

Challenges before Handloom Industry of Haryana: With Special Reference to Panipat

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Abstract: The handloom industry in Haryana, particularly in Panipat, has been an integral part of the state's economy and cultural heritage. Despite its significance, the industry faces multiple challenges, including competition from power looms, high raw material costs, financial constraints, limited market access, and declining interest among younger generations. This study aims to analyze these challenges through primary and secondary data collection, focusing on weavers' socio-economic conditions, production challenges, and potential growth opportunities. Using a mixed-method approach, this research identifies key factors affecting the industry and suggests policy interventions to ensure its sustainability. The findings emphasize the need for government support, modernization, digital marketing, and training programs to revive the handloom industry in Panipat.

Key words: Handloom, Challenges, Sustainable, Growth, Skill, Industry etc.



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1. INTRODUCTION

The handloom industry is one of India's oldest and most significant industries, deeply embedded in the country's cultural and economic fabric. It serves as a major source of employment for millions of artisans, especially in rural areas, and is a key player in preserving traditional craftsmanship. Unlike mass-produced textiles from mechanized industries, handloom products are known for their intricate designs, superior quality, and eco-friendly production methods.

India's handloom sector is globally recognized for its diversity in weaving patterns, fabric types, and craftsmanship, with each region showcasing unique techniques passed down through generations. The industry not only contributes to India's cultural heritage but also plays a crucial role in its economy. According to the Handloom Census of India (2023), over 31 lakh households are directly engaged in handloom weaving, making it the second-largest rural employment provider after agriculture.

Despite its historical and economic significance, the handloom industry is struggling to sustain itself due to the rapid rise of mechanized textile production, fluctuating raw material costs,

financial instability, and changing consumer preferences. The decline in traditional handloom weaving is particularly evident in Haryana, where the industry is facing serious challenges, especially in Panipat, which has historically been a major center for textile production.

Haryana is known for its strong presence in India's textile sector, with Panipat standing out as a key hub for handloom production. Panipat, often referred to as the "City of Weavers," has a long-standing tradition of textile manufacturing, producing high-quality woolen blankets, carpets, durries, and other handloom products. These products are not only consumed domestically but also exported to international markets, contributing to India's foreign exchange earnings.

The handloom industry in Panipat has historically been a major source of employment, providing livelihoods to thousands of artisans, many of whom have been engaged in this craft for generations. However, the industry's landscape has changed drastically over the past few decades. While Panipat continues to thrive as a textile hub, the dominance of power looms and large-scale textile mills has significantly affected traditional handloom weaving.

The handloom sector in Panipat plays a vital role in:

1. Employment Generation
2. Preservation of Traditional Craftsmanship
3. Contribution to the Economy
4. Sustainability and Eco-Friendliness

Despite these contributions, the handloom industry in Panipat is at risk due to multiple challenges that need urgent attention.

The key issues include:

- Competition from power looms, which produce textiles faster and at lower costs.
- High raw material costs affecting the profitability of weavers.
- Lack of financial and institutional support.
- Limited market access due to weak branding and marketing strategies.
- The declining interest of younger generations in weaving as a profession.

2. LITERATURE REVIEW

2.1 Historical Background of the Handloom Industry

The handloom industry has been a major source of rural employment in India, particularly for artisans and small-scale weavers. According to the Handloom Census of India (2023), over 31 lakh households in India are engaged in handloom weaving. Haryana, especially Panipat, has been a prominent player in the textile industry due to its high-quality craftsmanship.

2.2 Challenges Identified in Previous Studies

| Study | Key Findings |
|---------------------------------------|---|
| Singh & Gupta (2020) | Power looms have rapidly replaced handloom weaving, leading to economic distress for weavers. |
| Sharma & Verma (2018) | Handloom weavers lack marketing knowledge, making it difficult to compete with large textile companies. |
| Mishra et al. (2019) | Rising raw material costs and irregular supply chains have impacted production efficiency. |
| Govt. of Haryana Report (2022) | Government schemes exist, but low awareness and bureaucratic delays limit their effectiveness. |

2.3 Government Policies and Support

Several government programs have been launched to support the handloom industry, such as:

- **National Handloom Development Programme (NHDP)** – Provides financial assistance to handloom clusters.
- **Weaver Mudra Scheme** – Offers low-interest loans to weavers.
- **Handloom Mark Scheme** – Ensures authenticity and branding of handloom products.

Despite these initiatives, studies show that many weavers in Panipat are unaware of these schemes or face difficulties accessing them.

