2.0 The purpose of this chapter is to review the available literature on the related, research study, made elsewhere, which have greater impact on production and marketing of handloom products. Any analytical study of the research, articles and books on the various economic aspects studied earlier therefore will help one to understand the factors responsible for the growth of an industry which maximises production and manages to get over problems of marketing, employment, prices and government controls. Besides, the present critical review of literature would shed more light on the present research study and would make the selected research work highly relevant, needful, scientific and scopeful. The detailed review is made as follows in order:
2.1 ORIGIN AND DEVELOPMENT OF WEAVERS CO-OPERATIVES

In the book Tamil Nadu Economy, weaving is a traditional and hereditary occupation of certain communities in Tamil Nadu. The first co-operative of weavers came up in Kanchipuram in 1905. The most rapid growth took place between 1976-1983.¹

Jasirbatra reveals that the handloom factories was first started in the Cannanore area of Malabar in the 19th century and was encouraged by the government of Madras, while in the early years of the twentieth century.²

2.2 SIGNIFICANCE OF HANDLOOM INDUSTRY

T. Jyothi Rani and C.H. Premakumari highlighted that thousands of years ago when the art of living was practiced in ancient Egypt, the mummies embalmed in Indian silk. The father of our nation Mohandas Karam Chand Gandhi, has expressed his feelings that the atmosphere should be created where large scale industries and the encouragement of rural industries without involving any dislocation migration.³

According to T.D. Thirukuttalam, handloom industry of India has a very large great potential for the utilisation of the unlimited human resources available in the country. To him the nation can definitely breakdown the surrounding problems of unemployment and poverty from the rural and urban youth.4

U.M. Shah indicates that the handloom weavers mostly belonging to economically weaker sections, have to be brought to the co-operative fold. The progressive co-operativisation of handlooms was a significant achievement of co-operative development in India.5

2.3 HANDLOOMS: INTEGRAL PART OF INDIA

The survey conducted by B. Subburaj on the behaviour of handloom market was explained that, the rhythm of handloom can be heard in almost every village.6

J.D. Sundaram has assessed that the efficiency of labour on rural area, the production, arrangement for supply of yarn, processing and finishing products and marketing was very low.7

N.P. Sheshadri expressed his opinion that the handloom industry is not a localised industry which cuts the barriers of caste,

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7 J.D. Sundaram, Rural Industrial Development, S. Chand and Company, New Delhi, p.19.
religion and language. The weavers are an artist, capturing the colours in the environment and transfer them into fabrics.\(^8\)

In the view of S.K. Panda, weaving is more of a religious practice and a way of life rather than a source of income. Tribal families in rural areas grow cotton in their fields. The ‘Pachra, Risha, Chada and Puan’ are used to woven by the tribals. The lion loom made out of a few pieces of bamboo are used for weaving. The main parts of the looms are Thuri, Shar, Nal and Belt.\(^9\)

2.4 WOMEN IN HANDLOOM INDUSTRIES

Indra. J. Praikh, Pulin K. Garg and Indu Menon had laid an emphasis on the Indian women wearing of colourful dresses. The women weavers sit 10 to 12 hours a day on their loom till their backs are bent. Their occasional respite is during festivals, and during meal times.\(^10\)

A study was taken to assess Rukminidevi’s efforts on introducing Kalakshetra sarees. A special kind of hand woven saree, both cotton and silk, called ‘Kalakshetra’ with deep colours and broad borders has a traditional designs. Another area of pioneering work are

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‘Ahimsa’ silk which was woven with the broken threads in the cocoon after the fight of the silk moth.\(^{11}\)

A special report entitled by Ramesh M. Bhatt is on potential for full employment of women in the weavers household. The report recommends that wherever readymade beam is provided to male weavers, an extra beam should be provided for the women and should be equal partner in handloom sector. Thus she can earn a separate income.\(^{12}\)

