described "Hamsa Chinhita Dukoola" (Swan-like weal) in his writings and "Manicheera" of Mahabharatha were the famous cotton clothes in those days. We come across the descriptions of beautiful cotton clothes in Mahabharatha, Ramayana and in the writings of Ban Bhatt and Kautlya. The relics discovered in the recent excavations at Mohenjodaro and Harappa prove beyond dispute that Indians as early as 5000 BC were experts in the art of...
dying and weaving of cloth. The historical records observed that from about 1500 BC to 1500 AD, for nearly thirty centuries, India held the world monopoly in the manufacture of cotton goods.

1.4 RELIGIOUS, SOCIAL, CULTURAL, POLITICAL AND ECONOMIC ASPECTS OF WEAVING

Religious traditions claimed for their rituals the finest creations of the master weavers. Craft guilds of weavers, embroiderers, painters and dyers were established around the main centres of religious worship. Painted clothes which told the stories of Gods, astrological charts and esoteric paintings on cloth appeared in temple shrines, special ritual cloths were also offered to the Godhead. There is an isolated group of weavers in Orissa, following a custom spread over a thousand years, which weaves the first verse of the Gita Govinda in a Vivid red dye intie-dye fashion, which forms the main ritual at the Jagannath Puri Temple. The Kancheepuram weavers claim descent from Sage Markanda, believed to be the weaver of the Gods, who wove the first fabric from the lotus fibre. In the South, Cotton cloth is offered to Lord Siva an ascetic and silk to Lord Vishnu. This accounts for the cotton cloths which sprung up around Siva temples and the silk looms around the Vishnu temples. Indian heritage weaves linked with religion mirrored existing cultural patterns and the rituals that bound man with invisible links to his ancestors and to God. As a result, training schools were started around religious centres and the richest expressions are found in South India, Gujarat and Rajasthan.
In parts of the ancient world Indian textiles were proverbial and as early as 200 BC Roman ships docked at ports on the South West coast of India to pick Indian fabrics from which their coveted togas were fashioned. Though silk is associated with China, which has a highly developed sericulture industry during the Neolithic period, 4000 years ago, it was also produced in India from the earliest times and was treated as a cloth of purity to be used for ritual purposes. Chinese silk was brought by traders to India and were dyed in brilliant iridescent colours and carried to Europe. Jain records mention Pali town in Rajasthan as an important centre for dyeing. Buddha had permitted bhikkus the use of "Kauseya-praware" a silken ‘chadar’. The historical records reveal that the forests of Bengal and Assam had a range of Bombaycide and Saturnidae cocoons. Assam's silk varieties were "endi, muga and pata". Assam is the natural home of endi worms and have independently originated in Assam and North America.

To be brief, any traditional textile of India provides with it an identity of the social, cultural and religious aspect of the weaver, yet has its own aesthetic value. However, khadi doesn’t identify its weaver in social, cultural or religious terms, it clearly defines him/her in political and economic aspects. The palette of khadi is known to have only one permanent colour that of patriotism, the hues of which have been manipulated from issues of craft revival to Gandhi's Swadeshi tactic, with a vision to recreate an economically sufficient craft-based society. Gandhi adopted khadi as a medium. Khadi provided a "binding factor" for the otherwise culturally diverse India. Gandhi called khadi the "Sacred cloth". By then, khadi had many faces besides
"Swadeshi" and thus defined the identity of the weaver. Though later on a variety of prints, colours, embroideries and borders on khadi was adopted all these decorations were kept at a low profile to enable the stamp of simplicity and affordability. Unfortunately, khadi has not gone through the constant research and development that is an indispensable part of the textile industry. Like any other craft of India, khadi has to struggle to face this challenge of producing contemporary designs and quality standards.

1.5 THE WEALTH OF TEXTILES IN SOUTH INDIA

The Southern India, comprising Kerala, Tamil Nadu, Karnataka and Andhra Pradesh has always had its distinctive cultural features. Relatively untouched by the invasions that affected the cultural fabric of North India, Southern India has over the centuries continued to retain its many ancient traditions of art and craft. The long coastal line of south India brought it naturally in contact with the great cultures of South East Asia and made it the first port of the entry for the European traders. Indeed the wealth of textiles in the South is so vast and the number of weaving regions so numerous that it would be impossible to condense all information with in a limited piece of writing. Varied weaving techniques and a vast range of materials can be found in the textiles of Southern India. Kerala was famous for weaving "white cotton" with their typical fine zari borders and "Pallu" and identify them as the famous Karalakudi Sana from Kerala. Similar Sana were created in Madurai and also in earlier times at Coimbatore, Madurai, Thanjavour and Arni, in Tamil Nadu. Madurai and Salem specialise in the fine gold-bordered "veshti", from the coarse Chettinad Sana to the Sana of Salem, Rasipuram and
Coimbatore to the fine gold-bordered Muslims of Madur are popularly known weaves of Tamil Nadu. The weaves of Karur are considered to be best and it can be regarded as the best stores of the world. It was the Thanjavur-Kumbakonam belt and Avni along with Salem that produced the "Pattu pudavai". Kancheepuram is famous for specialisation in heavy weight "murukku pattu", the finer, better women and more expensive silk saris. The neighbouring state Karnataka supplies the silk to Tamilnadu and also the whole of India. Besides silk fabrics, Karnataka is the home of the Mysore Crepe, a fine opaque crepe silk with supplementary zari borders, with contrasting colours. Originating in the Thirties, when Mysore began to producing chiffon and georgette, Mysore silk still remains popular. The more traditional saris of Karnataka are the "Molakanuru Saris" and the "Ilkal Saris".

A truly amazing range of textiles in Southern India are found in Andhra Pradesh. Every village in Andhra Pradesh is a weaving town and various types of sarees, dhotis and khadi are manufactured. Some of the best known are the Venkatagiri's using finely spun cotton of 200 counts for the warp and the weft. Simple gold borders are combined with brocade "pallus" and motifs worked in the Jamdani style. While the fabulous Venkatagiri's is all cotton, the Gadwals and Kothakotas are a combination of a cotton body with a silk pallu. Uppada started out with saris of a less expensive variety of pure cotton with simple motifs but with the introduction of the Jamdani technique it is producing beautiful saris in cotton, silk cotton and silk. The introduction of silk cotton has made Paatur saris suddenly popular while Mangalagiri near Vijayawada.
has literally swamped the market with its firmly woven saris and yardage. Narayanapet, Siddhupur, Guntur, Armur are but a few more villages that are well-known household names. But one of Andhra Pradesh's main claim to fame is its sophisticated ikkats. Chirala in Guntur district became a major centre for the "Tella rumal" - square pieces of cloth dyed with vegetable colours in maroon, white and black and used as a lungi or a scraf. In the beginning of this century it was a popular export product but after World War II, Chirala languished. Then this technique was resurrected in the towns of Pochampalli, Koyalagudem and Puttapaka. In a number of villages of Nalgonda district, Sans, Lungis and household furnishings are woven in huge quantities for both the local markets and for export. Today, South India can truly feel proud of its unbroken legacy of traditional weaving and for having emerged as one of the major contributors to the country's textile wealth and to its growing textile exports.

All these references cited above reveal that from the origin and past glory, the handloom industry may be better termed as a time-honored cottage industry. No other country in the world has preserved and upheld this ancient craft in such pure form as India does. The Indian Handlooms have occupied an important position in respect of exports from an early period.

