

Environmental and socio-economic studies

[Environment](#), [Environmental Study](#)



This chapter depicts of Literature review pertains to many studies in India on the silk handloom industry and its problems. Some are dealing with co operate at the all India level, but some studies are based on state or district level. The present research study is based on the importance of the co optex, employment perception and satisfaction socio-economic conditions and welfare schemes as well as the problems of the co optex.

Kannan Nair (2001) made a " study on export performance of Co-op Tex International" have found that France accounted for the highest of total European sales, followed by Netherland, Sweden, and Belgium. The majority goods exported were table cloths, Napkins, Kitchen towels and tea towels. The authors have the recommended maintenance of agro free and eco-friendly dyeing in the export of handloom products. Participation in and conduct of trade fairs inside the country and abroad for exhibiting our innovative handloom products, exploring new export market and undertaking detailed market research for improving export sales.

Kashi Ram (2001) insisted the need to concentrate on innovative products, keeping in mind the changes in fashion, colours, and designs in overseas market. He further observed that in addition to the launch of Rs. 25, 000 croreTechnologyUp gradation Funds Scheme, a Comprehensive scheme for the handloom sector under the Deen Dayal Hath Kargahprotsahan Yojana scheme has been launched for taking care of the entire level of activities such a product development and infrastructure support and institutional support, and training to weavers and supply of equipments and marketing support.

Noorbhasha Abdul and Badrinarayana (2002) analysed the crisis in handloom industries, the author found that the crisis in the handloom industry had its roots in the National Textile Policy 1985 which had allowed indiscriminate growth in the number of power looms in the name of promoting the country's fabric output. In their analysis they have concluded that failure to make available supply of sufficient yarn at reasonable prices to the most important factor hitting the handloom sector.

Kinny (2003) Textile Technologist, in his article entitled, " Market for readymade garments" suggested the factors to improve the size of the market for textile products depends on many factors such as the price of the product, the price of substitutes, the income of the consumer, the size and composition of population, the climate condition, Government policies with change in these factors, the size of the market will also grow. He concluded that the total availability or supply of fabrics has increased from 23, 330 million square meters in 1990-1991 to 42, 034 million Sq. Meters. Fabric supplied by the mill sector show a declining trend while fabric supplied other sectors shows an increase in trend. Bulk of the fabrics is supplied by power loom sector accounting for 60% of the total supply.

Mubarak Ali (2004) has emphasized that the handloom industry is today in doldrums. The weaving community is feeding the finch in every aspect of their working life, be its production or marketing or finance or anything else. The community has been today pushed to the mercy of the government. The government has been taking necessary efforts to help the industry in every possible way in its revival process.

Subbaraj, B. and Joseph Nelson (2004) made an "empirical analysis on the product strategies of handloom weavers co-operative societies" made for the period from 1992 to 1993 – 2001 to 2002 in Dindigul District, Tamil Nadu. They have observed that the PWCSs under study have simply adapted the design as specified in the production orders of the Co-optex and the initiative and the efforts of the PWCSs on design developments to be very little.

The study further discloses another important finding that weavers tend to resist change in the production of certain fabrics in which they lack skill although the fabrics have ready acceptance in the market. The reason adduced by them is that they are unable to bear the cost of change over from one design to another. They advocate adoption of modern marketing strategies in tune with market changes.

The Hindu Special Correspondent (2005) The Tamil Nadu Handlooms and Textiles Minister, V. Somasundaram (2005) announced in the State Assembly that Co-optex would be reorganized by reducing staff strength through Voluntary Retirement Scheme (VRS) and closure of uneconomic showrooms. Moving the demand for grants in the Assembly for his department, he said staff strength would be cut from 1, 728 to 1, 028, which would make the Co-optex leaner, profitable and self-reliant.

