



Monthly Newsletter

HANDLOOM EXPORT

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June 2018



THE HANDLOOM EXPORT
PROMOTION COUNCIL

Proposed Calendar of Events 2018 - 2019

Sl. No.	Name of the Event	Date	Status/Remarks*
1	Hong Kong International Home textiles& Furnishing Fair, Hong Kong	20-23 April 2018	Completed
2	Global Indian Festival, Kuala Lumpur	9 - 17 June 2018	Completed
3	India Home Furnishing fair, Japan	18 - 20 July 2018	Registration Closed
4	Inter textile SHANGHAI home textiles, Shanghai	27-30 August 2018	Registration Closed
5	Sourcing at Magic, Las Vegas, USA	August 2018/ February 2019	Registration Open / Circular Issued
6	India Trend Fair, Tokyo, Japan	September 2018	Registration Open / Circular Issued
7	WHOS NEXT, Paris, France	September 2018	Registration Closed
8	Maison & Objet, Paris, France	September 2018	Registration Open
9	IHGF Delhi	October 2018	Registration Open
10	China Import & Export Fair Phase III (CANTON), China.	October 2018	Registration Open
11	International Sourcing Expo, Sydney, Australia	November 2018	Registration Open / Circular Issued
12	Heimtextil, Frankfurt, Germany	8-11 January 2019	Registration Open / Circular Issued
13	Domotex, Hannover, Germany	11-14 January 2019	Registration Open
14	WHO's NEXT, Paris, France	January 2019	Registration Open
15	Ambiente, Frankfurt, Germany	February 2019	Registration Open
16	Domotex, Atlanta, USA	February 28-March 2, 2019	Registration Open

* Status as on 30.06.2018



HANDLOOM EXPORT

Newsletter of Handloom
Export Promotion Council
June 2018 Vol.L No.3

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ANNUAL SUBSCRIPTION

Non Members : Rs. 1000/-

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Dear Members,

As per the latest figures released by World Bank India is the world's largest economy in GDP terms. India's GDP crossed \$2.5 trillion in 2017. With the growth forecast of more than 7% in this financial year, India is the fastest growing emerging economy. This is a motivating news for all sectors/industries in India and hoping that textile sector also will enjoy the positive impacts of this growth trend. On export sector, the international trade is facing challenging issues particularly the amended strategy adopted by US Government on their imports. As you all are aware, in recent months there were lot of discussions on an upcoming trade war between USA and China when US imposed tariff of 25% on major imported Chinese goods. China retaliated with imposing tariff of almost same amount on US goods. As far as India is concerned, USA is our major international market particularly for textile and clothing. Indian export sector also faced a blow when US wanted to review GSP scheme. As an exporter, we all should be ready and well equipped to face such new business challenges and make use of the opportunities at the right time. On behalf of Council, I urge Govt of India to take apt measures like having FTA and obtaining tariff preferences in major importing countries in order to utilise the full growth prospects of Indian products in global markets.



I am happy to share with you all that Council's Annual Marketing Calendar for 2018-19 majorly the fair proposals submitted under various schemes like MAI, NHDP and NERTPS have been approved by Ministry. On behalf of Council, I convey our deep gratitude to Ministry of Textiles and Commerce and O/o Development Commissioner of Handlooms for the approval of all the events proposed which is a great support to HEPC members. All the members are requested to make maximum use of the opportunities of export promotion activities of the Council for this financial year and increase the Handloom exports by exploring major markets as well as emerging markets.

Council is holding the 28th Export Award function at Chennai on July 6th 2018. It is a great privilege that Smt. Smriti Zubin Irani, Hon'ble Minister for Textiles has consented to grace the occasion and present the awards to the winners. Shri O S Manian, State Minister for Textiles also has agreed to be present at occasion. I congratulate all the award winners and looking forward to meet you all at Chennai during the function. Council invites all the members to this award function and request your support to make this event a great success.

With warm regards,

Dr. K.N. Prabhu,
Chairman



3rd Participation of Registered Holders of India Handloom Brand
in
16TH GLOBAL INDIAN FESTIVAL
at
Mid Valley Exhibition Centre, Kuala Lumpur, Malaysia

AT A GLANCE:

Name of the Fair : **16th Global Indian Festival**
Organiser : ACS Agenda Suria Communication
Venue : Mid Valley Exhibition Centre,
Kuala Lumpur, Malaysia
Duration : 9 days (June 9th to 17th June 2018)

Highlights of Fair reported by Fair Authorities:

Gross floor space : 4776 square metres in 3 Halls
Total exhibitors : 300 (Indian 150 & Malaysia 130 & others 20)
Total No. of Trade Visitors : 2,35,459
Business Generated : Rs.20 crores
Participants Feedback: -
No. of participants through HEPC : 10 + HEPC stall
Products Displayed : India Handloom Brand products – Kota Doria Cotton Silk Sarees, Pashmina Kani Shwls, Jamdani Cotton Saree, Tangail Cotton Saree, Santipuri Cotton Sarees, Mangalgiri Cotton Saree, Mangalgiri Dress Material, Venkatgiri Cotton Saree, Pochampally Ikat Cotton Dress Material, Maheshwari cotton Silk Dress Material, Tanchoi Silk Saree, Kullu Shwal, Woolen stoles, Cut Shuttle Durry & Home Furnishing.
Visitors from : Malaysia, Singapore, Indonesia, Brunel, Thailand & Philippines
Business Generated : Rs. 28 lakh

