CHAPTER-II
REVIEW OF LITERATURE

2.1 Studies on handloom industry in general

2.2 Studies On Silk Handloom

2.3 Review Of Committee Reports

2.4 Conclusion
A review of literature relating to the present study is presented in two parts. Part I consists of studies on handloom industry in general. Part II covers studies on silk handloom.

PART-I

2.1 Studies on Handloom Industry in General

NCAER’s¹ (1960) study focussed on organizational limitations and the resultant dependence of units and its undesirable consequences. Considering the measures taken to mitigate the woes of the industry, a word of caution is in order: “Neither the legislative restriction of manufacture by mills nor the system of subsidy and rebate on handloom products can be a long term solution. A systematic reorganization of the industry through the formation of co-operatives which will cover production, marketing and finance is necessary if handloom industry is to survive the world of technological advance”.

Shetty² (1963) while studying the small industries of Delhi observed the problem of finance in the industry and low capacity utilization. He found that although being a perennial occupation, peak season employment in handloom is confined to 4-5 months in a year.

Ahmed Riazuddin³ (1968) threw light on the economics of cottage industries of Gangapur, Allahabad. The study covered handloom industry. The methodological difficulties associated with the study of rural industries are detailed in the work. The disorganized nature of handlooms, according to him, leads to marketing problems. He has also mentioned the other problems of

handlooms like procedural delay, lack of skill and lack of governmental assistance to the desired extent especially for sectors like handlooms.

Lakshman T.K.\(^4\) (1970) in his study observes that certain problems of ancillary industries like lack of desired quality, problem of raw materials, financing etc., hamper development. He also suggests that a better relation between large and ancillary units is a pre-requisite and in this the government has to play a large role.

Oomen N.A.\(^5\) (1972) in his study of small industries in Kerala has compared handlooms with powerlooms. According to this study, surplus generation although is high in handlooms compared to powerlooms, re-investible surplus turned out to be considerably low due to high propensity to consume. However, he holds the view that as there is considerable underutilization in powerlooms, if given a proper deal chances of generating surplus is more.

Upadhaya M.N.\(^6\) (1973) examined certain economic aspects of handicrafts with reference to Aurangabad which also covered handlooms of the area. As against the general problem of marketing faced by small and cottage industries, he found that market is not a constraint but the more pressing problem is lack of finance.

Shiva Raman Committee Report\(^7\) (1974) mentioned that one power loom displaces six handlooms and this indicates the comparative employment intensity of handlooms.

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Angadi V.B\(^8\) (1976) in his studies reported that the lack of standardization of quality and price is the drawback of the handloom centres in the district. Handloom and powerloom product in the district are not attractive either in appearance or in texture as compared with mill made product. This is largely due to the absence of good finishing in the handloom and powerloom products to cater to modern trends and tastes of consumers who demand attractive products. He also suggested that calendaring and finishing plants suitable both for handlooms and powerlooms should be set up in the Rabkavi-Banahatti municipal area under the auspices of the central organization.

Parekh\(^9\) (1978) attempted a study of infrastructure and institutional set up available to the small units, particularly finance for meeting the vital needs of small industries in Rajastan. He has also mentioned some problems like lack of infrastructural facilities, lack of consultancy services, transport etc., in his study. In most of the units, equity was the important source of finance and their low profitability has led to low plough back and hence low growth.

Nanekar\(^10\) (1978) and Subramanyam have expressed the view that one of the reasons for the fall of weavers co-operative is the collusion of department officials managing or supervising the work of societies with weavers leaders for committing wrongful acts and the rebate system had come in handy to resort to malpractices. This study recommended that the Government should straightaway take measures for streamlining of administration as weavers co-operatives at all levels by pragmatically liberalizing rules of administration, inspection audit etc. and by recruiting trained people to man the societies. Otherwise weavers in co-operatives continue to lead the same old routine life without charm or facing any challenges by continuing themselves in the same vicious circle. This study strongly expressed its view that weavers' co-(

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operatives do not become sources of unauthorized income to unscrupulous and careeristic non-officials.

Nathur S.P.\textsuperscript{11} (1979) opined that even if multiplicity of financing agencies with abundant financial resources are brought forward, the financial problem of small scale industries persists unless financial policy is liberalized.

V.M Mehta trust\textsuperscript{12} (1980) covered organization aspects, operations, marketing, resource utilization, structure of cost, wages and raw material availability with reference to selected handloom centres of Tamilnadu and Maharastra. The study underlines the need for building up market intelligence, especially in the co-operative sectors. According to this study, the master weavers, an integral part of the system, evolve new pattern and on whom large weavers depend. Therefore, the felt need is to extend institutional facilities to them and disciplining them to pay a fair wage to the weavers.

Narayan.K.V.\textsuperscript{13} (1981) studied the problems of handloom weaver in three villages of Warangal District in Andhara pradesh. To improve the living condition of the artisans, he recommended technological, marketing and financial assistance from the Government.

SBI\textsuperscript{14} (1982) study found that 70% of the total handloom weavers who are in non-co operative sector were depending for their working capital on master weavers. The study felt that 50% of the handloom weavers should be brought under co-operative fold and commercial banks should provide working capital finance to those who are out of co-operative fold.