In his article A.K. Rajula Devi examines the participation of rural women especially in spinning of cotton, wool and silk. But manufacturing and work employment is often seasonal.\(^{13}\)

2.5 LIVING WITH INDIAN HANDLOOMS

A spot report was given by Jasir Batra that almost one third of the country’s cotton textiles and all silk fabrics are produced by the handloom weavers. An average weaver gets only 15 to 25% for one saree. The saree merchants sitting in their shops and without moving a finger making huge profits.\(^{14}\)


S. Arungiri and Periaswamy interpreted that India is almost equally on socio-physical factors as well as on government textiles policy for the protection and encouragement.\textsuperscript{15}

M. Samadharan has presented a case study on marketing of cloth by the handloom co-operatives of Kerala. The weavers depend on private dealers for yarn and the time lag in supply of yarn and procurement of finished goods, the private dealers try to exploit the situation by offering only a lower price for goods taken from the weavers.\textsuperscript{16}

Sunitha and Geethamahal have interpreted ethnic design of handloom products of Karnataka. By marketing the handloom products the net returns per rupee of investment (total cost) was higher for lungi followed by long cloth, towel and bed-sheet. They sell the product through wholesale and directly to customers to reduce risk of extra amount in terms of commission taken by the middleman.\textsuperscript{17}

Kanakadurga clearly gives an overall picture that in Andhra Pradesh over 30 lakh persons are working under handloom

industry. He also says handlooms need to be encouraged in their efforts in tapping and developing overseas markets.¹⁸

The socio-economic importance of Andhra Pradesh State Handloom Weavers Co-operatives Society (APCO) was explained by V.J. Sudhakar. APCO was formed on 6th July 1976. APCO had received good response from the weavers and consumers for the Janatha producing and introduced new products suitable for export markets.¹⁹

2.6 HANDLOOM INDUSTRY IN TAMIL NADU

E. Mubarak Ali revealed that once Tamil Nadu (Coimbatore) was known as the “Manchester of India”, due to its highly attractive designs made by human skills. Over 50 per cent of the weavers are in the co-operative fold producing dhoties, sarees and for the Janatha Cloth Scheme.²⁰

In the cover story of Tamil Nadu Journal, the author entitled that in the early twenties the marketing of yarn had two tier namely, the spinning mills and the import form agents who used to supply yarn to the weavers. The first spinning mill in co-operative

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sector of Tamil Nadu was set up in the year 1962 at Pettai in Nellai district.\footnote{\textquotedblleft Anna Co-operative Spinning Mills\textquotedblright, \textit{Tamil Nadu Journal of Co-operation}, Vol.XXI, No.9, 1991, pp.642-644.}

In this article Srinivasa interpreted that Andhra Pradesh, following Tamil Nadu is the second largest creation of handlooms. The homeless and loomless migrant weavers work for the master weavers in their worksheds.\footnote{Srinivasa, \textquotedblleft Handloom Weavers Struggle for Survival\textquotedblright, \textit{Economic and Political Weekly}, Vol.XXIX, No.36, September 1994, pp.2331-2333.}

According to this article, to increase the productivity and marketing, state government has implemented a scheme of modernisation and renovation of looms in the co-operative fold. This result in the improvement of quality and quantity of production, higher earnings, more employment and new varieties of fabrics.\footnote{\textquotedblleft Helping Hand to Handlooms\textquotedblright, \textit{The Tamil Nadu Journal of Co-operation}, Vol.82, No.3, June 1990, p.154.}

\textbf{2.7 HANDLOOM INDUSTRY IN KANYAKUMARI DISTRICT}

According to the Assistant Director of Handloom and Textiles in Kanyakumari district is known for excellence in workmanship and value addition.\footnote{Size of Handloom in Kanyakumari District, Report by Assistant Director of Handloom Industry, Nagercoil, 2000-2001, p.102.}

In Dinamalar daily newspaper, Nanjilnathan quotes that more than one lakh people of Kanyakumari district depends upon
weaving and the government should take remedial measures to save weavers from their depression.  

