

# HANDLOOM WEAVING INDUSTRY IN INDIA—

(ITS PAST, PRESENT AND FUTURE)

BY

**Shri M. P. GANDHI,**

*Proprietor, Bombay Commercial Corporation; Bombay Agent, Gujarat Paper Mills Ltd.; Editor, Indian Cotton Textile Industry Annual and Indian Sugar Industry Annual; Honorary Professor in Cotton Economics, Sydenham College of Commerce & Economics, Government of Bombay.*

WITH A FOREWORD BY

**SHRI VAIKUNTH L. MEHTA,**

*Finance Minister, Bombay Government.*

"I am indeed very glad that Mr. M. P. Gandhi has been able to bring the information relating to the handloom weaving industry of India up-to-date with such commendable promptitude in this brochure. In view of this, I feel that it should serve as a valuable handbook for all who are interested in the growth of the handloom weaving industry.

"This industry is now placed in a position in which it can, with the assistance and under the guidance of Government, plan to reorganise itself. I am sure that at this juncture Mr. Gandhi's brochure will be helpful in planning for such development."

To be had of:

**GANDHI & CO. (Publishers),**

**JAN MANSION, PHEROZESHAH MEHTA ROAD,  
FORT, BOMBAY.**

60 Pages.

Price Re. 1/4/-

V.P. for Re. 1/8/-

September, 1946

Telegrams :  
"KEEN", BOMBAY

X91(M71:7).2

H6

30/20  
030120

1  
7  
6

The only Authoritative & Indispensable Annual Reference  
Book for the Indian Cotton Textile Industry

# The Indian Cotton Textile Industry— (1945-46 Annual)

Vol. IX

Editor: Mr. M. P. GANDHI

400 Pages: Rs. 5: V.P.P. Rs. 5/8. July, 1946

### CHIEF FEATURES:

- ◆ Retrospects and Prospects of the Indian Cotton Textile Industry, during the War period and the near future.
- ◆ *Personnel* of the Cotton Textile Board, its various Sub-Committees, and the All-India Handloom Board.
- ◆ "The Cotton Industry at a Glance" giving 22 authoritative and up-to-date Statistical Tables relating to the Industry.
- ◆ Latest Tariff on Piecegoods and Yarn, and Text of Cotton Yarn and Piecegoods Control Order, 1945 with latest amendments thereto, and Reference Control Order, 1945 of and reference Control Orders.

◆ Textile development.

◆ Piecegoods in India.

◆ Control of Prices of Cloth and Yarn.

◆ Production of the industry.

◆ Piecegoods in post-war period.

◆ Industry in post-war period.

### INDICES:

◆ Index regarding cultivation of Cotton, Exports of Cotton, Imports of Cotton, Production of Cotton in Indian Mills, etc.  
◆ Present position and future prospects.

◆ List of Cotton Mills working in India, with names of Managing Agents, number of Spindles, etc.

### Annual (Vol. VIII):

◆ July, 1945.

◆ Information on the progress of the industry during the year and the statistics.

◆ Survey of the Indian cotton industry. The author writes: "In view of the world scarcity, we can only hope that the industry may at all emerge."

**: ANOTHER AUTHORITATIVE PUBLICATION :  
PROBLEMS OF SUGAR INDUSTRY IN INDIA**

By M. P. GANDHI

With a foreword by Sir Purshotamdas Thakurdas

425 Pages.

December 1945

Rs. 12/- or £1/-

## AUTHOR'S PREFACE

In my preface last year to the brochure entitled the "Handloom Industry in India", I stressed the part played by the handloom industry during 1941-45 in relieving the shortage of textiles in India. Reference was also made to the steps taken by the authorities to ensure adequate supplies of yarn to the industry, and to keep its vitality as unimpaired as possible. Since then, the problems of the industry have been in the charge of the All-India Handloom Board which promises to be a good caretaker of the industry. Through its various sub-committees which are noticed in the succeeding pages, the Board has been able to get a good deal of spade work done so as to enable the Government to tackle the problems of the industry, chronic as well as present, in an adequate manner. A proper scheme for consolidating and improving this national small-scale industry is an indispensable pre-requisite to any plan for the economic betterment of India to which Government is committed. In that perspective, the attention so far given to the cottage industry encourages great hopes, the realisation of which must necessarily be a slow process. We have to be thankful now for the recognition of the importance of the industry in national planning. As I stated last year, "A vigorous cottage industry can go far to transform the face of rural India and infuse new life into the old bones. The weaver in the cottage is as indissoluble a part of the rural landscape as the tiller of the soil is. It would be a matter of pride if the weaver could be made to prosper and recapture once more the glories of ancient India".

This is not to say that everyone is agreed upon the *modus operandi* in which the industry should be stabilised. The Post-war Planning Committee (Textiles) has recognised the need for ensuring supplies of yarn from the mills by imposing the condition that new spindles under the post-war plan shall not be allotted unless the mill concerned agrees to give a part of the yarn to the handloom industry. I am not sure that this condition will be a sufficient safeguard. The attitude of the mills towards handlooms cannot always be expected to be as favourable and disinterested as one would expect. The Bombay Mill-owners' Association was opposed to the setting up of the All-India Handloom Board and Mr. J. C. Lancashire who was the Deputy Chairman in 1945 frankly stated that the policy of the Board "seems to tend more towards hostility to the cotton textile industry in India than anything else". He was referring to the recommendation that one half of the total new spindles sanctioned for post-war erection should be given only to those mills who agree not to install looms but to spin yarn for a period of five years at least from erection. In his opinion, "the handloom industry's affairs always seem to be bound up with extraneous matters which tend to rule out any dispassionate consideration of the circumstances having a direct bearing on the subject". I am only citing that as an instance of the other school of thought, according to which the handloom industry should receive no more help than it deserves, in contrast to what I may call the proletarian view that everything should be done to help the industry.

It is not easy to strike the balance between these opposite schools of thought, but I am gratified to note that the Handloom Board has shown a high degree of sympathy with the industry. Going through the minutes of discussions in the various committees of the Board, I notice that the provinces are making a strong bid to revive the industry and help it as much as possible. The stage has not come when a concrete plan for that purpose could be evolved, but it is on the anvil. It must, however, be remembered that the Handloom Board cannot make any direct recommendations to the Government except through the Textile Control Board, in matters affecting the mills (e.g. yarn).

The industry is exempt from the operations of many of the controls which apply to mill-made goods. In spite of some clamour and outcry against the high prices of handloom goods, so far no price control has been enforced. There is a vigorous export trade in handlooms, particularly to countries like Malaya and Burma.

In addition to the usual collection of facts about the handloom industry, a brief synopsis of the trend of recent discussions is also given in this year's edition. I trust it will help readers to obtain a proper perspective of what the industry is, and what it is going to be (as I hope) in the near future under a regime which is prepared to extend every solicitude to this oldest national industry.

If India is to live, this celebrated and largest indigenous industry must be made to live, and, therefore, it becomes the duty of every well-wisher of the country to devise, in his own way, measures which would lead to its orderly development and growth.

The accompanying few pages give a few striking characteristics of this industry, the causes of its decline, the methods in which the problems besetting the industry can be tackled, and indicate a few practical lines along which the industry may be resuscitated or developed.

I have no doubt that the Congress Governments in the various Provinces will render maximum help to the industry by giving it suitable facilities, and by exempting it from taxes, like the Bombay Sales Tax, as has already been done by the Bombay Government.

If these pages succeed in their aim of educating public opinion for an improvement in the position of this industry and the 2½ million workers engaged therein (as compared with 6 lakhs workers in the Cotton Mill Industry\*), I would consider my labour amply rewarded.

M. P. GANDHI

"Giri Kunj", 11, Hughes Road, Bombay.

Dated 30th August, 1946.

---

\* For details, vide Mr. M. P. Gandhi's "Indian Cotton Textile Industry Annual, 1945-46", published in July 1946. Price Rs. 5.

## FOREWORD

BY

**SHRI VAIKUNTH L. MEHTA,**

*Finance Minister, Bombay Government.*

I am indeed very glad that Mr. M. P. Gandhi has been able to bring the information relating to the handloom weaving industry of India up-to-date with such commendable promptitude in this brochure. In view of this, I feel that it should serve as a valuable handbook for all who are interested in the growth of the handloom weaving industry.

This industry is now placed in a position in which it can, with the assistance and under the guidance of Government, plan to reorganise itself. I am sure that at this juncture Mr. Gandhi's brochure will be helpful in planning for such development.

POONA,

*12th September, 1946.*

VAIKUNTH L. MEHTA.

# HANDLOOM WEAVING INDUSTRY IN INDIA—

(ITS PAST, PRESENT AND FUTURE)

BY

Shri M. P. GANDHI,

*Proprietor, Bombay Commercial Corporation ; Bombay Agent, Gujarat Paper Mills Ltd. ; Editor, Indian Cotton Textile Industry Annual and Indian Sugar Industry Annual ; Honorary Professor in Cotton Economics, Sydenham College of Commerce & Economics, Government of Bombay ;*

*[Formerly, Controller of Supplies, Bengal Circle, Supply Department, Government of India ; Secretary, Indian Chamber of Commerce, Calcutta ; Secretary, Indian Colliery Owners' Association ; Secretary, Indian Sugar Mills Association ; Secretary, Federation of Indian Chambers of Commerce & Industry ; Secretary, Indian National Committee, International Chamber of Commerce ; Chief Commercial Manager, Dalmia Cement Ltd. & Rohtas Industries Ltd. ; Head of Credit Department, National City Bank of New York, Calcutta ; Director, Indian Sugar Syndicate Ltd. ; Member, Bihar Government Labour Enquiry Committee ; Member, U. P. & Bihar Joint Power Alcohol Committee ; Member, U. P. & Bihar Sugar Control Board ; Member, Cottage & Rural Industries Sub-Committee of the National Planning Committee ; Member, Advisory Committee, East Indian Railway ; Member, Executive Committee, Bengal Textile Institute ; Ashburner Prizeman, Bombay University ; Examiner in B.Com. Examination of the University of Allahabad, Lucknow, and Bombay.]*



*With a foreword by*

**SHRI VAIKUNTH L. MEHTA**

*Finance Minister, Government of Bombay.*

*To be had of :*

**GANDHI & CO. (Publishers),**

**JAN MANSION, PHEROZESHAH MEHTA ROAD,**

**FORT, BOMBAY.**

Telephone Nos.

Office : { 25961  
          { 24047

Res. : 43926

60 Pages.

Price Re. 1/4/-  
V.P. for Re. 1/8/-  
September, 1946

Telegrams :  
"KEEN", BOMBAY

## HANDLOOM WEAVING INDUSTRY IN INDIA— ITS PAST, PRESENT AND FUTURE

It is now generally recognised that the handloom industry stands on an entirely different footing from any other industry and therefore its problems have to be tackled in a special manner. Its distinguishing features are that, firstly, it is one of the largest, if not *the* largest, of the cottage industries of India and therefore of the utmost importance to rural India; secondly, it is dependent primarily upon the mill industry which is its own rival and hence any planning for these two industries must necessarily be complementary and comprehensive; thirdly, the handloom industry is to be found in all the provinces and in all the States of India, each with its own peculiar local conditions in respect of skilled labour, aptitudes and tastes, and it is not an easy thing to reconcile individual interests with all-India needs. Any central scheme for the regulation of the industry often implies a certain degree of surrender of the rights of each region. As a matter of fact, it looks as if central administration of this industry will prove to be a very complicated affair; and already with the coming into existence of Provincial Autonomous Ministries, one notices a tendency on the part of some of those Governments to adopt their own methods in regard to the stabilisation of the industry. As in the political field in regard to the question of Federation, the evolution of a Central Scheme and plan for the handloom industry is fraught with great difficulties. It is to be hoped that local considerations pertinent to each area or province will be subordinated to the all-India interest.

The setting up of the All-India Handloom Board by the Department of Industries and Civil Supplies through its resolution dated 12th February 1945 was therefore, a move in the right direction. The functions of the Board were envisaged to be as follows:—

(1) To make recommendations to the Government of India on the proportion of the yarn available from Indian production which should be supplied to each Province and State, interested in obtaining it for handloom weaving.

(2) To assist handloom weavers in obtaining dyes, chemicals, stores, etc. at fair prices through their recognised associations or through Provincial or State Governments.

(3) To investigate and report on the best methods of marketing handloom products.

(4) To undertake research particularly into markets and the improvement of production. In pursuing such researches the Board should make use of any Provincial or State organisations already in existence.

(5) To advise on the administration of the Grant-in-Aid given by the Government of India for the furtherance of the handloom industry.

(6) To consider the conditions of work of handloom weavers.

It should be noted that it was also ordered that, if in the opinion of the Chairman any recommendation of the Board was likely to affect

in any manner the interests of the mill industry, he should, before submitting to Government, take steps to consult the Textile Control Board and obtain its views thereon. The terms of reference are comprehensive but for the rider stated above.

It was also ordered that the Board should consist of 30 members who will hold office in the first place for one year. The Board was constituted as follows :—

- (i) The Textile Commissioner (*ex-officio* Chairman).
- (ii) 3 Non-Officials nominated by the Government of India.
- (iii) 17 Members nominated by the Provinces as follows :—
 

Assam	..	1	
Bengal	..	3	(including 2 representatives of Handloom industry).
Bihar	..	1	
Bombay	..	2	(including 1 representative of Handloom industry).
C. P.	..	1	
Madras	..	4	(including 3 representatives of Handloom industry).
Orissa	..	1	
Punjab	..	2	(including 1 representative of Handloom industry).
U. P.	..	2	(including 1 representative of Handloom industry).
- (iv) 4 members nominated on each by the following States :—
  - (a) Hyderabad; (b) Mysore; (c) Travancore; and (d) Kolhapur and Deccan States.
- (v) 5 members representing the mill-owning interest (nominated by the Textile Control Board).

The Special Officer, Handloom Board, is Secretary to the Board, which is also empowered to appoint sub-committees to deal with specific subjects within its terms of reference.

The Board has met thrice so far and it might be useful to give a brief summary of the discussions in the three meetings. It is not without some difficulty that the necessary information has been collected and presented below. The trend of discussions may be carefully noted as they disclose certain features. Of these, the absence of clear ideas regarding price control of handloom products, stabilisation of wages and restriction of the number of workers in the weaving industry are conspicuous. They show how it is not going to be easy to evolve an All-India plan; much less to work it.

#### *Inaugural Meeting of Handloom Board, August 1945*

The first meeting of the Board was held at Nagpur on the 10th August 1945. The inaugural address of the Hon. Sir Azizul Huque, D.Litt., C.I.E., Member for Commerce and Industries and Civil Supplies Departments of the Government of India, was notable for setting out the problems of the industry in clear perspective. The Commerce



Member recalled how the handloom industry had been the key industry of India from time immemorial and how it had to pass through severe vicissitudes. The war brought about a change, and in the midst of acute difficulties of supply and production, the handloom industry came into its own. The Commerce Member stressed how handspinning and handweaving is part of the occupation of a large body of agriculturists in the off-season. He rightly expressed his feeling that there is a large place in the economy of India for the handloom industry and that it should occupy its place without any of the economic difficulties which are concomitant in a country which gets its industries mechanised in the evolution of industrial development. As he put it:—

“As a necessary corollary to keep the handloom industry, we must have two things before our view. Either there must be once again a development of home spinning of cotton or in the alternative, there must be sufficiency and abundance of all counts of yarn needed by the handloom industry. That is a problem of the future; the weakness of the position today in regard to handlooms is the unsteadiness of the supply of yarn in abnormal times. The handlooms for long had to depend on the supply of yarn from others, both from within and from outside India. The ups and downs of the textile industries both within and outside India thus affected the handloom industry also. As you are aware, the position today is that we have practically very little supply of yarn from abroad. We had no doubt been expecting for some supply of yarn from abroad, particularly the finer counts, but it has not yet come. In the meantime, the total yarn production in our mills is being largely used for the consumption within the mills; what remains after mill consumption is now being distributed for the handloom industry. On the other hand, mills particularly have not adequate production of finer counts to meet the demands of handloom industry.”

These are some of the aspects of the question which have to be tackled as problems for the future and in planning the future industrial development not only for India as a whole, but of the different Provinces. I do hope and trust that particular attention will be given to this question. The industrial development in the past has no doubt been large, but it exists only in congregated and congested centres. While Bombay and Ahmedabad have a number of mills and even more, while Madras has also a number of mills particularly for the production of yarn, while Nagpur has also a number of mills, the other Provinces in India are singularly deficient in not only textile mills but also in mills for the production of yarn. The industrial future of India must therefore be so planned that the mill industry of the future, specially that for the production of yarn, must be evenly distributed over the whole country.

In the past the handloom industry had certain export markets, and this is specially so in the case of the products in the South. Owing to rise in the internal consumption, one of our problems has been to keep the export market alive and at the same time to see that our internal economy is not affected. The problem is no doubt difficult. Day after day, I am on the one side being confronted with the demand for more export from certain parts of India and on the other side, I am met with the demand for more textiles, both handloom and mill-made, for the different Provinces and States. Again, if the handloom

industry has to keep its position both in the internal and the external markets, a considerable amount of research and study will have to be done and Government have already taken steps in the matter.

I am aware of the difficulties that the handloom weavers have to meet under existing conditions. Unfortunately, the actual receipt of yarn by weavers after its actual production in mills has to pass through a complicated process of distribution in which the agencies for the distribution do not always play a part in the best interests of anybody, except themselves. Actually the yarn reaches the weaver at a much higher price than the cost of production. With all their best craftsmanship, the class of weavers as a whole has been economically, the most exploited class in India. Something will have to be done to eliminate this exploitation. The weavers must have living wages, must be able to live a decent life, and after working hard for 8 or 10 hours a day or more, should not be allowed to starve. Gentlemen, these are some of the problems. This Board has to co-ordinate the handloom activities of India as a whole, to bring about co-ordination within the efforts of the mill industry and the handloom industry and to ensure the future strength of the handloom industry."

A general discussion followed the speech of the Hon'ble Member and centred mainly around the questions of yarn supply, price control of handloom fabrics and post-war reconstruction of the industry. There was general agreement that the supply of yarn, under the Yarn Distribution Scheme, was inadequate; partly because the number of looms given by the Thomas Committee Report was incorrect and partly also, because the looms had increased considerably since that Committee reported, particularly in provinces like Madras and C.P. There was sharp division of opinion on price control. Some felt that, unless steps were taken to control the prices of at least ordinary products like dhoties and sarees, the high prices could not be checked and therefore they recommended control at least on a regional basis. The difficulty in price control is that there is no standard wage which can be arrived at, for a weaver who often has to be idle because of lack of yarn, dyes, etc. factors entirely beyond his control. Those against price control mainly pointed out to the high cost of living that justified high wages and high prices. They also felt that it would be administratively impossible to launch a scheme of price control. Such was the trend of opinion that the officers from Bihar even suggested that, in the post-war period, Government should not encourage the establishment of textile weaving mills (!) and that since the problem was one of providing employment to nearly 30 per cent of India's population, more spinning mills owned by Government should be started at different centres, and the yarn from these mills should be supplied to weavers at concessional rates. The discussion was of a very discursive character and as Mr. Vellodi who was the Chairman of the Board then, observed: "the observations made by members appeared to consist of mostly individual opinions of the speakers regarding the efficiency of control rather than an attempt to state the case of the handloom weaver and the consumer of handloom goods".

#### *Chairman's Observations*

Mr. Vellodi pointed out that though control was advocated, none had suggested the basis for price control apart from putting forward

the premise that the price fixed should be on the basis of the cost of production. In regard to the supply of cotton yarn, he regretted that many of the members were not quite conversant with the details of textile control, which in his opinion only stressed the need for bringing the administration of handlooms under the same department as that which dealt with textile control.

On the question of supply of cotton yarn, Mr. Vellodi's remarks may be quoted *in extenso* :

"The total quantity of cotton yarn available for distribution in the country based on deliveries by mills over a period of months, is only 73,000 bales per mensem. According to the figures given in the Fact Finding Committee Report, a total quantity of 65,039 bales of yarn is necessary for the handloom weavers in this country. Unfortunately, as the speakers yesterday stated, the figures in the Fact Finding Committee's Report, while they are valuable as far as they go, are not complete, and further, there has been a very rapid increase in the number of active looms throughout the country. The total quantity available has therefore been found by Provinces and States to be entirely inadequate. Over a year ago, I sounded a note of warning that if the authorities in Provinces and States did not take heed, there would be increasing difficulty in the supply of yarn to handloom weavers. That warning apparently went unheeded, and handloom weavers were apparently permitted to increase the number of looms and thus increase their difficulty. Conditions became impossible, and in certain Provinces it was not possible to obtain cotton yarn at all.