The Report of the working group remarked that "the Gossamer silk of Varanasi, fine muslin of Decca in Patola of Baroda and fabrics of Assam, Mampur, Orissa and South India have been famous for ages. Export of handwoven cloth dates back to the time of Gautama Buddha. The handloom fabrics of India occupied a priceless position in the early civilizations of Egypt,"
Rome and Babylon  To sum up, the tradition of handloom weaving in India has been long and glorious and the skill of hand spinner and handloom weaver was of a very high order. The artisans of India were also known from early times for hand spinning, hand printing and hand dyeing and produced high quality of export-oriented cotton fabrics

1.6 HANDLOOMS AND POWERLOOMS

The textile industry in India comprises of two sectors - organised mill sector and unorganised sector consisting of handlooms and powerlooms. The inner weaknesses of these two sectors, led to the proliferation of powerlooms in the Indian Economy. Today powerlooms play a prominent role in fulfilling the avowed objectives of planning i.e., utilisation of idle money and human resources and meeting the clothing requirements of the masses and contributing to the national exchequer. At this juncture, it is important to review the performance of these two sub-sectors of decentralised sector, as the present research work deals with a comparative study of these two sub-sectors. This type of comparative analysis, the researcher feels, is quite necessary to understand their performance during the planning era and their existing conditions.

1.7 HANDLOOM SECTOR AND ITS PERFORMANCE

The handloom sector occupies an important place in the Indian economy as a major provider of employment next to agriculture. With in the textile industry, it is this sector which accounts for a large proportion of employment.
of which the participation of women and children in both the weaving and related activities is quite significant. Handloom weaving is an age old industry with a decentralised set up and it is most important one among the hundreds of small scale and cottage crafts. This industry is not only ancient but its change is unique in the sense, that in no other country in the world, where hand weaving is in vogue on such a nation-wide basis. This industry has a great potential in the preservation of traditional skills and holds the key not only for sustaining the existing craft persons but for providing gainful employment, both full time and part time particularly for weaker sections in rural areas. This craft is oriented towards balanced socio-economic development of our country owing to the built-in mechanism that encourages weavers and craftsmen to seek an honourable place in the society. All these factors are the causes which led Gandhiji to adopt the strategy in supporting these crafts for not only providing employment opportunities and income without the concentration of economic power in the hands of a few accompanied by large scale operation. The economic strength and efficiency of small scale decentralised and labour intensive handloom crafts as Mahatma Gandhi advocated, lie in low fixed costs, low expenses for repairs, low inventory charges, rapid turnover of material and product, security of employment, psychological and physiological healthiness and adopt in to man’s nature of work, its freedom and room for sound individual development.

1.8 GROWTH OF HANDLOOMS DURING PLAN ERA

The partition of our country blessed Pakistan with best long fibre cotton growing areas and the cotton mills remained with us. So it was then became essential to implement several programmes to raise the production of cotton
to meet the demand of the mills, which got it due to partition. With the dawn of independence, Government of India adopted Industrial Policy Resolution 1948 and observed that "these industries were particularly suited for the better utilisation of local resources and for the achievement of local self-sufficiency in respect of essential consumer goods like cloth."

Later, the five year plans of our country laid considerable emphasis on the development of handlooms industry.

A. FIRST FIVE YEAR PLAN

In the First Five Year Plan, the village and small scale industries including handlooms were assigned a central place in the rural development programmes. This plan was the starting point of the economic resurgence of the handloom industry. The general approach of the plan was one of rehabilitating the handloom industry with a view to providing additional employment and also opportunities for supplementing the earnings of the weaker sections. The emphasis was laid on maximum utilisation of idle time during the off-season for the agriculturists. The Cottage Industries Board was established in 1948 to look after the interests of the handloom weavers. A Handloom Development Fund of Rs. 10 lakhs in 1949 was created for the development of handlooms and some other measures were taken for their development. The production from this industry was envisaged at 1700 million yards and the actual achievement at the end of First Five Year Plan was 1353 million yards for the year 1955-56, whereas it was only 843 million yards at the beginning of the plan.
B. SECOND FIVE YEAR PLAN

During the Second Five Year Plan Rs 27 03 crores were allocated for handlooms and an independent position was carried out for their development with an objective of improving the standard of living of weavers. Efforts were made to bring about a more balanced and integrated rural economy. 2100 million yards of cloth production was fixed as the target and the actual expenditure was Rs 27 70 crores. During this plan, Weavers Service Centre was established at Bombay in 1956. All India Institutes of Handloom Technology were established at Salem and Varanasi in 1966 particularly for catering to the needs of Southern and Northern states. During this plan Karve committee was appointed, which has recommended the organisation of industrial cooperatives for the development of weaving industry.

C. THIRD FIVE YEAR PLAN

In the Third Plan period, the handloom programme was geared for expansion through full employment of handloom weavers and introduction of improved techniques, loan assistance on more liberal scale to weavers, higher priority to the supply of improved appliances, revitalisation of the weak cooperatives and promotional measures for exports. A sum of Rs 34 0 crores was provided as the outlay and the actual expenditure was only Rs 25 37 crores.

An allocation of Rs. 4.9 crores were made during the succeeding three annuals plans and the production of cloth was 3141, in 3150 and 3548 million metres during the three years of annual plans.
D. FOURTH FIVE YEAR PLAN

In the Fourth Plan emphasis was laid on the provision of credit to the handloom industry from State Co-operative Banks. Measures were formulated for the purpose of assisting handloom industry by arranging regular supply of inputs and training of weavers in improved implements and appliances. However, most of the measures were not fully implemented due to the rapid growth of unauthorised powerlooms, shortage of yarn, inadequacy of credit facilities and high percentage of dormancy among handloom weavers' cooperatives and marketing difficulties. All the development efforts were introduced based mainly on the recommendations of Ashok Mehta Committee (1968). An outlay of Rs 27.08 crores was envisaged in this plan and the actual expenditure was Rs 29.02 crores. In 1973, Sivaraman Committee was appointed to make an indepth study of the problems of the handloom industry.

E. FIFTH FIVE YEAR PLAN

The Fifth plan envisaged a total production of 2900 million metres for handlooms and a revised outlay of Rs 99.92 crores was allocated to this sector. The government had decided to undertake a number of programmes based on the High Powered Study Team headed by Sivaraman. The outlines of the new programme were drawn up in the early part of 1976 and the required financial provisions were embodied in the central plan of 1976-77 for the first time. In order to pay much attention towards the development of handloom industry, organisation of the Development Commissioner for Handlooms was set up in early 1976. Since then, much impetus was given towards the development of handlooms. The first year 1976-77 was largely taken up in building up
infrastructure of the organisation of the Development Commission for Handlooms. The 20 Point Economic Programme was announced on 1st July, 1975. The ninth point of the 20 point programme deals with the handloom industry. The aim of the programme relating to handloom industry is to rehabilitate the industry and to improve the lot of the weavers.

**F. INDUSTRIAL POLICY - 1977**

The Industrial Policy of 1977 has underlined the role of large, small and cottage industries during Sixth Plan Period. This policy was directed towards removing distortions of the past and meeting the genuine aspirations of the people. The policy seeks to achieve the objectives of generation of maximum possible employment which lead to socio-economic benefits and the decentralisation of economic power through strengthening the cottage and small scale industries based on the use of appropriate technologies. The policy emphasized that no worthwhile scheme of small village industry is given up for want of credit. Maximum support for the product standardisation, quality control and marketing got priority in this policy.

**G. SIXTH FIVE YEAR PLAN**

The objectives of Industrial Policy - 1977 was further supported by the Sixth Five Year Plan. Emphasis was laid on increasing the production from 2900 million metres in 1979-80 to 4,100 million metres by the end of the plan. The plan also aimed at providing employment to 87 lakh persons, and to achieve the provision of employment to 25.5 lakh people additionally. The plan also envisaged to increase the exports of handloom cloth Rs. 370 crores, which was only Rs. 262 crores during the Fifth Plan. A new institute of Handloom
Technology was established at Guwahati to cater to the needs of North Eastern Region. This plan also aimed at co-operativisation of handlooms and the efforts were supplemented augmenting the supply of raw material, credit and marketing of the products and laid thrust on modernisation and renovation of looms by strengthening the technical extension systems for improving the quality and designs for handloom products. An allocation of Rs 310.93 crores were made during this plan for the development of handloom sector.

