

## Sambalpuri Handloom in Odisha: Hits and Losses

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### Abstract

The Handloom industry of India is one of the important manufacturing institutions of the world. There has been growth and innovation both within and outside the co-operative sector that gives us clues regarding the potential of handloom industry in 21<sup>st</sup> century. It occupies a significant position in our rural economy in terms of potential of employment and income generation. Orissa is famous for his exquisite handloom products. The handloom sector plays a vital role in the state economy. The paper deals with different facets of journey of Sambalpuri handlooms in Odisha. The study also indicates the success story as well as the issues and problems related to Sambalpuri handlooms. The motivation of the study originated from the loss suffered by the society and the state itself which is a regular phenomenon in the local as well as national newspaper.

### 1. Introduction

India is always known for its culture and this culture is reflected from the living style of people, habits and even from their clothes, starting from the carves on the temples to designs on the clothes, reveal the Indian tradition and culture and particularly the handloom clothes lifted the culture in to another level. India is rich with handloom product like Pachmina from Jammu and Kashmir, Muga silk work from Assam, Paithani from Maharashtra, Kanjeevaram silk from Tamil Nadu etc. spreading all across India, showing its lustrous culture through its crafts on the clothes. Out of many handloom arts in India, the Sambalpuri Saree particularly from Western Odisha has left its mark on the entire world through its traditional design, quality of fabric and rich cultural aspects. Over six decade of its has shown its recognition not just in India but also attracted the foreign individuals. The famous Sambalpuri Saree is basically produced in the few districts of Western Odisha like Sambalpur, Bargarh, Sonapur, Balangir and Boudh with varieties like Sonepuri Pasapali, Bomkai, Barpal and Bapta which are commonly known as Pata ("Fabric Tour Of India: Unique Indian Handlooms From All 29 States | The Ethnic Soul," 2017). The weavers of the Sambalpur Saree are the persons with very efficient skill and precision, honoured with many national and state rewards but the other side of the coin shows the repulsive side of their life leading them to leave the profession (Shefalee Vasudev, 2015). Dominance of upper level of weavers, insufficient payment against the work in the inflated periods, increasing number of mediator between producer and sellers etc. has been the

reasons behind the awful living standard of the weavers (Pradhan, 2014). Out of four types of weavers like the Bhulia Meher, Gandia Meher, Kosta Meher and Coolie Meher, the Bhulia and Gandia Meher are the weavers of dominance class on the other two clans, which leads to dissatisfaction among the weavers of lower class in terms of payment, social presence, social status and standard of living. Along with the presence of dominance class of weavers, the introduction of schedule caste and tribe people as the weavers made the competition more critical (Meher, 2017). Even with the presence of many cooperative societies like Sambalpuri Bastralaya Cooperative Society (SBCS) and subsidies from the Govt. as well as from the Ministry of textile, it has been difficult to retain the weavers to work in the existing profession (Sahu, 2009). So it is imperative encourage the weavers to continue with their profession, which can be done by providing efficient motivation like sufficient rewards against their work, social recognition, direct participation in the market etc. These are nothing but the ways in developing their livelihood and developing in a sustainable manner.

### 2. Statement of the Problem

As the available literature reflected that, there is no much study conducted on the profits and losses status of the Sambalpuri Handloom in Odisha. In spite of various scheme implemented by the Government for the development of this sector yet there is no much improvement has seen. They face more competition from the especially weak unorganised sector, poor infrastructure and poor marketing. So the present study aims to exploring the profit/loss of the Sambalpuri Handloom in Odisha.

### 3. Objective of the Study

- To identify the problems faced by the Sambalpuri Handloom Products in Odisha.
- To assess the performance of Sambalpuri Bastralay Handloom Cooperative society.

### 4. Methodology

The study is descriptive in nature. Secondary data has been used in this study. Secondary data consists of data from the cooperative societies, journals, magazines, news papers etc. Primary data is collected through a structured questionnaire. Data Envelopment Analysis is used for the analysis of data. We have taken data of 10 Sambalpuri Bastralays of Bargarh and Sambalpur district.

In the present study following three inputs and two outputs are considered.

