5.1 Concept of marketing

Good marketing is no accident, but result of careful planning and execution. Marketing practices are continually being refined and reformed in virtually all industries to increase the chances of success. But marketing excellence is rare and difficult to achieve. It is both an "art" and "science"—there is constant tension between the formulated side of marketing and the creative side. The ultimate rationale behind production of all goods has to be found in developing an efficient and effective system of marketing because production unaccompanied by consumption is simply unthinkable. Marketing enables the products to reach the consumers who are willing to purchase them at prices considered reasonable. Financial success often depends on marketing ability. Finance, operations, accounting and other business functions will not really matter if there is not sufficient demand for products and services which enable the company to make a profit. Marketing deals with identifying and meeting human and social needs. One of the shortest definitions of marketing is "meeting need profitably." It is an organizational function and a set of processes for creating, communicating and delivering value to customers and for managing customer relationships in ways that benefit the organization and its stakeholders. It involves the interaction of host of such business activities whose ultimate objective is the satisfaction of
customers wants. Marketing therefore is essentially accredited with an innovative trick. It not only satisfies the existing wants but also creates new demands for better products with improved and fascinating designs. Thus marketing sets the consumption pattern and gives new direction and dimension to the production pattern.\textsuperscript{4} This essentially entails study of customer's needs, tastes, fashions, changes in the market condition and market research so that the products can be wholly oriented to earn satisfaction of the customer. The firm producing particular brand of goods has to take specific types of customers or markets as their target, revolutionize the production technology and product processes, modernize their plant, pursue a systematic process of upgrading the fashions and style of their product and if necessary resort to expansion of their capacities for production so as to reap the benefits of large scale operation like lowering of cost etc and enhance their competitiveness.

Here we can cite the example of Japan which of late reigned supreme in the international market and has earned the envy of all other nations of the world by revolutionizing the production process through advanced and sophisticated technology in the war torn, totally ravaged economy. 'She had recovered from the ashes and brought laurels to her economy by paying exclusive attention to quality production at the lowest prices which were devastatingly competitive all throughout the world.'\textsuperscript{5} "Japan's understanding and use of marketing has been one of the key contributions to its success in the market place."\textsuperscript{6} The advanced countries have already recognized
marketing as the key to economic activity. This vital area that leads to industrial growth and expansion is almost neglected by developing countries. "In the underdeveloped countries as a group, marketing has traditionally been the forgotten area of economic thinking." The populations of developing countries are excessively dependent on agriculture and hence the per capita income and standard of living in these countries are very low. Whatever income they make out of their livelihood is almost spent on daily necessities. Therefore marketing in such countries is hardly thought for. The demand for products is always more than supply because of high-rise in population. The need of creating awareness of products by manufacturers or producers in such countries through publicity does not arise. It can be better said that the perennial scarcity which gets auto-created as a blow to economy in developing countries effects into sellers market. Such type of market generally concentrates more on production and therefore, marketing gets sidelined. The spirit of professionalism is yet to be instilled into the management of these countries as industrialisation is still in the process. With changing phase of time marketing together with scientific management is being recognized as the only way to growth. This function will help to evolve a new expanded market and reduce existing narrow market, which is only acting as an obstacle to economic growth. If this method of marketing is adopted, a huge socio-economic change will be observed. It has to be understood that marketing by itself cannot create purchasing power but a "well developed and designed marketing technique can convert latent demand into effective demand and by channelising the purchasing power in the desired direction and will set a high
level of economic activity in motion.”

Hence marketing becomes a comprehensive process, which also bridges the gap between producer and consumer by creating and delivering a standard of living.

In the light of the above definitions and concepts of modern marketing, different aspects like marketing organisation, market exploitation and strategic options that Sualkuchi handloom market should take up shall be examined.

The Sualkuchi handloom unit comprises both well organized as well as decentralized sector that combines of small handloom owners and independent weavers. In the changing phase of today’s trend, handloom products of Sualkuchi, being primarily traditional in nature meet a stiff competition from products of large-scale sectors and power looms. Within the state, to make the stand of handloom products more strong, development of marketing facilities has become an integral part. “Otherwise any amount of aid given to the industry at the production level will amount to a waste of national resources.” Certain amount of assistance is provided by both central and state government. Seeking continuous assistance will not be looked upon as a healthy symptom, nor the government should comply on such demands. Whatever assistance is provided should be properly utilised, simultaneously upgrading the marketing facilities. The receivers of government assistance should be made understood, that assistance is being offered from the public exchequer and hence at no cost it should go waste. The future course of Sualkuchi’s handloom industry will surely be positively affected by the state government’s approach to the existing problems of marketing.
5.2 Marketing of handloom products at Sualkuchi

There are numerous marketing agencies for handloom fabrics at Sualkuchi. The handloom industry though quite old is not thoroughly organized and hence marketing agencies are also diverse. The weavers who are registered under the weavers co-operative societies manufacture and market rather sell the products through the societies. But the independent or the unorganised weavers sell their products directly to customers or through marketing agencies commonly known as middlemen or brokers. The unorganised weavers need to depend a lot on these middlemen because they do not get direct buyers daily. But if a weaver has manufactured the fabric he needs to sell it not only to meet the requirements of daily household consumption but also to procure necessary raw materials to keep his works going on. Hence he is compelled to maintain a connection with the middlemen. Even a small time-lag between production and marketing/selling hurts the weavers' financial condition. The middlemen purchase the clothes from the weavers in cash. The independent weaver cannot afford much time going directly to different places or shops as he has to devout time during the manufacturing process also. So a congenial relationship needs to be built between weavers and middlemen whereby the middlemen will come to the weaver to buy the products. During the survey it has been found out that the weavers do not want to divulge at what cost they sell their products to the middlemen. During slack seasons when the demand for traditional items decrease the weavers gets pushed by circumstances to sell their products with even lower than normal market price. Sometimes situation arises that
they need to sell even below the cost of production, which does not cover the wages spent on producing the fabric. Selling of products under such situation is termed as distress selling. This distress sale keeps the poor weavers poor and this is a vicious circle for them. The weaver due to his poor bargaining strength and staying power, is compelled to dispose of his products at a price that may not be considered reasonable by any standard. Now-a-days many weavers who work independently, comes into an agreement for some predetermined period with the middlemen on wage basis.

