

Status of Handloom Sector in India and Tamil Nadu State and Government Initiatives for its Promotion

Aim: Handloom plays a vital role in the Indian economy, by creating ample opportunities of employment. The aim of the study is to study about the significance of the sector at national and state level and to make a detailed study about the initiatives taken by state and central government for the sustainable growth of handloom.

Study Design: Secondary data was collected from various government websites and reports. The data was organised and analysed to fulfil the objective of the study.

Methodology: Percentage analysis and Compound Annual Growth Rate (CAGR) was used to analyse the data.

Results: Results revealed that handloom sector is growing at CAGR of 2.48 percent and the various initiatives taken by state and central government lead to sustainable growth of handloom sector by providing continuous employment to handloom weavers.

Keywords: Handloom, Tamilnadu, India, Growth and Government Initiatives.

1. Introduction:

Handloom weaving, a traditional hallmark of Indian economy plays a vital role in creating ample employment opportunities especially in the rural areas. Handloom products earned a considerable sum of foreign exchange to the exchequer thus strengthening the national economy. Further, the handloom activities are spread throughout the length and breadth of the country and have sustained from historical period overcoming varied challenges from time to time.[1]

In respect of Tamil Nadu state, handloom industry historically created vast employment generation potential. Most of the handloom households are located in the rural and semi-urban areas of Tamil Nadu [2]. The rhythm of handloom used to be heard in every village and weaving had become a way of life especially in some parts of the state. For majority of the handloom weavers, weaving is a traditional occupation and recently started functioning under cooperative sector. In spite of its vast potential and growth prospects, many problems and challenges haunted this sector thus affecting the sustainability of the sector.[3]

The objective of the research article was to study about the (i) significance of the handloom sector at national and state level and (ii) to review the initiatives taken by the state and central governments for supporting the sustainable growth of handloom sector in the country.

2. Methodology:

Descriptive statistics was used to analyse the secondary data related to the handloom sector in Tamil Nadu. The growth prospect of the sector was examined using compound annual growth rate (CAGR).

CAGR was worked out by using the formula, $Y_t = AB^t$

Where, Y_t is the dependent variable (Production/Export of handloom products) during the year 't', A is a constant term and B is the parameter to be estimated. By taking the natural logarithms on both the side of the equation, the following form was obtained.

$$\ln Y = \ln A + t \ln B$$

By taking $\ln A = a$, $\ln B = b$, the above equation can be expressed as

$$\ln Y = a + bt$$

The CAGR was estimated using the formula,

$$\text{CAGR} = [(\text{Antilog of } b) - 1] * 100$$

3. Results and Discussion

3.1 Status of Handloom in India

Indian textile industry is highly diversified ranging from the traditional hand-woven sector to capital intensive manufacturing sector. Three-fourth of the cloth produced in the country was from powerloom sector, accounting for nearly 77.6 percent of aggregate cloth production. Handloom cloth production registered a CAGR of 2.48 percent. The contribution of handloom in cloth production is given in table1.

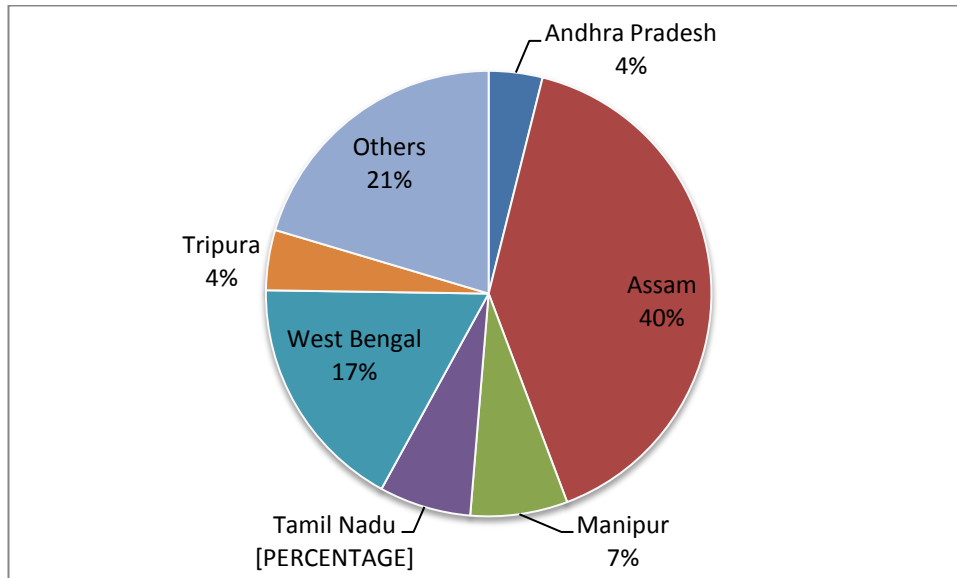
Table 1 Details of Handloom Sector Production in India (2006-18)