To revive and sustain the State's culture and tradition, Co-optex had introduced traditional products such as Chettinad Sarees, Kanchi cotton, Negamam, Vilandai, Coimbatore and Sungadi sarees, Madras check and Doria shirtings during 2005-06. Co-optex had procured handloom goods worth Rs. 117. 05 crore from the Handloom Weavers Cooperative Societies

and marketed handloom and power loom goods worth Rs. 295. 60 crore during the year 2004 -05.

Satya Sundaram (2005) states that, " During the period 1967 to 1985, the government had disallowed expansion of the organized weaving industry. Of course, the Textile Policy announced in 1985 removed the restriction on expansion of organized weaving. However, the fiscal policy continues to discriminate against organized weaving and processing. The composite mills are generally reluctant to invest in modernization. All this has led to a steady decline of the sector.

Thus, the share of the organized sector in total fabric production of the country has come down from over 70 per cent in 1951 to less than 4 per cent in 2004. The garment industry was reserved for the Small-Scale Industrial Sector (SSI) sector until 2001. Knitting and knitwear continue to be in the reserved category. The units engaged in knitting, weaving, processing and garmenting are small and denied the scale of economies. With negative returns and unequal competition from the decentralized units, the organized textile industry has not been able to attract much investment in modernization to the last three or four decades. Despite lower labour costs, Indian productivity is third to the US, and 36 per cent lower than China.

Also, absenteeism in India is 13 per cent and rejection levels 3. 3 per cent and 19 per cent of shipments are delayed. The rigid labour laws make it harder for Indian manufacturers to raise productivity and quality level. The (EU) European Union is the largest market for Indian cotton textiles. But, the European Union has been targeting Indian textile exports either by, back-to-

back anti-dumping action or by granting tariff preferences Redeppa Reddy M. C. (2006) speaks about the living conditions of the handloom weavers in the country.

The author says that despite the government's efforts, the plight of the average weaver in the country, several starvation deaths and suicides of handloom weaver, have been reported during the later part of the 20th century. Nearly half of the handloom weavers and most of them do not have looms and houses. The fluctuating price of yarn largely due to the machinations of the private traders and master weavers causes hardship to the handloom weavers.

In Bangladesh (2006) sudden rise in prices of yarn and dye have forced 5, 000 handloom weavers in Balla and surrounding areas in Kalihati upazila in Tangail district to shut their facilities. To protest this price hikes, hundreds of weavers organized a rally at Balla Bazar demanding resignation of Textile Minister Siraj, who failed to control the price hike. Prices of such essential raw-materials rise every week but weavers cannot increase prices of sarees very frequently, informed Handloom Owners Association President, Mofakkharul Islam. In Kalihati upazila alone 25, 000 handloom weavers earn their livelihood and this price rise made their future uncertain.

Jyothi and Aruna (2006) focused on the production, pricing and organisational problems of handloom industry. For that purpose, a field survey was conducted in district of Krishna and to taken into account of 30 Handloom Weavers Cooperative Societies and 70 Master Weavers as sample. This study pointed that the lapses of the Government in respect of non-

compliance of the rule of hank yarn to be produced by the spinning mills and the supply of yarn by the NHDC.

This study is also pointed out that the prominent reason for most of the weavers and master weavers are to purchase the required yarn from the mills and there is no strict control exercised on the price regulation of yarn, dyes and other chemicals. This study is also pointed that, the cotton yarn prices have thrown the handloom industry out of gear at a time when stiff competition from the power loom sector has put into the difficulty of survival, particularly in Andhra Pradesh, Tamil Nadu and West Bengal.

Ajithan (2006) evaluates the impact of globalization on handloom industry in Kerala by comparing the performance of handloom industry in the pre globalisation Review of Literature 54 and post globalization era. The study reveals that the handloom industry in Ernakulam district was less prepared to meet the challenges and opportunities of globalization. According to the study there is good prospects for handloom industry in Kerala during the post Globalization period, which is evident in the increase in handloom export from Kerala during that period.