Economy of Malaysia

The economy of Malaysia is the 4th largest in Southeast Asia, and is the 38th largest economy in the world. Malaysian labour productivity is significantly higher than neighbouring Thailand, Indonesia, Philippines or Vietnam due to a high density of knowledge-based industries and adoption of cutting edge technology for manufacturing and digital economy. According to the Global Competitiveness Report 2017, the Malaysian economy is the 23rd most competitive country in the world in the period of 2017-18.



Malaysia's economy is showing resilience and is performing strongly. Growth is running above potential, driven by strong global demand for electronics and improved terms of trade for commodities, such as oil and gas. On the domestic front, Malaysia's strong employment is boosting private consumption, and investment is also helping to drive growth.

The 11th Malaysia Plan, covering the years from 2016 to 2020, charts a path toward advanced economy status and greater inclusion. Increasing productivity and encouraging more innovation are core objectives of the plan, which has six strategic pillars that touch on a range of development issues—including equity, inclusiveness, environmental sustainability, human capital development, and infrastructure.

The plan also puts significant emphasis on improving labour market outcomes and targets increases in labour share of income, female labour force participation, and skilled labour employment, as well as improvements in education quality and matching skills to industry needs.

Over the past three years, the federal government deficit was reduced from 3.4 percent of GDP in 2014 to 3 percent of GDP in 2017.

India –Malaysia:

India and Malaysia have had long-standing commercial links dating to the pre-Christian era. In modern times, Indian industry has been associated for three decades with the transformation of Malaysia from an exporter of primary products into an industrialized and broad-based economy.

The Malaysia-India Comprehensive Economic Cooperation Agreement (MICECA) was signed on 18 February 2011 and came into force on 1 July 2011. MICECA is a comprehensive agreement that covers trade in goods, trade in services, investments and movement of natural persons. It value-adds to the benefits shared from ASEAN-India Trade in Goods Agreement (AITIG) and will further facilitate and enhance two-way trade, services, investment and economic relations in general.

Under MICECA, both Malaysia and India will progressively reduce or eliminate tariffs on their respective industrial and agricultural products. Modality for tariff liberalisation for good under MICECA is AITIG plus, with fewer product being exempted from tariff concession (reduction or elimination) and shorter timeframe for reduction or elimination of tariff.

The preferential duties under MICECA for the goods imported from India can be viewed in http://fta.miti.gov.my/miti-fta/resources/Malaysia-India/Jadual_Tariff_Miceca.pdf

Products listed under Malaysia's Exclusion List (EL) do not qualify for duty reduction or elimination under MICECA can be viewed in http://fta.miti.gov.my/miti-fta/resources/Malaysia-India/Malaysias_Exclusion_List_under_MICECA.pdf

The major import from India in 2016 are Petroleum Products, Manufactures of Metal, Other Agricultures – Live Animals and Meat, Chemicals and Chemical Products, Machinery, equipment and parts, Iron & Steel Products.

The textile import of Malaysia shared 2.1% (RM 17.67 billion) of its total import RM838.14 during 2017 as against 2.6% (RM18.13 billion) of total import of Malaysia (RM 698.82 billion) over the corresponding period of previous year during 2016.

Handloom Product Export to Malaysia

The handloom export to Malaysia was Rs.14.42 cr./USD 2.24 mn during 2017-18 as against Rs.17.11 cr./USD 2.56 mn over the previous year 2016-17 and registered negative growth. Top 5 products that are exported to Malaysia during 2017-18 are Woven fabrics of Toilet Linen and Kitchen linen, of Terry Towelling, Table Cloth and Table Covers, Mats and Mattings including Bath Mats, Carpets, Rugs and Other Bed linen.

About GIF

Global Indian Festival (GIF) was organised by ACS Agenda Suria Communication, Malaysia, who claims to have established a professional platform connecting all levels of the Malaysian fashion & textiles market from last 15 years, in which Malaysian's are sourcing exclusive Indian products such as Sarees, Fabrics, dress material, ladies & kids garments, Jewellery, cosmetics, handicrafts, Furnitures & house articles.

GIF is a unique opportunity to Malaysians to buy Indian products manufactures by bet artisans & craftsmen. The fair was organized in 3 Halls in an area about 4776 sqm. About 300 exhibitors participated in which 150 Exhibitor from India & 130 exhibitor from Malaysia and other 20.



