## 6.01 Introduction

## 6.02 Generation of Output

## 6.03 Generation of Income

## 6.04 Return on Investment

## 6.05 Impact on Artisans, Lifted above poverty line

## 6.06 Impact on Employment

## 6.07 Craftwise Comparison

## 6.08 Return to Labour

## 6.09 Employment Output Relationship

## 6.10 Production and Profitability

## 6.11 Asset Formation
6.01 In the previous chapter an attempt was made to analyse the working of institutional financing agencies in supplying credit to rural artisans. The study reveals that there is a considerable leeway between the demand for credit and supply of credit by institutional financing agencies. The credit gap was mostly met by borrowing from non-institutional agencies. The study further highlights about the mismatch between credit received from institutional financing agencies by borrowers for different purposes for which it was sanctioned. The unutilisation of credit by borrowers was primarily due to several factors such as; delay in sanctioning credit by lending agencies, non-availability of various inputs and raw materials in time and in adequate quantity, and absence of guidance and training etc. However, the percentage share of credit not utilised for the purposes, out of the total sanctioned credit was not alarming and serious. In other words, the study reveals that the borrower artisans had utilised a sizeable amount of credit for the purposes for which it was given. Accordingly the primary objective of the present chapter is to analyse the impact of institutional finance on the generation of output, income and employment by the rural artisans.
The impact of institutional finance is assessed by making a comparison between the output, income and employment generated by the sample rural artisans in the post-loan period over pre-loan period. The year 1987 has been taken as the year of sanction. In the year real financing is made available to the sample artisans units by the institutional financing agency. For sample study the artisan units who have availed financing between the month of January to December of the year 1987 have been considered. Thus the year just preceding to it i.e. 1986 has been considered as pre-loan period. And post-loan period is considered by giving one year gap to the real sanction of the loan. The gap is given with a view to give at least one year time to sample artisans to utilise their fund in their trade. Thus 1989, the year when field study is also undertaken, is considered as the post-loan period.

Accordingly an attempt was made to study to what extent the artisans had improved their economic position with regard to increase in output, income and employment during the post-loan period compared to that of pre-loan period. The analysis is mainly based on a field level survey which was conducted with the help of a questionnaire for eliciting information from the different types of artisans borrowers who mostly live in cluster of villages.

It is observed from the field level survey that the generation of output by sample artisans was more in the post
loan period compared to that of pre-loan period. This is observed from the table given below.

**TABLE 6.1**

**IMPACT OF INSTITUTIONAL FINANCING IN OUTPUT GENERATION**

(in Rupees)

<table>
<thead>
<tr>
<th>Categorywise Artisans</th>
<th>No. of sample Artisans studied</th>
<th>Pre-loan period</th>
<th>Post-loan period</th>
<th>Net addition</th>
<th>Col. 5 as % of Col. 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Pottery</td>
<td>17</td>
<td>66,260</td>
<td>93,600</td>
<td>27,340</td>
<td>41.3</td>
</tr>
<tr>
<td>2. Bamboo Works</td>
<td>9</td>
<td>66,960</td>
<td>42,720</td>
<td>(-)24,240</td>
<td>(-)36.2</td>
</tr>
<tr>
<td>3. Weaving</td>
<td>27</td>
<td>2,67,750</td>
<td>3,12,778</td>
<td>45,028</td>
<td>16.8</td>
</tr>
<tr>
<td>4. Bell metal</td>
<td>25</td>
<td>6,13,760</td>
<td>8,26,720</td>
<td>2,12,960</td>
<td>34.7</td>
</tr>
<tr>
<td>5. Stone Carving</td>
<td>4</td>
<td>88,400</td>
<td>1,02,000</td>
<td>13,600</td>
<td>15.4</td>
</tr>
<tr>
<td>6. Applique</td>
<td>12</td>
<td>5,34,720</td>
<td>5,91,000</td>
<td>56,280</td>
<td>10.5</td>
</tr>
<tr>
<td>7. Pattachitra</td>
<td>4</td>
<td>19,180</td>
<td>28,800</td>
<td>9,620</td>
<td>50.2</td>
</tr>
<tr>
<td>9. Beads making</td>
<td>10</td>
<td>62,720</td>
<td>84,000</td>
<td>21,280</td>
<td>33.9</td>
</tr>
<tr>
<td>10. Coir Works</td>
<td>6</td>
<td>10,485</td>
<td>5,868</td>
<td>(-)4,617</td>
<td>(-)44.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>120</strong></td>
<td><strong>17,57,835</strong></td>
<td><strong>21,19,646</strong></td>
<td><strong>3,61,811</strong></td>
<td><strong>20.6</strong></td>
</tr>
</tbody>
</table>

* Pre-Loan Period - 1986
* Post-Loan Period - 1989

Source: Data compiled from the field study, 1989.

**6.02 GENERATION OF OUTPUT**

In the pre-loan period i.e. 1986 the artisan borrowers mostly generated output out of their own resources. At times they also depended on non-institutional sources like: friends and relatives, traders and commission agents and money
lenders etc. However, the individual efforts rendered by the artisans failed to generate higher output in their respective units. Consequently the larger application of institutional credit in the year encouraged the borrowers to increase output in their respective units. This can be well noticed from Table 6.1.

It is observed from the foregoing table that 120 sample rural artisans produced output which is valued at ₹.21.19 lakhs in the post-loan period. As against this, value of output produced during the pre-loan period was ₹.17.58 lakhs. There was thus a net increase in the amount of output to the extent of ₹.3.62 lakhs. It is thus clearly evident that the sample artisans were successful in raising output more in the post-loan period compared to pre-loan period. In other words, the institutional finance in the post-loan period has helped the artisans to bring out more output than pre-loan period where the output remained at a low level due to self financing by artisans. Between pre-loan period and post-loan period, the total output generated increased by 20.6 per cent.

CRAFTWISE GENERATION OF OUTPUT

The table 6.1 further indicates that most of the sample artisan units studied have realised more production in the post-loan period. However, the impact on finance is not equally felt by various sample artisan units. In certain cases the artisan units have experienced an increase in output to a
great extent, while in certain other cases the impact of finance on generation of output is low or even negative.

The artisans who have experienced an increased output in the post-loan period belong to trades like applique works, bell metal, beads making, pattachitra, papier machie, pottery, stone carving and weaving. It is observed that these artisans have generated more output in the post-loan period than in pre-loan period. This is possible due to availability of finance from institutional sources. It is noticed that percentage increase in net output during post-loan period over pre-loan period was 10.5 per cent, 34.7 per cent, 33.9 per cent, 50.2 per cent, 16.5 per cent, 41.3 per cent, 15.4 per cent and 16.8 per cent respectively. It is thus observed that though all of the artisan units as stated above have improved their output in post-loan period, some artisan units like applique, weaving and papier machie have not improved their output significantly. However, it is noticed from the field study that those artisan units who have produced more in the post-loan period mostly belong to the category of handicraft units. At present the handicraft products are greatly in demand in the state as well as outside of the state. Besides these artisan units are also mainly located near urban or semi-urban areas. As a result sale and marketing of these products have improved greatly. This has encouraged artisans to concentrate on more production.
Though it is noticed that most of the artisan units have generated more production in the post-loan period compared to pre-loan period, yet some of the artisan units engaged in the trade like bamboo works and coir works have experienced a fall in production in post-loan period. Output of these units declined by 36.2 per cent and 44.0 per cent respectively in the post-loan period over pre-loan period.

In case of bamboo works the reason for low production was mainly due to high price of raw materials and non-availability of these raw materials in time and in adequate quantities. Bamboo basket makers generally use bamboo as their raw materials but this raw material which is mostly collected by the artisans from local forests and local areas are not available readily at present. Due to restriction imposed by the government and due to high prices of bamboos in local market artisans are forced to collect the raw materials from distance places and at a high price. Furthermore, the artisans are also seen to be financed inadequately by institutional financing agencies due to which the artisans fail to acquire more raw materials for purpose of larger production.

In case of coir work the problem arises mainly due to lack of marketing facilities. The artisans engaged in this trade mostly belong to women sections and again they are found to be working in an unorganised manner. As the artisans mostly belong to the high age group they rarely undertake marketing activities on their own accord. The formation of Coir
Co-operative Societies has not improved their position in a significant way. As the societies are mostly functioning as a workshop and not in their respective houses. The sample coir women artisans found this system not very suitable to them. The functioning of societies in nearby villages has not helped much in marketing the products of coir artisans. Besides the societies also faced the problem of storage. Inadequate storage facility is one of the important factors for which Coir Co-operative Societies failed to provide the marketing of these products.

An analysis of Craft-wise per capita production reveals that almost all crafts with the exception of Bamboo works and Coir works have experienced increased per capita production of output in the post-loan period compared to pre-loan period. This is shown in Table 6.2.

It is observed from the aforesaid table that in the preloan period average per capita output of 120 sample artisans stood at ₹.14,649 per annum. In the post-loan period per capita output of these sample artisans stood at ₹.17,664. Between pre-loan and post-loan period there was net increase of ₹.3015 per capita output. Percentagewise, this indicates that percentage variation in per capita output in the post-loan period was 20.6 per cent over the pre-loan period.

