

# Survival of Handloom Industry: A Study With Reference to Baluchari Sharee in Bishnupur of Bankura District

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**Abstract-** Handloom is one of the oldest cottage industries in India. Baluchari sharee, a handloom product of exclusive design and fabulous weaving technique, reflects the cultural heritage of India. Baluchari handloom products are not only piece of decoration but also a source of livelihood to several numbers of artisans, middlemen and traders. The present paper examines the economics of baluchari handloom units working under different production organizations, namely independent, tied and cooperative and analyse the factors that explain the survival of the industry. Being a labour intensive art product it is produced with small amount of capital with substantial value addition. Both gross profitability and net profitability in this industry are substantial for the independent units while gross income generated for the artisans working under different production organization is significant for livelihood. Variation in profitability across independent units and tied units is significantly explained by both labour productivity and capital productivity while that in units under cooperatives by capital productivity alone. The industry has good development potential with favourable economic, social and cultural, institutional and psychological factors.

**Keywords-** handloom, earnings, employment, profitability, value addition.

## I. INTRODUCTION

The most well known Bengal silk sharee that carries its popular name is *Baluchari sharee* – a production of exclusive design and fabulous weaving technique. The *Baluchari sharee* is native to the village called *Baluchar* in Murshidabad of Bengal. It was way back in 1704 A.D that the first baluchari weaving took place. In the 18<sup>th</sup> century, Mursidkuli Khan, Nawab of Bengal patronized its rich weaving tradition and *baluchari* flourished from that time onwards. But this flourishing trend later declined, specially during the British rule due to political and financial reasons and it became a dying craft as most of the weavers were compelled to give up the profession. Later in the first half of 20<sup>th</sup> century, Subho Thakur, a famous artist, felt the need of

recultivating the rich tradition of *baluchari* craft. Though Bishnupur was always famous for its silk, he invited Akshay Kumar Das, a master weaver of Bishnupur to his centre to learn the technique of jacquard weaving. Sri Das then went back to Bishnupur and worked hard to weave *baluchari* on their looms. At one stage no gold or silver thread was used in the making of the fabric. The important feature is the white outlining of the motifs like animals, vegetation, miniscule images of human beings, vignettes from the *Ramayana*, marriage processions, brides in palanquins, horse riders ethnic musicians to name a few. Nowadays *baluchari* style sharees are woven using highly mercerized cotton thread and silky threadwork ornament in bold colors. The cloth is very fine with a soft drape A revival in recent time of both the *baluchari* and another outstanding traditional Bengal sharee – “Daccai” has led to nation wide and world wide popularity and interest in Bengal silks. Like silks cotton sharis are also woven in a fascinating and exquisite range.

The unique feature of *baluchari* sharees was the combination of animal and bird motifs incorporated in floral and paisley decorations while other motifs included hunters on horses, elephants, and scenes from the *Nawab's* court. The silk yarn used for *baluchari* saris was not twisted and so had a soft and heavy texture. Limited ground colours were used, which were permanent in nature and retain their freshness even after so many years.

It reflects the cultural heritage of India. *Baluchari* handloom products are not only piece of decoration but also a source of livelihood to several numbers of artisans, middlemen and traders etc. *Baluchari* handloom product and its production process are friendly to the environment. It uses the ideal working capacity of household women workforce without hampering their household chores. It still plays a very important role in the economy of a group of people who belong to the particular caste and are involved in production of *baluchari* product by generation of employment and income in Bishnupur town.

Bishnupur is a medium size town having population of 61947 as per 2001 Census. It has a good cultural and social tradition of renown in the tourist map and history of India.

Against this brief historical backdrop the present note sets the following objectives for itself.

## II. OBJECTIVES OF THE STUDY

The objectives of the study are as follows:

- i) To examine the economics of *baluchari* handloom units under different production organizations of the industry, namely independent, tied to mahajan and cooperative, and
- ii) To analyse the factors which explain the survival of this industry.

## III. DATABASE AND METHODOLOGICAL ISSUES

We selected randomly twenty *baluchari* handloom household units from each organization of production namely independent, tied to mahajan and cooperative. The relevant data on employment, capital, production, and profit were collected from the sample units. The reference period of the study is 2012. Simple statistical tools like mean, standard deviation and coefficient of variation have been used to analyse the data.