The annual administrative reports of the district for the year 1986-87 furnish necessary information towards the growth of the industry at the district level. The contribution made by this district towards the production of handloom products seems to be significant. Kanyakumari district though small in size is noted for its export of handloom products.

2.8 PRODUCTION OF HANDLOOM PRODUCTS

According to John D.K. Sundar Singh, for the production of each handloom product required an attention and workmanship. Comparisons in terms of productivity, time factor and efficiency are hard to measure.

S.M. Chakraborty is on the view that, in the mid-eighteenth century village communities formed a social structure of cultivators, artisan and their dependants who produces high quality of

[^Nanjilnathan, “Handlooms on Depression”, Dinamalar, December 15, 2003, p.3.]
[^Annual Administrative Reports, Assistant Directorate of Handlooms and Textiles, Kanyakumari District, 1986-87, p.5.]
products. After independence, organised sector has improved the production with help of new machinery and technical know how.\textsuperscript{28}

2.9 SUSTAINABLE EMPLOYMENT BY HANDLOOM CO-OPERATIVES

B. Subburaj stated that, among the hundreds of small-scale industries in India, the handloom industry provides more employment opportunity. Children who have been denied their childhood and education sit as partners of the adult weavers and weave handloom clothes.\textsuperscript{29}

O.R. Krishnaswamy says that the economic conditions of the members can be improved by providing them with employment in weaving. Marketing research and technological research should be adopted for the functions and benefits.\textsuperscript{30}

S.K. Panda has suggested that there is a tremendous potential for generating employment with low investment. Handloom industry provides continuous employment during April to September.\textsuperscript{31}


So far as employment goes, A.K. Rajula Devi suggested that, the handloom industry generates indirect employment to loom manufactures, dyers, twisters, warpers, sizers, processors and printers.\(^{32}\)

M. Sarangadharan argues that most of the weavers depends on private dealers for marketing their products. When marketing develops in a society its economy also develops.\(^{33}\)

According to this article, the major task or government is to promote sales. More than 80 per cent of the sale of handloom goods is done through unorganised channels and the rest being dealt with organised channels.\(^{34}\)

2.10 MARKETING DRIVES

B. Subburaj says that study of consumer behaviour is the basic to all marketing activities and is particularly very vital for effective product planning of a firms advertising and sales promotion policies. Knowledge in post purchase behaviour is a must so that an organisation can launch various market promotion strategies like market penetration, market expansion etc.\(^{35}\)


Sunitha G. Shejwadkar and Geetha Mahale have interpreted that Hebballi Co-operative Society sell its products in showrooms and to other states and sometimes export their product to other countries. They never sell in local market. They sell the product through wholesales and sometimes directly to customers to reduce risk of extra amount in terms commission taken by the middleman.\(^{36}\)

D. Velappan in his book revealed that, for marketing the handloom cloth produced by the primary weavers co-operative societies, the Co-optex plays a significant role by channelling the produce through its own units. The co-operative sector alone takes advantages of government subsidies, concessions and marketing facilities.\(^{37}\)

According to C. Lakshmanan majority of the societies do not have their own selling units and showrooms. They depend upon the services of apex societies. A systematic reorganisation of handloom industry through the formation of weavers co-operatives, which cover marketing is necessary for the industry to survive in this world.\(^{38}\)

In the book, "Economic Reforms of India" the author quotes that, with the revival of the Indian textile industry in the post-independence period, the markets for the handloom products had expanded. The demand for the handloom products from the various quarters of the globe gained a momentum.39

2.11 REBATE SCHEME FOR MARKET DEVELOPMENT

C. Lakshmanan pointed out that the government has introduced a rebate scheme due to cost handicap in the field of handlooms. The societies are obliged to maintain prescribed books, forms, registers and documents.40

