CHAPTER VII

FINDINGS AND SUGGESTIONS
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FINDINGS AND SUGGESTIONS

Being the concluding chapter of the study, it brings together summary of important findings. In this chapter, hypotheses, formulated in the introductory chapter are tested with the help of the findings and a few suggestions put-forth. It also includes the practical utility of the study and ends with a list of key issues for further research.

7.1 Summary of Major Findings

The major findings of the study are listed below.

* **Handloom Industry in National Perspective : A profile**

History of handloom industry can be traced back to early days of its pristine glory. But during British rule the industry had to suffer, on account of policies pursued by British Government. Impact of both World Wars and trade depression of 1930s left a deep scar on handloom industry as indirectly it helped the mill sector. The handloom industry had to remain contented with three important happenings during the pre-independence period. They are, formation of Weavers' Co-operatives, appointment of Fact Finding Committee to study problems of the industry in detail and establishment of the All India Handloom Board.
During the post-independence period, several new institutions came into operation, in form of aid to the industry. Moreover, the industry got direct patronage through the implementation of several five year plans. Still then handloom industry faces various organisational handicaps today. Only 32 per cent of total weavers have come under co-operative fold yet. Vast majority of weavers are being exploited by master weavers in different stages of processing. Ironically master weavers have stayed like a necessary evil, since they fulfil, non-institutional credit needs of weavers. Contrary to above, dormancy of maximum number of primary weavers' co-operative society have prevented further co-operativisation of weavers. However, within the handloom industry structure, even though co-operatives are weak organisations, possibly, they are the best hope of the Indian weaving class.

From the view point of the gap in supply and demand of yarn, it has become necessary to regulate the price of yarn and to co-operativise the channel of distribution. Important problems in marketing are poor performance of Apex societies, lack of product diversification, naivity in maintenance of quality, absence of publicity campaign and competition within the federal structure of co-operatives.

Despite institutional support, a large number of weavers depend upon master weavers for consumption loans.
To protect handlooms from unfair competition, government has rightly decided to include handloom sector in the Ninth Schedule of the Constitution.

* Handloom Industry in Orissa, with Special Reference to Western Orissa.

Handloom industry is one of the oldest cottage industry in Orissa. It has provided employment to largest number of families next only to agriculture. Fabrics woven by Orissan weavers has got an all time appeal. The industry has passed through several economic and political vissicitudes. Soon after independence, government has taken various measures for its revival. In Orissa, the Apex society and the Orissa State Handloom Development Corporation are taking active part in implementing the measures. But till now, coverage under both is not upto the mark.

In western Orissa, weavers are mainly concentrated in Sambalpur and Balangir districts. Weavers of these two districts are adept in tie and dye culture of weaving. Of the total looms in Orissa, about 46 per cent operate in this region. Many households have sufficient hands to work, but they do not have good number of looms. As high as 85 per cent of looms of western Orissa come under throw shuttle category.

The Sambalpuri Bastralaya has emerged as the
pioneer in production and sale of handloom cloth in the region. It has successfully tried to preserve the culture and speciality of Sambalpuri fabrics. Co-operative and Corporate sector though act as rivals in the region, the later has not made in-roads in to the Sambalpur district.

Weaving is caste oriented in western Orissa. High caste weavers leave their profession whenever they find any opportunity. Maximum number of weavers in the co-operative fold and maximum number of active primary weavers' co-operative societies are found in Balangir district. Production of handloom cloths in Kalahandi and Sundargarh districts are negligible compared to other two districts.

Spinning mills in western Orissa do not produce sufficient as well as higher counts of yarn. They are in a position to meet only about one third of demand of total looms in the area. Silk and tusser yarn is not produced in Orissa at all. Therefore, weavers very often depend upon private traders for yarn and are being exploited.