The study recommended that the PHWCS in Kerala should be de linked from the apex co-operative society and linked to Self Help Groups and Non-Governmental organisations. The Handloom clusters should be connected to tourist destinations. The recommendation also include the restructuring of PHWCS, de-politicisation of PHWCS, promoting private sector, training to weavers, special credit packages for the societies, modernization of looms and better advertisement for the handloom products.

Dharmaraju P.(2006) made an attempt to explore the experiences of weavers in handloom co-operatives and their marketing strategies, the author taken up two handloom societies for the study purpose viz Angra and Koyyalgudem, the study revealed that both the societies appear to have utilized existing marketing channels, but exposure to design intervention and new markets seem sporadic. Unlike Angara which banks on traditional product like sarees, Koyyalagudem, perhaps due to its proximity to urban centres, specializes in dress materials.

To succeed in this, it is essential to have one's ear close to the ground - but this market feedback is incidental in the case of Koyyalagudem. There are no institutional channels by which this information transfer and market exploration could happen effectively. During the picket boom and years of good export business, Koyyalagudem used to attract a number of migrant weavers from other places in AP.

This has changed in the recent past, mainly due to a fall in exports. Since 1995, export orders have not been as forthcoming as in the past. Several reasons have been cited for this trend, some of which are: the ban on chemical dyes by European markets. The drastic increase in the prices of yarn and dyes and to cut costs, inferior materials are used, and weavers lose out in the world market.

The experience of Koyyalagudem shows that though orienting production to exports may be beneficial in the short run, a long-term reliance on exports of cloth alone creates instabilities in demand, production and livelihoods that

cannot be absorbed by the handloom sector. In addition, it is also important for cooperatives to explore domestic markets much more proactive.

Sinha (2007) analyzed the impact of handlooms in the national economy in his study and found that handlooms enjoy a position of its own in the textile sector. The study suggested that in the present era of globalization, the handloom sector should match its price, quality and productivity and delivery time with big players apart from facing the competition by power looms and mills.

Jariwala, (2007) in his article titled, " Power loom Sector in India - An overview of the present developments and shape of things to come" He given an overview of the present developments and shape of things to come in Power loom sector in India. Shri Jariwala observed that " The Government of India has initiated various policies measures in the right direction and is continuing their efforts in this direction.

The Power loom Industry has the intrinsic strength not only to withstand but also to progress in post WTO regime. But, the industry has to modernize itself not only in machinery sector but also in adopting newer technology in manufacturing and to adopt newer marketing strategy etc. and also in development of new products" Finally he concludes by saying that " The industry itself has to decide whether its future is " Bright" or " Bleak" in the post WTO regime.

Dhanaraj (2007) in his empirical study contained the problems of production, marketing of grey cotton fabrics of power loom industry in Coimbatore

District, underlined the urgent need for introduction of superior technology in the industry. The author has examined the marketing practices and problems of the selected power loom units. He examined the factors such as investment pattern, cost components, Production pattern, Channels of Distribution and choice of middlemen greatly influence the marketing of power loom products.

Ratinasapathy (2007) in his article strongly opined that the frequent power cuts have affected the production of grey cloth in thousands of power loom units in Somanur, Mangalam, Avinashi and Palladam areas. He stated that power loom units cannot be operated on generators as these looms primarily produce the raw materials i. e., grey cloth. Since they are operated on low margin and getting power at concession tariff, the weavers cannot afford to go in for generators.

Power loom owners reported that they were facing power cuts for nearly five hours a day. As wages had been given on the basis of production, workers were ending up losing their wages these days. He concluded that, normally a weaver gets Rs. 125 to Rs. 150 as wage for a 12 hours shift. Due to frequent power cuts they are losing up to Rs. 30 per shift. A power loom produces upto 80 meters of grey cloth a day but due to power cut, the sector faces a production loss of around 25%.