Year	Cloth Production (billion Sq metres)	Year on Year Growth (%)
2006-07	6.54	7.00
2007-08	6.95	6.30
2008-09	6.68	- 3.90
2009-10	6.81	1.90
2010-11	6.91	1.50
2011-12	6.90	- 0.10
2012-13	6.95	0.70
2013-14	7.10	2.20
2014-15	7.20	1.40
2015-16	7.64	6.00
2016-17	8.01	4.80
2017-18	7.99	- 0.20
CAGR		2.48%

Source: Office of the Textile Commissioner, Government of India (2021)

As per the fourth handloom census of India, 31.45 lakhs of household was involved in handloom weaving activities in the country. Majority of the weavers (71 percent) have existed in four states of Assam (10.90 lakhs), West Bengal (3.40 lakhs), Manipur (2.10 lakhs) and Tamil Nadu (1.70 lakhs).

Figure 1 Major state wise Distribution of Handloom Worker Households



India is the second largest exporter of handloom products in the world, with export valued at USD 319.02 million and during the year 2021 it was 223.25 million USD. Although there is a considerable demand globally for handloom products, India was not able to properly position itself in the discerning international market and it recorded a CAGR of 0.19 percent. The data is presented in table 2.

Table 2 Growth in Export of Handloom Products from India (2009 – 2021)

Year	Export Value USD million	Year on Year Growth (%)
2009-10	278.00	-
2010-11	350.00	25.9
2011-12	535.00	52.9
2012-13	520.00	-2.8
2013-14	370.20	-28.8
2014-2015	367.41	-0.8
2015-2016	360.02	-2.0
2016-2017	357.58	-0.7
2017-2018	353.92	-1.0
2018-2019	343.43	-2.9
2019-2020	315.62	-8.0
2020-2021	222.65	-29.5
CAGR		0.19%

Source: Office of the textile commissioner, Government of India (2021)

3.2 Handloom sector of Tamil Nadu State

Handloom sector in Tamil Nadu state is unique in the sense that majority of the Handloom Weavers are operating under the Cooperative fold. There are 1,134 handloom weavers' cooperative societies functioning in Tamilnadu. The handloom weaver's cooperative societies mostly existed in the rural and semi-urban areas, with a large concentration of weavers.

During the year 2020-2021, the handloom weaver's cooperative societies have produced cloth valued at Rs 847.65 crore and sold handloom products to the extent of Rs1027.01 crore. Tamil Nadu handloom industry produced various types of clothes focussed on domestic and export markets and the details are presented in table 3.

Table 3 Major Type of Clothes Produced by Weaver Households in Tamil Nadu State

Products	Number of Weaver Households			Percent (%)
	Rural	Urban	Total	
Dhoti, Lungi, Angavastram	14,318	9,717	24,035	13.3
Saree	72,028	34,402	106,430	58.7
Dress material, suiting, shirting, long cloth	999	651	1,650	0.9
Towel/ Napkin, Duster/ Gamcha	6,233	4,230	10,463	5.8
Bedsheet, Furnishings, Blanket	13,318	7,110	20,428	11.3
Shawls, stole, scarf	2,439	73	2,512	1.4
Rugs, Mats	2,263	354	2,617	1.4
Others (including Bandage)	11,795	1,280	13,075	7.2
Total	1,23,393	57,817	1,81,210	

Source: Fourth All India Handloom Census (2019-2020), Ministry of Textiles, GoI (2021)

From table 3, it could be observed that majority of the weavers are involved in saree production (1.06 lakh) which was about 58.7 percent followed by lungi, dhoti production (0.24 lakh) (13.3 percent), production of towels, napkins (0.10 lakh) about 5.8 percent and 11.3 percent of weavers are involved in bed sheet and furnishing item production (0.20 lakh). The state occupied fourth position all over India, in terms of total number of households involved in weaving.

The details of total workforce by type of handloom workers, gender and location is presented in table 4.