According to this contract the amount of yarn as required by the weaver will be supplied by the middleman and the weaver on completion of weaving the product will return it to him and get the wages. The middlemen always have an edge over the weavers. By taking out certain faults in the work done, he manages to lessen some amount from the wage. The weavers tend to be too dependent on the middlemen and as they often provide financial assistance, the weavers have to follow as they say. However the responsibility of marketing the clothes is relieved from the weaver under such agreement. For the past three years the roadways to Sualkuchi have been very much improved, so many customers go directly to purchase handloom clothes. Mostly on Saturdays during peak season many buyers go either to buy or provide their own designs on clothes they order for. These buyers go directly to weavers to get genuine products. But this is not a regular market. With the help of middlemen the independent weavers can sell off their products almost everyday through stores which either belong to the
middleman or shops to whom the middleman sell. All the 107 stores of Sualkuchi dealing with handloom fabric purchases products either on cash or credit and sell cloths directly to customers, sell them to stores in different towns and cities of the state. "This system has created a backward linkage of the local stores with the loom owners in the village and a forward linkage with the storekeepers outside Sualkuchi. The system also indicates the emergence of a number of middlemen in between the producer and consumer."¹³

The co-operative societies lend assistance to weavers who are under the co-operative fold to sell their products and thereby save them from being exploited by middlemen. A continuous ongoing relationship exists between supply of raw materials, sale of products and employment of the weaver. The weaver will never be able to get full time work which will give him a reasonable wage throughout the year, unless supply of yarn to the weaver and a coordinated off-take of his cloth is assured.¹⁴ This system is what the weaver's co-operative societies and Apex body are trying to follow and still developing in the existing handloom market. This particular function of assisting weavers, if adopted with cent percent professional management, will prove to be a great boon for the weavers, as they will get released from the exploitation of the intermediaries. Presently the weavers' societies and the Apex bodies provide the weavers with whatever raw materials they ask for and the weavers return the finished product against the payment of their wages.
There are many workshops who are working under 'putting out system' in which a co-operative society or a mahajans supplies the raw materials and the owner of the loom weaves the fabric himself with his family members or sometimes by engaging wage weavers and returns the products against wages which are double the prevailing rates; hence there is no question of marketing the products by the dependent loom owner. In a way we can say that such function has enabled co-operative societies to combine production and marketing and create a more organized market. Handloom products are largely marketed in the State by co-operative societies and Apex society. Table 5.01 indicates comparison made to show sale of handloom products through co-operatives and others.

Table 5.01 Sale of Assam Handloom Products from 2004 - 2007

<table>
<thead>
<tr>
<th>Years</th>
<th>Sale in co-operative Sector</th>
<th>Sale outside the co-operative Sector</th>
<th>Total Sale (3+5)</th>
<th>(3) as % of (6)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Quantity (Lakhs Metres)</td>
<td>Value (Rs. In lakhs)</td>
<td>Value (Lakhs Metres)</td>
<td>Value (Rs. In lakhs)</td>
</tr>
<tr>
<td></td>
<td>(1)</td>
<td>(2)</td>
<td>(3)</td>
<td>(4)</td>
</tr>
<tr>
<td>2004-05</td>
<td>51.82</td>
<td>7773.00</td>
<td>46.18</td>
<td>6927.86</td>
</tr>
<tr>
<td>2005-06</td>
<td>52.94</td>
<td>7941.00</td>
<td>60.06</td>
<td>6925.16</td>
</tr>
<tr>
<td>2006-07</td>
<td>53.10</td>
<td>7965.00</td>
<td>61.83</td>
<td>7025.83</td>
</tr>
</tbody>
</table>

Source: Directorate of Handloom & Textiles, ARTFED
From table 5.01 we can see that outcome of weavers co-operative societies are displaying a better sale of handloom products, which are increasing, with the passage of time. Whereas, sale outside the co-operative sector has been almost at the same level during the year 2004-05, 2005-06 and 2006-07. A negative trait of co-operative sector that can be mentioned here is the inadequacy of co-operative activity. This becomes evident from the low figures in sale of percentage share (column 7) of the co-operatives from the total sale of the State. Up to 2000 at Sualkuchi there were only 16 registered co-operative societies. Now there are 42 registered co-operative societies. This spurt in increasing of societies is more due to rise in population, rise in entrepreneurs and to avail benefits that government offers to societies. In spite of increase in numbers of societies inadequacy of activities arises mostly due to laid- back attitude of the members, poor organizational structure and lack of professionalism of concerned societies.

It has already been mentioned that the co-operative societies supply raw materials required by the member weavers and then get back the finished product on payment of wages. These societies sell the products through their own shops, which are scattered all over Assam. Thirty-three of the societies have their shops in Sualkuchi only. These societies add 15% margin to the cost of production. During rebate period they give 5% on list price. Every year about 30% approximately of handloom products get sold during rebate period. The weavers' co-operative societies can sell through Apex Society after selling 50% through their own shops. The Apex Society's objective is to
improve the market potentiality of handloom products of Assam and compete with confidence for an increasing share of the global market with the mission to improve productivity, quality and cost competitiveness of handloom products. As per annual report of Assam Apex weavers And Artisans Cooperative Federation Limited (ARTFED) it has total 1018 primary weavers cooperative societies and 16 District Co-operative Societies under its fold. The Apex Society procures handloom products from the co-operative societies either in cash or credit. The procurement is made at a discount of 5% and sells the product after adding 13% to the cost of procurement. The Apex body sells the product through their own showrooms, emporiums and exhibitions. ARTFED at present has 59 showrooms/emporiums named as ‘Jagaran’ throughout India of which 54 are located in Assam and 5 showrooms are in the cities of Kolkata, kanpur, Jaipur, Indore and New Delhi. 18 While procuring handloom products the price is fixed considering the cost of the inputs of product, overhead charges and reasonable margin of profit. The value of the product is paid within reasonable time if credit purchase is made. 19 Seasonal and festive sale are also made by the Apex Society.

The co-operative societies are always in a better position to avail services, subsidized appliances and sponsored schemes from government. Hence these societies can provide potentiality for the handloom sector together with ‘must’ adoption of planned growth strategy. Independent or unorganised weavers should be encouraged and convinced to come under the fold of co-operative. On the other hand the societies must supply raw
materials to weavers and thereby through a coordinated effort production and market can be carried forward. The Apex Society is always there to provide assistance to co-operative societies as far as norms allow. The co-operative societies cannot meet the targeted objectives primarily due to financial constraints and poor professionalism. It is a positive signal to get registered as a co-operative society but it should also see to have convenient outlet preferably outside its local area. The handloom market of Sualkuchi can be improved within Assam firstly by widening and strengthening of co-operative coverage, organizing small meets between buyers and sellers, market survey and contact promotion programme, aggressive publicity and adoption of ‘Silk Mark’ label by the Silk mark Organization of India (SMOI) sponsored by the Central Silk Board. ‘Silk Mark’ is the novel scheme of quality assurance in silk, besides guaranteeing the purity of silk products is playing a multidimensional role in the overall promotion of Indian silks. With the dual objectives of confidence building among consumers and promotion of brand identity for Indian silk, this mark is expected to pave way for innovative means of marketing our silks in global arena. The ‘Handloom Mark’ label that has been developed by Textiles Committee, an implementing agency of Ministry of Textiles, Government of India in collaboration with Office of the Development Commissioner (Handlooms) also gives the assurance of real handloom creations. Hence, the Sualkuchi handloom industry should adopt these labels to gain acceptance and confidence of customers, within and outside Assam. The granting of Geographical Indication (GI) to Muga Silk should be used be
used as a factor to exploit the global market and benefits should be availed by producers in a given geographical territory.\textsuperscript{20}

