



An Insight into the Problems Face^{5d} by Zuangtui Handloom Enterprises of Aizawl, Mizoram

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Abstract: Handloom has always occupied an important position both in the economy of the country and in the hearts of the people. Handloom being the second largest provider of employment, its artistic expression is at the very core of India's cultural heritage. Under weaving and allied activities, handloom employs 5634 men, 22083 women and 3 transgender in Mizoram. The study aims to uncover the problems faced by the handloom entrepreneurs of Zuangtui handloom Cluster and provide insightful empirical based suggestion.

Keywords: *Enterprise, entrepreneur, handloom, problems*

I. INTRODUCTION

The Reservation of Articles for Production Act, 1985 defines handloom as "any loom other than power loom". It is "any weaving device operated wholly or partially by hand or foot power". Handloom has always occupied an important position both in the economy of the country and in the hearts of the people. Artistic works of handloom is at the very core of India's cultural heritage. Handloom is a timeless cultural heritage of India that bridges its diverse social groups through creativity, traditional knowledge and precision (Hmangaihzuai, 2013). What had provided protection and comfort from the physical elements in ancient times still provided people with employment opportunities in the modern world. India being the second most populous country has an advantage in providing adequate workforce for the labour intensive handloom industry. Through its long tradition of excellent craftsmanship, handloom provides a refreshing taste of manual skill and diversity amongst increasing globalisation and mechanisation (Devi, 2013). Today, handloom is the second largest provider of employment, providing employment to 31.45 lakh households through weaving and allied activities (NCAER, 2020). Among the 31.45 lakh handloom households, 71.6% are female and 88.7% reside in rural areas. In addition, among these weaver households, 34.6% belong to Other Backward Caste, 19.9% are from Scheduled Tribe and 14.1% belong to Scheduled Castes. It is clear that handloom provides a much needed impetus to bring equity among various social groups by increasing their income earning capacity.

Under weaving and allied activities, handloom employs 5634 men, 22083 women and 3 transgenders in Mizoram (NCAER, 2020). The handloom sector in Mizoram is broadly clustered in Zuangtui Industrial Estate, Aizawl and Thenzawl District. The study focused on the Zuangtui handloom clusters and aims to uncover the problems faced by the entrepreneurs. The study utilises mostly primary data and additional secondary data on registered handloom enterprises.

II. LITERATURE REVIEW

Through the first to third Handloom Census, many positive indicators show a declining trend that may indicate weaver's migration to other profession, low productivity and income generation and poor infrastructure of the handloom sector (Amaravathi and Raj, 2019). Power looms had a negative impact on the overall profitability of handloom cooperatives in Andhra Pradesh. However, it was seen that these negative impacts can be offset by producing branded high or medium value products that are distinct and unique from power loom products (Mahendra Dev, et al., 2008). Handloom cooperatives were adversely affected by power looms, leading to an increase in cost of production and a successive decline in overall profitability. Higher wages offered by power looms diverted younger generation of weavers employed under handloom enterprises from the sector (Dev, et al., 2008). Competition from power looms and low earnings forced the weavers to either constantly innovate and improve or be forced out of the occupation line (Bhattacharya and Sen, 2018). For the case of Chirala handloom weavers when the demand for Real Madras Handkerchiefs dwindled, their ability to shift their production to jacquard sarees, polycot and sico as per the market demand proved to be their major strength (Niranjana, 2004). Weavers do not prefer this line of profession for their children and the amount of participation among youth has also dropped significantly. Weaving appeared to be a distress line of work among the backward classes (Raju and Rao, 2014). Within the handloom sector, three classes of workers, i.e., reelers, weavers and owner entrepreneurs were studied.

