

## A Study On Challenges Of Handloom Entrepreneurs In Telangana

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### Abstract:

*The purpose of the study is to identify the challenges faced by the handloom entrepreneurs in Telangana. The epidemic and lockdowns of the last two years had a severe & unfair impact on the Indian economy and destroyed the lives and livelihoods of many individuals, especially those employed in MSMEs, of which Handloom is one. The handloom sector has faced several challenges, including a scarcity of raw resources, marketing, and finance, as well as a significant number of favours provided to authorities in the state. The present study reveals after reviewing the several pieces of literature and reports published by the govt of Telangana that there are several factors which are more challenging to sustain in the competitive market. The factors which are related like production-related problems, the unorganised nature of the industry, lack of technology upgradation, lack of awareness of handloom products, lack of quality of standardisation, lack of advertising and promotional efforts and lack of market information for the entrepreneurs. the present study has adopted qualitative research to explore the problems faced by Telangana entrepreneurs in the handloom sectors.*

**Keywords:** Handloom, Entrepreneurs, MSMEs, Challenging, and Epidemic.

### 1. Introduction:

Handlooms play an important part in a country's economic growth. With 23.77 lakh Handlooms, it is one of India's main economic activities after agriculture, directly employing more than 43 lakh weavers. This industry accounts for around 15% of total cloth produced in the country and adds to export earnings of Rs. 3,000 crores; 95% of the world's handloom fabric originates from India. The sector is spread over the country, from Kashmir to Kanyakumari, but it is not uniformly dispersed. Assam, West Bengal, Tamil Nadu, Telangana, Andhra Pradesh,<sup>1</sup> and Orissa are the primary manufacturers of handloom, and each state has developed unique textiles, including world-famous Kanchipuram sarees, Pashmina Shawls, Sambalpuri sarees, beautiful muslins of Dacca, and so on. International shoppers respect and embrace Indian handloom's manufacturing techniques, attractiveness, and uniqueness.

As per Prachi (2010), Indian handloom is gaining recognition not just among Indians, but also among people throughout the world who like Indian handloom and Indian handicrafts. Despite having separate weaving patterns and methods, there has been a significant exchange of styles across the many Indian handloom traditions. Indian customers must adjust their mindset; they must think "swadeshi" rather than "videshi." The greatest regret for weavers is that they are overlooked not only by people but also by designers. The fashion business is a very effective platform for communicating to people that fashion is more than just smart clothes; there must be a passion for it.

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### **1.1 An Overview of the Telangana State Handloom Sector:**

Telangana is a leading state in the handloom industry. There are approximately 82,435 handloom weaver's cooperative folds and 158902 outside co-operative folds. The state has around 48,967 power looms in operation. The state has 475 weavers' groups that work together, which include cotton 253, silk 50, and wool 44. There are also 128-Tailor power looms and additional organizations. TSCO is the apex society in charge of promoting handloom items. Several centrally funded as well as state-supported plans are being implemented in Telangana for the socio-economic development of handloom weavers, including schemes with matching contributions from the national and state governments. India's weavers may be generally divided into five groups: labour weavers, cooperative weavers, master weavers under middlemen, and independent weavers and all these weavers are in Telangana.

### **1.2 Need & scope of the study:**

The handloom sector has faced several challenges, including a scarcity of raw resources, marketing, finance, production-related problems, the unorganised nature of the industry, lack of technology upgradation, lack of awareness of handloom products, lack of quality of standardization, lack of advertising and promotional efforts and lack of market information for the entrepreneurs. as well as a high incidence of favours provided to authorities. In light of this, there is an urgent need to conduct an in-depth investigation of the "problems faced by handloom weavers in Telangana," including elements such as the effect of weavers' difficulties and the structure of handloom weavers' living situations. The COVID pandemic has disturbed the handloom sector so there is a need and scope to assess the situation of this sector in the Telangana state.

### **2. Objectives of the study:**

1. To explore the challenges that handloom weavers face in Telangana state.
2. To look into the present condition of the handloom enterprises after covid pandemic.

### **3. Research methodology:**

Secondary data for the study was gathered through the use of official reports by the government, departments, offices, and centres, as well as published research articles in reputable journals, books, thesis and dissertations, and a listing of websites about the given research. This study was limited to Telangana state's handloom weavers.

### **3.1 Challenges faced by Telangana handloom entrepreneurs:**

#### **3.1.1 Challenges with Production**

##### **3.1.1.a. High cotton cost:**

As a result, even though India is the world's largest producer of cotton, the price of cotton has fluctuated significantly in recent years. Cotton has been in short supply domestically at times due to rising exports to United States and other countries. It will impact domestic textile production and put weavers in a tough position where they would have to forego revenue to sustain capacity utilisation.

##### **3.1.1.b. Less Number of Weavers:**

The handloom business is a labour-intensive and skill-based sector, with most weavers learning the craft from their forefathers. However, the bad working conditions and low salary structure discourage young people from pursuing weaving as a career. At the same time, they established weavers who have left the sector in quest of fresh green pastures with a fair income and working environment.