About HEPC's participation in GIF 2018

Handloom Export Promotion Council participated in 16th Global Indian Festival from 9th June to 17th June 2018 held at Hall No.3 in Mid Valley Exhibition Centre Kuala Lumpur, Malaysia with 10 registered holders of India Handloom Brand (IHB) with the financial assistance under National Handloom Development Programme of O/o Development Commissioner (Handlooms), Ministry of Textiles, Govt. of India.



Publicity for India Handloom Brand through product posters and display samples were put up in Council's promotional stand besides distribution of pamphlets.

Inauguration of GIF:

The fair was formally inaugurated on 10.06.2017 by the following dignitaries

1. Mr Mridul Kumar, High Commissioner of India to Malaysia,
2. Mr Y B Ganapathyrao, Selanjor State Exco Member,
3. Mr Jaggarao Simancha, Founder & CEO of Agenda Suria Communicaton.
4. Sri Dato S Veerasingam, Advisor of Malaysia South Asia Chamber of Commerce,

Shri Tiar Sharrif , President of Malaysia South Asia Chamber of Commerce.



About the Participation:

Council has booked a total space of 99 sqm & accommodated 10 IHB registered holders from Andhra Pradesh, Gujarat, Panipat, Haryana, Jammu & Kashmir, Karanataka, Madhya Pradesh, Odisha, West Bengal, besides Central Promotion Stand. Member participants displayed their range of IHB products which included Mangalagiri Cotton Saree, Dress Materials, Gujarat Single Ikat Saree, Stole, Scarf& Dupatta, rugs, Pashmina Kani Shawls, Iikal Cotton Silk Sari, Chanderi saree, Odisha Single Ikat Cotton saree & Tangail Cotton.

Mr. Manoj Jain, Director, Office of the Development Commissioner for Handlooms, Govt. of India visited all participants stall and interacted with them about their products quality, price, visitors' interest in products and feedback. He also met fair authority and discussed about stall allocation to exhibitors, product range, turnout of visitors etc. and requested them for direct participation.



The details of participants: -

Sl. No.	Name & Address of the Manufacturer	Representative Name	Name of the Item registered under IHB	Stall No.
1	Panidapu Veeraswamy D. No.8- 155, Karivepakuvari Street, Tenali Road, Distt. Guntur, Mangalagiri- 522503 Andhra Pradesh Email: Pvswamy4@gmail.com Phone:+91 9440518744/8645233149	Panidapu Veeraswamy	Mangalagiri Cotton Saree & Mangalagiri Cotton Dress Materials	3002

2	Mukeshbhai Jivabhai Rathod P.O.- Sayla, Distt. Surendranagar, Gujarat-363430 Email: nageshvaripatola@yahoo.com Phone: +91 9898581116	Mukeshbhai Jivabhai Rathod	Gujarat Single Silk Ikat Saree Gujarat Single Ikat Stole/Scarf/Dupatta	3003
3	M/s.Reed & Weave Handloom Janak Garden, Batra Colony, Panipat-132103 Email: reedweavehandloom@gmail.com Phone: +91 8396018453/ 9896234656	Shri Rashid Ali Proprietor	Rugs	3004
4	M/s. Jehlum Valley Destitute HWICS Ltd. Chhatergam, Budgam, J&K Email: Jehlumvalleywics567@gmail.com Phone:+ 91 9858732414/9419012780	Shri Farooq Ahmad Malik President	Pashmina Kani Shawls	3005
5	M/s.Chamundeswari Co-Op Society Ltd., Kamatagi, Hunagunda Tq., Bagalkot Dist., Karnataka- 587120 Phone:+91 9740508683 Email: panduranghoti@gmail.com	Shri Hucchappa Kandgal President	Ilkal - Cotton- Silk Sari	3006
6	Mohammad Dilshad, 175, Chouk Gali, Chanderi, Distt. Ashok Nagar-473446 Email: dilshad.chanderi@gmail.com Phone:+91 9302912319	Mohammad Dilshad, National Awardee	Chanderi Saree	3010
7	M/s. Rehmat Destitute Cotton & Raffal Handloom WICS, Kuthipora, Chadoora, Budgam (J&K) Email: Craftmanscreation_2010@rediffmail.com Phone:+91 9910561853	Mr. Hakeem Nisar Ahmed, President	Pashmina Kani Shawls	3011
8	M/s. Lurupali WCS, V.P.O. Lurupali, Distt. Bargarh Odisha – 768 027. Email: debabratamehera@gmail.com Phone:+91 9937305761/8076208557	Mr. Debabrata Meher Manager	Odisha Single Ikat Cotton Saree	3012
9	Makwana Pankajbhai Dungarbai P.O. Joravarnagar, Distt. Surendernagar, Gujarat-363020 Email: Sanskruiti.silk@gmail.com Phone:+ 91 9898525171	Makwana Pankajbhai Dungarbai	Gujarat Single Silk Ikat Saree Gujarat Single Ikat Stole/Scarf/Dupatta	3014

