



Status and Performance of Handloom Industry: A Case Study of Kamrup District of Assam

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Abstract

Handloom production is providing supplementary income in most of households in rural Assam. Possibility to engage all family members, household based and labour-intensive characteristics makes this sector more suitable to rural structure of Assam. Also, the sector has the attribute to address women's empowerment directly. Assam, the state of North East India has the highest concentration of weaver in the country. Next to agriculture, this sector identifies as the second largest employer in the state. The handloom industry is largely environment friendly generating sustainable income to society. It has been well established that handloom products have a promising role to play in the textile market. Given adequate support and protection from the government; it has enormous possibility to develop a very large market. Here, an attempt has been made to discuss about the status and performance of the handloom sector in relation to various factors coupled with this sector.

Key Words: Handloom industry, weavers, women empowerment, performance, profit

1. Introduction

Handloom is a rural based, age-old cottage industry which inevitably linked with Assamese rural people, their culture and their livelihood, where spinning, weaving and required activities are done only by hand. The spinning and weaving activities were the part of tradition and culture of every Assamese household from the days of "Ahom" regime. Assam, the state of North East India has the highest concentration of weaver in the country. Next to agriculture, this sector identifies as the second largest employer in the state. According to 4th National Handloom Census (2019-20), more than 12.83 lakh weavers and 12.46 lakh handlooms are available in the state. The state had an estimated no of 1,59,577 full time weavers and 8,90,612 no of part time weavers during 2021-22 (Economic Survey Assam,

2022-23). Accordingly, this scenario is reflected in the 4th all India Handloom Census that the total number of households in India engaged in handloom activities (weaving and allied activities) is 31.45 lakhs which is an increase over the 3rd census where the count was 27.83 lakhs.

Handloom industry is well known for sustainable livelihood, flexibility and innovativeness. The state has bright potentiality in this sector to invest and can be one of the best sectors devised for national and international markets.

In Assam, weavers are mainly from the vulnerable and weaker sections of the society, who weave for their household needs and contribute to the production in the textile sector. Though the sector has its innumerable opportunities to flourish, it has not found to grow in commercial sphere to expected level.

2. Objectives

This study aims to analyse and evaluate the performance of the handloom weavers in the state of Assam and therefore the following specific objectives are fixed:

- i) To analyze the socio-economic characteristics of handloom weavers in the district.
- ii) To analyze the current status of Handloom industry in the area.
- iii) To evaluate the performance of handloom weavers in the district.

3. Research Methodology

Stratified random sampling method was used while drawing the samples where strata belong to different gaon panchayat and villages. Rampur is one among the 14 blocks of Kamrup district of Assam. The block has 63 villages and there are total 20,150 families in this Block (Census of India, 2011). There are 10 gaon panchayat in Rampur Development Block and 63 villages of which 47 are inhabited and 16 are un-habited. From each gaon panchayat two villages were selected and from each village 10 handloom weavers were selected for survey by simple random sampling method. That is, 10 weavers from each 20 villages were selected randomly for the survey. Thereby total 200 handloom weavers were selected as respondent. Data regarding their personal and business profiles were collected by survey method using scheduled questionnaires and direct interviews. For this, a well-designed and pre-tested questionnaire schedule was prepared.

The study was based on both primary and secondary data. The information required for the fixed objectives of the study was included in the pre-designed questionnaire and collected from the weavers. And secondary data were collected from the offices of the

Handloom and Textiles, Assam and reports of Government of Assam. Supporting data were also collected from published and unpublished sources like reports, books, journals, periodicals. Suitable and appropriate statistical tools were employed while tabulating, analysing and interpreting the data.

Performance is the act of performing or doing something with success. To evaluate the performance or success of any business, different types of indicators are used. ICEC (1990) highlighted the performance of entrepreneurs depending upon the indicators of performance such as turnover, breakeven point, loan payment, marketing, employment pattern, and expansion and diversification plan. Some of the key performance indicators that are found to be used frequently are sales growth, market share, distribution processes, product quality, customer retention rate, age of equipment, workforce turn over, readiness to expand capacity, level of quality control, retention of suppliers etc. Ekpe, Mat, and Razak (2010) used net profit, output, employment and investment as some of the indicators of performance of entrepreneurs. Amongst the most frequently used measures of performance were annual sales, return on sales, growth in sales, number of employees, and growth in number of employees (Brush and Vanderwerf, 1992). There is a relationship between entrepreneurship knowledge and the performance of small-scale businesses (Msoka 2013).