According to the special correspondent of ‘The Hindu’ newspaper, the Tamil Nadu government has announced a special rebate of 50 per cent and an additional 20 per cent discount for the handloom products throughout the year.41

2.12 HANDLOOMS IN FIVE YEAR PERIOD

This article reveals that handloom industry find a place in the various five year plans. During the first five year plan the

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39 Economic Reforms of India, S. Chand & Company, New Delhi, p.28.
assistance ceiling was fixed by the central government on the basis of loomage and yarn.\textsuperscript{42}

The report of the National Handloom Development Corporation (NHDC) during 7\textsuperscript{th} and 8\textsuperscript{th} plan specified that, the adequate enforcement challenged for the development of handlooms by the government of several high courts and stays granted to the powerloom operators have rendered the law ineffective and encroachment on handloom products still continues.\textsuperscript{43}

\textbf{2.13 BANKS GO TO AID IN HANDLOOM SECTOR}

Digant K. Dave conducted a survey and pointed out that, nationalised banks such as SBI and Dena Bank came forward to continue production without interruption. The banks advanced loans without any pledge of security.\textsuperscript{44}

C.K. Renukarya and B. Niranjanraj has made an attempt to study the credit flow from RBI and NABARD to handloom societies. The society avails financial assistance up to 9 times its net disposable resources.\textsuperscript{45}

\textsuperscript{43} 8\textsuperscript{th} Five Year Plan 1992-97, \textit{Tamil Nadu Journal of Co-operation}, Vol.XV, No.11, pp.14-16.
\textsuperscript{44} Digant K. Dave, "Banks go to Aid of Handloom Weavers, Yojana, Vol.XX, No.18, October 1976, pp.15-31.
\textsuperscript{45} C.K. Renukarya and B. Niranjanraj, "Credit Flow from RBI and NABARD to Handloom Societies", \textit{The Tamil Nadu Journal of Co-operation}, Vol.80, No.4, October 1988, pp.190-194.
2.14 PROBLEMS OF HANDLOOMS

Subhalakshmi Jagadisan has stated that the government would progressively withdraw the rebate on the sale of handloom clothes. It is an open secret that the merchants take advantage to the rebate, buy large stocks on cheap prices from the weavers and make huge profits.\(^{46}\)

Srinivasulu interpreted that one powerloom displaces six handlooms. With GATT agreement, quotas would be completely phased out by December 2004. There handlooms facing unrestricted competition from powerlooms in International market.\(^{47}\)

In this article the author says that, the recent spurt in cotton yarn prices has thrown the handloom industry out of a time when stiff competition from the powerloom sector has made survival.\(^{48}\)

The correspondent of Dinamalar newspaper argues that the weaving of handloom cloth is not functioning properly due to the shortage in supply of yarn.\(^{49}\)

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\(^{48}\) “Handloom Industry Hit by Spurt in Cotton Yarn Prices”, Monthly Commentary, August 1995, pp.21,22.

M. Chandra Sekar quotes that handloom industry, both organised sectors (i.e.) the traditional sector and the textile mills are being squeezed by the powerloom sector.\(^50\)

Papul Jayakar assessed the threat on handlooms, by powerlooms that the planning of new consumer varieties and innovative marketing of powerloom products are most available in rural areas.\(^51\)

2.15 PROFIT MARGIN OF HANDLOOM INDUSTRY

J.K. Tripathy highlighted that the handloom sector has been considered as the most profitable industry of the state.\(^52\)

In his article the author U.M. Shah revealed that the handloom industry is viable without the rebate scheme. But many of the private houses sell handloom products with profit margin of over 30 per cent at lower prices lower than that of Co-optex.\(^53\)

2.16 TECHNOLOGY FOR MODERNISATION

The report of Madras bureau reveals that the technology of handloom sector has three distinct objectives, such as reduction of


costs, improving quality of product and increase the marketing potential.\textsuperscript{54}