Factors such as education, annual income and access to technology encouraged weavers to switch to being weavers and on the other hand; increase in annual income, education, work experience and access to modern technology influences weavers to climb up to the owner entrepreneur status (Bortamuly, et al., 2012). Weavers of West Bengal were mostly forced into weaving due to lack of employment opportunity in other lines of work. They were also burdened with various problems such as poor health, high cost of production, low quality raw materials and shortage of yarn supply (Das, 2018). Lack of adequate and well trained workers posed hurdles for the utilisation of advanced technological improvements by the handloom enterprises in Kerala (Varghese and Salim, 2015). Within the handloom industry of Alipurduar, West Bengal, inadequate marketing facility, lack of organisational strength and difficulty in transport of finished goods were among the many problems faced (Kundu, 2014). The handloom industry is met with problems such as obsolete technology, unorganised production system, weak market link, low productivity, redundant designs and lack of research and development (Sudalaimuthu and Devi, 2006). Handloom weavers of Jaipur also faced problems such as low volume of sales at exhibitions and showrooms, lack of promotional activities and low budget among many others (Goswami & Jain, 2014). The handloom industry of Cuttack, Odisha, was divided into various weaving sub-casts. The problems faced by them started out with the labour intensive nature of handloom which drives up the cost of production. This led to their diversification into lower valued handloom products which, unfortunately, were driven out of competition by power looms. Ultimately, the subsidies intended by the government as a development measure ended up being the reason of their competitive weakness upon its withdrawal (Patra&Dey, 2015). The Geographical Indication tag that is awarded to certain products in order to tag them for their geographical and cultural origin could serve well for handloom products. However, traders and master weavers were disproportionately the main beneficiaries of the GI tag (Vinayan, 2011). However, in spite of being plagued with shortage of yarn, dyes, credit and market support, the crippling handloom sector is given new strength through “Make in India” programme that hopes to launch India’s culture to worldwide fame (Khatoun, 2016).

Growth of handloom cluster enables employed weavers to transition to owner entrepreneurs who would undertake the overall responsibility of the enterprise from employing weavers, procuring raw materials and selling finished products to the market or Mahajans (moneylenders) (Mitra, et al., 2009). Upon analysing the various handloom products of Cuttack, Odisha, it was found that the difference in their individual profitability was very much significant. This opened opportunities for the entrepreneurs to analyse the market and profitability potential of each handloom product and invest in the most profitable ones, thereby improving their economic conditions (Patra & Dey, 2015).

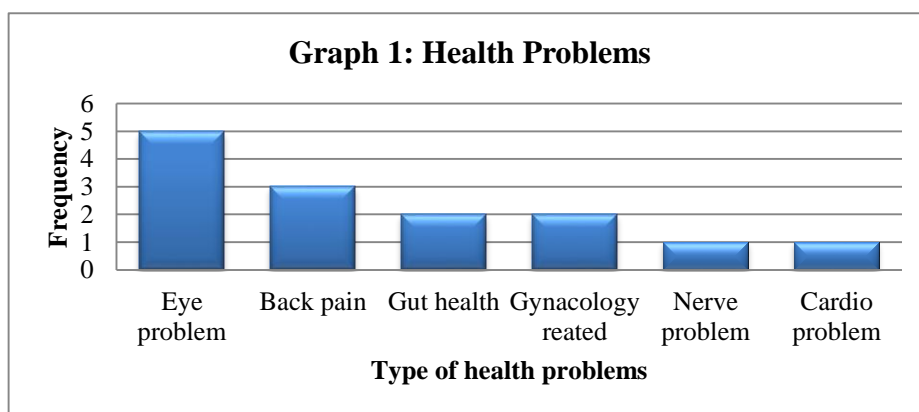
III. RESULTS AND DISCUSSION

3.01 Health Insurance

It was found that 80% of the respondents were insured under the Zoram Health Care Scheme. The remaining 20% of the population were without health insurance at the time of survey, which many informed was due to their failure of renewing their health care schemes.

3.02 Health Problems

Of the entrepreneurs who undertake weaving, a majority (66.66%) faced health problems due to weaving while the remaining (33.33%) faced no issue as such. Among the various health problems, the ones pertaining to the eye was most common, followed by back pain. A couple cited gynecology and nerve related problems.