## IV. DISCUSSION AND FINDINGS OF THE STUDY

### A. Employment Scenario

Baluchari constitutes petty commodity production which involves small number of workers. The number of workers engaged in this industry is classified into three categories – (i) 1-3 workers, (ii) 4-5 workers and (iii) workers above 5. Distribution of *baluchari* silk sharee units by number of persons engaged shows that 40 percent of the *baluchari* silk sharee producing handloom very tiny units belong to the first category employing number of workers ranging from 1 to 3 whereas 33 percent tiny units belong to the second category employing number of workers ranging from 4 to 5 and the rest 27 percent small units belong to the third category employing number of workers more than 5 in Bishnupur town. Distribution of *baluchari* silk sharee units by both number of persons employed and type of production organization shows that most of the independent units ( 55 per cent) belong to the second category employing 4 to 5 workers while most of the units under cooperative belong to the first very tiny category engaging 1 to 3 workers. 50 per cent of the tied units belong to this category in respect of workers engaged (Table 1).

Table 1 Distribution of Handloom Units by Number of Workers and by Type of Production Organization

Organization	Number of units by number of persons employed			Total number of units
	1 to 3	4 to 5	Above 5	
Independent	0(0.00)	11(55.00)	9(45.00)	20(100)
Cooperative	14(70.00)	2(10.00)	4(20.00)	20(100)
Tied to <i>Mahajan</i>	10(50.00)	7(35.00)	3(15.00)	20(100)
Total	24(40.00)	20(33.33)	16(26.67)	60(100)

Source: Field Survey Note: Parentheses represent percentage share

The artisans are mostly engaged in this industry throughout the year. The number of working days in the year is classified into three categories – (i) upto 300 working days, (ii) 301 to 325 working days and (iii) working days above 325. Distribution of *baluchari* silk sharee units by number of working days in the year shows that 8 percent of the *baluchari* silk sharee producing handloom units belong to the first category having number of working days upto 300 days whereas 43 percent units belong to the second category having number of working days ranging from 301 to 325 and the rest 48 percent units belong to the third category having number of working days more than 325 in Bishnupur town. Distribution of *baluchari* silk sharee units by both number of working days in the year and type of production organization shows that most of the independent units ( 50 per cent) belong to the second category having working days ranging from 301 to 325 while most of the units under cooperative belong to the third category having number of working days more than 325. 50 per cent of the tied units belong to this category having number of working days more than 325 (Table 2).

Table 2 Distribution of Handloom Units by Average Working Day in the Year and by Type of Production Organization

Organization	Number of units by number of working days in the year			Total number of units	Average working day	CV (%)
	Upto 300days	301 days to 325 days	Above 325 days			
Independent	02 (10)	10(50)	08(40)	20(100)	325.2	3.57
Cooperative	00(0)	09(45)	11(55)	20(100)	329.40	2.50
Tied to <i>Mahajan</i>	03(15)	07(35)	10(50)	20(100)	325.80	4.01
Total	05(8.33)	26(43.33)	29(48.33)	60(100)	326.80	3.41

Source: Field Survey Note: Parentheses represent percentage share

### B. Capital intensity

Fixed capital intensity is measured by the ratio of fixed capital to the number of labourers employed in the manufacturing units.<sup>1</sup> Capital intensity in *baluchari* industry is very low as in other traditional industries<sup>2</sup>. Total capital intensity is also small in the units as fixed capital is a major part of total capital. It is measured by the ratio of total capital to the number of labourers employed in the manufacturing

<sup>1</sup> See also Q.K. Ahmad & M.U.Ahmad (1985), " A review of Rural Non-Farm Economic Activities in Bangladesh" in Mukherjee & Lim (ed), *Development and Diversification of Rural Industries in Asia*. APDC, pp. 86-87.

<sup>2</sup> R. Islam (1987) *Rural Industrialization and employment in Asia*, ILO-ARTEP, pp.10-11

units. The amount of capital intensity in this industry is classified into two categories – (i) Upto Rs 26, 000 and (ii) Above Rs 26,000. Distribution of baluchari silk sharee units by amount of fixed capital per worker shows that 65 percent of the total sample units belong to the first category having amount of total capital investment amounted to Rs 26,000 or below per worker and the rest 35 percent units belong to the second category having amount of total capital investment more than Rs 26000 per worker in Bishnupur town. Distribution of *baluchari* silk sharee units by both amount of total capital investment and type of production organization shows that most of the independent units (65 per cent) belong to the second category having amount of fixed capital per worker more than Rs 26,000 while most of the units under cooperative belong to the first category having amount of total capital investment upto Rs 26,000. 85 per cent of the tied units belong to this category in respect of amount of total capital investment. Amount of average total capital investment per worker registers highest (Rs. 26,632) in case independent organization followed by cooperative and tied organizations (Table 3).

