

A study on the analysis of the economics of weavers' cooperative societies in Assam.

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Abstract- Handloom sector is a major non-farm employer in the country. About 16 million weavers depend on this sector in the country. Handloom weaving is one of the most important nonagricultural sources of income in India. In the present paper an attempt has been made to analyse the economics of weavers' cooperative societies in twelve selected districts of Assam. The study is based on a sample of 60 weavers' cooperative societies. To find out the profile, production, marketing and financial management of weavers' cooperative society's primary and secondary data has also been collected. The study reveals that central and state governments have evolved many schemes to uplift the economic condition by providing incentives in the form of grants and loans to impart training on new designs, modernization of looms etc. But handloom weaving units continue to be in the grip of problems. Therefore the purpose of this paper is to familiarize with the current status of handloom Weavers' Cooperative Societies.

Index Terms- Weavers' cooperative societies, production, marketing, financial management.

I. INTRODUCTION

Nonfarm development is a strategic priority for many developing countries during their economic transformation from an agricultural to an industrial society. Handloom industry plays an important role in generating local employment. The installed world capacity of handloom is 4.60 millions. India stands number one in the global scenario of handlooms which posses 85 % (3.90 million) of the world installed capacity. Handloom sector is one of the largest occupation generators next to agriculture in India. Nearly 23.77 lakh handlooms provide direct or indirect employment to 43.32 lakh weavers and allied workers, of which 36.33 lakh workers stay in rural areas and 6.98 lakh workers stay in urban areas and 77.90 per cent are women, 10.13 per cent are scheduled tribes, 18.12 per cent belongs to scheduled castes and 45.18 per cent OBC and 26.57 per cent are from other castes. Nearly 78 percent of handloom workers are women among which Assam records the highest (Handloom Census 2013). The handloom co-operatives are a major segment accounting for a large proportion of weavers as members. The Government of India implemented many schemes to support the handloom sector. Co-operation has a very important role to play for the economic and social upliftment of an economy like Assam. Moreover Weavers' cooperative society has been playing a vital role in the country's economy by forming part of its rich heritage, and exemplifying the artistry of the weavers. The

cooperative societies are provided marketing assistance from Development Commissioner (Handloom and Textile) and State Government under various schemes and they are given opportunities to participate in fairs and exhibitions to sell their products.

The objectives of the study are as:

- i) To analyse the business operation of selected handloom weaving units of Assam.
- ii) To suggest measures for the growth of handloom industry.

II. METHODOLOGY

Weavers' Cooperative Societies were selected randomly from the twelve selected districts of Assam for the study. A multistage purposive cum random sampling design was followed for selection of twelve districts of Assam in view of the prevalence of practice of weaving in those districts. A total of 60 registered rural based Weavers' Cooperative Societies were selected. The study involves the collection of primary as well as secondary data. The primary data were collected directly from handloom weaving units and constituting the major source of data for the study. For this purpose an interview schedule was prepared for obtaining necessary information. The secondary data relating to handloom industry were collected from the recorded reports from the office of the handloom and textiles, published and unpublished literature and also internet source has been referred to. The collected data were tabulated and analyzed properly in accordance with the objectives of the present study. The collected data has been analysed and interpreted with the use of some statistical tools such as frequency distribution, percentage, mean, standard deviation to arrive at afore said objectives.

III. FINDINGS:

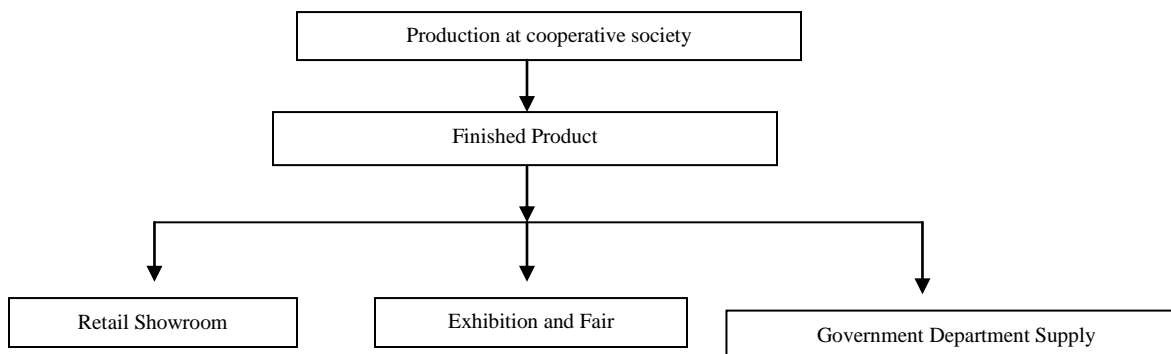
1. **Profile of Weavers' Cooperative Societies:** The entire handloom industry comes under the umbrella of Ministry of Textiles, National Handloom Development Corporation Limited at the central level, Directorate of Handlooms and Textiles Development Corporation, The Assam State Handloom Weavers' Cooperative Society Limited at state level and Primary Weavers' Cooperative Societies at village level. Weavers' Cooperative Societies were found to be registered under the respective Office of the Handloom and Textiles, Government of Assam in each district. Membership

strength of the Weavers' Cooperative Societies was found to be ranged from 100 to 250 members. The lower age limit for membership was 18 years in all the societies. The study indicates the massive involvement of female weavers in the Weavers' Cooperative Society in Assam. The probable reason may be because weaving is largely household profession and passed on through generations. The entire Weavers' Cooperative Societies had Board of Directors and General Body, for effective functioning of WCSs. The General Body consisted of the enrolled members of the WCSs and the Board of Directors consisted of the selected members from the General Body. Constitution was found in all the societies and was followed meticulously. The entire Weavers' Cooperative Societies were conducting the general body meeting once in a year. It was found that the entire Weavers' Cooperative Societies had maintained the records in respect of membership, attendance of members, stock of raw material, stock of end products and carrying of periodical inspection.

