

A Study on Problems Faced by Handloom Industry in India

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Abstract

In India textile industry is very crucial to the Indian economy in terms of its contribution to GDP and employment. It contributes about 4 percent to the GDP; generate 9 percent of the central excise revenue accounts for over 14 percent to total industrial production, 17 percent of its manufacturing capacity, 18 percent of Indian work force and 27 percent of its export earnings. This sector is the second largest employment provider after agriculture employing over 38 million people directly and another 50 million indirectly.

Keywords: Handloom industry, Sickness, Problems

Introduction

The Indian textile industry has witnessed a phenomenal growth during the last 15 years and became the fifth largest producer of manmade fiber and yarn, the third largest producer of cotton and cotton yarn, the largest exporter of cotton yarn and the largest producer of jute fabrics. Indian textile industry is second largest after China, in terms of spindle age and has share of 23 percent of the world's spindle capacity. The country has the highest loom capacity including handlooms and has share of 61 percent in world loomage. After the elimination of quota restrictions and implementation of National Textile Policy 2000. It is estimated that the industry will grow with rapid rate and help to strengthen the Indian economy.

The Indian textile industry has a complex structure one on hand, it is marked by the presence of large – scale organized players, while on the other hand, are numerous small – scale independent units. The organized sector of the textile industry represents the mills. It could be spinning mills or a composite mill. Composite mill is one where the spinning, weaving and processing facilities are carried out less than one roof. On the other hand, the decentralized sector has been found to be engaged mainly in the weaving activity, which makes it heavily dependent on the organized sector for their yarn requirements. This decentralized sector is comprised of the three major segments viz, power loom, handloom and hosiery. In addition to the above, there are readymade garments, Khadi as well as carpet manufacturing limits in the decentralized sector. The fragmented powerloom and handloom sectors account for around 95 percent weaving in India. Handloom sector is largely dependent on the organized mill sector for supply of its

principal raw material yarn. This sector use the bulk of its yarn in the form of hanks. The central government ensures regular supply of yarn to the handloom sector by enforcing the order by making it obligation on the spinning mills to pack a prescribed percentage of the yarn produced by them in hank form.

Review of Literature

Karunakaran, D. Joseph Welson (2002), in his article observed that, the Handloom industry has attained a high degree of perfection in our country and after the invention of machines to produce clothes; The fortunes of handloom industries registered a sleep definition with a view to set right such problems a host of programmes and schemes along with various kinds of organizational and fiscal intervention have been made by government through five years plans in the direction of encouraging and supporting the handloom sector. However the phenomenal growth of powermills and powerlooms has posed a danger to the handloom sector the limited quality of yarn available in the country is exploited by the financially stronger powerlooms leaving handlooms to starve owing to lack of finance, the handloom weavers are forced to sell their products without any proportional return for their labour & Investment. Further there is a problem in uneven rate of development of handloom co-operatives in different states and the disparity leadership explains the weak co operative infrastructure. Therefore need for vibrant co-operative action promoting handloom sector is inevitable in the prevailing socio-economic scenario at micro level.

Kunhalikutty (2003), studied the problems faced by handloom Industry in Kerala. Kerala handloom sector needs to craft a strategy to improve its performance, weaver's representatives. Government officials & other stake holders participated in the discussion. There was growing demand across the world for traditional products such as handloom fabrics that are natural. However, consumers the world over are looking for high quality handloom fabric that is competitively priced, he added. Balu (1991), reviewed the problems of handloom Industry in India. The major problems are Shortage of skilled and expert weavers, Lack of capital and credit facilities, Lack of processing and finishing facilities. Weavers concentrate too much on Govt. assistance rather than their own effort. Lack of efficient marketing facilities, modern designs, pricing and packaging and Government schemes are not properly implemented.

Problems of handloom industry

The handloom textiles constitute a timeless facet of the rich cultural heritage of India. As an economic activity, the handloom sector occupies a place second only to agriculture in providing livelihood to the people. The element of art and craft present in Indian handlooms makes it a potential sector for the upper segment of market domestic as well as global. It is one of the largest economic activities providing direct employment 65 lakhs persons engaged in weaving and allied activities. This sector contributes nearly

19 percent of the total cloth produced in the country and also adds substantially to export earnings. Handloom is unparalleled in its flexibility and versatility permitting experimentation and encouraging innovations. The strength of Handloom lies in the introducing and innovating design, which cannot be replicated by the Powerloom sector. Thus Handloom forms a part of the heritage of India and exemplifies the richness and diversity our country and the artistry of the weavers. (Ministry of textiles report 2004 – 05)



Problems of Handloom Industry:

- Supply of Raw Material
- Prices of Raw material
- Investment and Infrastructure
- Improvement in Design
- Marketing the Products
- Patenting varieties
- Free Trade Opportunity
- Cooperative system
- Intermediaries Institutions
- Budget allocations
- Enhancement of Value
- Powerlooms Competition
- Livelihood Issues

Conclusion

Indian Industry faces many problems it leads to Industrial Sickness. It was mostly seen under small scale industries. Especially the handloom industry weavers face many problems in day to day transaction. To recover them the government also spends huge amount and trying to build them with new research

techniques. But still the handloom industry goes on backwardness; many weavers are migrated for their source of livelihood.

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