In these circumstances, I took steps, in consultation with all Provinces and some of the important States to organise an equitable supply of the available quantity of yarn. Under this Scheme, yarn was divided into four groups; 1 to 10s, 11s to 20s, 21s to 40s and 41s and over. At a meeting of the representatives of the various Provinces and States, a scheme for the distribution of yarn was prepared by mutual consent of the various representatives and has been put into operation from the 1st of April 1945. While admitting hold-ups on the railways and certain difficulties that buyers may have, in obtaining their requirements at the various centres of production, I believe that the supply position regarding yarn today is better than what it was six months ago, and it was, therefore, somewhat disappointing to hear that conditions were really bad. Refinements or modifications of the existing system will be undertaken, but the essential fact to remember is, that there is only a limited quantity of cotton yarn for supply to the handloom weaver, which is apparently very much short of what the weavers require and that there is at the moment, no possibility of increasing the quantity. In fact, there is in my mind a fear that, as a result of the Rationalisation Scheme of the production of mill-made cloth, there may, in fact, be a further reduction in the supply of yarn to the handloom weaver. Considerable stress was laid yesterday on the comparative inadequacy of the higher counts of yarn. The plain fact is that in September delivery out of quantity of 62,000 bales of yarn produced in this country, only 2,500 bales were of counts of over 41s. In the pre-war years, we used to import on an average about 40 to 45 million pounds of fine yarn, most of which was 31s and above. These are the facts that should be remembered by all those who com-

plain of the overall inadequacy of yarn and the particular inadequacy under fine yarn."

These were the main discussions of the first meeting.

### *Second Handloom Board Meeting, December 1945*

This meeting was presided over by Mr. Dharma Vira, who succeeded Mr. Vellodi as Textile Commissioner and *ex-officio* Chairman of the Handloom Board. The Government of India decided not to add to their already numerous difficulties by introducing price control of handloom articles. The disorganised state of the industry, lack of adequate data and other things such as absence of standardisation were factors which made them decide in that manner. The supply of yarn continued to engage the attention of the authorities. On this point, Mr. Dharma Vira observed :—

#### *Yarn Supply Scheme*

"The main point emphasised in connection with yarn supply was its inadequacy resulting in the unemployment of weavers for the most part of the month. Apart from this, complaints were made about the considerably larger supplies of coarse yarn, particularly of 2s, 3s and 4s which were represented to be useless for the handloom weavers. The hardships imposed on the weavers of finer counts of yarn were also stressed. Ordinarily, the present marketable surplus of yarn should have sufficed, though in a somewhat restricted manner, to meet the reasonable requirements of the handloom and other miscellaneous industries. But the position has been made difficult by the fact that 28 per cent of the looms which were formerly engaged in the manufacture of woollen, silk and artificial silk were, and to a great extent even now are, employed on the manufacture of cotton fabrics. This was due to the utilisation of woollen and silk yarn for Defence Services' requirements. As a result of the cessation of hostilities and the resumption of imports, the swing back to the original structure has no doubt begun, but the imports are meagre and it will be some time before the industry reverts to its original position. Apart from this and again according to the Fact Finding Committee's Report, about 13 per cent of the total number of handlooms in the country were idle. These and a considerable number of additional looms have been brought into commission as a result of the demand for handloom cloth, owing to the overall cloth shortage. It will thus be realised that while the marketable surplus of yarn even now available approximate more or less to the quantity consumed by the handlooms and other industries before the war and the changed circumstances resulting in increased requirements, have made the position difficult. I may, however, assure you that all that is possible is being done and in spite of the difficult coal position and in certain cases, paucity of labour, the mills in the country have been working to their maximum capacity. When the Yarn Distribution Scheme was introduced, the quantity available for distribution was a little over 73,000 bales which has now increased substantially; supplies from April to October have averaged to a little over 79,000 bales. As regards the supply of yarn of undesirable counts, according to the Fact Finding Committee's Report, 20 per cent of the

total consumption of yarn by the handloom industry was in counts 1s to 10s and a careful study of the Yarn Allocation Scheme will show that almost the same percentage has been maintained. No doubt, a considerable proportion of yarn available in this group is of counts 1s to 5s which are reported to be unsuitable for the handloom industry. This has obviously resulted from the utilisation of waste cotton by the mills to a much greater extent than before. As a result of the complaints received, however, the matter was referred to the Chairman of the Textile Control Board, which has very kindly addressed the mills requesting them to spin, as far as practicable, yarn of counts 6s and above. I am, however not very optimistic in the matter, because in view of the increased utilisation of waste cotton by the mills, the spinning of yarn of counts below 6s may be reduced to any appreciable extent. I would, therefore, request the Provincial and State authorities concerned, not only to endeavour to utilise these coarse counts of yarn so far as possible in the production of durries and carpets of cheap varieties, but also to explore fresh avenues to utilise it. The position of supply of finer counts of yarn is unchanged and will unfortunately remain so till either we receive yarn in appreciable quantities by imports, or increased productive capacity is installed in this country. Normally, counts over 40s were utilised to the extent of 11 per cent of the total yarn consumption by the handloom industry. As against this, the quantity now available is only about 5 per cent of the entire marketable surplus. The difficulties of weavers of finer counts are therefore insurmountable at least for the present, and can only be mitigated by their switching over to medium counts of fabrics. Further, it is not possible to foretell with any degree of reasonable accuracy the period during which this scarcity of fine counts of yarn is likely to continue. If we take into consideration the time required for the rehabilitation of the cotton textile industry in the United Kingdom and America, as well as the shortage of cotton textile in these countries, we should not expect any substantial relief at least in the near future. It should also be borne in mind that a very great percentage of yarn imported into India came from Japan, which, as a source for the supply of textile material, should be regarded as lost for a considerable time. New production, on account of the difficulties in procuring machinery may well take three years or more to materialise. In brief, therefore, the position of yarn supply in spite of the distribution scheme is such, that it cannot be viewed with any complacency."

The formation of a Raw Materials Committee of the Board was therefore recommended. The Committee was to consider the question of supply of dyes and chemicals to the industry. On the question of marketing and research, Mr. Dharma Vira's remarks may be quoted: "According to the Fact Finding Committee's Report, the unorganised condition of the industry is responsible for the fact that the present marketing organisation is very costly from the weaver's point of view: the middleman's margin of profit ranges up to about 47 per cent of the cost. I feel that not only the stability of the Handloom Industry, but its very existence would depend on the extent of the success which is achieved in the direction of organising the weavers to ensure their continuous employment at reasonable wages, effecting economies in the cost of production, with a view to withstand competition from the mills, guiding the weavers' production along the channels of readily

saleable fabrics of standard qualities and satisfactory marketing of the produce. It will be appreciated that this will be a gigantic task and it may be not only desirable but essential to take stock of the various handicaps of the industry and formulate a well considered plan for improvement before arriving at decisions. It is for this reason and because of the very complex nature of the various problems that I would request the Board to consider the desirability of referring the various items of the agenda pertaining to the question of marketing to the proposed Marketing and Research Committee, which may meet in January 1946. The basis of examination of the problem will no doubt be the information contained in the Fact Finding Committee's Report, but it would be for the Committee to determine whether in view of the changes brought about by the unprecedented economic conditions of the last few years, it would not prefer to conduct another survey to ascertain the existing conditions. There may have been considerable changes in the structure and economics of the industry during the last two or three years and therefore it may be desirable to obtain fresh information on such points as the wages of weavers, number and types of looms, methods employed for preparatory and finishing processes, types of goods produced, methods of marketing, extent of competition and last but not the least, the inroads made by the powerloom industry."

*Third Meeting of the Handloom Board, April 1946*

The third meeting of the Handloom Board was held at Bombay on the 1st April 1946. In the interval between the last meeting and this meeting, quite a lot of spade work had been done by the sub-committees appointed at the second meeting of the Board. Presiding over the meeting, the Textile Commissioner stated that the Government were considering sympathetically the recommendations of the Raw Materials Committee of the Handloom Board which wanted the increase of the present supply of free yarn by reserving for handloom weavers at least 50 per cent of the production by the spindles sanctioned for post-war development. He admitted that there had been no material change in the position of yarn supplies and that it would be for the Provincial Authorities and States to consider whether it would not be desirable to restrict the number of looms by eliminating those who had recently become weavers under the attraction of high prices. He noted also the recommendations of the Marketing Committee which urged (1) the organisation of the industry, (2) rationalisation and standardisation of its products, and (3) consolidation of existing markets and exploration of fresh fields for the consumption of handloom goods and research leading to excessive production. Reference was also made by him to the inter-provincial export of handloom fabrics. Mr. Dharma Vira confessed that Government could not allow unconditional free movement, as it would completely upset the basis of the all-India distribution scheme. Handloom cloth is allowed to move from one Province to another subject to the mutual agreement of the Textile Authorities of the exporting and receiving areas and subject to the general principles laid down for all-India distribution.

Certain important items on the agenda of this meeting may be briefly referred to,

The Board adopted the recommendations of the Raw Materials Committee for improving the quality of yarn supplied by handloom. The Chairman informed the Board that the Industry Committee of the Textile Control Board had accepted the recommendation regarding the fixation of minimum breaking strength for each count of yarn in the price schedule and that it would be given effect to, shortly. The Board adopted the recommendations of the Marketing and Research Committee relating to the development of foreign markets and export of handloom products, and commended the same to the Government of India. It is interesting to note that Lady Hydari's suggestion to set up a central retailing organisation for the purchase and sale of handloom products was also adopted. The Board also agreed with the Committee in respect of standardisation.

#### *Financial Aspect—Grant-in-Aid*

It is very interesting to note how the question of financial aid is viewed by the Central and Provincial authorities. The Board considered a resolution that Government must render adequate financial aid to the handloom weaving industry to enable it to withstand competition and that an equitable basis for the distribution of the available grant should be evolved. It was also suggested that the grant should be available both to the Provinces and the States, so that a uniform policy throughout India will prevail. Mr. M. G. Pai on behalf of the Government pointed out that the reason for the proposed discontinuance of the *ad hoc* grant-in-aid from the year 1947-48 was that the Central Government is contributing large amounts of subventions to the Provincial Governments for post-war development of industries. He said that substantial amounts would therefore be set apart by the Provinces for the improvement of the handloom industry. One member pointed out that the Board could not have a financial control over the plans of the Provinces and States unless a substantial plan was forthcoming from the Centre. Mr. S. Venkateswaran, Madras Textile Commissioner, moved a resolution requesting the Government of India to reconsider the policy and to continue to give direct financial assistance for the industry after 31st March 1947 on such scale as they may decide from time to time, and that in future all grants should be placed under the disposal of the Board. He pointed that this would in no way affect Provincial or State schemes for improvement and development of the industry sponsored with or without the aid of subventions granted by the Centre. The resolution was unanimously passed.

On the question of supply of yarn, the Board adopted the resolution of the Raw Materials Committee which pointed out, "that there can be no material improvement in the yarn supply position till the new spindles under the post-war plan have started production and that the existing arrangements, (under which the Textile Commissioner debits each area in India with only that quantity of handloom cloth which corresponds to its equitable share of the available supply of yarn), is the fairest possible". Information about the distribution of artificial silk yarn was also called for. As for marketing and research, the Committee concerned, made the following recommendations:—

"(1) The handloom cloth produced in any area in India for established outside markets within the country should be allowed to move

to such markets. (Quantities involved not being large from an all-India point of view, it is considered that these movements would make no appreciable difference in the railway transport position and no special priority of movement is asked for).

(2) The quantities of handloom cloth so moved to established markets should be taken account of, by the Textile Commissioner in regulating the quotas of mill cloth due to the exporting and receiving areas to make up the *per capita* allocation.

(3) In the event of a difference of opinion between the exporting and receiving areas as to the quantities of handloom cloth to be thus allowed for, the Textile Commissioner should give a decision according to his best judgment and with reference to the date available to him."

Mr. Dharma Vira explained the difficulties of accepting these proposals and suggested that the Committee concerned should formulate a scheme giving specific proposals as to the varieties and quantities of handloom cloth that should be allowed to move from one area to another and be included in the all-India cloth distribution scheme. The meeting adopted his suggestion, whereupon the Chairman agreed to collect the following information from the Provinces and States and forward it to the Marketing Committee: (1) Quantities of handloom cloth by varieties imported by them from other areas in the past. (2) Quantities of handloom cloth by varieties exported by them to other areas in the past. (3) Quantities of handloom cloth by varieties which they would now agree to import from other areas and be included in their cloth quota. (4) Basis for the figures suggested in respect of (3) above.

The Board adopted the recommendation of the Committee "that the All-India Handloom Board should be a permanent body and that a Central Marketing Organisation should be attached to it. Marketing officers were also to be appointed at the following centres: Bangalore, Bombay, Calcutta, Lucknow and Amritsar. These officers should attend to marketing of handloom goods and their functions will be to study existing working conditions, to explore possibilities of further developments, to bring to the notice of trade channels the types of fabrics produced in the various Provinces, and to keep the industry throughout India informed of the changing fashions and demands. A Central Museum at New Delhi and showrooms in various centres is also proposed to be maintained. It was however agreed that the Central Organisation should in no way interfere with the efforts made by Provinces and States to expand the industry in their areas.

All the above discussions go to show how keenly alive the Provinces are to the development of the industry. Above all, they clearly show that the Central Government is being brought to face its obligations in regard to this industry. The new Provincial Ministries are even more anxious to stabilise the handloom industry, and in Provinces like Madras, the requirements of the handloom industry obtain first attention. Discussions in the Madras Legislature suggest that some sort of price control may be introduced in that Province very soon. It looks as if each territory will evolve its own price control scheme.

For the information of readers, we give below condensed extracts from the minutes of the meetings and resolutions of the several sub-committees appointed by the Board.



*Raw Materials Committee (First Meeting), January 1946*

"This Committee has come to the conclusion that it will not be really possible for the handloom industry to maintain satisfactorily its proper place in the national economy, unless a quantity of not less than 816 million lbs. of yarn per annum is available as free yarn after meeting the requirements of the weaving sections of the combined spinning and weaving mills, and unless, out of this quantity, not less than 693 million lbs. of yarn per annum are made available for the handloom industry. As, however, this means an increase in the quantity of free yarn by about 400 million lbs. per annum, a quantity larger than that which the Post-War Planning Committee has, for good reasons, considered feasible in the immediate post-war period, this Committee reluctantly bows to the fact that such a figure, however desirable, is under existing conditions, impracticable. It accordingly recommends that action should be taken on the following lines to meet the needs of the handloom industry to the utmost extent practicable, consistent with the need for a reasonable expansion of weaving mills in the near future. The Post-War Planning Committee has suggested the installation of 2.75 million additional spindles and 74,147 additional looms. This Committee considers that for a period of at least five years from now, the existing supply of "free yarn" should be increased by the reservation of the production of at least fifty per cent of the additional spindles which may be sanctioned under the Post-War Development Plan. In order to ensure this, the Committee strongly recommends that: (1) Up to 50 per cent of the total new spindleage that may be sanctioned under the Post-War Development Plan, first priority should be given to suitable applicants whether the applications relate to existing mills or to new mills, who bind themselves to spin, for a minimum period of five years from the erection of the spinning machinery without installing looms; and licences should not be granted for the installation of more than 37,073 looms, that is, half the number of looms recommended by the Planning Committee, whether for existing, or for new mills. In view of the fact that the free yarn available out of the yarn produced by the mills has to be shared by handlooms, not only with powerlooms but also with hosiery factories besides miscellaneous users, and as a large development of hosiery factories must be anticipated in the near future, it is very necessary that the development of these factories also should be regulated carefully on an All-India basis just as is now being done for the Cotton Textile Industry."

*Marketing and Research Committee (First Meeting), January 1946*

"This Committee recommends that Marketing Officers of adequate status be appointed by the Central Government as shown below:—

- (1) one at London,
- (2) one at Alexandria for Egypt and the Middle East,
- (3) one for East Africa,
- (4) one for West Africa,
- (5) one at New York for America and Canada,
- (6) one at Colombo,
- (7) one at Rangoon,
- (8) one at Singapore, and
- (9) one for Australia and New Zealand.

These Officers should be attached to the Trade Commissioners wherever there are such Commissioners ; but they should attend only to marketing of Indian handloom goods. The functions of these Officers will be to study the existing marketing conditions, to explore possibilities of further development of the markets, to bring to the notice of the trade channels our fabrics and simultaneously to keep the handloom industry informed of the changing fashions and demands. In the opinion of the Committee, the Government of India's Trade Commissioners cannot be expected to do this work in the intensive way required, and they should therefore be assisted by whole-time Marketing Officers. This Committee would invite attention to paragraph 131 of the Fact Finding Committee's Report and to the hardship caused to the handloom industry by the existing position as regards registration of designs of Madras handkerchiefs and strongly recommends that all handloom goods should be exempted from the operation of the law relating to Patents and Designs. The Committee would urge that registration of designs cannot be enforced without hardship to the handloom industry and without victimising innocent producers. This Committee would state, on the basis of the information that has reached it, that there is a well-founded apprehension that the outside markets which have been developed by the Indian handloom industry after years of efforts are likely to be partly or wholly lost owing to other countries exporting mill-made imitations of what have hitherto been considered as being essentially handloom types. This Committee is accordingly of the opinion that export restrictions should be relaxed quickly, in order that the Indian handloom industry may not lose any of its established export markets, more so, as it is understood that foreign countries are producing colourable imitations of lungis, etc."

The Committee at one of its subsequent meetings, considered also the question of standardisation of handloom products, which is the crux of the whole problem of the handloom industry. The marketing of handloom goods cannot be successfully organised and their reputation maintained, unless the quality of production is upto the mark. Hence arises the need for efficient supervision while weaving is in progress, for the supply of correct reeds and healds. The Committee realised, however, that except in this very limited sense, standardisation is not an ideal to be pursued in respect of handloom goods and that the weaver must enjoy as much freedom as possible to alter the designs and varieties with reference to market demands and with reference to the competition offered by mill-made goods, imported or indigenous.

*Second Meeting of the Marketing and Research Committee, March 1946.*

The Committee in charge of this question considered the very valuable note prepared on the subject by Mr. M. R. Kazimi, which is given below *in extenso*, and recorded the following resolutions :—

(1) *Organisation.*—(a) The Committee considers that the organisation of weavers in financially sound units which can undertake bulk purchase of yarn for the benefit of all the members belonging to the unit and combined marketing of their production, is the most fundamental of the problems to be tackled in connection with the maintenance and development of the handloom industry. It seems to the Committee quite clear, from past experience in different parts of

India, that adequate progress cannot be achieved in this direction unless alternatives to "Co-operative Societies of actual weavers" are explored and given a fair trial. The Committee would accordingly suggest that all Provinces and States should be asked to conduct experiments in the types of organisations specified below in selected areas and report the results after a year: (1) Compulsory Co-operative Societies for the actual weavers who are independent or desire to be so. (Under this Scheme, the weavers in the selected areas should be refused yarn unless they become members of these Societies. (2) Compulsory Co-operative Societies, the membership of which is confined to master weavers in the area. (Under this Scheme, the master weavers would, subject to (1) above, be allowed to retain the looms under their control and employ weavers as hitherto, but they would pool their resources and work together strictly on a co-operative basis). (3) Public or private limited companies formed and run by weavers, master weavers and dealers in handloom cloth. This Committee considers that these experiments will have no chance of success unless there is a definite inducement offered by way of arranging supplies of yarn to such organisations, after their registration and acceptance as approved organisations, at the ex-mill price plus the quota-holder's margin. (4) In respect of sub-para (3) above, the acceptance of the organisations as approved ones should be subject to the condition that the profit charged on the cloth produced by them should not exceed a reasonable percentage prescribed in this behalf by the Provincial or State Government concerned. (b) In areas in which the local conditions do not favour a trial of such experiments, caste guilds of weavers may be tried, provided the State or Provincial Government is satisfied: (1) that the arrangements made by the guild for the supervision of its activities and administration are adequate; (2) that the guild will comply with the conditions that they (the Government) may lay down for its working including the margin of profit which should be charged for the cloth produced by it; and (3) that legally they (the Government) will be in a position to deal effectively with any breach of such conditions or violation of any laws for the time being in force, by the guild or any of its members.

#### *Note on Marketing and Research*

According to the Government of India's Resolution dated 12th February 1945, the functions of the All-India Handloom Board with regard to Marketing and Research are: (i) to investigate and report on the best methods of marketing handloom products; (ii) to undertake research, particularly into markets and improvement of production. In pursuing such researches, the Board should make use of any Provincial/State organisations already in existence.