**H. TEXTILE POLICY - 1985 AND SEVENTH FIVE YEAR PLAN**

Meanwhile, the Textile policy - 1985 \(^{18}\) was announced and the strategy for the development of handloom sector during Seventh Plan received priority. Seventh Plan continued the efforts made by Sixth Plan and continued the Reservations made under 1985 Act by strengthening the enforcement machinery. The Seventh Plan targeted to produce 4600 million metres of handloom cloth by additionally providing employment to 23.47 lakh persons, with an export target of Rs. 485 crores, which was Rs. 348.86 crores during the sixth plan. Seventh Plan transferred the entire responsibility of the production of controlled cloth to handloom sector, with a target of 650 million metres to provide the Janatha cloth to weaker sections of our country. All the efforts were made not only to produce and improve quality but also to ensure that it reaches the target group through public distribution system. Besides modernising one lakh handlooms, Seventh Plan, has given priority to research and evolution of improved types of handlooms and necessary arrangements were made for ensuring swift and smooth transfer for technology from the research institutions to the handloom sector.
The New Textile Policy 1986 was announced for rejuvenating and restructuring the textile industry. The main objectives were to increase the production of cloth at reasonable price to meet the requirements of the growing population, to treat the industry as an integrated sector and to take steps to ensure optimum utilisation of the spinning capacity. This policy has categorised the industry into spinning, weaving and processing sectors instead of mill, handloom and powerloom sectors.

I. ABID HUSSAIN COMMITTEE

In 1988, a committee was appointed to analyse the problems arisen in the industry after the announcement of Textile Policy - 1985, under the chairmanship of Abid Hussain. The Committee submitted its report in 1990. The committee recommended creation of a number of new institutions, as it felt that the 1985 textile policy has failed to provide adequate institutional support to weavers.

However, it was criticised that the Seventh Plan was favourable to large scale sector and powerlooms. As a result many weavers lost their jobs and during Eighth Plan there was a decline in the number of commercial handlooms by 9 lakhs from 38.9 lakhs in the Seventh Plan. The subsidy under Janatha cloth rate rose to Rs. 3.40 from Rs. 2.75 per sq. metre from July 1990. In 1991 two new schemes were taken up i.e., one relating to the procurement
of handloom products from North East and the other relating to handloom export development.

The details of number of men, women and children engaged in weaving activity according to the nature of working is presented in the following table 1.1.

Table - 1.1
Number of People Engaged in Weaving Activity - all India

<table>
<thead>
<tr>
<th>Item</th>
<th>Sex-wise Distribution (in thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Men</td>
</tr>
<tr>
<td>I. Population (in thousands)</td>
<td>5171.2</td>
</tr>
<tr>
<td></td>
<td>(33.1)</td>
</tr>
<tr>
<td>II. Population Engaged in Weaving</td>
<td>1565.26</td>
</tr>
<tr>
<td>a) Full time weaving</td>
<td>1410.11</td>
</tr>
<tr>
<td>b) Part time weaving</td>
<td>145.15</td>
</tr>
</tbody>
</table>

Source: 1 Labour File (1996), Vol 2 No 9, September, p 40
2 Census of Handlooms in India (87-88) NCAER, New Delhi

The data presented in Table 1.5 indicate that totally 15670.3 thousand people are engaged in weaving activity of which men and children are working
in almost same proportions, along with 34.01 percent of women in our country. According to the nature of work, the population engaged in full time weaving accounts for 2242.86 thousands, of which 24 per cent are children and 34.7 per cent are women. Of the total 4375.79 thousand of population engaged in weaving, 2132.93 (48.7 per cent) are engaged as part time weavers. It is quite interesting to note that 182.93 thousands of child workers are engaged in weaving activity in our country as per the details given in the table.

1.9. STATE-WISE DISTRIBUTION OF WEAVING POPULATION

The data related to the population engaged in handloom weaving reveals that Assam with 41.04 per cent of workers occupies first place in our country, followed by Manipur (8.52 per cent), West Bengal (7.9 per cent), Tamilnadu (7.43 per cent), Uttar Pradesh (5.99 per cent) and Andhra Pradesh (4.47 per cent). It is quite surprising to note that children engaged in weaving activity constitute 33.0 per cent of the total workforce. The cross-state data reveal that highest child labour is found in Manipur (9.2 per cent), followed by West Bengal (7.26 per cent), Uttar Pradesh (9.2 per cent), Tamil Nadu (6.09 per cent) and Andhra Pradesh (4.2 per cent).

A. WORK FORCE IN PREPARATORY WORKS

Weaving has a lot of preparatory works in which children are also employed in full time and part-time operations of weaving throughout the country. The details of sex-wise distribution of work force engaged in preparatory works are presented in Table 1.2.
Table 1.2
Men, Women and Children Engaged in Preparatory Work

<table>
<thead>
<tr>
<th>Sex</th>
<th>Nature of Working period</th>
<th>All preparatory works</th>
<th>Percentage to total workers</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Full-time preparatory works</td>
<td>Part-time preparatory works</td>
<td></td>
</tr>
<tr>
<td>Men</td>
<td>104603 (48 91)</td>
<td>109260 (51 09)</td>
<td>213863 (100 0)</td>
</tr>
<tr>
<td>Women</td>
<td>786240 (57 57)</td>
<td>579528 (42 43)</td>
<td>1335758 (100.0)</td>
</tr>
<tr>
<td>Children</td>
<td>204641 (35 42)</td>
<td>373093 (64 58)</td>
<td>577734 (100.0)</td>
</tr>
<tr>
<td>Total work force</td>
<td>1095484 (50 78)</td>
<td>1061881 (49 22)</td>
<td>2157365 (100 0)</td>
</tr>
</tbody>
</table>


The data presented in Table 1.2 indicate that 50.78 per cent of the workers are engaged in full-time preparatory operations of weaving and 49.22 per cent are engaged in part-time works. Full-time preparatory works are predominantly female-oriented and part-time preparatory works are predominantly carried out by children. 57.57 per cent of women work force is engaged in full-time preparatory works and men constitute only 48.91 per cent in the total preparatory operations. It is quite disappointing to note that 18.7 per cent of the children are carrying out full time preparatory works and 35.1 per cent constitute children in part time preparatory works. At aggregate level, of the total 2157365 workers engaged in preparatory works, children constitute 26.8 per cent.
B. NATURE-WISE GEOGRAPHICAL DISTRIBUTION OF HANDLOOMS

The nature of handloom industry is so congenial that these units can be started and performed both in rural and urban areas. Table 1.3 to present the nature-wise geographical distribution of handlooms.