Craft-wise, almost all crafts, except the above mentioned two crafts like Bamboo and Coir works have higher
per capita output in the post-loan period compared to pre-loan period. Of these crafts again, higher per capita output was visible in trades like Pattachitra, pottery, Beads making and Bell metal industries in the post-loan period. Percentage variation in per capita output in post-loan period over pre-loan period was 50.1 per cent, 41.3 per cent, 33.9 per cent and 34.7 per cent respectively.
It is further noticed that artisan units like weaving, applique, stone carving and papier machie also have increased their per capita output in post-loan period by 16.8, 10.5, 15.4 and 16.5 per cent over pre-loan period respectively. The improvement in per capita output produced by these artisan units has not been very much significant.

As against these the crafts like bamboo works and coir corks have negative decline in per capita output. In other words, per capita output in the post-loan period declined over pre-loan period. Percentage decline over the period was 35.9 per cent and 44.1 per cent respectively.

6.03 GENERATION OF INCOME

Increase in output generally contributes towards the increase in income. And increase in income is required to increase the scale of operation of the artisan units. It is observed from the field study that the artisan units in general, have experienced an increase in income in the post-loan period in comparision to the pre-loan period. The table 6.3 shows the impact of institutional financing on the income generation of sample artisan units.

The table 6.3 shows that the total income of the sample artisans in general have increased from ₹.8.3 lakhs in the pre-loan period to ₹.10.1 lakhs in the post-loan period. It shows that the artisan units have experienced a net incremental income of ₹.1.7 lakhs in the post-loan period. In
### TABLE 6.3
**IMPACT OF INSTITUTIONAL FINANCING ON INCOME GENERATION BY SAMPLE ARTISANS**

(Amount in Rupees)

<table>
<thead>
<tr>
<th>Sources of income earned</th>
<th>Pre-loan period</th>
<th>Post-loan period</th>
<th>Gross addition in post-loan period over pre-loan period</th>
<th>Net addition in post-loan period over pre-loan period</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Income earned from Industrial units</td>
<td>7,56,100</td>
<td>8,86,803</td>
<td>1,30,693 (17.3)</td>
<td>7,56,003 (17.9)</td>
</tr>
<tr>
<td>2. Income earned from other sources</td>
<td>75,230</td>
<td>1,18,300</td>
<td>43,070 (57.3)</td>
<td>90,300 (43.0)</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td><strong>8,31,340</strong></td>
<td><strong>10,05,103</strong></td>
<td><strong>1,73,763 (20.9)</strong></td>
<td><strong>8,46,303 (20.2)</strong></td>
</tr>
</tbody>
</table>

Source: Data compiled as per field study.

N.B: Figures in brackets indicate percentage variation in post-loan period over pre-loan period.

terms of percentage, the percentage variation of gross incremental income in the post-loan period was 20.9 per cent over pre-loan period.

Again, with the overall growth in income earned in the post-loan period, the income earned from industrial units, for which the advance has been made, have also increased considerably. It was noticed that the total gross income earned by the sample artisan units from the industrial
occupation has increased from ₹7.6 lakhs in pre-loan period to ₹8.9 lakhs in post-loan period. It shows that an addition of ₹1.3 lakhs have been made between pre-loan and post-loan period. In terms of percentage the percentage change in additional income in post-loan period was 17.3 per cent over pre-loan period.

Moreover, income earned from sources other than industrial units, in which the artisans have engaged themselves as subsidiary occupation has also increased. An addition of 0.43 lakhs has been made by this source. The percentage change in income between pre-loan and post-loan period was 57.3 per cent.

It reveals that gross addition in total income is not entirely from the industrial sources. Some portion of it, is also been contributed by the sources other than the industrial occupations. As stated earlier the artisan units are mostly seasonal in nature. So the artisans remain out of job for some part of the year. In this situation, they make themselves engaged in various subsidiary occupations other than the artisans units.

Table 6.3 also shows the impact of institutional financing on the net income earned by the sample artisans in pre and post loan periods. It shows that the total net income has been calculated by making a deduction about various expenses like payment of bank dues and interest, payment of
wages, purchase of raw materials and other wear and tear expenses etc. It is revealed from the table that the net income has increased from ₹.7.0 lakhs in the pre-loan period to ₹.8.5 lakhs in the post-loan period, showing an addition of ₹.1.4 lakhs. In percentage term the net income of the artisans has increased by 20.2 per cent between pre-loan and post-loan period.

The net income earned from the industrial units has increased from ₹.6.4 lakhs in pre-loan period to ₹.7.6 lakhs in the post-loan period. This shows an addition of ₹.1.2 lakhs in the post loan period over pre-loan period. In percentage term, the increase in net income between pre-loan and post-loan period was 17.9 per cent. It shows that the institutional financing to the artisans have resulted in creating more income in the artisan units.

Not only that, total income of the artisans from other sources also shows an increasing trend. The net income thus has increased from ₹.0.63 lakhs in pre-loan period to ₹.0.90 lakhs in post-loan period. It shows an addition of ₹.0.27 lakhs in post-loan period over pre-loan period. The percentage variation in net incremental income was 43.0 per cent in the post loan period over pre-loan period. This indicates that some of the artisans are also engaged in activities other than artisan units. As their trades are seasonal in nature they do not get employment for full part of the year. So they get themselves engaged in other occupations.
**TABLE 6.4**

**IMPACT OF INSTITUTIONAL FINANCING ON GROSS INCOME EARNED/GENERATION BY SAMPLE ARTISANS**

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Category of Artisans</th>
<th>Total Gross Income Earned</th>
<th>Gross Income earned from Institutional Sources</th>
<th>Gross Income earned from other sources</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Pre-loan period</td>
<td>Post-loan period</td>
<td>Incremental income</td>
<td>Pre-loan period</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Pre-loan period</td>
</tr>
<tr>
<td>1.</td>
<td>Pottery</td>
<td>58480</td>
<td>93540 (-)</td>
<td>35060 (59.9)</td>
</tr>
<tr>
<td>2.</td>
<td>Bamboo basket making</td>
<td>39800</td>
<td>27680 (-)</td>
<td>51998 (43.8)</td>
</tr>
<tr>
<td>3.</td>
<td>Weaving</td>
<td>118690</td>
<td>170688 (-)</td>
<td>51998 (43.8)</td>
</tr>
<tr>
<td>4.</td>
<td>Bell metal</td>
<td>138350</td>
<td>172850 (-)</td>
<td>34500 (24.9)</td>
</tr>
<tr>
<td>5.</td>
<td>Stone Carving</td>
<td>45000</td>
<td>50400 (-)</td>
<td>34000 (12.0)</td>
</tr>
<tr>
<td>6.</td>
<td>Applique</td>
<td>351900</td>
<td>389675 (-)</td>
<td>37775 (10.8)</td>
</tr>
<tr>
<td>7.</td>
<td>Pattatchitra</td>
<td>19180</td>
<td>28800 (-)</td>
<td>9620 (50.2)</td>
</tr>
<tr>
<td>8.</td>
<td>Papier machie</td>
<td>6180</td>
<td>9940 (-)</td>
<td>3760 (60.8)</td>
</tr>
<tr>
<td>9.</td>
<td>Beads making</td>
<td>43160</td>
<td>56300 (-)</td>
<td>11140 (23.8)</td>
</tr>
<tr>
<td>10.</td>
<td>Coir Works</td>
<td>10600</td>
<td>7230 (-)</td>
<td>3370 (31.7)</td>
</tr>
</tbody>
</table>

**TOTAL:** 831340 1005103 17363 (20.9) 736110 886803 130693 73230 118300 43070 (57.3)

Source: Data compiled from field study, 1989

N.B: Figures in brackets indicates per cent to the pre-loan figure
The above discussion indicates that artisans have received larger income from both industrial as well as other sources. The income is greater in the post-loan period compared to pre-loan period.

CRAFTWISE GENERATION OF NET INCOME

Going deep into the matter it is noticed that leaving aside two artisan units like that of bamboo works and coir works, all other artisan units have experienced greater income in the post-loan period than before. The impact on income is quite great in case of artisan units engaged in the trades like bell metal, stone carving, applique, pattachitra, papier machie and beads making. These artisan units have experienced an increase in income earned in the post-loan period in comparison to that of pre-loan period. However, in certain cases the return is quite significant and in some other cases the impact on income is not very much remarkable.

Table 6.4 indicates that total gross income from both industrial units and other sources stood at ₹10.0 lakhs in the post-loan period as against ₹8.3 lakhs in the pre-loan period. Thus between pre-loan and post-loan period additional incremental income stood at ₹1.7 lakhs.