Table 3 Distribution of Handloom Units by Value of Total Capital (K) per Worker and by types of Production Organization

Organization	Number of Units by amount of total capital used per worker		Total number of units	Average Total Capital (Rs.)	CV (%)
	Upto Rs.26,000	Above Rs 26,000			
Independent	7(35)	13(65)	20(100)	26632	6.95
Cooperative	15(75)	5(25)	20(100)	24693	7.53
Tied to Mahajar	17(85)	3(15)	20(100)	24488	6.01
Total	39(65.00)	21(35.00)	60(100)	25271	7.77

Source: Field Survey Note: Parentheses represent percentage share

**C. Income:**

Most of the artisans’ monthly income is low from this industry. The artisans’ monthly income in this industry is classified into three categories – (i) upto Rs 4000, (ii) Rs 4001 to Rs 4500 and (iii) above Rs 4500. Distribution of baluchari silk sharee units by amount of monthly income from this industry shows that 40 percent units of the total sample units (60) belong to the first category having monthly income per artisan amounting to Rs. 4,000 and less, whereas 30 per cent units belong to the second category having monthly income amounting more than Rs 4,000 to Rs 4,500 per artisan and rest 30 per cent units belong to the last category having monthly income amounting more than Rs 4,500 per artisan in Bishnupur town. Distribution of *baluchari* silk sharee units by both monthly income per artisan and type of production organization shows that most of the independent (85 per cent) units belong to the third category having monthly income per artisan amounting more than Rs 4,500 while most of the units under cooperative (55 per cent) belong to the first category

having monthly income per artisan amounting to Rs 4,000 and less. 60 per cent of the tied units belong to this category in respect of monthly income per artisan. Estimated average monthly income generated per artisan from this industry is highest Rs. 5886 in case of independent units followed by cooperative units and tied units (Table 4).

Table 4 Distribution of Handloom Units by Average Monthly Income per Weaver (30days of 8 hrs) from Handloom Weaving (Rs)

Organization	Number of units by monthly income per weaver			Total number of units	Average (Rs.)	CV (%)
	Upto 4000	4001 to 4500	Above 4500			
Independent	01(5)	02(10)	17(85)	20(100)	5886	15.51
Cooperative	11(55)	08(40)	01(5)	20(100)	3853	15.61
Tied to Mahajar	12(60)	08(40)	00(0)	20(100)	3758	13.84
Total	24(40.00)	18(30.00)	18(30.00)	60(100)	4499	27.35

Source: Field Survey Note: Parentheses represent percentage share

**D. Labour productivity:**

Labour productivity is measured in terms of value added (Va) per man-day (md), i.e.,  $V_o / md$  and  $V_a / md$ . Most of the independent units produce higher value of output. Most of the independent units produce higher value added than tied or cooperative units. The annual value added per man-day ( $V_a/md$ ) in this industry is classified into two categories – (i) upto Rs. 150 and (ii) above Rs 150. Distribution of baluchari silk sharee units by amount of annual value added per man-day ( $V_a/md$ ) shows that 63 percent units of the total sample units (60) belong to the first category having annual value added per man-day ( $V_a/md$ ) amounting to Rs. 150 and less, whereas rest 37 per cent units belong to the second category having annual value added per man-day ( $V_a/md$ ) amounting to more than Rs 150 in Bishnupur town. Distribution of *baluchari* silk sharee units by both annual value added per man-day ( $V_a/md$ ) and type of production organization shows that most of the independent (70 per cent) units belong to the second category having annual value added per man-day ( $V_a/md$ ) amounting more than Rs 150 while most of the units under cooperative (75 per cent) belong to the first category having annual value added per man-day ( $V_a/md$ ) amounting to Rs 150 and less. 85 per cent of the tied units belong to this category in respect of annual value added per man-day. Estimated average annual value added per man-day ( $V_a/md$ ) is highest (Rs. 155) in case of independent units followed by cooperative units and tied units (Table 5).