\textsuperscript{11} Nathur.S.P. 1979. \textit{Economics of small scale industries}. Delhi: Sundeep prakashan
\textsuperscript{12} Centre for studies in Decentralized industries. 1980. A ‘case study of handloom industry, Tamilnadu and Maharastra,’ Bombay. V.M Mehta Trust. (unpublished)
Bhatt Ramesh M\textsuperscript{15} (1983) has focussed on the problem of women workers in handloom industry and he emphasises the need for the diversification of their operations to retain their employment status.

Sarngadharan M\textsuperscript{16} (1983) in his article highlights the insufficient and irregular supply of mill yarn to the handlooms and suggested that the apex society should purchase the required yarn from the mills in the state at negotiated prices and it should charge only a nominal margin while supplying it to the primary societies. The study recommended that the state government should encourage the setting up of spinning mills in the co-operative sector and he has questioned that why not follow the success stories of COOPTEX in Tamil Nadu and APCO in Andhra Pradesh.

Desai\textsuperscript{17} (1983) discussed the existing institutions for industrial development, their objectives, efficiency and problems. The problems of small industries are also outlined. What emerged from the study is that many of these institutions have failed to deliver the goods expected of them and the District industries centre set up recently for a co-ordinated industrial development is also no exception. What is lacking is innovation and imagination. The infant mortality of small industries is high. According to Desai entrepreneur himself has to play a key role while others can only facilitate its growth.

Jain L.C\textsuperscript{18} (1983) has divided textile industry into two broad categories – the mills and the decentralized sector. The decentralized sector has two constituents: powerlooms and handlooms. According to the author, there is no system which collects data about production and employment in the decentralized sectors either on a census or sample basis.

\textsuperscript{17} Desai Vasant. 1983. \textit{Problems and prospects of small scale Industries in India}. Bombay: Himalaya publishing House.
According to the correspondents of *Economic and Political Weekly* (1984) some items are reserved exclusively for handlooms. These items are - piece dyed dhotis, Lungis and piece or yarn-dyed cotton sarees—and the rest eight items were reserved for both handlooms and small powerloom units. This study recommended that handlooms sector should be considered as decentralized sector, and they should be protected from power looms.

Hadimani R.N. (1985) studied 200 sample handloom entrepreneurs of Mahantpur town in Hangund Taluk of Bijapur District in Karnataka. The study held that several social, economic, political, educational and human resource factors contribute to the success of entrepreneurs. Marwari entrepreneurs were successful because they possessed many of these factors while the failure of weaving caste entrepreneurs was due to their lacking in these factors. Hence, he suggested, that entrepreneurship development effort in handloom industry should aim at promoting all these factors in artisan entrepreneurs.

Mahapatrao.P.C (1986) examined the general characteristics of handloom industry in Orissa with special reference to its size, ownership of units of production, equipment used by weavers, the process of production involved in manufacturing activity and other allied aspects. Finally, he suggested conversion of handlooms into powerlooms at the co-operative fold on a selective basis and in a phased manner.

Lakshman T.K. (1986) covered cottage and small industries of Mysore in his study. He stressed upon the need for strengthening the organizational base of cottage industries. Other problems cited were low level of skill formation, the supreme role of middlemen, poor standards of raw material and

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low quality of products, imperfect sales organization and keen competition from mills.

Ramakrishna Rao.B.\(^{23}\) (1986) conducted a survey of handloom industry in coastal Andhra Pradesh to find out the socio-economic background, organizational structure and operational aspects of weavers. The study revealed that 71.67 percent of the weavers were in debt and the average amount of debt worked out Rs 1150. He stressed that there is a need for safeguarding the interest of the handloom weavers working for middlemen.

Jain L.C.\(^{24}\) (1986) study highlights that the incremental employment during 1955-85 was lower relative to increase in production and exports. He also pointed out that large scale mechanism is a great threat to the development of the handicrafts industry. Because of its steadily losing ground, inspite of all efforts to preserve them, he also stresses that the craftsmen are hard to work sweating always for the economy and it is the time for the policy makers to lift the little finger in their favour.

Asha.C.Rajan and Usha Rani.H.S.\(^{25}\) (1986) in their study observed that there is a direct relationship between higher incomes and ownership of looms accessories. The major problem faced by all categories of weavers is the absence of a state agency to provide finances for the purchase of looms and loom accessories. Apart from the looms, the possession of certain accessories with the loom enables the weaver to weave more intricate patterns on the fabric and also weave bordered sarees which fetch higher remuneration than weaving plain fabrics. Five such accessories are Jacquards, Dobbies, winding machine, re-reeling charkas and catch-card. The study emphasized the need for paid training being given to craftsmen under certain master weaver to keep alive the traditional weaving art from being extinct.

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Mane, D.D. (1987) pointed out that the artisans are not properly organized in their various activities, which is revealed in the meager membership in the artisans’ co-operative society. He also pointed out that these artisans are unaware of the need for mutual co-operation and understanding. He opined that the major problems of public and co-operative handicrafts marketing are lack of quality, lack of proper time schedule in receiving order and moreover, production without taking into account the market potentiality of the products.