Table 1.3
Geographical Distribution of Handlooms and Households

<table>
<thead>
<tr>
<th>Location</th>
<th>No. of Looms</th>
<th>Weaver households</th>
<th>Total No. of Households</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Withlooms</td>
<td>Without looms</td>
</tr>
<tr>
<td>Rural</td>
<td>3236 (83.2)</td>
<td>2382.0 (97.17)</td>
<td>246.7 (88.90)</td>
</tr>
<tr>
<td>Urban</td>
<td>658.62 (16.8)</td>
<td>350.6 (12.83)</td>
<td>80.0 (24.67)</td>
</tr>
<tr>
<td>Total</td>
<td>3890.57 (100.0)</td>
<td>2732.6 (100.0)</td>
<td>327.5 (100.0)</td>
</tr>
</tbody>
</table>

Source
1. Labour file (1996), Vol 2, No 9, P 42
2. Census of Handlooms in India (1988) NCAER, New Delhi

The statistics relating to geographical distribution as presented in Table 1.3 reveal that of the total 3060.1 thousand households, 89.3 per cent of households are functioning with looms and only 10.7 per cent (327.5 thousands) are engaged in weaving without looms. Totally 85.9 per cent of the households are located in rural areas, and 77.8 per cent (2382.0 thousands) are working in rural areas with looms. The concentration of weaving units in urban areas is comparatively less as only 14.1 per cent are functioning in
urban areas Majority of them (350.6 thousand or 81.2 per cent) are functioning with looms. Likewise, the number of looms as per the census are 3890.0 thousands, of which 83.2 per cent of the looms are concentrated in rural areas, and only 16.8 of the looms are concentrated in urban areas.

To sum up, the handloom weaving activity is predominantly rural in nature as the concentration of looms is found primarily in rural areas.

A perusal of the data on distribution of looms according to their location reveals that Assam, (42.38%), Tamilnadu (12.87%), West Bengal (10.16%), Uttar Pradesh (7.85%) and Andhra Pradesh (9.61%) have highest number of looms in our country. These five states are having 80.0 per cent of the looms operating in our country and 82.3 per cent of the total looms operating in rural areas are concentrated in these five states. Among the states with looms concentrated in urban areas, Tamilnadu, UP, Assam, Andhra Pradesh, Maharashtra, West Bengal and Karnataka States occupy a significant place as 84.0 per cent of the looms operating in urban areas are concentrated in these seven states.

C. WORKING AND IDLE LOOMS

The details of loomage in our country according to their working status is presented in Table 1.4.
### Table 1.4
Loomage in Household and Non-household Units

(in thousands)

<table>
<thead>
<tr>
<th>Working Status</th>
<th>Types of Looms</th>
<th>Total looms</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Household Looms</td>
<td>Non-Household looms</td>
</tr>
<tr>
<td>Working</td>
<td>3448.46</td>
<td>163.05</td>
</tr>
<tr>
<td>Idle</td>
<td>237.46</td>
<td>41.60</td>
</tr>
<tr>
<td>Total</td>
<td>3685.92 (94.74)</td>
<td>204.65 (5.26)</td>
</tr>
</tbody>
</table>

*Source: Labour File (1996), Vol 2, No. 9, p 41*

The details of loomage in our country presented in table 1.4 indicates that there are totally 3890.57 thousand of looms are in our country of which 92.83 per cent are working and the remaining are kept idle due to various reasons. Inspite of the tough competition faced by handlooms by the organised mill sector, the performance of handloom sector is quite impressive. Of the total looms, households looms account for 94.74 per cent and non-household looms account for 5.26 per cent.

### 1.10 Handlooms During Reforms Period

Government of India designed and implemented a variety of programmes for the benefit of handloom weavers during the reforms period. A number of facilitating organisations were established for the development of handloom industry. For some of them, development of handlooms is the major...
responsibility, as structural inputs, primary cooperatives, Apex Federations, Weaver Service Centres, Cooperative Banks, Handloom Commissionerates were set up. Towards operational programmes, the efforts and attempts like promoting co-operativisation, bringing weavers into cooperative fold, schemes to upgrade the methods, tools and techniques, schemes to improve socio-economic conditions, reservations to handlooms, welfare schemes and reducing the role of private middlemen were designed and implemented for the development of handloom industry in the reforms period. Workshed-cum-Housing Scheme (1992) for the improvement of work place, Integrated Handloom Villages Development (1991-92), Project Package Scheme (1991-92), Margin Money for Destitute Weavers (1991-92) for supporting and providing capital support, Group Insurance Scheme (1993) to create insurance fund for handloom weavers, Health Package Scheme (1992-92), National Silk Yarn Scheme, (1992-93) Handloom Development Centres (1993) to provide complete package of assistance to weavers, Loom with equipment to loomless weavers under IRDP (1993-94), SC/ST Houseless weavers under IAY (1993-94), to provide workshed-cum-housing scheme to 1.2 lakh weavers belonging to SC/ST Community weavers, Training of Weavers under TRYSEM (1994-95) to impart Dyeing training, establishment of Common Facilities Centres with JRY assistance (1994-96) to provide building and machinery for pre-loom activities, Hank Yarn Price Subsidy Scheme (1994-95) to provide subsidy on the quantity of cotton hank Yarn up to 40s and the scheme like Yarn at Gate Price (1995-96) to make available yarn of reasonable quality at reasonable price to handloom weavers, etc., were designed, improved and implemented for the betterment and development of handloom weavers. All these efforts primarily aim at to facilitate steady and continuous growth to make the units economically viable activities and to protect the human factor involved in the weaving industry.
All these measures implemented had a significant impact on production of cloth as presented in the following Table 1.5

### Table 1.5
**Production of Cloth in Handloom Sector 1980-2000**

<table>
<thead>
<tr>
<th>Year</th>
<th>Production of cloth (in million Sq.Mets)</th>
<th>% to total cloth production</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980-81</td>
<td>2,680</td>
<td>24.39</td>
</tr>
<tr>
<td>1985-86</td>
<td>3,236</td>
<td>25.89</td>
</tr>
<tr>
<td>1986-87</td>
<td>3,449</td>
<td>26.55</td>
</tr>
<tr>
<td>1987-88</td>
<td>3,508</td>
<td>27.00</td>
</tr>
<tr>
<td>1988-89</td>
<td>3,466</td>
<td>24.10</td>
</tr>
<tr>
<td>1989-90</td>
<td>3,924</td>
<td>21.53</td>
</tr>
<tr>
<td>1990-91</td>
<td>4,295</td>
<td>21.23</td>
</tr>
<tr>
<td>1991-92</td>
<td>4,123</td>
<td>20.86</td>
</tr>
<tr>
<td>1992-93</td>
<td>5,219</td>
<td>23.87</td>
</tr>
<tr>
<td>1993-94</td>
<td>5,851</td>
<td>24.55</td>
</tr>
<tr>
<td>1994-95</td>
<td>6,180</td>
<td>21.60</td>
</tr>
<tr>
<td>1995-96</td>
<td>7,202</td>
<td>22.50</td>
</tr>
<tr>
<td>1996-97</td>
<td>7,456</td>
<td>21.40</td>
</tr>
<tr>
<td>1997-98</td>
<td>7,604</td>
<td>20.30</td>
</tr>
<tr>
<td>1998-99</td>
<td>6,792</td>
<td>18.80</td>
</tr>
<tr>
<td>1999-00 (P) (April-Oct)</td>
<td>4,216</td>
<td>19.30</td>
</tr>
</tbody>
</table>

**Note:** P. Provisional

**Source**  
The data on production of cloth in handloom sector indicate that the production of cloth has increased from 2,680 million Sq Mts to 4,213 million Sq metres as on 1991-92. During the initial years of reforms period, the production of cloth has increased to 6,180 million Sq. metres as on 1994-95. During the second phase of reforms, however, the production has declined to 6,792 million Sq metres on 1998-99 from 7,202 million Sq mets in 1995-96. Also, the proportion of cloth produced by handloom sector to total cloth production declined from 27.0 per cent in 1987-88 to 20.3 per cent in 1997-98. The production has further declined to 18.8 per cent in 1998-99.

