

Assam Silk Market: Problems and Probable Solutions

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ABSTRACT: Assam, a north eastern state of India has a tradition of sericulture and weaving, particularly among the rural folk. Along with agricultural activities, rural people of Assam use sericulture and weaving for earning their livelihood and to fulfil their own requirement of cloth. In spite of having a conducive climate, skilled manpower, high demand and a rich tradition of sericulture & weaving, the Assam silk industry is finding it difficult to survive. Recently, Assam witnessed an agitation of weavers resulting from issues relating to threats in Assam silk market which forced the Govt. to impose curfew. This study tries to analyze the problems associated with the Assam silk market and tries to find probable solutions in the form of an integrated business model with check points to safeguard the interest of raw material producers, weavers, traders and the industry as a whole.

KEYWORDS: Assam silk, sericulture, natural silk

I. INTRODUCTION

Since time immemorial, human beings have been weaving and producing cloths. The art of producing thread and weaving cloths have developed with the development of human civilization since ancient times. India is a big country and each region of the country has its unique process of weaving, design, style etc. These are influenced by the culture, tradition, social norms, believes, climate etc. of that region. Like many other places, Assam, a north eastern state of India has an age old tradition of sericulture and weaving. The colourful, artistically designed, fine quality handloom products of the state, particularly handloom products woven out of Assam silk attracts the eyes of people all over the world. The natural silk produced in Assam is known as Assam silk. Assam produces all the four varieties of natural silk i.e. *eri*, *muga*, *mulberry* and *tussar*. The natural silk *Eri* and *muga* are of indigenous origin and Assam is famous for these two silk varieties. *Muga* silk is found only in Assam.

Cloths produced from *eri* silk are durable and warms up a person. The white coloured, soft *eri* silk cloths are used as winter wear. As *eri* silk cloths are warm and durable, it is known as poor man's silk. *Muga* silk is bright golden yellow or light brown in colour. *Muga* silk cloths are precious, warm, elegant, strong and bright coloured. Bright *muga* silk cloths are inseparable part of the people of Assam in festive occasions and marriages, particularly for ladies. *Mulberry* silk is soft, light, cool but strong. This silk is used to make beautiful garments for both men and women.

II. OBJECTIVES OF THE STUDY

1. To study the prevailing problems of Assam Silk market
2. To find probable solutions to the problems of Assam Silk market
3. To suggest an Integrated Business Model as a solution to the problems of Assam Silk market

III. METHODOLOGY

This research paper is descriptive in nature. The study is based on secondary data. Data required for the study was collected from journals and websites. The author has tried to develop a model to safeguard the interest of all stakeholders in the Assam Silk industry.

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IV. ASSAM SILK INDUSTRY

The production of the indigenous silk varieties of Assam can be seen throughout the state, but the activities are mainly concentrated in Sualkuchi area. Sualkuchi is called the Manchester of Assam. Most of the natural silk produced in the state is brought to Sualkuchi which is situated on the north bank of river Brahmaputra in the Kamrup district of Assam. Assam silk industry is basically a labour intensive cottage industry. Presently, 20,000 hectares of land is under muga, mulberry and eri cultivation, involving 2.6 lakh families in more than 10,000 villages of the State. There is high demand for Assam silk fabrics and therefore many people have started semi automatic factories to produce silk garments. In 2011 – 2012, Assam produced 2,109 metric tonnes of silk out of which *muga* accounts for 115 metric tonnes, *mulberry* accounts for 18 metric tonnes and *eri* accounts for 1,976 metric tonnes. Most of the cloths and garments made of assam silk are traditional in nature with unique designs which have high social and cultural value. These cloths and garments are generally sold by the weavers throughout the state in an unorganized market.

V. ASSAM SILK MARKET AND ITS PROBLEMS

Assam silk has a very good market both inside and outside the state due to its quality, bright colour, attractive designs and traditional values. For evidence, the demand for *muga* silk which is exclusive to Assam, is growing day by day and it is gaining popularity as high-end fashion fabric both in India and abroad. But the production of this golden silk is not increasing as expected. Our country has a demand of around 26,000 MT of silk yarns, against which the country produces around 18,000 MT of silk yarns. Unfortunately, Assam silk producers, weavers and traders have failed to exploit the market potential. There is a gap between demand and supply. The shortfall is made up by imported silk yarns from China, Japan and Italy.

Central and state govt. have a good number of schemes for the development of sericulture and weaving, however, people are yet to see a significant benefit of these schemes. Although a huge amount of money is spent, the result is pathetic. This is because of poor planning, poor implementation and corruption. This is evident from the fact that Assam produced 95 MT *muga*,

way back in 1957, and has produced 115 MT in 2011 – 2012. Urbanization and shortage of skilled agricultural labour is another reason for the shortage of Assam silk production.