Table 4 Details of Handloom Workforce by Gender and Location in Tamil Nadu

Location	Male		Female	
	Weavers	Allied Workers	Weavers	Allied Workers
Rural	73,184 (70.1)	9,513 (75.2)	62,682 (67.1)	24,777 (74.9)
Urban	31,185 (29.9)	3,143 (24.8)	30,766 (32.9)	8,324 (25.1)
Total	1,04,369	12,656	93,448	33,101

Source: Fourth All India Handloom Census (2019-2020), Ministry of Textiles, Gol (2021) (Values in parentheses indicate percent to column total)

Tamil Nadu accounted for a total of 2.43 lakh handloom workforce including handloom workers and allied workers across the state. The share of male weavers and allied workers was the largest both in rural and urban areas.

Some of the Tamilnadu handloom products have geographical indication tags and these included Kancheepuram silk, Madurai chungudi saree and Salem white silk veshti. Tamil Nadu's 'Chedi Putta', a product of handloom is set up for GI tag is another notable significant contribution of Tamilnadu handloom sector.

3.3 State Government initiatives for development of handloom sector

The handloom sector is facing a significant challenge in getting continuous employment [3,4]. The state government has introduced various schemes to promote harmonious development of handloom, powerloom and other areas of the textile industry [5]. Some of the important schemes are discussed below.

3.3.1 Distribution of sarees and dhoties scheme

The government of Tamil Nadu had introduced the distribution of sarees and dhoties scheme during the year 1983 as one of the flagship scheme. This scheme has been continued by the Government of Tamilnadu with the twin objective of providing continuous employment to 14000 weavers and 54000 powerloom weavers in the state and for distribution of sarees and dhoties every year to the poor people living in rural and urban areas during pongal festival

During pongal 2021, Rs 490.27 crore was allotted for this scheme. 180.42 lakhs sarees and 180.09 lakhs dhoties produced from the Weavers Cooperative Societies at a cost of Rs 517.42 crore was dispatched to all the taluks of the state for onward distribution to the people living in rural and urban areas. The details are presented in table 5.

Table 5 Details of free distribution of saree and dhoti under Different Looms (2021)

S No	Variety	Quantity (in lakhs)		Value (Rs Crore)	
		Sarees	Dhoties	Sarees	Dhoties
1	Handloom	3.07	4.21	8.03	8.27
2	Pedal loom	41.48	17.70	84.53	26.04
3	Powerloom	135.87	158.18	236.52	154.03
	Total	180.42	180.09	329.08	188.34

3.3.2 Free supply of uniform to school children

The Government of Tamil Nadu is implementing the free supply of uniform scheme every year for the students who are studying in government and government aided schools. Under this scheme, students studying from class one to class eight who are the beneficiaries of nutritious meal programme are benefited. Every year four sets of uniforms are being provided to each student under this scheme.

During the academic year 2020-21, 485.53 lakh meters of uniform cloth at a cost of Rs 308.65 crore was produced and supplied to social welfare department for stitching and they were distributed to school children by the education department.

Table 6 Details of free supply of uniform cloth produced under Different Looms

S. No	Type of loom	No, of looms	Quantity of uniform cloth (lakh meters)	Value (Rs. in crore)
1	Handloom	350	5.83	5.48
2	Pedal loom	6463	102.02	61.67
3	Powerloom	2727	377.68	241.50
	Total	9540	485.53	308.65

3.4 Central Government Initiative

3.4.1 Comprehensive Handloom Cluster Development Scheme (CHCDS):

Mega Handloom Clusters were established under comprehensive Handloom Cluster Development Scheme (CHCDS) by the Ministry of Textiles, Government of India. A mega cluster covers at least 15,000 to 25,000 handloom weavers and assures financial assistance of Rs 40 crore to Rs 70 crore as Government of India share for a period of five years from the establishment. There are currently eight mega handloom clusters in India and the details are presented in table 7.

Table 7 Mega Handloom Clusters Established under CHCDS in India

S. NO	Cluster	Year of Establishment
1	Varanasi	2008-2009
2	Sivasagar	
3	Virudhunagar	2009-2010
4	Murshidabad	
5	Prakasam and Guntur districts	2012-2013
6	Godda	
7	Bhagalpur	2014-2015
8	Trichy	

Source: Comprehensive Handloom Cluster Development Scheme report (2019), Ministry of Textiles, Gol.

