

# Financial Problems Faced by Handloom Weavers in Chendamangalam Cooperative Society



Divya C V, Gopika C V, Krishna M B

**Abstract:** Handloom sector, the second largest employment provider in the country after agriculture sector, is depending over 16 million weavers and they were chosen this century old traditional hand woven textile industry as their livelihood. Because of the unique traditional designs and quality of the hand crafted artifacts, the popularity and its demand is very high both nationally and internationally. This study is mainly concentrated on Chendamangalam handloom cooperative society in Ernakulam district. This study focuses on the various financial problems faced by the handloom weavers in Chendamangalam handloom cooperative society as well as the schemes available from the government. From the study it was found that the weavers are not satisfied with their financial rewards from this special skilled job, as they received only meagre income. They also received lack of support from the government in this regard. Because of meagre income and lack of government support, no one is ready to enter in this field of weaving, the study found. Since the handloom sector is one among the contributors of the Indian economy, their existence is inevitable and the government should take necessary measures to improve their current financial situation for the survival of the industry.

**Index Terms:** Financial Problems, Government Support, Handloom Cooperative Society, Weavers.

## I. INTRODUCTION

India has long tradition in weaving, particularly in hand weaving. We are moving through different diversity and Handloom is one of the cultural heritages of our country. The dexterity and artistic ability of weavers could be seen in their products. Handloom always promotes innovations in its products through experimentation and exhibitions. With its uniqueness and peculiar design, handloom products are well known across the world. Since Handloom sector kept its rich cultural heritage, it had always found a dominant role in the Indian textile industry. Considering its contribution, handloom sector has good space along with the agricultural sector in the country. As most of the weaver's societies were situating in rural area, it has major role in improving the livelihood of rural people as well as eradicating poverty in the area..

Besides creating employment opportunities to lakhs of weavers and allied workers, it also helped to reduce discrimination between men and women. Since large number of women workers are engaged in handloom industry, it could be able to bridge the gap between rural and urban people. Handloom industries are producing ecofriendly and energy saving products, resulting to the enhancement of sustainable development

Weavers co-operatives gave the different ways for dormant in rural and regional level population. Thus co-operative provides a ready tool for addressing member's difficulties. Generally speaking, a co-operative society is a business organization in which group of persons is associated together for common interests. They join hands together with the common goal of promoting their financial activities such as production, distribution or marketing of goods and services and provision of satisfying welfare measures to their members. As an autonomous association of person, Co-operatives voluntarily meet together for common interest. The main objective of co-operative society is serving people without making profit. So as those co-operative societies are very much need in our society.

Kerala's handloom products are well acclaimed for their intricate designs, exquisite craftsmanship, vibrant colors and delicate texture. For centuries, majority of the product had been made by family weavers and each with a unique story on how they were introduced to this special trade. Each such weaving center had its own signature and the state has three major weaving centers. Kuthampullyin Thrissur, famous for its Kasavu double dhoti, veshti and set mundu, while Balaramapuram traces its past to about 300 years ago. Weavers from Tamilnadu settled here to produce fabrics for the members of the royal family of Travancore. The dexterity of the weavers of Chendamangalam in Ernakulam district is very famous across the world. Each of these places, along with Kasaragod and Kannur saris, from the vanguard of the handloom revolution in Kerala

There are five handloom weavers' co-operative societies functioning in Paravoor. Each society has its own handloom units. Of the five Chendamangalam co-operative society founded in 1957, is one of the oldest in the locality. The society has 115 members. There are 35 weavers working on looms in the manufacturing unit and the rest work from home. The yarn, thread and dye solutions are provided by various handloom weavers co-operative societies. Weavers work at home and provide finished product to these societies.

Manuscript published on January 30, 2020.

