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Handloom production and exports in India

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Abstract

The handloom industry, with its long tradition of excellence in craftsmanship, occupies a place of eminence in preserving the country's heritage and plays an important role in the economy of the country the Indian handloom sector hence symbolizes ethos of vibrant Indian culture and civilization a rich heritage and a long tradition of excellence. During 2013-14 production in the handloom sector is reported to be 7116 million sqm meters and total cloth production is reported 47388 million sqm meters. The share of handloom cloth production recorded 24.98 per cent in total textile cloth production in the year 1980-81, this share was continuously declined to 2013-14, accounting 15.02 per cent. Export of handloom products during 2009-10 was Rs.1253 crores and showed a steady increase during the consecutive three years 2010-11, 2011-12 and 2012-13 with Rs.1575 crores, Rs.2624 crores and Rs. 2812 crores respectively. But there was a decline during the year 2013-14 and export of handloom products has registered only Rs.2233 crores. USA engage major portion of the share in India's handloom cloth exports, accounting 43.01 per cent during the period of 2009-10 to 2013-14, followed by Germany (6.58%), UK (6.52%), Australia (3.47%), Italy (3.11%), France (3.04%), Japan (2.66%), U Arab Emts (2.54%), Netherland (2.17%), Canada (1.86%) and miscellaneous countries accounts 25.04 per cent of the share.

Keywords: Handloom cloth, Production, Exports, Country-wise exports, India.

1. Introduction

The textile industry is vertically-integrated across the value chain and extends from fibre to fabric to garments. At the same time, it is a highly-fragmented sector, and comprises small-scale, non-integrated spinning, weaving, processing and cloth manufacturing enterprises. The textile sector has always been an important part of people's lives in India. Much before industrialisation, hand weavers and handloom workers contributed to the growth of the industry. The government framed policies during 1950-1970 for the development of SSIs in the sector; as a result, the power loom and handloom sectors, mainly small and medium scale enterprises, were decentralised. The Indian textile industry is one the most important industries for the Indian economy. Its importance is underlined by the fact that it accounts for around 4 per cent of GDP, 14 per cent of the industrial production and 17 per cent of the country's total export earnings. The textile industry is the second-largest employment generating industry in both rural and urban areas, after the agriculture industry. The vast pool of skilled and unskilled workers, availability of labour at low costs, strong base for production of raw materials characterise the textile industry in India. The increase in domestic demand and ability of the units in the industry to process small or customised orders are some of the advantages for the textile industry in India. The textile sector is highly diverse and has hand-spun and hand woven segments at one end of the spectrum, and capital-intensive, sophisticated and modern mills at the other.

The word handloom evolves from the process of operation for making cloth by hand on a wooden structure called loom. It is totally different from the power loom as well as automatic loom and shuttle less loom. Handloom woven cloth is always considered to be stronger due to many reasons. It has technical and aesthetic superiority and hence monopoly in the production of a variety of fabrics with gold and silver lace in wrought, like in the artistically designed saris, striped and checks fabrics, etc. The handloom industry, with its long tradition of excellence in craftsmanship, occupies a place of eminence in preserving the country's heritage and plays an important role in the economy of the country the Indian handloom sector hence symbolizes ethos of vibrant Indian culture and civilization a rich heritage and a long tradition of excellence.

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Some of the special features of this sector are, projects a unique image for improving the environment since tradition gets woven with the modern. This handloom sector accounts for 13 per cent of the total cloth produced in the country. It caters to all sections and offers the widest range that suits every strata of society. The industry has the advantage of flexibility of small production, openness to innovation and adaptability to supplier's requirements. The largest infrastructure with 3.486 million looms weaving of every design and construct. The sector provides employment opportunities to 6.55 million people. In this sector nearly 60 per cent of the weavers are women and sizeable percentage belongs the weaker sections of the society. The sector has a network of marketing organizations, starting from the corporations and apex level institutions, co-operative societies as well as the umbrella organization of ACASH (Association of corporation and Apex Societies of Handlooms).