Renukarya.C.K and Urs. Niranjan Raj’s study (1987) revealed that the flow of credit has increased by nearly 136 times between 1957-58, the year of commencement of the scheme that is, 1986. There was a steady increase up to 1973-74 and rather rapidly since 1980-81. The increased flow may be mainly due to the enhancement in the per loom scale of finance and relaxation in the criterion for assessing working capital requirements based on the production and sale performance of the societies, effected from time to time.

Panchani, Chandra Shekhar (1987) gave a brief account of the different weaving pattern amongst the Naga tribes of Manipur. He also gives a reference of the different types of cloth woven for different communities and tries to explain as to why there is a difference in the weaving patterns among the different tribes.

Ramamohan Rao K. (1990) made a study on socio-economic profile of handloom weavers in Karimnagar district of Andrapradesh and appraised the performance of the primary weaver’s co-operative societies. The study revealed

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the prominence of certain community people, idleness of looms to the tune of 33.31 percent and higher earnings of the members among other things.

Subhashini.M.\(^30\) (1992) examined the pre-marketing and marketing operations of APCO and identified the marketing problems of both APCO and handloom weavers of Andhra Pradesh.

According to Soundara Pandian M.\(^31\) (1992) "The sound of the handloom is the music of the Indian Rural home. In the process of weaving, the handloom weaver achieves a harmony of motion and rhythm. His manipulation of foot pedals compliments the throwing of the shuttle and a perfect weave demands perfect co-ordination between the mind, hand and foot to produce a smooth and easy rhythm". The harmony of sound reflects a close understanding between the weaver and his loom. The excellence of the fruit of his labour lies in the skill of the weaver and his ability to achieve a rapport with his equipment. Handloom creations are products of the artistic tradition of the area of production.

Saraf.D.N.\(^32\) (1992) traced the development of the craft of weaving from 1941 until 1991. The study shows the different changes that have come about in the craft with time and its impact on the people and the reasons for this change.

Hegde.S.G.\(^33\) (1993) mentioned in his study that handlooms are offering more job opportunities to women folk. According to him about 63 percent of the preparatory workers in handloom sector are women.


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Hussain\(^4\) (1994) talks about the textile industry of Mizoram and Arunachal Pradesh. He talks about the symbolic meaning of the colours and designs used in the textiles, the kind of cloth used and the social significance of this craft for the people of Mizoram and Arunachal Pradesh.

Surekha.S.Yendigeri\(^5\) (1996) in her study found out that poor cost management has resulted in high cost of production and low profitability. She suggested management with professional bent of mind for the success of handloom units.

Nambiar. A.C.K\(^6\) (1996) found that 4/5 of the looms are under private sector and the problem of liquidity was serious among the small dependent categories of units. Regarding socio-economy conditions of handloom workers, the study points out that the problem of unemployment and low wage level was more among the unorganized sector labour where as the labour of co-operative sector and private factory sector were better placed. The study felt that the Government has taken various measures for the development of handloom industries like providing looms, worksheds, arranging working capital and intensive training for weavers.

Meeta Rajivlochan\(^7\) (1996) covered some aspects of history of weavers of Malegon district. The study found that in 1921, the Khilafat and Non-Cooperation Movement began in Malegon and the weavers faced many problems like non-cooperation from the Government, paying heavy duties, great difficulty while borrowing from banks and people were not getting any help from Hindu politicians because many of them were Muslim weavers. So they suffered a lot. Finally in 1972 the Supreme Court issued a notice to government, to continue a variety of schemes to help out the doddering

handloom sector and mills, none of the facility are available to powerloom weavers. As a result today Hindu politicians or ministers seldom visit the town and development projects are frequently inaugurated in the rural areas surrounding the Malegon District.

Noorbasha Abdul\(^{38}\) (1996) in his study mentioned that with the withdrawal of several subsidies so far enjoyed by the handloom sector and especially by winding up the Janatha cloth scheme which not only provided cheap cloth but also employment to the vulnerable section of weavers, the old and low skilled, the new economic reforms have contributed to the worsening of conditions in the handloom sector.

Keshab C. Sinha’s\(^{39}\) (1999) study was designed to address the main problems of the handloom co-operatives located at the Haripal Block of the Hoogly District which has a large concentration of weavers. According to this study, there are two types of organizations in the handloom industry. First one is known as Handloom co-operative and the second one is proprietorship run by private producers and traders. The objective of the first is promotion of the welfare of the backward sections of the society and second one is to increase his own wealth, even at the cost of the society. The study finally recommended that Government should support co-operatives through providing financial and infrastructural support and co-operative should be protected from the unfair competition of unscrupulous private producers.

A study\(^{40}\) (2001) carried out by Pradosh Nath, and N. Mrinalini emphasized the need for technology upgradation for making the textile industry globally competitive. The study examines the effectiveness of organized technology supply system for the textile industry under the control of the

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government and managed by the industry associations. They argued that the lack of an appropriate strategy on the part of the government and the industry has marginalized the R and D activities in the textile research system. These authors suggested that the textile sector should be reorganized at firm-level and industry-level for gaining long term distinctive capabilities to build up competitive advantage in the international as well as in the domestic market.