5.3 The exploitable market of handloom products within Assam

The handloom products produced by the weavers of Sualkuchi are purely traditional in its design and wearing pattern. Hence majority of the handloom products are purchased by the Assamese and local people of Assam. Hence export market of Sualkuchi handloom products to other states and abroad is negligible. The production of Pat and Muga Sarees is only 2\% to the production of Chadar Mekhela (Assamese traditional Women Wear). But few Pat and Muga sarees do get sold outside Assam (mostly Kolkata), though not very encouraging.\textsuperscript{21} The annual textile requirement in the state for the year 2006–2007 is 400 million sq. mtrs. The handloom sector is annually producing about 160 million sq. mtrs of fabric for consumption. The gap is met through fabrics from other states.\textsuperscript{22} This shows that handloom producers of Assam have ample scope for growth in local home market if optimum utilization of opportunity is made. The Government Of India has been trying to facilitate the weavers through grants. Under the decentralized plan scheme at the district level grants in the shape of fly shuttle looms with accessories @ Rs. 7000/- per weaver per set, yarn @ Rs. 500/- per weaver and Rs 3000 per weaver for maintenance of work shed are provided to poor weavers.\textsuperscript{23} The grant for work shed cum housing scheme is also available. This scheme has been operating in Assam since VII Plan period. The objective of the scheme is
to provide dwelling houses and suitable working places to weavers for improving their productivity and earnings. The Deen Dayal Hathkargha Protsahan Yojana scheme has been introduced by the Development Commissioner for Handlooms, Government of India, from the year 2000-01. It provides necessary support in an integrated and comprehensive manner to upgrade skill and knowledge of weavers along with basic inputs for product development and its diversification in order to have an easy access to both indigenous and abroad markets. Apart from these there is health scheme offering Rs. 500/- per weaver, Rs. 500/- for maternity up to two kids and eye check up Rs. 190/- per weaver. In spite of providing all these facilities the share of co-operative sector is not very strong. Up to financial year 2004-2005 in the total market of handloom market, the share of co-operative was only 22%. Healthy competition in market is always welcomed and desirable but alongside practice of selling spurious products is also creating problem. Many sellers short-change customers by selling Tassar products as Muga Silk and fine synthetic fabrics as Mulberry Silk. These dubious products are slowly increasing in the market. Hence 'Silk Mark' and 'Handloom mark' labels should be emphasized upon.

To some extent the Government of Assam has not been able to provide with necessary infrastructure to encourage sale of handloom products as other states are doing. Till 2007 the Apex body of Assam has only 59 sales outlets all over India whereas way back in 1981 Co-optex of Tamil Nadu had 420 retail sales outlets all over the country, apart from some 215 private
dealers. Handloom products manufactured by coarser yarn for products like foot mat, blanket, table mat, floor cover etc are supplied to the state from Panipat, whereas finer products like sarees, curtains etc are mostly from South India (Salem, Kanjeevaram, Mysore) and Howrah. These outside sellers maintain a very effective distribution network followed by intensive campaign. The wholesale and retail sellers also make good profit as they are offered with lucrative margins. These ways of flourishing a business should also be taken up by the local handloom producers. Such steps will surely help to increase the market share. But all said and done handloom products from outside the state are nowhere able to satisfy the preferences of the local people when it comes for traditional choices. For the people of Assam no other fabric can meet the expectation of indigenous products when selection is to be preferred between these and imported handloom products. The market share of Sualkuchi handloom products can be further aggravated through aggressive marketing strategy, effective distribution channel, application of intensive publicity campaign and maximum conversion of household looms into commercial looms to meet increasing demand. So exploiting the available advantages will help Sualkuchi handloom products to expand and enter into new market.

5.4 Available handloom products at Sualkuchi

Table 5.02 displays percentage Share of various handloom products sold from Sualkuchi during the year 2005 – 06.
Table 5.02
Percentage share of handloom products sold during the year 2005-06

<table>
<thead>
<tr>
<th>Handloom Products</th>
<th>Percentage Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Chadar Mekhela</td>
<td>61%</td>
</tr>
<tr>
<td>2. Dhoti</td>
<td>25%</td>
</tr>
<tr>
<td>3. Towels (Gamocha)</td>
<td>10%</td>
</tr>
<tr>
<td>4. Sarees</td>
<td>02%</td>
</tr>
<tr>
<td>5. Others</td>
<td>02%</td>
</tr>
<tr>
<td>6. All products</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: field survey

The proportion of various types of clothes manufactured at Sualkuchi can be had from Table 5.02. Chadar Mekhela is sold the most. 61% of the total handloom products produced at Sualkuchi. A few weavers understanding the changing fashion of the women folk are trying to produce handloom apparels (mostly on silk) with more aesthetic sense including colour combination and designs. Cotton handloom apparels are often woven with tribal designs. The silk handloom products (Chador Mekhela) start from Rs. 2000/- per pair and up to Rs 5000/- per pair get a good market within Sualkuchi. This indicates the importance of silk products of superior quality in product diversification as a constituent element of the market strategy to exploit the domestic market. In Karimganj, Hailkandi and Kokrajhar the market of traditional Assamese handloom apparels is not too strong. The handloom sector will definitely need to concentrate more on potential markets of other
districts; simultaneously the lacuna of the weaker markets should be studied. This will help to overcome the drawbacks and create necessary stimulation to increase sale. The people of Jorhat, Dibrugarh, Golaghat, Digboi and Sibsagar mostly prefer more elegant and fashionable products. These people seem to possess a more aesthetic bent of mind and therefore textile products from outside the state also get a good market.  

5.5 Market of Sualkuchi handloom products

Most of the handloom products manufactured at Sualkuchi are traditional. Hence apart from having a dependable market in Assam they could not establish outside the state. Handloom products do get sold outside Assam mostly to Kolkata but this is done by a handful of private sellers and that too mostly through diversified products (cushion covers, towels). Private organisations like 'River People' and 'Fabric Plus Private limited' are trying to promote handloom products in traditional and diversified form outside the state. Whatever handloom products are exported under the patronage of Government of Assam is shown in table 5.03.
Table 5.03 Export of handloom fabrics from Assam

<table>
<thead>
<tr>
<th>Year</th>
<th>Value of export of handloom fabrics from Assam (Rs. In lakhs)</th>
<th>Export of handloom fabrics from India(Rs. In lakhs)</th>
<th>(2) as % of (4)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>All types of handloom fabrics</td>
<td>All types of Cotton Fabrics</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>04-05</td>
<td>329.12</td>
<td>230.38</td>
<td>16,280.00</td>
</tr>
<tr>
<td>05-06</td>
<td>336.60</td>
<td>235.62</td>
<td>16,881.60</td>
</tr>
<tr>
<td>06-07</td>
<td>348.20</td>
<td>243.74</td>
<td>N/A</td>
</tr>
</tbody>
</table>