From the empirical observation, it was found that most of the weavers in the study area were holding small in sizes (in terms of no. of employee and no of looms), where adequate data regarding all the above-mentioned variables were not available for evaluating the performance of the weavers. Therefore, it has been considered to take average profit earned in the last three consecutive years by the weavers for evaluating the performance of the handloom weavers.

Profit is one of the most important indicators in determining the success of a business. In general, high or rising profits are indicative of a successful business while low profits could suggest a myriad of problems, including inadequacies in customer or expense management. Here, in this study, profit is considered in accounting sense. That is, it is the difference between total revenue and all explicit cost incurred in the process of production. Information regarding the profit earned in last three consecutive years of the sample handloom weavers were collected and after that average profit in each year is taken into consideration for evaluating the performance of the handloom weavers.

4. Results and Discussion

4.1 Socio-Economic Characteristics of Handloom Weavers

4.1.1 Gender

It was found that 81.3% weavers of selected area were female and only 18.7% weavers were male. A very high participation of females in weaving activities in comparison to males indicates that still this business treated as a feminine business.

4.1.2 Age Composition

Age is considered as one of the important factors in determining performance of entrepreneurs. In general, people of young ages are more interested in risk taking and more open to up-to-date knowledge. At the same time, it is also observed that elders have better knowledge and experience which is also considered essential for better performance in respective businesses. Table 4.1.1 shows the age distribution of handloom weavers in the study area.

Table 4.1.1: Age-wise Classification of Handloom Weavers

Age Group (in years)	No. of Handloom Weavers	%
Less than 30	25	12.50
30-40	48	24.00
40 and above	127	63.50
Total	200	100.00

Source: Survey Data

It was observed that majority (63.50%) of handloom weavers were in the age group of 40 years and above. Only 12.5 % of them belong to age below 30 years and 24% were between the age group of 30-40 years.

4.1.3 Caste Profile

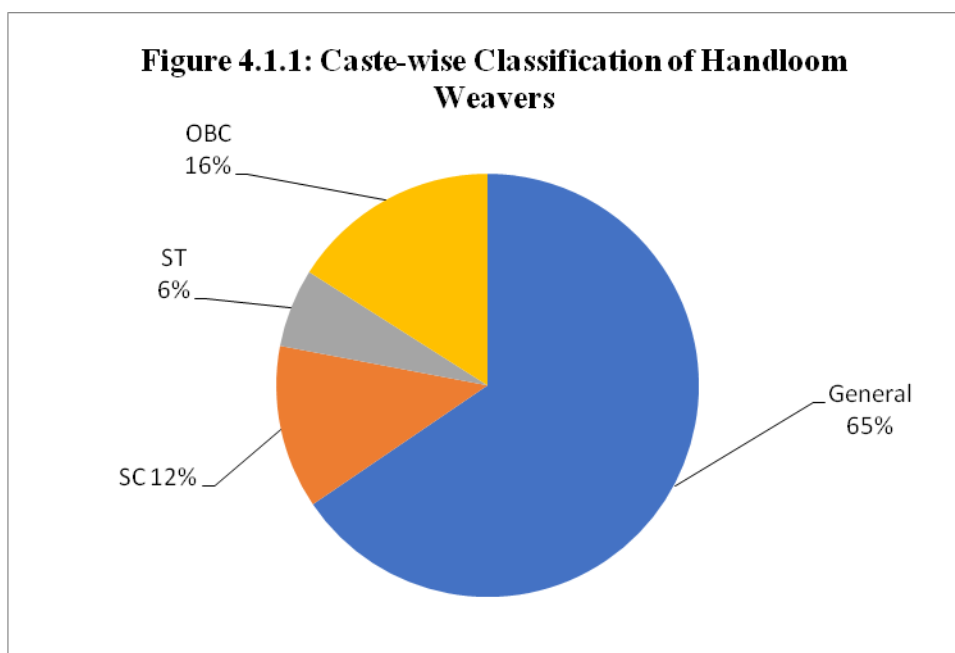
A person of a specific caste or community sometimes is attributed with some unique features or skills. Deshpande and Sharma (2013), in their study mentioned that SC, ST and OBC owned firms had lower growth in comparison to the other castes. Table 4.1.2 shows the caste-wise classification of handloom weavers in the present study:

Table 4.1.2: Caste-wise Classification of Handloom Weavers

Caste	No. of Handloom Weavers	%
General	131	65.50
SC	25	12.50
ST	12	6.00
OBC	32	16.00
Total	200	100.00

Source: Survey Data

Here, majority (65.50%) of handloom weavers belong to general caste, followed by OBC, SC and ST. Figure 4.1.1 shows the caste-wise classification of handloom weavers.