1.11 THE DECLINE OF HANDLOOM INDUSTRY

No doubt, the production by handloom sector has been increasing during the reforms period in absolute terms. However, it is observed that the contribution of handlooms as a proportion to total cloth production, has been declining. Because this sector has been squeezed by a relatively new entrant—the powerlooms. Handloom industry demands labour-intensive approaches to be preserved, but the policies implemented, particularly the NTP-1985, had adverse effects on the development of handloom industry. The facilities and fiscal incentives provided to powerlooms were the main reasons for the declining share of handlooms. The high power committee headed by Swaraman noted that for every powerloom set up, six handlooms are rendered dormant. This means that for every job created in the powerloom sector, 14 handloom weavers are displaced. The powerloom production of the handloom reserved varieties, because of the "unequal competition", has caused a serious inroad into handloom industry. The judgements of the Supreme Court given in the
case of a suit filed challenging the reservation Act, 1985, were not properly implemented in the liberalisation regime. Instead of implementing the act by creating a proper institutional mechanism to effectively control any further damage to the handloom sector, a multimeber committee was constituted to go into the very question of handloom reservations. This process had an adverse effect on handloom industry. Another fact also contributed to the decline of handlooms. It was observed that a substantial part of powerloom production was marketed as handloom cloth by proliferating bogus handloom cooperatives set up by powerloom owners to corner loan and market facilities available to the handloom cooperatives.

It was also observed that there is a proliferation of bogus cooperatives floated by master-weavers both in handloom as well as powerloom sectors to corner the yarn, credit and marketing facilities available to the cooperative sector. It is these cooperatives controlled entirely by a few families who resort to what seems to be a widely prevalent practice to marketing powerloom cloth as handloom cloth. Again Janatha Cloth Scheme could not be successful to make yarn available to the distressed weavers. No yarn was supplied to the weavers in Andhra Pradesh under this scheme. In recent times the abnormal rise in the price of yarn has resulted in undermining the economic security of the weavers. It is here that globalisation has inflicted penalties on the traditional handloom industry which has a socio-economic relevance beyond cost competitiveness vis-a-vis the powerloom sector.
Hence, as Mr. M. Nagarjuna, Executive Director of the Handloom Export Promotion Council has recently pointed out the view that the development of handloom sector can occur only through penalising the powerloom sector.  

1.12 POWERLOOMS, THEIR DEVELOPMENT AND PERFORMANCE  

Identification of the powerloom industry, as a separate entity, in the totality of the textile industry is rather a new phenomenon though conceptualisation of the idea was well in the minds of the policy makers of the textile industry for a long time. More recently, policy resolutions regarding textiles invariably mention the place of powerlooms in the total context. The beginning of the industry is difficult to trace due to non-availability of authentic records. The initiation of power to the small scale sector of the textile industry was the originating point in the development of the powerloom industry in India. That is how the word 'Powerloom' originated and it exists even today though its definition and connotations have widened over time.  

1.13 POWERLOOMS AND THEIR EVOLUTION  

Basically powerlooms are weaving factories, which get yarn from and get the cloth processed outside. Typically these are small firms, since weaving itself is subject to limited economies of scale. They tend to be small enough to escape the official system of labour regulation. They range from units with 6-8 second handlooms operated mainly with hired labour but not covered by factory act, to units with 40 or more high speed, partly or fully automatic, even
shuttleless looms and many technical and organisational features of a modern
textile factory. Further more, what the Government calls the "powerloom
sector" are a residual category in official classification of sectors and like all
residuals, a mixed category. Predominantly, the power looms consist of small
firms with 10-20 looms.

In simple words powerloom means a loom which is worked by power
usually in the range of 0.75 to 1.0 horsepower to run the weaving equipment.
Power means electrical energy or any other form of energy, like diesel which
is mechanically transmitted and is not generated by human or animal agency.
So the powerloom sector comprises weaving establishments using looms run
by power and as such distinct from the composite mills, consisting of both
spinning and weaving departments. It is also different from the handloom
sector where the weaving operation is performed by human energy. Again
powerloom weaving has a wider connotation and enfolds weaving fabrics of
cotton, art silk, stable fibre, wool and blended fibre. The powerloom industry
along with handloom and khadi forms of the decentralised sector of Indian
textile industry and has grown substantially over the years. Before 1990
powerlooms accounted for 51.55 per cent of the cloth production in our country
and its contribution to total cloth production stands at 76.3 per cent as on
1.14 THE BIRTH PLACE AND DEVELOPMENT OF POWERLOOMS BEFORE INDEPENDENCE

According to Powerloom Enquiry Committee (1964), introduction of powerlooms in the decentralised sector dated back to 1904 at Ichalkaranji, a tiny village in Maharashtra. Powerlooms were initially introduced in Centres where the handloom had been deprived of its market and were worked by weavers who formerly plied the handloom. However, the growth of powerloom sector was haphazard and sporadic. The Fact Finding Committee (1942), observed that of late a new-rival has come into the field, namely single-unit powerlooms worked in cottages and small powerloom factories. During the last two decades or three decades, powerlooms have been growing in many centres especially in Bombay, the central provinces of Bihar, the Punjab, Hyderabad and Mysore. The Bombay Industrial Survey Committee which had reported in 1939 found only 2500 such powerlooms in the Bombay Province, but in August, 1941, according to the reports the number of powerlooms increased to 6400 in that province alone and about 15,000 in India and the number was growing daily.

1.15 POWERLOOMS BEFORE FIVE YEAR PLANS

During the decade 1938-48 the powerlooms expanded their output from 38.9 million metres in 1938 to 176 million metres in 1948. There was an increase of 4.8 folds in the output during this decade. The relative percentage of contribution by this sector in the total production of cotton cloth was 2.1 per cent. Out of 11.33 million metres of cotton cloth produced by the decentralised sector, the percentage share of powerlooms increased from 2.1 per cent in 1938-48.
99 to 15.5 per cent in 194822. During this decade, handloom industry gradually lost its ground and it was the mill sector which had gained more than the powerlooms. Due to these reasons only the Government of Independent India had adopted a protection policy for handlooms during the planned era.

A comparative picture of cloth production as on 1940 is presented in the following table 1.6

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Particulars</th>
<th>Mills</th>
<th>Powerlooms</th>
<th>Handlooms</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Looms</td>
<td>2,00,076</td>
<td>15,000</td>
<td>2,00,000</td>
</tr>
<tr>
<td>2</td>
<td>Employment (Person days)</td>
<td>4,30,165</td>
<td>NA</td>
<td>24,04,300</td>
</tr>
<tr>
<td>3.</td>
<td>Cotton cloth output (in metres)</td>
<td>3,593</td>
<td>3,953</td>
<td>1,627</td>
</tr>
<tr>
<td>4.</td>
<td>Made and blends output (in metres)</td>
<td>Neg</td>
<td>41</td>
<td>Neg</td>
</tr>
<tr>
<td>5</td>
<td>Home Market for cotton cloth (in Mts.)</td>
<td>NA</td>
<td>NA</td>
<td>5,786</td>
</tr>
<tr>
<td>6</td>
<td>Export of cotton cloth (in Mts.)</td>
<td>NA</td>
<td>NA</td>
<td>Neg</td>
</tr>
</tbody>
</table>


The comparative analysis presented in Table 1.6 reveals that 15,000 powerlooms compared to mills and handloom sector, have produced 3953 mts of cotton cloth. This shows the dominance of powerlooms and their production efficiency.
1.16 DEVELOPMENT OF POWERLOOMS DURING PLANNING ERA

Though it was considered prior to 1945 that powerlooms were not competitors to handlooms, it was felt necessary in 1948 to impose some restrictions on powerlooms. In 1948, by clause 12(6) of the Cotton Textile (Control) Order, 1948 it was stipulated that "no person shall acquire or instal any powerloom except with the permission in writing of the Textile Commissioner. This restriction was laid because of the increased competition from powerlooms. Consequently, sufficient measures were also taken during planning era to protect the handloom sector from the competition put forth by powerlooms.