Among the crafts, additional incremental income was more pronounced in artisan units like bell metal, pottery, weaving, pattachitra, papier machie and beads making. Percentage change in additional income between pre-loan and post-loan period was
### TABLE 6.5

**IMPACT OF INSTITUTIONAL FINANCING ON NET INCOME EARNED BY SAMPLE ARTISANS**

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Category of Artisans</th>
<th>Total Net Income Earned</th>
<th>Net Income earned from Industrial Sources</th>
<th>Net Income earned from other Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Pre-loan period</td>
<td>Post-loan period</td>
<td>Pre-loan period</td>
<td>Post-loan period</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Net addition</td>
<td>Net addition</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Pottery</td>
<td>49690</td>
<td>81540</td>
<td>31850</td>
</tr>
<tr>
<td>2</td>
<td>Bamboo basket making</td>
<td>34360</td>
<td>24680 (-) 9680</td>
<td>91310</td>
</tr>
<tr>
<td>3</td>
<td>Weaving</td>
<td>2970</td>
<td>102490</td>
<td>149188 (-) 45.0</td>
</tr>
<tr>
<td>4</td>
<td>Bell metal</td>
<td>114840</td>
<td>139850</td>
<td>25010 (-) 21.8</td>
</tr>
<tr>
<td>5</td>
<td>Stone Carving</td>
<td>38000</td>
<td>42400</td>
<td>4400 (-) 11.6</td>
</tr>
<tr>
<td>6</td>
<td>Applique</td>
<td>297000</td>
<td>323675</td>
<td>26675 (-) 9.0</td>
</tr>
<tr>
<td>7</td>
<td>Pattachitra</td>
<td>16290</td>
<td>24000</td>
<td>7710 (-) 47.3</td>
</tr>
<tr>
<td>8</td>
<td>Papier mache</td>
<td>5230</td>
<td>8540</td>
<td>3310 (-) 63.3</td>
</tr>
<tr>
<td>9</td>
<td>Beads making</td>
<td>37140</td>
<td>46300</td>
<td>9160 (-) 24.7</td>
</tr>
<tr>
<td>10</td>
<td>Coir works</td>
<td>9100</td>
<td>6130 (-) 2970</td>
<td>8500 (-) 34.9</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td>704140</td>
<td>846303</td>
<td>142163</td>
<td>641000</td>
</tr>
</tbody>
</table>

*Source: Data compiled from the field study*

**Note:** Figures in brackets indicate percentage change over pre-loan figure.
24.9 per cent, 59.9 per cent, 43.8 per cent, 50.2 per cent, 60.8 per cent and 25.8 per cent respectively. As against this the units which have experienced decline in income in post-loan period over pre-loan period were bamboo works and coir works. The percentage decline between pre-loan and post-loan period was -30.5 per cent and -31.7 per cent respectively.

While looking into gross income earned by artisans from industrial units alone, it is evident that all the artisans except the artisans engaged in Bamboo works and Coir Works, experienced a higher percentage increase in income in post-loan period over pre-loan. Bamboo basket making units and Coir making units experienced a decline in their income in post-loan period compared to pre-loan period.

Table 6.5 indicates that net income earned by sample artisans between the pre-loan and post-loan period from both industrial units and other sources.

It is seen from the table that the sample artisans raised a net income of ₹7.0 lakhs in pre-loan period. In the post-loan period net income received by them increased to ₹8.5 lakhs over the years. Net change in net income earned was upto ₹1.5 lakhs. In percentage term it constitutes 20.2 per cent over that of pre-loan period.

Among the crafts percentage change in net incremental income between pre-loan and post-loan period was higher in
units like pottery, weaving, pattachitra, papier machie and beads making. The percentage change was 60.1 percent, 45.0 percent, 47.3 percent and 24.7 percent respectively. As against this there was percentage decline in net incremental income in units like bamboo works and coir works.

Looking at net income earned by artisans from industrial units alone it is revealed that units like pottery, weaving, pattachitra and etc. have higher percentage of change of incremental income in post-loan period compared to pre-loan period. On the other hand units like Bell metal, Stone carving and Applique have very low percentage of incremental income. As referred earlier, two units like bamboo works and coir works have negative change in incremental income in post-loan period compared to pre-loan period. It is due to the fact that the artisan units, due to raw materials constraints and marketing problems, are not able to produce more in the post-loan period. As a result of which, their income has also been reduced and they are facing a setback in their production as well as in their net income earned. It was noticed from the field study that bamboo artisans are not getting raw materials in adequate quantities and at nearby places. Due to deforestation and restriction imposed by the government, the raw materials like bamboo have become scarce and sold at a very high price in local market. As the artisans have got no other source of getting raw materials, they have to purchase it at a higher price from the local seller, which
ultimately reduce the output and income earned from the occupation in which they are engaged.

Coir artisans face a severe setback in their production due to lack of proper marketing facility. Before they are selling this product at their door step, but as stated earlier after taking the loan they are unable to do it. It is due to the fact that the women are unorganised and moreover women do not prefer to sell the coir products personally.

Furthermore, it may further be seen that the artisans have experienced no positive change in their income from sources other than industrial units. Whatever net income they have received, they have all come from industrial units. Net income earned from other sources is marginal only.

However, leaving aside these two types of artisan units the income of all other artisans have increased in the post-loan period over pre-loan period. It reveals that objectives behind financing have been realised to a large extent.

PER CAPITA INCOME

Furthermore, making a comparison about the per capita income earned in the pre-loan period with that of post-loan period, it is noticed from table 6.6 that the artisans have earned net additional income of Rs.958 over the period. It is due to the fact that the per capita income of artisan units stood at Rs.5342 in the pre-loan period and this increased to
### TABLE - 6.6

**IMPACT OF INSTITUTIONAL FINANCING ON THE PER CAPITA INCOME**

<table>
<thead>
<tr>
<th>Categories of Artisans units</th>
<th>No. of artisans studied</th>
<th>Total net income in pre-loan period</th>
<th>Per capita income in pre-loan period</th>
<th>Total net income in post-loan period</th>
<th>Per capita income in post-loan period</th>
<th>Net addition to per capita income in post-loan period</th>
<th>% in post loan period over pre-loan period</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Pottery</td>
<td>17</td>
<td>39090</td>
<td>2299</td>
<td>55140</td>
<td>3244</td>
<td>945</td>
<td>41.1</td>
</tr>
<tr>
<td>2. Bamboo works</td>
<td>9</td>
<td>30560</td>
<td>3396</td>
<td>20880</td>
<td>2320</td>
<td>(-)1076</td>
<td>(-)31.6</td>
</tr>
<tr>
<td>3. Weaving</td>
<td>27</td>
<td>91510</td>
<td>3389</td>
<td>135238</td>
<td>5009</td>
<td>1620</td>
<td>47.7</td>
</tr>
<tr>
<td>4. Bell metal</td>
<td>25</td>
<td>101790</td>
<td>4072</td>
<td>118900</td>
<td>4756</td>
<td>684</td>
<td>16.8</td>
</tr>
<tr>
<td>5. Stone carving</td>
<td>4</td>
<td>38000</td>
<td>9500</td>
<td>42400</td>
<td>10600</td>
<td>1100</td>
<td>11.6</td>
</tr>
<tr>
<td>6. Applique</td>
<td>12</td>
<td>283300</td>
<td>23608</td>
<td>309375</td>
<td>25781</td>
<td>2173</td>
<td>9.2</td>
</tr>
<tr>
<td>7. Pattachitra</td>
<td>4</td>
<td>16290</td>
<td>4073</td>
<td>24000</td>
<td>6000</td>
<td>1927</td>
<td>47.3</td>
</tr>
<tr>
<td>8. Papier machie</td>
<td>6</td>
<td>5230</td>
<td>872</td>
<td>8540</td>
<td>1423</td>
<td>551</td>
<td>63.4</td>
</tr>
<tr>
<td>9. Beads making</td>
<td>10</td>
<td>26730</td>
<td>2673</td>
<td>36000</td>
<td>3600</td>
<td>927</td>
<td>34.6</td>
</tr>
<tr>
<td>10. Coir works</td>
<td>6</td>
<td>8500</td>
<td>1417</td>
<td>5530</td>
<td>921</td>
<td>(-)496</td>
<td>(-)34.9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>120</strong></td>
<td><strong>641000</strong></td>
<td><strong>5342</strong></td>
<td><strong>756003</strong></td>
<td><strong>6300</strong></td>
<td><strong>958</strong></td>
<td><strong>17.9</strong></td>
</tr>
</tbody>
</table>

Source: Data compiled from field study, 1989
in the post-loan period. The additional net increase in per capita income was possible due to greater utilisation of institutional credit by the artisans.

Craftwise analysis of per capita income earned by sample artisans reveal that, units like weaving, stone carving, applique works and pattachitra, experienced a sizeable increase in the amount of per capita income between pre-loan and post-loan period. Per capita net incremental income between pre-loan and post-loan period for these crafts stood at Rs.1620, Rs.1100, Rs.2173, and Rs.1927 respectively. Compared to these units, artisan industries like pottery, bell metal, paper machie and beads making no doubt experienced a net rise in per capita income between pre-loan and post-loan period, but this was relatively at a lower level. The two units like bamboo basket making and coir works however experienced a negative decline in net per capita income to the extent of -Rs.1076 and -Rs.496 between pre-loan and post-loan period.

As stated earlier these particular type of artisan units have experienced less income due to short fall of total output generated. It further indicates that artisan units mostly coming under handicraft industries have experienced increased per capita income in the post-loan period compared to that of pre-loan period. Leaving aside these artisans some other artisans engaged in the trade like beads making and pottery have also experienced an increase in income, which is
mostly due to good demand and better production. Again they are mostly seen to be working in an organised manner. Being organised they get facilities of better institutional financing, better supply of raw materials, marketing facilities, and production orders etc.