Source: Directorate of Handloom & Textiles, ARTFED

From the above table (table 5.03) a whole scenario of Indian handloom market can be summarized. In spite of not so encouraging situation, the Indian handloom industry has the potential to improve significantly on the export front provided it resorts to more focused strategy on exports of garments and accessories, focus on technology upgradation and design, understanding market preferences and improving visibility in the market. Further a few drawbacks in its marketing approach are catering mostly to the ethnic market, producing similar range, limited understanding of colours and design preferences of customers. Hence the mismatch between the demands of market and Indian exports has led to stagnancy in Indian handloom market. Therefore India as a whole needs to adapt its industry to supply value added products in accordance with the demands of the key consumption markets.
India should attempt towards forward integration into value added products—not as growth strategy but as a survival strategy. Only if we start thinking from India's point of view we can develop Assam's handloom market and consequently Sualkuchi's handloom market. Studies have indicated that Indian handloom products do not have a very high end image. Indian handloom industry needs to adopt suitable marketing strategies and promote Indian handloom products as a brand in international markets. To build this brand image the industry should co-promote with top designers, collaborate with design institutes and handloom retailers to increase awareness about Indian handloom products, invite students for internships and silk tours in India to make them understand the richness of the industry and create space for displaying Indian handloom products in international market.

The handloom products that are purchased by outside buyers of Assam and India are mostly from affluent and rich classes who have a distinct taste for artistic design. The Luit Valley Export Co-operative Society of Sualkuchi established in 1990 is export oriented and they export mainly to Germany, Thailand and Hong Kong. The Chairman of the society Mr. Umesh kalita had said that he found international customer to be very confident and particular about the variety and design that they want. There is need to persuade and train the tradition bound weaver to change his production in favour of fabrics and patterns that should meet the needs of discriminating foreign customers. Wherever the weavers have favoured change they have enjoyed the benefits. It is high time to understand buyer's behaviour so that
due consideration is provided to product diversification in favour of superior varieties of handloom clothes. The handloom industry will get a bonus in future if export market outside Assam and India are dealt in more professional manner. This should be accompanied by efforts from all aspects of the handloom industry to prepare an intensive as well as extensive development of domestic and foreign markets. Along with market development certain strategic methods should be adopted like quality control, standardization of cost and better channels of marketing. These factors influence the expansion and strengthening of inter-state and export markets. The co-operative societies should always take the upper hand to make necessary arrangements so that proper supervision at every stage of production in order to ensure the manufacture of standard articles maintaining a distinct quality. Suitable provision may be made for rigorous quality control at the place of manufacture in order to check malpractices. A customer's choice of products is influenced by many criteria and differs from buyer to buyer. Hence the marketability of a product is calculated by variety of clothes, price, colour, design, durability and convenience.

Promotional mix is an important and integral part of marketing strategy for a product. Promotion consists of those activities that are designed to bring a company's/industry's goods or services to the favourable attention of customers. These activities mainly include advertising, sales promotion, personal selling and publicity. Often at times a suitable blend of all these become necessary, for any one of these may not serve the purpose fully in
view of the widely differing nature of products and markets. This blend is called the promotional mix. In Assam it is seen that handloom products are advertised only during rebate period or Puja/Bihu. Awareness creation all round the year, setting up make shift showrooms at convenient locations are available far and less. The Government and service institutions should also provide necessary assistance to handloom products manufacturers to launch vigorous campaign to popularize the products. But these factors are overlooked and concerned authorities fail to emphasize on such aspects of market strategy. Advertising's broad objectives are to inform, to persuade and to remind the target customers about the product and the firm. Hence professional publicity organisations should be approached for proper planning and launching of such campaign.

5.6 Pricing of handloom products

Traditionally, price has been the major determinant of a buyer's choice. The Muga and Pat Silk handloom fabrics are unique products of Assam. Hence price of these products may vary in different markets according to demand. These products cannot be brought under comparative study inter – state wise or rather India as a whole. Sualkuchi being the hub of handloom weaving in Assam, the product prices are kept at an average level locally. As the products move out into different markets prices fluctuate – more towards the higher side. The cost of production is another factor that determines the selling price of the products. The cost of yarn and the wages paid to weavers
comprises the cost of production. Sualkuchi has the required paraphernalia of a handloom sector but lacks in local skilled weavers. Due to shortage of local skilled weavers the co-operative societies and independent loom owners need to hire weavers who are mostly from the Bodo community from Goreswar and Nalbari. In the unorganised sector the payment made to hired weavers/weavers is always a tacit agreement between the two parties; one reason maybe to suppress wage inflation. Many handloom manufacturing units engage only a very small number of workers and as such they are immune from any kind of factory regulation. High cost of yarn also leads to high selling price of products. In the year 1991 during the month of March the price of Pat yarn for warp was between Rs. 1125/- and Rs. 1140/- per Kg and pat yarn for weft was in between Rs.950/- to Rs. 980/- per Kg. But due to flood in April of same year the rate Pat yarn for warp shot up to Rs. 1600/- to Rs.1700/- and Pat yarn for weft rose to Rs. 1525/- and Rs 1575/- within August 1991. This situation made the manufacturers increase the selling price of finished products to an exorbitant level, but did not get a good market. In the financial year of 2006-07 The Directorate of Sericulture targeted to produce 2.5 lakhs of Mulberry yarn all over Assam but only 1 lakhs 35 thousand could be produced. Whereas only in Sualkuchi every year 45 lakhs meters Pat fabrics are manufactured and Pat yarn requirement for this amount of production is 1 lakh 40 Kg. Hence weavers need to outsource Pat yarn mostly from Bangalore. Similarly price of Muga yarn is also increasing. Every thousand Muga cocoons cost between Rs.800.00 – Rs.850.00. Since the year 1976 to 2005 the cost of Muga cocoon has raised 42% whereas
cocoon production has increased only 26%. Cost of cotton yarn differs upon its counts. Table 5.04 displays present cost of yarn as sold at Sualkuchi.

Table 5.04 Cost of yarn at Sualkuchi during the year 2006-2007

<table>
<thead>
<tr>
<th>Names of yarn</th>
<th>Weft (Am. In Rs)</th>
<th>Warp(Amt. In Rs)</th>
<th>Coloured(Amt. in Rs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Muga/Kg</td>
<td>3000</td>
<td>1,800</td>
<td>-</td>
</tr>
<tr>
<td>Pat/Kg</td>
<td>1220</td>
<td>1220</td>
<td>1850</td>
</tr>
<tr>
<td>Eri/Kg</td>
<td>1100</td>
<td>850</td>
<td>1600</td>
</tr>
<tr>
<td>Cotton/Kg</td>
<td>200</td>
<td>250</td>
<td>620</td>
</tr>
</tbody>
</table>

*Source: Field Survey*

Increase of middlemen in the handloom sector is another factor behind the high price of yarn. If State agencies take necessary steps to supply regular yarn at a reasonable price artificially created high price can be brought down. Increase in labour production will also help to bring average cost of production. The problem of too many middlemen in the handloom industry will be reduced only if co-operative coverage is increased. The Muga farm provided by the State Government at Phulbari of Sualkuchi should be reinvested upon applying scientific methodology. The farm consisting of 10 bighas of land has been provided in 1971 but up till 2007 nothing note-worthy
has been produced. In 1978 Muga cocoon production was started but due to incompatibility between administration and employees the farm could not be successful. In the year 1975 the All Assam Student's Union (AASU) proposed to the State Government to set up a yarn bank at Sualkuchi to save the weavers from absurd increase of Pat and Muga yarn. Till now, it has not been implemented. If established a yarn bank will unfold series of positive outcome of the handloom industry. In this case of steep increase of yarn Muga farmers have their own say that they do not get a steady market all round the year and adequate incentives from the state government.