Ramakrishna Rao B. (2001) emphasized that handloom cloth is always stronger than the same type of mill-made or power loom cloth due to double reeds, proper sizing and lower speed of weaving. It is only because of the human touch with every stage certifying the art and tradition of the craftsman. It also has a technical superiority in the production of fabrics in which gold and silver lace is artistically designed in making sarees, along with striped and checks fabrics etc.

Chandrashekar C.P. (2001) is of the opinion that handloom products are not just ‘Luxury’ items, but also ‘wage-goods’ that are capable of catering to different kinds of national and local markets which need to be linked. Handloom industry is capable of producing a much larger volume of output for any given level of investment when compared with other sectors of the textile industry.


This study highlighted the major problems like lack of reliable database on weavers across India, yarn procurement and the escalating cost of yarn. The

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42 Chandrashekar C.P. 2001. “Handlooms in survival mode” Centre for economic and social studies. Hyderabad
study felt that an alternative handloom policy based on the inherent strengths of the industry should be developed. Finally the study suggested that more supply outlets should be set up, welfare schemes for weavers such as pensions and health schemes be implemented and sales centres be set up in urban centres and direct export channels be negotiated. It also emphasized the importance of workers organizations in not only giving strength and voice to the workers, but also in challenging and regressing inequalities of power.

EPW study\(^{44}\) (2002) felt that the textile co-operative sector in Tamilnadu has over the years wilted under constant political interference. The state’s handloom sector has for long been beset by problems, productivity has stagnated, especially at the lower end of the value chain, exposing handlooms to competition from power loom units. Misuse of various budgetary incentives for handloom units by other segments and export of yarn under the liberalized policy regime have hit the handloom sector hard. The study felt that technological support is needed to ensure skills and production upgradation, linkages need to be established between changing market needs and the production centres and new markets need to be systematically explored and developed. The study said that unless state support is directed at making the sector more vibrant, the fate of the handloom sector will always be vulnerable to political interference.

Devarajan.R.\(^{45}\) (2002) in his study mentioned that “there are two schools of thought concerning the traditional industries in India. One school regards them as an “atavistic survival of pre-industrial economic organizational structure”, which is an anachronism in the present era. The other school, more charitable and in tune with the dignity of the artisans of this trade, regards them “as the repositories of a heritage of skilled craftsmanship”. Both these perspectives are evident in respect of the handloom industry in our country”.


Prabhakaran.O.M\textsuperscript{46} (2003) has mentioned that handlooms are generally engaged in producing processed cloth to be sold to nearby shops, while power looms produce grey cloth which required further processing before it can be sold. A vast majority of handloom weavers who operate power driven ‘Handlooms’ [they are not powerlooms, they are improved handlooms] were found to be economically better-off. They were seen in large numbers in Tamilnadu, Andhra Pradesh and Maharastra, among other states and this study felt that this is not converting handlooms into power looms but producing handloom products with power-driven looms (speedier handlooms) which use hanks.

Nainesh Pandya\textsuperscript{47} (2003) found that there is good support to handloom sector from financial institutions. According to this study, NABARD has supported development of handloom sector by providing various facilities such as refinance to banks, finance for production/procurement and marketing requirements of primary weaver’s co-operative society [PWCS] and Apex/Regional weaver’s co-operative society. Various studies on handloom sector brought out that 70% of weavers continue to be outside the co-operative fold. To spread benefits to this sector, there is a special scheme in NABARD called SUDHA [Skill Upgradation and Design Development for Handloom weavers]. The study reveals SUDHA grants upto Rs.5 lakhs to NGO’s for skill upgradation of weavers, design development, market survey, quality control programmes, hiring of consultants, etc. to help weavers.

Macherla Mohan Rao\textsuperscript{48} (2003) mentioned in his study that handloom sector is being squeezed by the globalization and economic liberalization policies. A Major blow to handloom sector was the 1985 textile policy. This policy allowed import of new textile machinery, cotton and yarn. The number

\textsuperscript{47} Nainesh pandya. 2003. Paper presentation on policy perspectives and readjustment for handloom sector. Regional Workshop on handlooms. 7\textsuperscript{th} and 8\textsuperscript{th} August, Ahmedabad.
\textsuperscript{48} Macherla Mohan Rao. 2003. Changes in handloom sector. Regional workshop on Handloom. 28\textsuperscript{th} and 29\textsuperscript{th} July, Hyderabad.
of looms decreased by nearly two lakhs within a span of one year, that is, 1985-1986. According to him, technology upgradation has always been associated with increased exploitation of handloom weavers. He highlighted the positive impact of reservation policy. He expressed his anguish over the fact that modern looms to a large extent have copied the traditional knowledge and have been demonstrating those varieties as created by them.

Bapuji\(^49\) (2003) observed that co-operative sector was considered as an answer to many of the problems faced by handloom sector long back in 1940’s. Now cooperatives are very weak and it has no leadership. To promote the interests of handloom sector he recommended the establishment of an independent weaver’s representative body – elected, non-official, non-commercial body, supported by the government. Everyone in the sector including the master weavers should be member of the body. This body should co-ordinate the development of handloom sector. Only the members will be entitled to get the raw material and other benefits.