Table 5 Distribution of Handloom units by Value added per man-day (Va/md) and by Type of Production Organizations

Organization	Number of units by value added per manday (Rs)		Total number of units	Average (Rs)	CV (%)
	Up to Rs.150	Above Rs 150			
Independent	6(30)	14(70)	20(100)	155	12.95
Cooperative	15(75)	5(25)	20(100)	139	10.59
Tied to <i>Mahajan</i>	17(85)	3(15)	20(100)	137	10.25
Total	38(63.33)	22(36.67)	60(100)	144	12.58

Source: Field Survey Note: Parentheses represent percentage share

### E. Profitability :

Profitability of sample *baluchari* units is measured in two ways – (i) gross profit per 100 rupee of sales and (ii) net profit per 100 rupee sales. Gross profit = (total sales value - total paid out cost) and Net profit = {total sales value – (total paid out cost + total imputed cost for use of own factors of production)}. Of all the three production organizations independent units represent the highest values in terms of both the indices, followed in most cases by the tied units (Table 6 and 7).

The gross profit ratio {GP/Sales (%) } in this industry is classified into three categories – (i) upto 35 percent, (ii) 36 to 50 percent and (iii) above 50 percent. Distribution of *baluchari* silk sharee units by gross profit ratio {GP/Sales (%) } shows that 47 percent units of the total sample units (60) belong to the first category having gross profit ratio amounting to 35 percent and less, whereas 27 percent units belong to the second category having gross profit ratio amounting more than 35 to 50 percent and rest 27 percent units belong to the last category having gross profit ratio amounting more than 50 percent in Bishnupur town. Distribution of *baluchari* silk sharee units by both gross profit ratio and type of production organization shows that most of the independent (80 per cent) units belong to the last category having gross profit ratio amounting more than 50 percent while most of the units under cooperative (60 per cent) belong to the first category having gross profit ratio amounting to 35 percent and less. 80 per cent of the tied units belong to this category in respect of gross profit ratio. Estimated gross profit ratio of this industry is highest (53.39 percent) in case of independent units followed by cooperative units and tied units (Table 6).

Table 6 Distribution Handloom Units by Gross Profit per unit of Sales (Gross Profit/sales) and by Type of Production Organizations

Organization	Number of units by gross profit/sales (%)			Total number of units	Average (%)	CV (%)
	Up to 35	36 to .50	Above .50			
Independent	0(0)	4(20)	16(80)	20(100)	53.39	4.96
Cooperative	12(60)	8(40)	0(0)	20(100)	34.47	4.79
Tied to <i>Mahajan</i>	16(80)	4(20)	0(0)	20(100)	33.84	4.19
Total	28(46.67)	16(26.67)	16(26.67)	60(100)	40.56	23.05

Source: Field Survey Note: Parentheses represent percentage share

The net profit ratio {NP/Sales (%) } in this industry is classified into three categories – (i) Negative, (ii) 1-15 percent and (iii) above 15 percent. Distribution of *baluchari* silk sharee units by net profit ratio {NP/Sales (%) } shows that 17 percent units of the total sample units (60) belong to the first category having negative net profit ratio, whereas 50 per cent units belong to the second category having net profit ratio more than 0 to 15 percent and rest 33 per cent units belong to the last category having net profit ratio more than 15 percent in Bishnupur town. Distribution of *baluchari* silk sharee units by both net profit ratio and type of production organization shows that most of the independent (80 per cent) units belong to the last category having net profit ratio amounting more than 15 percent while most of the units under cooperative (75 per cent) belong to the second category having net profit ratio amounting more than 0 to 15 percent. 55 per cent of the tied units belong to this category in respect of net profit ratio. Estimated net profit ratio of this industry is highest (23.17 percent) in case of independent units followed by cooperative units and tied units (Table 7).

Table 7 Distribution Handloom Units by Net Profit per unit of Sales (Net Profit/sales) and by Type of Production Organizations

Organization	Number of units by net profit/ sales (%)			Total number of units	Average (%)	CV (%)
	Negative	1 to 15	Above 15			
Independent	0(0)	4(20)	16(80)	20(100)	23.17	33.86
Cooperative	3(15)	15(75)	2(10)	20(100)	4.55	125.36
Tied to <i>Mahajan</i>	7(35)	11(55)	2(10)	20(100)	2.36	227.44
Total	10(16.67)	30(50.00)	20(33.33)	60(100)	10.03	112.93

Source: Field Survey Note: Parentheses represent percentage share

### F. Explanations for Profitability Variation

Variation in profitability across independent units and tied units is significantly explained by both labour productivity and capital productivity while that in units under cooperatives by capital productivity alone. The respective models are significant at 1 per cent level (Table 8 A, B and C). For the industrial units taken together (60 units) across the three production organizations the profitability variation is explained by labour productivity, capital productivity and type of production organization which has been taken as dummy variable (D), [D = 1 for independent organization and D = 0 for otherwise]. The dummy variable, i.e., production organization emerges as more significant than either labour productivity and or capital productivity to explain the variation in profitability across the industrial units working under different production organization. All the models are significant at 1 per cent level (Table 8 D).