In this article the author pointed out that, science and technology have brought handloom under its grit and notable future. The Indian Institute of Handloom Technology at Salem lay down the highest possible technical training programmes.\textsuperscript{55}

The correspondent of The Hindu newspaper pointed out that on behalf of the Co-optex, the chief minister of Tamil Nadu, Miss Jayalalitha, released new varieties of sarees and salwar kameez which was designed by the computer design. The chief minister also launched an x-ray fluorescence analyser which would help on indicating the quality of silk sarees.\textsuperscript{56}

S.M. Chakraborty found out that the skill of weavers are disappeared due to oppression of artisans. Quality control and standardisation gave a common platform for encouraging the adoption of Indian standards.\textsuperscript{57}

\textsuperscript{55} "Technology for Modernisation of Handloom", \textit{Tamil Nadu Journal of Co-operation}, Vol.70, No.8, October 1999, pp.32-34.
\textsuperscript{56} "Co-optex Designer Sarees Launched", \textit{The Hindu}, Friday, August 15, 2003, p.2.
2.17 HANDLOOM SECTOR – RENEWED THRUST TO WELFARE

According to this article attention has been given under The Integrated Handloom Village Development Scheme (INVDS) for providing adequate housing facilities and a New Health Package Scheme for the treatment of diseases and maternity benefits.58

Shiromani Sharma interpreted that State Government had implemented a scheme called Yarn For Power which hank yarn is being supplied to handloom weavers at concessional rates for lower than twelve rupees per bundle than prevailing market rates.59

Narendraprassad in his study found out that Social Security Scheme in India is operating for the un-organised sector consists Employment Scheme, Nutritional Scheme, Food Security Scheme, Housing Scheme, Old age and Maternity.60

The correspondent of The Hindu newspaper quotes that weavers urged to take serious steps for the rehabilitation and marketing

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facilities by providing low interest credit to Primary Co-operative Societies.\(^1\)

This article reveals that the achievement made by various schemes, for the welfare of handloom weavers which was implemented by Hon’ble Chief Minister Selvi. J. Jayalalithaa. The new scheme called low cost sarees and dothies and many other schemes has been introduced by the government during the year 2002-2003.\(^2\)

C. Lakshmanan quotes that, a new scheme must provide financial assistance for the construction of new showrooms and renovation of existing showrooms at low interest by the Central and State Governments. The new scheme may be called as ‘Market Survival Assistance’.\(^3\)

2.18 HANDLOOM EXPORT MANAGEMENT

According to A. Venkatachalam, the merchant exporters purchase the finished goods directly from the manufactures which enable them to supply for reasonable quality to the export market.\(^4\)

V.K. Agnihotri is on the view that, handloom products especially on Europe and U.S.A. Exposition of publicity as well as

\(^1\) "Handloom Weavers Call for Protection", *The Hindu*, December 21, p.3.


marketing avenues bring the handloom weavers closer to the consumer in metropolitan and urban areas.\textsuperscript{65}

From the above detailed but critical reviews it is clear that handloom industry is the biggest cottage and a famous traditional industry of the nation. It can definitely breakdown the surmounting problems of unemployment, income and poverty among the rural and urban youth. More than one lakh people are depending upon weaving in Kanyakumari district. This is really a very great number of trouble and tension. Widespread publicity as well as marketing avenues only could bring the handloom weavers closer to the consumers in metropolitan, urban and rural areas in future.

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<thead>
<tr>
<th>Title</th>
<th>References</th>
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<tbody>
<tr>
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<tr>
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</tr>
<tr>
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<td>Kisan World</td>
</tr>
<tr>
<td>5. Banks go to Aid of Handloom Weavers</td>
<td>Yojana</td>
</tr>
<tr>
<td>6. Problems to Handloom Industry</td>
<td>Kurukshetra</td>
</tr>
<tr>
<td>7. Need for Modern Technology</td>
<td>Eastern Economist</td>
</tr>
<tr>
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<tr>
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<tr>
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