5.7 Prevailing competition in market

Any marketing strategy to boost the sale of handloom products must be formulated in the context of competition facing the industry from the organized mill sector and the decentralized powerlooms. To protect the handloom industry from competition of mills, various measures have been taken from time to time in the form of imposing duties on mill products, imposing ceiling on production in the mill sector and giving rebate on the sale of handloom products etc. Product lives are becoming shorter and everybody is trying to cope with demands of quality, creativity, design and convenience. Universality, timelessness and eternity are words that can no longer be sufficient to remain competitive but the need is to build unique identity and strive for leadership. With advancement of technology the consumer aspirations have grown many fold. Marketing competition can be channeled
efficiently if handloom product development is taken up in a serious note. The word 'development' echoes the progress coupled with a forward march and this need to be a continuous process, without cessation. The handloom products can have varied end-uses, prominent among them being apparels, home linen and the made ups, while the development efforts would involve greater challenges to be met. Also diversified products have a big demand in market. Product development would signify eternity in the efforts to provide something new to the market. The market demand for products with a difference be it home linen or apparels, has been on a steady rise and preferences are largely governed by the fashion trends. There is always the threat from countries like China, Korea, Bangladesh, Pakistan in handloom segment. Hence we will need to gear up for the product mix that is India specific, innovative, value added and cost effective. Profit margins will be controlled by one simple fact that how much we are ahead of others in terms of exploiting the unexplored possibilities of design and technology. It is these innovations that are having the greatest effects on our lives today. New technologies and emergence of global players who have a comprehensive strategy is set to change the pattern of the business world.

Gradually many entrepreneurs in the field of handloom in other regions of the State are shifting to power looms to increase production and commercial aspects. The handloom industry of Sualkuchi has been ongoing for several generations. But even today the methods of weaving clothes remain the same. A broader thought of capturing market outside Assam never crosses the mind of the weavers. The weaver's community has not thought
about semi-automatic looms, leave aside power-looms. The conservative bent of mind of the people of Sualkuchi do not allow them to adopt new means of increasing production. Due to inability of taking risk, the market of Assam is confined only within the boundary of Assam. This limited local market has also been over flooded by cheap clothes from Chennai and Solapur designed after the Sualkuchi products like Chador and Mekhela and so the latter faces stiff competition in the market. The future market of Sualkuchi handloom products will definitely bear the brunt of power-loom products. The power-loom sector combines the advantages of both handloom and mills, owing to its small-scale production and modern technology. The organized and independent sectors presently prevailing in Sualkuchi handloom industry should look for solution in the gradual process of economic adjustment and what each could produce economically. Technical development is important to stand against power-loom sector. In such circumstances only the handlooms that are capable of surviving as economically viable ones and thwarting the onslaught from mills and power looms, will maintain their position. Under such conditions each sector of the textile industry may get fair opportunities for carrying production that it could do efficiently.
5.8 Problems of handloom co-operative societies of Sualkuchi

High cost of production is a major problem of handloom co-operative societies. The production cost is directly proportional to the cost associated with labour. The labours who work for organized sector or co-operative societies costs higher than ones at decentralized sector. The primary reason is that a society labour is entitled to all benefits under Factories Act. Even the wage rate usually fixed by societies are marginally higher than statutorily fixed minimum wage rate. The labours in the decentralized sector do not get all the benefits but only if they work in factory type units. To make production at a cheaper rate, the process of sub-contracting is also applied in independent or private sector. So quality of products from such sectors sometimes tend to deteriorate. In such situation most of the producers in the private sector are faced with the problem of a given price which is barely adequate to meet the cost and hence quality suffers. Apart from labour cost the societies also need to bear the overhead coat. This cost if again compared to private sector will be higher. During field investigation among sample societies it has been found that while the average establishment cost per meter in the co-operative is Rs.2.00 the private sector comes to Re 0.50 to Re 1.00 only. This shows that co-operative societies have several cost disadvantages. In such circumstances only legal enforcement of the Minimum Wage and Factories Act in all organized and decentralized sector will help diminish the problem. Effective coverage of weavers by co-operative societies will openly help the small weavers to not to depend on private sector and in the process, the Act
will also become more operative. Periodical managerial subsidy to co-operative societies by the state government can also be an option to reduce overhead cost. Again co-operative societies tend to have high inventory. So the problem of efficient marketing is another bottleneck of co-operative societies. The Apex Society to some extent is responsible for creation of this problem. The four oldest societies of Sualkuchi do not depend on the Apex Society. Whatever marketing is required they do it through their own agencies and sales depot. The remaining 31 of the sample societies manage to sell their products either through intermediaries or own shops. If inventory is left over, it gets spilled over to the next financial year but at the cost of certain loss by the respective societies during the current financial year. It is worthwhile to mention that Apex Society do have a registered office at Sualkuchi to provide assistance to co-operative societies. It has come to be known that the off-take of products by the Apex Society can only be placed below 20% of the total sales of the Weavers Co-operative Society. This comes no where near the marketing assistance conceived by the Shri Shivaraman Committee which suggested that 50% of the products of primary weavers’ co-operative societies be lifted by Apex Society. Many co-operative societies are discouraged to market their products through Apex Society because considerable delay is caused while releasing the sale value which often creates constraints in the financial position of the co-operative society. The authorities of the Apex Society complain that quantity of fabrics supplied by the weavers’ co-operative society is not sufficient.
The weavers' Co-operative societies do not have direct accessibility to export market like the Apex Society. The Luit Valley Co-operative Society of Sualkuchi is into export business but the members are not happy with the financial matters handled by the Apex Society. The Apex Society should come out of its passive nature and concentrate on the regions where export market for handloom products can be developed. This activity will also help considerably to ease the inventory problems of the weavers, co-operative societies. The Government should provide adequate support and assistance to motivate the Apex Society to take up such step.