**3.1.1.c. Inadequate Technological Advancement:**

Consistent technological advancement is a fundamental prerequisite for the industry's development. While Indian weavers generally utilize traditional weaving processes, without the use of any technology, the sector lacks cost competitiveness, therefore it cannot compete in terms of price with mill-made and power loom products.

**3.2. Market-Related Issues****3.2.1 Inadequate Information about Handloom Goods:**

Since consumers were confused by the handloom with the power loom, which replicated handloom patterns, most consumers were ignorant of the quality and distinctive features of handloom products.

**3.2.2. Inadequate Advertising and Promotional Activities:**

Advertisements and promotional activities are required to bring consumers' attention to the excellent quality, style, and features of handloom items. Unfortunately, promotional programs are only developed in conjunction with exhibits or special events. A marketing strategy must be carefully developed to produce long-term growth and consistent demand throughout the year.

**3.2.3. Lack of creative thinking:**

As a result of globalisation, imports of handloom-made items have increased. Customers can select from a wider range of alternatives. Weavers are unable to develop a significant demand for their goods in both the local and global markets because handloom items are not designed with enough innovation and ingenuity. However, government funds are being utilized to provide training sessions so that employees may enhance their skills and embrace cutting-edge ideas.

**3.3. Finance-Related Challenges:****3.3.1 Lack of Credit:**

As banking institutions are unwilling to lend to handloom weavers due to creditworthiness issues, the weavers must rely on private money lenders to fund their demands. Weavers, in the majority of situations, are unable to repay their obligations on time, resulting in a debt overhang. Some were suicide victims.

**3.3.2 Lack of Awareness of Government Subsidies and Help:**

Although the federal and state governments provided various sorts of financial help and subsidies to weavers, the majority of weavers were unaware of such government programs.

**4. Handloom sectors Problem Solving Strategies:****4.1. Improve Productivity:**

**Improve the Availability of High-Quality Raw Materials at Reasonable Prices:** The government should take the initiative to improve the efficiency of the NHDC yarn supply program. More yarn depots were constructed around the country to facilitate this, with the assistance of private spinning factories. Another factor considered is that it should control the price of cotton in the local market, hence controlling the price of yarn.

**4.2. Encourage the Younger Generation to the Industry:**

The younger generation should be drawn to the handloom industry by providing a decent working environment and infrastructure, as well as an acceptable salary structure. Handloom is incorporated into the curriculum so that the next generation may learn about the values of this rich tradition and the importance of the industry's survival.

**4.3. Upgrading Skills:**

The majority of weavers lack expertise in how to operate their businesses. They struggle with organizing raw resources, planning manufacturing, and dealing with financial and marketing issues. As a result, the government should conduct a range of initiatives through various organizations and cooperative societies to teach weavers various business skills.

#### **4.4. Improve the Cooperative System:**

Since handloom weavers are decentralised and operate on a small scale, they lack legal status and bargaining power. The solution to this challenge is to bring the weavers into the cooperative fold. As a member of society, the yarns, chemicals, and dyes may thus be ordered and purchased in bulk from the open market, where they will profit from collective bargaining power. The establishment of clusters also allows weavers to reap the benefits of creative marketing and production planning based on market demands.

### **5. Improve Handloom Product Marketing**

#### **5.1. Promoting Consumer Awareness and Strict Implementation of the Handloom Reservation Act (1985):**

The government should broaden its policies and programs to educate customers about the distinctive characteristics of handloom items and their significance in our economy and culture. Through these, celebrity endorsements and other promotional methods are carried out to teach consumers how to identify Handloom items from Power Loom products and convince them to buy more Handloom products. to guarantee that the handloom reserve legislation is properly followed in the textile sector.

#### **5.2 Promote Weavers to Attend National and International Fairs:**

The government should promote and help weavers to attend national and international fairs. It has the potential to expand both export and domestic sales. Weavers attend these fairs to learn about consumer attitudes and evolving demands, allowing them to organize their production accordingly.

#### **5.3. Conducting Market Analysis:**

Since it is difficult for weavers, who are unorganized by nature, to get market information, the government conducts periodic market surveys, and the information to be effectively communicated to weavers in all sectors.

#### **5.4. Provide an Effective Quality Control System:**

Ensure an adequate Quality Control System: To ensure the quality of handloom products, the government should implement a robust quality control system. It is necessary to conduct awareness programs among weavers to raise knowledge of quality standards such as Handloom Brand, Handloom Mark, and so on.

**5.5. Government-sponsored marketing and sales campaigns** were utilized to promote and instill the value of handloom among customers, particularly young people & the Gen Z.

**5.6. Ensure Credit Availability:** Ensure easy access to credit for the industry at reasonable interest rates through financial institutions. There will be steps taken to free the weavers from the clutches of money lenders. To provide a constant income, provide regular job opportunities for weavers.

### **6. Conclusion**

As the government implemented many programs and policy steps to ensure the sector's survival and development, it has remained plagued by issues. As a result, the government must redefine policies and programs to reflect the changing demands of business and the economy. Otherwise, the industry will be lost to history. As customers, we must adjust our attitudes about handloom apparel, which is a part of our rich culture and heritage. As a result, it is our responsibility to ensure the sector's survival and sustainability as the Nation's future industry.

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