2. Apart from the question of supply of yarn, dyes and chemicals, the question of marketing is of equal if not greater importance. Increased supply of yarn will, no doubt, ensure continuous employment for weavers, but the primary objective of raising their standard of living by ensuring reasonable wages and scaling down of their debts cannot be achieved unless adequate facilities for marketing are afforded to the industry. Thus, marketing, apart from involving the actual sale of cloth, embraces the organisation of the various elements of the indus-

try; the rationalisation and standardisation of production, the consolidation of the existing markets and the exploration of fresh avenues for consumption of handloom fabrics. Similarly, research implies investigation into the existing methods of production, the extent to which improved appliances have been adopted and their effect on the general employment of weavers. Other allied problems deserving attention will be the extent of benefit accruing from the grant-in-aid and the success achieved by the co-operative movement.

3. The problem is no doubt a very complex one and the task of tackling it on an all-India basis which has devolved on the Board requires a close study of the existing conditions and careful planning of the action necessary to stabilise the industry and to ameliorate the plight of the weavers. The only reliable data available at present is the F. F. C.'s Report which has dealt comprehensively with the structure of the industry, the types of weavers and middlemen, their earnings, the method and cost of marketings, extent of competition, co-operative organisation, etc. The Committee has also made valuable suggestions for effecting improvements in various directions. It is however, for the Board to decide whether it would be feasible to formulate any scheme on the basis of the F. F. C.'s Report or it would be desirable initially to "investigate" as laid down in the Government of India's Resolution and obtain information regarding the changes brought by the war not only in the structure of the industry but in the financial condition of the weavers. The overall shortage of cloth in the country, the present high level of the prices of handloom fabrics and the reported increase in the wages, may lead to the inference that the last few years were periods of unprecedented prosperity for the weavers and that their plight is no more pitiable. On the other hand, shrinkage in the supply of finer counts of yarn must of necessity have resulted in changes in the types of fabrics produced, while restriction in transport may have been responsible for the loss of established markets. An endeavour has been made in the following pages to discuss the possible channels of improvement and to determine the extent to which additional information would be necessary before any plans are formulated.

4. *Organisation.*—Since, according to the F. F. C.'s Report, the unorganised condition of the industry is responsible for its abnormally high marketing costs and its consequent evils, it is but natural to accord a pride of place to the organisation of the industry in all schemes aiming at the stabilisation of the ancient industry and thereby ensuring the prosperity of the weavers. According to the F. F. C., the official agencies have fostered only co-operative organisations which have, speaking generally, suffered from financial weakness, inefficiency of management and inability to cope with fluctuation in yarn prices and with marketing of the finished product. The Committee has also emphasised the age long social and business relations and, in most cases, ties of caste and creed between the master weavers, sowcars and mahajans on the one hand and the weavers on the other, which may have been primarily responsible for the halfhearted support accorded to the co-operative movement. It is also possible that the lack of credit facilities on social occasions such as marriages, pujahs, absence of any effective voice in the management of the co-operative organisation and the small-

ness of the capital invested by him in the society did not evoke the enthusiasm of the weaver who preferred to eke out an existence as best as he could with the aid and support of the master weaver or the sowcar mahajan. It is also not unlikely that co-operative organisations invited within their fold only the weavers and thus alienated the sympathy of the master weavers and the mahajans.

5. In view of the above it is considered that it would be a move in the right direction if the future co-operative organisations aim at inviting to their fold not only the weavers but all the essential functionaries of the industry, be they master weavers or yarn and cloth dealers. This would enable the society to start on a sound financial basis, because the flow of capital from master weavers and dealers would be easy once they are assured of a reasonable return for their investment. It may be argued that apparently there is no incentive for the master weavers and dealers to join either the co-operative or other approved organisation. The master weavers would, however, have the advantages of bulk purchase of yarn and other raw materials while, as will be shown later, they and the dealers would be ensured of a better return once the unnecessary links in the chain of marketing are eliminated. The inclusion of master weavers and dealers would ensure purchase of yarn at remunerative prices as well as the production of readily saleable fabrics. Generally speaking, the societies have been run by a Board composed of both officials and non-officials, but the latter, being either weavers or their nominees not necessarily weavers, are not expected to have the same business acumen and foresight as the master weavers and dealers.

6. The weavers would also be encouraged to join the societies because of the lead given by the master weavers and the dealers and their sustained loyalty ensured by raising the share capital to substantial amounts of Rs. 20 or Rs. 25 which should carry with it the benefits of priority of employment, credit facilities and sharing of profit. It may also be stipulated, if necessary by amending the Co-operative Societies Act, that the share capital will forfeit in the event of desertion during the first two years. In fact it is considered that having due regard to the very large number of weavers who are mere wage earners, the organisation of the weavers would automatically follow the organisation of the master weavers and dealers. In order to ensure that the weavers get a fair deal and do not suffer from want, standardised wages and deductions for thrift fund will have to be prescribed ; provision will also have to be made for a certain percentage of the profits going to the weavers in the form of bonus. In addition to this, action may be taken for the scaling down of weavers' debts by legislation similar to the Agricultural Debt Relief Act.

7. It has been mentioned above that the weavers' contribution to the share capital should be substantially increased. This objective could be achieved in the case of dependent weavers by means of deductions from their wages for thrift fund by the dealers and master weavers. The independent weavers could be organised primarily by means of weaving centres on the lines of the Madras Scheme which should serve as a preliminary to joining the fold of co-operative societies. The position of the weaving centres would also become strong if endeavours be made to arrange for the purchase of yarn and the sale of finished

products through the normal trade channel excluding, of course, the avoidable links of the chain.

8. Mention may be made in this connection of the Naogaon Ganja Cultivators' Co-operative Society Ltd., of Bengal. As the Society has the monopoly for the sale of wholesale Ganja, every grower whether a member or not has to deposit his crop in the warehouse in joint charge of an Inspector of Excise and the Manager of the Society. The Ganja is graded into three classes in the warehouse and the quantity by each class entered in a pass book issued by the Society to each grower which is produced for receiving payment of advance price, deferred price, reward or bonus referred to below. The wholesale prices are then fixed by Government in March every year taking into consideration the acreage under the crop, the cost of production, the estimated sale and the working expenses of the society. The society then draws up its own budget estimate of receipt and expenditure taking into account its working expenses, the outturn of Ganja, the wholesale price fixed, and the probable sale of Ganja and finds out what advance price it can pay to the growers for different classes of crop. The advance prices are then paid to the growers. The society then arranges for the sale of Ganja to consumers through retail vendors. When the first half year is over the position is reviewed and if the actual state of sale during this half year justifies, a deferred price limited to 30 per cent of the advance price is also paid to the growers. Reward for round Ganja which is a costlier product is also distributed to them. Again, after the close of the year a bonus is also paid to the growers if the profits of the society warrant it. The non-member growers are paid deferred price and bonus only at half the rate at which a member is paid. It is considered that an organisation on similar lines with necessary modification to suit the requirements of the handloom industry would be well worth experimenting. In this case also, the management should as far as possible be vested in the hands of people fully conversant with the intricacies of the trade.

9. The condition precedent to the success of any such organisation would, no doubt, be the availability of finance sufficient enough to enable the purchase of two or three months' requirements of yarn as well as for stocking two or three months' production of cloth and of course the working capital. As already suggested, sufficient funds would be available once the master weavers and dealers are brought within the fold, but it might be necessary to arrange for advance of loans to approved organisations at lower rates of interest from the District or Provincial Co-operative Banks or other scheduled Banks. It is understood that the Provincial Governments propose to spend large sums of money for the development of industries in their respective areas; if this be so, it is presumed that the question of according credit facilities and grant of subsidies to approved organisations will receive the attention it deserves.

10. Apart from the co-operative societies, it may be possible to revive, wherever feasible, the organisation of weavers on the lines of the caste and craft guilds referred to in paragraph 57 and 163 of the Fact Finding Committee's Report. These societies besides not involving any great departure from the conservative ideas of the weavers may not require so much of share capital. Such organisations would

not, of course, be as effective as those suggested in the preceding paragraphs. Nevertheless, it should be possible for them to introduce rationalisation and standardisation of production and standardised wages for wage earning weavers.

11. It may be mentioned that, before the actual form of co-operative organisation is determined, it would be essential initially to elicit the opinion of the weavers and dealers regarding the success so far achieved by the co-operative movement and the mode of organisation that would suit the weavers in particular areas. It may also be necessary to explore the possibilities of establishing joint-stock organisations as suggested in paragraph 186 of the Fact Finding Committee's Report. The idea underlying the suggestion for investigation is that in order to avoid failures which may have serious repercussions on all future schemes, the mode of organisation should be determined only after ascertaining that reasonable support of dealers and weavers would be forthcoming. It is considered that organisation of the industry in a large way would be possible if three or four types of organisations are experimented with simultaneously in different concentrated weaving centres.

12. The objective therefore is to have a net-work of co-operative societies functioning side by side with other approved organisations and the activities of these co-ordinated by a central marketing organisation which after conducting investigations into each of the various problems of the industry will be able to recommend plans for the development of the marketing side of the industry such as rationalisation, standardisation and the marketing of handloom products explained in the following paragraphs.

13. *Rationalisation.*—The organisation of the industry in each place is to be followed by the rationalisation of production. The question of competition, direct and indirect, fair and unfair, with the mill and the imported cloth has been fully dealt with in the Fact Finding Committee's Report. The Committee has also discussed, and rejected as impracticable, the question of delimitation of counts either for the mills or for the handloom industry. Be that as it may, the salvation of the industry rests on the amount of success achieved in so guiding its production as to reduce the elements of competition to the barest minimum. And the objective can be achieved by aiming at the production of fabrics with individual characteristics of colour and design and in catering as much as possible for the local demands. The Fact Finding Committee have dealt with the types of fabrics produced in the various handloom Provinces and States in paragraphs 97-115 of their Report. They have also detailed in paragraph 96 the percentages of the various standard types of fabrics produced in each Province and State while the cost of production has been detailed in Appendix XXVIII. The question of competition has been discussed in Chapter VIII while the extent of competition in standard fabrics has been dealt with in paragraphs 144 to 148. A perusal of these paragraphs would, however, show that the information is very general in character.

14. In order to devise any scheme for rationalisation of production and to act upon the suggestion contained in paragraph 162 of the Fact Finding Committee's Report, namely "human and technical resources

of each centre must be fully utilised for the production of such goods as could be produced efficiently in each centre", it would be essential to obtain comprehensive and detailed information about the types of fabrics produced in each weaving centre, the proportions of each of the numerous types, the cost of production, the percentage of cloth marketed and consumed locally and the proportion exported to other Provinces or countries, the extent of competition with the mill and imported cloths, the handicaps imposed by inequitable railway freight, octroi and local taxes. The seasonal character of demand for and therefore, of the production of handloom fabrics will also have to be examined, as these factors are not conducive to continuous employment. This is all the more necessary because the increased production of coarser counts of yarn by mills and the unprecedented shortage of finer counts of yarn which was supplied principally by foreign countries and the restrictions imposed on the interprovincial movement of handloom cloth, must of necessity have resulted in the loss of outside markets and therefore in the types of fabrics produced. Moreover, the increase in the prices of foodstuffs and the inadequate supply of yarn allowing part-time work for the weavers must have changed considerably the price structure of the handloom fabrics which therefore need fresh comprehensive investigation.

15. The information obtained will have to be studied so closely in order to plan production as to minimise to the maximum extent the disadvantages of high cost of production and marketing by planning primarily for regional self-sufficiency emphasised in the Fact Finding Committee's Report in paragraph 181. It is well known that the bulk of the production of the Indian mills comprises counts 11s to 30s, while a reference to page 113 of the Fact Finding Committee's Report will show that the bulk of the handloom production also falls under this category. Since delimitation of counts is not a practical possibility, competition with mills is unavoidable; nevertheless the extent of competition can be minimised by the production of fabrics of individual characteristics and designs and by avoiding transport over long distances. This may not be necessary for speciality fabrics but it would be essential in respect of staple goods which with modifications in design and texture should be produced for and consumed in the Province of manufacture in order to avoid the disadvantages of inequitable freight, the incidence of octroi and other local taxes, and thereby the competition with mill made and imported cloths.

16. The idea underlying the suggestion may be illustrated by citing the example of saries of fine texture produced in some of the weaving centres of Dacca and in Shantipur in Bengal which are consumed not only in Bengal but in Bihar, U.P., and even in the Punjab. No doubt, the individual characteristics of design and texture of these saries offer great inducement to consumers, but it would not be reasonable to overlook on this account the changes in the texture and design of mill made saries which would offer more severe competition owing to production in bulk and improvement in weaving technique. Besides the handloom saries, with their prices inflated by the high marketing cost and the addition of railway freight and local taxes may not find a ready market even on sentimental grounds. It would therefore be desirable either to create a better market for the saries in Bengal or restrict



production to local requirements. The deficiency in series of fine texture in Bihar, the U.P. and the Punjab would be made up by inducing the fine count weavers of these Provinces to switch on to sari weaving. Similarly, coatings and shirtings are manufactured almost all over the country, but it is not uncommon for those produced in South India, Surat and Gorakhpur, to be consumed in Bengal, the Punjab and Bihar respectively. If, therefore, competition is to be reduced to its minimum it will be essential not only to concentrate on production of such coatings and shirtings as are not commonly produced by the mills but also to so change the design and texture as to stimulate local demand.

17. Another question which deserves attention is the production of what are termed speciality fabrics, namely curtains, furnishing and upholstery cloths, table cloths, towels, etc. The production of these fabrics has received an impetus from the Government organisations of Bihar, U.P. and the Punjab, but it is apprehended that if production is allowed to go unbridled, a stage may be reached when there will be competition amongst the various handloom Provinces themselves and even the export markets may reach a saturation point. It may be mentioned that the Fact Finding Committee has emphasised, in paragraph 162, the urgency of adjusting the production of speciality fabrics to demands and this can be done only after investigating the extent of demand for these fabrics. Rationalisation will, however, be a practical proposition only if it is confined in the initial stages to approved organisations. In fact, it will have a better chance of success if the problem is tackled with the unstinted co-operation and enthusiastic support of the master weavers, sowcar mahajans and cloth dealers.

18. The question of standardisation of production will have to be tackled along with the question of rationalisation of production. According to the Fact Finding Committee's Report, there is complete lack of standardisation which increases with the popularity of any particular fabric and which makes marketing very difficult. In fact, it would not be incorrect to say that lack of standardisation has been responsible for confining the marketing of handloom products to 'spot' transactions. It is considered that while the handloom weaver should have full liberty as regards designs, there should be complete uniformity of ends, picks, length and width in respect of each of the numerous types of fabrics. That standardisation is a practical possibility has been amply demonstrated by the weavers engaged on war supplies or on the execution of orders from approved organisations. No doubt, under the existing conditions the weaver has little or no incentive to adhere to uniform ends and picks. His is a struggle for existence and he knows that he has to sell in a buyer's market and at buyer's price. Standardisation can, therefore, be achieved if it is brought home to the weavers that by adhering to a specified number of ends and picks and by ensuring a specified width and length of fabrics they will gain either in the form of increased wages or better prices and can also be sure of marketing their products. Approved organisations should not experience any great difficulty in this regard once they start working on the basis of forward transactions with the dealers of consuming centres.

19. The executive action in regard to rationalisation with which standardisation is linked would, no doubt, be taken by the Provincial

authorities who should be willing to implement the recommendations of the Board based on comprehensive investigation and detailed examination of the problem through a central organisation.

20. *Marketing.*—The next question of importance is the question of Marketing. In so far as the independent weavers are concerned, they form the smaller proportion of the weaver population in the country; no tangible relief could be possible unless they join either the co-operative or any other organisation which may be fostered. Their slender finances, chronic indebtedness and, therefore, complete dependence on the yarn dealer for the supply of yarn on credit leave them no option other than that of selling at the buyer's price. Unless, therefore, they are brought within the fold of such organisation as would supply them yarn on credit and take back the finished product at prices based on standard wages and replacement cost of yarn, they would in due course of time be relegated to the position of mere wage earners.

21. The dependent wage earning weavers are, no doubt, relieved of the responsibility of marketing, but their continuous employment and wage level depend on the facility available to the master weaver and sowcar mahajans for marketing the finished products. The numerous types of middlemen and the functions of each has been dealt with fully by the Fact Finding Committee, in paragraphs 60 to 63 of its Report, and the Committee has discussed the middleman's profit in paragraph 124. The Committee has also come to the conclusion that "there are far too many middlemen participating in the trade and that their efficiency and individual turnover are much lower than they should be. At the same time, there are many middlemen who appear to be keeping their heads above water by taking a proportionately higher share of the gross profits of the industry than the weaver himself". The Committee has emphasised that the cost of marketing of handloom fabrics is "prohibitively high" and that the "middleman is largely to be blamed for this", "The principal problem, therefore, so far as marketing is concerned, is how to reduce the marketing costs." The Committee has suggested the "pooling of the resources of the middlemen into a large-scale organisation for marketing, under the auspices of a sellers' co-operative society".

22. It is considered that the cost of marketing could be reduced considerably by setting up an organisation of weavers, master weavers and dealers. This would result in eliminating the middlemen in the producing centres as all sales to outside buyers would have to be made by the organisation. The middlemen between the organisation and the ultimate buyers in the consuming centre could be eliminated by arranging direct contact between the organisation and the ultimate buyer wherever possible. As suggested in paragraph 67 of my Report submitted to the Government of India in 1943, marketing officers could tour the markets and then arrange direct contact between the organisation or in its absence the master weaver on the one hand and the ultimate buyers in the consuming areas on the other. The services of approved organisations, if any, in the consuming centres could also be utilised in a similar manner. The endeavour of the marketing officers should be to find markets, create demands and arrange direct transaction between the approved organisations or between the first and ulti-

mate buyers in the producing and consuming areas. A condition precedent to affording such facility should be the agreement of the two contracting parties to specified margins of profit which would result eventually in the sale of handloom fabrics at reasonable prices while the master weavers would have to agree to pay standardised wages to the weavers. Payment of standardised wages to the weavers could be ensured by asking the master weavers to give a written undertaking to do so and by exercising a periodical check in the area in which the master weaver operates. Reasonable prices based on specified margins of profit could be ensured by stamping the retail sale prices on the products, if necessary.

23. Generally, handloom fabrics are disposed of either by weavers or dealers by means of spot transactions which is perhaps unavoidable in the absence of standardisation. The industry can entertain better hopes of stability if the marketing officers aimed at encouraging forward contracts for specified fabrics. This system of trading could be a practical proposition for approved organisations and master weavers. The contract to be attractive and acceptable to both sides may incorporate the option clause permitting of changes in the design and dimension of the fabrics if intimated within specific periods. The forward trading system could also enable the organisation or the master weaver to cover their sales by entering into a forward contract for supply of yarn either with the mills in normal times or the provincial distributing agency during the control period. So long as the control over mill yarn and cloth continues, the contract could be made subject to the modification of sale price in the event of change in yarn prices. Moreover, this system would be the surest means of ensuring continuous employment to weavers and would result in better and economical production owing to continuous run of specific fabrics. An all-India marketing agency functioning through a net work of marketing organisations in the production centres could achieve the objects in view.

24. Although regional self-sufficiency should be the ultimate goal of all planning, it is considered that it will be years before any appreciable results are achieved in this direction. It would therefore be necessary, at least during the transitional period, to regain the markets lost as a result of the restriction on the inter-provincial movement of handloom cloth. In fact, it is not unlikely that even in spite of regional self-sufficiency export to outside markets would be unavoidable in respect of speciality fabrics and of staple goods from those Provinces which have got a large number of handlooms. This would become almost unavoidable, if and when though not in the near future, the recommendations of the Raw Materials' Committee regarding increased supply of yarn are endorsed by the Board and accepted by the Government of India, because the production would then amount to about 2,000 million yards as against the present estimate of 1,500 million yards. In so far as the internal markets are concerned, the aim should be to regain and to consolidate the markets available during normal times and also to seek fresh avenues of consumption. Simultaneously with this, extensive propaganda will have to be carried out in foreign countries through the Trade Commissioners organisations now being created, to evoke interest in Indian handloom fabrics and to obtain orders for substantial quantities. Much of the success in this direction would,

however, depend on the rationalisation and standardisation of handloom fabrics which are essential to ensure a steady export market. The consolidation and exploration of markets in the country can be achieved through the agency of the Central Marketing Organisation supported by intensive publicity to popularise handloom fabrics. It is considered that the organisation of the industry on sound lines resulting in the elimination of unnecessary middlemen and the increased supply of yarn resulting in continuous employment of weavers, will bring about reduction in prices. This coupled with the possibilities of obtaining supplies of standardised fabrics should be sufficient incentive for old consumers to revert to handloom fabrics.