2. Production and marketing of handloom products:

Production of handloom cloth involves several processes. These processes can be broadly categorized as pre loom and post loom activities in addition to weaving. The pre loom processes include bobbin winding, warping, denting, etc. The post loom process includes stitching, ironing, packaging etc. During the period of investigation, it was seen that all the weavers' cooperative societies were producing *Gamusa* (Towel), *Mekhla*, *Chaddar* and *Mekhla- Chaddar set* (traditional dress worn by Assamese women), with blouse piece,

Riha (upper garment worn by women), Saree, Blouse Piece, Door mat, Men's Kurta, Lady's Kurta, Salwar Kameez, Handkerchief and Stole. Shawl, Cushion cover, Bag and Table mat *Tongali* (piece of cloth worn by men during Bihu Dance), Table Runner, Curtain fabrics, Bed sheet, Dhoti and Shirts. Cotton was the most common yarn used by all the societies. Silk (mulberry, muga, eri and tassar), Rayon, Polyester, Acrylic yarn and Zari were also found to be used by all the selected weavers' cooperative societies. Plain weave and twill weaves were generally found in all the selected weavers' cooperative society. Majority of weavers' cooperative societies produced article regularly and only few i.e. 6.67 per cent produced article as per order. During investigation, it was observed that the entire Weavers' Cooperative societies were pricing the product independently and fixing the cost with minimum profit margin. Business overheads include ongoing expenses such as rent, electricity, etc. The selected Weavers' Cooperative societies were using retail sale. Only 63.33 per cent were using whole sale technique of selling their products. All Weavers' Cooperative societies were marketing their product from their unit sometime within the village and also through exhibition cum sale, fair and expo. Exhibition, fair and expos were organized by the Development Commissioner (Handloom and Textile, Government of Assam). Only few Weavers' Cooperative societies such 20 per cent of Weavers' Cooperative societies were using special sale counter of their own for marketing their product.



Flow chart on supply chain of handloom products

Financial management of weaving unit:

The entire selected Weavers' Cooperative societies were having saving account at bank. During the period of investigation, it was seen that all the Weavers' Cooperative societies had received the financial assistance in terms of kind's i.e. raw materials, looms and accessories, etc. It was also observed that the entire selected Weavers' Cooperative societies were getting assistance from Assistant Directors, Directorate of Handloom and Textiles, Govt. of Assam at the respective Districts. The entire selected Weavers' Cooperative Societies were doing audit annually by the auditors as assigned from the offices of respective districts.

Suggestions for better growth of handloom industry:

1. **Up gradation and Modernization:** Government should give attention in up gradation and modernization of loom, equipments and infrastructural development for the betterment of the handloom industry.
2. **Product Diversification:** Redesigning of the existing traditional products. The existing product can be made softer, good textures and with standard size. The existing traditional motifs can be used for new product development and diversification and will give the product a local identity. Society should try to make damask fabric.

3. **Training on marketing:** Training to enhance the skills of weavers in manufacturing and marketing aspects in changing business environment. Effective implementation of various policies and programs could be successful when there would be proper integration, cooperation and coordination from the government. Skill and design development exercises can be conducted for the weavers which will help them to understand and develop new product range as well as improve their design sensibility.
4. **Promotional strategies:** Societies should give more importance to promotional strategies and government should give promotion subsidy to well established societies. Society can employ interesting sales promotion tools like coupons, free gifts etc to create interest and excitement to the customer to buy handloom product. Publicity is one of the essential factors, which influence the sale of the products. Therefore government should provide special publicity drive to promote handloom products.
5. **Handloom mark:** The Government should organize more awareness programmes in popularizing the handloom mark to create unique brand image for genuine Handloom Products. Branding of products and youth icons should be used to make handloom fabrics into a fashion statement.
6. **Quality in handloom products:** To bring superior quality in handloom products, the pre and post loom process development should take place. Innovative and faster weaving processes and techniques to increase efficiency of weavers as well as loom will make handloom more competitive and profitable. Weaving of damask fabric for national or international market could be an added attraction.
7. **Finishing of the product:** Using various finishing techniques and product packaging for better marketing. Calendaring unit can be set up in weavers' service centre of each district.

IV. CONCLUSION

The Handloom Textiles constitute a timeless part of the rich cultural Heritage of India. The element of art and craft present in Indian handlooms makes it a potential sector for the upper segments of market, domestic as well as global. However, the sector is beset with manifold problems such as obsolete technologies, unorganized production system, low productivity, inadequate working capital, conventional product range, weak marketing link, overall stagnation of production and sales and, above all, competition from power loom and mill sector. As a

result of effective Government intervention through financial assistance and implementation of various developmental and welfare schemes, the handloom sector, to some extent, has been able to tide over these disadvantages. Thus, Handloom forms a precious part of the generational legacy and exemplifies the richness and diversity of our country and the artistry of the weavers.

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