Moreover, the artisan units which are located very near to urban areas and semi-urban areas have also experienced more per capita income in relation to those units which exist in rural areas and are located far away from town areas.

So, it indicates that nearly 105 artisans, out of 120 artisans units studied, have realised a positive change in their earnings in the post-loan period. In terms of percentage about 87.5 per cent of the artisans units studied are seen to have realised an increase in their per capita income. As against this, only 12.5 per cent of artisans have experienced a short-fall in their per capita income.

6.04 RETURN ON INVESTMENT

The table 6.7 shows that return on investment by sample artisans. It shows the improvement in income by sample artisans utilising the bank credit in their trade. The table shows the increase in income of sample artisans per month and per financing of ₹100. Thus it reveals that financing upto ₹100 per month has contributed towards ₹2.29 in an average per month in post loan period. However, the return is highest in case of weaving followed by Pattachitra, Beads making and
### TABLE 6.7

RETURN ON INVESTMENT OF THE SAMPLE ARTISANS

<table>
<thead>
<tr>
<th>Types of Artisans</th>
<th>Total financial assistance</th>
<th>Total net incremental income</th>
<th>Net incremental income per month</th>
<th>Return on investment per Rs. 100 per month</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Pottery</td>
<td>124750</td>
<td>16050</td>
<td>1338</td>
<td>1.07</td>
</tr>
<tr>
<td>2. Bamboo woks</td>
<td>6900</td>
<td>(-)9680</td>
<td>(-)807</td>
<td>(-)11.69</td>
</tr>
<tr>
<td>3. Weaving</td>
<td>25000</td>
<td>43728</td>
<td>3644</td>
<td>14.57</td>
</tr>
<tr>
<td>4. Bell metal</td>
<td>99000</td>
<td>17110</td>
<td>1426</td>
<td>1.44</td>
</tr>
<tr>
<td>5. Stone carving</td>
<td>34000</td>
<td>4400</td>
<td>367</td>
<td>1.08</td>
</tr>
<tr>
<td>6. Applique</td>
<td>71500</td>
<td>26075</td>
<td>2173</td>
<td>3.04</td>
</tr>
<tr>
<td>7. Pattachitra</td>
<td>8900</td>
<td>7710</td>
<td>643</td>
<td>7.21</td>
</tr>
<tr>
<td>8. Papier machie</td>
<td>18600</td>
<td>3310</td>
<td>276</td>
<td>1.48</td>
</tr>
<tr>
<td>9. Beads making</td>
<td>20700</td>
<td>9270</td>
<td>773</td>
<td>3.73</td>
</tr>
<tr>
<td>10. Coir Works</td>
<td>8400</td>
<td>(-)2970</td>
<td>(-)248</td>
<td>(-)2.95</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td><strong>417750</strong></td>
<td><strong>115003</strong></td>
<td><strong>9584</strong></td>
<td><strong>2.29</strong></td>
</tr>
</tbody>
</table>

Source: Data compiled as per sample study.

N.B: For Col.2, See Table 5.6, Chapter V.

For Col.3, See Table 6.5, Chapter VI

For Col.4, is calculated dividing total net incremental income with number of months in a year.
Applique. In all other cases the return varies between Rs.1.08 to Rs.1.48. In case of Bamboo works and Coir works the return is very much negative.

6.05 IMPACT ON ARTISANS, LIFTED ABOVE POVERTY LINE

The impact of institutional financing on the standard of living of the artisan units studied, may very well be calculated by taking the poverty line concept into consideration. The table 6.8 shows the number of artisan units lifted above poverty line in post-loan period. It shows that artisans numbering 23 were having an annual income about Rs.6400 in pre-loan period, whereas the number had increased to 33 in the post-loan period showing an addition of 10 new artisan families over the period. Not only that, number of artisans having income per annum between Rs.5001 and Rs.6400, increased from 9 in the pre-loan period to 18 in the post-loan period. This indicates that over the period there has taken place an increase of 9 new artisan families in this income range. If the income range between Rs.5001 and Rs.6400 and above is taken into consideration then it is noticed that in the pre-loan period there were only 32 artisans in this category and the number of artisans increased to 51 in the post-loan period, showing an increase of 19 artisans over the period. The table 6.8 shows further that this switchover to greater income category is quite significant in case of artisan units engaged in the trade like bell metal, weaving and applique units.
### Table 6.8

**NUMBER OF FAMILIES LIFTED ABOVE THE POVERTY LINE**

<table>
<thead>
<tr>
<th>Category of artisan families</th>
<th>Pre-loan period</th>
<th>Post-loan period</th>
</tr>
</thead>
<tbody>
<tr>
<td>------------------------------</td>
<td>-----------------</td>
<td>----------</td>
</tr>
<tr>
<td>1. Pottery</td>
<td>2</td>
<td>7</td>
</tr>
<tr>
<td>2. Bamboo works</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>3. Weaving</td>
<td>-</td>
<td>4</td>
</tr>
<tr>
<td>4. Bell metal</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>5. Stone carving</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>6. Applique</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>7. Pattachitra</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>8. Papier machie</td>
<td>-</td>
<td>6</td>
</tr>
<tr>
<td>9. Beads making</td>
<td>-</td>
<td>2</td>
</tr>
<tr>
<td>10. Coir works</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>4</td>
<td>21</td>
</tr>
</tbody>
</table>

Source: Data compiled from field study, 1989.

N.B: Poverty line was ₹6400 per person per year during the Seventh Plan. In the Eighth Five-Year Plan, this has been increased to ₹7200 per person, per year.
6.06 IMPACT ON EMPLOYMENT

Impact of institutional financing is not only felt in the field of output and income generation but also in the field of employment generation. The artisan units are of such type that they mostly employ their own family members in their trade. Moreover, if required they also occasionally employ hired labour either on full-time or part-time basis in their trade.

The table 6.9 shows the impact of institutional financing on the generation of employment in the post-loan period. The table shows that the sample artisan units have employed 465 labourers both consisting of family labourers and hired labourers in the pre-loan period. This increased to 491 labourers in post-loan period. Over the period there is additional increase in employment of 26 persons. In percentage term the percentage increase in the number of additional labour employed constitute was 5.6 per cent over the period. It reveals that the financing has resulted in improving the number of labour employed in the artisan units in general.

Accordingly with the increase in number of labourers employed, the man-days employed has also seen to have increased from 8875 man-days in pre-loan period to 9223 man-days in post-loan period showing a net addition of 348 man-days over the period. Percentagewise,
TABLE 6.9

IMPACT OF INSTITUTIONAL FINANCING ON EMPLOYMENT GENERATION

<table>
<thead>
<tr>
<th>Employment</th>
<th>No. of labourers employed</th>
<th>Mandays employed per month (8 hrs = 1 Manday)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Pre-loan period</td>
<td>Post-loan period</td>
</tr>
<tr>
<td>1. Family labour</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Full time</td>
<td>287</td>
<td>281</td>
</tr>
<tr>
<td></td>
<td>(61.7)</td>
<td>(57.2)</td>
</tr>
<tr>
<td>(b) Part time</td>
<td>66</td>
<td>81</td>
</tr>
<tr>
<td></td>
<td>(14.2)</td>
<td>(16.5)</td>
</tr>
<tr>
<td>Total a + b</td>
<td>353</td>
<td>362</td>
</tr>
<tr>
<td></td>
<td>(75.9)</td>
<td>(73.7)</td>
</tr>
<tr>
<td>2. Hired labour</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Full time</td>
<td>80</td>
<td>88</td>
</tr>
<tr>
<td></td>
<td>(17.2)</td>
<td>(17.9)</td>
</tr>
<tr>
<td>(b) Part time</td>
<td>32</td>
<td>41</td>
</tr>
<tr>
<td></td>
<td>(6.9)</td>
<td>(8.4)</td>
</tr>
<tr>
<td>Total a + b</td>
<td>112</td>
<td>129</td>
</tr>
<tr>
<td></td>
<td>(24.1)</td>
<td>(26.3)</td>
</tr>
<tr>
<td>Grand Total:</td>
<td>465</td>
<td>491</td>
</tr>
<tr>
<td></td>
<td>(100.0)</td>
<td>(100.0)</td>
</tr>
</tbody>
</table>

Source: Data compiled as per field study.

N.B.: (i) Figures in brackets indicate per cent to the total.
(ii)* Col.4 and 7 Figures in brackets indicate percentage change in post-loan period over pre-loan period.
In man-days was 3.9 per cent in post-loan period over pre-loan period.

Table 6.9 further shows the number of family labourers and hired labourers employed by sample artisans in the pre-loan period and post-loan period. As observed from the table that the artisans mostly employed family labourers in their occupation. They depend on hired labourers to a lesser degree. The field study clearly indicates the fact that artisans studied have employed more family labourers compared to that of hired labourers. The table shows that of the total 465 labourers employed, the sample artisan units employed 353 family labourers and 112 hired labourers in pre-loan period. Again in the post loan period, of the total 491, 362 are family labourers. It indicates that about 75.9 and 73.7 per cent of the total labour employed in the pre loan and post loan period respectively belong to the category of family labourers. As against this the proportion of hired labourers employed stood at 24.1 per cent and 26.3 per cent respectively in the pre-loan period and post loan period.

