

# Women Entrepreneurs towards Growth of Indian Handloom Sector

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**Abstract.** Small-scale firms in rural areas has been recognized as a major source of global economic growth and employment and play an extremely important role in the development of any country, and especially in developing countries. In this direction, women entrepreneurs have been acknowledged to play critical roles bringing their ideas and capabilities towards successful achievement of the SME development. Contemporarily less research have been conducted in the role of women entrepreneurs in the growth of handloom sector of India. In this paper, we investigate how the women entrepreneurs can influence their ability to recognize opportunities and mobilize resources towards growth in handloom sector. The study explains the various promotional schemes of Indian government for creating awareness and encouraging the women entrepreneurs to invest in handloom sector and developing their businesses and thus ensuring their active participation in the development of the national economy.

**Keywords:** Women, Entrepreneurs, Sustainable Development, Handicraft

## 1 Introduction

Indian women are considered as a source of power (shakti) since mythological times. The Hindus worship goddesses as mothers. But in reality, women occupy a back seat to men. Moreover, they are revered as mothers, sisters and other social bondages. Many poets have imagined woman's minds as ocean. The upper layers of their minds, like those of the ocean, have turbulent waves. But depths are serene and meditative. Women's minds are essentially steadfast and strong. The truth is acknowledged by the Bhagvad Geeta wherein Lord Krishna describes his manifestation in the feminine quality of Medha or higher intelligence.

In spite of these facts, in traditional Indian society women are accorded inferior status in family hierarchy. The Indian society considered women as weaker sex. Such sociological and cultural traditions and taboos have kept women dormant for quite a long time.

The Sati pratha (woman setting herself fire on the pyre of husband) almost disappeared, but shameful incidents like female feticide continue to take place in our so called developed society. Women continue to face gender bias right from childhood. Incidences of malnutrition, school

dropout, early marriage, harassment for dowry etc, are significant examples. The male female ratio in our country has also become a serious issue of concern these days. It is quite common in Indian families that the women take up more responsibilities in bringing up children and maintaining home with love and affection in a far better way. This aspect of women being the nucleus of the family is being envied by westerners since they lack such family affirmations. The task of co-ordination of various activities in a much useful manner, without feeling any pinch of it, is being well managed by Indian women in their families. Child rearing and providing support services at home is till today recognized as principal function of an Indian woman. The traditional perception of woman as a homemaker or at the most a helper in the husband's occupation is still prevalent.

Handloom and handicrafts industry is a traditional and also a cottage industry in India. It provides employment to the large section of poor people. However, the role and significance of the industry to the national development is declining. In fact, the industry is facing lot of problems such as men, material, methods, machines, money, marketing and management. In this study, the problems faced by the industry and the solutions to solve the problems are discussed.

Handloom is an important cottage industry among developing countries like India, Pakistan, Bangladesh, Iran, Turkey and China where traditional ways of weaving are still significantly practiced. Handloom sector, predominately a rural occupation, is one of the largest generators, next to agriculture in India. Nearly 23.77 Lakh handlooms provide direct and indirect employment to 43.32lakh weavers and allied workers, of which 36.33 lakh workers stay in rural areas and 6.98 workers stay in urban areas and 38.47 lakh adult persons are engaged in weaving and allied activities in the country, out of which, 77.90% are women. 10.13% are scheduled tribes, 18.12% belongs to scheduled castes, and 45.18% OBC and 26.57% are from other castes (Handloom Census2013).

Handloom weaving is one of the skilled professions with craftsmanship that done with utter brilliance and is passed on generations, but the followers of this tradition i.e. handloom weaving have always been the victims of a staunch hierarchical system. Being at the bottom of the system they fall prey to the extreme forms of exploitation and harassment. The British invasion and their free trade policies were further pushed them to the lowest strata of society. It was expected in independent India that the art of handlooms weaving would get redecoration and

there would be a development on the status of handloom weavers. In the contrary, the socioeconomic conditions of handloom workers declined as it was before.

In the current scenario, the handloom workers were the poorest of the lot, least respected, socially and economically deprived, living in debts and almost living like an island in the Indian society. Besides, in large parts of India, handloom weaving lost its fame and prosperity. Basically handloom weaving is a men's domain but at this juncture we must acknowledge women's significant role in the handloom sector as per the handloom census 2013.

Women handloom workers are one of its biggest assets. They are the pillars and foundations of weaving community. It is splendid to utter that an ancient tradition affords large employment opportunity to women, but they are the victims of subjugation in the family as well as society. Women workers in the handloom sector are mostly illiterate and semi-literate due to low economic conditions. This resultant may bring out livelihood insecurity and social insecurity.