25. *Research.*—The machinery engaged for collecting additional information would also investigate and report on the methods of winding, warping, sizing, beaming and weaving employed in the various concentrated handloom centres. The information so obtained would then be subjected to critical examination followed by the formulation of a well conceived plan for development which should aim at the reduction of production cost compatible with a reasonable living wage for the weavers and their dependents. Research may also be directed towards improving the methods of hand-dyeing and hand-sizing. Simultaneously with this, it would be essential to take into account the activities of the various technical institutions in the country and to evolve a uniform policy of training.

26. *Central Organisation.*—The extent of additional information necessary for effective planning for organisation and rationalisation of the industry and for marketing has been shown in the preceding pages. It has also been suggested that the investigation should be conducted by a central organisation wholly interested in the handloom industry. An alternative to this suggestion would be the utilisation of the existing staff of the Industries Department of the Provincial Governments. It may, however, be pointed out that effective planning, be it for organisation, rationalisation or marketing, will not be possible unless it is done on the basis of a detailed and comprehensive all-India picture of the structure and production of the industry. No doubt, the example of the Fact Finding Committee, could be emulated and questionnaires issued to all the handloom Provinces and States for eliciting necessary information, but this would not have the desired results, as this method would preclude the possibilities of supplementary questioning and the investigation would lose its comprehensive character. The investigation to be successful should be conducted on uniform lines and this cannot be ensured unless it is conducted by the central organisation with the fullest co-operation of the Provincial and State machinery. It may be added that even the Fact Finding Committee considered it necessary to tour the country for eliciting first hand information. Even if the field work is not entrusted to it, the central organisation would be absolutely essential to consolidate the information furnished by the Provinces and States and to maintain the statistics of the handloom industry.

In view of this, it would be desirable to entrust the field work to the machinery which would be responsible for collating the data obtained regarding each Province and State, to enable planning by the Board and for maintaining effective co-ordination between the

various handloom areas. Further, the central organisation would be absolutely essential for seeking inter-provincial markets which would have to be consolidated in spite of all success achieved in the direction of regional self-sufficiency. It would also serve as a liaison between the Trade Commissioners and the Provinces and States.

27. Attention is in this connection invited to paragraph 213 of the Fact Finding Committee's Report which may with advantage be quoted here :—

*"The Constitution and functions of the Indian Handloom Industry Board.* We have given some thought to this suggestion and we consider it a very valuable one. The Indian Handloom Industry Board may be established as a semi-public corporation somewhat on the lines of the Milk Marketing Board and other similar organisations working in the United Kingdom and must have on its governing body officials, representatives of handloom interests, and leading business men of the country with long experience in textile matters. The functions of the Board will be mainly three-fold, namely, (a) Research, (b) Supply of Raw Materials and (c) Marketing. Corresponding to these three functions, there will be three separate committees of the Board in charge of the three branches of its activity. In regard to research, the principal function of the Board will be to encourage and co-ordinate the work now going on in the technical institutes maintained in the various Provinces and States. It will also have to conduct research independently on the economic as well as technical problems of the industry. It will also serve as the agency for pooling and disseminating the available technical and economic information. In regard to raw material, the Board will have to make arrangements for the supply of yarn and dyes to the handloom weavers, negotiate with the mills for bulk purchases wherever necessary, maintain yarn depots where such are found essential, and watch the transactions of yarn dealers and attend to licensing regulations. Perhaps the most important of the Board's functions will be the marketing of handloom cloth both in India and abroad. The marketing branch of the Board will collect orders through its selling agents and pass them on to the Provincial organisations. Through its travelling agents and by contact with India's Trade Commissioners abroad, the Board will be in constant touch with the foreign markets for handloom products. It may conduct marketing and production surveys both of handloom markets and centres. The yarn depots, where they are set up, may also be used as an agency for collecting cloths. The Board may maintain sales depots wherever advisable and in other cases sell through merchants. In regard to the headquarters of the Board, Mr. Doak says : "The natural headquarters for the Indian Central Cotton Committee is of course Bombay . . . In the same way the headquarters of the Handloom Industry Board could well be Madras, periodic meetings being held in other Provinces." Wherever the headquarters of the Board may be, branches will have to be opened in the various Provinces and States, or the Board may work through the existing co-operative or other organisations. In any case the new organisation must be co-ordinated with the existing weavers' co-operative movement. It would also be advisable to distribute through this body the grant-in-aid from the Government of India to the Provinces which we hope will be continued.

It is essential that the States should also be represented on this Board and it is our hope that they will take an active part in its work. As will be seen from references elsewhere in the Report, several States are taking great interest in the handloom industry and it is very probable that they will welcome such a move from an all-India organisation."

Although the All-India Handloom Board is not the semi-corporate body suggested by the Fact Finding Committee, there is no reason why it should not assume the functions envisaged by the Committee, of course, within the four corners of the Government of India's Resolution.

#### *Dyes and Chemicals for Handloom Industry*

Much of the industry's vitality and competitive power depends on the colourful designs the weavers are able to turn out. The importance of an adequate supply of dyes and chemicals will therefore be abundantly clear and hence a good deal of attention has been given to this aspect. It is understood that against a total of 8,600 tons of dyes, estimated to be the total requirements of the textile industry, only 4,000 tons of imports can be depended upon; and out of that quantity only about 1,600 tons (40 per cent) may at all be available for the handloom, powerloom and printing industries put together. The shortage of dyes is particularly acute in dyes of the fast and semi-fast varieties, e.g. vats, soluble vats, naphthols, alizarines, indigo, etc. The rationalisation of mill production has led to greater consumption of fast dyes by the mills; and in this general shortage of dyes, what is available to the handloom industry is even less than before. As a result of the various control orders, certain classes of dyes like sulphur and chrome are now available in large quantities.

The distribution of dyes and chemicals under the Cotton Textiles (Dyes and Chemicals Control) Order, 1945 is through dealers of four groups, A, B, C and D.

"A" class consist of importers who have no distributing organisation but have only an import quota and who are expected to sell to "B" or "C" class licence-holders.

"B" class consist of importers having an import quota, their own distributing organisation and labels and complete freedom as to the choice of customer to whom they desire to sell.

"C" class consist of re-packers having no import quota, but having distributing organisation and labels, who purchase dyes from importers and pack them with their own labels; they are allowed freedom of action with regard to sales. In actual practice, their sale is more or less confined to small consumers situated in the interior of the country.

"D" class. These are free dealers who are expected to sell exclusively to consumers and who get their supplies from "B" class dealers referred to above.

In Madras, the distribution of dyes and chemicals is subject to the Provincial Licensing Scheme introduced in 1945, which is even more strict than the Government Scheme.

The Government of India favour the present distribution method until a better method of distribution is suggested. *The present problem is not of an equitable distribution but one of economy in the use of dyes.* The dyes' trade is of a very specialised nature with its own peculiar difficulties. For one thing, the dyes are not used in the manner imported but require mixing to suit the individual requirements of consumers; also, there are thousands of types and storage is itself a problem. In the official view, at present supplies are not likely to amount to more than a small proportion of the requirements of industries other than the textile mills, so no useful purpose will be served by modifying the distribution scheme.

The suggestion has, therefore, been made that central dye houses should be established under approved organisations, equipped with efficient machinery. The weavers could bring their yarn to such dye houses to obtain the requisite shapes. It is claimed that this method will ensure the following advantages:—

- (1) standardisation of shares;
- (2) maximum utilisation of dye liquors involving economy in the use of dyes and chemicals;
- (3) reduction in price due to bulk dyeing; and
- (4) easier system of distribution by which dyes could be supplied between central organisations instead of being apportioned out in small quantities to various handloom weavers individually.

In fact, something like this has already been done by the Madras Provincial Weavers' Co-operative Society which is running four dye factories at various centres. Certain primary societies have also started dye factories of their own and the idea is to have a chain of factories all over the Province. Orissa follows Madras closely in this respect. As yet, the benefits go only to members of the co-operative societies, and as only a small proportion of the weaver population belong to these approved organisations, the desirability of even non-member weavers being allowed to bring their yarn for dyeing to these factories has been stressed. Ultimately, this may prove helpful in persuading them to become members of the societies.

\* \* \*

#### *The Handloom Industry in India*

Let us now turn our attention to the history of the celebrated handloom industry of the country.

Cotton has been known in this country since prehistoric times. The earliest of civilisations, unearthed at Mohen-jo-Daro, gives evidence of cottonweaves. Coming to historic times, there is a rich crop of evidence to be gathered from travellers' records, etc. of the existence of cotton finery. Then there is the mention of cotton and cotton wefts in very early writings, including the *Rig Veda*. The export of Indian cotton fabrics during the Buddhist period won India world-wide tribute.

From the times when the cotton trade gets mentioned in writing, Dacca and Masulipatam seem to be reputed centres of fine manufacture. Muslins and calicos are frequently mentioned by ancient historians as

having won the admiration of other nations. It is interesting to note that long before Egypt blossomed into cotton, India had the tradition of centuries behind her in this respect, and indeed, India is the birth-place of cotton manufacture.†

In the early days, the handloom industry enjoyed the status of a craft patronised by kings. But it is believed, that, though the best artisans were whole-time workers, a large number took to it only during their moments of leisure. As with most of the old crafts, the handloom industry was a hereditary occupation which had its most zealously guarded secrets. The gossamer excellence of the Dacca muslin must have been the result of ages of specialisation among very exclusive artisan families. Thanks to the fact that Indian dyeing had also reached a high pitch of excellence, the cotton wefts of India dazzled the nations by their rainbow brilliance. The muslins of Dacca, the calicos and chintzes from Masulipatam and other places on the Coromandal coast and the gold and silver wefts from Ahmedabad and Benares were the envy of the trading world. Persia, Tartary, Turkey, Syria, Barbary, Arabia and Ethiopia were India's customers during the heyday of her handloom industry. The fairy delicacy of old Indian muslin has caused quite a crop of legends about it. Poetic names were given to some varieties as for example 'Shubnam', meaning 'evening dew'. It is said that in the halcyon days of the Dacca industry, a piece of muslin 15 yards long by a yard wide could be made so fine as to weigh only 900 grains, or a little over 1/10 of a pound. The weaving of such fancy fabrics had to be carried out in the rainy season when the humidity of the air prevented the snapping of threads. The condition of the industry of today is such that these descriptions evoke a mild scepticism in those unfortunate people who have never seen such excellence in the contemporary world.

India fell from its great position of world monopoly in cotton during the centuries subsequent to the 18th. The machine age sounded the death knell of Indian excellence and mastery in the cotton world. The flooding of the Indian market by mill-made textiles, mostly from abroad, put the local weaver in tragic plight. The Suez Canal, the locomotive, and the automatic shuttle conspired to hamstring India's handloom industry. A modified handloom industry based on mill yarn, mushroomed on all sides, choking the very roots of the handspinning and handweaving industry.

We may now turn to the Fact Finding Committee's Report.

#### FACT FINDING COMMITTEE'S REPORT (1943)

The Government of India published the report of the Fact-Finding Committee (Handlooms and Mills) during the year 1943. This Committee was appointed early in 1941, with the following terms of reference :

- (1) To make a survey, with the assistance of Provincial and State Governments, of the extent of the handloom industry, in each Province and State, and of the kinds of handloom products produced and the number of persons engaged in the industry ;

---

† *Vide* Mr. M. P. Gandhi's "The Indian Cotton Textile Industry—Its Past, Present and Future," 1937, with a foreword by Sir Purshottamdas Thakurdas, showing in detail the vicissitudes of the industry, from the earliest times to the present day. 240 pages, Price Rs. 3-8.



- (2) To make a report on the marketing organization both for the purchase of yarn by the handloom weavers and for the sale of the handloom products ;
- (3) To compare the nature of the products of the handloom industry in each area surveyed with the corresponding mill products and to find the nature of the competition between the two ;
- (4) To investigate the kinds of yarn used in the handloom industry and types of production for which different kinds of yarn are used ; and
- (5) In particular, to investigate how far an enactment prohibiting the mills from using yarns of low counts would help the handloom industry in maintaining its production.

#### *Personnel*

Dr. P. J. Thomas, (then) Professor of Economics, University of Madras, was the Chairman of the Committee, and Rai Bahadur H. Mookerjee was a member. The Secretary was Mr. B. P. Adarkar, (then) Reader in Economics, University of Allahabad. (The report was signed in February 1942, and was published by the Government of India in 1943).

In view of the importance of the subject and the detailed and careful investigations carried out by this Committee, which has made available some very useful facts and data in regard to the position of the handloom industry, both in its hoary past as also during the present period, we have made copious extracts from its report in the succeeding pages.

*It is well known that India has been a producer of cotton cloth from times immemorial and is generally regarded as the birthplace of cotton manufacture.\** It is not necessary for our purpose here to enter into any elaborate discussion of the causes which led to the collapse of this industry before and after the 19th century. It would be relevant to observe, however, that this decline was not due entirely to the competition of cheap mill-made goods imported into the country. In most of its noted centres the industry flourished under court patronage and when this patronage declined the industry also followed suit. Apart from this, a drastic change in the dressing habits of the upper classes, inability of the industry to adapt itself to modern requirements and the prevalence of a demoralising system of middlemen contributed in a large measure to the decline of this ancient Indian industry. In spite of all this, however, a large internal market was still available for the handloom industry. The impact of foreign imports was felt in a full measure, however, with the great changes in methods of transport, including the opening of the Suez Canal and the construction of the network of railways in the country. No doubt in parts of the country, (e.g. Bengal and the Malabar Coast) where, formerly as at present, both men and women wore mostly plain white clothes, mill-made goods captured the markets and weavers lost their occupation, but in a large

---

\* Vide Mr. M. P. Gandhi's "The Indian Cotton Textile Industry—Its Past, Present and Future," 1937, with a foreword by Sir Purshottamdas Thakurdas, showing in detail the vicissitudes of the industry, from the earliest times to the present day. 240 pages, Price Rs. 3-8,

part of India women in particular stuck firmly to multi-coloured and artistic fabrics which could not be made economically by the mills. But the general trend was one of decline and only a small part of the domestic market in textiles remained with the handloom. A large number of weavers had to abandon their hereditary occupation and a good proportion of them seems to have taken to agriculture.

### *Decline of Hand-spinning Industry*

This decline of hand-weaving also resulted in further consequences. Hand-spinning which provided a subsidiary occupation to the agricultural masses also declined, enabled competition of foreign fabrics, and much unemployment was caused amongst spinners also. Further, the large and growing imports of mill-spun yarn aggravated the trouble and hand-spinning practically disappeared as an occupation. During the latter part of the 19th century, however, handloom weavers learnt to adjust themselves to the changing circumstances and adapted their looms to the use of mill-spun yarn. Thus, while the old hand-weaving industry depending on hand-spun yarn succumbed before the onslaught of the foreign mill competition, a new hand-weaving industry was born which no longer depended on uncertain supplies of rough hand-spun yarn and got used to mill-spun yarn which could be had in ample quantities and suitable qualities as regards twist, strength and fineness.

Between 1896 and 1914 the competition between Indian mills and handlooms was not serious; rather the relationship between them during that period was complementary. The first Indian mill was established in 1851, and by 1900, although there were 193 mills with nearly five million spindles, the number of looms was only 40,000. Evidently Indian mills at first concentrated on the supply of yarn and this was of help to the handlooms. Soon they began to supply all the coarse yarn required by the handloom industry, and by the close of the 19th century, foreign imports of yarn became stationary, but the Indian mill production increased by leaps and bounds. For a long time a greater part of the yarn produced in Indian mills was either sold to the handlooms or exported (mainly to China) and only a small part was woven in the mills.

During the period 1896-97 to 1900-01, while Indian mills used about 85 million lbs. of yarn per annum, as much as 200 million lbs. of yarn went to the handlooms. The consumption of yarn by handlooms has been continuously on the increase till 1913-14 when the yarn made available to handlooms (both imported and mill-made) was 258 million lbs., while yarn consumed by the mills was slightly less, i.e. 243 million lbs.

### *Effects of the First World War—1914-18*

The real weakness of the position of the handloom weaver was the unsteadiness in the supply of yarn in abnormal circumstances, like the war. During this period he came to depend entirely for his yarn supply on mills (both home and foreign). This resulted in the handloom sharing in the ups and downs of the mill industry to a large extent. Imports of cloth having diminished during this period, and the internal demand for cloth having increased, Indian mills used a greater portion

of their yarn themselves and left much less for the handlooms. While the quantity of yarn available to handlooms in 1914-15 was 272 million lbs. as compared with 246 million lbs. consumed by the mills, the consumption of yarn by handlooms in 1920 was 127 million lbs. as compared with 341 million lbs. by the mills. The production of handloom cloth thus declined by more than 50 per cent during this period of six years, that is, from 1,088 million yards in 1914-15 to 506 million yards in 1919-20. Till 1910-11 the annual handloom production had been more than the mill production, but from that date onwards the mill production began to increase steadily and rapidly and in the years 1911-12 to 1914-15 both lines of production became nearly equal. With the outbreak of the First World War, the mills took advantage of the cessation of imports and increased their production and captured the home market. As Mr. R. D. Bell properly observed, "the handlooms were finally beaten, and not only beaten but probably severely crippled for the time being."

In the years following the period of the First World War of 1914-18, the handloom was able to obtain yarn more adequately and there was a partial revival in the industry, judging from the increased quantities of yarn that were available to it from year to year. Although mill production advanced during the war, their progress in the early twenties was hampered by various impediments; some mills failed in Bombay, and there were prolonged labour troubles in others. The cotton mill industry especially in Bombay, passed through a severe depression which was aggravated by currency difficulties and foreign competition. Under the stress of various economic, political and social influences of a rather unfavourable kind, the handlooms suffered after 1922-23, but the Indian mills made a rapid stride forward, after 1926. This is partly due to the protective tariff and various political and social influences.

The tariff policy of the Government, *khaddar* movement in the country, and changes in the clothing habits of the people have considerably affected the fortunes of the handloom industry since 1926. Firstly the removal of the 3½ per cent excise duty on mill-made goods in 1926 created an immediate handicap to the handloom weavers. This is not to suggest that the handloom industry could lay claim to the continuance of this obnoxious excise duty, for it was not conceived as a measure of protection to the handloom industry, and whatever benefit it derived was only incidental. Nevertheless, it has to be admitted that while mills got an immediate relief by the removal of the duty, the handlooms received a setback. Import duties on piece-goods were meant primarily for protecting mills and while they succeeded in that object, the handlooms did not appear to derive benefit from them to any appreciable extent. While import duties on piece-goods were thus of doubtful value to the handloom industry, the duty on yarn placed a definite burden on it, in the interests of the spinning industry. It was intended to keep out foreign yarn and to give a filip to the spinning industry in India, but as the handlooms consumed the great bulk of the imported yarn, the burden of the duty fell on them. The Tariff Board of 1932 observed that "the Indian mill section of the industry has been placed in a better position to compete against the handloom industry which is definitely handicapped by the tariff on yarn, especially those required for the production of cloth with finer counts."

It must be admitted that the protective duty on yarn has strengthened the Indian textile industry by diminishing its dependence on foreign yarn, especially of higher counts. While such striking progress in the spinning of high counts yarn in India gave support to the handloom industry by reducing its dependence on foreign imports, it must also be stated that such increase in mill production enabled the mills to compete with the handlooms more effectively by placing on the market *saris* which displaced those made on the handlooms.

#### *Effect of Khaddar Movement*

Let us see the effect of the *khaddar* movement on the handloom industry. The *kaddar* movement after 1928 laid stress on hand-spinning as well as the use of Indian mill-made yarn. Both the first and second non-co-operation movements embraced *Swadeshi* as an important plank of their programme. Boycott of foreign goods was the negative, and the use of Indian goods the positive, feature of *Swadeshi* and the imports most affected by the movement were cotton textile goods from Britain. While the handlooms were benefited in a general way like the mill, by this phase of the *Swadeshi* movement, handloom production of fine *saris* with imported yarn was adversely affected. With the Congress ban on imported yarn there was a natural reluctance to buy such cloth and hand-weavers in certain important centres in Bengal and elsewhere were faced with a serious situation. The Tariff Board (1932) observed: "The strong prejudice fostered against the use of imported yarn has in various parts of the country prevented the handloom weaver from finding a sale for cloth of finer counts woven by him, and this has happened at a time when as a result of protective duty on yarn his cost of material relatively to cloth has been considerably increased." Mr. Kasturbhai Labhai of Ahmedahad, giving evidence before the Tariff Board in 1932, stated that the ills of handloom weavers were not due so much to the import duty on yarn as to the "great *Swadeshi* movement which has come over the country and which hampers him from marketing his goods made from the imported yarn." While producers of cloth from finer counts were thus affected adversely, weavers who made coarser cloth benefited generally.