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**II. LITERATURE REVIEW**

ParalaVenkataSreeVyshnavi, Suja S Nair (2017) conducted study on HANDLOOM SECTOR IN INDIA: A LITERATURE REVIEW OF GOVERNMENT REPORTS. They suggest that here is a need to increase the exports of handkerchiefs, dhoti, lungis, woven fabrics and terry fabrics. The government schemes and initiatives should be properly implemented and audited. India handloom brand promotions, technological up gradation and E-commerce should be used as marketing strategies

Dr.Dharam Chand Jain, Miss Ritu (2017) Gera conducted AN ANALYTICAL STUDY OF HANDLOOM INDUSTRY OF INDIA. Their study make an overview of handloom industry and about problems related to production and manufacturing units. They are of the opinion that weavers should be aware about the schemes so that they can avail the benefits from the government and various agencies. They also suggest that proper training and education regarding the new technologies of production should be provided to the employees.

Dr.Selvaraj A and Tamilrasi N (2016) studied about FACTORS INFLUENCING HANDLOOM WEAVERS TO ENTER INTO THE FIELD. Their main objectives were (1) to measure the factors influencing the handloom weavers to enter into the field, (2) to offer suitable suggestions for further development. In this study a lot of factor is found to enter into this field that is heredity, easy to start, less working capital, practical knowledge, availability of raw materials etc. Out of this earning of regular income is the most important factor to enter into the handloom field

Anu Varghese \* Dr. M H Salim (2015) focused on "Handloom industry in Kerala: A case study of the problems and challenges". In this study they found out this industry is facing a large number of problems. Today in spite of a very glorious part and huge potential for employment generation as well as contributing to GDP of the state. Mainly this industry is facing the competition from the power loom sector. This paper makes a critical study of the problems and challenges of this industry and offers some remedial strategies and policy option.

Anu Varghese \* Dr. M H Salim (2015) have studied about the marketing issues faced by the handloom industry in Kerala. Their study seeks to (i) study the significance of handloom industry in Kerala; (ii) study the marketing problems associated with handloom industry in Kerala; and (ii) suggest suitable remedial strategies for the healthy growth of this sector through effective management of marketing and allied problems. In this study it was found that, given the vast potential of handloom products and the trend of constantly growing demand, especially in markets abroad, the future of Kerala's handloom sector lies in how effectively it takes advantage of the market scenario.

Dr. A Kumudha and Mrs. Riswana (2012) conducted a study on PROMOTION OF HANDLOOM PRODUCTS WITH SPECIAL REFERENCE TO HANDLOOM WEAVERS COOPERATIVE SOCIETY IN ERODE DISTRICT. They pointed out that even though handloom is a traditional industry offering employment opportunity to millions of weavers in India, but they recently face a lot of problems and they are going towards the declining stage.

They identifies that there are various factors which lead to the extinction of handloom industry. Promotion is considered as the key factor which needs to be improved more for the betterment of handloom industry.

**III. OBJECTIVES**

- To study and examine the financial problems faced by handloom weavers in Chendamangalam Handloom cooperative society.
- To analyze the various government schemes available to handloom weavers
- To provide proper suggestions and improvements to reduce the financial problem faced by the handloom weavers.

**IV. HYPOTHESIS**

- H0: Income earned by employees are sufficient to meet their needs
- H1: Income earned by employees are not sufficient to meet their needs.

**V. RESEARCH METHODOLOGY**

- The study is primarily based on primary data – the data's collected directly from the handloom weavers in Chendamagalum Cooperative Society. The data's was collected through questionnaire.
- The statistical tool used for data analysis is SPSS.
- Frequency tables are used for data interpretation.
- All the methods used in the study is to find out the financial problems faced by the handloom weavers.

**VI. DATA ANALYSIS AND INTERPRETATION**

**Gender**

		Frequency	Percent
Valid	male	3	6.0
	female	47	94.0
	Total	50	100.0

Among the respondents, 94 per cent are female and the remaining 6 per cent percent are males. Majority of the respondents are female and the minority is male.

**Age**

		Frequency	Percent
Valid	30-40	5	10.0
	40-50	27	54.0
	50-60	13	26.0
	60 and above	5	10.0
	Total	50	100.0

On the study about age group, 54 per cent belonged to the age group between 40-50, while 26 per cent represents the age group between 50 and 60. Only 10 per cent consisting the age group between 30 and 40 and above 60 years. Majority of the respondents lie between the age group of 40 and 50. Minority lies within the age group of 30 and 40 and above 60 years.