10	Goutam Basak P.O.- Nasaratpur Vill – Goalpara (Uttar), Distt. –Burdwan West Bengal- 713519 Email: goalparattssl@rediffmail.com Phone: +91 9477075517	Shri Gautam Basak National Awardee	Tangail Cotton Sari	3035
11	The Handloom Export Promotion Council, 34, Cathedral Garden Road, Nungambakkam, Chennai – 600 034 Tel: +91 44 28278879,28276043 Fax:+91 44 28271761 Email:hepc@hepcindia.com Website: www.hepcindia.com MOT Website: texmin.nic.in	Mr. Rajesh Kumar Sahu, Executive Director	Export Promotions	2058

Feedback from participants: -

All the participants reported that overall turnout of visitors was very normal and they were able to sell their products only at discounted price, since the visitors were mainly Malaysian of Indian Origin. Out of 100% visitors, 80% of visitors have shown interest in the products of Chanderi sarees, Mangalagiri Cotton Sarees and Dress Materials. The remaining 20% of visitor have shown their interest in Pashmina Kani Shawls.

As per feedback of the participants the spot sale of their handloom products worth of RM 121406 have been sold & enquiry worth of RM 41900 been generated. Business worth of Rs.28 lakhs was generated during the 9 days About-5000 visitors visited HEPC member participants stalls (IHB).

Most of the participants have sold all the products they brought from India. All the participants participated through the Council have expressed their satisfaction for the business generated and interested to participate in the next edition.

Apart from group participation of HEPC, the event had group participation under Ministry of Micro, Small Scale & Medium Enterprises (MSME). PHD Chambers & Export Promotion Council for Handicrafts (EPCH). Apart from Indian participants there were participants from Malaysia, Singapore and Thailand. In all 300 participants have show case their products in the annual events.

Council was represented by Smt. R Prabha, Executive. The next edition will be held from 1st to 9th June 2019.

- R Prabha
Executive

SKILL EDUCATION – THE NEED OF TODAY

Education is the way of attaining knowledge, skills, habits which internally transforms the individual and usually the process occurs under the guidance of a secondary person or object. It can also be attained through own experiences, mainly from nature. The main role of education in a society is to facilitate social, economic, overall progress and development and to improve the functional and analytical ability of the people. It opens arena of opportunities to achieve greater access to job markets and thus increase their livelihoods. That's why almost all countries in the world have recognized education as the basic right of every citizen and it's made compulsory for all citizens at least up to an age. As for a country, education is the only way to meet the labor requirements at all levels which is needed for the faster industrial growth, which is the backbone for the economic stability of the nation.

The two most important and unavoidable part of the growth of any individual as well as society is skill and knowledge. In the modern era of globalisation, only those countries with higher levels of knowledge and skills respond more effectively to challenges and opportunities and this has become the base of survival of the economy. If we look at Indian economy today, we are in a transition state. The economy is becoming more skill based and the competency will be determined by the capabilities of the people to design, share, benefit and utilise knowledge and skill efficiently and effectively. This transition will require Indians to develop skill knowledgeable workers who are more flexible, adjustable, analytical, and multi skilled and ready to accept the changes in modern technology, with emphasis to their work. It's a well-known fact that economic competitiveness and future prosperity of any country largely depends on deepening the skills base of the workforce. Skill is the ability to do a task well or the expertise in that task. Knowledge is the theoretical or practical understanding of a subject. The motto of Skill Education is "Better skill, better job and better lives

All over the world, people and Governments are recognizing the true fact that University education alone cannot make skilled workforce, who are the backbone of any industry. Continuous enrichment of knowledge and skill is very essential for the economical upliftment of the society and the country. Prof. C.K. Prahalad articulated in his paper "India @ 75" that India would need 500 million skilled workers by 2022. This ambitious goal requires an unprecedented effort and a high level of collaboration between public and private sector entities. Being home to more than a billion people and with nearly half the population below 25 years of age, India enjoys a distinct demographic dividend, which when leveraged fully has the potential to transform the country into an economic super power. However, for this the country's largely unskilled population needs to be adequately skilled to improve their productivity and match global quality standards. Having envisaged this tremendous challenge facing the country, collectively we need to address this challenge and take concrete, bold steps towards creating large scale employment linked skills training opportunities for the youth of our country.

Major challenge of skill development initiatives is to address the needs of huge population by providing skills in order to make them employable and help them to get into a secure job. Another major challenge is the quality of training provided by the training providers. Skill development will help actualize the potential of the unskilled, semiskilled as well as skilled people towards the progress of the industry and the respective sectors. Development and articulation of a national policy on skill development is a matter of priority.