Manivannan, et. al., (2007) in his article entitled, " Strategic Approach to Power loom Business: An Empirical Evaluation" made an attempt to study the future prospects of the power loom entrepreneurs and visualize the problems faced by the power loom entrepreneurs in the Namakkal District of

Tamil Nadu, thereby helping the entrepreneurs in the formulation of a Successful Business strategy. In their study they have concluded that the success of the power loom business is realized only when the entrepreneurs expose their talents with efficient management and hard work. Better style of administration is required, which can be gained through professional courses like 'management studies' and 'information technology'.

Business line, National Newspaper (2008) reports that along with the financial crisis the commodity markets too collapsed. The consequence is that farmers are selling the crop now at Rs. 2, 600 to Rs. 2, 700 per quintal, as against the MSP (Minimum Support Price) of Rs. 2, 800. When the prices were rising, the Government ensured that agricultural prices were depressed. But when international prices have collapsed, the Government is hesitant to help the farmers. The Cotton Association of India (CAI) came forward expressing its apprehensions over the hike in the MSP for 2008-09. It expressed that the global agriculture commodity markets are in a crisis, the worst sufferers are going to be Indians rather than OECD farmers.

Mathivanan (2008) Chairman Power loom developments Export Promotion Council, in his article opined that India claims first position in terms of the installed power loom capacity in the world. However, the weaving quality is not importance in terms of share of shuttle less looms to the total shuttle less loom in India is just 1. 62 per cent, which is very meagre in comparison to the other countries. Hence, this sector requires modernization by way of replacing the old/plain looms with modern looms. It is pointed out that, the

need of the hour in order to sustain / expand market share and in meeting the requirement of industry for only fabrics.

Shah (2008) cited that the textile industry is passing through a recessionary phase mainly because of the depreciation of the US Dollar and its lower realization, which not only affects the profitability of the exporter of the textiles but also makes it difficult for him to cover the production cost. Textile exports are dwindling day by day. Although domestic production has increased there has been illegal import of fabric from China and other countries on a large scale. This has adversely affected domestic demand for textile products. He further pointed out that unless this loophole is sealed the future India textile export will be at stake.

Saluja (2008) in her dissertation on, " The Indian textile industry: International Competitiveness" concluded that the competitiveness of the textile industry can be studied in both ways, positively as well as negatively, considering various factors along with it. There have been several factors (Strength and Weakness) influencing the performance of the Indian textile firms. Various inherent strengths include availability of cheap unskilled labour, strong raw material base, growing domestic as well as international market, and variety of distinct local structure.

Whereas the weakness which has affected the productivity and have constrained the growth of this industry includes, highly fragmented structure, rigid labour laws, low foreign investment, poor domestic policies and usage of obsolete technology. But with Government taking several initiatives to overcome the bottlenecks that hinders the industry's growth,

not only the infrastructure will be improved but with increasing education scenario the productivity will also be increased as more skilled labour will be available.

Government of West Bengal (2009) studied the cluster development programme of Shantipur handloom cluster. The study explains the structure of handloom industry in the region. The report states that over the years, the Shantipur cluster acquired poor image on account of poor quality of the handloom products compared to other clusters in the region due to lack of willingness to adopt new technology and product innovation.

Bann (2009) in his article titled " An Innovative View of the Entrepreneur through Exploration of the " Lived Experience" of the Entrepreneur in Start up of the Business" suggested using the findings of the study that the entrepreneurial experience is a complex phenomenon that includes both emotional and rational elements. Entrepreneurs often seek the entrepreneurial endeavour in order to help improve their life and work situation, and approach entrepreneurship from a very personal, engaged, and responsible point of view.

The journey of entrepreneurship becomes a very personal journey where the entrepreneur's values, beliefs, assumptions, attitudes, and personal strengths are leveraged and tested simultaneously. The lived experience of the entrepreneur is significant and results in personal growth, enhanced awareness, and an increase in self-confidence.