**Work experience**

	Frequency	Percent
Valid 1-4	4	8.0
4-8	16	32.0
8-12	16	32.0
12-16	3	6.0
16 and above	11	22.0
Total	50	100.0

Regarding experience, 32 per cent of the respondents working in this sector between 4 and 12 years, while 22 percent of weavers having experience for more than 16 years. 8 percent of them have an experience between 1-4 years. However, only 6 percent having experience between 12-16 years. Majority of the respondents have experience between 4 and 12 years. And minority lies between 12 and 16 years.

**Wages**

	Frequency	Percent
Valid less than 5000	43	86.0
5000-10000	7	14.0
Total	50	100.0

Majority of the weavers earning is less than Rs5000, registering 86 per cent, while the remaining 14 per cent are earning wages between Rs 5000 and Rs 10000 in a week.

**Income sufficiency**

	Frequency	Percent
Valid No	50	100.0

Everyone in the society unanimously stated that their income is insufficient to maintain their family and meet their requirements.

**Mode of income received**

	Frequency	Percent
Valid Cash	50	100.0

All the weavers responded that the wages that they were receiving in cash.

**Monthly expenditure**

	Frequency	Percent
Valid 1000-3000	7	14.0
3000-4000	23	46.0
5000-8000	17	34.0
8000-10000	2	4.0
10000 and above	1	2.0
Total	50	100.0

Regarding monthly expenditure, majority of the weavers, representing 46 per cent, responded that they managed to meet their monthly expenditure between 3000 and 4000, while 34 percent responded that their monthly expenditure stood between 5000-8000 and 14 percent required between Rs 1000 and Rs 3000 as monthly expenditure. However, a small 4 percent of them spending Rs between Rs 8000 and

10000 in a month and the two per cent is spending over 10000 and above in a month.

**Loan**

	Frequency	Percent
Valid Yes	44	88.0
No	6	12.0
Total	50	100.0

Majority of the respondents, that is 88 percent are currently paying loan and only 12percent that is minority are not paying any loan.

**Working days**

	Frequency	Percent
Valid 16-20	2	4.0
21-25	47	94.0
26-30	1	2.0
Total	50	100.0

Majority that is 94 percent of the respondents are working on an average of 21-25 days in a month. 4 percent of them are working between 16-20 days, while minority of two percent of the respondents are working between 26-30 days in a month.

**Job satisfaction**

	Frequency	Percent
Valid Satisfied	3	6.0
Dissatisfied	36	72.0
extremely dissatisfied	11	22.0
Total	50	100.0

Majority of the respondents responded that they are financially dissatisfied with this job, representing 72 percent. While 22 percent of them are extremely dissatisfied. However, only 6 percent of them are financially satisfied towards their job.

**Delay in income**

	Frequency	Percent
Valid Yes	10	20.0
No	40	80.0
Total	50	100.0

Majority of the respondents responded that they do not face any delay in receiving their income, registering 80 per cent, while the minority of 20 per cent disclosed of facing delay in receiving wages.

**Supporting associations**

	Frequency	Percent
Valid No	50	100.0

All the respondents unanimously responded that there is no association or societies available for solving their financial problems.

**Training**



		Frequency	Percent
Valid	No	50	100.0

All of the respondents responded that they do not have any problem with training as they all have years of experience.

**Wage satisfaction**

		Frequency	Percent
Valid	no	50	100.0

All of the respondents responded that they are not satisfied with the wage they are getting.

**Government schemes**

		Frequency	Percent
Valid	no	50	100.0

All the respondents are of the opinion that they are not satisfied with the available government schemes.

**Welfare schemes**

		Frequency	Percent
Valid	yes	50	100.0

All the respondents responded that they all get the benefit of welfare schemes.

**Old age pensions**

		Frequency	Percent
Valid	yes	50	100.0

All the respondents responded that they all get the benefit of old age pension after attaining the age of 60.

**Family pension**

		Frequency	Percent
Valid	no	50	100.0

All the respondents responded that they do not get any benefit from family pension schemes

**Health insurance**

		Frequency	Percent
Valid	yes	50	100.0

All the respondents are of the opinion that they all get the benefit of health insurance schemes.

