Review of the literature is the backbone of any empirical work and it presents scanning of related literature pertaining to the study. There are certain studies undertaken at the individual and institutional level relating to the growth of entrepreneurship in small and tiny industrial units. The findings of the study enabled the researcher to identify some concepts for the present study. Reviews of such studies have been presented here.

Reath (1924), in their study entitled “A Classification of Hand-Loom Fabric” outlines modern textile manufacturers have borrowed the traditional names of certain types of fabrics and applied them to Powerloom products which bear but a superficial resemblance to the original stuffs.

Venkataraman (1940) in his book, “The handloom industry in South India” describes the overall structure and the functioning of the industry in the southern state of India before independence.

In 1949 M.M. Mahta studied the trends in size of cotton spinning and weaving units at different clusters like Bombay (Mumbai), Ahmedabad, Madras (Chennai) and other important clusters of the country for the period of 1905 to 1944. He emphasised on the size of the industrial units in weaving industry. S.V. Chorghade (1976) in his research work studied the “Powerloom Industry In Maharashtra”. Maharashtra state has a lion’s share in the growth and development of the Powerloom industry. He attempted to undertake a detailed study of structure and problems of Powerloom industry in Maharashtra.

Cantillon (1959) was probably the first to introduce the term entrepreneurs and applied it to the individuals engaged in production (with inputs of land, labour and capital) of goods for the market place.

Schumpeter (1961) a new idea had later emerged which defines entrepreneurship and entrepreneurs. As the means (or) instruments by which the economy and society are transformed and improved. He clarified entrepreneur as an innovator with potentialities of doing new things as an economic leader, and a chief conductive function in the process of economic development.

Robinson (1966) finds “entrepreneurs were not found to be the simple innovators rather they were the persons with the will to act, to assume risks and to bring about change through the organization of human efforts. The definition of entrepreneurs had passed through a great
development age and was improved upon by incorporating the terms like ambition, energy and mitigation.”

As Minami (1977) emphasizes, the electrification promoted the use of motor-driven machines in Japan, which led to rapid decentralized industrialization in the early 20th century Japan. Although this study does not analyze the development of this weaving district in the subsequent periods, it is known that many WMCs actually followed the factory production system introduced by the joint stock firms and used power looms, which meant the demise of the out-weaving systems in favor of factory systems in this weaving district (Hashino, 2007a).

P.R. Ojha (1978) studied the dividend distribution of 51 cotton textiles companies. He analysed the dividend distribution of the companies on the basis of size, region, ownership group, management pattern and age of the companies.

Arulanandam (1980), in “The study of Handloom Industry in Tamilnadu” has made an attempt to study the various aspects of the handloom industry in Tamilnadu. A coherent picture of the industry in Tamilnadu by analyzing the structure and organizational set up, local production techniques internal marketing problems, export potential and the role of co-operatives has been given in it.

Rakesh Khurana’s (1980) the book entitled, “Management of Decentralized Sector: A case of Handlooms” serves as a background to the handloom sector in particular. It deals with production and project management. Besides, there is a deep analysis of concepts like production mill, raw material management and project formulation in it. Moreover, it comprehensively deals with the marketing problems, planning, controls, organizational structure, human resource management and the ideal and practical corporate strategy. Even though the book is primarily focused as the case study of the handloom sector, the author has laid the foundation for the programmes for management development in the decentralized sector.

John D.K. Sunder Singh (1981) in his work, “The handloom Industry in Madurai City” has made an empirical study of Madurai handloom industry. In his study he has evaluated the sector as a whole. He has made a detailed study of the following important elements of this industry. (i) Organization, (ii) Functioning, (iii) Uniqueness and (iv) Problems. Further, he has concentrated on the wage structure of the industry in Madurai area and has explained the significant areas of the industry in economic terms.
Shanmuganathan (1982) in his “Weaver’s co-operative societies in Coimbatore District – A Study of Utilization by members”, offers some suggestions for achieving a higher degree of utilization of the weavers’ co-operatives. He analyses the influence of the institutional factors responsible for the utilization of the weavers’ co-operative societies by the members.


R. R. Ansari (1984) in his research work explained the marketing problems of Powerloom industry in Malegaon City of Nashik District. He has very specifically indicated the marketing problems faced by the Powerloom industry.