Some entrepreneurs faced numerous health problem in a variety of combination of the above mentioned health problems. Among the respondents, there were a couple who completely gave up weaving due to back pain and poor eyesight caused by weaving.

3.03 Financial Problems

It was a distressing finding to see that a large portion of the entrepreneurs (86.66%) faced financial problem in due course of running their handloom enterprise. On the other hand, 13.33% of the entrepreneurs did not face any financial problem that is worthwhile mentioning. The kind of financial problem faced by the entrepreneurs were mostly when the commissioners could not pay up for their products or when they could not sell their products in the market during the lean monsoon seasons. Due to these constraints, the entrepreneurs would face shortage of funds to buy yarns and other raw materials. However, a wonderful agreement would be made amongst the entrepreneurs and yarn merchants where the entrepreneurs would buy their yarns on credit without any collateral and then repay for the same on the availability of funds without any interest.

3.04 Marketing Problems

The survey showed that a large portion (63.33%) of the respondents faced certain marketing problems while the rest 36.66% did not face any problem worth mentioning.

Table 1: Marketing problems

Variable	Yes	No
Frequency	19	11
Percentage	63.33%	36.66%

Source: Field Survey

The major marketing problem during Monsoon was mainly because of a decline in demand and unforeseen contingencies regarding shipping routes.

3.05 Sales

A question was asked whether the entrepreneurs had any sales outside Mizoram. It was elicited from the respondents that 60% of them only had sales within Mizoram while a good 40% of them had additional sales without. The most recurring destination of sales outside Mizoram are Manipur, Tripura, Nagaland, Meghalaya, Assam, Delhi, and an impressive list of international destination such as Myanmar, Australia, the UK and the USA.

A supplementary question of whether or not the entrepreneurs had any online sales was asked. The field survey data made clear that only 16.66% of the entrepreneurs had sales online while the remaining 83.33% had none as such. The scanty group of entrepreneurs who sold their products online did so through social media platforms, such as Facebook, Instagram and mainly WhatsApp.

3.06 Advertisements

With regards to advertisement of their enterprises, the entrepreneurs were asked of their various modes of advertisement. The data shows that advertisement of their enterprise is sparse amongst the entrepreneurs. Those respondents who own a display shop have it as a mode of advertisement, making up 14.33% of the respondents. There was only 1 respondent each who uses print media and social media as a mode of advertisement while those who uses television set for advertisement is absent. This scanty number of entrepreneurs who uses any mode of advertisement is because of their mode of sale which is mostly wholesale to commissioners. This renders advertisement on print and electronic media or others of the sort that targets final consumers quite redundant.

3.07 Research and Development

Handloom, having shared numerous aspects of the fashion industry, requires a sharp taste in trends and contemporary look books. The entrepreneurs were asked whether or not they undertake any kind of research and development (R&D) for the betterment of their handloom enterprise. It was found that a majority of the respondents, i.e. 70% had not undertaken any form of research and development for their handloom enterprise. However, the remaining 30% of the entrepreneurs took the time and resources to undertake research and development for the advancement of their enterprise. These entrepreneurs did research as best as they could in order to come up with new designs and motifs for their puan. They would look up other designs on the internet and draw inspiration from various handloom and handicrafts of different tribes across the world. The respondents were asked a supplementary question of whether or not they employ a designer for their products. The above field survey data makes evident that only a small portion, i.e. 13.33% of the respondents employs a designer while the rest 86.66% did not. As the respondents explain, it is more economical for them to emulate trending designs that are readily available in the market than spending time and resources to employ a designer, whose designs are not guaranteed to breakthrough in the market. As such, samples of customer's favorite puan with the desired motif and designs will be provided to them by their commissioners and then weaved by them without the need for employing separate designers.