#### *Effect of Change in Clothing Habits*

Another factor, namely, the change in the clothes and dressing habits of the people, helped the mills greatly in expanding their market. In general, the change has been towards simplicity and plainness in attire. This preference for a simpler attire and the growing distaste for ornamental cloth and elaborate colouring put a premium on mill cloth. Lace-bordered dhoties and chaddars became less common. Pagri, pheta or safa has fallen in great disuse. While formerly about 70 per cent of the men wore some kind of turban, today a very small proportion of the people wear such head-dress even in rural areas, and caps of all kinds, including Gandhi caps, have now been substituted. The demand for hand-woven turbans has almost completely disappeared. An equally revolutionary change has been found in the dress of children, both boys and girls. While formerly boys wore little dhoties or pyjamas, today a large number, especially in towns, wear khaki shorts and knitted vests. Little girls today, especially in towns, wear frocks and not *saris*.

Hand-weaving industry has thus a negligible share in the present mode of dress of children, and this has greatly affected the fortunes of the industry.

*It is thus the change in the dressing habits of people, both in India and abroad, which have been responsible for the loss of markets for particular classes of weavers.* Competition between mills and handlooms has also ensued and grown. Handlooms have found themselves unable to adjust the production of the changing demands, while mills have seized the opportunity.

#### *Growth of Small-scale Powerlooms in various Centres*

Another interesting factor which needs mention is the emergence of another new rival to the handloom in the shape of small powerlooms. These powerlooms have been growing in many centres, especially in Bombay, C. P. & Berar, Punjab, Hyderabad and Mysore. In Bombay, these powerlooms have been introduced in centres where the handloom had been deprived of its markets and were worked by weavers who formerly plied the handloom. These powerlooms have been able to get down their cost of production and have proved a serious rival not only to handlooms but to mills also. There were about 15,000 powerlooms\* in the whole of India, as many as 6,400 being in the Bombay Province alone. These small powerlooms carefully observed the changes coming over women's dress and captured this market. Thus, the three-cornered contest which commenced in the 19th century between handlooms, imported cloth and the Indian mills, has now become a four-cornered one. This has already had repercussions on the mill as well as on the handlooms, but the less resourceful party, i.e. the handloom, has been worst hit.

Apart from this the trade depression after 1929-30 has affected the weavers owing to the fall in demand, which followed the decline in the purchasing power of the masses. The decline in the prices of primary products began before 1929-30 but became much sharper after that. It is important to note that India is essentially a price market and any fall in the purchasing power of the masses is bound to accentuate this tendency. The Tariff Board (1932) summarises the position thus: "The severe trade depression which has prevailed since 1929 has seriously reduced the average earning capacity of the handloom weaver. The effect of the depression has been accentuated by the relative increase in the cost of yarn on account of the protective duty. Thus the position of the hand-loom weavers, in comparison with the mill industry, has considerably deteriorated since 1927."

In the early thirties, the condition of the handloom industry reached a pitiable stage. Unemployment was rife in most important centres and even where there was some employment, the weaver was only getting a pittance. It may be argued by some that in spite of the decline of production in some areas, production of handlooms in India as a whole has been maintained and that on the balance, the decline is not great. In this connection it is to be remembered, however, that production is not a safe criterion in the case of an industry like hand-weaving pursued

---

\* Only 6,378 powerlooms use cotton yarn; and their total consumption of cotton yarn was estimated in 1938-39 at about 9 million lbs.

hereditarily by certain classes or castes. A mill will close down if it does not earn a profit, but the handloom will go on even if it brings no profit because the weavers depend upon it helplessly for their livelihood. It is even said that the weaver works longer and produces more where wages come down in order that he may make up by quantity what he loses in price per piece. The increased use of fly-shuttle sleys has also created an influence on output. The Tariff Board (1932) has summarised the position very cogently thus: "Since the handloom weaver cannot regulate his production according to the state of the market without risking starvation for himself and his family, the true criterion for judging the position of the handloom industry is not the proportion of the quantity of cloth woven on handlooms to the total production but of the wages earned by the handloom weaver. Judged by this test, his position on the evidence we have received must be regarded with some concern."

#### *Governmental Help to Industry*

The serious condition of the weavers aroused the interest of the Government of India. Up to this time only Provincial and Indian States Governments were trying to help the industry. In some Provinces improved appliances, especially fly-shuttle sleys, were introduced. Grants-in-aid were also given to some weaving schools. Demonstration parties were also at work. But such spasmodic help was not of much use in counteracting the forces working against the weavers after 1930. The Provincial Governments were deeply concerned about this situation and finding that the problem could not be tackled except on an all-India basis, they met at an Industries Conference at Simla in July 1933. While the suggestion of the Madras Government for levying a cess on Indian mill yarn with a countervailing duty on Indian and imported cloth did not receive general approval, the possibility of grant-in-aid from the central revenues was considered and a sum of Rs. 5,000,000 was distributed in 1934-35 and utilized by Provinces for approved schemes.

This grant marks a distinct stage in the history of Governmental efforts at helping the handloom industry. Provincial Governments utilized it for launching schemes of marketing, improvement of designs, etc. But it was realized that financial aid, however generous, was not sufficient to remove the handicaps that were hampering the industry's progress. The Tariff Board (1932) examined the various proposals in this connection, especially restriction of mill output in classes of cloth which form the bulk of the output of the handloom industry, but found it impracticable and was only able to make an exhortation to the mills to regard it as an essential obligation arising from the grant of protection, to refrain from entering into unfair competition with the handloom industry so as not to impair its relative position.

#### *Decline in the Position of Industry During World-War II*

After the outbreak of the present war in 1939, there was for some time a general expectation that hand-weaving would receive fillip as happened during the war of 1914-18, but such an expectation has been completely belied. During the first world war the mill industry was in a comparatively undeveloped state and was unable to cope with some

of the new requirements. This enabled the handlooms to get a share of the new war demands. The position of 1945 of the mill industry is quite different. Besides, while during the 1914-18 World-War, the handlooms could obtain foreign yarn at least from Japan, there was no possibility of obtaining yarn from any foreign country during the 1939-45 World-War II and India has not only had to supply its own yarn but to supply yarn to other countries, especially the Eastern Group. The result was a great scarcity of yarn supplies, particularly after April 1941, and this has affected the handloom industry adversely.

The weaving activities of the mills in the country having increased (several working more than one shift) since 1942, and imports of yarn having completely stopped, there was a reduction in the quantity of yarn available to handlooms. At the same time, there has been little increase in the quantity of hand-spun yarn during this period (and with the stipulation made from May 1945, viz. supply of a small quantity of hand-spun yarn for purchase of every unit of cloth by a customer to *Khadi* Bhandars run by the All-India Spinners' Association, and the stipulation made in 1946 for *Khaddar* being supplied by the All-India Villagers Association to those who spin the yarn themselves, it is likely that use of handspun *Khaddar* will decrease). Even the distribution of mill yarn among handlooms was defective and it was only in April 1945, that a more workable scheme of distribution was launched by the Government of India under the Cloth & Yarn Control (Order). The scheme is being improved upon as experience is gained.

One noteworthy factor of the war period, as far as handloom cloth is concerned, is that unlike the mill-made cloth, it has not been subjected to the necessity of having its price fixed and stamped on the cloth. The Bombay Government also decided not to levy sales tax to be imposed from October, 1946, on *Khaddar*.

In May 1945, the Bengal Government brought *Khaddar* Purchasers and Sellers within the purview of the Bengal Cotton Cloth and Yarn Control. Reports were also then to hand that the Government of Bombay and Madras also wished to control the handloom cloth and fix its prices. No such steps were, however taken, noteworthy, out of regard to the practical difficulties, till 1946, when the matter was under discussion by the All-India Handloom Board, as also the various Provincial Governments.

#### *Size of Industry : Number of Handlooms*

Let us now take a rapid view of the size of the industry. The total number of handlooms in India, excluding Burma, according to the information available to the Fact-Finding Committee, whose report was published in 1943 and to which we have made a reference elsewhere, is about 2 million. The number of active looms is about 17,00,000, more than 2,65,000 being reported to be idle. The percentage of idle looms thus works out to about 13 per cent. Classified according to textiles in the weaving of which they are engaged, it is found that a great majority of the looms are engaged in cotton weaving. Over 14,00,000 looms were engaged in cotton (72 per cent), 99,000 looms in wool (5 per cent), 3,71,000 looms in silk weaving (16 per cent), 25,000 looms in artificial

silk (1 per cent), and 1,00,000 looms in other textile mixtures (6 per cent).

In a broad sense, handloom weaving includes weaving of all types of fibres of vegetable, animal, mineral and chemical origin.

### *Types of Handlooms*

In regard to the types of handlooms, we find that today out of a total of 2 million handlooms in India, about 64 per cent are throw-shuttle looms, 35 per cent fly-shuttle looms and 1 per cent of other categories. It is certain that 20 years ago the number of fly-shuttle looms was far less and credit for the increase in the number of this type of loom must go to the endeavours of various Provincial Governments who have popularized them. It will be noted that the proportion of fly-shuttle looms is largest in Travancore (89 per cent), Madras (81 per cent), Mysore (78 per cent), Cochin (73 per cent), Bengal (67 per cent), Bombay (55 per cent), and it is low in the Punjab (5 per cent), Orissa (15 per cent), and in the United Provinces (19 per cent). While in Bengal the total number of looms has fallen with the increase of fly-shuttle sleys, the total has only risen in Madras, indicating that production has advanced more in the one than in the other.

### *Number of Workers Employed*

Obviously, there are serious difficulties in counting workers in the hand-weaving industry as it is functioning today. Formerly each weaver was an independent worker. But today a great majority of them work for a wage under a master-weaver, *mahajan* or *karkhanadar*. The condition of the industry is, however, still unorganized, most of the weavers still working in their own homes, and there is no facility for collecting periodical returns as in the case of mills. According to the Fact-Finding Committee, however, the number of weavers is 14,34,000 whole-time, and 7,47,000 part-time, the total being about 24,00,000 (including 1,75,000 estimated for smaller States). The number of paid assistants was 2,53,000, and unpaid 25,73,000. Thus, the total number of weavers for All-India is 24,00,000, while with the addition of auxiliary workers who assist them, some paid and others unpaid, estimated at about 36,00,000 by the Fact-Finding Committee, the total number of workers is about 60,00,000 for the 20,00,000 looms working in India. In addition to these, there are the dependents whose number cannot be less than 40,00,000.

Assuming that each of the 24,00,000 weavers has to support besides himself, 3 persons on an average, it can be assessed, observes the report of the Fact-Finding Committee, that the total population depending on the industry must be round about 10 millions.

### *Small-scale Powerlooms\**

It has been difficult to estimate with any exactitude the actual number of powerlooms operating in the country. According to the

---

\* Reference to powerlooms in this context is only to small powerloom factories, and not to powerlooms in the large mills of the country. The number of such powerlooms in mills is 2,00,000 at present.



information which the Fact-Finding Committee was able to gather in 1941, there were about 11,640 powerlooms in the Provinces and States of which 6,350 or more than half (55 per cent) were in the Bombay Presidency. Next to Bombay came the Indian States, of which Mysore had 1,300, and Kolhapur also 1,300. The rest were scattered in the Punjab, C. P., Berar, Madras, Hyderabad, Baroda and Bihar. 58 per cent of these powerlooms were then engaged in cotton weaving, 10 per cent in artificial silk, 14 per cent in silk, 8 per cent in mixtures and 3 per cent in wool.

A noteworthy factor of considerable interest has been the increase in the number of powerlooms all over the country during the last 4 years. According to the information available to the Cotton Textile Directorate, there are 1,830 factories with 18,758 powerlooms all over the country. Of these 1,325 factories with 5,389 powerlooms were located in Bombay Presidency, as many as 332 factories with 3,869 looms being in Surat alone.†

The cloth manufactured by the powerlooms has not been subjected to price fixing and price stamping like the mill cloth under the Cotton Cloth & Yarn Control (Order), 1943, unless such cloth is manufactured by a unit of a factory having more than 25 powerlooms. Such factories are not many and in Surat, for instance, there were reported to be only 4 units having more than 25 looms each, the total number of powerlooms under the management of these 4 units being only 800. Thus a very large bulk of the cloth manufactured by powerlooms does not come under the control of the Government fixation of prices.

All these powerlooms specialise in the production of different kinds of cloth at different centres, Surat, for instance, specialising in coating and shirtings, Malegaon in loongis, Sholapur in saris, etc. Previously, these powerlooms in Surat and other centres depended almost entirely on Japanese art silk yarn, but since 1941, they are entirely dependent upon the supply of Indian mill-made yarn only.

#### *Statistics of Handloom Production*

An estimate of the total production of cloth on handloom would perhaps give a better index of the progress of the handloom weaving industry than the number of handloom weavers. Besides, it is an integral part of the national dividend of the country and a measurement of it is essential from many points of view. It is unfortunate, however, that accurate statistical computation is not possible in the case of a non-organized industry like hand-weaving, pursued in small units and scattered all over the country. The Fact-Finding Committee, however, went into the question very closely and arrived at the conclusion that the quantity of handloom cloth (cotton) on the basis of the number of

---

† A comparison with the number of powerlooms now reported with the number stated in 1941 by the Fact-Finding Committee in the previous paragraph will show an increase of about 7,000 over All-India. Perhaps the Committee's estimate did not include powerlooms installed in Hosiery Factories, Rope Factories, etc. and that might explain to some extent the large increase, which is difficult to reconcile otherwise, particularly as it was not possible to manufacture many new powerlooms during the war-period. The smallness of the number of powerlooms in the Bombay Presidency may be explained to be due to the fact that returns are made to the Cotton Textile Directorate only when factories are working, and not when they are closed down due to lack of yarn, etc.

handlooms and the average normal pre-war output per handloom may be estimated at 1,617 million yards,\* assuming a rough average working season of 200 working days of 9 hours each.† The estimate made by the Fact-Finding Committee of the total value of hand-woven cloth in India (in 1939) works out to Rs. 72 crores, value of cotton cloth being Rs. 47 crores, silk Rs. 15 crores, artificial silk Rs. 4 crores, and wool Rs. 3 crores. This was the position immediately before World War II, that is, in 1939.

A word in regard to the structure of the handloom industry would be useful at this stage.

#### *Structure of Handloom Industry ; Weaving largely a full-time Occupation*

Although essentially hand-weaving is a cottage industry, there are elements in it which are somewhat allied to the factory system and for which intervention of financiers is greatly responsible. *Enquiries made by the Fact-Finding Committee have shown that hand-weaving at present is a full-time occupation.* The Committee takes exception to the statement of the Tariff Board (1932) that "for a large number of those who are engaged in it, it is a secondary occupation ancillary to agriculture", and has found that the great majority of weavers in India, with the exception of Assam, are full-time workers. The proportion of full-time weavers is 99 per cent in Sind, 88 per cent in Bombay, 87 per cent in Madras, 81 per cent in the Punjab, 75 per cent in the United Provinces and 75 per cent in Bengal. Nearly all the weavers of Travancore and Cochin, 97 per cent of the weavers in Mysore and 85 per cent of those in Hyderabad are full-time workers. The only notable exception is Assam, where hand-weaving is pursued as a full-time occupation in only a few places. In Assam, while every woman is expected to spin and weave as part of an age-old custom, men work the looms only during two months (November to January) when agricultural operations are slack. While hand-weaving is a common occupation to all in the Assam Valley, it is the function of special castes, at any rate among Hindus, in the rest of India.

#### *Handloom Industry—Urban or Rural ?*

According to the popular view, handloom weaving is essentially a village industry and is carried on mostly by independent weavers. This is still largely the case in backward tracts of the country, but it is no longer true of the most important hand-weaving tracts. With the development of communications, markets were extended and trade grew

---

\* It has been assumed that 1 lb. of yarn is equal to 4.57 yards in the case of handloom cloth. In the case of mills, 5.24 yards of cloth have been estimated as the production for 1 lb. of yarn. In the case of handloom cloth made from hand-spun yarn, the estimation of cloth woven per lb. of yarn is 3 yards. Thus, on the assumption of 54 million lbs. of available hand-spun yarn, the production of handloom cloth is about 163 million yards from hand-spun yarn.

† The average output per loom per day of nine hours adopted in the estimate is 4 yards from throw-shuttle, 7 yards from the fly-shuttle, and 10 yards (as a flat rate) for the other types of improved looms like Hattersley, semi-automatic, etc.

between distant parts. From early days, speciality fabrics from India always found growing markets in certain distant lands. In this state of things the ordinary weaver found himself helpless in his village without credit from a financier or advances from a merchant in the town, and this induced him to migrate to the towns. *As a result of this tendency operating during the last eighty years, hand-weavers are now largely in towns, especially in those areas of the country where production is for distant markets.* In many of the towns the weavers occupy prominent positions in civil life.\* Most of the hereditary weaving classes have had nothing to do with agriculture, and indeed some of them have considered agricultural work as *infra dig.* The Fact-Finding Committee comes to the conclusion that, to take the weaving folk as a part of the village population is, therefore, incorrect. Handloom weaving, according to this Committee, has now become largely an urban industry. In Bombay, 45 per cent of the total number of handlooms are found in 26 centres; in Madras, 39 per cent are found in 49 urban centres. The position is nearly the same in Central Provinces and Berar, Hyderabad and other areas. It is true, however, that a large number of weavers are still working in villages, but it is to be noted that although they are residing in villages or hamlets, they have little connection with agriculture.

#### *Changes in Industrial Structure*

The industrial structure of the industry has also been affected. In certain areas where production is largely for distant markets and the weavers are financially weak to undertake the risks of price fluctuations, they have become employees of sowcar weavers, although working in their homes, and in some places they have been brought to the workshops or *kharkanas*. Such changes have taken place more in Bombay and Madras than in Northern India. The independent cottage system now predominates only in backward areas.

#### *Types of Middlemen*

There are several types of middlemen, including the sowcar weaver (often called the master-weaver) who employs under him weavers mostly of his own caste; secondly, the merchants, either of yarn or of cloth or both, who are keenly interested in the supply of cloth of qualities required and in adequate quantities, and thirdly, the *karkhanadars* who bring the weavers together into small factories or workshops.

---

\* It is interesting to see the proportion of weavers to the total population in certain towns, e.g.

In Shantipur (in Bengal), the weavers' population is 10,000 out of a total population of 24,000, i.e. 40 per cent.

In Sholapur, the weavers' population is 60,000 out of a total population of 1,44,000, i.e. 41 per cent.

In Surat, the weavers' population is 28,700 out of a total population of 99,000, i.e. 29 per cent.

In Madura, the weavers' population is 55,000 out of a total population of 1,82,000, i.e. 30 per cent.

*The Entrepreneur's position in the Industry*

Materially, a class of small entrepreneurs is now controlling the handloom industry in many areas. Whether as *Mahajan* working through the domestic system or as *karkhanadar* with his labour housed in small factories, such entrepreneurs are today playing a large part not only in the marketing of handloom cloth but in its production also. In 1918, the Indian Industrial Commission reported that such middlemen were not so powerful nor so numerous, but since then the movement in this direction has been rapid and the hand-weaving industry in the more developed areas has come into the grip of a growing number of middlemen. Some of them have indeed sprung from the professional weaving castes, but the majority are outsiders with only a financial interest in the industry and their monetary transactions with the weavers are not always quite fair. This is a matter of great concern to the poor handloom weavers.

The number of independent weavers has greatly diminished especially in the Provinces of Bombay and Madras, where they form only 21 and 28 per cent of the total number. In other areas, like Assam, Bihar, Punjab, a great majority of them are still independent. The number of employees under the domestic and *karkhana* system has increased generally. The wages of the weavers under nearly all systems are paid on a piece basis. In most cases advances have to be made and later adjusted when wages fall due. The earnings of skilled labourers weaving speciality fabrics requiring skill and carefulness are higher, but as such work is not obtained every day, their total earnings do not amount to much.

*Supply of Raw Material*

The principal problem, a problem of vital importance to the industry, is the supply of suitable yarn. As a raw material it accounts for a large proportion of the total cost of production of the weaver, ranging from 50 to 60 per cent, or even more, according to the counts and quality of the yarn. It would be clear from this that the uninterrupted availability of cheap and plentiful yarn is a primary condition of the success of the industry. Unfortunately, this primary condition is far from being satisfied at present owing to a multiplicity of factors. So long as the weaver continues to buy yarn in the dearest market and sells his cloth in the cheapest market, it is impossible for him to make a decent living out of his employment. So far as yarn is concerned, there is hardly any doubt, observes the Fact-Finding Committee (page 87), that "the handloom weaver is being mulcted on several fronts by a host of middlemen and parasites, whose existence leads to a 'pyramiding' of the prices of yarn and who have carried on nefarious practices in regard to the quality as well as the quantity of yarn supplied, and fully exploited the ignorance, poverty and helplessness of the weavers. The malpractices prevalent in the yarn trade in many parts of the country have added to the costs of handloom industry and to that extent handicapped it in relation to its competitors."