Every year millions are spent by countries for the trainings at different level with the objective of overall development and growth of the country. Each training will have an objective or a group of objectives at each level, mainly looking forward to solve a particular problem. The main objectives of skill training schemes in India are

- To improve the employment opportunities for school dropouts and existing workers by providing quality skill training and certify them with a nationally and internationally recognized certificate. The scheme is facilitated by Central and State Governments with Private Public Industry partnership.
- To develop better competency standards, course curriculum, material and assessment standards in the country so that the trainees are benefitted with quality learning with practical oriented training and an internationally recognized certificate, which can earn them better salary, job prospects, better employment opportunities and better social, economic status, which in turn will benefit the country.
- To meet the deficiency of Skilled man power in the manufacturing sectors by providing skilled manpower to our Industries so that quantity as well as quality is improved, which again increases the productivity, efficiency and thus contributes to the national growth

The importance and need of skill education in India lies in the fact that the skill level and educational attainment of the workforce determines the productivity as well as the ability to adapt to the changing industrial environment. A majority of Indian workforce does not possess marketable skills which is an impediment in getting decent employment and improving their economic condition. While India has large young population, only 5 per cent of the Indian labour force in the age group of 20-24 years has obtained vocational skills through formal means whereas the percentage in industrialized countries varies between 60 per cent and 96 per cent. About 63% of the school students drop out at different stages before reaching Class X. The educational entry requirements and long duration of courses of the formal training system are some of the impediments for a person of low educational attainment to acquire skills for his livelihood. Further, the largest share of new jobs in India is likely to come from the unorganized sector that employs up to 93% of the national workforce.

One of the biggest threat for Textile industry today is to gear itself to raise its efficiency and competitiveness to meet the international competition. The lack of skilled labour is one of the major concern of our country. India is having eminent talented workforce but the focus of our education system is largely on knowledge than skill. The skill training programs ensures quality training as well as approved certification, was started to benefit all people who are above 14 years old and to increase the employability of youth, provide skilled labour to the industries and raise the living standards of the people in our country. The biggest demands in global scenario today are productivity, quality and cost competitiveness and this is the importance of skill training in textile sector. As per the World Bank reports, India is one among the few countries where the working population is excess than their dependents. This youth strength has neither been visualized nor utilised effectively. The gap between the skill and the employment opportunities has to be bridged through the right skill education. Skill education is a new initiative added in our country's education pattern as a part of revolutionizing the vocational education. It should be benefitted by the unemployed youth, school dropouts, traditionally skilled people and those who urge for up-skilling and re-skilling.

Government of India has launched many schemes to train earlier school leavers and existing workers specially in unorganized sector for employable skills and certify them, in close consultation with industries and State Governments. These skill training programs have the motive of improving the living standards of semiskilled and unskilled people who do not have access to or cannot afford to the formal education and to eradicate the gender, economic, social, religious inequality existing in our society. Every citizen has access to the minimum skill education which can provide them an earning for their livelihood. Also, their acquired or improved skills and the quality training along with the certification will address the issue of skilled labour that the industrial units are facing today.

- Smt. Jini Varghese, Assistant Director

Handloom Industry in India



*Kunal Singha,
Assistant Professor & Centre Coordinator,
Textile Design Department,
National Institute of Fashion Technology, Patna, India*

Introduction

The mention of the word handloom certainly evokes the reader's mind to think of India. This is based on the fact that this has undoubtedly been key in the growth of the nation to the extent of being critical to its history. The definition of the word means merely the loom that is driven by the hands or legs or by the combination of both. In India, handloom industry means more than the definition given above. This is based on the fact that it has been of significant impact and it has undoubtedly been pivotal in driving the nation's culture as well as the economy over the years. India is a country that has created a niche of its own when it comes to making of high-quality fabrics. Those that have been able to acquire the skills of working as handloom weaver or hand spinner have been a key segment in the Indian culture in the sense that their services have certainly been on a high demand over the years dating back in the 18th century. Handloom sector contributes nearby 15% of the cloth production in the country and 95% of the world's hand woven fabrics comes from India. Handloom sector in India nearly provides direct or indirect employment to more than 43 lakh weavers and allied workers.

History of Handloom Industry in India

The weaving industry in India can be traced back to the days of Indus Valley Civilization. This was the period when the cotton textiles and weaving looms found its strong presence. This was the same period that people majorly used homespun cotton when it came to weaving looms as well as other textiles products. The end products were majorly finely woven cotton as well as the dyed cotton fabrics. The shuttles were the ones that were found at the excavated sites in the form of the unused material which was majorly in raw material form. One of these sites that certainly stand out is certainly the Mohenjo Daro site which is one of the famous places when it comes to the textile industry in India. Over the years there have been images that have been taken of the first Indian fabric that was indeed effective for many years. The industry may have changed with the introduction of technology, but indeed there is much of history of the initial handloom industry before the current modernization that has happened over time.

The industry's successes majorly relied on the available market. This is based on the fact that over the years there has been much exporting of the fine fabrics to other parts of the world notably China and Indonesia as well as the Far East. This was majorly the case back in the 13th century just before the Europeans had started making inroads into India. Later on the market also expanded to some parts of Europe. The Textile industry provide the second

best employment in India after agriculture and it facilitates 14% of the total industrial production and occupies to approx 30% of the total import and export of India. Therefore say, we can surely taken care of this industry and it is needless to say that each and every component of textile industry should be taken care at the outmost to ensure the country growth and economic advancement. Textiles industries in India mainly divided into four segments as;

A. Centralized textile sector

- Handloom industries
- Modern textiles mills
- Garments and

B. Independent power loom or decentralized textile sectors

The Handloom area assumes an essential part in the nation's economy. The economic liberalization, uniqueness, flexibility of production, openness to innovation, adaptability to the supplier's desirability, cluster approach, strategies to aggressive marketing and implementation of various social welfare measurements has shown the positive sign of growth in Indian handloom sectors now these days. The quality of Handloom lies in the presenting creative outlines, which can't be repeated by the power loom cloth production anyway. In this manner, handloom shapes a piece of the legacy of India and represents the design and product color pattern innovation with decent variety and of our nation and the aestheticness of the weavers.