Mainly, the women workers, who are from handloom weaving family not permitted to go and learn beyond the weaving activity and their life, identity belongings etc. come from her handloom weaving only. All these consequences doubt handloom women worker's social security, social protection and future aspiration.

## **2. Understanding Entrepreneurship among Women**

The entrepreneurship has gained a variety of meanings. With passage of time, the concept and definition have changed. Shelan, Rao P. 2002 assert in this context wrote that there is total confusion in the mind of theoreticians and practitioners with regards to entrepreneurship. He further opines that clarity in this respect would make, specially the Indian organization meet the new challenges and changes in the wake of liberalization / globalization and international competitiveness in all sectors and forms of organizations. According to Hisrich R. (2002) an entrepreneur is an individual who takes risks and starts something new. However, he cites an early example of entrepreneur, Marco Polo who attempted to establish trade routes to the Far East. A common contract during this time provided loan to the merchant adventure at 22.5 % rate including insurance.

Entrepreneurship has been defined differently depending on and in tune with the changing ethos of socio-economic reality. Nowadays, greater importance is being credited to women entrepreneurs as a part of policy by government and other agencies. Women represent 50 percent of world's population and account for two third of total working hours. They received about ten percent of the world's income and own less than one percent of the world's assets. Against this backdrop, women entrepreneurs need a special treatment as they have to fight against heavy odds and belong to the largest disadvantaged group in the country (Vinze, 1987). As a result of industrialization, urbanization and democratization, the women in India are moving towards emancipation and are seeking gainful employment in various fields. Moreover, in such a transitional phase, heavily loaded with tradition, the Indian women find it increasingly difficult to adjust themselves to the dual role that they have to play as traditional housewives or mother at home front and compete with her men folks in the field of business and industry. Women have equal opportunities and rights as men. In such a situation, it is essential to identify suitable technology which will enable the woman to play her role as an effective entrepreneur without disturbing her priorities. The circumstances in which a woman entrepreneur has to operate in our society must receive recognition. Some of the problems faced by women are not the same as an ordinary entrepreneur would face. Thus, it is necessary to take into account such factors which only women entrepreneurs have to face.

#### *Role and Importance of Women Entrepreneurship*

Women are trying their level best to attain quality of opportunity in various ways which are different over the time and among societies. Women entrepreneurship enables to pool the small capital resources and skill available with women. It paves the way for fuller utilization of capital and also mobilizes the female human potential. Entrepreneurship is suitable to women and it is possible to do work when she has free time.

Self-employed women has no restrictions and time bound work which makes it easy for her to manage the responsibilities of work, home and child at a time. Secondly, it is convenient for women to be in control of a small business. This pattern of working in small business suits her dual role. With this, there is a growing realization that the strength of a country is in the small business. Women entrepreneurs today have their own opinion, are self assured, able to withstand all risk and are efficient managers. In spite of dual responsibilities, many women plan

their lives very skillfully and succeed in filling these dual roles in a smooth way. The experience gained outside her home enables her to enrich family relationships through new outlook on tradition in a changing world. By continuously seeking connection with the world of science and culture, she can become a better organizer and help to promote growth. Blessed with these qualities and creative urges women can contribute significantly to economic productivity of the nation. They can take lead in bringing ethics in business and human approach in social economic relation and make this world a better place to live.

Though women represent almost half the humanity, their contribution to leadership and management is much less. Time has come for women to come out of the drudgery of house work and give vent to their creativity and entrepreneurship.

### *Growth of Women Entrepreneurship*

In advanced countries like U.S.A., there has been a substantial increase in the employment of women but the last decade has seen the number of self employed women increase by 69 percent of women compared to 13 percent increase in the number of self employed men. The need of the present day in our country is to promote development in such a way that the first and foremost priority is given to women's skill development and education. Women have plunged into the field of small enterprises as entrepreneurs. During last two decades, India has been successful to a great degree in fostering the growth of small industries, through a package of support measures at various levels. They include policy, finance, infrastructure, training and facility services. Self employment was encouraged by providing a package of services such as training, credit, marketing and general guidance for those who desired to launch self employment ventures. Requisite information and facilities were to be provided with help of one window approach. Of late a number of organized attempts have been made to help to groom women as potential entrepreneurs.