Another problem that affects the weavers' co-operative societies in general is the seasonality of demand for products. During the peak season that is like wedding season and Bihu from January to April and Durga Puja from September to October the demand for handloom fabrics remain low. Therefore, especially the small loom owners (48%) suffer a lot during the slack season which extends for six months May to August and November and December. During Puja season and Magh Bihu the co-operative societies offer sale which is termed as rebate period. So it can be said that traditional product sales are seasonal. During the rebate season 60%-62% of sales occur. It is an open truth that some societies sell power-loom products as handloom during rebate period. So during this time the traders who make bulk purchase make a lot of profit. Therefore it is desirable to do away with the rebate system in a phased manner. Instead a subsidy on raw materials direct
to societies should be introduced. This would help societies to get relieved from the problem of seasonal demand.

Many weavers' co-operative societies are coming up in Sualkuchi but only a few are equipped with managerial efficiency and commitment and hence the rest fails in the long run. In many societies the managerial cadres lack co-operative spirit and relenting to corrupt practices are not uncommon in the area. Proper training should be provided to the managerial cadres to carry forward the functions more professionally. In the recent times many co-operatives have come up through politicizing which have its deleterious effect. Politics should not be linked with co-operative societies and should try to remain free from political influences. The labours of the weavers' community under the coverage of co-operative societies are ensured of a fair wage system. The co-operatives have also succeeded in implementing this system which has given the labours an opportunity to live in certain standard in the society. Therefore the scheme of fair wage should be sustained and developed with the governmental patronage as it can restrain the private sector traders from restoring to unfair practices.

5.9 General problems of the handloom industry

A case study has revealed that with the expansion in the number of looms the proportion of dependent weavers or what Professor R. Balkrishna call 'loom less proletariat' is gradually rising over the years. This should serve as an eye opener to those who hold 'cottage and small industries to be the fields of independent avocations; while in theory they are supposed to
provide opportunities for independent occupation, in practice they actually do not and cannot do so.\textsuperscript{48} The reformation of country's economy maybe on socialist line can solve this socio-economic problem of rising dependence of workers.

One of the age old problem faced by the handloom industry is the problem of raw material. It is the yarn that is the basic raw material which accounts for a considerable proportion of the total cost of production of handloom fabrics. The fact-finding committee, however, had arrived at some broad conclusions, from which it is known that, the cost of raw materials namely that of yarn varies from 50 to 80 percent of the total cost of production, depending upon the fabric woven. It is therefore clear that the availability of yarn of required quality in adequate quantity and at a reasonable price, is primary condition for success of the industry.\textsuperscript{49} The cost of yarn is always on the rise without any valid reason. The required raw materials such as cotton hank yarn, silk yarn, dyes and chemicals are not available at a reasonable price in the entire North East region.\textsuperscript{50} Many weavers are not aware about the Mill Gate Price Scheme implemented by National Handloom Development Commissioner and about the availability of hank yarn at central value added tax scheme. The Government aided organisations and handloom Corporation of the North —Eastern States are not in a position to procure raw materials due to unavailability of sufficient fund with them. As a result most of the handloom weavers depend on supply of raw materials from private traders which they are required to procure at a high price resulting in higher cost of
finished products, price in competitive market becomes higher and ultimately products do not get sold and therefore accumulation of large stock.

**Table 5.05 Rise in yarn prices in 1999-2000 & 2006-07**

<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>Muga/kg</td>
<td>1500-2000</td>
<td>4,500</td>
</tr>
<tr>
<td>Pat/kg</td>
<td>900-1000</td>
<td>3000</td>
</tr>
<tr>
<td>Eri/kg</td>
<td>1200</td>
<td>2000</td>
</tr>
<tr>
<td>Cotton/kg</td>
<td>80-100</td>
<td>200</td>
</tr>
</tbody>
</table>

Source: Field Survey

From Table 5.05 we can see how the yarn rate during 2006-07 year period doubled and in some categories the price rise was steeper. Sualkuchi does not have adequate production of any kind of yarn and so the weavers are compelled to depend on yarn suppliers in other region of the state or from other states. A portion of yarn produced by the few spinning mills of Assam often lands into channels where the prices are manipulated which results in deprivation of subsidized rates. The shortage of yarn has become a chronic problem not only with the handloom industry in Sualkuchi but also in most of
other states. In 1942 The Fact Finding Committee had pointed out “So far as yarn is concerned, there is hardly any doubt that the handloom weaver is being mulcted on several fronts by a host of middlemen and parasites, whose existence leads to a pyramiding of the prices yarn and who have for long carried on nefarious practices regard to the quality as well as the quantity of yarn supplied, and fully exploited the ignorance, poverty and helplessness of the weavers.” The unusual sudden price rise in yarn brings untold misery to the industry in the area as production is against advance orders at a predetermined price. In the entire process it is the labour's earning which ultimately get squeezed. The units that issue circulars to raise price of yarn do not compensate the manufacturers for the increase of price in raw materials. Thus, earning of the weaver gets compressed.

It has already been mentioned that production of Muga has not increased proportionately with the rise in demand for it; rather it is on the decline, on the one hand, due to the felling of Muga worm feeding trees (Som and Soalu) for the purpose of getting more cultivable land and the other to the hard labour and great weather risk involved in rearing it in the jungle, coupled with a social taboo among high caste Hindus against rearing cocoons. The result has been a steep rise in the price of Muga cocoons. This in turn has its effect on the price of the fabrics lowering its competing strength in the market.\textsuperscript{52} Certain places of the state that are traditional cradles of Muga sericulture have of late been posting poor performances in respect of producing raw silk. No doubt absence of a steady market and lack of adequate incentives to the farmers are responsible for the decline in
production, but it is environmental pollution that has threatened the age-old Muga culture of Assam.\textsuperscript{53}

Sivsagar district has been worse affected by way of raw Muga silk production because of environmental pollution. Between 1992 and 1994 as many as 738 villages in the district were producing Muga. The figure slumped significantly thereafter. During 1996-97 only 624 villages and around 6,233 families were engaged in the task of rearing wild Muga.\textsuperscript{54} The slump continuation remains. Exploration work for natural gas in Sivsagar district particularly in the vicinity of the areas where golden silk culture is being zealously maintained, has hampered the rural industry. Places like Lakwa, Sonari, Geleki, Bokota and Dimual have been worse affected by the adverse effects of the oil field hydrocarbons.\textsuperscript{55} Nearly 13 Km away from the Jagiroad paper mill there is a government Eri spinning centre. Silk worm rearers who live scattered in that area are partly affected by the polluted air and odour coming out with the smoke of the mill and partly from the fumes from the neighbouring brick fields.\textsuperscript{56} The insecticides used in the tea gardens compounds the problem.