Table 1: Cloth production by Indian handloom sectors (in million sq. mtrs.) (Annual report 2017-18, Min. of Textiles, GOI)

Year	Total cloth production*	Cloth production by handloom sector	Share of handloom in the total cloth production	Ratio of handloom to powerloom (in terms of cloth)
2010-11	61761	6907	11.18	1:5.5
2011-12	59605	6901	11.57	1:5.42
2012-13	61949	6952	11.22	1:5.47
2013-14	62624	7104	11.34	1:5.18
2014-15	64332	7203	11.19	1:5.24
2015-16	64584	7638	11.82	1:4.82
2016-17	63480	8007	12.61	1:4.45
2017-18 (upto Nov.'17)	43520(p)	5134(p)	11.8	1:4.92

**Cloth Production by Handloom Sector (in million sq meters)

* The total cloth production includes handloom, powerloom and mill sector excluding hosiery, khadi, wool and silk.

Types of Weaving Traditions

Due to the diverse and wider size of the market, it was divided into three different weaving categories or traditions. There was the rural, the classical and the tribal. The rural category of the weaving tradition majorly represented the familiar and unchanging patterns that were so synonymous with the rural life of the Indians (Agnihotri, 2015). The design of the weaved material displayed figures of things that were so family and easily identifiable with any Indian who was living in the rural part of the nation. This is indeed clear when it comes to the kind of the images of the animals, plants and human beings that appealed to all. This is the reason why these are exactly what certainly summed up most of the designs.

The second category as initially mentioned is classical. This weaving tradition certainly revolved around royalty and court life. The symbols, as well as the forms of the weaving designs, were dependent on who was in the position of power as the ruler. This is so clear that it was indeed a key thing in the sense that it was a form of paying patronage to the ruler of the country and sometimes even the ruler of the region hence a couple of unique designs based on the nature and personality as well as the varied list of the things the ruler liked. The geographical location came to being since each, and every region had its leader hence the all the fabric that was woven to some extent had to have the form of elements or elegance that surely displayed this.

The last category is none other than the tribal. Unlike the insinuation brought about by the name of the weaving tradition, this was majorly done to demonstrate the bold geometric patterns. These patterns were mostly done in strong primary colors and mostly on simple looms that were made up of bamboo.

The Evolution of the Traditional Handloom

The whole sector changed with time. The most notable line of evolution in this sector was after the introduction of Islam in the country. Unlike the flaccid and a bit free kind of approach that had been used in the past, there was certainly a massive change that came when Islam took over. This is undoubtedly based on the fact that the diversity of the nation that had mostly been displayed through the diverse culture was certainly curtailed by what later came to be so rigid approach. It is indeed clear that most of the things became so difficult (Peters & Bajpai, 2017.). The fact that the religion to some extent limited the extent to which people could be free and express their creativity this was mainly because of the reality that it was discrete. The curtailing of the freedom made it so hard for new designs to be created mostly for those who had subscribed to the Islamic religion. To some extent, this played a key role in slowing down the level of creativity that had initially been witnessed in the country's handloom's sector.

The large wallpaper designs that were introduced are as a replacement of the initial Indian tradition clearly showed that there was indeed some form of rigidness (Hazarika & Goswami, 2018). This is well epitomized in the dropping of the traditional Indian motifs in favor of the wallpaper that had been mentioned. The situation was even worsened in the sense that the value of the conventional weaving approach was certainly watered down when the pastel shades were introduced and incorporated which for sure made it very difficult for any form of creativity in the industry (Dhar, 2016). The importation of the Indian Zari from the abroad specifically in Belgium was undoubtedly a big set down since the local industry since this meant that locally available material could no longer be used. This also meant that the individuals that used to earn a living out of this could hardly make anything work.

The final aspect of the revolution of the industry was certainly the replacing the traditional silk with the synthetic

fibers that were some of them having been imported. This affected to some extent the manner in which people work in the country. This is because this was something that people had treated so dearly. It was certainly the backbone of the nation in its literal sense. This was certainly one of those things that made it very possible for people to have a living, but sadly this was one thing that had negatively impacted the manner in which the society was coexisting since this was to some extent the basis of most of the societal interactions in the country. While others were so much into the making of the material that was to be used in the actual weaving, others were indeed in the actual act of weaving (Naik, 2017). The raft of measures that were introduced played a crucial role in dismantling what many had known to be life to them for so many years. This was indeed a setback that changed the course of what had promised to the Indian version of gold more so the ordinary people who relied on the weaving skills as well as those who had fabric snipping skills.