Table 8 Estimated Linear Regression Equations in case of Baluchari product

A. For Independent Unit								
Dependant variable	Constant	Vo/K	Vo/L	Va/L	R <sup>2</sup>	R <sup>-2</sup>	F	P
Profitability (GP/TC)	.137 (.411)	.499 (7.255)			0.745	0.731	52.63	.000
Profitability (GP/TC)	0.073 (0.234)		3.901E-05 (7.902)		0.776	0.764	62.435	.000
Profitability (GP/TC)	.388 (2.566)			3.351E-05 (8.561)	0.803	0.792	73.286	.000

B. For Cooperative Unit								
Dependant variable	Constant	Vo/K	Vo/L	Vo/Fk	R <sup>2</sup>	R <sup>-2</sup>	F	P
Profitability (GP/TC)	-1.38 (-1.295)	0.377 (15.528)			0.931	0.927	241.113	.000
Profitability (GP/TC)	0.206 (1.706)			0.202 (10.902)	0.868	0.861	118.86	.000
Profitability (GP/TC)	1.05 (3.326)		3.399E-06 (1.439)		0.103	0.053	2.071	0.167

C. For Tied Unit								
Dependant variable	Constant	Vo/K	Vo/L	Vo/Fk	R <sup>2</sup>	R <sup>-2</sup>	F	P
Profitability (GP/TC)	-0.145 (-2.182)	0.374 (24.45)			0.971	0.969	597.83	.000
Profitability (GP/TC)	9.181E-03 (0.248)			0.226 (39.69)	0.989	0.988	1575.36	.000
Profitability (GP/TC)	0.777 (3.012)		9.97E-06 (2.67)		0.284	0.244	7.142	0.016

D. Overall										
Dependant variable	Constant	Vo/K	Vo/L	Va/L	D	R <sup>2</sup>	R <sup>-2</sup>	F	P	
Profitability (GP/TC)	-4.00E-02 (-0.489)	0.237 (18.96)				.866 (26.337)	0.964	0.962	757.62	.000
Profitability (GP/TC)	-0.299 (-3.45)		0.412 (20.79)			0.881 (29.31)	0.969	0.968	895.02	.000
Profitability (GP/TC)	.793 (4.618)			9.059E-06 (4.07)		1.168 (14.829)	0.795	0.788	110.377	.000
Profitability (GP/TC)	0.767 (4.63)			1.713E-05 (4.40)		1.166 (15.203)	0.802	0.795	115.62	.000
Profitability (GP/TC)	1.474 (30.46)					1.061 (12.686)	0.735	0.731	160.937	.000

Source: Field Survey

Note: Value of output (vo), Value added (Va), Fixed Capital (Fk), Man-day(L), Gross Profit (GP). Total Cost (TC)

## V. SURVIVAL FACTORS OF THIS INDUSTRY

Baluchari product has a long tradition and it not only survives but also grows based on differential production organization. The factors that are responsible for the phenomenon are classified into four categories, namely economic, social and cultural, institutional and psychological.

### Economic Factors

Baluchari handloom industry survives and even grows because there is sufficient domestic and foreign demand for the products, which provide earnings to several hundreds of poor labour artisans along with giving good returns to weaver artisans. By large, baluchari handlooms like other crafts in India are engaged in by poor households for day to day survival<sup>3</sup>. Wages paid in both tied and independent units allow the labour artisans to support themselves with their crafts. In the areas under our study characterized by labour

<sup>3</sup> M. Krishnaraj (1991: WS-8) also observed in her study on bamboo craft, "This craft is by no means a dying one. There is sufficient domestic demand .....". Similar also made by Libet and Roy (2003).

abundance and low farm incomes manufacturing offers one of the ways for both men and women to generate income.