According to Handloom census 2009-10, in India, nearly 27.83 lakh handloom households are engaged in weaving and allied activities, out of which 87 per cent are located in rural areas and remaining 13 per cent in urban areas. There are 43.31 lakh handloom workers in the country, out of which 36.33 workers stay in rural areas and 6.98 workers stay in urban areas. An age-wise distribution reveals that adult (aged 18 years and above) handloom workers account for 89 per cent of the workforce, while under-age workers (aged less than 18 years) account for 11 per cent of the workforce. Also, nearly 70 per cent of the handloom workforce is in the productive age group, that is, 49 per cent are aged 18-35 years, and 21 per cent are aged 36-45 years. About 15 per cent of the workers are in the age group 46-60 years, while 4 per cent of the workers are aged more than 60 years. There are 38.46 lakh adult (aged 18 years and above) handloom workers in India. Most of the workers are female (77 per cent) and the number of male workers (23 per cent) is comparatively smaller. Most of the female workers are located in rural areas. As opposed to this, a relatively higher proportion of male handloom workers are located in urban areas. Of the total handloom workforce, 29.08 lakh are

weavers and they constitute 76 per cent of the adult workforce. On the other hand, 9.38 lakh are allied workers, constituting 24 per cent of the adult workforce. 64 per cent of all handloom workers work full-time whereas and 36 per cent work part-time. A relatively higher proportion of full-time workers live in urban areas as compared to part-time workers. In India, 61 per cent of the handloom workers are independent workers. They purchase raw material from the market, make cloth or allied handloom products/services, and sells the finished product in the markets-all on their own. Thus, their earnings and profitability depend on market conditions, their own productivity levels and managerial skills. Most independent handloom workers live in rural areas. 39 per cent of all handloom workers are contractual and are under some form of employment structure: 34 per cent are employed under master weavers/private owners and 5 per cent with institutions. Almost a third of hired handloom workers stay in urban areas.

Handloom is unparalleled in its flexibility and versatility, permitting experimentation and encouraging innovation. Weavers with their skilful blending of tradition, confidence, symbols and imagery provide their fabric an appealing charm. The strength of handloom lies in innovative design, which cannot be replicated by the power loom sector. In fact the Indian motifs, the skills of embroidery in ornamentation and value addition have caught the fantasy of the world.

2. Handloom production share of total textile cloth production in India

The Indian Textile Industry is the largest industry that receives acclaim from all over the world. Today, the products of the Indian Textile Industry play a pivotal role through their contribution to industrial output, employment generation, and the export earnings of the country. Over the years, the Government has granted many concessions and incentives to the decentralized sector with the result that the share of this sector in total production has increased considerably. The details of handloom share of cloth production and total textile cloth production are presented in Table-1.

Table 1: Handloom cloth production and share of total textile cloth production in India [1980-81 to 2013-14] (Mn. Sq. Mtrs)

Year	Handloom Cloth Production	share of Handloom in the total cloth production	Total Textile Cloth Production
1980-81	3109	24.98	12444
1985-86	4135	24.02	17213
1990-91	4295	18.41	23330
1995-96	7202	22.54	31958
2000-01	7506	18.66	40233
2005-06	6108	12.32	49577
2006-07	6536	15.88	41161
2007-08	6943	16.05	43265
2008-09	6677	15.85	42121
2009-10	6806	14.85	45819
2010-11	6900	14.65	47083
2011-12	6901	14.81	46600
2012-13	6952	14.66	47408
2013-14	7116	15.02	47388

Source: Ministry of Textile, Govt. of India, Various Annual Reports

Handloom cloth production noted a figure of 3109 million sqm meters and total textile cloth production was noted 12444 million sqm meters in the year 1980-81, then the handloom production rose to 4135 million sqm meters and total textile cloth production has also rose to 17213 million sqm meters during 1985-86, this trend was continuous to 2000-01 accounting 7506 million sqm meters, then its declined. In the year 2005-06, handloom cloth production was declined accounting 6108 million sqm meters. Production in the handloom sector recorded a figure of 6952 million sqm meters and production of total textile cloth production was recorded 47408 million sqm meters in the year 2012-13. During 2013-14 production in the handloom sector is reported to be 7116 million sqm meters and total cloth production is reported 47388 million sqm meters. The share of handloom cloth production recorded 24.98 per cent in total textile cloth production in the year 1980-81, this share was continuously declined to 2013-14, accounting 15.02 per cent. Due to this, again the government should give grants, many concessions and incentives to the handloom sector and conducting encouraging programmes to handloom weavers.

3. Handloom Exports in India

The export of handlooms plays a pivotal role in the Indian economy and accounts for a major foreign exchange earner for the country. With free global trade, only those able to provide quality products at competitive price will be able to survive. Whereas opportunities for renewed growth are being created in the developed markets, there is an urgent need to evaluate our strengths and weaknesses so that the handloom sector can withstand the forces of global competition. It has been brought out that handloom sector indicate a better

performance in terms of Aggregate Unit Value Realization as compared to the power-loom in export. It is, therefore, high time that the domestic production base shall realize the potentiality of enhancing weavers earning for the same production hours spent for development of exportable variety of goods. Assistance will be given under the scheme to enhance export markets through brand promotion, exhibitions, Buyer-Seller meets, setting up of garment unit, participation in International exhibitions, warehouses, design studio etc. The share of assistance by GOI is up to 80 per cent and the remaining 20 per cent by the SPV/beneficiaries/stakeholders/State Govt. However, the contribution of the State Government will not exceed 10 per cent.