Omkar Goswami (1985) has made an analysis of demand and supply in the cotton textile industry. According to him, only the Powerloom sector and the pure spinning units seem to be doing well. Sixty five to seventy percent of composite mills and the entire handloom sector are sick.

V. S. Mangnale (1987), in his research work about labour absenteeism in Textile Industry in Solapur, attempted to identify the causes of labour absenteeism in textile town of Solapur. He studied the nature of absenteeism and highlights the different dimensions of the problem.

Ramamurthy and Krishnakumar (1990) conclude that youngsters are generally more energetic, change prone progressive and innovative that the older ones. However, there are inconsistent evidence in the literature us regards the influence of age on entrepreneurial behaviour in general and women entrepreneurs in particular. The best age for entry into such innovative establishments was observed to be between 20 to 40 years.

Bharadwaj (1982) Takshak (1990) and Vidyulatha (1990) say that reverse trend was observed in rural areas with small entrepreneurs where majority of the respondents were illiterate followed by those having low level of education.”

B.M. Dolle (1992) in his research work revealed the socio –economic problems of powerloom industry in Malegaon. He studied the powerloom industry of Malegaon for the period of 1935 to 1985. The main conclusions of the study are; the powerloom industry in Malegaon has seen many ups and downs in its development and it is one of the important industries of Maharashtra. The powerloom industry in Malegaon has glorious past and bright future. There are many socio economic problems in the powerloom industry of Malegaon like scarcity of the
finance, marketing problems, labour problems etc. D. C. Mathur in his book “Personnel Problems and Labour Welfare A study of cotton textile industry (1993)” had explained about personnel management in the cotton textile industry. He explained that for the economic results the management of personnel is very important.

B. Sabhoo (1993) in his research work he explained the problems and prospects of textile industry with special reference on the productivity of large and small scale textile industries. He attempted to throw light on the factor productivity in the textile industry.

Balasubramanian’s (1993) study entitled, “Economic of textile industry in Trichy District with special reference to handloom industry in Karur Taluk”was undertaken with overall objectives of assessing nature and cause of sickness in handlooms of Karur Taluk and suggesting specific remedial measures. The study shows that the non-availability of timely credit was the major reason for the sickness, followed by poor knowledge of marketing conservation, risk aversion, inertia of the entrepreneur and delayed payments of the buyers of the product and their monopoly power. There are also other reasons for this sickness in Handloom industry like lo productivity, traditional technology, lack of ability and skill of the individual weavers, non-availability and poor quality of the products that had failed to meet the customer needs, non-availability and poor quality of raw materials, work environment and uncertainty of work. Very wide fluctuations in the prices of both raw materials and finished products had also been major sources of business risk and industrial sick intern.

Geetha’s (1995) empirical study entitled, “A study of Handloom weaver’s co-operatives societies in Salem District, Tamilnadu was undertaken with primary and secondary data to review the performance of handloom weavers’ co-operative societies and suggesting suitable remedial measures to improve the performance. He suggests up gradation of the technology and ensuring the supply of quality of yarn to the co-operative societies will definitely improve the performance of co-operatives.

Wadsworth and Mann [1931: 324-339] also indicate ancillary labour inputs from family members in the Lancashire industry during the first half of the eighteenth century, each loom was operated by only one full-time male weaver. This suggests that before the major technological changes of the second half of the eighteenth century, the Indian industry started out with two to three times as much20 labour per handloom as the English industry. If we assume
that English and Indian looms were capable of producing the same output, this would result in a two-to-one or three-to-one labour productivity advantage for England over India. This would be consistent with Lancashire being unable to compete seriously on world markets at the beginning of the eighteenth century, since wages were four times higher than in India. It would also be consistent with Lancashire being able to draw on the technological change that had occurred in the European cotton industry and in textile manufacturing in general during the late medieval and early modern periods (Mazzaoui, 1981: 73-86).

Choryhads S. V (1997) has studied the growth and structure of powerloom industry, the policy implication and remunerative ness of the powerloom industry, and also analyzed problems involved in conversion of handloom in to powerloom.*The Powerloom Development and Export Promotion Council (PDEXIL) 1997 in its report describe the growth of powerloom sector. It analysis the reason for the growth of powerloom which have the advance of producing and cost over handloom.