Given the physical conditions of agriculture in drought prone and non-irrigated mono-crop areas, there is low opportunity cost of women's and even man's labour. Given the non-abundance of land handlooms are organized largely around hereditary family skill. The importance of the industry lies in its contribution to the local economy and the economy of men and women belonging to a particular artisan caste group.

The industry survives and expands as it is seen that the number of shops proliferates. Traders invest in such trading because it gives them high returns in festive peak seasons though low return in slack seasons, averaging and ensuring reasonable good returns to the traders for the whole year. Traders play an important role for the survival of industry not only by selling the products to the consumers direct and/ or by retailers but also by acting as *mahajans* giving raw materials and *bani* to the artisans attached to them and thus ensuring markets for the products produced by them. The tied artisans are not paid price for their products (or do not sell their products at the market price) but are paid raw materials and *bani*. The tied artisan appears to be benefited because (i) he can earn surplus over employment of hired labour, (ii) he can reduce the cost of production by using services of the modern machinery. Hence, the tied units as well as the industry survive.

The demand for handloom products is increasing along with the development of the economy. Consumers' taste and preferences are also continuously changing and demand for artistic and exclusive baluchari handloom products are increasing.

Baluchari product has an aesthetic value with exclusive decoration, design and texture. With the change in tastes and preferences, consumers very likely prefer the exclusive designed products. Design and art of the products create an additional value, i.e., aesthetic value to the products and raise the additional demand for the products.

### Institutional Factors

Some governmental organizations namely Directorate of Handlooms and Handicrafts, DIC (District Industries Centre), Zilla Parisad, Weaver Service Centres, Institutions of Handloom Technology, NIFT Apex Society, Cooperative Societies etc. render valuable services for development of this industry. The training programmes are organized by these agencies and National & Regional Level

Handloom Fair gives best prizes and incentives so that artisans participate and prosper. Some non-governmental organizations also like big merchants or exporter encourage artisans to produce diversified *baluchari* products and arrange artisans' training and often marketing facilities for their products.

### Social & Cultural Factors

Social customs regulate the market of *baluchari* handloom product. Demand for this product increase seasonally during social ceremonies like marriage and festival time and some families wear *baluchari* from past generations as their ritual custom. The designs of *baluchari* sharee reflect the ancient culture and history of *Ramayana & Mahabharata* and also the beauty of nature. In addition, imitate modern culture also reflects that the production of this product depend on customers' tastes and preferences.

Indian society is divided into caste-based occupations and activities from long historical past. The caste-based occupational system prevails to a large extent in modern society. Predecessor of a particular caste family (*tantubay*) have the mentality of working family occupation from the childhood and have hereditary skill.

### Psychological Factors

Psychological factors play vital role in two ways, from the supply side and demand side. Some artisans enjoy art pleasure from the production of innovative and continuously changing design of *baluchari* handloom product. Sometimes they receive high price at the fair or by order due to its aesthetic value. They enjoy production of creative and artistic items. Some work is preferred to leisure, especially in the slack seasons. On the other hand, consumers enjoy some status from the use of this exclusive product. People prefer this product due to its exclusiveness and qualities.

## VI. CONCLUSION

*Baluchari* sharee manufacturing has a long tradition of repute and excellence as a handicraft. Being a labour intensive art product it is produced with small amount of capital with substantial value addition. Both gross profitability and net profitability in this industry are substantial for the independent units while gross income generated for the artisans working under different production organization is significant for livelihood.

Variation in profitability across independent units and tied units is significantly explained by both labour productivity and capital productivity while that in units under

cooperatives by capital productivity alone. For the industrial units taken together (60 units) across the three production organizations the profitability variation is explained by labour productivity, capital productivity and type of production organization. Production organization emerges as more significant than either labour productivity and capital productivity to explain the variation in profitability across the industrial units working under different production organizations. From the foregoing discussion the following policy conclusions emerge.

First, independent organization is the best form of production organization in respect of productivity, value addition and profitability and hence it should be encouraged through institutional measures like provision of credit and training for improvement of skill of workers,

Second, units under cooperative are not performing well in terms of economic indicators. Cooperative as a production organization needs to be revamped and rejuvenated so that economic benefits accrue to production units and artisans working under it.

Third, Tied units should be encouraged to be converted into independent units through provision of institutional credit and marketing facilities.

The industry has good development potential with favourable economic, social and cultural, institutional and psychological factors. These factors should be further strengthened to have their positive impact on boosting up the industry.

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