



Study of Selected Handloom Industry in Panipat

Aarti Malik

Research Scholar Department of Commerce Chaudhary Ranbir Singh University Jind, Haryana

Dr. Ajmer Singh

Faculty, Department of Management, Chaudhary Ranbir Singh University Jind, Haryana

ABSTRACT

Handloom Sector plays a very significant role in country's economy. It is one of the largest economic activity providing direct employment to over 80 Lacs persons engaged in weaving and other related activities. Assistance of financial nature and implementation of various development schemes, helped the Handloom Market for growth and development. Panipat is called city of Weavers. Panipat is famous for "PANJA DURRIE", a kind of floor covering. In this paper role of handloom industry in the economy and schemes provided by the Government as well as various competitive strategies have been discussed.

KEYWORDS

Handloom, weavers, schemes, fabric, competitive strategies etc.

Introduction

Handloom is an important craft product which comprises the largest cottage industry of the country. Large number of companies of the country are engaged in weaving cotton, silk and other natural fibers (*Panipatfabric.com*). Panipat has three major projects under public sector - Tau Devi Lal Thermal Power Station, Indian Oil Corporation (Refinery) and National Fertilizers Limited (NFL). Panipat is the biggest centre in the country for producing low priced blankets. It is also the biggest centre in the country engaged in Export of Handloom Cotton Durries, Bed Covers, Cushion Covers, Mats and other made ups like table linen, kitchen linen, bed linen etc. Panipat is a very old supplier of Barrack Blanket to the Armed Forces. (*handlooms.nic.in*)

Handloom is extremely a time consuming process. Due to effective Government intervention through financial assistance and implementation of various development and welfare schemes, this sector has been able to withstand competition from the Power Loom and Mill Sectors. In India there is hardly a village where weavers do not exist, each weaving out the traditional beauty of India's own prestige as well as precious heritage.

Panipat is spread in 1754 sq. km. and is located 90 K.M. away from New Delhi in North having population more than 12,05,437 (census.2011). Panipat is also known as city of "Weavers". It is one of the developing city of Haryana. Its economy is based on several industrial, agriculture, handloom and textile etc.

Panipat is famous for "PANJA DURRIE", it is a kind of floor covering, which is in great demand in India and as well as abroad. Panipat is constitute a part in exports of handloom. There are several kinds of floor covering like large sized handloom durries, chindi or fabric and leather scrap durries, rugs, druggist and carpets. Also vast variety of furnishing fabrics are made as well as marketed. Handloom goods are an important Cottage and Home Industries taken up by the people. Handloom cloth weaving is the traditional occupation of the district. The whole handloom industry survive on heavy subsidies today. (*handlooms.nic.in*)

Review of Literature

Prabhakara Sharma and Joglekar (2002)¹ mentioned that India has the second largest spinning capacity after China in

Hand Weaving Sector and a good tradition for producing finest and costliest fabrics in the world. By the contribution of state handloom to Indian culture presents a satisfactory picture. He pointed out that most weavers are leading miserable life for which the main reason is improper technology.

Ohja (2003)² traced out the technological difficulties in handloom industry to face the challenges of advanced and sophisticated technology posed by power loom and mill sector. He wrote about All Indian Handloom Board (1950), Indian Institute of Technology (1956), Hand Design Centers (1956), Handloom Houses etc. He stressed on technological development in handloom sector by providing technical manpower, development in weaving and processing, improving productivity etc.

Subbaraj and Joseph Nelson (2004)³ state that weavers co-operatives have adopted certain product mix strategies over years. Weavers have adopted these strategies due to forces emerging their own inner environment and not marketing environment.

Mubarak Ali (2004)⁴ has emphasized that today handloom industry is in doldrums. The weaving community has been today pushed to the mercy of the Government. The Government therefore has been taking necessary efforts to help the industry in every possible way.

Sharma Shantanu Nandan (2006)⁵ has pointed various Government and Semi-Government schemes for Small Scale and Cottage Industries. Various facilitation centers will help in guiding the entrepreneurs.

Vashisht Dinker (2006)⁶ has observed that exporters of Panipat don't have to go too far to get ready of cotton. Panipat city itself has 35 units of spinning industry. He observed that proper facilities must be provided to the weavers regarding power scarcity which leads to waste of time and also results in losses.