A. POWER LOOMS IN THE FIRST FIVE YEAR PLAN

During the First five Year Plan, inspite of the policy restrictive on powerlooms sector, the output by powerlooms increased to 250 million metres and its proportionate share to 3.8 per cent of the total production of cotton cloth. The actual total production of cloth by the end of the first plan was 5000 million yards. In 1955, a review of the policy in regard to licensing of new undertakings for production of art silk fabrics under the Industries (Development and Regulation) Act, 1951 was made. On an examination, the artsilk, and staple fibre fabrics and also of woolen textiles were brought under the Essential Commodities Act 1955 and measures were taken to regulate their production. In December, 1956 a separate order controlling the acquisition and
installation of looms used for producing wollen, artsilk and staple fibre fabrics was issued. This order made it compulsory to obtain prior permission of the Textile Commission for fresh acquisition and installation of looms. The Textile Enquiry Committee (Kanungo Committee) considered that the ultimate replacement of handlooms into powerlooms was inescapable, visualised a decentralised powerloom industry organised on a cooperative basis and recommended a phased conversion programme of handlooms into powerlooms in the cooperative sector.

B. POWERLOOMS IN SECOND FIVE YEAR PLAN

In pursuance of the recommendations of Kanungo Committee (1954)\textsuperscript{34} in the Second Plan period, the then Ministry of Commerce and Industry introduced a scheme for the installation of 35,000 powerlooms in the handloom sector. Certain specific measures of financial assistance were also devised for providing a loan upto 87.5 per cent of the share capital of Rs.100/- each for membership the cooperative societies, a loan of 100 per cent of the cost of the powerloom plus motor and provision for preparatory and processing plants, half as grant and half as loan and an outright grant towards recurring expenses in connection with the servicing of the looms and technical instructions. A target of cloth production of 200 million yards was estimated as the possible contribution from these 35,000 powerlooms. The target for total production was fixed at 450 million yards, out of the target of production of 8100 million yards for the last year of the second plan period. The volume of
production by the powerlooms stood at 692 million yards by the end of the second plan, constituting 8.9 per cent of the total production of cloth by all sectors.

C. POWER LOOMS IN THIRD FIVE YEAR PLAN

During the Third Plan period, the Powerlooms Enquiry Committee (1964) estimated the production of three sectors and fixed share of powerlooms between 12.5 and 13.8 per cent of the total cloth production. Within the decentralised sector the share of powerlooms oscillated from 33 to 34 percent of the total production. At the end of the plan period, the production of cloth by the decentralised sector was 3039 million metres and the share of powerlooms worked out to 1064 million mts. accounting for 14.3 per cent of the total cloth production.

The output of powerloom sector during the annual plans (1966-79) shows an increase to 1137 million metres in 1968. During 1969 it was estimated that the share of powerlooms worked out to 14.4 per cent of the total cloth production.

D. POWERLOOMS IN FOURTH AND FIFTH PLAN

During the Fourth Plan period, a separate target for the powerloom sector was fixed. The production of cloth by powerlooms was estimated at 1384 million metres in 1971 and by the end of Fourth Plan 2100 million metres were produced by powerloom sector. Thus, the relative share of powerlooms was 27.7
per cent. By the Mid-Fifth Five Year Plan, the production of powerloom sector stood at 3189 million metres and by the end of Fifth Plan the output level of powerlooms was 3450 million metres

E. POWERLOOMS IN SIXTH PLAN

Powerlooms had a significant development during the Sixth Five Year Plan as by the end of the plan (1984-85) the production was 4930 million metres, which was more than the targeted figures (4300 mil.mts.).

F. POWER LOOMS IN SEVENTH PLAN

During Seventh Plan period, effective measures were taken to regulate the powerlooms so that they might not violate the locational guidelines for industries and the items under reservation for handlooms were not intruded upon. The powerloom board was given necessary power to achieve the desired results. The target level of cloth production and employment was set at 5400 million metres and 35.32 lakh persons respectively for the terminal year of the seventh plan period.

Due to the planned efforts, the number of powerlooms and the production of cloth by powerlooms have increased significantly and the development of powerloom units between 1948 to 1985-87 is presented below in Table-1.7.
### TABLE 1.7

**Number of Powerlooms in India and in Major Towns**

(IN '000)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Bhiwandi</td>
<td>1</td>
<td>18</td>
<td>48</td>
<td>86</td>
<td>250</td>
</tr>
<tr>
<td>2.</td>
<td>Malegaon</td>
<td>4</td>
<td>18</td>
<td>18</td>
<td>25</td>
<td>40</td>
</tr>
<tr>
<td>3.</td>
<td>Surat</td>
<td>10</td>
<td>18</td>
<td>46</td>
<td>75</td>
<td>175</td>
</tr>
<tr>
<td>4.</td>
<td>Ichalkaranji</td>
<td>2</td>
<td>8</td>
<td>22</td>
<td>33</td>
<td>146</td>
</tr>
<tr>
<td>5.</td>
<td>Coimbatore</td>
<td>-</td>
<td>NA</td>
<td>5</td>
<td>20</td>
<td>NA</td>
</tr>
<tr>
<td>6.</td>
<td>Komarpallyam</td>
<td>NA</td>
<td>1</td>
<td>6</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>7.</td>
<td>Salem</td>
<td>NA</td>
<td>NA</td>
<td>5</td>
<td>20</td>
<td>NA</td>
</tr>
<tr>
<td>8.</td>
<td>Bangalore</td>
<td>13</td>
<td>-</td>
<td>-</td>
<td>14</td>
<td>NA</td>
</tr>
<tr>
<td>9.</td>
<td>All India</td>
<td>NA</td>
<td>146</td>
<td>310</td>
<td>600</td>
<td>640*</td>
</tr>
</tbody>
</table>

**Note:** *Only authorised looms.*

**Source:**
The data on number of powerlooms reveal that Surat was the dominant town with 10,000 powerlooms during 1948-51 followed by Malegaon (4000). However, their dominance was decreased by 1985-87 as Ichalkaranji occupied a dominant position with regard to the number of powerlooms. By 1985-87, Bhiwandi, Surat, Ichalkaranji and Malegaon accounted for 80.0 per cent of total powerlooms in India.

1.17. PRODUCTION AND GROWTH OF POWERLOOMS DURING REFORMS PERIOD

There was a welcome change in the situation in pursuance of Textile Policy 1985. Textiles (control) Order, 1986 was brought into force under section 3 of the Essential Commodities Act. In terms of clause, 9, Para III of the Textile (control) Order, 1986, Powerlooms were required to be registered.

As a part of economic liberalisation under the New Industrial Policy 1991, New Textiles (Development and Regulations) Order 1992 was brought into effect replacing Textile (Control) Order 1986. Such Textile (Development and Regulation) Order, 1992 was replaced by Textile (Development and Regulation) Order, 1993. Now there is no restriction on setting up of powerlooms except local and land use regulations and other Central/State laws if any. Powerloom owners are now required to file an Information Memorandum within 30 days of installation of powerloom machines by paying one time fee of Rs. 1,000/-. There were 13 Powerloom Service Centres (PSEs)
functioning under the office of the Textile Commissioner and 29 Powerloom Service Centres under the Textile Research Association for the development of powerlooms. In 1994-95 four additional PSCs were sanctioned. During 1993-94 Four Computer Aided Design Centres (CADCS) were sanctioned at Coimbatore, Hyderabad, Sholapur and Surat, to upgrade the existing quality and design of cloth produced by the decentralised powerloom sector so as to enable powerloom fabric to compete in the international market. The Government of India in association with LIC introduced a Group Insurance Scheme for powerloom workers under the age group of 18 and 30 years. The Central Government has formed an Export Promotion Council (EPC) for the small scale powerloom industry i.e., Powerloom Development and Export Promotion Council (PDEXCIL). This council supports, develops and increases the number of powerlooms; promotes exports and helps powerloom cloth manufacturers with research; designs etc., to improve efficiency. It also promotes marketing and assists the exporters in getting market information. The powerloom association from different states have came together to form an all India body, the Indian Powerloom Federation (IPF). The Government had allocated 3% of the export quota of fabrics and madeups to quote countries covered by the Multi-Fibre Agreement (MFA) for powerloom manufacturers in the year 1992, the same percentage is being followed even in 1996.