#### Inputs

- Inventory of sambalpuri saris
- Number of employees
- Wages of employees

#### Outputs

- Yearly sales
- Customer's Satisfaction

### 5. Literature review

The absence of access to wide spread advertising, exhibitions can play an important role in the promotion of these traditional products. By following the traditional method of promotion an online marketing plays an important tool for promotion of the handloom products. Depending upon the distribution it shows that 40% of the sample entrepreneur follows the channel of distribution when they involve intermediaries such as agents, dealers & also sell directly to the customer. These distribution channels have to improve to reach regional & national markets (Rama R.&Jenny B.,2016). Effective promotional tool with reference to the handloom society is introducing some of the technique which is given benefit to their handloom products. In this way, handloom weavers are more involved in producing & marketing of handloom products for more than 40 years are having excellent marketing performance. Most societies are giving importance for promoting the product through sales. (A.Kumudha & M.Rizwana., 2012). Some of the dominant perceptions of the handloom industry have been that it is traditional and restricted to a niche market. The production-market parameters set by organised mass production poses another problem, since marketing practices cannot deal with the complexity of dispersed production. Another dominant perception is that of the weaver as hidebound, risk-averse and incapable of innovation. Every hand-loom enterprise examined in this issue contradicts this assumption and reveals that they are actually capable of major shifts in scale, product development and markets (Seemanthini.,et al 2006). The demand for yarns by the enterprises being a derived demand is adversely affected by higher the prices of both local and foreign cotton yarns than in the prices products. A closer look into the behaviour of market prices of yarns would they are not efficient enough to cater to the changes in the demand of yarn in the handloom (Abdul Hye Mondal.,1989).Handloom weaving has many strengths and can be competitive under specific conditions, the seeds of crisis are inherent in the sector. These can be traced to two major factors - the

poor performance of the cooperative sector, and the poor economic condition of the weavers. It is clear that the two major institutional structures in handloom weaving, viz, cooperatives and master weavers, are closely interrelated, as is their growth (S. Mahendra Dev, S. Galab, P. Prudhvikar Reddy and SoumyaVinyayan., 2008).Markets are differentiated across local and urban consumers and serviced by products from all the sectors. Local markets are more price sensitive, while urban retail needs standardised products. In the speciality markets, handlooms fight for survival against cheaper imitations made by power looms, counting on discerning customers to tell the difference (A.mamidipudi,Syamasundari B and W. bijker.,2012). Producing and selling handlooms successfully demands a different type of linkages, especially if one is selling in mass markets. The norms of these markets - like standardisation of product and high volume production, which are a function of mechanisation and centralisation - are directly in contrast with handloom production processes. There are specific areas, which need strengthening in the industry, and the handloom enterprises cited above have worked on the weaker links in the production-marketing chain in unique ways (B.Syamasundari and Seemanthini Niranjana2006).The weavers working for the society have witnessed regular and prompt payment of wages and this has helped them to learn that this was due to the capacity of the society to market whatever is produced and there would be no problems of working capital, stockpiling and slump in the production (Dharmaraju P.2006),.As master weavers shift from saree production to dress materials, the target market also changes; does their marketing strategy then change, how do they reach out to new customer.. A completely new product was created for the outside markets and now, with the focus on exports, the product is moving out of local market. Taking a product out of the local market not only increases the price but also faces the risk of over dependence on unknown markets (B. Syamasundari and Seemanthini Niranjana 2006).The inability of the official agencies to market the handloom products effectively is the main reason for the failure of the handloom sector. The study recommended that the government should act only as a facilitating agency and give autonomy to weavers' co-operatives (Kanakalatha, Mukund, & Syamasundari, 2001).The outlook of the weavers and they must be oriented at grass root level to the betterment of their skills, knowledge and technology in order to ensure quality of product, improved efficiency and increased productivity. The study suggested that branding should be introduced in the handloom sector in order to enhance marketability (Soundarapandian.,2000).Handloom cluster in Orissa stated that the apex handloom co-operative society gives a sketch of the major cluster actors and an analysis of the business operations in the region. The major problems associated with production, technology, finance, and marketing were analysed. The study stressed the need for the cluster to have direct market linkages with big traders, design development, improvement in dyeing quality, strong market base etc for the development of handloom weaving in the region (Meher. 2007). Three major problems are coming out from the process viz... Shortage of raw materials, lack of proper financing and marketing insufficiency of the finished products as well as competition with other sectors. It is found from the study that handloom industry is facing lot of problems in procurement of raw materials, lack of proper financing and marketing insufficiency of the finished products (Bhadouria., 2012).Obsolete technology and competition from mills and power looms, the handloom sector is incurring continuous loss. The management of the societies is not