**Source for raising funds**

		Frequency	Percent
Valid	money lenders	20	40.0
	Bank	30	60.0
	Total	50	100.0

Majority of the respondents told that they depend on bank for raising fund, that is 60 percent and 40 percent of them depend on money lenders for the same purpose.

**VII. RESULT**

**A. Testing of Hypothesis**

**Chi-Square Test**

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	3.745a	4	.442
Likelihood Ratio	4.155	4	.385
Linear-by-Linear Association	.607	1	.436

Calculated value = 3.745 for 4 degree of freedom at .442 level of significance. The level of significance of tabled value is 0.05. From this it is clear that calculated value is less than the tabled value, so we reject the null hypothesis and accept the alternate hypothesis. This shows that the income earned by employees is not sufficient to meet their needs.

**VIII. FINDINGS**

- From the study we found that majority of the weavers who involve in the weaving were women between the age group of 40-50 years and having experience of more than 4 years.
- Weavers are getting their income weekly and majority of them are earning an income less than 5000
- From the study it is clear that the income earned by the weavers is not sufficient to maintain their family and to meet their requirements.
- From the study we found out that the mode of payment of wage to the weavers is by cash.
- Majority of the weavers have a monthly expenditure between RS. 3000-Rs. 4000
- Majority of the weavers are currently paying loan which are taken for their family requirements
- From the study we found that majority of the respondent approach bank for raising fund.
- All the weavers work for more than 21 days in a month.
- Majority of the weavers are financially dissatisfied towards their job.
- Weavers are of the opinion that they do not face delay in receiving income from their society but they face delay in receiving income from the government.
- There is no society or association available for providing help and support to weavers; hence they don't get any benefit from them.
- Weavers do not have any problem with training as they all have years of experience.
- Since all the weavers use traditional method for weaving they do not face any problem relating to modernized technology
- The weavers are not satisfied with the available government schemes.
- The weavers do not face any problem with the existing working time.

- Weavers do not have any problem with their employees.
- Weavers are of the opinion that they all get the benefit from welfare schemes provided by the government
- Weavers get the benefit of old age pension after attaining the age of 60 only if they work 4 year prior to the age of 60.
- Weavers do not get any benefit from the family pension schemes.
- Weavers have taken their health insurance.

### IX. SUGGESTION

- In the current situation, expenses of a family are increasing day by day. But with the present wage they are receiving cannot meet all their expenses. So the wage of the weavers should be increased.
- As they need to meet their expenses and pay off their loans, they need to get their wages without any delay from government.
- Government should properly implement existing schemes and should ensure that the weavers get all the benefits.
- Government should introduce more schemes favoring weavers financially.
- Government should provide scholarships to the children of weavers for imparting them good education.
- Since most of the weavers depend on banks for raising funds, bank should provide subsidies for the loan taken by weavers.
- As the credit requirement of the weavers are high, handloom cooperative society should enhance the credit facility.
- (Currently, if any weaves need to be included in the pension scheme, they should be in the work till four year before their retirement age of 60) In current situation the weavers get pension only if they continue in work 4 years prior to pension age of 60 years. This scenario should be removed and the pension to the weavers should be allowed according to their year of experience.
- Pension amount the weavers receive is low, so the pension amount should be increased.
- Since most of the weavers depend loan from bank for raising funds, the interest rate for the weavers should be reduced as part of enhancing their credit facility.
- There are no associations for supporting, helping and to bring out the problems they face to public. So an association is required for providing support and helping them in all situations.

### X. CONCLUSION

This study was conducted in Chendamangalam handloom cooperative society, Paravoor in Ernakulam district of Kerala. The study was conducted to find about the various problems faced by the traditional handloom weavers, including financial problems. And also the study concentrates on the availability of various Government schemes available to support the handloom weavers. The study finds that the present survey was very meager which is

insufficient to meet their day to day activities. The study also finds that the financial support from the side of Government is very limited. The study recommends that wage hike is the need of the hour and the wages should be provided to them without any delay. The immediate intervention of the Government is inevitable for the survival of these handloom weavers.

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