It is further noticed that of the total 26 additional persons employed between pre-loan and post-loan period the share of family labourers was 9 and that of hired labourers was 17.

Looking at Man-days employment generated by artisan units, it is noticed that in the pre-loan period total
man-days employed stood at 8875 man-days. This increased to 9223 man-days in the post-loan period.

Of the Man-days employment generated in the pre-loan period, family labourers accounted for 6927 mandays and hired labourers accounted for 1948 man-days. Percentagewise, family labours accounted for 78.1 per cent of total man-days, while hired labours accounted for 21.9 per cent of total man-days in the pre-loan period. In the post loan period, the proportion out of the total stood at 75.6 per cent and 24.4 per cent respectively.

The net addition to man-days created between pre-loan and post-loan period reveals that whereas family labours accounted for 47 additional man-days, the same was 301 additional man-days for hired labourers. This shows that net additional man-days created by family laboures was only 0.5 per cent, whereas the same was 15.5 per cent for hired laboures between pre-loan and post-loan period.

It is noticed that both the percentage increase in number of family labourers and mandays employed by them stood at a very lower level compared to that of hired labourers. It is observed that between pre-loan an post-loan period the number of part-time labour and mandays employment generated by these borrowers increased significantly over the period. Reason may be attributed to the fact that the number of family labourers who are actively participating in the industrial activities earlier had been declining. It may also be due to
reasons like lack of interest from the younger generation in the family; lack of active participation from the older group; and preference for accepting employment from the older groups and preference for accepting employment with less physical labour, etc.

It may be observed that the younger group of the artisan households are less interested in the trade. As the artisans themselves are mostly illiterate, they want their children to be educated and want to send them to school and colleges. They think it as a matter of great prestige to have education and to get a government job in future. They realise that their trade has got no future and no scope for prosperity. The younger groups in the artisan families think in the same way as their fathers. They hold the opinion that the trade is not giving them any social privilege and the trade has got no scope for development. Most of the artisan loanees have inherited the trade from their fore fathers or from the elderly family members, but the younger group, at present, are not in a mood to follow their parents in toto. They do not consider it worthwhile to learn the craft from their parents. They like to shift to other occupations, which will give sure and certain income and which will be less vulnerable to change in demand. They all have respect for their traditional occupation, but do not like to remain in the family trade for whole life, like their fathers and fore-fathers. The older generation have greater sincerity and commitment towards the
profession but their number is fast declining. Besides, by remaining in the trade for a long time they also develop various types of physical ailments which prevent them to work for long hours.

Due to these reasons the sample artisans studied have shows a greater interest for employing hired labour on full time basis and part time basis. The table 6.9 shows the above mentioned fact clearly. It shows that the decrease in number of family labour on full time basis is compensated by the increase in number of hired labour employed on full time basis. The number of full time family labour which was 287 before the loan taking period is reduced to 281, whereas the addition to full time hired labour has increased from 80 to 88 from pre-loan to post-loan period. Thus, this difference is more or less compensated by the growth in employment of hired labour on full time basis.

This is also true with the man-days employed before taking the loan and after receiving the loan. The total man-days employed in the artisan units in general has declined from 6089 in pre-loan period to 5877 in post-loan period. The loss of 212 man-days, due to decrease in full time family labour man-days employment is compensated significantly by the increase in man-days employment in full time hired labour. So there has been a significant increase in the employment of part time labour in the artisan units studied in general.
However, the increase in number of labourers and man-days employed including both part time and full time shows that the net addition in post loan period is not quite significant. As it is noticed that in post loan period both number of labourers and man days employed has increased by 5.6 and 3.9 per cent respectively over the pre-loan period. So, the impact on generation of employment experienced by the sample artisans is not very much significant.

CRAFTWISE GENERATION OF EMPLOYMENT AND MAN-DAYS OF EMPLOYMENT CREATED

While making a discussion about the pattern of labour employed and man-days of employment created by the sample artisans it is noticed that the impact is not uniformly felt by the various sample artisans. Impact of bank financing on employment generation in relation to various craft is shown in the Table 6.10.

Table 6.10 reveals that both family labour and hired labour were 465 in the pre-loan period. This increased to 491 labourers in the post-loan period. It is further noticed that of the total labourers employed in the pre-loan period, family labourers accounted for 75.9 per cent and hired labourers accounted for 24.1 per cent. In the post-loan period, on the other hand, family labourers accounted for 73.7 per cent and hired labourers accounted for 26.3 per cent. This indicates that in the post-loan period, while the proportion of hired labour has gone up and that of family labour declined.
### Table 6.10
Impact of Institutional Financing on Number of Labour Employed

<table>
<thead>
<tr>
<th>Artisan units</th>
<th>Family Labour</th>
<th>Hired Labour</th>
<th>Total Labour</th>
<th>Family Labour</th>
<th>Hired Labour</th>
<th>Total Labour</th>
<th>Family Labour</th>
<th>Hired Labour</th>
<th>Total Labour</th>
<th>Net addition</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FT</td>
<td>PT</td>
<td>Total</td>
<td>FT</td>
<td>PT</td>
<td>Total</td>
<td>FT</td>
<td>PT</td>
<td>Total</td>
<td>FT</td>
</tr>
<tr>
<td>1. Pottery</td>
<td>33</td>
<td>14</td>
<td>47</td>
<td>(13.3)</td>
<td>32</td>
<td>20</td>
<td>52</td>
<td>(14.4)</td>
<td>52</td>
<td>(10.6)</td>
</tr>
<tr>
<td>2. Bamboo works</td>
<td>22</td>
<td>6</td>
<td>28</td>
<td>(7.9)</td>
<td>22</td>
<td>6</td>
<td>28</td>
<td>(7.7)</td>
<td>28</td>
<td>(5.7)</td>
</tr>
<tr>
<td>3. Weaving</td>
<td>65</td>
<td>20</td>
<td>85</td>
<td>(24.0)</td>
<td>69</td>
<td>35</td>
<td>104</td>
<td>(28.7)</td>
<td>104</td>
<td>(21.2)</td>
</tr>
<tr>
<td>4. Bell metal</td>
<td>67</td>
<td>6</td>
<td>70</td>
<td>(18.9)</td>
<td>70</td>
<td>137</td>
<td>167</td>
<td>(42.5)</td>
<td>137</td>
<td>(33.2)</td>
</tr>
<tr>
<td>5. Stone Carving</td>
<td>5</td>
<td>5</td>
<td>10</td>
<td>(1.4)</td>
<td>5</td>
<td>5</td>
<td>10</td>
<td>(1.4)</td>
<td>10</td>
<td>(2.4)</td>
</tr>
<tr>
<td>6. Applique</td>
<td>32</td>
<td>15</td>
<td>47</td>
<td>(13.3)</td>
<td>32</td>
<td>15</td>
<td>47</td>
<td>(13.0)</td>
<td>47</td>
<td>(13.0)</td>
</tr>
<tr>
<td>7. Pattachitra</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>(1.9)</td>
<td>1</td>
<td>2</td>
<td>2</td>
<td>(2.6)</td>
<td>2</td>
<td>(2.6)</td>
</tr>
<tr>
<td>8. Papier machie</td>
<td>9</td>
<td>3</td>
<td>12</td>
<td>(3.3)</td>
<td>12</td>
<td>9</td>
<td>21</td>
<td>(6.1)</td>
<td>21</td>
<td>(5.5)</td>
</tr>
<tr>
<td>9. Beads making</td>
<td>42</td>
<td>12</td>
<td>54</td>
<td>(11.8)</td>
<td>54</td>
<td>54</td>
<td>108</td>
<td>(29.5)</td>
<td>108</td>
<td>(29.5)</td>
</tr>
<tr>
<td>10. Coir Works</td>
<td>6</td>
<td>7</td>
<td>13</td>
<td>(3.6)</td>
<td>13</td>
<td>6</td>
<td>19</td>
<td>(5.2)</td>
<td>19</td>
<td>(5.2)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>287</td>
<td>66</td>
<td>353</td>
<td>(61.7)</td>
<td>80</td>
<td>32</td>
<td>112</td>
<td>(14.2)</td>
<td>165</td>
<td>(26.5)</td>
</tr>
</tbody>
</table>

Source: Data compiled from the field study
Figures in brackets indicate percentage to the total
* F.T. = Full time, * P.T. = Part-time
The table further indicates that of the total family labour in the pre-loan period, full time family labourers accounted for 61.7 per cent. As against this the part time family labourers accounted for 14.2 per cent. Compared to the family labourers, full time and part time hired labourers in the pre-loan period stood at 17.2 per cent and 6.9 per cent respectively. The situation has, however, undergone a change in the post-loan period. In the post-loan period, full time and part time family labour stood at 57.2 per cent and 16.5 per cent respectively. As against this, full time and part time hired labourers stood at 17.9 per cent and 8.4 per cent respectively. This indicates that over the period, the proportion of full time and part time hired labourers has gone up over the pre-loan period.

