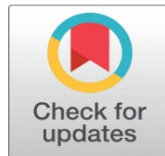


CRISIS AND SURVIVAL OF THE HANDLOOM INDUSTRY IN KERALA

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DOI

[10.29121/shodhkosh.v5.i4.2024.3447](https://doi.org/10.29121/shodhkosh.v5.i4.2024.3447)

Funding: This research received no specific grant from any funding agency in the public, commercial, or not-for-profit sectors.

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ABSTRACT

This article looks into the innumerable challenges confronting the handloom sector in Kerala, a traditional industry that has persevered through time yet faces significant hurdles in the modern era. It explores how this vibrant industry is adapting and evolving, especially in the wake of the difficulties brought on by the Covid-19 pandemic. The piece provides an in-depth analysis of various obstacles impacting production processes and job creation within the sector. Additionally, it emphasises that the future of Kerala's handloom industry hinges on the adoption of innovative strategies in product development and the critical need for the government to prioritize this sector in its policies and support initiatives.

Keywords: Handloom, Traditional, Production, Employment Generation, Female Workers

1. INTRODUCTION

The handloom weaving industry is one of the important traditional industries in Kerala. Government incentive schemes were implemented considering the importance of handloom in the rural wealth system, which is second in rural employment. Kerala handlooms are structurally the highest among Indian handlooms. At one time, Kerala handlooms had a prominent position in the export of handloom textiles. Even today, there is a lot of demand, but the lack of competitiveness in price is the reason for the decrease in exports. In the same way, handloom cloth, which used to be the clothing of the poor, has now become the clothing of the upper middle class. There is a lot of demand for handloom clothes if the quality of the fabrics is made and brought to the market to suit the taste and interest of this segment. Because the majority of clothing buyers belong to this category. Today, weavers are economically at the bottom of society and find it challenging to meet even basic needs. So, every rupee these people earn will create a movement in the rural market. Ninety per cent of Kerala's handlooms operate in the cooperative sector. Until 1997, the government allowed interest subsidies to syndicates for working capital loans. The government directly gave the amount to the bank. The amount of this subsidy was collected from the banks as interest. However, the bank charged the entire interest from the gangs because they were staying to get subsidies from the government. In 1997-98, the government abolished the interest subsidy. Government assistance for working capital to cooperative societies is provided through equity participation. Four times, six times, and eight times, the capital withdrawn from the members was given. But after 2004 it was reduced to half.

The fabrics produced by the groups are sold at a profit margin of 10 to 15 per cent. However, when a 20 per cent rebate is granted and the sale is made, the group loses 22 per cent of the profit and 12 per cent from the capital in the form of a rebate given to the customer. This loss significantly impacts the working capital of the groups, especially when the rebate amount is not received for years. The delay in disbursement of the rebate amount, due to various reasons, further exacerbates the situation. The government directive that the government should return the rebate is not always followed, leading to denial without timely permission.

Hantex, the apex group of cooperatives, and Handloom Development Corporation are key institutions set up at the state level to procure and sell handloom garments from primary groups and other individual weavers. These institutions play a crucial role in the industry, as the government grants them crores of rupees yearly for marketing. However, despite these significant grants, they do not insist on procuring cloth from the groups, which could benefit the weavers.

Roy Maulik, S. (2021) underscores the significance of adopting new business models integrating innovative designs, materials, and processes to preserve cultural heritage. It stresses creating eco-friendly, value-added handloom items that improve aesthetic value while upholding quality. The proposal includes using natural dyes and yarns derived from natural fibres to create these products, which could, in turn, enhance the livelihoods of artisans engaged in handloom weaving.

Balaji, N. C., & Mani, M. (2014) offers an extensive examination of traditional handlooms and their significance in sustainability at both the local (village) and global (national) levels. A thorough analysis of the conventional handlooms fosters a deeper understanding of the technology and its alignment with societal and environmental values.

Dhanya, M, observed that mechanisation and industrialisation have negatively impacted handloom production. Various factors, such as issues faced by entrepreneurs, concerns of employees, satisfaction levels of both entrepreneurs and employees and the community's financial situation, need to be considered. Establishing a direct link between weavers and the government could enable weavers to receive their incentives directly. Subsidised rates for raw materials should be implemented and enforced.

Varghese, A., & Salim, M. H. (2015) observed that rivalry from power looms is an ongoing challenge. Due to their production setup, power looms can provide products at reduced prices, which is made possible by advancements in technology. Production with power looms needs fewer workers and takes less time. Most consumers favour power loom items because of their lower costs, adversely impacting the demand for handwoven products.

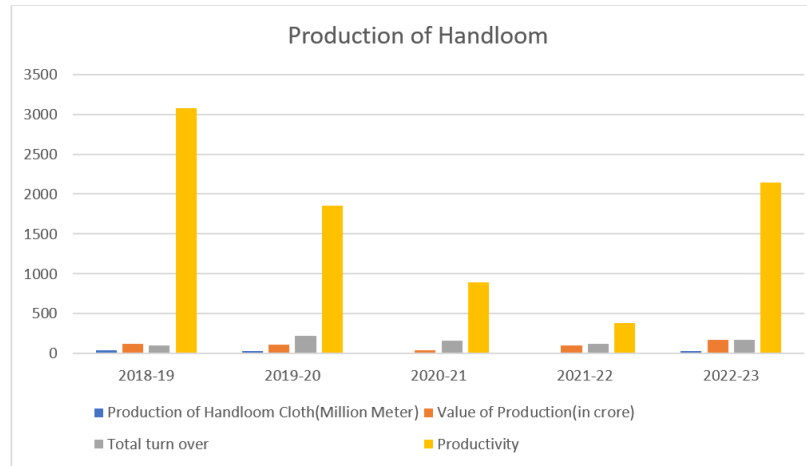
Sarkar, S., & Mukhopadhyay, S. (2019), the handloom industry struggles with low productivity, limited product diversity, and challenges in raw material sourcing. Cooperatives show little interest in expanding their market reach, while skilled weavers adhere to traditional methods with minimal modernization. As a result, the younger generation is hesitant to pursue weaving as a career due to the industry's unpredictability. The article suggests strategies to improve the industry's global competitiveness.