Handloom cloth exports were classified into four main categories the first is Fabrics category has shown a mixed trend with Rs.65 crores during 2009-10 increased to Rs.71 crores during 2010-11 further increased to Rs.79 crores and then decreased to Rs.52 crores and again increased to Rs.60 crores. The second is Floor coverings category has shown a steady increase in all five years with Rs.58 crores during 2009-10, Rs.147 crores during 2010-11, Rs.377 crores during 2011-12, Rs.619 crores during 2012-13 and Rs.949 crores during 2013-14. Third category is Clothing accessories has shown a steady increase in all five years with Rs.0.86 crores during 2009-10, Rs.3.20 crores during 2010-11, Rs.36 crores during 2011-12, Rs.74 crores during 2012-13 and Rs.67 crores during 2013-14. The fourth is Madeups category has shown a mixed trend with Rs.1129 crores during 2009-10 increased to Rs.1353 crores during 2010-11 further increased to Rs.2133 crores and then decreased to Rs.2067 crores and further decreased to Rs.1158 crores.

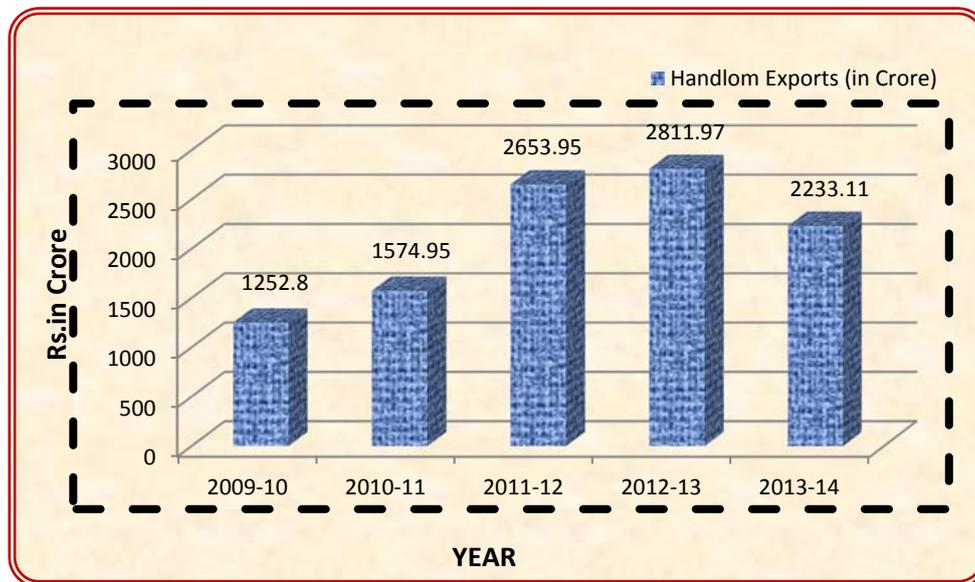


Fig: 1: Handloom Exports in India (Rs.in Crore)

Export of handloom products during 2009-10 was Rs.1253 crores and showed a steady increase during the consecutive three years 2010-11, 2011-12 and 2012-13 with Rs.1575 crores, Rs.2624 crores and Rs.2812 crores respectively. But

there was a decline during the year 2013-14 and export of handloom products has registered only Rs.2233 crores, these facts are shown in the figure-1.

Table 2: Handloom Exports in India (Rs. in Crore)

Year	Handloom Exports (Rs. in crore)	% growth
2009-10	1252.8	--
2010-11	1574.95	25.71
2011-12	2653.95	68.51
2012-13	2811.97	5.95
2013-14	2233.11	-20.59

Source: The Handloom export promotion council, Ministry of textiles, Govt. of India

In the year 2010-11, the handloom cloth exports growth was noted 25.71 per cent compare to previous year. The highest share has registered in the year 2011-12, the lowest growth were recorded in the year 2012-13, the negative growth was registered in the year 2013-14 accounted -20.59 per cent. The details of handloom cloth exports and growth during the period 2009-10 to 2013-14, were presents in table-2.