Craftwise employment generated between pre-loan and post-loan period indicates that in artisan units like, pottery, weaving, bell metal and applique, the total of family and hired labourers employment is maximum. It is noticed from Table 6.10 that the percentage distribution of aggregate family and hired labourers to the total in the pre-loan period stood at 10.1 per cent, 18.3 per cent, 29.5 per cent and 16.1 per cent respectively. As against this, the percentage distribution of family and hired labourers in other crafts is less than 10 per cent of total in the pre-loan period.
In the post-loan period, percentage distribution of family and hired labourers to the total was 10.6 per cent, 21.2 per cent, 26.9 per cent and 16.5 per cent respectively in the aforesaid artisan units. The percentage distribution of family and hired labourers to the total in case of other crafts continued to remain at the 'low level. This clearly indicates that after getting institutional credit, artisan units like pottery, weaving, bell metal and applique could succeed in employing higher percentage of family and hired labourers in the post-loan period. Other crafts no doubt managed to employ higher percentage of family and hired labourers in the post-loan period over pre-loan period, yet it is not very significant compared to aforesaid units.

Table 6.10 further indicates about net additional employment generated between pre-loan and post-loan period. While family labourers accounted for 34.6 per cent, hired labourers accounted for 65.4 per cent of total net incremental employment created between pre-loan and post-loan period.

IMPACT ON MANDAYS EMPLOYED CRAFTWISE

Mandays employed by the various types of artisan units before and after the receipt of the loan is revealed from the Table 6.11. The table shows the impact of institutional financing on this pattern of labour employed in the pre-loan and post-loan period. However, impact on man-days employed, by the sample artisans per month depicts almost the same trend,
like that exists in case number of persons employed.

Table 6.11 reveals that generation of both family labour mandays and hired labour mandays in the pre-loan period stood at 8875, which increased to 9223 in post loan period, showing a net addition of 348 mandays. In percentage term the net addition in post loan period to that of pre loan period stood at 3.9 per cent.

Of the total mandays employed in pre loan period family labour in percentage term accounted for 78.0 per cent whereas it accounts for 22.0 per cent in case of hired labour. In the post-loan period their relative share stood at 75.6 per cent and 24.4 per cent respectively. It shows that in the post loan period while the proportion of mandays generated by hired labour has gone up that of family labour has decreased.

The table further indicates that of the total mandays employed in pre-loan period, full time family labourers accounted for 68.6 per cent. As against this the part time family labourers account for 9.4 per cent compared to the mandays employed by hired labour mandays stood at 16.2 and 5.8 per cent respectively. The situation has however undergone a change in the post loan period. In the post loan period full time and part time family labour accounts for 63.7 and 11.9 per cent of man days respectively. As against this full time and part time hired labour accounts for 17.3 and 7.1 per cent of the total mandays generated. This indicates that over the
### TABLE 6.11

**IMPACT OF INSTITUTIONAL FINANCING ON MANDAYS EMPLOYED PER MONTH**

(8 hours = 1 Manday)

<table>
<thead>
<tr>
<th>Category of Artisans</th>
<th>Mandays employed per month in pre-loan period</th>
<th>Total in pre-loan period</th>
<th>Mandays employed per month in post-loan period</th>
<th>Total in post-loan period</th>
<th>Net addition to Mandays hired labour</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FT</td>
<td>PT</td>
<td>Total</td>
<td>FT</td>
<td>PT</td>
<td>Total</td>
</tr>
<tr>
<td>1. Pottery</td>
<td>790</td>
<td>150</td>
<td>940</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>2. Bamboo works</td>
<td>440</td>
<td>70</td>
<td>510</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>3. Weaving</td>
<td>1500</td>
<td>190</td>
<td>1690</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>4. Bell metal</td>
<td>1064</td>
<td>-</td>
<td>1048</td>
<td>1048</td>
<td>-</td>
<td>1048</td>
</tr>
<tr>
<td>5. Stone Carving</td>
<td>90</td>
<td>150</td>
<td>245</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>6. Applique</td>
<td>960</td>
<td>300</td>
<td>1260</td>
<td>90</td>
<td>375</td>
<td>465</td>
</tr>
<tr>
<td>7. Pattachitra</td>
<td>160</td>
<td>-</td>
<td>160</td>
<td>90</td>
<td>-</td>
<td>90</td>
</tr>
<tr>
<td>8. Papier nachie</td>
<td>270</td>
<td>15</td>
<td>285</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>9. Beads making</td>
<td>575</td>
<td>-</td>
<td>575</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>10. Coir works</td>
<td>180</td>
<td>113</td>
<td>293</td>
<td>12</td>
<td>30</td>
<td>150</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>6089</td>
<td>838</td>
<td>6927</td>
<td>1438</td>
<td>510</td>
<td>1948</td>
</tr>
</tbody>
</table>

Source: Data compiled as per field study, 1989

F.T. = Full Time, P.T. = Part-time

Figures in brackets indicate per cent to the total

* Figures in brackets indicate percentage variation in post-loan over pre-loan period
period the proportion of mandays created by full time and part time hired labour has gone up over the period.

Craftwise mandays generated in pre loan and post loan period indicates that the artisans engaged in the trade like bell metal, weaving, applique, stone carving, pattachitra and papier machie have generated greater mandays in the post loan period. They were employing 2112, 1690, 1725, 345, 250 and 285 mandays in the pre-loan period respectively. The mandays employed increased to 2200, 1895, 1819, 409, 310 and 315 respectively in the post loan period. The percentage change in post loan period over that of pre loan period constitute upto 4.2, 12.1, 5.5, 18.5, 24.0 and 10.5 per cent respectively.

Moreover, it is noticed that of the net addition in mandays employed in post loan period in the case of above mentioned artisan units, the additional mandays are mostly generated by employment of hired labour in post loan period. Except the units like weaving and pattachitra the rest three units like bell metal, stone carving and applique have generated more mandays due to employment of hired labour. The net addition in over pre-loan period stood at 218, 64 and 94 respectively. Again in case of bell metal craft in particular, the addition of 218 hired labour mandays is exclusively made by hired labour and which has largely compensated the loss of family labour upto 130 in post-loan period. These artisans thus shows an interest for employing more hired labour. As stated earlier
the reason is attributed to the fact like decreased participation or interest from younger groups.

As against this artisan units engaged in the trade like pottery have experienced very marginal improvement in their generation of mandays employed in post-loan period. The improvement is only up to 0.9 per cent in post loan period over pre-loan period. Whereas in case of artisans engaged in the trade like Beads making, no addition has been made in total mandays in post-loan period.

However, the impact is quite negative in case of artisan units engaged in the trade like Coir works and Bamboo works. In the post loan period instead of making addition to total mandays employed their generation of mandays is very much negative. The percentage reduction in the post loan period to that of pre loan period thus stood at 40.8 per cent and 5.9 per cent respectively. It is mostly attributed to the fact that due to lower generation of output and income their mandays generation has been very much reduced. It is a point to note here that number of labour remained constant, the mandays employed in post loan period has gone down in case Bamboo artisans. It is due to the fact that they have not effectively used the existing labour force which may be due to lack of raw materials, and marketing etc.

Besides these two artisan units, all the sample artisans units have generated more labour in post loan
period which is mostly due to increased income and output in post-loan period, which may be due to the presence of factors like good marketing, easy supply of raw materials and financing made available etc.

However, it may be concluded that though the artisan units in general have generated more labour and more mandays in post-loan period over that of pre-loan period. As stated earlier (Table 6.10) in the post-loan period the number of labour employed and number of mandays employed have increased by 5.6 per cent and 3.9 per cent respectively. It shows that percentage increase in mandays is less than that of increase in number of labour employed. It is mostly due to the fact that impact of institutional financing has resulted in improving the number of labourers but the labourers employed appears to be not effectively employed, which may be due to bad marketing, shortage of raw materials, and lack of storage etc.

PER ARTISAN HOUSEHOLD LABOUR AND MANDAYS EMPLOYED

While making a discussion about labour employed and mandays employed per sample artisan household, it is noticed from Table 6.12 that the number of labour employed per household which was 3.9 persons in pre-loan period has increased to only 4.1 persons in the post-loan period. Again the mandays employed per sample artisan household which was 74.0 mandays in pre-loan period has increased to 76.9 mandays
### Table 6.12: Impact of Institutional Financing as per Artisan Household Labour and Mandays Employed

**Source:** Data compiled as per field study, 1989.

<table>
<thead>
<tr>
<th>No. of sample units</th>
<th>Labour employed per household</th>
<th>Mandays employed per household</th>
<th>Net addition over pre-loan period</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(1)</td>
<td>(2)</td>
<td>(3)</td>
</tr>
<tr>
<td>1. Pottery</td>
<td>17</td>
<td>47</td>
<td>3.2</td>
</tr>
<tr>
<td>2. Bamboo works</td>
<td>10</td>
<td>28</td>
<td>3.9</td>
</tr>
<tr>
<td>3. Weaving</td>
<td>27</td>
<td>85</td>
<td>7.6</td>
</tr>
<tr>
<td>4. Bell metal</td>
<td>27</td>
<td>137</td>
<td>16.1</td>
</tr>
<tr>
<td>5. Stone Carving</td>
<td>4</td>
<td>14</td>
<td>1.8</td>
</tr>
<tr>
<td>6. Applique</td>
<td>12</td>
<td>75</td>
<td>4.3</td>
</tr>
<tr>
<td>7. Papier machte</td>
<td>4</td>
<td>12</td>
<td>-0.4</td>
</tr>
<tr>
<td>8. Beads making</td>
<td>10</td>
<td>42</td>
<td>0.6</td>
</tr>
<tr>
<td>9. Coir works</td>
<td>6</td>
<td>13</td>
<td>-0.8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>120</strong></td>
<td><strong>465</strong></td>
<td><strong>3.9</strong></td>
</tr>
</tbody>
</table>

**Source:** Data compiled as per field study, 1989.
showing a net addition of 2.9 mandays. It reveals that labourers employed per artisan unit and the mandays employed has shown an increasing trend. It indicates that artisan units have not employed more persons and have also involved themselves in this work to a greater magnitude than before as their intensity in work has increased.