Bhushi.U.M, and Pharsiwyar.S.M\(^50\) (2004) in their study mentioned that Textile industry is the single largest foreign exchange earner for India, accounting for about 8% of GDP, 20% of the industrial production and over 30% of export earnings, employing 38 million people with only 2-3% import intensity. The study felt that growth of the textile industry has been stunted by technological obsolescence, fragmented structure, low productivity and low end quality products. Hence, Indian textiles are getting squeezed out of the global scene. The paper discussed about the status of handloom and powerloom industry in the region, which has about 22,000 handlooms and 6000 powerlooms and are major contributors of economy of Karnataka State in

\(^49\) Bapuji. 2003. Public hearing on kerala and Karnataka situation-session II. Regional workshop on handloom 28\(^{th}\) and 29\(^{th}\) July, Hyderabad

India. It probes into the operational management of handloom sectors and identifies the issues for effective strategic management.

Mahendra Dev\(^1\) (2004) emphasized the importance of the workshop by pointing out that the handloom sector is the second important employer after agriculture. He said that handloom sector is important also because it can add to economic growth; economic growth improves as employment improves. He then mentioned the importance of the availability of yarn at affordable prices.

Seemantini Niranjana\(^2\) (2004) feels that making yarn available in the right counts and right quality to weavers is a complex problem. Apart from this, she observes the problem of continuous rise in the price of yarn. She questions as to why there has been no regulatory mechanism to control yarn prices. According to her this aspect of regulation should be looked into. She mentions a public hearing organized by Dastakar on yarn crisis attended by different officials, non-officials and stakeholders. What was striking during the public hearing was that the government officials denied any crisis in the availability of yarn. The following issues need to be considered:

- The law pertaining to the yarn obligation on the part of the mills is never adhered to.

- There is a need to look into the technology of hank making itself

The technology to produce hank yarn is outdated and that doesn’t provide any incentive for the millers to produce hank yarn with that technology and that this aspect should be looked into by the government. It is also necessary to have a survey of spinning mills. A number of cooperative mills are

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http://www.cess.ac.in/cesshome/wp/gapswp-2.pdf
closing down and private mills are not producing yank yarn. Therefore, there is a need to know what is happening at the level of production of hank yarn. Even though physical survey of mills is difficult, it needs to be done.

Srinivasulu K.\(^{53}\) (2004) added that the handloom sector is diversified in Andhra Pradesh; therefore there is a need to create machinery that looks into the yarn requirements of different handloom centres and make available specific counts of yarn in required quantities. He also asked as to why the government doesn’t think of exporting finished handloom cloth instead of exporting cotton yarn. He emphasized the need for a debate on the question of exports.

Mohan Rao.M.\(^{54}\) (2004) affirmed that the state has the capacity to address weavers’ problem if it wants. He said that the state should takeover the closed mills in the co-operative sector and should produce 100 percent hank yarn. If that is not done, with most private mills going in only for exports, the hank yarn crisis would be still more serious.

Durgam Subba Rao\(^{55}\) (2004) contrasted the approaches of Gandhi and Nehru and said that Nehru’s approach caused the problem from beginning. Now we should demand the government to take over the closed cooperative spinning mills.

Kamati Dhananjay\(^{56}\) (2004) said that of all the weavers in the state only 20 percent are working in the co-operative sector and the state government is not interested in any permanent or lasting solutions and has only responded with adhoc measures. He felt that all the weavers should become co-operative members and government should support them. The WTO, New technology, Jet looms are the trend now and weavers cannot compete with these new trends.

\(^{53}\) Srinivasulu K. 2004. 'Yarn availability and other issues'. Ibid.
\(^{55}\) Durgan Subba Rao. 2004. ‘Yarn availability and other issues’. Ibid. 79. Sri Ka
\(^{56}\) Kamati Dhananjay, 2004. ‘Weavers cooperatives and emerging issues’ Ibid.
The government should impose stringent conditions on them to protect handlooms.

According to Ashok.E.\(^\text{57}\) (2004) the major problem is the bogus membership in co-operative sector. This bogus membership should be abolished. In Ananthapur for example, all the co-operative societies are bogus societies. A movement developed against the bogus societies in Anantpur. Another aspect Ashok points out is the corruption in the co-operative sector. There is corruption among bureaucrats, weaver’s leaders and others. The schemes do not reach the ordinary weaver. In order to save the ordinary weaver there should be a rebate of 20 percent. Ashok observes, co-operatives draw more amount than what they actually spend. But of all the issues, the issue of bogus societies is a major one and we can rejuvenate co-operative sector only by abolishing the bogus cooperatives.

Koratala Satyanarayana\(^\text{58}\) (2004) observes that weavers are suffering because of the absence of working capital. He identifies three reasons for the crisis in co-operative sector:

1. Lack of working capital:
2. Inability to sell the finished cloth
3. Lack of proper procurement of cloth and consequent fall into debt trap.

According to Noor Basha\(^\text{59}\) (2004) the mill sector and powerlooms have their research and Development sections and market survey facilities to gauge the consumer tastes from time to time. Whereas the handloom sector does not have any such thing it is the responsibility of the APCO to provide guidance and direction in this regard. The APCO too has failed in providing this information to the handloom sector. Even though there is demand for handloom cloth there is lack of adaptability in the handloom sector to the

\(^{57}\) Ashok E. *Weavers’ co-operatives and emerging issues*. Ibid.