It is indeed evident that the introduction of the British into the mix during the colonization certainly complicated the sector way further thereby making what complicated extra hard was. It may have seemed as if things were to get better at some point that is after the introduction of Islam but indeed the entry of the British colonizers in the country sent the sector in deeper disarray (Kumar, 2015). It was arguably one of the worst things ever to the sector since the production system and approach was changed. The introduction of the intermediaries in the name of the financiers certainly messed much of the things. This was a unique and effective way of controlling production in that the producer did not have any control over the market anymore and the customers did not have the chance to express themselves as it had been the case. This is based on the fact those textile facts that were introduced in the country which certainly affected the manner in which everything happens.

The period just before the First World War was a form of reconnaissance to the industry in that the business was certainly booming and the demand for the handloom based products was certainly very high. This was certainly one of the periods that the local people celebrated the only challenge was the fact that this was certainly not to be long-lasting. The period before this had been marked by a mixture returns. This was mainly based on the fact that the introduction of Yarn which was very expensive hence forcing the locals who were still in the handloom industry that is traditional weavers to look for financiers to fund their projects. Those who were not able to get the finance were ready to go to Mahajans to work on a contract basis or a wage basis. This was to some extent a new revolution to the industry.

Analysis of the Industry

To give a better analysis of the handloom industry in the country, it will be effective when SWOT analysis is used. This is to simply mean that there will need to explain all the four elements of the SWOT analysis highlighting the strengths that the handloom industry is facing or has been facing in the recent past. It is also going to highlight the weaknesses the industry has certainly been facing be it back in the days or most recently. Another key thing is the aspect of the available opportunities as well as the threats that industry has been facing over the years. This will be key in giving a concrete picture of the handloom industry in India looks like. The diversity brought about by the SWOT analysis approach is indeed great in the extent it still provides the room to talk about some of the detailed aspect of the company as far as economic and financial performance is concerned. The fact that it helps in placing a finger on what is doing it helps to understand if the reason for its growth or decline is internal or external now that the sector seems to be on the decline.

The Office of the Development Commissioner for Handlooms (1976) have launched various supporting business and practicing schemes for the welfares of the backward weavers to help them in their daily earning life and socio-

economic status by doing an enhancement of production, productivity, and efficiency of the handloom sector. Few of the majorly highlighted grey areas where the works are going on as (Sudalaimuthu, 2006);

- Marketing and publicity support
- Welfare measures
- Infrastructure supports
- Composite growth based schemes
- Modernization and machinery upgradation in technology
- Development in import and export scheme
- Wages, employment and livelihood issues
- Competition and unfair competition from mills and powerlooms
- Enhancement of Value
- Budget allocations
- Intermediaries (individuals/institutions)
- Cooperative system
- Patenting designs/varieties
- Design improvements
- Raw material supply and prices

SWOT analysis

- **Strengths**

There is a huge source of raw material in the country. This is banked on the fact that the country is one of the largest exporters of Yarn globally (Lynch, 2016). It currently contributes to about 25% of the total Cotton Yarn globally. This is indeed a huge strength which means that handloom industry still has the chance to roll back its glory days as it was back in the days. The apparel industry is arguably one of the largest industries in the country contributing over 12% of the country's total export. The only change from the initial set up is that the country is exporting some sort of raw materials as opposed to exporting the final products.

The country has huge variety of products when it comes to the fabrics in that there are many Cotton Yarn based products in the country which has certainly played a key role in the country's economy. There is a huge variety of cotton fiber and the synthetic fiber industry. The diversity has certainly been in the sense that it has been a key way of accommodating many when it comes to workers but at the same time, it has also ensured the diversification of the final products made which means a wider market.

It is indeed clear that over time the Indian economy has been growing and it is certainly spelled new dawn for the



industry (Das, 2015). The manufacturing flexibility has certainly been a key thing that has given a wider scope to the stakeholders hence presenting a wider opportunity. This is indeed great in the sense that if the people have been able to sort of invest in one area, they can certainly sort of try and major in a different segment of this very industry.

Another key thing has been the availability of the huge market in the country as well as the external market. Unlike the other products whose market is unstable in the sense that the demand is fluctuating, this market is one that is certainly available. The fact that the Indian market alone is in millions of people and yet there is a huge potential for exporting to the foreign nations due to the high quality of the Yarn that is produced in India. It is also clear that the fact that the local market alone has not been well addressed in the sense that some needs have not been fully addressed shows that there is need to rise to the bar and deliver.

The cheap labor in the country that is certainly low cost and at the same time it is very skilled has certainly been of great impact to the industry. It is through the cost-effective labor that has undoubtedly played a key role in giving this industry a competitive age when compared to other key players in the same industry. Many people prefer the Indian based fabric since they are cheaper and the quality is undoubtedly high. Over the years, there has been an increase in the exported handloom based products has increased to Rs. 43170 Cr. in the year 2009. This is a clear show that there has been a continuous trend of increased export for this very product.