3.08 Skills Training Programme

Question pertaining to the frequency of the entrepreneurs' attendance in skill training programmes was asked. It was observed that about half, i.e. 53.33% of the respondents have not attended any sort of skill training. However, 20%, 6.66%, 10%, 3.33% and 6.66% of the respondents have attended skill trainings 1, 2, 3, 4 and 5 times respectively. All of these entrepreneurs attended skill training on handloom and its related activities. There were none who had attended a training on entrepreneurship and business management.

3.09 Awareness of Handloom Schemes

It was found that only a few entrepreneurs, i.e. 23.33% knew of any kind of handloom related schemes implemented by the government. The rest of the respondent, i.e. 76.66% were unaware of any kind of handloom related schemes implemented by the government. It was elicited from the respondents that many prefer to channel their resources in actual handloom work than doing business with the government and expecting assistance from the government. It was their experience that dealing with the government is time consuming, wasteful of resources and futile in most cases.

3.10 Ancillary Repair Services

Capital asset such as looms, warps and drums require maintenance and repair every once in a while. As such, the respondents were asked if they provide any ancillary repair services to various capital assets of the handloom enterprises.

It was observed from the field survey data that while a large 80% of the respondents lack any ancillary repair services, a handful 20% of them could provide such service. There were a few talented entrepreneurs who could and who did build their own looms

using parts imported from Myanmar. Such entrepreneurs were aptly skilled to provide repairing services to their fellow entrepreneurs.

3.11 Workshed Ownership and Costs

A workshed refers to the place in which the looms are housed and where the weavers get to work. Some of the entrepreneurs were given a plot of land by the government within the industrial estate in Zuangtui. Here, they built their workshed and pays an annual rent to the government, although this rent is quite minimal. The other entrepreneurs who could not get a plot within the industrial estate either built workshed in their own premise or rent places for the same. The entrepreneurs were asked whether or not their workshed was owned by themselves or rented from a landlord.

It was found that a large majority, i.e. 86.66% of the entrepreneurs were owners of their workshed. These entrepreneurs were mainly those who had a plot of industrial estate issued under their name. The rest of the entrepreneurs, i.e. 13.33% had to rent places elsewhere under a landlord in order to have a place of work.

Table 2: Cost of renting workshed and display shops

Cost	Less than 100	200 - 500	600 - 1000	1100 - 2000	5000 & above
Frequency	14	4	5	3	4
Percentage	46.66%	13.33%	16.66%	10%	13.33%

Source: *Field Survey*

It can be seen from the field survey data that almost half, i.e. 46.66% of the respondents spent only less than a Rs.100 per month for renting workshed and display shops (if they had any). This rate is astonishingly low but was reasoned by the respondents that taxes paid out to the government for their plot of land at the industrial estate was quite minimal and almost nonexistent. Respondents who spent Rs.200 to 500 on rent per month makes up 13.33% while those who pay Rs.600 to 1,000 per month makes up 16.66% of the respondents. On the higher end of the rent scale, respondents who pay Rs.1,100 to 2,000 makes up 10% while those who pay more than Rs.5,000 makes up 13.33% of the respondents. These groups of respondents were mostly those who did not have an industrial plot issued to them and those who had to pay rent for display shops elsewhere in the city.

3.12 Other Problems

It is evident from the field survey data that a large majority, i.e. 80% of the respondents faced one problem or the other with regards to their handloom enterprise while the rest 20% did not. These problems were mainly:

Table 3: Other problems faced by the entrepreneurs

Problems regarding handloom	Frequency
Shortage of honest and skilled workers	16
Shortage of yarn	7
Lack of control or standardization of price	2
Difficulty in management of workers	1
Inability to get weaver ID	1
Inability to get a plot in industrial estate	1
Difficulty in selling defective products that arises due to learning curve if workers	1

Source: *Field Survey*

It can be seen from the table above that the most frequently cited problem was shortage of honest and skilled workers. The respondents elaborated that workers had the tendency of leaving their enterprise after they had been trained by them. Other workers were either lacking in skill to weave the type of demanded products or would weave poorly, rendering their market price awfully low. Shortage of yarn was mainly due to shortage of particular yarn colors demanded by the entrepreneurs. Couple entrepreneurs cited problem due to lack of control or standardization of prices where competitor entrepreneurs would bet the market prices of products low and the wages of workers high.