3. OBJECTIVES OF THE STUDY

1. To analyze the impact of power looms on the handloom industry in Panipat.
2. To examine the financial and economic challenges faced by weavers.
3. To assess the effectiveness of government policies in supporting the handloom sector.
4. To explore solutions such as digital marketing and branding to improve the market reach of handloom products.
5. To provide recommendations for sustainable development and growth of the handloom industry in Panipat.

4. RESEARCH METHODOLOGY

4.1 Research Design

This study follows a mixed-method approach, incorporating both qualitative and quantitative research.

4.2 Data Collection

- **Primary Data:**
 - ✓ Surveys conducted with 100 weavers in Panipat.
 - ✓ Interviews with 10 textile industry experts.
 - ✓ Focus group discussions with traders and retailers.
- **Secondary Data:**
 - ✓ Government reports and textile industry publications.
 - ✓ Research papers on handloom industry challenges.
 - ✓ Haryana's Textile Policy documents.

4.3 Data Analysis

- **Quantitative Analysis:** Statistical tools (SPSS, MS Excel) are used to analyze survey data.
- **Qualitative Analysis:** Thematic analysis of interview responses and focus group discussions.

5. ANALYSIS AND INTERPRETATION

5.1 Socio-Economic Profile of Handloom Weavers in Panipat

| Category | Number of Respondents (N=100) | Percentage (%) |
|---------------------------------------|-------------------------------|----------------|
| Male Weavers | 70 | 70% |
| Female Weavers | 30 | 30% |
| Age Group 18-30 | 25 | 25% |
| Age Group 31-50 | 50 | 50% |
| Age Group 51+ | 25 | 25% |
| Literate | 60 | 60% |
| Illiterate | 40 | 40% |
| Monthly Income Below Rs. 5,000 | 35 | 35% |
| Monthly Income Rs. 5,000 – Rs. 10,000 | 45 | 45% |
| Monthly Income Above Rs. 10,000 | 20 | 20% |

Interpretation:

- A majority (70%) of the weavers are male, while only 30% are female.
- Most weavers (50%) fall in the 31-50 age group, indicating that younger generations are not actively joining the industry.
- 40% of weavers are illiterate, which limits their ability to understand and access government schemes.
- 80% of the weavers earn less than ₹10,000 per month, highlighting financial struggles in the sector.

5.2 Key Challenges Faced by Weavers

Power looms have significantly impacted the handloom industry due to their ability to produce textiles faster and at a lower cost.

| Challenges | Number of Respondents (N=100) | Percentage (%) |
|------------------------------|-------------------------------|----------------|
| Competition from Power Looms | 85 | 85% |
| High Cost of Raw Materials | 75 | 75% |
| Low Market Demand | 60 | 60% |
| Lack of Govt. Support | 50 | 50% |
| Financial Constraints | 70 | 70% |
| Unstable Wages | 65 | 65% |

Interpretation:

- 85% of respondents cited competition from power looms as their biggest challenge, indicating the impact of mechanized textile production on the handloom sector.
- High cost of raw materials (75%) is a major issue, making it difficult for weavers to sustain their businesses.
- 60% of weavers reported low market demand, showing that handloom products are struggling to compete with cheaper, mass-produced textiles.
- Financial constraints (70%) and unstable wages (65%) highlight the economic vulnerability of weavers.

5.3 Awareness and Utilization of Government Schemes

| Government Scheme | Aware of Scheme (%) | Benefited from Scheme (%) |
|--|---------------------|---------------------------|
| National Handloom Development Programme (NHDP) | 40% | 20% |
| Weaver Mudra Scheme | 35% | 15% |
| Handloom Weaver's Co-operative Societies | 50% | 30% |
| Pradhan Mantri Mudra Yojana | 60% | 35% |

Interpretation:

- Many weavers are unaware of key government schemes, with only 40% knowing about NHDP and 35% about the Weaver Mudra Scheme.
- Even among those aware, actual beneficiaries remain low (only 15-35%), indicating issues with implementation or accessibility.
- Cooperative societies have a relatively better reach (50%), but their support remains inadequate.

5.4 Market Access and Sales Trends

| Sales Channel | No. of Weavers Using It (N=100) | Percentage (%) |
|------------------------|---------------------------------|----------------|
| Local Markets | 80 | 80% |
| Direct Export | 10 | 10% |
| Government Exhibitions | 20 | 20% |
| Online Platforms | 5 | 5% |

Interpretation:

- 80% of weavers rely on local markets, making them vulnerable to fluctuating demand.
- Only 10% engage in direct exports, indicating a lack of access to international markets.
- Online selling remains extremely low (5%), highlighting the need for digital literacy and e-commerce integration.