All these efforts and measures resulted in the significant development of powerloom units in our country. There are about more than 38,000
powerlooms existing in Andhra Pradesh mainly concentrated in the districts of Nalgonda, Karimnagar, Warangal, Prakasam and Chittoor. In Surat (Gujarat) Panipat and Faridabad in Haryana are the Centres of exports of cloth and many handloom experts migrated from Multan (Pakistan) are found here. Karnataka State is also a famous powerloom state and in Belgaum there is a considerable progress of powerlooms in this centre. Cannore of Kerala also produces fine cloths woven by powerlooms. Burhampur in Madhya Pradesh is an oldest handloom centre, and powerlooms were started in 1932 when electric power was made available to this town and today major concentration is on powerlooms. Ichalkaranji, Bhiwandi, Malagaon, Doddabapur, Mahalingapur Centres in Maharashtra are some of the important areas for powerloom centres. Amrutsar and Ludhiana in Punjab are famous powerloom centres. Madurai, Visudhnagar, Rajapalyam, Salem, Komarapalyam, and Coimbatore are the famous weaving centres in Tamilnadu manufacturing both cotton and art silk fabrics. Likewise Meerut in Uttar Pradesh and Calcutta in West Bengal have significant concentration of powerlooms. Apart from these famous centres, there are other powerloom centres which are producing specialised artsilk and cotton fabrics in our country.

\[ Rs \ 328 \times 4 \times 16 \times 5 \]

All these measures and policy support have provided good-base for the progress of the powerloom sector. As a result, the production of fabrics also increased significantly during 1980-81 to 2000 as presented in Table 1.8.
TABLE 1.8

Production of Cloth by Powerloom Sector During 1980's.

<table>
<thead>
<tr>
<th>Year</th>
<th>Production of cloth by Powerlooms (in million Sq. Metres)</th>
<th>Cloth Produced by powerlooms as a percentage to total cloth production</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980-81</td>
<td>4,802</td>
<td>38.6</td>
</tr>
<tr>
<td>1981-82</td>
<td>5,275</td>
<td>42.9</td>
</tr>
<tr>
<td>1982-83</td>
<td>5,445</td>
<td>46.6</td>
</tr>
<tr>
<td>1983-84</td>
<td>6,026</td>
<td>46.0</td>
</tr>
<tr>
<td>1984-85</td>
<td>6,316</td>
<td>46.6</td>
</tr>
<tr>
<td>1985-86</td>
<td>9,534</td>
<td>55.4</td>
</tr>
<tr>
<td>1986-87</td>
<td>10,149</td>
<td>56.6</td>
</tr>
<tr>
<td>1987-88</td>
<td>10,429</td>
<td>58.0</td>
</tr>
<tr>
<td>1988-89</td>
<td>13,123</td>
<td>65.6</td>
</tr>
<tr>
<td>1989-90</td>
<td>14,007</td>
<td>68.0</td>
</tr>
</tbody>
</table>


The data presented in Table 1.8 reveal that during the decade of 1980's the production of cloth increased rapidly from 4,802 million Sq.mts in 1980-81 to 14,007 million Sq. Mts. during the year 1980-90. It was also estimated that the cloth production in the powerloom sector constituted 38.6 per cent of the total cloth production and the share of cloth production rapidly increased to 68.0 per cent during the year 1989-90 indicating an increase of 9,205 million sq. mts.
1.18 GROWTH OF POWERLOOMS DURING 1990-95

The economic reforms induced expansion on the one hand export of garments, made new technologies available, enhanced capability and quality. But on the other hand the experience of having to compete in a world market has exposed some very serious weaknesses of both technological and organisational kind of powerloom production. As long as there was excess demand for cloth in the market, roughly between 1992-95, powerlooms, did well. From the mid 1980's textiles exports surged and about half of the fabric-exports came from powerlooms. It is to be noted that in cotton, the powerlooms did not have a long history of exporting. The early 1990's changed this situation. The world market became an overwhelming incentive for new investments and there occurred a veritable explosion of capacity in cotton-based complexes, the most important being the Tamilnadu clusters in South India. Secondly, powerlooms machinery, even processing to a small extent, expanded.

The reforms have not only induced expansion in scale but also affected technology and organisation. Thus, increasingly from the late 1980's new capacity came up in units that were quite different from their predecessors. In 1987, most units even the largest ones had only plain looms, In 1990 Abid Hussain Committee observed that "a good number of automatic looms have also started being used". By 1990 a new model of automatic looms, the "Laxmi-Ruti" was popularised in Indian market. Powerlooms and smaller composite mills targeted the Ruti loom. It was noted that by the mid 1990's there were 3000-4000 Laxmi Ruti, Ruti-B and Ruti-C looms. Factories with these looms look vastly different from those with Cimmco (or plain) looms. These changes
and developments have totally changed the whole indentity of the powerloom units. Modernisation had also included the processing side, visible in a rapid conversion of hand-into power-processing in several textile towns. However, the extension of technology in powerlooms had remained far too limited.

In the first half of the 1990's the cotton cloth market expanded massively while capacity was yet to adjust. Despite all the problems of backward infrastructure, mindset and technology, powerlooms did well.

As a result all these changes and modernisation, the number of powerloom units and the production of cloth have increased significantly, particularly during the post reform period. The following table 1.9 presents the growth in the number of powerlooms till 1995.

Table 1.9
Development of Powerlooms During 1990-1995

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of Powerlooms</th>
<th>Production of cloth (million Sq. Mts.)</th>
<th>Proportion of cloth Produced by Powerlooms to total cloth production (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1985-86</td>
<td>6,38,764</td>
<td>9,534</td>
<td>55.4</td>
</tr>
<tr>
<td>1986-87</td>
<td>10,44,472</td>
<td>16,044</td>
<td>69.9</td>
</tr>
<tr>
<td>1991-92</td>
<td>10,34,966</td>
<td>16,089</td>
<td>71.2</td>
</tr>
<tr>
<td>1993-94</td>
<td>12,00,111</td>
<td>17,826</td>
<td>71.2</td>
</tr>
<tr>
<td>1994-95</td>
<td>12,39,268</td>
<td>19,681</td>
<td>71.5</td>
</tr>
<tr>
<td></td>
<td>13,14,008</td>
<td>20,100</td>
<td>72.5</td>
</tr>
</tbody>
</table>


The data presented in Table 1.9 reveal that the number of powerlooms and the production of cloth by powerloom sector have increased rapidly during the reforms period. The number of powerlooms has increased from 6,38,764 in 1985-86 to 13,14,003 as on 94-95. The production of cloth has also increased from 9,534 million Sq.Mts in 1985-86 to 20,100 million Sq.mts as on 1995-96 indicating an increase in the proportion of 55.4 per cent in total cloth production to 72.5 per cent as on 94-95 respectively.

Likewise, during the post-reform period also the production of cloth by powerloom sector increased rapidly as shown in the following Table 1.10.