4.1.4. Religion

Table 4.1.3 shows the religion-wise classification of handloom weavers where we found that maximum numbers of handloom weavers (76%) belong to Hindu community whereas remaining 24% were Muslims showing that weaving entrepreneurship is more

Table 4.1.3: Religion-wise Classification of Handloom Weavers

Religion	No. of Handloom Weavers	%
Hindu	152	76.00
Muslims	48	24.00
Total	200	100.00

Source: Survey Data
common in Hindu community.

4.1.5. Educational Attainment

Education enhances the confidence level of entrepreneurs to believe in their capability, the necessary information on skills to conduct research on their industry, consumer base and competitors, and network (Bharadaj, 2014). The educational status of the handloom weavers in the present study are shown in Table 4.1.4.

Table 4.1.4: Educational Attainment of Handloom Weavers

Level of Education	No. of Handloom Weavers	%
Literate, but below matriculate	130	65.00
Matriculate, but below HS	40	20.00
HS, but below graduate	19	9.50
Graduate and above	11	5.50
Total	200	100.00

Source: Survey data

Maximum numbers (65%) of the handloom weavers were observed to be literate, but below matriculate, followed by 20% matriculate, but below HS, 9.5% HS but below graduate and 5.5% of them were graduate and above. Thus, handloom weavers in the area were characterized by a smaller number of higher educated young people.

4.1.6. Type of Family and Numbers of Children

Each type of family system has its own merits and demerits in entrepreneurial behaviour of an individual. The nuclear family system creates mentality to stand on one's own feet and promote self-sufficiency, while joint family system provides moral and financial support to build entrepreneurial capacity of an individual. The type of family system of handloom weavers in the study area is presented in Table 4.1.5. Majority of handloom weavers (54%), were from joint family.

Table 4.1.5: Type of Family of Women Entrepreneurs

Family Type	No. of handloom Weavers	%
Nuclear	92	46.00
Joint	108	54.00
Total	200	100.00

Source: Survey data

Again, the distribution of respondents according to their number of children is shown in Table 4.1.6. Majority (77%) of handloom weavers had two or more children, whereas very few of them (23%) were having less than two children. The average number of children per family was observed to be two.

Table 4.1.6: Number of Children of Handloom Weavers

Number of Children	No. of Handloom Weavers	%
0	12	6.00
1	34	17.00
2 and more	154	77.00
Total	200	100.00

Source: Survey data

4.2. Current Status of Handloom Weavers

4.2.1 Numbers of Looms

Number of looms owned by weavers shows their capacity of production. Here, table 4.2.1 shows that majority (56%) of the handloom weavers had three looms, followed by 32%,

who had two looms and very few of them had more than four looms indicating that majority the handloom weavers were produced in small scale.

Table 4.2.1: No. of Looms of the Handloom Weavers

No. of Looms	No. of Handloom Weavers	%
One	5	2.50
Two	64	32.00
Three	112	56.00
Four	11	5.50
Five	8	4.00
Total	200	100.00

Source: Survey Data

4.2.2 Type of Production

Cotton Mekhela Sadar was the main type of production of most of the handloom weavers (47.50%) in the study area, followed by Eri product (40.50%) and Silk/Muga product (6.50). It can be mentioned that whereas the state produces 80% and 64% of Muga and Eri Silk in the country, the production of Muga was limited to only 6.27% and that of Eri silk limited to 12.20%. That is, most of the Muga and Eri produced in the state are exported raw (Handloom Policy Assam, 2017-2018).

Table 4.2.2: Type of Production of the Handloom Weavers

Type of Production	No. of Handloom Weavers	Percentage
Cotton Mekhela Sadar	95	47.50
Eri Product	81	40.50
Silk/ Muga Product	13	6.50
Others	11	5.50
Total	200	100.00

Source: Survey Data

4.2.3 Training

There are about 4000 Primary Weavers Cooperative Societies (PWCS) registered under the Director in the state. Each society has minimum 100 weaver members (Handloom Policy, Assam, 2017-2018). Directorate of handloom and Textile facilitates the weavers giving training on weaving and provide finance time to time through these PWCS. Here, in this study, 48% weavers were found to taken training and remaining 52% were running their business without any training. In Assam, it was said that all women were weaver by born. They learn these activities from their mother or grandmother. But still modernization is required in every business, which was found deficient in this sector.

4.2.4. No of Employee

Majority (71.50%) of the weavers were found to employed maximum three workers in their business, following 17% employing up to six workers and very few (11.50%) were working with more than six workers. This indicates that weaving sector in the district is characterized by small firm size (in terms of number of employee).