Assam silk industry is an unorganized industry. Most of the people engaged in production and marketing, are small entrepreneurs, less educated and do not know, how to market their production systematically in the market. There is no effective mechanism to standardize the quality and price. Some clever middlemen and traders are taking advantage of this situation and making money by betraying the original silk producers and weavers.

It is a general feeling that Assam silk is costlier than the silk imported from outside Assam particularly from Banares. However, a close look reveals that if it is natural silk, there is not much difference in cost of Assam silk and the silk imported from outside Assam, produced in different silk centers in the country. But when natural silk is blended with cheap imported Chinese silk or artificial silk yarns, the cost of such fabric becomes significantly low compared to pure natural silk fabric. As most of the customers are ignorant of the silk quality, some dishonest traders are taking advantage of this situation and earning huge profit by selling blended fabric as pure silk fabrics. The sufferers are the Assam silk weavers, who for survival are forced to sell their genuine products at throwaway prices to the bulk buyers who have a hold in the market. A clear evidence of this suffering was seen when Sualkuchi weavers protested the procurement of Banarsi silk by local traders, and burnt stocks of blended silk garments. There was a clash between weavers and the police. Govt. had to impose curfew to tackle the situation.

VI. PROBABLE SOLUTIONS

It seems that the only major and permanent way to find solutions to the problems of Assam silk market is to increase the production. If state's own production of silk yarns can be increased to meet the growing demand, it will close down ways for imported cheap silk from outside the state. Increased production will ensure regular supply of silk yarns to the weavers at reasonable price which will ultimately make the Assam silk garments price competitive in the market.

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Assam has favourable factors of production for the production of silk yarns. The climate of Assam is favourable for natural silk rearing. Most of the areas in the state are still away from industrialization, and therefore there is no shortage of suitable area for silk cultivation. As silk rearing is a tradition in Assam, therefore the knowledge, experience and skill required for silk production is available in the state. If we consider these facts, there is every reason to think, that, with a sincere and systematic effort, production of natural silk in Assam can be easily increased.

As the sericulture industry in Assam is unorganized, therefore it becomes difficult to put up a forceful all out effort for increased production. This is another reason why the benefits of govt. schemes have failed to touch all the stakeholders of the silk industry. Moreover an unorganized industry cannot easily stand united for its own interest. Therefore organizing the unorganized industry in all aspects from production to sales by a well developed business model is the need of the hour.

VII. BUSINESS MODEL

Developing a model involving the silk producers, weavers and finished silk product marketers will be helpful in organizing the industry. The model will have to encompass and safeguard the interests of all these stakeholders. Such a model will have to be initiated by the Government. We can think of a model, where, there will be a govt. initiated central body and under the central body, there will be sub central bodies in different areas as per requirement. All the silk producers, weavers and finished silk product marketers will be required to register themselves in the sub central body of their area. The central body and the sub central bodies will be responsible for implementation of govt. schemes, providing training, funding and raw material supplying and helping the silk producers and weavers with all sorts of support for increased production. Non-registered producers and weavers will not get benefits of govt. schemes and support. Silk producers and weavers will get the chance to sell their silk and silk garments to their specific sub central body and thereby they will get adequate price for their products and will get rid of the exploitation of middlemen. The sub central bodies with support of central body will check for standard quality and will set appropriate wholesale and retail price for the products. The finished product marketers will be able to purchase finished Assam silk products from the central and sub central bodies for their business. Govt. will have to create a brand for the finished products sold through central and sub central bodies. This will help the customers to look for pure Assam silk products in the market and the sellers will get a chance to convince the customers while selling. Again, the profit earned by the central and sub central bodies through its transactions will be shared with registered silk producers and weavers. Thus silk producers and weavers will get additional financial benefit and will get motivation for their work. The registered silk producers and weavers will elect members for a fixed term to monitor proper functioning of the central and sub central bodies. These members will have the power to influence the decisions of the central and sub central bodies in the interest of the stakeholders. Thereby, registered members will feel that central and sub central bodies are their own bodies and hence their support and participation will be more which will ensure transparency in the functions.

The success of such a model will be possible when there will be sincere effort from the govt. and whole hearted support and participation of silk producers and weavers. If silk producers and weavers come together, silk marketers will be bound to support such a model because customers will demand for pure Assam silk products with specific brand and price, and marketers will not get the supply of pure Assam silk anywhere else except through central and sub central bodies of the model.

