



AN ANALYSIS OF THE CAPITAL ASSET AND INVENTORY OF ZUANGTUI HANDLOOM ENTERPRISES IN AIZAWL, MIZORAM

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ABSTRACT

Handloom as defined by the Merriam-Webster dictionary 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. Handloom is the second largest provider of employment, providing employment to 31.45 lakh households through weaving and allied activities. In Mizoram, handloom provides employment to 27402 households (NCAER, 2020). The Zuangtui handloom cluster, located in the heart of Zuangtui Industrial Estate has provided great impetus to the economic development of the state. The paper aims to study the capital asset and inventory of the handloom enterprises of Zuangtui cluster such as ownership of work shed, means of transportation, types of products, loom type and quantity, etc. The study ventures into establishing the existence of correlation between the number of looms and average monthly income of the entrepreneurs.

KEYWORDS: capital, entrepreneurs, handloom, loom, puan, work shed.

INTRODUCTION

Handloom as defined by the Merriam-Webster dictionary 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. The lives of many tribes and casts are closely intertwined with handloom since time inception. It has been heralded as an artistic profession that commands a certain degree of awe and respect through the ages and hopes are still intact for the continuity of its grand status. What had provided protection and comfort from the physical elements in ancient times still provided people with employment opportunities in the modern world.

Handloom has always occupied a prestigious place in Mizo culture and is a way to showcase one’s talent and ingenuity through sophisticated designs and motifs of the garment called “puan.” Mizoram, by virtue of its location, is not endowed with the resources and potential for industrial advancement. Because of this, agriculture and handloom continue to be one of the key employment providers in the state. Handloom was traditionally a domestic work for women, but now it has evolved into a valuable commercial activity that provides employment to 27402 households (NCAER, 2020). Under weaving and allied activities, handloom employs 5634 men, 22083 women and 3 transgenders in Mizoram (NCAER, 2020). Handloom products has now broken the traditional confinement of *puan* and has branched out to various apparels such as vests, waistcoats, shawls, handbags, sling bags, pillow covers, footwear, wall hangings and others of the sort. However, the major product continues to be *puan* that is

modernized with trending designs, color combinations and motifs.

LITERATURE REVIEW

Handloom is India’s cultural heritage that shows cultural diversity through creativity and traditional precision (Hmangaihzuai, 2013). The versatile nature of handloom with its unparalleled flexibility permits experimentation and encourage innovation. A skillful blend of myth, faith, symbols and imagery gives the hand-woven fabrics their appealing dynamism (Mitra, et al., 2009). In India, among the adult handloom workers, majority, i.e., 77.9% are female. This dominance is unique to the North Eastern States at 99% female workforce, while male dominate the workforce in other states (NCAER, 2020). Traditionally, handloom is women’s trade and plays an integral part in marriage institution where girls with proficient weaving skills are preferred (Gailangam, 1997; Devi, 2013). Through handloom, women entrepreneurs have contributed significantly to local economic development, gender equality and socio-economic upliftment of women (Hazarika and Goswami, 2018). Women handloom entrepreneurship tend to have a positive impact on their decision making authority within the household and freedom of movement outside the house while at the same time reducing male preference and domestic violence against them. However, the lack of ability to exercise power over family income and asset is still evident (Hazarika and Goswami, 2016). Generally, in developing countries, women participate more actively in micro-entrepreneurship in the informal sector than men. However, their micro-entrepreneurial participation in the handloom sector is lower than males (Goswami, et. al., 2017). Gender wage gap also exist in the handloom sector where productive characteristics such as credit



access, handloom training, adopting modern technology and maintaining bookkeeping adds to the wage generating capacity of both genders, but favours males better (Hazarika, 2017).

Handloom and the art of cultivating and processing cotton have been known to the Mizos since time immemorial, however, the first clear account of their handloom works dates back to around 1450 ~ 1400 when they settled in Thantlang and Run River (Boichhingpuii, 2016 & Lalarzoa, 2014). Among handloom entrepreneurs of Thenzawl, low profit margin was the main problem faced where they earned a profit margin of about 25% while that of the trader's is 22%. However, these profit margins are quite high as compared to other clusters in India (one of the highest being 14% in Burdwan, West Bengal) (Ramswamy, 2013). Handloom entrepreneurs also faced problems pertaining to limited supply of yarn and fixing employee turnover due to loom owners betting up wages (Pachau, et al., 2018). In Zuangtui cluster, majority of the weavers were women and faced no problem in both finance and marketing. However, problems regarding supply of yarn and lack of skills resonate well with the inadequate Government assistance (Renthle, 2019).

RESULTS AND DISCUSSION

A. Work shed

A work shed 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 work shed 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 work shed in their own premise or rent places for the same.

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

B. Ownership of Means of Transport

A means of transportation such as two-wheeler or four-wheeler vehicle of any kind may serve as a valuable mode for shipping of finished products to the market and procuring raw materials from their sources.

It was found from the field survey that a large portion (76.66%) of the respondents had at least one means of transport, which is either a two-wheeler vehicle or a four-wheeler or both. The remaining of the respondents, (23.33%) had no means of transport and thus rely on public mode of transportation or walking on foot as a means of transport.

C. Source of Yarn

The place where the respondents bought their yarns was asked and it was evident from the field survey data that 82% procure their yarns from Aizawl market, 14% from Guwahati market and

only 2% procure their yarns from a cooperative market. As can be seen, few entrepreneurs had not just a single market as a source for procuring their yarns and did business in the Aizawl market and Guwahati market or the Aizawl market and Cooperative market.