IV. SUGGESTIONS AND CONCLUSION

The following empirical based suggestions were made to ensure that the problems faced by the Zuangtui handloom enterprises are properly addressed.

1. It was observed that while 46.66% of the respondent entrepreneurs have attended skill training on handloom and its related activities, none of them had attended skill training on entrepreneurship and business management. Thus, the handloom entrepreneurs of Zuangtui cluster could benefit much from a sincere training on entrepreneurship and business management in order to grow their handloom enterprises further.
2. Among the entrepreneurs who undertake weaving activities, 66.66% faced health problems; but still 20% of the respondents do not subscribe to any health insurance scheme. Therefore, the handloom entrepreneurs of Zuangtui cluster must be advised and incentivised to subscribe to the various health insurance schemes provided by the government and other bodies.
3. It was observed that 13.33% of the respondents could not get a plot of the Zuangtui Industrial Estate issued to them by the government. Because of this, cost of renting (or taxes on) workshed varies from Rs.100 per month for those who were issued an industrial plot to Rs.5000 per month for those who were denied an industrial plot. Thus, it is imperative for the government to ensure that the plots of Zuangtui Industrial Estate be distributed fairly to deserving handloom entrepreneurs, to whom the estate is intended for.
4. Since a large 60% of the respondents only had sales within Mizoram, market must be expanded for the handloom entrepreneurs at the national and international level.
5. In this internet age where e-commerce is booming, only 16.66% of the respondents had online sales. Therefore, the handloom entrepreneurs must be equipped with appropriate platform and skills to take their business online to reap the benefits of e-commerce market.
6. In spite of the fierce competition within the handloom market, a hefty 70% of the respondents have not undertaken any form of research and development activities for their enterprise. Handloom entrepreneurs of Zuangtui cluster must be enlightened on the economic benefits of R&D and be given appropriate guidance and help to undertake such.
7. A large 76.66% of the respondents were unaware of any kind of handloom related schemes implemented by the government. Therefore, the government must improve its information publicity such that the lesser informed weavers and entrepreneurs may be enlightened on the handloom schemes implemented for them.
8. The handloom entrepreneurs faced various problems with differences in wages of labours, prices of yarn and handloom products. Some entrepreneurs would buy off skilled workers of other enterprise or entrepreneurs of other clusters would bet prices down due to differences on factors of production. Thus, some form of standardisation of wages and prices, either by the government or handloom societies is required in order to level the playing fields of various handloom entrepreneurs.
9. There are months of the year (viz. Monsoons) during which sales of handloom products plummet. In the unique case of 2020 pandemic, almost all the handloom entrepreneurs had to close down or severely downsize due to a near absent demand. In such cases, the entrepreneurs require some sort of minimum support price for their handloom products from the government in order for them to stay in business.
10. The yarn used for almost all the handloom products is acrylic yarn. Since acrylic yarn is not appealing to touch and poorly breathable, it renders the market for said handloom products unfit for regions with warmer climate. Therefore, in order to target such markets, natural yarns such as cotton and silk can serve as a great alternative to acrylic yarns.
11. A majority of the handloom products of Zuangtui cluster is puan of different designs. However, the usage of puan is limited to Mizo and a few other tribes of North East India and some South East Asian countries. Also, the design and structures of such puan worn by said ethnicities other than Mizo is very different from the handloom products of Zuangtui cluster and does not cater to them. Therefore, in order to broaden the handloom market to the national and international level, the types of products produced must be adapted to suit the destined markets.
12. To broaden the market for handloom products, use of handloom fabrics for school uniforms, curtains, bed sheets, etc. Can act as a boost.

Although ridden with multifaceted problems, the Zuangtui Handloom industry adapts to the ever-changing demands and persists through it all.

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