Like Muga, the Mulberry silk yarn is also brought from Mysore/Bangalore and the fabric is woven at Sualkuchi and sold in the name of "Assam Silk."\textsuperscript{57} Import of Pat from Mysore/Bangalore has become inevitable due to its non-availability of it in Assam. During the forties the weavers of Sualkuchi used Japanese and Chinese silk yarn. After the
imposition of high tariffs since 1953 on the foreign silk yarn, the Sualkuchi weavers have become dependent solely on Mysore/Bangalore silk yarn.58 Taking advantage of the non-availability of Pat yarn in Assam, the Mysore/Bangalore dealers who through their direct contact with the local dealers of Sualkuchi know about the seasonal demand for the Sualkuchi products charge exorbitant prices for yarn. The high price of the raw materials leading to high cost of production affects the demand for the Sualkuchi products although they are as good in quality and design as, rather better than the products of Benaras and Kanchipuram. Similarly the entire amount of gold, silver and rollex threads used in designing are bought from Surat. Not a single of this item is produced in Assam. As a matter of fact two or three factories of Surat hold monopoly over the supply of these threads. Dr P. C Mahapatra has rightly remarked "there is usually a chain of yarn dealers in every area ranging from the big city merchant to the smallest fry in the village. From the wholesale stage to that of final retailing, each dealer adds his own quota of commission to the price of yarn, so that by the time the yarn reaches the hands of the weavers, the prices become considerably high. The proportions of such additions in the final price depend upon the number of intermediaries involved and the distance between the yarn consuming and yarn producing centers. Besides, when yarn is sold on credit, higher price is charged."59 If more farms are started by the government and actual production takes place instead of distributing seeds and subsidies to the so called rearers perhaps the supply position of Muga would ease to a great extent. Another way of
improving the supply situation particularly of Pat is to import raw materials from outside, twist it in Sualkuchi and sell them to the weavers. This would help eliminate the middlemen's profit and reduce the cost of fabrics. B.C Basu and Maxwell – Lefroy had also suggested half a century ago the establishment of reeling and twisting machines at Sualkuchi for the purpose. The local people can think of establishing a small gold thread factory at Sualkuchi. This would supply threads at reasonable price and provide scope of employment to a few goldsmiths. Such new industries will also have their spread effects.

The standardized Muga fabrics have immense export potentials. Many entrepreneurs of Sualkuchi who have the capital are thinking of installing power-looms. They are yet to finalize their decision as there is no sizing and calendaring plant. Here the government can intervene and help to establish such a plant. The National Handloom Development Corporation (NHDC) should be entrusted solely with the responsibility of procuring yarn. Firstly the Corporation strictly follows the Mill Gate Scheme and secondly there would be no scope of spurious yarn. The Corporation's office near Dighali Pukhuri, in Assam, has no sufficient godown facility to stock yarn. This causes much delay when fresh order is placed to procure the next lot of yarn. It should be seen that that the weavers of Sualkuchi are made aware of the fact that setting up of local mills is mandatory to produce the required yarn. The government should not put a deaf ear to the cries of weavers caused by high price of yarn. It can consider setting up of a raw material stabilization fund to ensure price stability for a reasonable period, say about six months. The
suggestion of setting up mills at Sualkuchi is possible because all basic materials like seeds and cocoons required for yarn are available in Assam. The Muga farm set up at Sualkuchi by the government is already present. Only the employees require managerial skills and dedication to make it successful. Mulberry farms are set up at Sonapur and Mongoldoi that are quite near to Sualkuchi. Cotton plants also grow readily on Assam's soil. Eri cocoons are reared at Mirza, Rampur and Chaygaon and so the same can be done at Sualkuchi. The people of Sualkuchi need to come out from their state of fixity of mind and see what more can be added to their existing resources and create assets by taking steps into new arenas.

Another formidable problem faced by the industry is adequate skilled local weavers. There are 5,343 Bodo weavers out of 10,496 female weavers (the rest 8,672 are male weavers) at Sualkuchi who come from different districts of the State. The drawback of these hired weavers is that they would work for a few months in a loom and taking some advance money from the loom owner would go home but never return. Hence the loom remains idle and the loom owner face loss. In the financial year 2005-06 22% of looms out of total 4,680 looms at Sualkuchi remained inactive. Another reason for idle loom may be due to fall in demand of fabrics during slack season. Field survey among 35 co-operative societies and 180 sample entrepreneurs say that looms mostly remain inactive due to shortage of labour. It has also been found out that hired weavers have come to Sualkuchi firstly for not liking to take up the occupation of farming in their own homes, some were forced by situation to come out of home and others wanted to acquire good financial status for self and family.
All the hired weavers are in the habit of taking advance from loom owners. The advance taken gets deducted from the weekly wages of the weavers in installment of Rs.100 to Rs.200. This particular system has been referred to as "weavers working under bondage" by some Bodo women's organisation. The weavers are inside a continuous advance taking cycle from January (Magh Bihu), April (Bohag Bihu) and September-October (Durga Puja). The repayment of the initial advance does not get over when the occasion again arrives for further cash advance. In spite of going by the advance taking system for the hired weavers, the loom owners need to face if a weaver does not return to work after leave. In some other situation it so happens that if the loom owner refuses to pay frequent advance, the hired weaver prefers to leave the workshop and joins another loom owner, who might be in need of a weaver and so pays the required advance to the weaver. Such circumstances create an unhealthy atmosphere among the loom owners. Another problem created by the hired weavers is that if they take a leave for any festive occasion, they go almost for a stretch of 25/30 days. If three festivals are taken into account then they work only 9 months all round the year. This is why the annual income of about 54% does not exceed Rs.12,000, the regular 42% earn about Rs.15,000 while the hard working ones earn about Rs.18,000. The hired weavers work on contract system with the loom owners. Their wages are paid on piece rates. In such system the hired weaver can come and go and there is no formal appointment by the employer. In Sualkuchi most of the workshops of the loom owners are within
the boundary of their own home and so the weaver comes into a homely contact with other members of the household. A house with a good ambience is preferred by weavers rather than an inhospitable one. The hired weavers never have any complaints against their respective loom owners except in some situations where advance payment is related. During 2004-05 61% of the sample weavers were reportedly provided free lodge by the proprietors while 36% were living in rented houses and the rest 3% were living in their own homes.63 There are also loom owners who under-calculate the number of picks in design on basis of which payment are made to the weavers. He does this to save a rupee or two by paying less but in the long run loses good weavers.

The handloom units face the problem of lack of fixed and working capital. Particularly the lack of working capital drives the weaver for loans and advances to the doors of intermediaries and the like. The handloom workshops are in need of both long and short term financial assistance in terms of loans and advances. Loans are often required for purposes like purchase of equipment, the construction or repair of residence cum work shed and social expenses. Advances are mostly used to cover current expenses, particularly for the procurement of raw materials, for holding stocks of finished goods, to meet work expenses, marketing, household consumption needs and other charges. There are three banks at Sualkuchi Central Bank of India, Apex Bank and Assam Gramin Vikash Bank. Financial assistance is always required by both existing and new entrepreneurs at Sualkuchi. During the financial year of 2006-07 all the three banks together have assisted only 33%
whereas applicants seeking loans were 56%. Many loan seekers fail to meet the mandatory requirements of bank policy to get loan. Banks insist on hypothecation and the small/poor weavers having little land property fail to obtain loan. Banks are under obligations to follow certain norms stringently, otherwise bank officials need go through a ordeal during the recovery process of loan. The weavers' view is that inadequate funds supplied to them by banks could not help them to increase their repaying capacity. Many of them however admitted to the misuse of credit money for unproductive purposes. In the financial scenario, the intermediaries and the mahajans continue to be the main sources of loans and advances. Hence they are in a position to control most of the units, irrespective of whether they work directly for them or for the co-operatives. A few upcoming micro finance institutes do extend financial assistance but they prefer self-help groups. So forming self-help groups can be a boon for the small/poor weavers.