The following figure (Fig. 1) is a diagrammatic representation of the above discussed proposed business model. The figure shows the linkages of information and resource flow among the Central Body, Sub-Central Bodies, Silk Producers, Weavers, Marketers and Customers

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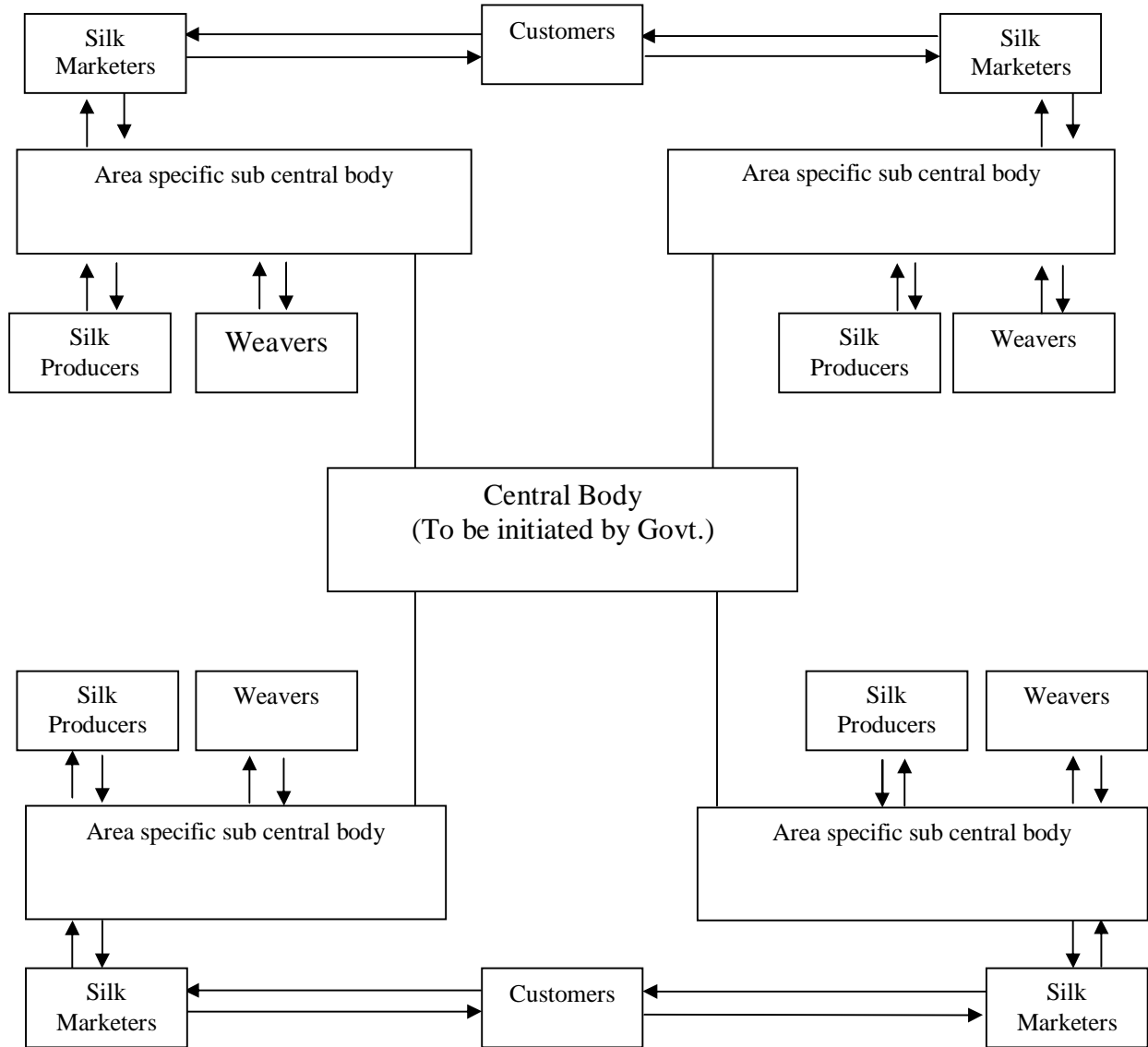


FIG. 1: SHOWING THE PROPOSED BUSINESS MODEL

VII. CONCLUSION

The natural silk industry of Assam is an indispensable part of the people of Assam, their culture and tradition. In spite of having a tradition of silk production and many govt. schemes, in the market of Assam silk, the supply is significantly less compared to demand which is the root cause of the problems of Assam silk market. Market related problems like threat of cheap imported yarns, traders selling garments made out of low priced blended yarns in the name of pure Assam silk etc. are depriving and demoralizing people who are honest and engaged in production, weaving and trading of Assam silk. Organizing the unorganized industry with a properly worked out business model can bring permanent

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solutions to many market and production related problems. According to the 2012/2013 Economic Survey Report of Assam, the State has 13 lakh handlooms which provide direct and indirect employment to around 25 lakh people. It is believed that revitalization of the Assam silk industry with adequate planning and effective implementation will help transformation of the economy of Assam.

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