Independent weavers depend upon master weavers or middlemen for marketing of cloth. Weavers under co-operatives face comparatively less problem since about fifty per cent of their products are marketed by the co-operative societies. Sarees of superior quality constitute the strength of weavers in western Orissa. But
the actual market for the products remained limited to a part of the potential home market, because of lack of standardisation and inability to produce fashion fabrics according to changing habits and fashion of people. It is found that societies affiliated to the Sambalpuri Bastralaya check the size, design and quality of fabrics. But in case of other societies this aspect is not taken care of.

* Working of the Handloom Weavers' Co-operative Societies in Western Orissa

Though the volume of business handled by the handloom societies in western Orissa in terms of average production and average sales is much more compared to state average, the profitability of the societies is low. The return on investment of the societies throughout the period of study except in 1937-88 is less compared to the state average. In case of societies in western Orissa, more capital has been employed compared to the state average, to earn a similar rate of return. Important reasons for such low rate of profitability of the societies are; accumulation of huge unsold stock, high price of products, inability to produce fashion fabrics according to changing habits and fashion of consumers in the target market and lack of modernisation in weaving techniques.

Primary weavers' co-operative societies situated
far away from the Apex headquarters, prefer to approach spinning mills or traders for supply of yarn, with a view to avoid heavy freight charges. A practice of embezzlement of yarn also stand as a barrier in proper functioning of primary societies. Even though the Apex supplies maximum amount of yarn, still then there exists a sizeable gap in its demand and supply. Particularly for silk and tusser yarn primary societies depend upon traders to a great extent. The Apex society also depends upon outside agencies for procurement of silk and tusser yarn, since such types of yarn is not produced in Orissa. On the whole, both the Apex and spinning mills have not been able to meet requirements of primary societies, as far as demand for yarn is concerned. Indirectly the situation forces weavers to purchase yarn from private traders at higher prices.

For production-cum-sale societies, delay in release of sale proceeds has become a problem. Also these societies have complained about abnormal delay in disbursement of rebate by the concerned authorities.

Marketing of cloth is a special problem for handloom societies in western Orissa. Product development and diversification are not in tune with dynamic changing habit of customers in the target market. It has been observed that handloom societies of Sambalpur and Balangir districts produce qualitative silk and tusser fabrics, but
a large number of societies bring out fabrics of old design, without getting any feedback about fashion fabrics and thus face marketing problems. Since the Apex society lifts about 50 per cent of production of primary societies, in turn primary societies and weavers are forced to approach private traders for marketing the products. Except Sambalpuri Bastralaya, other societies do not have any systematic marketing approach. The idea of selling through multiple shops is found only in the case of Sambalpuri Bastralaya. Selling of imitated tie and dye fabrics by the mill sector has also affected the earning capacity of weavers and has resulted in loss of market for Sambalpuri fabrics as well.

* Economic Impact of the Industry

Member and non-member households in western Orissa possess almost similar economic background. Member households, though they are under the patronage of cooperative societies do not show any significant improvement in their economic standing compared to non-member households. The inference is drawn from the analysis of various economic development factors, which inter alia include; distribution of average income, average family income and expenditure, distribution of expenditure, average value of assets, distribution of assets, accumulation of assets, average value of addition to assets and average indebtedness. On the other hand, it is seen
that percentage of indebtedness among member households is more compared to non-member households. It instructs to note that handloom co-operatives could not make any significant impact on the growth of economic condition of member households.

* Social Impact of the Industry

It is observed in course of analysis that member households do not gain anything specific being the member of an organisation, so far as exposure to mass-media, participation in religious and political organisations are concerned.

They are found a bit liberal in their attitude towards status of women compared to non-member households. The analysis reveal that co-operative organisation has helped member households to participate in official and non-official contact as well as in cultural organisations in a better way than non-member households. Member households are found more interested in providing higher education to their children and spend more for the purpose, compared to non-member households. But they are found less interested to put their children in the same age old occupation of their own.

Social impact of handloom co-operatives on member households has been felt in both ways: positive and negative. Positive impact is not significant in nature,
rather it has created some sort of psychological dissatisfaction among member households towards the occupation. As a result, they are found more interested in providing better education and switching over their children towards white collar jobs from the traditional age-old occupation of weaving.