Craftwise discussion about the labour employed and man days employed showed that the artisan units mostly employed 4 persons, in general both in pre-loan and post loan taking period. But in certain crafts like applique, stone carving, weaving, the labour employed per artisan household has increased from 6.2, 3.5, 3.1 persons in pre loan period to 6.6, 4.5 and 3.7 persons respectively in post-loan period, while in all other artisan units the impact is mostly absent or negligible.

While estimating mandays employed per artisan household per month it is noticed that artisan households in general are employing 74.0 manday per month in pre loan period. However, it varies between 40.8 to that of 143.8 mandays per month and per artisan household in that period. In the post loan period, mandays employed per sample artisan household stood at 76.9 per month. However, it is noticed that artisan units like that of bell metal, stone carving, applique, and pattachitra are seen to be generating more mandays per their unit in post loan period, whereas the impact is mostly negligible in case other artisan units. Furthermore the impact is quite negative in
case of bamboo workers and coir workers.

It shows that per artisan household, the mandays employed per month, in post loan period to that of pre loan period has improved.

However, it is noticed that the improvement in labour employed and mandays employed per artisan household has not improved significantly in post loan period.

6.07 CRAFT-WISE COMPARISON

From the analysis made on impact of institutional financing on employment generation in post-loan period, it is noticed that, almost all the artisans studied have employed mostly family labour both in pre loan and post loan period. However, in the post loan period the additional change is quite not in favour of family labour and full time labour. Due to which the hired labours mostly in type of part time nature are seen to have increased.

In case of pottery artisans, net addition in post loan period is mainly generated due to employment in part time family labour and also mandays.

The bamboo works artisans have experienced a decline in mandays generated, but however, there is no change in total person employed. As stated earlier the artisans are facing a set back in their total production in this post loan period. It seems that labourers are not effectively employed. So, this
present condition of employment is probably in nature of disguised employment. However, the coir artisans who have experienced a lower production, accordingly reduced the generation of employment in both from the family and outside of it.

The sample artisans engaged in the trade like weaving are noticed to be the only artisans, who have employed mostly family labour. The artisans are mostly working in an organised manner. And they are being supplied with raw materials from the society in which they are the members. Due to which they have employed 19 persons from their own family, of which 4 are employed on full time and 15 are on part time basis.

As against this the artisans like bell metal artisans have experienced a reduction of nine full time family labourers and an addition of four full time hired labourers, in post loan period, showing a net addition of 5 full time labourers. Reduction in family labourers attributed to the fact like early sickness and early retirement of older persons and experienced family members from the trade. The trade which need more physical and hard labour make the artisans old and sick very early. The negative growth in family labour is again due to disinterestedness of younger groups. As revealed from the field study, younger group of the artisan family, do not feel this work to be prestigious and are interested to sift to other occupation and activities like opening of retail shops.
in the nearby places and etc. As a result of which the net addition to labour employment is not from family but from outside of it.

Besides, in bell metal craft, in case of stone carving, applique, pattachitra and papier machie, there has been either no change or a decline in family labour, and moreover there is increase in hired labour employed. The reason is attributed to the facts that stone carving is such a work where unskilled family members could not participate significantly. In case applique, more hired labour is employed due to the fact that, there is increase in scale of operation, and the increase in family members to match to the increasing need of employment may not be available. As the members of this family do not increase within one year. In case of Pattachitra, decrease in family labour is due to again either absence of any family members or due to death or sickness of an older family labour in the family. And same is in case with women artisans engaged in the trade like papier machie. The women sample artisans engaged in the trade are mostly depending on their family members. In case of a daughter's marriage or like that, family labour employed is reduced. However, in spite of that, the artisan units stated above have experienced an increase in their income. Besides, the artisan units engaged in the trade like beads making have employed no more new persons in the post loan period. The artisans have employed no new artisans both from the family and even from outside of it.
However, as stated earlier, they have realised more production and income, which is probably due to the fact that, they have employed some of their disguised labour force, properly in the post-loan period. Being financed by the local institutional financing agencies, these artisans have intensively utilised their existing labour force.

6.08 RETURN TO LABOUR

The Table 6.13 shows the return on investment per labour. The return to labour in pre-loan period which was \$6.02 per month in the pre-loan period has increased to \$6.83 in the post-loan period, showing a net addition of only \$0.81. In case of various artisan units this return to labour is varying between \$1.04 and \$13.69 in the pre-loan period. However, the same stood between \$1.75 to \$14.17 in the post loan period. The net addition in return to labour is quite significant in artisan units like bell metal artisans (\$3.46), whereas in case of artisan units like bamboo works, papier machie, beads making and coir works the effect is quite negative.

6.09 EMPLOYMENT OUTPUT RELATIONSHIP

While discussing about the relationship between employment and output generation in relation to sample artisans, it is being revealed that the artisan units in general have employed more labour, when they are producing
### TABLE 6.13

**IMPACT ON RETURN TO LABOUR**

(Amount in ₹.)

<table>
<thead>
<tr>
<th>Artisan categories</th>
<th>Pre-loan period</th>
<th>Post-loan period</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Net income derived per month</td>
<td>Employment generation (mandays) per month</td>
</tr>
<tr>
<td>--------------------</td>
<td>-----------------</td>
<td>------------------</td>
</tr>
<tr>
<td>1. Pottery</td>
<td>39090</td>
<td>3258</td>
</tr>
<tr>
<td>2. Bamboo works</td>
<td>30560</td>
<td>2547</td>
</tr>
<tr>
<td>3. Weaving</td>
<td>91510</td>
<td>7624</td>
</tr>
<tr>
<td>4. Bell metal</td>
<td>101790</td>
<td>8483</td>
</tr>
<tr>
<td>5. Stone carving</td>
<td>38000</td>
<td>3167</td>
</tr>
<tr>
<td>6. Applique</td>
<td>283300</td>
<td>23608</td>
</tr>
<tr>
<td>7. Pattachitra</td>
<td>16290</td>
<td>1358</td>
</tr>
<tr>
<td>8. Papier machie</td>
<td>5230</td>
<td>436</td>
</tr>
<tr>
<td>9. Beads making</td>
<td>26730</td>
<td>2228</td>
</tr>
<tr>
<td>10. Coir Works</td>
<td>8500</td>
<td>708</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>64100</strong></td>
<td><strong>53417</strong></td>
</tr>
</tbody>
</table>

Source: Data arranged as per field study.

N.B.: For Col.2, See Table 6.5; Col.3, Total net income derived by 12 months in a year; For Col.4, See Table 6.10.
more. It may be said that more employment has resulted in more output and income. But some exceptions are noticed in the process of field study. It was noticed that some sample artisans engaged in the trade like bell metal craft have shown more production but employment has been declined than before. It may be due to the fact that the higher production has occurred not only due to higher employment but also due to better supply of raw materials, marketing facilities, and easy transportation etc. It was noticed that the bell metal artisans are being regularly supplied with raw materials by their respective handicraft co-operative society. Again the society is also helping the artisans in procurement of finished products. So the production is becoming regular and without any interruption. Regarding lower employment it may be stated that the present number of labour is the desired number of labour, and the surplus labour employed in pre-loan period may be the superfluous employment. But in other crafts like applique works, there is improvement in employment and production in the post-loan period. This is also true with the crafts like paper machie, pattachitra, and pottery where growth in output is associated with improvement in labour employed.

In case of beads making however, production has increased without any increase in employment. It is due to fact of the intensive use of existing labour force in the post-loan period.
In case of bamboo works the production is negative but the number of labourer employed remaining the same as it was in the pre-loan period. However, the mandays employed per month is been declining. It is due to the fact that, due to shortage of raw materials the production is not increasing but the person employed in the trade are there as before and they do not shift to other occupations and are engaged in the same trade as before and feel themselves employed. But due to negative production, mandays contributed by these labour has decreased.

6.10 PRODUCTION AND PROFITABILITY

The meaning of profit for the artisan units is very much different. In the artisan family, a bulk of their total profit earned is nothing but their own wages and wages for their family members who are either engaged partly or fully. The profit thus depends upon participation of family members in the trade. More the family members engaged in the trade, more will be the profit. So presence of pure profit is practically seen to be absent in case of these sample artisan units.