sound, and the financial and operational efficiency are poor. Government should reserve products for handloom sector, provide financial support to co-operative societies and provide training to develop managerial skills. The handloom co-operative societies should try to improve accessibility to raw materials, should ensure continuous employment to the member weavers and try to expand the market for handloom products. It found that majority of the weavers are illiterate or semi literate (Selvaraj. 2007).The handloom industry in Kerala and their district was less prepared to meet the challenges and opportunities of globalization. According to the study there is good prospects for handloom industry in Kerala during the post Globalization period, which is evident in the increase in handloom export from Kerala during that period (Ajithan.,2006).Difference between the handloom weavers of different age groups as regards to the dimension of their problems, but, the number of looms owned by the weavers has no relationship to the dimensions of production, finance, marketing, and the socio-economic problems faced by the weavers. The study suggested that the government should take steps to improve the literacy levels of handloom weavers, provide loans at easy terms to Weavers, start handloom research centres at district levels, and conduct exhibitions and fairs to promote handloom industry (Elango. 2009). Handloom industry faces a serious crisis, owing to competition from cheap power loom cloth from other states, scarcity of quality yarn, price escalation of yarn, dyes, and chemicals and other raw materials, high cost of production, absence of diversified product range (Valii, 2015).Handlooms is an ancient industry and source of livelihood for many villages in India. Its spread varies in style, practice and scale throughout the country. In recent regions it is has a proficiency industry, while in others its establishment is localised, where it is a family based activity. While hand woven fabrics are well sought national level and global level, weavers currently remain marginalized and often impoverished (Asachi.,2014).Despite several measures taken by the government by the way of institutional support and direct financial assistance to the handloom weavers, they are suffering miserably due to myriad problems and are sustaining continuous losses. At present,

most of the weavers are living below the poverty line. The main problems being faced by them are unemployment and mounting debts, along the other problems faced by the handloom industry. The crisis in the industry became alarming and it had reached to such a stage that some weavers committed suicides, whereas some weavers leaving their artistic weaving and migrate to other occupations (Rao & Rao, 2015).Socioeconomic variables such as lower level of education and credit volume and the lack of government support can speed up the process. However, the lower literate rate was not due to the lack of educational facilities as proved by the access to the majority of the households in the educational institutions. Rather, it might have been due to the lack of awareness about the benefits of education for the weaving occupation. Therefore, this study found and recommends for increasing the awareness among the weavers about the benefits of higher education. This can be done through introducing and strengthening the extension facilities in the study areas (Parvin&Haque, 2017). Choice of occupation is influenced by a number of variables. Annual incomes, education, and access to modern technology significantly influence the choice decision of the reeler towards handloom ownership. An increase in annual income of the respondent enables individual to invest in the physical capital and working capital required for the production process. Though handloom industry is typically a less capital intensive, a rising cost of raw material poses a challenge towards the growth of the handloom firms (Bortamuly, Goswami&Hazarika, 2013).Co-operatives helped to increase the wage rates significantly, the number of days of employment declined. According to the study, the failure of the central co-operatives to increase sales, which resulted in the under utilisation of the installed capacity by the industry is the reason for this. The study stated that in Kannur, north Kerala, which had better industrial organisation, superior technology and conscious trade union movement and co-operatives, had a slightly better performance in all sectors of the handloom industry compared to south Kerala. The study also highlighted the relatively high price of handloom products and the failure of the sector to bring product diversification by way of new products (Raghavan, 1995).

### Analysis

Table-1: Reference Units and Relative Efficiency

DMU	2014		2015		2016		2017	
	Ref. Units	Efficiency						
1		1	4,5	0.922	4,5,7	0.789	4	0.682
2	4,8	0.566	5	0.175	5	0.165	4,5	0.337
3	8	0.181	5	0.271	5	0.117	8	0.1166
4		1		1		1		1
5	1	0.976		1		1		1
6	4,8	0.931	5	0.649	5	0.701	4,5	0.781
7		1	4,5	0.834		1		1
8		1	5	0.983	5	0.91		1
9	8	0.462	5	0.202	5	0.147	5	0.161
10	4,8	0.269	5	0.191	5	0.27	5	0.204

#### Interpretation:

The long term prospects of each sales branch can not ascertained from its historical sales alone. Historical sales may not reflect the potential of the market of a sales branch which better management could exploit. Once the market efficiency and sales of a sales branch are known we can judge its longer term prospects through mean efficiency and mean sales of all the DMUs.

#### Finding and Conclusion:

The relative efficiency of sales branch of SBHLCS, Ltd. Is calculated through Data Envelopment Analysis. The sales of DMUs 4 and 5 can be increased. Management has to think about DMUs 2, 3, 9 and 10 because of their low efficiency and poor sales. They may be made mobile to increase their sales and efficiencies together. It is interesting if one can take the nondiscretionary inputs

like location and others to measure the efficiency. Weavers must be made aware to prepare the fabric according to the changing lifestyle of the people.

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