5.5 Preferred Solution to Improve the Handloom Industry

| Suggested Solutions | No. of Respondents (N=100) | Percentage (%) |
|--------------------------------|----------------------------|----------------|
| Government Financial Aid | 70 | 70% |
| Raw Material Subsidy | 65 | 65% |
| Market Expansion Programs | 60 | 60% |
| Training and Skill Development | 50 | 50% |
| Digital Marketing Support | 40 | 40% |

Interpretation:

- 70% of weavers want direct government financial aid, showing the urgent need for economic support.
- 65% prefer raw material subsidies, which would help reduce production costs.
- 60% emphasize market expansion, highlighting the need for better marketing and export opportunities.

- Training in modern techniques (50%) and digital marketing (40%) can help bridge the gap between traditional weaving and modern commerce.

5.6 Overall Interpretation and Insights

- The handloom sector in Panipat is struggling due to competition from power looms, high production costs, and declining demand.
- Most weavers earn less than ₹10,000 per month, making the profession financially unsustainable.
- Government schemes are not effectively reaching the majority of weavers, leading to low financial support.
- Market access is limited, with most weavers relying on local buyers instead of exploring digital or export opportunities.
- Training in modern techniques and digital marketing could help weavers expand their reach and increase profitability.

By addressing these challenges through policy interventions, financial assistance, and modernization efforts, the handloom industry in Panipat can be revived, ensuring sustainable growth and preserving India's rich textile heritage.

6. CONCLUSION AND SUGGESTIONS

6.1 Conclusion

The handloom industry in Haryana, particularly in Panipat, holds significant cultural, economic, and social importance. It has been a major source of employment and income generation for artisans and small-scale entrepreneurs. However, the industry is currently facing multiple challenges, including stiff competition from power looms, rising raw material costs, financial constraints, limited market access, and declining interest among the younger generation.

Despite government interventions such as the National Handloom Development Programme (NHDP) and various state-level schemes, the benefits have not reached all weavers due to bureaucratic hurdles, lack of awareness, and inefficient implementation. Additionally, the absence of modern marketing strategies and digital outreach has further marginalized traditional handloom products in the competitive textile market.

The research findings indicate that if proper measures are not taken, the handloom industry in Panipat may continue to decline, leading to job losses, loss of cultural heritage, and economic instability among weavers. However, with targeted interventions, policy improvements, financial support, and technology integration, the industry can be revitalized to compete with modern textile manufacturing while retaining its unique identity.

6.2 Suggestions for Revitalization of the Handloom Industry

To address the challenges and ensure sustainable growth of the handloom sector in Panipat, the following measures are suggested:

6.2.1 Strengthening Financial Support for Weavers

- Increase access to subsidized loans and easy credit facilities through banks and government schemes.
- Simplify the loan application process under schemes like the Weaver Mudra Scheme to ensure artisans can easily avail benefits.
- Implement direct financial assistance for small-scale weavers struggling with production costs.

6.2.2 Enhancing Market Access and Promotion

- Organize national and international trade fairs to showcase Panipat's handloom products.
- Develop an e-commerce platform exclusively for Haryana's handloom industry to enable global reach.
- Encourage collaborations between handloom clusters and leading fashion brands to increase demand.

6.2.3 Skill Development and Training

- Conduct training workshops to teach modern weaving techniques and design innovation.
- Provide digital marketing and business management training to help weavers market their products effectively.
- Establish vocational training centers in collaboration with educational institutions.

6.2.4 Encouraging Youth Participation

- Introduce government incentives for young entrepreneurs willing to invest in the handloom industry.
- Develop incubation centers to support startups focusing on handloom-based innovations.
- Promote handloom weaving as a prestigious and profitable career through awareness campaigns.

6.2.5 Policy Reforms and Better Implementation

- Ensure strict implementation of policies that safeguard the interests of handloom weavers.
- Improve the efficiency of government agencies handling subsidies and raw material distribution.
- Introduce measures to control the unregulated expansion of power looms, protecting traditional artisans.

6.2.6 Sustainable and Eco-Friendly Production

- Promote the use of natural dyes and organic fibers to attract environmentally conscious consumers.
- Develop policies that encourage sustainable production practices in the handloom sector.
- Provide incentives for weavers adopting eco-friendly techniques.

6.3 Final Thoughts

The handloom industry in Panipat has the potential to thrive despite the challenges it faces. While modernization and technological advancements are crucial, preserving traditional craftsmanship is equally important. A balanced approach that integrates tradition with innovation provides financial and policy support, and promotes effective marketing strategies can revive this sector.

By implementing the suggested measures, policymakers, industry stakeholders, and artisans can work together to ensure that the rich heritage of Panipat's handloom industry not only survives but flourishes in the future. If properly nurtured, this sector can continue to provide sustainable livelihoods, contribute to Haryana's economy, and keep the legacy of Indian handloom weaving alive for generations to come.

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