2. ANALYSIS AND DISCUSSION

Table 1.1 Production of Handloom

Year	No. of Looms	Production of Handloom Cloth(Million Meter)	Value of Production(in crore)	Total turn over	Productivity
2018-19	17317	39.97	121.85	102.60	3078.02
2019-20	17113	31.75	113.77	220.95	1855.31
2020-21	16657	14.88	45.27	164.98	894.21
2021-22	16324	6.27	107.32	120.72	384.09
2022-23	16073	34.54	175.10	178.45	2148.88

Source: Kerala Economic Review 2023

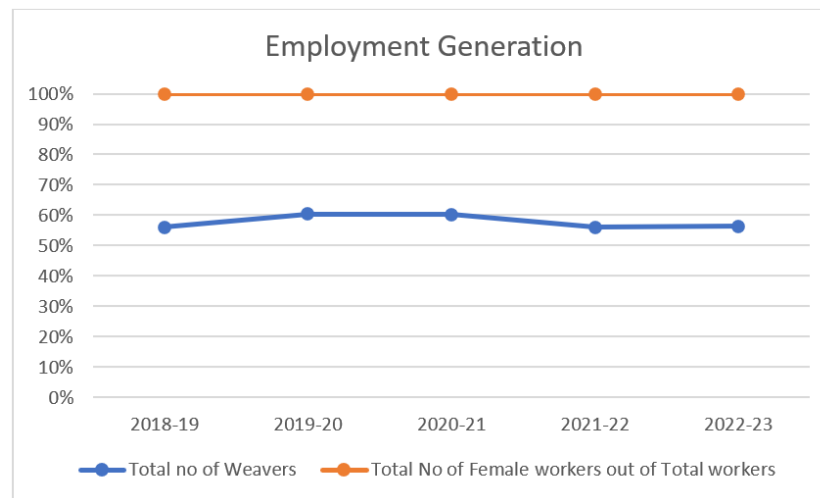


The information presented in Table 1.1 indicates that the specifics related to production mainly stayed consistent, with only minor variations through the years leading up to 2022-23. The period of 2021-22 and 2022-23 was marked by the spread of the COVID-19 pandemic, which caused a significant drop in overall production, revenue, and productivity. Such unforeseen circumstances worsened the challenges faced by the Handloom industry and the individuals reliant on it. But even after facing severe crisis the sector tried to survive by utilising its capacity.

Table 1.2. Employment Generation in the Handloom Industry

Year	Total no of Weavers	Employment Generated(person day in Lakhs)	Total No of Female workers out of Total workers
2018-19	13789	31.58	10815
2019-20	13928	31.66	9137
2020-21	13656	11.67	9030
2021-22	14456	10.36	11317
2022-23	14124	13.63	10925

Source: Kerala Economic Review 2023



The employment generated in the Handloom sector from 2018-19 to 2022-23 indicates that it will experience stability during the initial two years. The COVID-19 pandemic led to declining employment opportunities within the Handloom industry in Kerala. There was a significant drop in employment from 31.58 lakh to 13.63 lakh days. Nevertheless, the number of job seekers reliant on this sector remained constant throughout these years. They took effort to improve this sector. Another noteworthy point is that women workers rely more on this industry than men. This is primarily because this sector operates close to their homes.

3. CONCLUSION

The handloom sector in Kerala holds a prominent place as one of the state's traditional industries, yet it grapples with numerous challenges that threaten its viability and growth. Key issues include a significant decline in production levels, reduced demand for handloom products in both domestic and international markets, and declining employability for skilled artisans who have long relied on this craft for their livelihoods. The impact of the COVID-19 pandemic has exacerbated these challenges, bringing an additional layer of misfortune to an already struggling sector. Many artisans and workers who depend on handloom weaving find their income sources severely disrupted, highlighting their vulnerability in times of crisis. Despite the handloom sector's rich cultural heritage and its potential to contribute considerably to Kerala's economy, it often remains overshadowed by other industries. This oversight prevents it from achieving the recognition and support it rightly deserves. The historical significance of handloom products, which embodies craftsmanship and tradition, is frequently overlooked in favour of more modern manufacturing sectors. To address the myriad issues facing the handloom sector, it is imperative to implement innovative strategies focused on product development and diversification. Tailoring products to suit contemporary consumer trends could attract a broader audience and stimulate demand. Moreover, securing priority consideration from government policymakers is crucial. By investing in this traditional industry, there is a tremendous opportunity not only to preserve cultural heritage but also to uplift the livelihoods of those who depend on it. Through collaborative efforts that blend tradition with innovation, the handloom sector can revitalize and thrive in a competitive marketplace.

CONFLICT OF INTERESTS

None.

ACKNOWLEDGMENTS

None.

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