7.2 Testing Hypotheses

In the light of above findings we can now test our hypotheses.

i) Occupational performance of handloom co-operatives in Western Orissa is better compared to the state average.

Though the volume of business handled by the handloom societies in Western Orissa in terms of average production and average sales is much more compared to the state average; the profitability of the societies is low. The return on investment of the societies throughout the period of study except in 1987-88 is less compared to the state average. In case of handloom industry in western Orissa, more capital has been employed compared to the state average to earn a similar rate of return. Hence, the hypothesis is partially accepted.

ii) Handloom co-operatives have been making regular and sufficient supply of yarn to member weavers.

For the purpose of procurement of yarn, primary societies of Western Orissa depend upon the Apex society, spinning mills of the area and private traders
too. Still then there exists a sizeable gap between demand and supply of yarn. The percentage of gap lies between 15.1 to 7.0 during the period of study. As a result, they are unable to supply adequate quantity of yarn regularly to the member weavers.

Supply position of silk and tusser yarn is still worse. The Apex society depends upon other states for its procurement and thereby makes limited and irregular supply of such yarn to the primary societies. Primary societies and weavers, in turn depend upon traders for procurement of silk and tusser yarn. Out of total sample societies, 66 per cent have complained about irregularity and insufficiency in supply of silk and tusser yarn. Hence, the hypothesis is not accepted.

iii) Handloom co-operatives have been successfully handling marketing of cloths produced by member weavers.

Marketing of cloths has been a constant problem for production-cum-sale societies in western Orissa. Primary weavers' co-operative societies sell their products through the Apex society. Only a few large societies like Bargarh Primary Handloom Co-operative Society (Sambalpuri Bastralaya) sell their products through agents and own multiple shops. They hardly seek marketing assistance from the Apex.

But over the years, the Apex society has been lifting nearly 50 per cent of the production of primary societies, leaving the rest to be sold by Primary
societies themselves. In the absence of additional marketing outlet, very often the primaries hesitate to accept the products from member weavers, more than what Apex lifts from them. Such a situation compels the primaries and also the weavers to approach private traders for marketing of cloth. Member weavers of about 45 per cent of sample societies have complained of abnormal delay in disbursement of sale proceeds and rebate too. No doubt, handloom co-operatives in the area have been providing marketing assistance, but such assistance is only half a way in handling marketing of cloths produced by member weavers. Therefore, the hypothesis is accepted in part.

iv) Weavers in the region are economically benefited by being members of handloom co-operatives.

Findings of the study reveal that, though member households are under the patronage of co-operative societies, they do not show any significant improvement in their economic standing compared to non-member households. This has been found out by analysing various economic factors i.e. distribution of average income, average family income and expenditure, distribution of expenditure, average value of assets, distribution of assets, accumulation of assets, average value addition to assets and average indebtedness. On the other hand, it is seen that percentage of indebtedness among member households is more compared to non-member households, which is calculated at 62.6 and 55.2 per cent respectively. It instructs to
note that, handloom co-operatives could not make any significant impact, on the growth of economic condition of member households. The hypothesis, therefore, has no basis and hence is not accepted.

v) Impact of handloom co-operatives in Western Orissa has resulted in social development of member weavers.

It is observed in course of analysis that member households do not gain anything specific being the member of handloom co-operatives, so far as exposure to mass media and participation in religious and political organisations are concerned. They are found a bit liberal in their attitude towards status of women compared to non-member households. The analysis reveals that, co-operative organisation has helped member households to participate in official and non-official contact as well as in cultural organisations, in a better way than non-member households. Member households are found more interested in providing higher education to their children and spend more for the purpose, compared to non-member households. But surprisingly, they are found less interested to put their children in the same age old occupation of their own.