\(^{58}\) Koratala Satynarayana. *Weavers’ co-operatives and emerging issues*. Ibid.

\(^{59}\) Noor Basha. *Handloom sector and marketing*. Ibid.
changing fashions in the market, marketing cloth according to the changing fashions and consumer preferences is very important.

Shanta Rao\(^{60}\) (2004) mentioned in his study that the thrift and insurance schemes in the cooperative sector are not working properly and the ex-gratia for accident deaths is only Rs 5,000. Therefore these welfare measures are meaningless. He felt that the present welfare measures do not meet the needs of the starving weavers.

The main objective of Textile policy (2004-09)\(^{61}\) is to strengthen and develop a dynamic and growth-oriented textile sector and generate employment at various skill level of the society to meet the emerging global challenges. The policy aims to create improved manufacturing processes, skilled human resources and best management practices in the textile sector. The policy envisages an investment of Rs 341.20 crores.

Naik S.D\(^{62}\) (2004) in his study mentioned that the textile industry has not been able to undo the damage inflicted by decades of skewed government policy and today it finds itself quite unprepared to reap the full benefits of a quota free regime beginning January 1, 2005. Though the budget has tried to provide the much needed boost to the industry, much more needs to be done to help overcome the problem of technological obsolescence, capitalize on scale economics and move up the value chain.

Naik S.D\(^{63}\) (2005) observes, the budget [2004-05] has provided incentive packages to improve the cost-competitiveness and profitability of all segments [handloom, powerloom and mills] of the textile industry. He also mentions that the Finance minister Chidambaram P. has decided to expand the

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coverage of life insurance scheme to 20 lakh handloom weavers in two years from two lakh at a cost of Rs 30 crores per year. The scheme provides insurance cover up to Rs 50,000 per weaver. Similarly the health insurance scheme is to be extended to cover two lakh weavers, from 25,000 now, at a recurring cost of Rs 30 crores per year. Finally he feels the Indian industry needs a much higher level of policy support from the government.

Ramesh (2006) has mentioned that the cluster development approach would continue and the possibility of a social security net for weavers was also being examined. A major project was likely to be undertaken to help them shift from pitlooms to the modern, high productivity apparatus. Ramesh recently released the report of an experts committee, which said the system of providing credit for the handloom sector had become ‘dysfunctional’ and in many places had even become defunct. It called for bringing the debate on the status and health of the sector back on the National policy agenda.


To ensure the effective implementation of the Act, the progress is monitored by different implementing agencies. These Government agencies strictly monitor the powerloom and mill sector and impose penalties in case of a breach in law.

Seemanthini Niranjan and Syamasundari B. (2006) special issue seeks to offer a new way of thinking about the relationship between production by

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64 Ramesh. 2006. *The Hindu* online Edition of India’s National News paper. Friday, May 19
handlooms and market theory. The attempt is to map the trajectory of successful handloom enterprises, locating them in the context of the growth of the handloom industry as a whole. The study seeks to highlight certain trends and processes that typify how handlooms work with markets and market institutions. In doing so, it also offers insights into understanding marketing practices within an artisanal mode of dispersed production.

Jeyakodi. K. ⁶⁷ (2007) felt that to make the handloom co-operatives competent and effective the efforts of politicians, government and regulatory agencies like RBI and NABARD, the staff members of the co-operatives are required and also handloom requires technological and design intervention with institutional support, apart from effective implementation of the present and proposed development and welfare schemes intended for the handloom weavers. Finally he suggested that the efforts taken by both central and state Governments must be made to reach the beneficiaries. The implementing agencies and machineries must take it as a venture with all commitment and positive attitude. The feedback as well as follow-up is very much needed to revive and sustain this sector in the global context.

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PART II

2.2 STUDIES ON SILK HANDLOOM

Barve.V.R\textsuperscript{68} (1967) has dealt with each term related with textile, right from the sowing of cotton to the production of the cloth in the final form. The same goes for silk and other materials. Some of the meanings are also explained through line drawings.

Sonwalkar.T.N.\textsuperscript{69} (1969) in his study mentioned that on an average about 35 percent of silk waste on the weight of raw silk reeled is being produced in the reeling industry, in mulberry and non- mulberry sectors. Besides this reeling waste, pierced and cut cocoons in rearing or grainage houses, are available to a small extent and some quantity of inferior cocoons which are unsuitable for economic reeling process is also available. The study estimated that the quantity may grow larger in the wake of modernization in the process of reeling. All the varieties of silk waste mentioned above may be utilized for the production of spun silk yarn which is nothing but pure silk thread, of course with less evenness.

Sunil Raman’s study\textsuperscript{70} (1969) estimated that there are around 10,000 children in the districts of Kanchipuram and Thiruvannamalai in TamilNadu working in the silk industry. He pointed out some problems of children like bad work environment, 10 hours work, seven days in a week, no weekly holiday, low wages etc., Social Action Movement [SAM] a charity based in Kanchipuram – is working to eradicate child labour with the help of labour laws like: Child Labour (Prohibition and Regulation) Act 1986, Child (Pledging of labour) Act 1933, Bonded labour system abolition Act of 1976 and Tamil Nadu Handloom weavers Act of 1981.