The cost of production of the handloom weaver, in so far as yarn is concerned, becomes high, observes the Fact-Finding Committee, on account of (a) the profits, legitimate and otherwise, made by the chain of middlemen, (b) packing, freight and handling charges, cartage, etc., (c) interest charge, and (d) the various other charges such as insurance for fire risk, godown rent, commission and discount paid by the series of middlemen.

#### *Pyramiding of Yarn Prices*

The prevalence of a multiplicity of middlemen at every stage in the marketing of yarn leads to a pyramiding of yarn prices and provides numerous opportunities to unscrupulous traders to resort to several malpractices whose incidence ultimately falls upon the poor handloom weaver. Similar to the pyramidal structure of the selling organization, there is also a pyramiding of prices. From the wholesale stage to that of final retailing, each dealer adds his own quota of commission to the price of yarn so that by the time it reaches the hands of the weavers the price becomes considerably inflated.

#### *Kinds of Yarn used*

The handloom weaver uses practically every type of yarn from the coarsest yarn made from waste cotton to the finest silk, artificial silk, tassar and mercerized products. Some of these yarns are also consumed by the small-scale power-loom factories. Generally speaking, the village artisan, in view of the demand for inferior types of cloth in local markets and shandies, uses cotton yarn of coarser counts. On the other hand, important centres catering for distant markets and for well-to-do consumers utilize finer yarn made from cotton and the costlier fibres. It is not true, however, to say, observes the Fact-Finding Committee (page 102), that "the handlooms hold a sort of 'monopoly' of coarser counts, or that there is any natural dichotomy under which handlooms may be relegated to the coarser counts and the mills and powerlooms can use finer counts only. In fact, the handlooms in many parts of the country are engaged in the weaving of the finest counts to a far greater extent than is commonly imagined."

The sources of supply of cotton yarn are (1) Indian mill yarn, (2) imported foreign yarn, (3) hand-spun yarn. According to the Fact-Finding Committee, the annual consumption of cotton yarn by handlooms in various parts of India is about 360 million lbs., 274 million lbs. (78 per cent) being Indian mill yarn, 27 million lbs. (7 per cent) being imported yarn, and 50 million lbs. (14 per cent) being hand-spun yarn. These figures were for 1941.

#### *Estimate of Production of Hand-spun Yarn*

The figures of mill-spun and imported yarn are easily available but there is considerable difficulty in regard to the figures of production of hand-spun yarn in the country. One thing can be stated, however, with certainty, observes the Fact-Finding Committee, that hand-spun yarn,

which once used to be the mainstay of the hand-weaving industry, was long ago relegated to an insignificant position in the textile industry of the country. It is true, however, that owing to the influence of the *khaddar* and hand-spinning movement sponsored by Mahatma Gandhi, lately there has been some resuscitation of hand-spinning especially under the aegis of the All-India Spinners' Association, and there has been some improvement in the supply of hand-spun yarn owing to the impetus provided by the Congress and the All-India Spinners' Association. The estimates of the production of hand-spun yarn are very varying, but the Fact-Finding Committee has concluded that on the estimate of 5 million spinning wheels being actually in use and the number of spinners being about the same as the number of wheels, the total production would amount to 60 million lbs. (About 35 million lbs. are produced in the Punjab alone). This estimate differs radically from the estimate of the Tariff Board (1932) which placed the production of hand-spun yarn at 24 million lbs. and the estimate of Arno Pears at 2,400 lbs. (It is definite that this writer made a colossal blunder). The Fact-Finding Committee states, however, that its estimate of production of 66 million lbs., which includes production of yarn on *taklis*, is more close to the estimate of 60 to 125 million lbs. made by Mr. M. P. Gandhi in his monograph "How to Compete with Foreign Cloth in India", (page 73) published in 1931.\*

The Committee estimates the consumption of hand-spun yarn at 54 million lbs. per year, and the quantity of cloth from hand-spun yarn at 162 million yards, at the rate of 3 yards of cloth to one lb. of yarn in 1939. Mr. M. P. Gandhi's estimate was 180 million yards of cloth in 1931.

#### Counts of Yarn used

During the past 10 years there has taken place a steady rise in the counts of yarn utilized by the handlooms. The following tables from the report of the Fact-Finding Committee (pages 112-115) will be of very great interest in this respect:—

The consumption of different types of cotton yarn by the handloom industry according to counts is given in the following table:—

(In million lbs.)

Counts.	Total consumption of cotton yarn (excluding two-folds).	Consumption of hand-spun yarn.	Consumption of imported yarn.	Consumption of Indian mill yarn.
1-10s	71.71	24.74	0.19	
11-20s	123.03	24.74	0.38	46.79
21-30s	70.48	...	0.32	98.50
31-40s	50.03	...	3.91	70.16
Above 40s	42.57	...	5.73	47.02
Two-folds etc.	...	...	22.65	36.84
		...	...	...
Total...	359.32	49.48	33.18	299.31

\* Also vide Appendix XXVI on Hand-spun yarn of the Fact-Finding Committee Report,

*Annual Consumption (according to Counts) of Cotton Yarns  
by Handlooms in million lbs. in various Provinces*

Province or State.	Counts of yarn.					
	1-10	11-20	21-30	31-40	Above 40	Total
Assam ..	0.42 (6.25%)	2.20 (32.74%)	3.0 (44.64%)	0.75 (11.16%)	0.35 (5.21%)	6.72 (1.87%)
Bengal ...	0.44 (1.5%)	2.52 (8.5%)	14.82 (50%)	5.93 (20%)	5.93 (20%)	29.64 (8.25%)
Bihar ...	6.80 (35.88%)	10.75 (56.73%)	0.89 (4.70%)	0.16 (1.37%)	0.25 (1.32%)	18.95 (5.28%)
Bombay ...	2.81 (6%)	4.67 (10%)	14.96 (32%)	12.62 (27%)	11.69 (25%)	46.75 (13.02%)
C.P. and Berar ...	2.58 (11.83%)	13.00 (59.71%)	3.46 (15.87%)	1.79 (8.29%)	0.93 (4.39%)	21.76 (6.06%)
Madras ...	6.13 (7.44%)	28.86 (15.15%)	13.99 (17.04%)	17.58 (21.41%)	15.57 (18.96%)	82.13 (22.86%)
Orissa ...	0.47 (3.19%)	5.79 (39.31%)	4.33 (29.35%)	3.63 (20.55%)	1.11 (7.60%)	14.73 (4.10%)
Punjab (a) ...	31.25 (63.93%)	12.81 (26.21%)	1.88 (3.85%)	0.94 (1.92%)	2.00 (4.09%)	48.88 (13.60%)
U. P. ...	14.79 (28.89%)	28.31 (55.29%)	4.31 (8.40%)	2.15 (4.20%)	1.65 (3.22%)	51.21 (14.25%)
Baroda ...	2.42 (80.46%)	0.28 (9.45%)	0.19 (6.40%)	0.11 (3.53%)	0.01 (0.16%)	3.01 (0.84%)
Cochin ...	(b)	0.50 (34.48%)	0.50 (34.48%)	0.35 (24.14%)	0.10 (6.9%)	1.45 (0.4%)
Hyderabad ..	3.16 (17.80%)	8.01 (45.11%)	2.74 (15.48%)	2.35 (13.25%)	1.47 (8.36%)	17.73 (4.93%)
Kolhapur & Deccan States ...	0.01 (0.37%)	0.06 (2.26%)	1.10 (41.20%)	0.35 (13.10%)	1.15 (43.07%)	2.67 (0.74%)
Jammu & Kashmir... Mysore (c) ...	(b) 0.09 (2%)	0.28 0.09 (2%)	1.81 2.10 (48%)	0.29 2.16 (48%)	0.02 ... ...	2.33 4.50 (1.25%)
Travancore ...	0.34 (5%)	5.49 (80%)	0.34 (5%)	0.34 (5%)	0.34 (5%)	6.85 (1.90%)
Total ..	71.71 (19.95%)	123.62 (34.43%)	70.48 (19.62%)	50.93 (14.16%)	42.57 (11.84%)	359.32 ...

(a) It is assumed that all imported mill yarn is above 40s counts.

(b) Negligible.

(c) It is assumed that consumption of yarn is equally distributed between 1-10s and 11-20s and between 20-30s and 30-40s.

We also give below a table showing the consumption of Indian mill yarn for different purposes classified accordingly to counts (1937-40) :

(In million lbs.)

Counts.	Production of mill yarn in India	Consumption of Indian mill yarn by handlooms (Average)	Exports (Average)	Powerlooms Hosiery, Miscellaneous etc.	Balance consumed by mills
1-10s	128.5	46.8	3.9	5.7	72.12
11-20s	581.4	98.5	17.4	25.6	430.94
21-30s	321.5	70.2	9.7	14.3	227.3
31-40s	161.4	47.0	4.8	7.1	102.5
Above 40s	87.3	36.8	2.6	3.8	44.1
Total...	1280.1	290.3	38.3	56.5	886.0

A summary of the foregoing tables is given in the following table which gives the percentage distribution by counts and the consumption of cotton yarn by handlooms and mills. It will be seen therefrom that the percentage distribution of the mills steeply rises in the range 11-30s, while in the case of handlooms it is more evenly spread out. Thus, both in very low counts and in high counts, the proportion of handloom consumption of yarn is higher than that of mill consumption of yarn. Another interesting point which arises from the table is that below 20s the mills produce 57.7 per cent of their output while the handlooms produce slightly less, viz. 54.4 per cent of their output. Thus, although the Tariff Board's assertion, in their 1932 report (p. 171), that "the bulk of the handloom production consists of cloth of counts 20s and below", is no doubt correct, such a statement would be even more true of the mill industry.

*Percentage Distribution by Counts of the Consumption of Cotton Yarn by Handlooms and Mills (1941)*

Counts of yarn.	Mills	Handlooms
	(Percentage)	(Percentage)
1-10s	8.1	20.0
11-20s	49.6	34.4
21-30s	25.7	19.6
31-40s	11.6	14.2
Above 40s	5.0	11.8
Total...	100.0	100.0

The position has slightly altered during the last three years inasmuch as the tendency for production of finer counts by mills is on the increase, due to the prices being more attractive.

#### *Qualities of Handloom Fabrics*

Generally speaking, handloom weaving excels in the coloured styles of cloth. This is due to two factors, viz., the warp of a short length can be prepared most economically by hand process and that a number of colours in the weft can be easily introduced reducing the wastage to a minimum. The limited market of such cloths also makes their production uneconomical for the mills. Thus, the handloom's advantage is specially noted in the following types of production: (1) Cloth made from extremely fine material, e.g. yarn of counts above 20s, (2) cloth inter-woven with gold and silver thread, (3) cloth with multi-coloured designs, (4) cloth with embellishment in the border and headings, (5) short pieces of cloth of unique design to meet individual tastes, (6) rough cloth of very low counts such as durrus, niwars, where the tensile strength of the yarn is too low for the mills.

Handloom cloth, it must be stated, however, is not free from defects. The chief among them are (1) lack of uniformity in texture, (2) inexactness regarding dimensions, (3) lack of finish, etc,



### *Types of Handloom Cloth*

The principal cloths made at present on the handloom are (1) women's clothing, e.g. *Sari*, which is known to be the most graceful of all the garments worn in India, *Lehnga*, cloth, which is used for making skirts of Hindu women in Northern India, *Susi*, which is used for *salwar* (trousers) of Muslim and other women in the Punjab and Sind, *Choli-khan* which is the blouse piece worn mostly in the Deccan and Karnatak; (2) men's clothing, which includes dhotis, lungis, chaddars, angavastrams, pugdies or turbans, shirtings and coatings; (3) cloth for domestic use, e.g. towels, carpets, curtain cloth, mosquito curtains, etc., and (4) long cloth, which is common to both men and women.

It would be of interest to note that the *sari* is the most important line of production in Bombay, Madras, Bengal and C. P., while coarse *khadi* is produced chiefly in the U. P. and the Punjab. Of the total cloth produced in Bombay Province, 95 per cent consists of *saris*, while a similar percentage in Madras is 44 per cent, in C. P. 75 per cent and Bengal 40 per cent. 60 per cent of the cloth produced in the U. P. consists of coarse *khadi*, while similar percentage in the Punjab is 43.

### *Costs of Production of Handloom Cloth*

Any proper cost of accounting of handloom cloth is at present a very difficult undertaking as the industry is not organised, and the bulk of the weavers hardly keep any account. The Fact-Finding Committee, however, has arrived at some broad conclusions, from which it is found that the cost of material, namely, yarn, varies from 50 to 80 per cent, while the cost of labour varies from 15 to 23 per cent, depending upon the fabric woven. Yarn is, however, by far the largest factor entering into the costs of production. It would be of interest to note that in the manufacture of coloured *saris* (80s x 80s) the cost of yarn and other material is 67 per cent, while labour is 33 per cent. In the case of *dhotis* (120s x 110s) the cost of yarn is 36 per cent and labour is 62 per cent, while in the case of *dhotis* (20s. x 20s) the cost of yarn is 60 per cent and labour is 40 per cent.

### *Marketing of Handloom Cloth*

At the outset it is important to note that *it is an incorrect notion that handloom production in India is largely meant for domestic consumption in the rural areas.* With the exception of two Provinces, like Assam and the Punjab, the domestic consumption of handloom production, that is, by the weaver himself, is very small and in some cases negligible. The Fact-Finding Committee, on the basis of information supplied to it by some of the Provincial and State Governments, came to the conclusion that practically everywhere, except in the Provinces of Assam and the Punjab, a very large proportion of handloom production is meant for sale in the market, local, inter-provincial, or foreign. In Madras, for instance, 5 to 10 per cent is for home use, and 80 to 90 per cent for sale in the Indian market, while 5 to 10 per cent is for export. In the Punjab 50 per cent is for home use, 35 per cent for sale in the Indian market and 15 per cent for export. In Mysore practically no cloth is produced for home use and 100 per cent of the production is for sale in the Indian market. In Assam 80 per cent is for home use and 20 per cent for sale in the Indian market. (Report page 135.)

*Handicaps of Handloom Marketing*

The handloom weaver is considerably handicapped in the absence of a proper and well organized marketing agency for the sale of this cloth. He is generally at the mercy of the cloth dealer who charges him a substantial commission for retailing the cloth. The present system of marketing handloom product is a very costly one and the high cost of marketing impinges upon the residual income of the weaver. The prices of handloom products are, in the ultimate analysis, fixed by the entire cloth market, and the pace of these prices is set to a large extent by the prices of mill-made piecegoods. The organization for sale of cloth manufactured from handlooms compares very unfavourably with the organization set up by the mills who are very well organized. It has been estimated by the Fact-Finding Committee that the percentage of middlemen's profit on certain speciality fabrics varies from 5 per cent to as high as 46 per cent. The cost of marketing being thus prohibitive, the principal problem for the handloom weaver is of reduction in the marketing costs. The handloom also seems to suffer by the differential railway charges on cloth or yarn. The present railway rates show no concession to handloom goods. It has been suggested that the railways should reduce the unit of concession from a bale to a bundle, so that the ordinary weavers may also be benefited by the concessional rates. It has also been pointed out that the railways classify mill goods under class "F", while handloom goods are classified under class "A", and special concessions are shown to the former. While the parcel rate from Ahmedabad to Madras is Rs. 9 and the goods rate is about Rs. 5, the railways charge a concessional rate of Rs. 2/2 inclusive of terminals for mill goods. Another handicap suffered by the handloom product is that the concessional freight rates cannot be enjoyed by it as the goods are transported in unpressed condition. The difference between the rates charged on machine-pressed bales of mill products and on half pressed or kutchra bales is as much as 30 per cent, that is, the charge on the latter is higher to that extent. The railways can help the handlooms by reducing the freight rates, and by taking more care of handloom products while they are in transit or in the railway yards in order to prevent them from being damaged by exposure to sun and rain in the railway yards. Another handicap of the handloom product is lack of standardization in the industry. Such standardization of prices and quality is of particular necessity in the case of fabrics intended for the inter-provincial and foreign markets, and if achieved, would be of great help to the handloom industry.

*Export Trade—Necessity of Development*

The Indian handloom fabrics have considerable export markets in the countries of the African and Asian littorals, but here again it may be said to be a rival to the mill industry because the latter has also large markets in more or less the same countries. The principal countries to which handloom fabrics are exported are Burma, Federated Malay States, the Straits Settlements, Ceylon, Siam, Zanzibar, Borneo, Java, Sumatra, the United Kingdom, British West Africa and French West Africa. In most of these countries, the consumers are largely Indian labourers who have settled there and have carried with them their tastes and habits of dress. A great bulk of the exports of handloom cloth

takes place from the Madras Province, and considerable quantities are also exported from other provinces, particularly Bengal, U. P., Punjab, Sind, Bihar and Bombay.

It has been computed by the Fact-Finding Committee that the exports of handloom cloth correspond to about from 1/4 to 1/3 of the total exports of cotton piecegoods from India. The export trade has experienced considerable fluctuations; especially in Madras handkerchiefs, the condition of the trade has been very unsatisfactory in recent years. It would be very helpful to the industry if the export trade in handloom fabrics is properly organized, which can be done if Government were to regulate exports and license exporters who should be required to export goods according to particular specifications. Official agencies may also be utilized in foreign countries to develop various markets by extensive propaganda and maintenance of museums of handloom products, and arrangements may be made for providing credit facilities from Banks and other agencies to the exporters of handloom products.

#### *Handlooms' Competition with Mills*

Divergent views have been expressed in regard to the question of competition between mills and handlooms in India. The handloom weavers throughout the country believe that their troubles are mainly due to mill competition. On the other hand, important organizations like Millowners' Associations of Bombay and Ahmedabad deny the existence of competition between mills and handlooms. The Bombay Millowners' Association assert that the mill and handloom industry are complementary rather than competitive, and they flatly deny the allegation that mills have encroached on any styles of goods produced by the handlooms. The Fact-Finding Committee examined this question in great detail and stated that competition between mills and handlooms cannot be denied, and observed that the contention that these two sections of the Indian Textile Industry are complementary is not tenable at present. The relationship, they observed, was to a great extent complimentary before 1925, but things have changed much since then. Even now the two are complementary in a narrow field; but there is competition, both direct and indirect, over a wide range of counts of fabrics. The Fact-Finding Committee also remarked that during the last decade mills have increased their production of certain styles and types of fabrics traditionally associated with handlooms; the handlooms have also in turn tried to imitate certain styles which the mills had long adopted. This Report also states that the view held by many handloom weavers that all their ills are due to mill competition is even more untenable in some respects. The replacement of some of their fabrics was due more to change of fashions, and what the mills did was to produce something for which there was a growing demand. It is extremely difficult, however, to draw a line between fair and unfair competition, and according to this Committee, while there exists severe competition of the legitimate kind, unfair competition is not much in evidence, and in certain cases, wherever some injury has resulted to handlooms, cloth dealers rather than mills have been largely responsible.

*Have Mills replaced Handloom Cloth ?*

The question whether mills have replaced handloom cloth is not very easy to answer. The Fact-Finding Committee have examined this question in close detail and have observed that while there has been a substantial increase amounting to 706 per cent between 1901-02 and 1936-37 in the production of mills, the increase in the production of handlooms has been only 53 per cent. The mill production in 1901-02 was 389 million yards and 1936-37, 3,220 million yards, while the handloom production was 827 million yards in 1901-02 and 1,265 million yards in 1936-37.\* A reference, however, to the percentage share of consumption enjoyed by imported cloth, mill cloth, and handloom cloth will show that the handloom industry has maintained its position at a fairly steady percentage during the period although there have been minor fluctuations. For instance, during the last war of 1914-18 the share of handlooms went down considerably and it rose thereafter and has been more or less steady since. On the other hand, the share of the mills rose enormously before and during the last war and suffered a slight decline thereafter and is rising steadily during the last decade. In the case of imports the decline has been fairly continuous. Thus the Millowners' contention that they have replaced imported cloth appears to be correct.

