

A study on the challenges faced by the handloom industry in BTAD, Assam

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Abstract:

This paper is a study to find out the major challenges faced by the handloom industry in B.T.A.D (Bodoland Territorial Areas District). The sample size of the study comprised of 150 respondents who are the customers, weavers and retailers of the handloom products. The finding of the study shows the different challenges faced by the producers and retailers in the area. In these efforts, we have been supported by weavers, traders, retailers, customers of handlooms, experts and cooperative society elected personnel as well as officials of government in getting required information.

Introduction:

Handloom industry is a traditional and also a cottage industry in BTAD. It provides employment to the large section of poor people. However, the role and significance of the industry to the national development is declining. In fact, the industry is facing lot of problems such as men, material, methods, machines, money, marketing and management. In this study, the challenges faced by the industry and the solutions to solve the problems are discussed.

Methodology:

To accomplish the aims of the study undertaken and to arrive at a desirable conclusion, the method of survey and observation has been adopted. Besides, a pre-designed questionnaire has been distributed to the respondents who are the producers, retailers and also the consumers of the handloom and handicrafts products for collection, sampling and analysis of data.

Analysis:

In this study the feedback from the customers were taken to know the level of satisfaction for the handloom products by the consumers, suggestions from the respondents were

taken to improve the satisfaction level of handloom customer, suggestions were given by the respondents for improving the popularity and survival of the handloom industry.

Table: 1

Level of satisfaction for Handloom Products

Level of Satisfaction	Number of Responses	Share (%)
Highly dissatisfied	0	0
Dissatisfied	2	4
Neither Satisfied nor Dissatisfied	3	6
Satisfied	42	84
Highly Satisfied	3	6

A few of the reasons that make customer dissatisfied are non-availability of product, poor service, color wear-out and less durability. If through combined effort from all stakeholders, these things can be improved sector can achieve the higher satisfaction level, as well as there are chances to increase the customer base for handloom.

Table: 2

Suggestion from all respondents to improve the satisfaction level of Handloom customer

Suggestions	Number of Responses	Share (%)
Reduce the prices	15	30
Increase availability	14	28
Improve the quality/color durability	14	28
Innovative Design	13	26
More varieties	12	24
Latest fashion and trends	8	16
It should be more organized	3	6
More advertising	2	4
Increase awareness	2	4
Durability	2	4
Special market survey for handloom products	2	4
Provide auxiliary services	1	2
Customization	1	2
Suitable to weather condition	1	2
Reduce intermediaries	1	2

When the views of all respondents were asked about to improve the level of overall satisfaction level for handloom products, reduce in the prices is the first suggestion for which 30% of responses advised. Few of other major suggestion in this regard are increase in availability (28%), Improve in the quality and durability of colours (28%), Innovative Design (26%), more varieties (24%) and addition of latest fashion and trends (16%) with handloom products. The full list of all these suggestions is shown in the Table: 2. This, shows that if prices of handloom products can be reduced these will be more acceptable among customer. Availability of handloom and quality of material will also help in attracting more customers towards handloom.

Table: 3

Suggestion for government to make the Handloom Sector Survive

Govt. Action	Number of Responses	Share (%)
Government should help in opening more outlet	11	22
Exhibition and trade fair	10	20
Loans to a setup a shop	10	20
Subsidized the products	9	18
Relaxation on duties and taxes	9	18
Improve the marketing strategy	8	16
Encourage the mechanization	5	10
Special outlets	5	10
Implementation of the rules strictly	2	4
Outlets at village level/ Taluk level	2	4
Better technology for weavers at cheaper rates	2	4
Discount	2	4
Competitive customer service	1	2
Compulsory selling of handloom products at all textile outlets	1	2
Compulsory for school Uniform	1	2
Government should help in generating more designs	1	2
Government should see oversees opportunities	1	2
Not look before government, self sufficiency	1	2

Customers also expect lot of things to be done by the government for survival of handloom sector. Opening more outlets, exhibitions and trade fairs, loans for setting up an outlet

of handloom, subsidy for handloom products, relaxation on duties and taxes and improved marketing strategy for handloom sector are the major comments from customers for survival of handloom. There are other suggestions also given by respondents, which are listed in Table: 3. If these responses can be seen from holistic perspective awareness, availability and promotions are major issues that have to be corrected and improved upon by the government. These are the issues not only for government but also marketers and other players also consider on these. Because when respondents are asked that how the handloom products can be made popular, responses like promotion, advertising and availability were same as in case of responses for action suggested for government.