The promotional agencies are firmly determined to turn the smoldering fire in to flames. Thus, with the active support of the promotional agencies and the good family occupational background, women entrepreneurship among the fairly well educated women is rapidly increasing and it is expected to develop in every nook and corner of the country in years to come. Women entrepreneurs are being helped in identifying and implementing the newly conceived projects. Term loans are provided by financial agencies on liberal grounds. A new package of

concessions, incentives and subsidies for promotion and development of women entrepreneurs have been introduced.<sup>90</sup> Special incentives are being offered to women entrepreneurs by some states preference is given only to those women entrepreneurs in selection for entrepreneurial training who have fair background of education, special aptitude for entrepreneurial training, experience of business and craft ventures, trading and business, family background, etc.; (Yadav 1999).

### **3. Women in Handloom Sector**

Handloom sector is unique in India. It has been the most popular manufacturing sector in the previous centuries, and has been the mainstay of rural industrialization in India. Handloom sector has been catering to the clothing needs of India, and various other countries for century's altogether. Modern textile industry has grown on the foundations of this sector, through mechanization and modernization. However, the most modern industry follows the principles of weaving set by the traditional handloom weaver. Unlike any other industrial Endeavour, handloom sector still continues alongside the most modern textile machinery in India. There are number of factors that have contributed to such resilience. Principal among them is that the weaving is household profession, passed on through generations. In these households, women play an important role.

Women weavers have been the principal stabilization force through years of crises and problems for the handloom sector. Gender and Trade Policy Handloom sector is the only manufacturing sector wherein one finds large number of women producing products which are worn by large number of women. A unique feature of handloom sector is women producing for women. The constraints and possibilities that govern women's lives were created within the system of decentralized authority that had historically characterized Indian society. The logic of Indian culture consistently undermined attempts to consolidate absolute positions of power at all levels of society, including the family and relations between men and women. The system of decentralized authority that structured Indian social and legal norms gave women substantial control over economic and social resources. This cultural analysis frames the study of women's participation in Indian handloom industry. The research suggests that women face few gender-specific obstacles in their economic activities and that women's civil status (single, married, or widowed) was not a crucial factor in determining the scope of their economic activities. The

diverse forms of labor, production, and investments employed by women from varied backgrounds indicate not only that women's involvement in commercial enterprises was essential to the national growth, but also that women's economic roles were accepted and supported by national cultural norms.

Many influential scholars of women frame women's lives within a patriarchal paradigm. However, culture in the handloom weaver families in some ways undermined the establishment of centralized positions of authority through which a patriarchal system might operate. In contesting the relevance of the patriarchal paradigm for understanding handloom families, it is not argued that women were more liberated in handloom sector. Rather, evidence supports the conclusion that to the extent that women as individuals faced subordination in handloom weaver families, it cannot be attributed to the essentialized notions of gender in Indian society. Because the family unit was such an important element in handloom sector there were compelling reasons to prevent families from collapsing into purely male-headed enclaves.

Women's active participation in the handloom production was not limited to those ingenious few who could overcome the gendered obstacles in their path; rather than contesting male authority, women's common participation in the production can be explained as a product of the shifting alliances and conflicts that structured the Indian concept of authority, and created spaces where women, like other social actors, could exert their autonomy. Handloom sector is ideal for studying women's economic activities in India. The handloom sector resilience, prosperity, demographic growth, and social stability make it possible to study gender norms operating in a normal, mundane fashion. Within the wider network of handloom production in India, women were involved in production and marketing of the products, as workers, as participants in commercialized domestic textile production, and as investors/master weavers. Because textile manufacturing was and is the most profitable economic activity in many parts of the country, it is no surprise that most illustrious families controlled handloom production as Gender and Trade Policy master weavers. Women within these elite families became master weavers through both inheritance and marriage.

Despite such features, which are outwardly unique, women weavers were never given the primacy they require. Their role in production was never acknowledged beyond the confines of the home. Their work most often went unpaid. Governments never recognised formally as a

target group. Even the private initiatives of NGOs, or fashion boutiques, tend to ignore their contribution and role. The most radical to rightist political mobilization structures in handloom sector are devoid of any issues and participation of women. Women participation in political mobilization is completely absent. Women constitute a major workforce in the handloom sector. Also, most of the handloom products are meant for women. Thus, handloom sector is the unique sector, wherein 60 percent of the women produce almost 70 percent of women products. However, their working, living and wage conditions need to be improved. They need to be empowered in various ways. Almost all the government schemes, projects and programmes on handloom sector have been and continue to bypass this major workforce through various means. They do not have identity cards, which are the principal means through which government welfare measures are sought to be implemented. There is no scheme, or project, or programme which addresses their needs. Women weavers have been subject to domestic violence and victims of violence in many places. They have also been at the receiving end of discrimination of all types. Whenever handloom sector is in crisis, the burden of carrying through the crisis is the most on women weavers, through increase in physical, psychological and social pressures. Their health condition is a major concern, as also their role in relations of production and also the future of girl children. While performing critical functions in production, their role in decision-making is rather poor.