We give below a table from the report of the Fact-Finding Committee (page 157) giving the relative consumption of mill, handloom and imported cloth in the Indian market between 1901-02 to 1936-37 :—

*Relative Consumption of Mill, Handloom and Imported Cloth in the Indian Market*

Year.	Net imports	(In million yards)				
		Percentage of total.	Retained mill production after deducting exports.	Percentage of total.	Handloom production.	Percentage of total.
1901-02	2,042	62.7	387	11.9	827	25.4
1906-07	2,193	56.5	588	15.1	1,102	28.4
1911-12	2,362	52.9	1,020	23.8	995	23.3
1916-17	1,771	48.3	1,297	35.4	598	16.3
1921-22	980	28.4	1,529	44.4	938	27.2
1926-27	1,750	34.9	2,068	41.0	1,217	24.1
1931-32	760	15.7	2,768	56.9	1,332	27.4
1936-37	753	14.4	3,220	61.5	1,265	24.1

It is important to see the nature and extent of the competition that has been going on between handlooms and mills. The 1932 Tariff Board observed that the bulk of the handloom cloth was of count 20s and below, but the Fact-Finding Committee believed that such a statement was not correct in 1932, and that at any rate it is not quite correct at the present time (1941).

\* Vide Table No. 15 the portion entitled "Cotton Industry at a Glance" towards the beginning of the Indian Cotton Textile Industry Annual, 1945-46.

We give below a table from the report of this Committee which gives the annual consumption of yarn of different counts by handlooms in 1941 :—

*Annual Consumption of Yarn of different Counts by Handlooms*

Province	1-20s Percentage.	21s-40s Percentage.	41s-60s Percentage	Above 60s Percentage.
Bengal	10.0	70.0	16.0	4.0
Bombay	16.0	59.0	20.0	5.0
Madras	42.6	38.4	12.4	6.6
Orissa	42.5	49.9	6.5	1.1
Bihar	92.6	6.1	1.0	0.3
Punjab	90.1	5.8	3.7	0.4
U. P.	84.2	12.6	2.7	0.5
C. P. and Berar	71.5	24.0	3.2	1.3
Average	54.4	33.8	11.8	

A perusal of the table will show that while 54 per cent of the total cotton yarn consumed in India is still below 20s counts, the percentage of such yarn is as low as 10 per cent and 16 per cent respectively in such important areas as Bengal and Bombay. About 86 per cent of the total yarn used by handlooms in Bengal and 79 per cent in Bombay is between 20s and 60s. Madras and Orissa come next with 51 per cent and 56 per cent respectively. Subsequently, Indian mills have been devoting attention to spinning yarn of high counts and to the manufacture of finer saris and dhotis from such yarn. In this way, mills entered a new field in which competition with hand-woven goods are inevitable. It was mostly in Bengal, Bombay and Madras that saris and dhotis of fine counts were formerly produced in large quantities; and the fairly numerous middle-class population that these goods catered for are also mostly in those areas. Therefore, when mill-made saris and dhotis became popular, the result was injurious competition with the handloom industry.

*Various kinds of Competition in respect of Fabrics*

Direct competition is noticeable in many parts of India in respect of hand-woven saris which have to compete with mill-made saris and dhotis of nearly identical counts, dimensions, colour and borders and in such dealings the consumers' choice is decided by price rather than by quality. This is a peculiar feature of Indian economy, due to her extreme poverty, to which we have referred in earlier pages.

*Changes in Dresses of People*

Important changes which have taken place in the clothing requirements of the people throughout the country, both in the style of garments and in the type of fabrics used, are also responsible for a certain amount of competition. These changes have greatly increased the demand for mill-woven cloth and depressed the market for hand-woven cloth. The Fact-Finding Committee of 1941, after a very careful investigation, came to the conclusion, that among men throughout India the use of turbans has greatly diminished, shirts and kurtas have come into

common use and that the demand for chaddars and *angavastrams* has fallen. Among women, generally, the use of blouses has become common throughout India. In the North, the sari has largely replaced the traditional Hindu (*lehnga* or *ghaghra*, and *kurta*) and Mussalman (*salwar*, *kurta* or *dupatta*) forms of dress. The use of knitted goods has increased everywhere, especially among men.

*Great increase in use of Saris and decrease of use in Turbans in U. P.*

The information received from the United Provinces is the most striking, and the most noteworthy changes there between 1914 and 1941 are in regard to women's clothes. The proportion of women wearing *lehngas* has fallen from 95 per cent to 5 per cent in urban areas and from 100 per cent to 40 per cent in rural areas, whilst the proportion of women using saris has increased from 5 per cent to 95 per cent in urban areas and from nil or negligible per cent to 60 per cent in rural areas. This change has been noticeable between 1914 and 1941. In regard to men, the change in respect of the head-dress is the most striking between these years. In towns, 5 per cent of the people wore turbans in 1914; hardly anyone wears it today (1941). In rural areas, the proportion of turban users has fallen from 70 per cent to 10 per cent. At the same time the proportion of cap-wearers has increased from 60 per cent to 85 per cent in towns and 5 per cent to 35 per cent in rural areas.

The Fact-Finding Committee observe that while one may not agree about the exact proportions, the general trend is unquestionable.

*Quality Competition*

Competition of a somewhat different category came to operate when middle-class people of both sexes began to prefer light mill-made saris and dhotis to the traditional heavy lace-bordered saris and dhotis previously worn. All over India, Hindu men of higher castes used to wear lace-bordered dhotis and especially for high-caste Hindus it was a prescribed religious custom to wear certain handloom clothes like *pitambar* or yellow silk garment on special occasions. During the last few decades, such habits have fallen into desuetude, and men, especially younger men, have begun to wear plain mill dhotis. In this way the celebrated dhotis of Bengal and lace-bordered dhotis produced in Salem have gone out of fashion and those who had been making such dhotis have lost their employment. The superior handloom dhotis of Petlad (Baroda) were first replaced by Manchester dhotis which in turn have been replaced by Indian mill dhotis. In Madras, formerly coloured silk and cotton hand-woven saris of nine yards length had been the fashion, but now women wear shorter mill-made saris on all occasions, and generally they are white or of light colour.

*Price Competition*

Had the competition been only indirect, i.e. from one style of garment to another, the position of the handloom would not have been so materially affected. But what really happened was that side by side with such indirect competition there was also going on a much more direct competition, i.e. one fabric replacing another of similar kind by being cheaper. Such a competition was greatly helped by the steady fall in the prices of piecegoods from 1926 to 1936—a factor which greatly weakened

the competitive power of the hand-woven cloth. Prices of mill cloth went down owing to internal and external competition, but the handlooms were not able to keep pace with this. According to the Fact-Finding Committee, it meant to them straightening their belt or closing down.

The most serious competition of the mills has been, according to the report of the Fact-Finding Committee, in saris of 20s to 40s counts. This has been so, particularly because the consumer gets the fabric that he is accustomed to use, with a slightly more finished appearance and at a lower price. This naturally makes him prefer the mill fabric. In the case of dhotis, as in that of saris, direct mill competition, observes the Fact-Finding Committee, is in respect of medium counts.

#### *Small-scale Powerloom Competition*

A more serious rival to the handloom industry than mills, states the report of the Fact-Finding Committee, has risen in the small-scale powerloom factories. *This rival combines in itself, owing to its medium scale production, the advantages of both mills and handlooms. It can utilise cheap electrical power and avail itself of the modern appliances in weaving. The competition of powerlooms is a growing phenomenon of recent times.* About 15 years ago, the handlooms had nothing to fear from them. Powerlooms are not subject to any irksome restrictions such as the Factories Act or special taxes. This being so, they are a source of competition in important lines to the mills as well. The cost of production in powerlooms is comparatively low owing to small overhead charges and economies of mechanical production. Thus, the contest has now become a three-cornered one. There is a serious competition of the powerlooms in Surat, Sholapur, Dhulia, etc. with the hand-made coloured saris of Navsari, Ganderi and Sholapur. The powerlooms in Bombay-Deccan have specialized in saris produced from mercerized and doubled cotton yarn. A large number of handloom weavers in areas where such small-scale powerlooms operate have lost their hold on the market. In the future also, the small-scale powerloom is likely to be a greater menace to the handlooms.

It is very difficult to state with precision how exactly the average cost of manufacturing of cloth in a powerloom would compare with the cost in an ordinary mill, as there are several varying factors that come into play. Roughly, however, the cost of manufacturing cloth in a powerloom would be in a place like Bombay about 15 per cent higher as compared with the cost in an ordinary mill, as Colours, Dyes, etc. can be obtained more easily in Bombay as compared with an out-of-the-way place like Bijapur, where the cost may be 20 to 25 per cent higher.

It is also certain that these powerlooms which are growing in number and in importance are becoming keen competitors with handlooms and unless some suitable and organized action is taken, it will be impossible to help handloom weavers whose competitive strength in relation to both powerlooms and mills will decrease, owing to the numerous handicaps under which they have to work.

#### *Consequences of Mill Production on hand-weaving Industry*

It is extremely difficult to assess statistically the consequences of mill competition on the hand-weaving industry. The Fact-Finding

Committee, after a detailed enquiry, states, however, that it is possible to get a general idea of the trend. It states that competition has been keenest in areas like Bengal where white clothing has been in vogue. On the other hand, where coloured clothing is used, mill cloth has not made much headway. This Report observes that twenty-five years ago, the typical wardrobe of a young woman in Madras would consist of four lace-bordered silk saris for special occasions, four ordinary silk saris and about four ordinary cotton saris for everyday wear, making a total of twelve; and all the twelve saris would be hand-woven. Today, a young woman of the same class would have about double the number of saris, of which two or three would be silk hand-woven saris for special occasions, possibly bought for her wedding, one or two imported georgette and voile saris for parties and a khaddar sari or two bought from khaddar exhibitions. All the rest would be Indian mill-made cotton saris for everyday wear. Twenty-five years ago Hindu women of the upper class wore no mill-made saris, at any rate, on ceremonial occasions or at parties; nor did they wear white saris, as white was considered inauspicious and improper. Since then, the idea of wearing clothes washed and ironed by the dhobi has taken fast root and this has had much to do with the increased use of white saris or saris of light colours made in mills. This idea, however, has not so far appealed to the working-class women, because they believe rightly or wrongly that mill saris do not last long and, therefore, in spite of hand-woven saris being dearer, they continue to use them. This consideration does not weigh with the middle-class and upper-class women because "*modern women do not want their saris to last long; they want to buy them cheap, wear them out quickly and renew their wardrobe again.*" Therefore, "plain white saris, patterned white saris, lightly dyed saris and all mill-made saris are considered the right kind of wear for school, college, hospital—for any place outside the home. Hand-woven cotton saris are definitely the wrong type of clothes outside the home, and silk saris, though considered fit for parties and home wear, are again not as correct a wear as white mill-made saris fresh from the laundry."

"In 1920, a college girl at Madras from a Hindu home would own about 5 to 10 *Kornad* saris and 3 to 4 hand-woven cotton saris of all deep colours (black, red, chocolate, green, brown, plain or patterned). A present-day Hindu college girl would own three or four silk saris of which one or two might be *Kornad* and the others foreign silks, and about two dozen cotton saris of which a dozen are likely to be of light colours (also mill-made)". (*Vide* page 176 of the Report of the Fact-Finding Committee).

It will be clear from the above why the competition between hand-woven and mill-made saris has turned out largely against the former.

#### *The Handloom's Sphere*

While a certain amount of adjustment has been taking place by the handloom weavers changing their line of production, when faced with the loss of markets for particular kinds of goods, it would be incorrect to assume that all the weavers affected by competition would have been re-employed by the shift to new lines of production. On the basis of the information available to it, the Fact-Finding Committee states that un-



employment and under-employment have increased among weavers. It also observes that handlooms have an advantage over the mills in weaving multi-coloured varieties of cloth which could not be economically produced in the mills, solid-bordered saris, striped and checked saris with various colours and designed borders, extra-weft figured saris (like Benares saris), saris with gold-laced border striped and checked, cotton-and-silk-mixed saris, silk-bordered cotton saris, loom-embroidered all-overs (swivel effect), check *lungis*, *sarongs*, Madras handkerchiefs and coloured woven chaddars, etc.

Mills, according to the Fact-Finding Committee, have a greater advantage in making grey goods of plain weave, twills, drills, jeans, satin, saris without stripes or checks, grey or dyed chaddars, dhotis, ordinary shirtings and coatings, because these are all suitable for mass production. Ordinarily, therefore, it will not be advisable for handlooms to take up such production.

The two chief lines of handloom production in the past were saris and dhotis. Dhotis being mostly plain white cloth, the mills have a clear advantage in their making and, therefore, even during the last century this line of production was lost to the handlooms, at any rate in Bombay and Bengal. In some Provinces (e.g. Madras), the handlooms are still able to make a large number of even common dhotis, not to speak of lace-bordered variety. Dhotis of low counts worn by the peasants and the people of backward areas are still largely hand-made. The sari remained for long a handloom preserve owing to its ornamental character and owing to the conservatism of our women-folk, but by the steady enterprise of Indian mills since 1925, a certain part of the market in saris has been lost to the handlooms. Light mill saris are now preferred by women at any rate in urban areas. The handloom still commands the custom of the rural women-folk in many parts of the country and a part of the custom of the middle-class women in urban areas.

There appear to be new prospects in the field of shirtings and coatings, the demand for which has been growing and is bound to grow in future. Handlooms have been able to produce striped shirtings and coatings at competitive prices in Madras, United Provinces and elsewhere.

#### *State Aid through Co-operative Societies*

The Fact-Finding Committee observe that since 1935 the agency of the Co-operative Societies has been made use of in utilizing grants made available by the Government of India for financing and marketing facilities to the handloom weavers working in their own homes. Co-operative Societies of weavers were started in many parts of India chiefly for providing credit, but unfortunately, all these societies fared badly. The Committee observe that in spite of the efforts undertaken for over three decades, the co-operative movement was a failure in most parts of India, and even where it had not altogether failed, the scope of its work was limited.

The real problem of the weaver was not capital but lack of marketing facilities, which forced weavers to continue in their pathetic dependence on sowcar-weavers and merchants for the supply of yarn and for the sale of finished goods.

An annual grant of over 5 lakhs was distributed among various Provinces since 1935 and the amount has been spent on various approved schemes, e.g. (1) improvements in the marketing of cloth, (2) facilities for the supply of yarn, dyeing materials and accessories to weavers at reasonable prices, (3) improvements in productive technique and training by the appointment of experts in weaving, designing, dyeing and printing so that the cost of production may be lowered and goods of new patterns and qualities likely to command an easy sale may be produced, and (4) facilities for the proper finishing of handloom products.

The Fact-Finding Committee report observes, however, that the utilization of this amount through the Co-operative Societies has not been very helpful. They state, however, that such disappointing results may have been due rather to the way the societies have been constituted or conducted. The co-operative principle cannot be blamed for the faults resulting from its misapplication. The Committee also suggests that the work of rendering help to the handloom industry must be done on a strictly business-like and commercial basis. They have also expressed the opinion that ordinarily Governments have neither the time nor the equipment for business, and have suggested, therefore, that what is needed at present is the active association of businessmen of proved ability and character.

#### *The Present Position and Prospects of Hand-weaving Industry*

It has often been argued that as production of handloom cloth has increased, hand-weaving industry must be considered to have prospered. This view needs a very careful examination. The increase in the handloom production has been from 906 million yards in 1901-02 to 1905-06 to 948 million yards in 1921-22 to 1925-26, and 1,394 million yards in 1934-35 to 1938-39, and to about 1,500 million yards per year from 1941 till 1944. The increase is fairly large. The proportion of total cloth available for consumption supplied by handlooms has remained nearly the same, i.e. 25 per cent during the last 40 years. In 1942-43, it was over 30 per cent, and in 1943-44, it was about 27 per cent. It will be necessary to explain, however, that while handloom production has increased in some areas, especially in South India, there has been a decline in production in other areas like Bombay and Bengal. In areas where production has increased, it has been due largely to the substitution of fly-shuttle looms for throw-shuttle looms which has been going on in all the prominent handloom areas. The proportion of the fly-shuttle looms is 85 per cent in Madras, 67 per cent in Bengal, 55 per cent in Bombay and 47 per cent in the Central Provinces and Berar. As the average production of fly-shuttle looms has increased to 7 yards as against 4 yards on throw-shuttle, production per loom has increased by 75 per cent by this change alone. This increase in production is due largely to the change in technique and has led to no improvement in the economic condition of the weavers. Besides, the increase in production is no proper test of the prosperity of the industry. Hand-weaving is more allied to agriculture than an organized industry. If a mill does not pay a reasonable dividend it will be sold or scrapped and the millowner will put his money into some other more profitable industry. But if the handloom weaver does not get a reasonable return

from his loom, he may work harder and longer to make up by quantity what he loses in value. In fact, most hand-weavers will continue to ply the loom (as a mode of living) even though they get barely the price of yarn used in the making of cloth.

The cotton mill industry has increased its production by leaps and bounds during the last 40 years\* and yet it was faced with serious financial crises from time to time and had to seek tariff protection. As compared to the increase of 479 per cent in mill production between 1901-02 to 1938-39, the handloom production underwent an increase of 54 per cent only. If, then, observes the Fact-Finding Committee, the mills had still to supplicate for protection, the case of the handlooms for protection is much stronger.

The Fact-Finding Committee also concludes that there is a large increase in unemployment and under-employment among weavers. Generally, they have no work for more than about six months in a year and even during these months employment is unsteady and irregular. They have also come to the conclusion that there has been a drastic fall in the earnings of hand-weavers throughout the country during the last 10 or 12 years, and the fall in some cases is as high as 70 per cent or 80 per cent. Their present earnings are also found to be extremely low and indicate that employment is far from adequate and that the remuneration received is meagre.

*Handlooms give employment to Four-Fifths of the total number of Workers employed in the Cotton Textile Industry*

In spite of the unsatisfactory condition of hand-weavers in many parts of the country, the Fact-Finding Committee report observes, it is not correct to consider hand-weaving as a decaying industry. This can be seen by an examination of the numbers engaged in the industry, by the substantial improvements in production and by the profitable business pursued by certain sections of the industry which are properly organized. *In spite of the decline in the numbers employed in the industry, the Fact-Finding Committee report states that there are today more than 2½ million workers engaged in handloom weaving and this cannot be an over-estimate seeing that there are as many as 2 million looms in the country. It is also estimated that a population amounting to 10 millions are still depending on this industry.* The cotton textile industry employs only 5 lakhs† workers of whom a considerable number are working in spinning mills producing yarn for the handloom. Thus, although today mills are producing about 68 per cent of the total cloth consumed in the country, they employ only a fifth of the total number of workers in the cotton textile industry. The remaining four-fifths are employed in the hand-weaving industry.

*Handlooms maintain 10 millions of Workers*

The 2½ million workers engaged in hand-weaving maintain (including themselves) a population of about 10 millions. If after a hundred

---

\* The maximum production of cloth in mills was attained in 1943-44, when it reached 4,870 million yards, as compared with 4,109 million yards in 1942-43, and 4,493 million yards in 1941-42. In 1944-45 the production was 4,726 million yards,

† The number increased to over 6 lacs in 1945-46.

years of mill competition, the handloom industry is still able to employ such large numbers, it is an undoubted indication of the fact that the Indian handloom industry has a unique capacity for survival.

#### *Will the Handlooms Survive?*

Sir Alfred Chatterton observed over 25 years ago, "the handloom weaver still survives today because there is no alternative open to him . . . he can easily hold his own for a long time to come . . . since he is content to exist on but little more than the bare necessities of life". It may be seen that it has not been so much a question of the handloom industry surviving as of the handloom weaver himself surviving. The margin between the price of raw material and the price of finished products in the case of the independent weaver and the earnings received by the weaver-labourer has fallen so low that it is doubtful whether even the bare necessities of existence are available to the weavers anywhere.

The Fact-Finding Committee came to the conclusion that in spite of some increase in production, employment among weavers has been falling. They also observe that, left to itself, the industry will perhaps dwindle down to the position of a small handicraft concentrating in production of a few speciality cloths.

#### *Should the Handloom Industry Survive?*

It should be remembered that the handloom industry is, next to agriculture, the largest single industry of the country. It is the main occupation of several millions of people and for most of them there is no subsidiary occupation. Nor is hand-weaving a handmaid to agriculture, but the sole occupation of a large class of people. It is the mainstay of many towns and numerous villages scattered all over the country. Although this industry is only responsible for about 25 to 30 per cent of the total cloth consumed in the country, it employs over 85 per cent of the textile workers of the country. If for any reason the handloom industry collapses, the resultant misery is bound to be a serious problem for the country, as it will involve the pauperization of a large population and this will become a heavy burden on the State. Many flourishing towns and extensive rural areas would thus be deprived of their bread and this may have ugly social and economic consequences.