Table 4.2.3: No. of Employee of the Handloom Weavers

No. of Employee	No. of Handloom Weavers	%
1-3	143	71.50
3-6	34	17.00
6-8	15	7.50
8-10	08	4.00
Total	200	100.00

Source: Survey Data

4.2.5. Amount of Capital Invested

Amount of capital investment in a firm determines firm size and thereby level of production. Table 4.2.4 shows the amount of capital investment in the firm where it was found that majority (79%) of the weavers had capital investment in their firm up to 1 lakh, followed by 15% of them had capital investment from 1 to 2 lakhs and only 6% had capital more than 2 lakhs.

Table 4.2.4: Capital Investment

Capital (in ₹)	No. of Handloom Weavers	%
Less than 50000	42	21
50000-100000	116	58
100000-150000	17	8.5
150000-200000	13	6.5
Above 200000	12	6.0
Total	200	100.00

Source: Survey data

4.3. Performances of Handloom Weavers

4.3.1. Profit in Last Three Consecutive Years

The variables frequently used to measure the performance of any firm are average profit earned, annual rate of growth of capital, annual rate of growth of number of employees etc. But it becomes very difficult to collect data regarding capital investment in these cases because the weavers were not habituating to keep records of their work in this line. Therefore, here, we consider the profit earned in last three consecutive years to measure the performance of the firms owned by the weavers. Table 4.3.1 shows the average profit earned by the handloom weavers in last three consecutive years and the rate of growth of profit per annum.

Table 4.3.1: Three Consecutive Year Profit and Change in Rate of Profit

Year	Total Profit (in ₹)	Average Profit (in ₹)	% Change in Rate of Average Profit Per annum
1 st	28508000	142540	-----
2 nd	31056000	155280	8.94
3 rd	40251600	201258	29.61

Source: Survey Data

Here, in the above table, though the percentage change in average profit per annum in second year was not so satisfactory, but in the third year the rate was quite satisfactory indicating that the profit earned in this sector found to take hike in recent years.

5. Findings of the study

- Most of the weavers belong to this sector were female. This was because of the pre-occupied mindset of the males regarding the weaving business as they considered it as a feminine business. Women, being the owner, frequently face the problem of inherent bias in opening and running a successful business.
- More than 50% weavers belong to general caste of Hindu community.
- In case of educational attainment, majority of the weavers were found below HS and only a hand full of them completed graduation. To develop in any field of businesses, innovation and introduction of technology is necessary. This was found deficient as these factors are primarily related to education and skill of the individuals.
- Though this sector identifies as second largest employment provider, but the scale of production of weaving sector was not satisfactory. They were running their businesses in very small scale, because of which the economic conditions of the weavers were sometimes very pathetic.
- In regards of number of looms, capital investment and number of employees, the picture was not satisfactory. Capital deficiency may be identified as the prime reason for these.
- Majority of the handloom weavers were without any formal training in their field. Sometimes they were not aware of this type of trainings. Again, majority of the weaver household members are not aware of various schemes available to enable them in the weaver activities of handlooms.
- Considering all these bottlenecks, still the weaving sector witnessed an increasing trend in profit, which reveals that the weaving sector turning to improve its performance slowly.

6. Suggestions

- Inclusion of art and craft in Indian handlooms makes it a potential sector for the domestic as well as global market. But the sector needs to be more vibrant, more innovative and this would only possible when young group of people entered in this field. This could only possible if the government create facilities of college and universities to create specific skill in this line. If anyone want to build their career in handloom and textile industry, they could take up a textile related degree.
- Handloom weavers are facing stiff competition from powerloom sector. Therefore, it is necessary to modernization in the production process of the sector, keeping intact the original quality of the clothes.
- Handloom weavers are working in in unorganized way, therefore faced the problems of supplying their product in large scale, which hindrance them away from international markets.
- Proper orientation for entrepreneurship and knowledge of marketing can be put forward to the younger generation from these weaving families in order to give weaving its own significant market in today's globalized world.

7. Conclusion

Weavers in Assam are still using manual looms with low technology base which are affecting their scale of production and the quality of production. If appropriate policy measures are not taken in time, then there is possibility that power loom products and imported materials will grab the market. Again, if the government take steps to safeguard the weaver's security and may enable them to get government schemes, health insurance, credit, and market linkages, then obviously the younger generation will enter this sector with their innovative skills. This will create an immense opportunity for raising the handloom sector of Assam in the world market.

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