Table: 4

Suggestions of Respondents to make Handloom more Popular

Suggestion	Number of Responses	Share (%)
Promotion/advertisement	27	54
Availability/Increase number of outlet	22	44
Exhibition	10	20
Develop new design	7	14
Awareness	5	40
Price to be reduced	5	10
Marketing	3	6
More customization of products	2	4
Link it with brand India	1	2
Improve the quality	1	2
Customer friendly services	1	2
Improve durability	1	2
Provide machines to weavers	1	2
Remove middleman from chain	1	2
Fashion orientation	1	2
Timely Handloom survey	0	0

Respondents also have few suggestions for government to make handloom sector sustainable. They felt that government should encourage entrepreneurs to set up more retailates

by providing more sops. They felt that handlooms should be given subsidies and other incentives to perform effectively. They suggested the outlets of the co-operatives should penetrate in to the village level.

They have also suggested that the retailers, traders, NGOs and government should take part in promoting and advertising handloom products. They asked handloom retailers and traders to be more aggressive on market front. More customization, improving customer satisfaction, reducing price and branding handlooms as a unique Indian product in international market are some other important suggestions from them.

Major challenges facing the handloom sector in BTAD:

Handloom, being a state subject, its development is primarily the responsibility of the State Governments. Government of India has been supplementing the efforts of the States with its policy of promoting and encouraging the sector through a number of policies, programmes and financial assistance. Although these measures have yielded manifold benefits to the handloom weavers and ancillary workers, yet the sector continues to face several daunting challenges and uncertainties.

➤ Welfare and Livelihood of Weavers including Women

Despite the welfare-oriented policies implemented by the Government, almost half of the handloom weavers belong to the most backward and poorer sections of the population. The high incidence of poverty and illiteracy among weaver families is accompanied by poor access to basic necessities including health, water, sanitation, housing and livelihood facilities. The role of women in the handloom industry is largely unacknowledged. But this sector derives a majority of its skills and work from women who constitute more than 70% of weavers and workers engaged in this sector. Although in some regions, women may not specifically take up weaving work, they are engaged in the production process right from the initial stage of opening up the hank to the finishing of the product. Hence, women workers need to be recognized as contributors and need to be enumerated in any mapping and diagnostic exercises.

➤ Rising Input Costs

The issue of easy sourcing of raw materials (both yarn and dyes & chemicals) at reasonable prices has been a key problem across centres of handloom production. The problem is far more acute for individual weavers. Cotton and silk yarn is the major input for handloom weaving. In recent years, there has been a phenomenal rise in the prices of yarn. The main reason for this is the sharp increase in the prices of cotton. Supplementary reasons include lack of proper delivery systems, closure of spinning mills in some handloom producing States, and non-fulfillment of the Hank Yarn obligation by the organized mill sector. Therefore, easy availability of yarn at reasonable prices remains a persistent problem for weavers cross the country, especially in the NER States. Independent weavers face a major difficulty as the delivery of yarn by NHDC is in bulk, whereas independent weavers need small quantities. Hence, yarn depots need to also supply yarn in smaller quantities.

➤ Sparse Credit Coverage and High Cost

Weavers are prone to diverting credit towards consumption needs. Lack of even rudimentary financial literacy aggravates the existing credit-related obstacles faced by the weavers. Furthermore, a majority of handloom weavers operate outside the fold of institutionalized financing. Further, institutional credit is currently being accessed mainly through the Scheduled Commercial Banks, Cooperative Banks, Regional Rural Banks, etc., which have limited reach in interior/remote/rural areas. In fact, as per the Handloom Census, access to institutional financing for rural households was only 7.7% in national level. These factors reveal the extent to which the weavers are trapped in the vicious cycle of debt and resultant poverty.

➤ Marketing Bottlenecks

Dearth of innovation and limited dynamism is associated with the handloom sector, particularly in the field of marketing. One major factor impeding the expansion and growth of this sector is lack of adequate investment, participation and stake-holding by the private sector, mainly in marketing and supply chain. As 61.1% of the total weaver workforce (24% for non-North Eastern States) comprise of independent workers, a majority of the weavers necessarily

bear all the risks associated with the business of procurement, marketing and sale, with obvious consequences. Relieving them of these uncertainties is critical, which can only be achieved by developing reliable and sustainable marketing networks with the involvement of the private sector.

➤ Poor Institutional Management

The Handlooms sector was encouraged to adopt a co-operative model and the Government policy facilitated the formation and running of Primary Cooperative Societies at the village/taluka level and Apex Societies at the State level. Besides, State Handloom Corporations were also promoted with a view to supporting individual weavers. It was envisioned that the Apex Societies/ State Handloom Agencies would, inter-alia, arrange for procurement of yarn from organized mills, supply the same to Primary Societies for producing cloth and, thereafter, also undertake marketing activities. Unfortunately, in the last 5 to 10 years, several Apex Societies /Handloom Corporations have become dormant due to a host of reasons such as financial losses, lack of professional management, overstaffing and poor marketing and distribution channels. These organisations are, therefore, not able to arrange for sufficient work for the weavers' community, which has further adversely affected the health of the Primary Cooperative Societies.

➤ Poor Policy Dissemination

Lack of information to weavers regarding various Government policies and schemes under implementation, is a significant cause for the dwindling fortunes of the weaver community. Sometimes, the implementing agencies and the concerned Governments Departments may not possess complete information, resulting in critical gaps in implementation.