Roy, Nilima\textsuperscript{71} (1979) has given a detailed description of the art of weaving of the people of Manipur. She gives details about the technique of production, the weaving tools and implements and the designs and embroidery used in the weaving process. She also talks about the future of the weaving industry of Manipur with the changing times and urbanization. The weaving process is made clearer with a number of illustrations.

Sarof.D.N.\textsuperscript{72} (1982) has given a brief description of the handloom and weaving industry of all the seven states of Northeast India. The study can be a good reference for those who want to have an overall view of the weaving technology of Northeast India. It gives a good comparison of the weaving industry of the whole of India.

Moulik.T.K and Purushotham.P\textsuperscript{73} (1984) made a brief discussion on the problem of the silk industry. According to them, the inefficiency originates from their poor resource base and limited earning capacity leading to inefficiency.

Abdul Aziz and Hanumappa H.G \textsuperscript{74} (1985) have suggested in their study that Government should shoulder the responsibility of ensuring production of quality cocoons through suitable extension services, provide adequate marketing facilities for the yarn and the fabric, set up suitable organizations for standardization of machinery and processes, setup suitable advisory bodies to provide consultation and advice to the small - scale industry involved in reeling, weaving and processing.

Devasurappa’s\textsuperscript{75} (1988) study reveals that there is no formal strategic planning and marketing planning in the silk fabrics marketing organizations of Bangalore. They manage their affairs on trial and error basis. Their marketing

\textsuperscript{71} Roy and Nilima. 1979. \textit{Art of Manipur}. New delhi: Agam Kala prakashan.
approach is based on personal impression and guess work. He has also mentioned that the silk fabric marketing system in Bangalore consists of both organized and unorganized sector.

Barpujari.H.K\textsuperscript{76} (1993) explained in detail about the different varieties of silk and cotton used by the weaving community of Assam and from where do they get and procure their raw material. He also speaks in detail about the economic side of the weaving industry i.e., how much the government and the local people earn through the industry.

Hussein, Majid\textsuperscript{77} (1994) emphasized on the spinning and the weaving method or technique used by the people of Nagaland. The study also refers to the dyeing techniques and the painting of the cloth i.e., how the pigment is prepared for dyeing and much more.

Shivappa.H.V.\textsuperscript{78} (1995) examined the socio-economic conditions of pure silk handloom weavers of Bangalore District and found association of the weaving occupation with certain communities, higher percentage of illiteracy among the coolie weavers, meagre percentage of younger generation in the profession and monthly average income of a vast majority of them was up to Rs 1500.

Textile Policy of Karnataka\textsuperscript{79} (2004) mentioned that silk industry occupies an important position in the state by way of its contribution to industrial production, employment generation and export earnings. According to it the state’s share of garment production is 20% and that of exports is about 8% of the national figures. The study estimated that the current garment exports of the state is valued at Rs. 4,000 crores accounting for 15% of the state’s total exports.

\textsuperscript{76} Barpujari H.K 1993. \textit{The comprehensive History of Assam}. Vol. V. Publication Board of Assam
2.3 REVIEW OF COMMITTEE REPORTS

1. Fact Finding Committee [Handlooms and Mills] was constituted by the Government of India in January 1941 under the chairmanship of Dr. P.J. Thomas. The Fact Finding Committee’s Report is the first authoritative report containing valuable and exhaustive information on various aspects of the handloom industry viz., size and shape, employment potential and importance in the national economy, the committee endorsed grievances of the industry and recommended among other things the setting up of an All India Handloom Board.

2. A study of the handloom development programme was taken up at the desire of Planning Commission, Government of India, in 1967. The primary objective of the study was to throw light on the nature of impact of the handloom development programme on employment and earnings of the weavers. The other important objective of the study was to find out the problems faced in the working of the handloom development programme. On the basis of the number of looms in the co-operative fold, six states namely, Andhra Pradesh, Madras, Maharastra, Mysore, Orissa and West Bengal were covered in the study. Besides these states, the union territory of Tripura was also taken up. The study revealed that a man worked nearly 23 days, a woman 21 days and a child 20 days on an average in a month. In a working day, a man devoted 7.4 hours, a woman 6 hours and a child about 5 hours. The income of an average weaver household was still at a level lower than that of an average Indian household. This was the main reason for occupational shifts and migration to other areas. All the findings of the study are presented in eight chapters.

3. The High power study team was constituted by the Ministry of Commerce, Government of India on 29th December, 1973 under the Chairmanship of Shri B. Sivaraman with an emphasis to study in depth the problems of the

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81 Ibid.pp.170-179
82 Ibid.pp.180-203
handloom industry and the weavers in order to suggest a programme for development of this sector in the Fifth plan period. The Team submitted its report in 1974. The creation of separate directorate under development commissioner for handlooms in the Ministry of Commerce, the coverage of the weavers in the active co-operative societies to 60% of the total by the end of the Fifth Plan Period, for intensive development of handlooms, units of 5,000 to 10,000 looms in a compact geographical area should be taken up under the scheme were important among other recommendations of the report.