The assistance provided under the CHCDS were in conduct of diagnostic study, engaging designer, product development, corpus raw material, construction of work shed and skill up-gradation. These are fully funded by central government. Government of India has approved a total project cost of Rs. 337.202 crore for the development of mega handloom clusters in the country.

3.4.1.2 Virudhunagar Mega Handloom Cluster (VMHC) of Tamil Nadu

Virudhunagar Mega Handloom Cluster (VMHC) was established under Comprehensive Handloom Cluster Development Scheme (CHCDS) and covers seven districts of Tamil Nadu namely, Virudhunagar, Madurai, Sivagangai,

Tirunelveli, Tenkasi, Thoothukudi and Ramanathapuram. There are fourteen sub clusters under VMHC and the details are presented in table 8.

Table 3 Weavers Sub-Clusters in Virudhunagar Mega Handloom Cluster

S No	Weaver's Sub Cluster	District
1	Arupukkotai	Virudhunagar
2	Srivilliputhur	
3	Sundarapandiyam	
4	Rajapalayam	
5	Paramakudi	Ramanathapuram
6	Emaneswaram	
7	Karaikudi	Sivagangai
8	Sellur	Madurai
9	Nilaiyur	
10	Veeravanallur	Tirunelveli
11	Sankarankoil	Tenkasi
12	Kadayanallur	
13	Ettayapuram	Thoothukudi
14	Sawyerpuram	

Tamil Nadu Handloom Weavers' Co-operative Society Ltd., (Co-optex) is the Cluster Management and Technical Agency (CMTA) for VMHC. Co-Optex is a state level cooperative organisation from 1935. It acted as a marketing agency for Primary Weavers Cooperative Societies in the state and extended marketing support for the same. Its main function is to supply yarn to the societies, procure quality products and market them through its showrooms distributed across the state.

The proposed interventions in VMHC based on the detailed diagnostic study (Source) are as follows,

- Technology upgradation through looms and accessories
- Design development and product diversification
- Modern dye house with ETP
- Facilities for pre loom activities
- Corpus for raw material
- Interest subvention
- Market development
- Skill upgradation

4. Conclusion:

Handloom cloth production registered a CAGR of 2.48 percent at national level. India was not able to properly position itself in the discerning international market and it recorded a CAGR of 0.19 percent.

The handworks of traditional weavers blended with contemporary concept offers value addition to handloom products of Tamilnadu. All handloom products reflect a part of village life either in design or in its making. Rhythm of looms weaving

together reminds the younger generation about the glorious past of this cottage industry in Tamilnadu.

Handloom sector plays a vital role in the economy of Tamilnadu. It is a traditional and labour intensive sector that provides huge employment next to agriculture. The major challenge of this sector is the decline in the number of handloom weavers, migration of weavers to other occupation and technology backwardness in the sector. State and Central government had taken various measures for the sustainability of the sector. It is important to evaluate the fact that, how far the handloom industry adapted to the new business environment. There is a need for study in understanding the reach and impact of cluster development scheme for the benefit of the handloom weavers.

COMPETING INTERESTS DISCLAIMER:

Authors have declared that no competing interests exist. The products used for this research are commonly and predominantly use products in our area of research and country. There is absolutely no conflict of interest between the authors and producers of the products because we do not intend to use these products as an avenue for any litigation but for the advancement of knowledge. Also, the research was not funded by the producing company rather it was funded by personal efforts of the authors.

5. References:

1. Varghese A, Salim MH. Handloom industry in Kerala: A study of the problems and challenges. *International Journal of Management and Social Science Research Review*. 2015;1(14):347-53.
2. Prakash AA, Selvendran A. A Study On Present Scenario Of Silk Handloom Industry In Kanchipuram District Tamilnadu. *International Journal of Science, Humanities, Management and Technology*. 2017; 3(1): 26-36.
3. Kumudha A, Rizwana M. Problems faced by handloom industry- A study with Handloom Weavers cooperative societies in Erode district. *International Journal of Management and Development Studies*. 2013; 2(3):50-56.
4. Malarkodi M, Indumathi VM, Deepa N, Divya K. Analyzing constraints of handloom weavers in the western zone of Tamil Nadu using rank-based quotient technique. *International Journal of Farm Sciences*. 2020;10(3):79-82.
5. B, Poongodi. "A Critical Study on Improving Productivity and Livelihood of Handloom Weavers." *Colourage*, 2019. doi:101826.