PTI (2007)⁷ has studied that handloom sector was highly decentralized & dispersed and certain efforts have been made to organize handloom weavers into co-operative societies. He also pointed out poor financial health of handloom industry.

Prachi (2010)⁸ has marked her study with a positive attitude towards Indian handloom. Her studies concluded that Panipat

handloom is growing in its popularity not among people in India but also among the people around the globe.

TNN (2011)⁹ has mentioned that the State Government has taken several decisions to encourage weavers to boost handloom industry in the state. Several schemes have also been formulated for weavers belonging to the handloom industry.

Suresh Kumar and Ganesh¹⁰ in their study concluded the objectives to analyze distribution of income between member and non - member weavers, to find out variations in the expenditure and difference in their savings and their investments.

B.Prem Sunder and J.Kannan¹¹ has observed various problems faced by women in Handloom industry which decline the social and economic insecurity in Handloom weaving sector. Various suggestions were also discussed for social and economic empowerment of women handloom workers.

Rachana Goswami and Ruby Jain¹² has studied various problems faced by Handloom industry related to raw material, marketing and sales network and has explained suitable strategy for handloom sector like promotion, distribution channel etc.

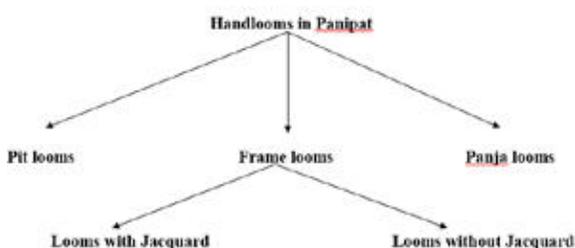
Features of Handloom Industry (www.handlooms.nic.in)

- Panipat exports about 50% of the total export handloom industry.
- Panipat has been awarded for Gold Trophy by Export Promotion Council for highest export of woollen hand tufted carpet.
- Panipat town has got the distinction of having 35 Yarn Spinning units at one particular place.
- The Industry provides employment to more than 90,000 persons directly or indirectly.
- Total export from Handloom industry is estimated to be more than 1200 crores.
- More than 50,000 handlooms (Pit looms and Frame looms) are working in Panipat under the ownership of about 4200 different units.
- Handloom Industry of Panipat is meeting out 75% demand of Barrack Blankets of Indian Military.

Objectives of the study

- To study competitive strategies adopted by marketers in handloom industry.
- To analyze overall impact of marketing practices being followed in competitive environment.

Types of Handlooms in Panipat (www.handlooms.nic.in)



Pit looms : Mainly used for weaving Durries of Cotton/ Chenille/ Chindi.

Frame looms :

- Ordinary frame looms with jacquard mainly used for producing woven designed fabrics.
- Ordinary frame looms without jacquard mainly used for producing plain/stripe/check fabrics.

Panja looms : Mainly used for making heavy structured Durries with complicated designs.

Schemes for Development of Handloom Industry by Government (www.handloom.nic.in):

The Ministry of Textiles has announced following schemes for handloom industry development:

1) Integrated Handloom Development Scheme (www.handloom.nic.in)

- To form handloom weavers group.
- To cover weavers within and outside the cooperative fold.
- To facilitate credit from Banks.
- To provide better working conditions to the weavers.
- To orient Marketing, Designing and Managing the production.

2) Mill Gate Price Scheme (www.handloom.nic.in)

- This scheme was introduced in 1992-93.
- National Handloom Development Corporation (NHDC) is the agency authorized to implement the scheme.
- The scheme benefits all handloom organizations of National/ State/ Regional/ Primary level and NGO's.
- All types of yarn required for production of handloom items are covered under the scheme.
- National Handloom Development Corporation (NHDC) arranges yarn from the mills at Mill Gate Price to the godown of the agencies.

2) Handloom Weavers Welfare Scheme (www.handloom.nic.in)

- Health Insurance Scheme (www.handlooms.nic.in)
- This scheme was introduced in November, 2005.
- It was implemented in collaboration with ICICI Lombard Insurance Company.
- It enables weavers to access the best healthcare facilities.
- The schemes covers the weaver, his/her spouse and two children.
- The annual limit per family is Rs. 15,000/-.
- 4.57 Lacs weavers were covered during this scheme.

b) Mahatma Gandhi Bunkar Bima Yojna Scheme (www.handlooms.nic.in)

- This scheme was launched on October 2, 2005.
- The scheme was implemented in collaboration with Life Insurance Company (LIC).
- The scheme covers natural as well as accidental death.
- The sum assured for natural death Rs. 60,000/- per weaver, for accidental death Rs.1,50,000/-, for total disability Rs. 1,50,000/- and for partial disability Rs. 75,000/-.
- Rs. 1200/- per child per year (maximum 2 children) is given for education.