D. Start-up Capital

A start-up capital is essentially the money invested to start a new business. It was found out that a large majority (80%) of the respondents raised the start-up capital for their enterprise by themselves. The rest 20% of the entrepreneurs borrowed their start-up capital from the banks as loans.

E. Type of Products

An enquiry was made into the type of products produced by the handloom entrepreneurs of Zuangtui cluster. Senior puan and plain Thilchhah puan were the most popular products as these puns were the contemporary ones worn on most occasions. This was followed by Pangpar puan, Ngotekherh and Tawlhloh puan. The least produced items were Puanropui, Hmaram, Thangchhuah, Pawndum and Puanchei. There were entrepreneurs who produced Ipte (a bag) of different kind such as Khiangkawi ipt, Ipte chei and a Mizo puan-patterned sling bag which is quite popular with the consumers. Other items such as Shawl, Kawrchei (a blouse paired with Puanchei) and Naupuakpuan (a cloth used as a baby carrier) were also produced. One very interesting finding was that there was one entrepreneur who produces only Naga garments and ships their entire products outside Mizoram.

F. Ancillary Repair Services

Capital asset such as looms, warps and drums require maintenance and repair occasionally. It can be seen from the above 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.

G. Loom Type and Quantity

There are different types of fly shuttle looms used in Mizoram. The most common ones are Indian loom and semi-automatic Zo loom. The semi-automatic Zo loom is a modification of Burma loom that is widely used in Myanmar. It is certainly noteworthy that all the respondents use semi-automatic Zo loom. The wide prevalence of Zo loom seems to come about in 1985 when the Zoram Industrial Development Corporation (ZIDCO), a private company jointly owned by the Government of Mizoram and the Industrial Development Bank of India (IDBI) gave refinance loans on the Semi-Automatic Zo Loom. This Zo Loom was much more efficient in production and could churn out three times the amount of output in relative to the Indian fly shuttle looms (Dr. Zohmangih, MACHO Chairman, 2020). Thus, the economic efficiency of Zo loom and the availability of skilled mostly-Burmese workers who could operate the loom led to its popularity among the respondents.



With regards to the quantity of loom owned, about half (53.33%) of the respondents had 1-15 looms, a few (13.33%) of them had 16-30 looms, a sizeable (26.66%) of the respondents had 31-40 looms and only a couple (6.66%) of the respondents had more than 40 looms.

H. Average Monthly Income of the Entrepreneurs

The data on average monthly income of the entrepreneurs is:

Table 1: Average Monthly Income of the Respondents

Variable	< 5000	5000 - 10,000	10,001-15,000
Frequency	3	3	1
Percentage	10%	10.00%	3.33%

Variable	15,001 - 20,000	20,001 - 20,500	25,000 >
Frequency	3	2	18
Percentage	10.00%	6.66%	60.00%

Source: Field Survey

The above table shows that the lowest income group of entrepreneurs who earns less than Rs.5000 per month makes up 10% of the respondents. The highest income group of entrepreneurs who earn more than Rs.25,000 monthly makes up a majority, i.e., 60% of the respondents. This is a stark contrast to the income of weavers of Zuangtui cluster (Renthle, 2019) where the highest income group who earn above Rs. 25,000 monthly makes up only 12.5% of the respondents. In this study, among the respondent entrepreneurs within the highest income group, there were 9 entrepreneurs who earn between Rs.80,000 - Rs.1,00,000 per month, making up 30% of the respondents. Therefore, a disparity in the income of handloom entrepreneurs of Zuangtui cluster is quite evident.

I. Correlation of Looms and Average Monthly Income

To analyze the relationship between number of looms and average monthly income of the entrepreneurs, a Karl Pearson's Correlation Coefficient test was run using SPSS software.

Table 2: Correlation Between No. of Looms and Average Monthly Income

		Avg. Monthly Income	No. of Looms
Avg. monthly income	Pearson Correlation	1	.909**
	Sig. (2-tailed)		.000
	N	30	30
No. of looms	Pearson Correlation	.909**	1
	Sig. (2-tailed)	.000	
	N	30	30

Source: Field Survey

** . Correlation is significant at the 0.01 level (2-tailed).

It is evident from the above table that the Karl Pearson's Correlation Coefficient for number of looms and average monthly income is 0.909 which is significant at 0.01 level. This means that the two parameters have a very strong positive correlation which can be said with 99% level of confidence.

CONCLUSION AND SUGGESTIONS

The following empirical and general suggestions were made to foster a momentum of sustainable developments amongst the Zuangtui handloom entrepreneurs.

- i. 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) work shed 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.
- ii. Most 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, to broaden the handloom market to the national and international level, the types of products produced must be adapted to suit the destined markets.
- iii. 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, to target such markets, natural yarns such as cotton and silk can serve as a great alternative to acrylic yarns.



The study enables us to better understand the capital asset and inventories of the handloom enterprises of Zuangtui Cluster. It is observed that number of looms owned greatly correlated with the income of the entrepreneurs. It is also observed that entrepreneurs who were not allotted plots of Zuangtui Industrial Estate land faced a great increase in their cost of production through an increased rent for work shed. Despite vast differences in the size of Zuangtui handloom enterprises and their assets and inventories, it can be concluded that handloom has help provide employment and livelihood to a vast number of people.

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