Technological innovations need to be utilized by handloom manufacturers to develop aesthetically attractive and functionally relevant products and at the same time solutions to many problems for the benefit of the industry. Design need to innovate and find the alternative applications of the technology and similarly technology need to innovate to support new design trends and designers aspirations. Furthermore the industry has to create a conducive environment to establish this equilibrium. This approach will help to foster innovation in our products and create a competitive edge in the contemporary market place. Modernization of technology largely prepares
us for making the best use of it towards getting the productivity. Initially when some of the power-looms manufacturers of Assam started producing the products that are inherently suited to the handlooms, they could only make it cheap and were not able to add any new design dimension that could be called original. This move not only affected the handloom weavers adversely but also the overproduction of many such varieties made them vulnerable to problems of over exposure.\textsuperscript{66} The existing technology available in warping, designing and finishing as used at Sualkuchi are quite obsolete in nature. Weaving is done in the fly shuttle loom which was introduced in Sualkuchi during II\textsuperscript{nd} world war.\textsuperscript{67} As technology has almost reached a stagnant position, the quality of fabrics have not gone up and hence the products produced in the handloom sector of the entire North Eastern region are found to be not commercially viable for domestic and foreign markets. The emphasis of Sualkuchi handloom weavers is only on weaving dresses for women in particular. They fail to look at the fact that just a little mixing and matching of patterns, dyes and colours could create modern designs in non-traditional fabrics, which would further create a bigger Indian and foreign markets for both the genders. The weavers of Sualkuchi are very much attached to the fly shuttle loom and so the required traditional dresses for home market can always be woven on them. At the same time, to meet profit which is the main objective of taking up a commercial activity, introduction of semi-automatic looms and simple power-looms are necessity of the day. These technologies can be used for weavers of traditional and non-traditional fabrics and increase
production to meet efficiently the growing demand. Through power-loom 40 meters of clothes are produced per day whereas in handloom it requires three days to produce 10 meters of cloth. The centre of Central Silk Board at Sualkuchi has a semi-automatic loom for demonstration purpose. The local people have to come out of the only handloom technique they are following and look into methods that would certainly generate more employment avenues and income among employers and employees. Hence it is an agreed fact that technological development is the crucial factor for the survival of handloom in Sualkuchi. Handloom of Sualkuchi region have to move towards technical excellence with competitive prices and niche products should be developed for which comprehensive package for improvement and training may be introduced. The Government of India set up an enquiry committee on Khadi and Village Industries during the Fourth Five Year Plan and the chairman of this committee was Ashok Mehta. The committee recommended on the report submitted that traditional industries should not be encouraged with traditional technology. This committee found that handloom weavers of Ahmedabad, Kanchipuram etc are all using power-loom at the domestic level.

Handloom products in diversified form have good export prospect. The export turn over of ARTFED gives a fair idea on this.
Table 5.06 Export turnover from 2004-2007

<table>
<thead>
<tr>
<th>Year</th>
<th>Rs in lakhs</th>
</tr>
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<tbody>
<tr>
<td>2002-05</td>
<td>329.12</td>
</tr>
<tr>
<td>2003-06</td>
<td>336.60</td>
</tr>
<tr>
<td>2006-07</td>
<td>348.20</td>
</tr>
</tbody>
</table>

Source: ARTFED

Average growth rate of ARTFED during last 3 years (2004 – 2007)\(^6\)\(^3\)

Business Growth Rate---------------- 11.66%

Export Growth Rate------------------ 05.80%.

Under the executed MOU with a company of Japan M/s KONDAYA GENBEE CO. LTD. Kyoto, ARTFED is regularly exporting Muga silk fabrics in form of Kimmano (Japanese traditional wear) cloth all round the year. Apart from this direct export, ARTFED is making export through authorized agents, International Retail Sales.\(^7\)\(^0\) Diversification from traditional fabrics is necessary to be adopted by the Sualkuchi weavers. Here, a very good example of diversified product can be cited about the ‘Muga umbrella’, designed and produced by Assamese innovator Dulal Chowdhury which was displayed on ‘Derby Day’ at Epsom near London. The occasion marked the international
debut of the umbrella, which has been scientifically tested to absorb 80% of the harmful ultraviolet rays in sunlight. Mr. Chowdhury also claimed that the umbrella emits a golden glow scientifically proven to be helpful in removing wrinkles. The product is marketed under the brand name 'Beautycare Umbrella'.

This is small example which can inspire a lot if the Sualkuchi weavers are looking what diversified products can be manufactured.

To some extent due to the disorganized nature of the handloom industry and want of proper quality, the export potential remains unexploited. Proper exploitation requires organizational efforts in offering quality products, keeping constant touch with the markets, continuous research support and innovations in designs to suit the requirements of changing tastes and fashions. In the institutes of handloom technology attention should be paid to new designs, new patterns and dissemination of knowledge to weavers to help development of handloom exports. To achieve these objectives exports should be brought under the fold of a unified organisation. The National Handloom Development Corporation should take the responsibility for the export function and execute work orders through Apex Society. Promotional and marketing organizations must be given due importance by the handloom sector for wide publicity of various local products. Wherever possible display of local items should be done. The concept of systematic marketing that arranges all marketing activities in an integrated manner should be administered to achieve the objectives of marketing the product. Periodic market surveys in collaboration with Indian Institute of handloom Technology (IIHT) will certainly help to evolve novel designs and patterns to capture
competitive markets. Corporates have revived the fortune of weaver families in Varanasi that vanished under the onslaught of power-loomsi and imported silk. The Taj Ganges (group of hotels under the Tata Group) in Varanasi stepped into a direct relationship with the local weaver instead of going through an NGO, about 18 months ago when the scenario was that most of the looms had been sold by the weaver families for scrap and the weavers were in complete despair. Now, the weavers are to finish saris for all their luxury hotel front offices, then it will be turn of the back offices and finally their art will be used to create textiles that could be used as furnishings. By the time this is over, it will be time to start the cycle again. Under the Tata Group, the Taj Mahal Palace and Tower in Mumbai is also doing the same project aided by Mumbai based designer, Jay Kamrakhiani. After each delivery, the products are weighed and cheques are issued immediately. No middleman, nothing but payment for a product beautifully executed. The group that has found new work is gradually expanding as word gets out. All these are possible here also, if all weavers of Sualkuchi come together and look at the prospects with a high degree of business acumen and entrepreneurship.
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