➤ Infrastructure gaps

Infrastructure in the handloom sector continues to be inadequate, particularly in the North Eastern Region (NER) and also BTAD. Facilities such as clean drinking water, sanitation, effluent treatment plants and electricity, are not available in all hubs of handlooms production.

Systems that ensure efficient supply chain management from the stage of availability of handloom raw materials up to sale of finished goods, essential for providing the weavers easy access to inputs and markets throughout the country and thereby resulting in higher returns for their products, are yet to be set up. In the NER, the biggest challenges faced by weavers include regular and easy access to raw materials, credit and markets. This is compounded by the sparse nature of population and settlements, limited local organization through participation of SHGs, poor implementation of public schemes and lack of adequate public accountability as well as lack of institutionalized evaluation and monitoring mechanisms.

➤ Information and Resource gaps

Major institutions providing inputs-credit, research, technology, management and market development, etc. are largely centralized and, hence unable to reach the dispersed and largely home-based weavers. There has been limited information flow between buyers and sellers and as such, weavers are often not familiar with the variety in usage of fabrics and thus find themselves unable to respond to dynamic market trends or suggestions by designers/marketing agencies.

➤ Data Base

Inadequacy of a dedicated data base for the sector continues to be a major drawback, which adversely affects policy formulation and review. Its absence also hinders attempts at inter-sectoral comparisons with related departments. For example, the Government uses aggregate data to compare the production figures of handloom industry with those of mills and power-looms. But aggregate data does not reflect the rich diversity of handlooms – in terms of differences in production patterns and types of products amongst States, regions and districts. The conversion factor used for arriving at production of handloom cotton for hank yarn delivery has also remained unchanged for more than a decade, in the absence of updated and reliable data pertaining to the conversion element involved.

➤ Monitoring and Evaluation

A critical success factor for any scheme is a robust monitoring and evaluation system to ensure timely completion of project activities as well as attainment of objectives of increasing incomes of weavers, increasing output, maximizing coverage and ensuring a sustainable impact. Towards this end, there is a need for a strong web-based monitoring system to promote transparency and accountability and facilitate regular tracking of physical and financial performance of individual programmes/projects, particularly the ongoing Clusters.

➤ Education, Skills, Research and Training

The formal education systems, including research institutes, have not included teaching, training and skill development for the handlooms sector into their mainstream curricula/activities. As a result, the onus of introducing innovation in design and techniques is left to the initiative of the weaver families who usually have no resources to devote to this critical field. While rapid changes in technology and processes have taken place globally, practices in the domestic handloom sector have tended to be relatively static and consequently unable to meet the market requirements. Upgrading the skills and capacity building throughout the handloom chain is one of the most urgent needs for bringing about positive transformation in the sector. Skills linked to production planning, costing, quality control and marketing as well as in design and technology development, are some of the areas that need concerted efforts to enable weavers to compete in open markets. Focused training and skill up- gradation programmes must be instituted to help women workers manage weaving and weaving related production. Existing training modules and schemes should be more inclusive of women workers and it should be ensured that women get equal access to training and infrastructure under the schemes.

Environmental compliance and occupational health and safety issues also need to be built into the training and educational modules. Particular emphasis is required to make yarn and handloom dyeing units aware of the ban on azoic dyes as use of these dyes are harmful both to weavers and the customers, and it is not desirable to sell products made using these dyes.

Steps need to be taken to promote vegetable dyeing and providing training and awareness building workshops for chemical dyeing.

➤ Consolidation

Various cluster development schemes have been in operation since the last two Plan periods, spanning different sizes of clusters in terms of number of looms covered. While the existing clusters need consolidation for making them more self-sustainable, efforts are also required to provide coverage for areas which have not been assisted so far. As the number of looms in a cluster varies from place to place, the levels of interventions required would also vary. Cluster development needs to be given continued emphasis for achieving integrated and holistic development of the weavers.

The formulation of the 12th Five year Plan presents an opportunity to take steps for overcoming these constraints and facilitate a faster and more robust growth of the handloom sector.

Conclusion:

The report suggests that by addressing the urgent needs of the handloom industry, substantial growth in both employment and output can be achieved. Each of the needs and entitlements of the industry discussed above – such as credit and yarn support, needs to be further examined and analysed. Detailed research into yarn production, yarn availability and the major agents and factors in this process is necessary. Similarly, an objective and detailed assessment of the structure of weaver cooperatives is necessary.

The sector has great market opportunities if it is ready to take them. Products made by using organic cotton yarn and natural dyes in high demand in the developed nations and upper segment that are health conscious. For these kinds of products research and development, training and knowledge sharing are crucial things. Decentralized spinning mills are another area of concern to chase away the raw material supply problem. These R&D, training, information centers and mini spinning mills to be come up at weaving center level so that the weaver can have easy access to primary business needs.

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