

UGC MINOR RESEARCH PROJECT REPORT ON

ROLE OF CLUSTER DEVELOPMENT ACTIVITIES IN ENHANCING COMPETITIVENESS OF HANDLOOM CO-OPERATIVES IN KANNUR DISTRICT

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Abstract

Key words: cluster, handloom, export, cluster interventions, consortium.

The Indian Textiles Industry has an overwhelming presence in the economic life of the country and plays a vital role through its contribution to industrial output, employment generation, and the export earnings of the country. It provides direct employment to over 35 million people, which includes a substantial number of SC/ST and women. The textile sector being the second largest provider of employment after agriculture, development of this industry has a direct bearing on the improvement of the economy of the nation.

Handloom industry is one of the ancient cottage industries in India and is a part of the great Indian tradition and culture. The handloom industry generates production at low capital cost, mostly using indigenous raw material and utilizing local skills, widens entrepreneurial base, facilitates balanced regional growth and prevents the migration labour to the metropolitan areas. The handloom industry faces a serious crisis, owing to competition from cheap power loom cloth from other states, scarcity of quality yarn, price escalation of yarn, dyes, chemicals and other raw materials, high cost of production, absence of diversified product range, the shrinking market for handlooms in Kerala, non demand based production and inadequacy of new designs, inappropriate technology and incapability of professional marketing and export, global competition in quality and price, pose the threat of massive redundancies in this high employment sector of Kerala, which may result in poverty and social problems.

Cluster approach is expected to result in improving the collective efficiency by sharing of costs and pooling of resources. The aim of the researcher is to conduct a detailed study about the role and functioning of clusters for the successful accomplishment of the objectives of the handloom cooperatives in Kannur district.