Table 3: Export of Indian handlooms cloth to Top-ten Countries during 2009-10 to 2013-14 (Rs. in crore)

Country	2009-10	2010-11	2011-12	2012-13	2013-14	Total Handloom Exports 2009-10 to 2013-14	% share of states during 2009-10 to 2013-14
U S A	536.05	710.07	1224.59	1344.15	713.21	4528.07	43.01
Germany	97.71	108.94	195.79	139.5	151	692.94	6.58
U K	68.91	106.68	196.06	157.63	157.59	686.87	6.52
Australia	38.48	49.75	91.19	113.51	71.85	364.78	3.47
Italy	42.99	46.03	71.38	73.2	93.33	326.93	3.11
France	42.34	45.59	58.39	87.36	86.49	320.17	3.04
Japan	35.6	25.44	61.05	76.35	81.61	280.05	2.66
U Arab Emts	35.37	36.39	54.66	85.27	55.21	266.9	2.54
Netherland	33.06	34.56	55.09	40.02	65.52	228.25	2.17
Canada	24.94	34.48	47.84	50.97	37.13	195.36	1.86
Miscellaneous Countries	297.35	377.02	597.91	644.01	720.17	2636.46	25.04
Total	1252.8	1574.95	2653.95	2811.97	2233.11	10526.78	100.00

As is clear from table-3, USA engage major portion of the share in India’s handloom cloth exports accounting 43.01 per cent during the period of 2009-10 to 2013-14, followed by Germany (6.58%), UK (6.52%), Australia (3.47%), Italy (3.11%), France (3.04%), Japan (2.66%), U Arab Emts (2.54%), Netherland (2.17%), Canada (1.86%) and miscellaneous countries accounts 25.04 per cent of the share. In terms of value, the USA was purchased Rs. 536.05 crores worth of handloom cloth from India in 2009-10, increased its purchase to Rs.713.21 crores in 2013-14. In fact, USA occupied the first place in India’s export earnings in every

year. Total India’s export earning value was noted Rs.4528.07 crores only from USA country. The detailed country-wise, India’s handloom cloth exports were presented in table-3. In the year 2013-14, the highest share of handloom cloth exports departure to USA, accounting 31.94 per cent, followed by UK (7.06%), Germany (6.76%), Italy (4.18%), France (3.87%), Japan (3.65%), Saudi Arab (3.23%), Australia (3.22%), U Arab Emts (2.47%) and miscellaneous countries (30.68%), these details shown in figure-2.

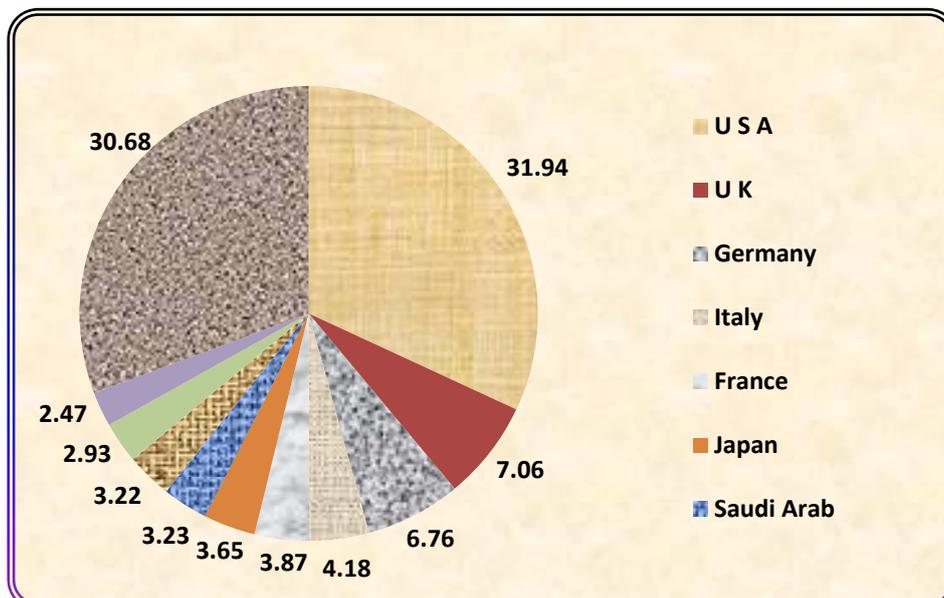


Fig 2: Country-wise Handloom Exports in India % share in the year 2013

4. Conclusions

The handloom industry, with its long tradition of excellence in craftsmanship, occupies a place of eminence in preserving the country's heritage and plays an important role in the economy of the country the Indian handloom sector hence symbolizes ethos of vibrant Indian culture and civilization a rich heritage and a long tradition of excellence. According to Handloom census 2009-10, in India, nearly 27.83 lakh handloom households are engaged in weaving and allied activities, out of which 87 per cent are located in rural areas and remaining 13 per cent in urban areas.

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