**Table 1.10**

**Production of Cloth by Powerlooms During 1995-2000**

<table>
<thead>
<tr>
<th>Year</th>
<th>Production of Fabrics (million Sq.Mts.)</th>
<th>Share of Powerloom in Total cloth production (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1995-96</td>
<td>22,239</td>
<td>69.6</td>
</tr>
<tr>
<td>1996-97</td>
<td>24,885</td>
<td>71.4</td>
</tr>
<tr>
<td>1997-98</td>
<td>27,344</td>
<td>73.0</td>
</tr>
<tr>
<td>1998-99</td>
<td>26,966</td>
<td>74.7</td>
</tr>
<tr>
<td>(April-October)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1998-99</td>
<td>15,311</td>
<td>75.2</td>
</tr>
<tr>
<td>(April-October)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1999-00</td>
<td>16,684</td>
<td>76.3*</td>
</tr>
<tr>
<td>(April-October)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Note:** * Provisional


The data related to fabric production by powerloom sector from 1995-96 to 1999-2000 indicate that though it was 69.6 per cent in 1995-96, it has increased steadily to 76.3 percent of the total production of fabrics by 1999-2000. (April - October 1999-2000)
An attempt is made to present the comparative analysis of the performance of both handlooms and powerlooms during the last two decades. Their performance in production of cloth is presented in Table 1.11.

**Table 1.11**

**Cloth Production By Handlooms and Powerlooms - A Comparison During Reforms Period**

<table>
<thead>
<tr>
<th>Year</th>
<th>Handlooms</th>
<th>Powerlooms</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Production of cloth (In million Sq. mts.)</td>
<td>Share of total cloth production (%)</td>
</tr>
<tr>
<td>1980-81</td>
<td>3,109</td>
<td>25.0</td>
</tr>
<tr>
<td>1985-86</td>
<td>4,135</td>
<td>24.0</td>
</tr>
<tr>
<td>1990-91</td>
<td>4,295</td>
<td>18.7</td>
</tr>
<tr>
<td>1991-92</td>
<td>4,123</td>
<td>18.3</td>
</tr>
<tr>
<td>1992-93</td>
<td>5,219</td>
<td>20.8</td>
</tr>
<tr>
<td>1993-94</td>
<td>5,851</td>
<td>21.3</td>
</tr>
<tr>
<td>1994-95</td>
<td>5,750</td>
<td>20.7</td>
</tr>
<tr>
<td>1996-97</td>
<td>7,202</td>
<td>22.5</td>
</tr>
<tr>
<td>1997-98</td>
<td>7,456</td>
<td>21.4</td>
</tr>
<tr>
<td>1998-1999</td>
<td>7,504</td>
<td>20.3</td>
</tr>
<tr>
<td>1999-2000*</td>
<td>6,792</td>
<td>18.8</td>
</tr>
<tr>
<td>(April-October)</td>
<td>4,216</td>
<td>19.3</td>
</tr>
</tbody>
</table>

* Provisional and for the Months April to October.

**Source:**
The data presented in Table 1.11 indicate that the fabric production by handloom has been continuously declining during 1980's and a marginal increase could be seen in the years from 1992-93 to 1995-96. It is also evident that during the post reform period (1995-96 to 1999-2000) the cloth production by handlooms has been declining continuously with an exception for the year 1999-2000. On the contrary, the production of cloth by Powerlooms has been increasing both in 1980's and 1990's. The share of powerlooms in the total cloth production has increased from 38.6 per cent in 1980-81 to 70.0 percent of the total cloth production as on 1990-91. It is also seen from the data that during the initial phase and second generation of reforms period, the cloth production by powerloom has been steadily increasing with an exception to the year 1995-96, during which there was a decline in production as the share works out to 69.6 per cent. The estimates reveal that the share of powerlooms in the total cloth production works out to 76.3 per cent during 1999-2000 where as the contribution of handlooms is only 19.3 percent.

1.20 RECENT DEVELOPMENTS

There is a general feeling that the policies of the Government are not favourable for both handlooms and powerlooms. Majority of the weavers attribute their distress to the negligent intervention of the Government. Particularly the reforms introduced and the recommendations of the committees appointed were blamed as the main responsible factors for the downfall of weaving industry in recent years. Hence the recommendations of the latest committees and policies are summarised in the succeeding paragraphs.
A. MIRA SETH COMMITTEE (1995)

The Government of India appointed high powered committee under the Chairmanship of Mira Seth during 1995 to review the performance of handloom sector in the decade since 1985. The committee reported that the production increased by 63.6 percent in 1996 over 1991. The Committee recommended that Integrated Handlooms Village Development and Margin Money Schemes are to be merged into package scheme. The committee opined that weavers outside the cooperative fold are to be helped by instituting National Fund with Rs.500 crores, which is to be operated by voluntary organisations. The committee emphasized the training of weavers through weavers' service centres in computer aided designing and colour matching in a bigway as a part of strategy to meet the challenges of globalisation, newly a strategic process for its survival. The committee suggested policy support like modernisation of looms, establishment of common faculty centres with world standard pre-loom and post-loom facilities to meet the changing global market.

B. SATHYAM COMMITTEE (1998)

A 12-member committee headed by S.R. Sathyam, former secretary in the Textiles Ministry, was set up in july 1998 to suggest policy measures for making different segments of textile industry competitive in the wake of globalisation. The report was submitted in four chapters. The first chapter dealt with introduction, the second chapter dealt with the weaver, the third chapter contoured the technological aspects and the fourth chapter discussed the marketing and exports of textiles. However, the report was not made public and there was heavy opposition to the recommendations of the committee,
CEC, a policy watch dog\textsuperscript{9} criticised that "the recommendations if accepted allows the powerloom sector to poach upon certain areas reserved exclusively for the handlooms. One of the suggestions, that handloom weavers convert cone yarn into hank on their own, costs them Rs. 8000 crores in the next 12 years. The other suggestion that handloom weavers switching over to powerlooms was felt as impractical. It was alleged that the committee has yielded to the demands of powerloom and will lobbies because not a single person was called to represent the handloom sector in the committee\textsuperscript{40}.

C. NATIONAL TEXTILE POLICY 2000

The Government of India announced NTP-2000\textsuperscript{41} in view of the new challenges and opportunities presented by the changing global environment. This policy was announced in furtherance of the objectives like technological upgradation, quality consciousness, strengthening of the raw material base, financing arrangements and integrated human resource development. The policy states that the growth of powerlooms was stunted by technological obsolescence, fragmented structure, low productivity. Hence, the focus of the policy was, therefore, on as technology upgradation, modernisation of powerloom service centres and testing facilities, clustering of facilities to achieve optimum levels of production, welfare schemes for ensuring a healthy and safe working environment for the workers. The policy stated that Government facilitates harmonious development of all the segments of the fabric manufacturing sector. The policy aims at the balanced growth of handlooms and powerlooms based on their intrinsic strengths and capacity to meet the demands and requirements of the domestic as well as international markets.
D. THE NEW QUOTA POLICY

A new quota policy has been announced for the textile sector for the period 01-01-2000 to 31-12-2004 by the Government. This policy seeks to maintain continuity and stability in exports and prepare the exports for facing the challenge of the post quota regime beginning from January 2005. In addition, it aims at better utilisation of quotas and discourages trading of Quotas. Two other major initiatives are, Cotton Technology Mission (CTM) and Technology Upgradation Fund Scheme (TUFS). The CTM has four mini-missions with two dealing with improving productivity and quality of production and others dealing with problem of minimising contamination and improving existing ginning and pressing facilities.

In spite of the allegation that powerlooms are considered to be the rivals of handlooms, its contribution is steeply increasing over years, coupled with a decline in the share of handlooms in the total cloth production particularly during the post-reforms period.
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A LADY-HANDLOOM WEAVER WEAVING A PATTU SAREE