Secondly, one of India's principal economic problems is the unemployment and under-employment of large masses of people. As a means of solving this problem, large-scale industrialization in India has so far been conspicuously ineffective. Although this country today produces all our sugar, a large part of our requirements in cloth, iron and steel, cement and jute bags in power-using factories, only about 1½ million labourers have been absorbed in all industrial establishments coming under the Factories Act. Had a good many alternative occupations been available in India, large-scale production of cloth would not have caused any great dislocation, but in the present state of the peculiar economy of the country, we have to concentrate largely on occupations which call for a plentiful supply of labour while economizing on capital. This is one of the principal reasons why Mahatma Gandhi has been advocating the necessity of supporting hand-spinning and hand-weaving.

Thirdly, a fundamental cause of India's poverty is the tendency to an unequal diffusion of purchasing power. This defect cannot be rectified by the expansion of factory industries, unless large social and economic changes also take place simultaneously. While the proportion of the wage bill to the total cost of production in mills is at the most 25 per cent, it forms about 40 per cent in hand-weaving with mill yarn and nearly 75 per cent in hand-weaving with hand-spun yarn. So, this industry affords the necessary corrective in this respect.

*What is more, there is a special reason in the case of India for preservation of her small-scale industries. The village has been the backbone of India's economic as well as cultural life. If industrialization involves the decay of village crafts and the concentration of workers in cities, it will greatly undermine the "serenity, poise, dignity, spaciousness, proportion, graciousness, deep-rooted sureness, and elemental simplicity and beauty" which have characterised our rural life in the past and have been the objects of admiration among our best minds and among those from other countries.*

#### *Hand-weaving, Our largest small-scale Industry*

Hand-weaving is the largest of our small-scale industries. On its welfare depends the prosperity of a numerous population of skilled workers in this country. As now equipped, it can hold its own against the mills if a fair chance is given. On no reasonable ground, therefore, can this industry be denied the little aid it asks for, e.g. by suitable arrangement for an uninterrupted and increased supply of yarn direct to the weavers by the mills\* at fair prices, the evolution of a dependable and efficient organization for sale of its finished products, publicity and propaganda for making the lasting and superior qualities of handloom cloth known to the people in India as well as other countries, by reducing the dependence of the industry on a host of middlemen, by exempting handloom cloth from taxes like octroi, furnishing new designs, etc. The activities of the various Provincial Governments, e.g. Bombay, Madras, Bengal, Bihar, Assam, in assisting hand-weaving should be increased. The All-India Spinners' Association should also be encouraged by the various Provincial Governments in order that both hand-spinning and hand-weaving may get necessary impetus and may be in a position to make a sizable contribution for remedying the present problem of shortage of cloth which is responsible for causing considerable distress to millions in the country whose *per capita* consumption of cloth, already low at 16 yards per year was further reduced during the later years of the war, namely, 1942 to 1945, to a bare 12 yards, which is distressingly inadequate, and who have therefore now a large pent-up demand for cloth to satisfy owing to the enforced curtailment and rationing of supplies since 1945.

At a time when there is immediate necessity of increasing the total production of cloth within the country, to meet the growing requirements of the people, handlooms can make an effective contribution without much capital cost which would be essential if new mills are to be

---

\* The recommendation of the Textile Planning Committee for ear-marking a portion of the new spindlage permitted in 1946 for handlooms, is a step in the right direction.

established. Besides by doing so, they will be able to solve the problem of unemployment and under-employment of a large number of people in the country and at the same time also make a suitable addition to the poor purchasing power of the people by engaging them in gainful occupation.

The All-India Handloom Board functioning since 1945 has very heavy responsibilities on its shoulders. We hope that with the present helpful attitude of the Government of India and also the Provincial Governments towards this small-scale industry, it will be possible to bring about an improvement in its condition by revitalising its energy.

We trust that the foregoing survey will be of use to everyone concerned in evolving suitable measures for the preservation and development of this celebrated centuries-old indigenous industry giving support to about 10 million people, and to the students of the industry in assessing and appraising properly its importance in India's National Economy\* and potentiality of its expansion in the years to come.

We would invite the reader's attention to the following two tables, as they are of interest.

---

\*For a detailed and comprehensive study of this question *vide* Mr. M. P. Gandhi's monograph on "How to Compete with Foreign Cloth—A study of the position of hand-spinning, hand-weaving and cotton mills in the economics of cloth production in India", published in 1931, pp. 120, with a foreword by Sir P. C. Ray for the English edition, and by Mahatma Gandhi for the Gujarati edition, published under the title "*Pardeshi Kapadni Same Harifai Kem Karay?*" in 1932.

## DO YOU KNOW ?

- (1) That the number of hand-loom in India is about 20 lakhs of which 64 per cent are Throw-Shuttle and about 35 per cent Fly-Shuttle.
- (2) That there are 18,000 "small power-loom" scattered all over the country, in addition to 2 lacs power-loom installed in the mills.
- (3) That the hand-loom are responsible for production of about 1,600 million yards of cloth per year.
- (4) That the hand-loom supply nearly 25 per cent of the cloth consumed in the country per year.
- (5) That the hand-loom maintain at present a population of about 25 lakhs as against a bare 6 lakhs employed by the Mill Industry,\* and this means that nearly 80 per cent of the Textile Workers of the country are employed by the hand-loom.
- (6) That the hand-loom solve one of the principal economic problems of India, viz. unemployment and under-employment of large masses of people.

\* Also *vide* Cotton Textile Industry Annual, 1945-46, Tables 15 to 20.

M. P. GANDHI.-

TABLE NO. 1\*

Final detailed allocation of expansion of spindlage of the Indian Cotton Textile Industry in the post-war period in the various zones, as recommended by the Planning Committee and accepted by the Government of India in April 1946.

Zone	Provinces and States	Fine Spindles	Coarse Spindles
Bombay Surplus Area	Bombay Presidency	1,14,000	...
	Baroda	38,000	...
	Nawanagar	...	25,000
	Junagadh	...	25,000
	Bhavnagar	...	25,000
	Cambay	19,000	...
Sind Zone	Sind Province	...	75,000
	Khairpur	...	25,000
Punjab Zone	Punjab Province	1,14,000	3,23,000
	Delhi Province	...	...
	N.-W. F. P.	...	...
	Bhawalpur	...	50,000
	Nabha	...	25,000
	Kapurthala	...	25,000
United Provinces Zone	United Provinces	1,14,000	1,50,000
	Benares State	...	25,000
Bihar Zone	Bihar Province	38,000	1,75,000
Bengal Zone	Bengal Presidency	1,25,000	2,00,000
	Assam Province	1,00,000	(Coarse and fine mixed)
	Seraikala	...	25,000
Orissa Zone	Orissa Province	19,000	1,00,000
	Mayurbhunj	...	25,000
Central Provinces Zone	Central Provinces	76,000	75,000
	Rewa	...	25,000
South Zone	Madras Presidency	1,52,000	2,00,000
	Hyderabad	19,000	50,000
	Mysore	19,000	25,000
	Travancore	...	50,000
	Cochin	...	25,000
	Pudukottah	...	25,000
Rajputana Zone	Gwalior	19,000	...
	Bharatpur	...	25,000
	Bikaner	...	25,000
	Dholpur	...	25,000
	Alwar	...	25,000
	Palanpur	19,000	...

Total:

8,85,000 Fine Spindles.  
18,73,000 Coarse Spindles.  
1,00,000 for Assam, coarse and fine together.

28,58,000 Spindles.

A portion of this new spindlage has been earmarked for handlooms.

\* Vide page 55, footnote, and Indian Cotton Textile Industry Annual, 1945-46

TABLE NO. 2\*

Net Imports, Available Mill Production, and Estimated Handloom Production of Cotton Piecegoods in India, along with *per capita* Consumption from 1919-20 to 1944-45

Year	Net Imports	Net available Mill Production (after deducting exports)	Estimated Handloom Production	Net available for Consumption	<i>Per Capita</i> available for consumption in yards.
April-March					
(Quantity in crores † of yards. crore = 10 million)					
1919-20	90	144	56	299	9.34
1920-21	145	143	115	403	12.59
1921-22	102	157	119	378	11.81
1922-23	152	156	134	452	13.40
1923-24	142	154	101	397	12.03
1924-25	177	179	126	482	14.61
1925-26	153	179	118	450	13.18
1926-27	176	206	136	518	15.15
1927-28	194	219	130	543	16.60
1928-29	191	174	108	473	13.52
1929-30	190	229	138	557	15.97
1930-31	87	246	136	469	13.49
1931-32	76	288	139	503	14.28
1932-33	120	311	142	573	16.70
1933-34	77	289	124	490	14.17
1934-35	94	334	124	552	15.60
1935-36	94	350	137	581	16.57
1936-37	75	347	128	550	15.50
1937-38	58	384	149	591	16.42
1938-39	63	409	192	664	17.94
1939-40	56	379	182	617	16.67
1940-41	44	388	165	597	16.03
1941-42	18	372	160	550	14.20
1942-43	1	329	150	490	12.40
1943-44†	3	441	160	601	15.20
1944-45	5	435	160	595	15.10

\* *Vide* page 55.

† *NOTE*.—The broad purpose of the above figures is to enable the reader to view India in the world perspective of consumption of cotton textiles. The *per capita* figure of 15 yards for 1943-44 indicates not so much the actual consumption of cloth per head as the quantity that would have been available but for the terrible maldistribution resulting from rampant black marketing. This figure is reduced to 12.7 yards if the quantity of cloth (*viz.* 900 million yards) purchased for the Defence Services is deducted, and would be reduced further still if we take into account the quantity of cloth smuggled into Tibet, China and other areas adjacent to Bengal and other illicit exports from small ports. The 1943-44 average has therefore less relation to the actual quantity of cloth available than in any of the previous years. Notwithstanding this, the above figures, we trust, have a significance that cannot be missed.

The consumption in 1944-45 works out to 15.10 yards *per capita*.



# RUBBER GOODS

## FLAWLESS FOR EVERY INDUSTRIAL NEED

The Indian Textile Industry has relied on us all these years since the outbreak of war and are still doing so in view of our quality goods named below:—

**JIGGER MACHINE**:—These are novel in the sense that accumulated experience has been put into practice. Our Jiggers are not to be excelled in the market to-day. These Jiggers are washable type and therefore facilitate change over of colours. Trough is lined with Ebonite with Guide Rollers and Crease opener inside—all of Ebonite. The whole structure is proof to Alkali and Acid.

**PADDING MACHINES**:—Padding Machines are also being manufactured.

**ROLLERS**:—Rollers of any size and description are recovered with Rubber or Ebonite. We also manufacture Rollers complete with Shell as per your sketch.

### WE ALSO MANUFACTURE:—

RUBBER CANVAS BELTINGS, PRINTING BLANKETS, MACKINTOSH, V. BELTS, CONVEYOR BELTS, WATER-PROOF CLOTH, MOULDED ARTICLES, VALVES, BUSHES, CHEMICALLY RESISTANT 3 & 4 GALLONS CAPACITY BUCKETS, 3 GALLONS CAPACITY MUGS AND FINALLY ANYTHING ON ORDER.

*Address Inquiries to:—*

## T. MANEKLAL MFG. CO.

Industrial Rubber Manufacturers & Engineers.

OFFICE : 35, DALAL STREET, FORT, BOMBAY 1.

Telephone: { Office : 28808  
Factory : 45126

P. O. Box 111-A, BOMBAY  
Telegrams: "TEXRUBBER"

**WE CAN OFFER THE FOLLOWING MATERIAL  
FROM READY STOCKS**

**DYES OF ALL  
TYPES**

such as

**NAPHTHOLS, BASES,  
DIRECTS and VATS**

of American strength and standard. In large quantities and for immediate delivery.

**GEON PLASTIC  
LATEX**

in large quantities and for ready delivery. Of high class American manufacture. For coating yarn and cloth, for all kinds of tapestry and furnishing fabrics to ensure permanent beauty effects.

**PLASTIC SHEETING**

Transparent, multicoloured floral and fancy designed. Of high class English make. Large quantities for ready deliveries.

**TEXTILE  
MACHINERY**

Textile Cloth Guiders of American Make 72". Complete with cross screws and floor stands. ALSO without stands. (Patented). Makers: GUIDER. SPECIALITY COMPANY, U.S.A.

**MEDICINES**

**ERNST BISCHOFF'S**  
American Make.

**ANAYODIN**

in tablet and Powder form.

**AMINOPHYLLIN**

in ampouls of 10 c.c. & 2 c.c.

**SODIUM  
PENICILLIN**

in 1,00,000 units Manufacturers: M/s. Heyden Chemical Corporation, U.S.A.

**D.D.T. TECHNICAL  
GRADE 10%**

High Class American make. Suitable for manufacturing sprays, powders and emulsions for disinfecting purposes.

ADDRESS YOUR ENQUIRIES TO:—

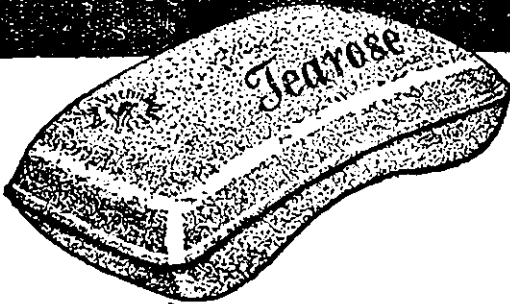
**T. MANEKLAL LIMITED**

*(Agents, Importers, Engineers, etc.)*

35, Dalal Street, Fort, BOMBAY.

Telephone No. 21738

Telegrams: "TEXDYES".



### TEAROSE TIME

Youngster may go playful as a kitten when it's time for bath, but "Tearose" soap is no Slippery Sam. Its clever shape fits mother's palm snugly and its concave underside makes soaping so easy!

"Tearose" soap is ideal for babies' tender skin. It lathers generously and cleanses thoroughly. Get a cake, today.

## TEAROSE

• UTILITY SHAPE

## BATH SOAP

SOLD EVERYWHERE

**BOMBAY SOAP FACTORY (Estd. 1904)**

*Office & Showroom :*  
**105, Abdul Rehman Street, BOMBAY.**

---

TELEPHONE 60268

TELEGRAMS "NUTEM"

---

# NEW ERA TEXTILE MILLS, LTD.

MANUFACTURERS, DYERS,  
BLEACHERS,      PROOFERS  
AND  
PRINTERS

---

---

SILKS  
GEORGETTE  
GEORGETTE SAREES  
FLAT CRAPE SATIN  
ETC.



PRINTED  
CHINTS, VOILS,  
MINERAL DYED  
DRILL, WATER & OIL  
PROOFED MATERIALS.



## FLANNEL, FLANNELETS & ABSORBENT LINTS

---

TULSI PIPE ROAD

BOMBAY 16.

---

---

*The only Indispensable & Authoritative Annual Reference  
Book for the Indian Sugar Industry*

# THE INDIAN SUGAR INDUSTRY— (1945-46 ANNUAL)

Vol. XI

Editor: Mr. M. P. GANDHI

330 Pages: September, 1946. Price Rs. 6/8; V.P.P. Rs. 6/14. Sh. 12.

— CHIEF FEATURES —

- ↔ Retrospects and Prospects of the Sugar Industry in India in 1944-45 and 1945-46, and position in world economy.
- ↔ "The Sugar Industry at a Glance", containing 46 Statistical Tables re: production and consumption of Sugar, imports and exports, Production of Gur, Canecrop, Duty and Revenue from Sugar, etc.
- ↔ The Sugar Industry Protective Duties Continuation Act, extending protection till 31st March, 1947.
- ↔ The Sugar and Sugar Products Control Order, 1946, of the Government of India, with the latest amendments, the Gur Control Order, 1946, and other important Notifications.
- ↔ *Personnel* of U. P. and Bihar Sugar Control Board, 1945-46.
- ↔ Future development of the Industry.
- ↔ Necessity of Regulation of Industry on an All-India basis.
- ↔ Discussion on Export Prospects, Sugar Control Policy, and Rationing.
- ↔ *Personnel* and functions of Central Sugarcane Committee, 1946.
- ↔ Capital and Dividend Statement of Sugar Mills. (Latest.)
- ↔ *Complete and up-to-date list of Sugar Mills, working and projected, with addresses of Managing Agents, information regarding crushing capacity etc.*

### Extract from Reviews of 1944 Annual

"The International Sugar Journal": March, 1946:

This annual volume is again well stocked with statistical and other information about the Indian Sugar Industry.

*Another Authoritative Publication:*

**"PROBLEMS OF SUGAR INDUSTRY IN INDIA—SCOPE AND PROSPECTS OF REORGANISATION IN POST-WAR PERIOD"**

by Mr. M. P. GANDHI

With a foreword by Sir Purshottamdas Thakurdas.

*An opinion by Dr. John Matthai, Ex-President, Indian Tariff Board:*

"As far as I can judge, your thesis is an able and comprehensive survey of the sugar industry and its problems".

425 Pages.

December, 1945.

Rs. 12/- or £1/-

# GANDHI & Co. (Publishers)

(Established by Mr. M. P. GANDHI)

*Publishers:*

The Indian Sugar Industry Annual  
The Indian Cotton Textile Industry Annual

Telephone: { Office: 25961 & 24047  
Resi.: 43926  
Telegrams: KEEN, Bombay.

## OTHER NEW & AUTHORITATIVE PUBLICATIONS

Problems of Sugar Industry in India—  
Scope and Prospects of Re-organisa-  
tion in Post-war Period.

*By: M. P. GANDHI*

With a Foreword by  
Sir Purshotamdas Thakurdas, K.B.E.

Publishers: GANDHI & CO.

425 pages: Rs. 12/-

Foreign Edition: £1

Date of Publication: December, 1945.

The Indian Sugar Industry—  
1945-46 Annual (Vol. XI)

*Editor: M. P. GANDHI*

Publishers: GANDHI & CO.

330 pages Rs. 6/8: V.P.P. Rs. 6/14

Foreign Edition: Sh. 12/-

Date of Publication: Sept., 1946.

Copies of Mr. M. P. Gandhi's various publications and these Annuals will  
be available, if in stock, at the prices shown below:

### SUGAR

Prices of old and new issues

The Indian Sugar Industry—Its Past, Present & Future,  
by Mr. M. P. Gandhi—with a Foreword by Seth  
Walchand Hirachand (1934), 382 pages.

Rs. 10/-

The Indian Sugar Industry—1935 Annual, 125 pages,  
1936 Annual, 200 pages, 1937 Annual, 250 pages, and  
1938 Annual, 300 pages, each.

Rs. 6/-

The Indian Sugar Industry—1939 Annual.—Foreword  
by Dr. Rajendra Prasad.

Rs. 6/-

The Indian Sugar Industry—1940 Annual.—Foreword  
by Dr. Syed Mahmud, 1941 Annual with Foreword by  
Mr. D. R. Sethi, 1942 Annual, 1943 Annual, (350 pages),  
1944 Annual (300 pages), and 1945-46 Annual.

Rs. 6/- each

Rs. 6/8/-

### COTTON

How to compete with Foreign Cloth—with a Foreword  
by Sir P. C. Roy (1931), 130 pages.

Rs. 6/-

The Indian Cotton Textile Industry—Its past, present  
and future, with which is incorporated the 1937 Annual  
by Mr. M. P. Gandhi—with a Foreword by Sir Pursho-  
tamdas Thakurdas, Kt., C.I.E., M.B.E., 240 pages.

Rs. 6/-

The Indian Cotton Textile Industry—1938 Annual,  
175 pages, with a Foreword by Subhas Chandra Bose.  
The Indian Cotton Textile Industry—1939 Annual with  
a Foreword by the Hon'ble Dr. K. N. Katju, 1940  
Annual with a Foreword by Mr. Nalini Ranjan Sarker,  
1941 Annual with a Foreword by Dr. John Matthal,  
1942 Annual with a Foreword by Sir C. B. Mehta, each,  
and 1943 Annual with a foreword by Sir Homi Mody,  
and 1944 Annual (300 pages), and 1945-46 Annual.

Rs. 6/- each

Rs. 5/-

*To be had of:*

**Messrs. Gandhi & Co. (Publishers)**

Jan Mansion, Sir Pherozezshah Mehta Road, Bomb

*N.B.—Book your Advertisement and Copies now for*

*1946-47 Indian Cotton Textile Industry Annual: To be Published in February 1947*

*1946-47 Indian Sugar Industry Annual: To be Published in March 1947.*

1-3-46

Printed by V. V. Bambardekar at the India Printing Works, 9 Bakehouse Lane,  
Fort, Bombay, and published by him for Messrs. Gandhi & Co. (Publishers),  
Jan Mansion, Sir Pherozezshah Mehta Road, Fort, Bombay.