They even also do not have anything like plough-back profit in their industrial activities as well. It is due to the fact that there is mostly no surplus and profit. The profit mostly constituted the wage component. At times the artisans direct some fund from family expenses and utilise it
for production. The artisans never keep aside something like working capital needs. They allocate resources according to the day to day requirements, either in the family or in the industrial occupation. They do not spend on a planned manner. It is revealed from the field study that, they do not hesitate to cut down the business expenditure and spend it for family needs. As such no water tight demarcation between spending for industrial unit and for family purposes, thus exist. It is due to the fact that the artisans remain out of job for some part of the year. The reasons may be adverse seasonal condition, lack of marketing, lack of raw materials, Lack of adequate working capital, family emergency and etc. So the surplus they realise is mostly consumed by the artisans, at the time when they do not have any employment.

6.11 ASSET FORMATION

Artisan units mostly live from hand to mouth. They generally do not get opportunity to save for future. It is noticed that, even if they save, they do not like to save in financial institutions. But they like to save in consumer durables, construction and repairing their houses, and investing for opening a tea stall, and bittle shop etc. (T.6.14)

The artisans are seen to have invested upto ₹.65 thousand in the post-loan period, on either physical or financial assets. The proportion of physical assets to the total amount of assets formed constitute upto 84.7 per cent.
### TABLE 6.14
ASSET FORMATION BY THE SAMPLE ARTISANS IN GENERAL IN POST-LOAN PERIOD

| Types of Assets | Physical | | | Financial | | | Total (1+2) | | |
|-----------------|----------|------------------|------------------|------------------|------------------|------------------|
|                  | Quantities | Value (in Rs.) | Quantities | Value (in Rs.) | Quantities | Value (in Rs.) |
|                  | (in Nos.) | (in Rs.) | (in Nos.) | (in Rs.) | (in Nos.) | (in Rs.) |
| 1. Physical:     |          |          |          |          |          |          |
| a) Land          | -        | -       | -        | -        | -        | -       |
| b) House (construction & repairing) | 13 | 42,500 | - | - |
|                  | (76.5) | (76.9) |
| c) Durable items viz. Radio, Scooter, Cycle | 2 | 8,000 | - | - |
|                  | (11.8) | (14.5) |
| d) Starting a shop | 2 | 4,750 | - | - |
|                  | (11.8) | (8.6) | | |
| Total (1):       | 17 | 55,250 | - | - |
|                  | (100.0) | (100.0) | | |
| 2. Financial:    |          |          |          |          |          |          |
| a) Bank deposit  | -        | -       | -        | -        | -        | 10,000(100.0) |
| b) L.I.C./Postal | -        | -       | -        | -        | -        | -       |
| c) Purchase of shares & bonds | - | - | - | |
| d) Others        | -        | -       | -        | -        | -        | -       |
| Total (2):       | -        | -       | -        | -        | -        | -       |
| Grand Total :    | 17 | 55,250(100.0) | - | 10,000 | 17 | 65,250 |
|                  | (100.0) | (84.7) | (100.0) | (100.0) | (100.0) |

Source: Data compiled from the field study, 1989

N.B: Figures in brackets indicate per cent to the total.
Whereas it is up to 15.3 per cent in case of financial assets. This may be seen from Table 6.14. Of the total amount spent towards the formation of physical assets, a significant portion is invested for constructing and repairing their houses. In 13 out of 17 cases, the artisans have spent ₹42,500 towards the above mentioned purposes. It shows that about 76.9 per cent of the total asset formed is on this field. In other two cases the artisans are noticed to have spend for purchasing items like a second hand cycle, scooter and ratio etc. Bell metal sample artisans have spend some of their resources for purchasing those above mentioned consumer durables. This can be observed from Table 6.15. In other two cases the artisans have invested for opening small shops. However, it is true that the amount the artisans spend for all these purposes are not generally out of surplus. But the amount is probably diverted from the main industrial activities.

A craftwise discussion on asset formation as shown in Table 6.15 shows that in case of artisan units like pottery, it was only observed that a few among them have deposited in the financial institutions like RRB. It is again to state that this amount of ₹10 thousand which is deposited in PRB is not out of profit, but it was from the credit supplied to them from institutional sources. It was observed from the field study that pottery artisans have been properly financed, by their industrial co-operative societies which is organised
TABLE 6.15
ASSET FORMATION - AFTER RECEIVING THE LOAN, CRAFTWISE

<table>
<thead>
<tr>
<th>Types of artisan units</th>
<th>Physical Asset Formation</th>
<th>Financial Asset Formation</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Quantity (in Nos.)</td>
<td>Value (in Rs.)</td>
<td>Quantity (in Nos.)</td>
</tr>
<tr>
<td>1. Pottery</td>
<td>6 (41.2)</td>
<td>22,750 (41.2)</td>
<td>10,000</td>
</tr>
<tr>
<td>2. Bamboo works</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>3. Weaving</td>
<td>3 (17.6)</td>
<td>4,000 (7.2)</td>
<td>-</td>
</tr>
<tr>
<td>4. Bell metal</td>
<td>5 (29.4)</td>
<td>23,000 (41.6)</td>
<td>-</td>
</tr>
<tr>
<td>5. Stone carving</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>6. Applique</td>
<td>1 (5.8)</td>
<td>5,000 (9.0)</td>
<td>-</td>
</tr>
<tr>
<td>7. Pattachitra</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>8. Papier machie</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>9. Beads making</td>
<td>1 (5.8)</td>
<td>500 (0.9)</td>
<td>-</td>
</tr>
<tr>
<td>10. Coir works</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>17 (100.0)</td>
<td>55,250 (100.0)</td>
<td>10,000</td>
</tr>
</tbody>
</table>

Source: Data compiled from the field study.

N.B.: Figures in brackets indicate per cent to the total.
under Orissa Khadi & Village Industries Board. It was further observed that husband and wife belonging to same household has been financed separately. Furthermore, the artisans engaged in the trade do not feel this trade to be as rewarding and prospective, as before. So, they prefer to deposit some of their borrowing in banks rather than to invest in their traditional artisan occupation. As a result of which they have formed asset significantly, in comparison to that of other artisans. Besides asset formation by bell metal artisans is also quite significant. Thus the relative share of these two units like pottery and bell metal to the total asset formation constitute upto 50.2 and 35.2 per cent respectively in the post-loan period. It was very much negligible in case of weaving, applique and coir works. The point to note here is that the artisans who have misutilised the finance available to them are seen to have formed physical or financial assets (Table 5.9 of Chapter-IV). However, it is further noticed that bamboo works and coir artisans have misutilised their fund significantly but not have formed any asset. It seems that they have misutilised the financial assistance mostly for simple consumption needs.

The principal motive behind financial assistance made available to artisan units is to create additional income for the artisan families, as well as for the state. It was noticed that in the post-loan period the artisan families have contributed upto ₹.115,003. In terms of percentage the
Artisans have realised 17.9 per cent of increase in income after being financed. Not only that in the post loan period the number of employment has also increased with 5.6 per cent. The growth in income and employment which is mostly influenced by output generated has also been increased by 20.6 per cent.

But it is a fact that increase in output, income and employment could have been much greater in the reference year; in comparison to that what was really happened. It was noticed that in recent years, due to change in attitude of customers towards hand-made artisan product, the marketing has not been a problem for the artisan units. But due to lack of proper financing to the units the artisans are experiencing a credit gap. Furthermore, the credit available to them is not properly utilised and at times the loan is seen to be misutilised for unproductive purposes. As a result of which the artisans are not able to purchase the raw materials in adequate amount, and in time. Due to shortage of raw materials and inflationary situation, the problem is becoming more greater, which is leading to seasonal unemployment, less production, and ultimately less contribution towards their own income and income of the state, as well.

SUMMARY

The impact of institutional financing on generation of output, income and employment generation in post-loan period over pre-loan period reveals that artisan units in general have raised their output income and employment.
The total output generated in pre-loan period which was upto Rs.17.6 lakhs, has increased to Rs.21.2 lakhs in post-loan period showing an increase of about Rs.3.6 lakhs. In percentage terms the percentage increase is also upto 20.6 per cent. The income generation has also increased from Rs.6.4 lakhs to Rs.7.6 lakhs shows an addition of Rs.1.2 lakhs in post-loan period. In terms of percentage it shows an net increase of about 17.9 per cent in post-loan period.

The number of labour employed which was 465 in pre-loan period increased to 491 in post-loan period showing an addition of 26 number of labourers. The percentage increase in number of net labour employed in post-loan period stood at 5.6 per cent over pre-loan period. Total mandays employed has also increased from 8875 to 9223 showing a net addition of 348 mandays. Expressing it in percentage term, mandays has increased by 3.9 per cent in post-loan period to that of pre-loan period. Percentage increase in mandays is lesser than the percentage increase in number of labour employed. It shows that increased labourers are not effectively employed in post-loan period. Moreover, it is noticed that artisan units in general have always employed more family labour to that of hired labour both in pre-loan and post-loan period. But it was noticed that they are showing greater interest for employing hired labour and contribution of family labour is seen to be declining, which may be due to lack of interest by the younger groups in the trade.
Among various crafts the improvement in output income and employment is quite significant in crafts like applique, bell metal, pattachitra, papier machie, stone carving and pottery while in case of beads making and weaving, the impact is there but is of lesser magnitude. As against this in case of artisan units like bamboo works and coir works the impact is very much negative, which may be attributed to lack of good marketing, supply of raw materials and financing etc.