Tirthankar Roy, (1999) in his study on “Growth and Recession in Small-Scale Industry, A Study of Tamilnadu Powerlooms” describes the origin and presents conditions of the industry, its major handicaps, how it tries to address its handicaps, and what kind of policy initiatives may be needed to deal with them. The paper also suggests that some recent changes in organization and technology in the industry can be seen as attempts to deal with these weaknesses. He finds the following (a) The scarcity of cheap intermediate technical options in weaving; (b) the financial constraints under which the average small firm has to operate; and (c) the weak nature of institutions within the industry that might pro vide common solutions to these problems.

Kannan Nair, N. and Seerangarajan, R. (2001) in “Export Performance of co-optex chennai” have made detailed studies, to assess the export sales performance of co-optex and suggests suitable measures for improving sales of co-optex Chennai.

Meenakshisundaram, N (2001) in “Management of Erotex” analyses the financial position of the society to assess the profitability position of the Erotex, and he outlines the used and sources of funds for a period of five years. He concludes the performance of the society on the whole seems to be sound, but the society must try for diversification of the handloom products by improving the quality. Reduction in overhead expenses and boost of production will help the society to enhance its profit.
James Bessen (2002) concluded that loom was comfortably profitable when operated by high quality literate adults as in the Waltha system. But powerlooms were at best marginal and at worst plainly unprofitable when operate illiterate adults or children, especially when these employees were not in jobs that matched their skills or temperaments. Thus in 1818 the powerloom was only a sound investment when it was accompanied by a quality labor supply.

Viswarajasekaran (2002) says that weaving is a system for producing fabrics, which is one of the basic needs of human beings. It is found that Egyptians made woven fabrics over 6,000 years ago, and it is believed that lake dwellers made nets from twisted threads in Europe in the pre-historic period. In the weaving industry in India today, powerlooms, autolooms and shuttleless looms play a major role for producing quality fabrics. There are several mills working with shuttle and shuttleless weaving machines.

Jayashree (2005) is aimed to classify the handloom and powerloom weaved fabric using statistical feature analysis of fabric image and neural network. The aim here is automate the classification of powerloom classification of powerloom weaved fabric and handloom weaved fabric to decide the subsidy permission which the government provides on handloom weaved fabric, to protect the interest of small scale industries. There is every possibility of the decision being influenced by an expert and also the customer, which may result in lack of revenue to the Government. To overcome this drawback and malfunctioning the system, it is a first-ever attempt to classify handloom and powerloom weaved fabric using artificial neural network supplies with feature inputs obtained from image analysis and thus to avoid human intervention.

Stephen Broadberry and Bishnupriya Gupta (2005) say that spinning was only one task in the preparation of finished cotton cloth and technological progress was much less dramatic in other parts of the Industry including preparation continually improved, there were no major technological breakthroughs Kay’s flying shuttle, patented in 1733, and the successful application of power to the loom, which was a long drawn-out affair from the 1770s. The development of an economic powerloom proved a daunting technological challenge, and was only really achieved on a commercial basis by Sharp and Roberts challenge and was only really achieved on a commercial basis by Sharp and Roberts in 1822 (Timmins, 1996:46). This imbalance between spinning and weaving helped to generate the high wages of handloom weavers in the late eighteenth century.
Kanagasabapathi and Rathi Shree (2006), concludes that many of the textile units in Karur are running on supplier basis. The margins realised are very low. Exporters take the major portion of profit, while the manufacturers are not aware of the international market conditions and their opportunities. Karur has been witnessing a boom in local manufacturing as well as exports. At the same time, it is facing fundamental problems associated with growth centres. Moreover, the industry is presently witnessing serious competition in a globalised scenario. To maintain the growth and make further progress, necessary steps have to be taken jointly by the industry and the authorities concerned.

Kanagasabapathi and Menaka (2006) conclude that the decentralized powerloom sector plays a pivotal role in meeting the clothing needs of the country. Production of cloth as well as generation of employment has been rapidly increasing in the powerloom sector. This sector not only contributes significantly to the cloth production in the country but also provides employment to millions of people.