In the past ten years, with changes brought in by globalization, liberalization and economic reforms, handloom sector has been facing adverse government policies and discriminatory competition. As a result, the family economy has been in turmoil. The resultant burden is the most on the women weavers. In these circumstances, it became important to address the problems and needs of this 'vulnerable section' of handloom sector.

There is no recognition to women's work as weavers, even though women play a major role in all pre-loom operations and take on labor-intensive activities. Women do not have access to government identity cards, except in cases where they are widowed or are members of the cooperatives. Women lack direct access to wages since weaving is a household enterprise and men take the final product to the master weaver for sale. Weavers depend on master weavers<sup>2</sup> for credit, raw material and market support. Even in instances where women are paid wages for small, piece-meal activities like yarn-winding, sizing etc, these wages range from Master

weavers in general are people who invest in production, and sell the products Gender and Trade Policy Rupees 10-15/- per day. Single and older women suffer more since they cannot take on labor intensive activities and lack family support. Literacy levels in general are poor amongst weavers and particularly lower in girls and women. Adolescent girls are also involved in weaving operations at the household levels and as paid wage workers. Amongst shed workers who weave on looms owned by master weavers, wages are lower and working conditions are highly unfavorable. Many live and work in small, congested houses and sheds under highly unhygienic conditions.

Women shed workers are also subjected to sexual harassment in many instances. Most sheds do not have any primary facilities such as bathroom or toilets. Women face problems to take bath or use toilets. They have to use open spaces, shielded from public gaze. Dowry for girls, who are married off at a young age is a major problem. Many do not want to marry male shed workers, who live and work in crowded sheds with several other families. Health issues amongst women are of major concern – many suffer from back and joint pains, reproductive and respiratory disorders and lack health awareness and access to government facilities. Lack of organization amongst weavers is a major problem. Due to poor functioning of cooperatives, many depend on master weavers. Women to a large extent have no membership in primary weavers' cooperatives. Women weavers are keener to innovate in new designs and products in response to market needs and demands, but lack proper information about both.

#### **4. Women Workers in the Handloom Sector**

Karl Marx (1853) rightly observes that it was the British intruder who broke up the Indian handloom weaving and destroyed the spinning wheel. England began with driving the Indian cottons from the European market; it then introduced a twist into Hindustan and at the end inundated the very mother country of cotton with cottons". In fact, this transformation results that the burden is mainly on women weavers and their economy has been in turmoil. They have been subject to domestic violence and victims of violence in many places. Whenever the handloom is in crisis women have been at the receiving end of discrimination of all types, even though they have been the principal stabilization force through years of crisis and problems in the handloom sector. On the other side, transient handloom sector provides largest employment

opportunity to women, who occupies a unique position and they are the torch bearers of this age old tradition.

Moreover in large parts of India, women's participation as allied workers in the handloom sector is an unutterable achievement, but there is no recognition given to women's work. Third handloom census, 2013 reports that 3,846,835 women workers are the active adult workers in the sector. 1,968,453 women workers belong to Asam, 202,742 women workers are from Manipur, 159,139 workers are Tamil Nadu workers; Andhra Pradesh has 186,569 adult female workers, and Tripura records 150,169 women workers, etc. 1,250,851 women from India are doing weaving as their full time profession and since 1002,171 women workers it is a part time profession. Exactly 77.94% of women handloom workers are engaging as weavers and allied workers, but his major work force has been subjected to subjugation in the name of globalization, industrialization and economic reform.

## **5. Problems in Marketing of Handloom Products**

There are few challenges for handloom because of changing market environment like globalization, industrialization/ mechanization etc. Though, because of characteristics of high adaptability that is in-built in handloom sector, changing market scenario provides lot of new opportunities for sector, but it also raises the challenges in front of sectors growth. Problems of the handloom sector are of various types specifically in area of marketing only, which requires timely intervention from various partners for betterment of sector's future in ever-changing market conditions.