The country has a huge value chain which has been key in advancing the spinning sector. The value chain has been able to reduce the number of processes taken into action when it comes to the spinning sector, but at the same, it has also been key in reducing the cost of making the final product. This has certainly been key in reducing the cost of the final product made. It has also been key in enhancing the quality of the product since through the value chain there has been the aspect of value addition along the process.

- **Weakness**

The Indian handloom industry is indeed very fragmented. This has been a huge challenge. This is based on the fact that there has been a huge failure on the side of the policy implementation. It is indeed clear that this has certainly downplayed the need for industry's unity. This is actually when it comes to the massive decline in the year 1995-1996 when the sector declined from 6 percent when it comes to the percentage of the mill sector when compared to the rest of the handloom industry (Roy, 2017). The decline was from 6% to 4% in the years mentioned. At the same time, the general sector decline was actually from 23 percent to 18 percent during this period. One of the reasons behind this was certainly was the nature of the sector which was certainly disintegrated. The effect of the decline is also felt in all the sectors except for the power loom sector and the hosiery sector which increased by 6% and 1% respectively. The strong competition in the market has also been another key thing that has certainly been one of the key reasons for the decline of the sector. Apart from the external competition from other materials, there has been to some extent some structural competition as witnessed between the years 1896 and 1900 whereby there was a competition between handloom and the mills when it comes to making of cotton made products. While the mills claimed to have used about 85 million pounds of yarn annually in the manufacturing of clothes the handlooms used not less than 200 million pounds of yarn.

- **Opportunities**

It is indeed clear that this has the possibility of offering employment and at the same time reduces the cost of operation. This is anchored on the fact that the handloom has created over 20% extra jobs in the country. This is



also based on the fact that the exports from this industry have also increased by over 20%. This is a definite show that there is a relationship between the growth of the industry and the amount of work employment opportunities that are created. This is apparently to mean that if they organize the sector and restructure it, they are likely to have a positive impact on the employment opportunities in the country. The current growth rate of the textile segment of the handloom industry is about 6-8% per annum which is indeed impressive.

• Threats

Currently, there is a huge demand that is not being met be it locally or externally. Locally there is about 22 percent of the demand that has not been adequately addressed or is not being met. If this trend goes on many may end up importing the material from the other thing. The internal labor laws are also another key thing that the country has been forced to address in line with the international labor laws. This certainly means there the wages will undoubtedly go up hence the total cost of the product will also be higher than the normal one in the long run.

The performance based factors for Indian handloom sector:

The employment structures in the handloom industries are based on few important factors and which are very crucial for the profitability and economic growth of the artisans near future (Aman, 2015);

- Total workforce engaged in handloom sector
- Number of men, women and children engaged in this industry
- Distribution of handloom workers by employment status
- Distribution of weaver by gender and by nature of engagement (full time- part time)
- Distribution of allied workers by gender and by nature of engagement (full time-part time)
- Distribution of workers by age-groups
- Distribution of handloom households by number of days worked in a year
- Distribution of weaver households by percentage of total income derived from handloom
- Contribution of handloom to total household income
- Average earning of handloom households
- Competition from power loom sector
- Failure of co-operatives societies
- Ineffective implementation of government programs
- Illiteracy and poverty among weavers

Various schemes have been launched by Ministry of Textiles, Government of India to cater those issues as (Annual report 2017-18, Min. of Textiles, GOI);

- National Handloom Development Programme
- Concessional Credit for Handloom Sectors-Weavers Mudra Scheme
- Block Level Cluster Projects
- Marketing Incentives
- Handloom Marketing Assistance

- Deendayal Hastkala Sankul (Trade Centre & Museum), Vanarasi
- Promotion of India Handloom Brand (IHB) and Handloom Mark
- Yarn supply Scheme
- ERP and E-Dhaga App
- Handloom Welfare measures
 - Handloom weavers Comprehensive Welfare Scheme
 - Mahatma Gandhi Bunkar Bima Yojana (MGBBY)
 - Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY)
 - Pradhan Mantri Suraksha Bima Yojana (PMSBY)
- Health Insurance Scheme (HIS)
- Educational facilities to the children of handloom weavers by IGNOU and National Institute of Open Schooling (NIOS) and 75% fee concession for SC, ST, BPL and women weavers families.
- Outreach Programmes for weavers
- Bunkar Mitra help line
- Comprehensive Handloom Cluster Development Scheme (CHCDS)
- Implementation of Handlooms (Reservation of Articles for Production Act, 1985)
- Awards and Recognitions
 - Sant Kabir Award (SKA)
 - National Merit Certificates (NMC)
- Export Promotion Strategies
 - Weavers Service Centres (WSCs)
 - Indian Institute of Handloom Technology (IIHTs)
 - National Centre for Textile Designs (NCTDs)
 - Association of Corporations and Apex Societies of Handlooms (ACASH)
 - Handloom Export Promotion Council (HEPC)

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