3) Marketing and Export Promotion Scheme (www.handlooms.nic.in)

a) Market Promotion Scheme (www.handlooms.nic.in)

- To assist in sale of handloom products by organizing exhibition at National / Regional / State / District level.
- To facilitate consumer to purchase genuine handloom products under one umbrella.
- To provide group merchandising under one roof.
- Components under Market Promotion Schemes

- National Handloom Expo
- Special Expo
- District Level Events
- Craft Mela
- Urban Hatts
- Publicity and Awareness

b) Export Promotion Scheme (www.handlooms.nic.in)

- To identify and assist suitable Apex/ Primary Handloom Cooperative Societies and cooperation in developing the products that are export worthy.
- Market penetration through participation in International

Exhibitions and Buyer Seller meets.

iii. Components under Export Promotion Scheme:

- Export Projects
- International Fair and Exhibitions
- Setting up of Design Studios
- Promotional Events

4) Diversified Handloom Development Scheme (www.handlooms.nic.in)

This scheme provides technological upgradation through a variety of programmes which cover skill upgradation of the weavers, development of designs and product development. This scheme includes and strengthens :

- Weavers Service Centre (WSC)
- India Institute of Handloom Technology (IIHT)
- National Centre for Textile Design (NCTD)
- Research and Development
- Jammu & Kashmir Wool Project and Weaver Service Centre
- Setting up of new Indian Institute of Handloom Technology
- Starting Handloom census and issuing identity cards to handloom weavers.

Research Methodology

Research Methodology is a way to systematically solve the research problem. It may be said a science of studying how research is done scientifically. Data has been collected by using secondary method as well as from reports, articles, journals and books.

Competitive strategies to be adopted by Handloom Industry :

On the basis of review of Literature following marketing strategies to be adopted:

1) Promotion Mix Strategy :

In this strategy various sales promotion activities are included like advertising, sale force, public relation, direct mail and tele-marketing. All these activities could not be used in short run. The firm can make certain changes in the price of product, increase or decrease sale force and incur certain ad-expenditures in short run but innovation of new products is done only in long run. Therefore, manufacturer must decide for the proper allocation of marketing budget of various products, media and sales area. Advertisements are made through TV, Radio, Poster and Cable TV.

2) Product Mix Strategy :

Product mix strategy adopted in handloom industry is very common. As a firm manufacturer different product in handloom industry. Its classification is as follows:

- Bedroom Set :- Bedspreads, pillows, quilts, doormats etc.
- Living Room Set :- Curtains, wall hangings, cushions etc.
- Dining Set :- Table Cover, Napkins, Table Runner etc.
- Floor Covering :- Carpets, Durries, Doormats etc.

3) Price Mix Strategy :

The handloom industry does not have uniform pricing policy. Its pricing policy is competition oriented. It focuses on competition, profit margin and goodwill while setting prices. Its main motive is to increase sales and face competition.

4) Place Mix Strategy :

Following channels of distribution are used by handloom industry :

Manufacturers----Godown/Store house----Wholesaler----Retailer----Consumer

Handloom industry frequently gets updated about new innovations and demand from dealers and consumers.

5) Packaging Mix Strategy :

Handloom industry uses plastic bags and polythene for packaging the products. They make packages of 20metres,30metres,40metres or set of products. Handloom industry also provides products in individual packaging as well as family packaging.

Conclusion :

The handloom industry has developed substantially over a period of time. It is spread in all over the country. To maximize sale volume it is very important to be aware of certain modern techniques of marketing such as brand promotion, packaging, advertising, survey and demand forecasts. It is very much essential to have knowledge of certain competitive strategies which must be followed and implemented to increase export and which provides satisfaction to the customers. Various Schemes as well as strategies are adopted for sustainable development of handloom industry. Promotional strategy is also been used as marketing mix which brings new innovations and product development for handloom industry.

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