Social impact of handloom co-operatives on member households has been felt in both ways; positive and negative. Positive impacts are not significant in nature, on the other hand, it has created some sort of psychological dissatisfaction among member households towards the occupation. As a result, they are found more
interested to provide better education and switch over their children towards white collar jobs from the traditional age-old occupation of weaving. However, on the whole there has been a partial impact of handloom societies on the social development of member weavers. Therefore, the hypothesis is partially accepted.

7.3 Suggestions

In the light of the study, a few suggestions may be offered for development of the handloom industry and weavers in western Orissa.

a) With a view to protect and preserve the rich tie and dye culture of western Orissa, all out efforts should be made, so that socio-economic standard of dedicated weavers are improved and they feel satisfied with the occupation they are in.

b) Earnings vis-a-vis the economic standard of weavers could be improved only when adequate basic facilities like yarn, credit and marketing are extended. Apart from these facilities, provision of other support services and expert consultancy may prove useful.

c) Primary societies and weavers of the region, to a great extent, depend upon traders for supply of yarn. Spinning mills of western Orissa are neither able to produce sufficient quantity of yarn nor high counts of yarn. Therefore, it is necessary that more spinning mills, with production facility of higher counts of yarn, should be set up in the region. Similarly for silk and tusser yarn, also separate mills should be established in the area to fulfil the requirement of
such yarn.

d) Handloom co-operatives in western Orissa should find out new outlets and strategies for marketing cent per cent production of member weavers. Sambalpuri Bastralaya has become successful in working out the concept of selling through its own retail outlets like Bata. For successful marketing of the products of member weavers, the said concept could also be implemented by other primary co-operative societies. It may make them more self-reliant.

e) Indiscriminate production without any reference to market can not be successful. Therefore, the Apex and primaries should study the target market from time to time and provide necessary feed back to member weavers. They should persuade weavers for product diversification and adoption of new designs, with a view to meet the changing taste and fashion of the ultimate users.

f) To acquaint the weavers with new designs and new techniques of weaving, special training courses may be organised for both ordinary and adept weavers.

Simultaneously, member education programme is indispensable to keep the weavers loyal to their societies and for their better participation in management of societies.

g) Primary societies should play active role in social upliftment of member weavers. They should arrange rewards and retirement schemes for active weavers. To fulfil the consumption need of weavers, thrift deposit funds could be set up at the primary level.
h) For better functioning of weavers' co-operative societies, steps should be taken either to revive the moribund societies or they can be merged with viable ones. In other words, societies should be classified on the basis of viability and reorganisation programme should be implemented to turn out effective co-operative organisations.

7.4 Practical Utility of the Study

The study has highlighted mainly working of Primary Weavers' Co-operative Societies in the region and their social and economic impact on weavers. The study may prove useful for planners as well as for Central and State governments to formulate policy measures, with a view to developing the industry and economic upliftment of weavers.

This work is expected to provide information to departments of Co-operation and Industry to look into the functioning of primary weavers' co-operative societies in the area and take suitable steps, in order to resurrect/reinforce their working.

It may also provide an insight to the Directorate of Textiles, particularly about the attitude of weavers towards modernisation of looms and implementation of training programmes.

Above all, national as well as state level social organisations can make use of the study and put forth their
proposals for an allround development of weavers.

7.5 Scope for Further Research

The present study is mainly an exploratory in nature. There is need for larger study spread over different areas of the handloom industry in the region as well as in the state. Some of the areas that need further study are:

(1) There has been a psychological dissatisfaction towards the occupation among the member weavers and another indepth study may be undertaken to find out the factors responsible for discontentment towards the occupation amongst them.

(2) A study is also possible by inducting larger number of sample, for better generalisation and to make the analysis more comprehensive.

(3) Scope of the present study is confined to western Orissa only. Further study is possible by extending scope to the entire state. On the other hand for micro analysis, separate studies could be undertaken for each of the districts of the region.

(4) Another study is also possible, by selecting non-member households as control group and member households as experimental group, for cross verification of the present study.