4. A study group was set up by the Government of India on 28th October, 1977 to review the working of the scheme for Handloom Finance under the Chairmanship of Dr. M.V.Hate. The Study Group made an in-depth study of the problems facing the handloom co-operatives in availing of a large flow of credit from institutional agencies, keeping in view higher targets of production and marketing envisaged for the handloom sector during the Sixth Plan Period and submitted its report in June 1978.

5. The Labour Bureau conducted a study on 'socio-economic conditions of women workers' in selected handloom units in Karnataka [1993]. The study in handloom industry was conducted in the districts of Bangalore, Chitradurga, Dharwad, Belgaum, Bijapur, Dakshina Kannada, Tumkur and Gulbarga. The preponderance of attached weavers with the KHDC and various co-operative societies, 87% of the women workers in the sampled units were engaged in weaving occupation apart from winding, illiteracy of 68%, average monthly income of Rs 1235 for the households of the sampled women workers were few important among twenty two findings of the study.

6. A High powered committee on handlooms was constituted by Government of India on 27 July, 1995 under the Chairmanship of Ms.Mira Seth with these terms of reference:

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83 Ibid.pp.204-222
85 Ibid.p.13
i. Assess the extent to which the objectives of the textile policy 1985 have been achieved by the handloom sector, impact of various schemes which are being implemented in the handloom sector, the threats and opportunities facing the handloom sector and devise ways and means to capitalize on the opportunities and in particular recommend comprehensive support necessary to achieve a quantum jump in export. The committee submitted its report in 1996 containing fifty eight recommendations in all dividing them into ten chapters: handloom organizations and their role, human resource development: credit, taxes and duties: production: technical development: design, fabric and product development, marketing, exports, welfare of workers and special package to assist handloom sector in North- Eastern states.

A review of literature on pure silk handloom weaving industry reveals that there are only a few studies concerning the silk weaving industry. There are many studies and surveys on the handloom industry in general. But these do not give due importance to silk weaving industry and Karnataka state in particular Silk handloom industry has not received attention by economists and researchers which it deserves. Only a few studies are conducted so far dealing with only some aspects of the industry. Although, the earlier studies on handloom industry do not have any direct bearing on the subject of the research, the methodology of findings of these works have been found to be quite useful for the purpose of this study.

2.4 Conclusion

The Review of literature relating to Handloom industry in general reveals that there is a spate of studies on handlooms in India particularly from 1960 onwards indicating the importance attached by researchers, academicians to the study of handlooms. The studies are on diverse themes and are carried out in different places and regions of the country, and the findings varied depending upon Geographical, Social and Cultural, Economic conditions of the regions studied. Of late studies have been carried out covering both cotton, silk and woollen handlooms. But there are no studies on weavers engaged in village handloom industries in rural areas who are important in terms of their number and
population, contribution to production and employment in non-agricultural sector, and who are an integral part of our socio-economic structure. However, the studies of Hadimani, Soundarapandian.M and Kuttikrishnan. A.C. tries to fill this gap in knowledge. Hadimani’s study was on weavers in a Mahantpur town in Karnataka, Soundarapandian’s study was on growth and prospects of handloom sector in India and Kuttikrishnan’s study was on survey of handloom industry in Cannanore district of Tamilnadu. Further, Hadimani was focused on caste dualism in entrepreneurship and sociological factors, Soundarapandian’s study was focused on growth of technology in handloom industry, the export of handloom textiles etc. and Kuttikrishnan’s study concentrated on cost structure and productivity of labour, capital and returns on them.

Further, through their studies were on handloom weavers, they were restricted to a town. Socio-economic and political conditions obtaining in a town are entirely different from those obtaining in a village. Weavers based in towns are more fortuitous than those in villages in terms of available infrastructural, production, marketing, financial, raw material facilities. Even in case of villages, the conditions would vary from village to village. Hence, to fill this gap in knowledge, the present study.

The second part of the study which covers a review of literature on silk handlooms reveals that there are very few notable studies at regional level covering silk handlooms of weavers. Other crucial aspects like socio-economic conditions of weavers, the policies, schemes and programmes implemented by the Government, etc. are not covered by the studies. This gap in data is bridged to some extent, by the studies of Bhavi Basavaraju and Nallasivan. The Shivappa’s study on Silk Handloom Industry at Bangalore urban District in Karnataka was concentrated only on inputs and production and financial and marketing aspects but it has not considered socio economic conditions and problems of rural weavers. It is not possible for any study to include all the types (Independent, Coolie, Master weavers and Co-operative societies) of rural weavers. Further, due to wide variations in geographic, economic, social, cultural, and political
conditions from state to state and from district to district within the state, broad generalization on the basis of findings of a few regional studies is not practicable.

As far as Karnataka is concerned, not much work is done on different types of silk handloom weavers. Most of the available data are either clubbed into the cotton and woolen handloom industry, or with the sericulture industry. Such data is not much useful for any integrated and comprehensive study. Therefore the researcher conducted an independent field survey for the present study to obtain the requisite data in the required form to fill up the gap to some extent.

Many empirical studies at grass root level where people’s actual behavior, their institution, types of organizations are observed and analyzed are to be made at regional level in order to help broader generalizations at national level. Hence, this micro study.