### *5.1 Lack of accessibility of market information*

There is great potential for handloom products in domestic market as well as for export. But the availability of organized information, formal documentation of market change, timely market research and customer surveys for market feed-back are still not common practices for the handloom sector. Unavailability of this information creates barriers at market end in terms of unsatisfied customers, unavailability of required products etc. but at the production end also, where new product development, new design and colour and innovation is required, lack of customer feedback and absences of customer preference hamper the weavers creativity. Long existing information channel also create roadblocks in feedback accessibility for the weavers from market.

## 5.2 *Lack of awareness among the customer about product features*

Peoples are not fully aware of the qualities of handloom and are not able to distinguish the handloom product from general products on above given criteria. There is need to generate awareness in customer's mind about all the advantages that can be got from handloom uses.

## 5.3 *Promotion and advertising of handloom*

Handloom sector is way behind in area of promotion and advertising of its products comparison to other competing textile sectors like mills and knitted wear. General practice that is followed for promotion is through exhibitions and fairs, the impact of these events remain for very less time on customer's mind and again they start purchasing the other competing products, which are reminded them very frequently. There is another complain that availability of handloom products is at very less outlets that restricts the customer from purchasing the handloom in their vicinity and comfortably. For these purpose sector has to emphasize on the regular and continuous promotional and advertising campaign with focus on its effectiveness in comparison with other competing products as well as duration of impact and persistence.

## 5.4 *Quality control*

Handloom is known for the finest quality of cloth that can be produced anywhere and this is the property, which also used as Unique Selling Proposition (USP) in various cases by handloom sector like carpet and fine designs. But the persistence in product quality and standardization of quality for different handloom products are absent. There should be some procedure in place for checking the minimum quality standards of the products so that customer can be assured about this. Some specific quality concerns that expressed by the customers are durability of colour, shrinking of the cloth and durability of products etc.

## 5.5 *Lack of logistics and basic raw materials*

The extra large supply chain is one case which reduces the efficiency of product supply and increases the cost, but other than this also there are various factors which reduce the efficiency of logistic management. Handloom logistic is not managed in scientific way where calculation of stock keeping period and cost incurred because of maintaining huge stock; money blocked for this purpose and interest burden on overall sector should be done.

Ensuring adequate supply for the handloom sector is prime responsibility of National Handloom Development Corporation (NHDC). NHDC supply the yarn to the weavers through co-operatives at subsidized rates. But the co-operative coverage is limited to only 30 percent of the total weavers that makes the yarn supply system through co-operative very less relevant for the whole handloom sector where maximum weavers are out of this fold. Subsidies and other beneficial schemes from state and central governments are also implemented through co-operatives only and that make maximum weavers away from getting these benefit.

#### 5.6 *Increased competition and dynamic environment*

Increasing competition in market place from various players is big challenge for handloom sector. This competition is becoming furious for both domestic as well for export market. This competition can be categorized into two, one which handloom sector is facing because of aggressive power loom and hosiery wear sector and second from international handloom products.

### 6. **Conclusions and Suggestions**

Women entrepreneurs' has become backbone of business in many areas and thus becomes necessary to be encouraged by Government and by their families as well. Recognizing the socio-economic importance of the handloom industry in the India's economy, policies should be formulated in such a manner that they benefit the women entrepreneurs of the society on one hand and ensure the flourishing growth of the industry on the other hand in and outside the country. Besides, state help and intervention, private participation, modern outlook and induction of younger generation is required to faster, sustainable and more inclusive growth of the handloom industry. As supportive measures to help women entrepreneurs, we suggest the government to proactively look in the following:

- i. More support from financial institutions, particularly in obtaining micro credit;
- ii. One institution to coordinate issues of rural entrepreneurship.
- iii. More training and advice opportunities like legislation, foreign languages and marketing. Also, there is need for advice in accounting, taxation and awareness programmes about resource funding etc.
- iv. Establishment of Quality and Tradition in customer's mind, generating loyalty through long-term customer relationship and high quality service to increase in sale's volume of

handloom products are required.

We also suggest a bigger role of women entrepreneurs in handloom sector for a superior quality in the products. New product categories and potential marketing avenues on continuous basis will direct the handloom sector towards profitable business model by setting up the tailoring units and readymade garment making units in the handloom cluster to produce readymade handloom garments. Finding opportunities and helping women to export customized products according to the external market needs.

Last but not least, training and development to enhance the skills of weavers in manufacturing and marketing aspects in changing business environment. Effective implementation of various policies and programs could be successful when there would be proper integration, cooperation and coordination from all government agencies, cooperative societies, NGOs, weavers, traders and retailers of handloom products.

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