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GOVERNMENT OF NAGALAND

**EVAUATION REPORT
ON
GOVERNMENT SALES EMPORIA
IN
NAGALAND**

**EVALUATION UNIT
(PLANNING & COORDINATION DEPARTMENT)
GOVERNMENT OF NAGALAND**

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PREFACE

The Evaluation Study of Government Sales Emporia Naga-land has been carried out by the Evaluation Unit, Kohima at the instance of the Planning & Co-ordination Department of the state Government. It covers all the three emporia which are at present functioning within the state. The reference period of this study roughly coincides with the Fourth Plan period although some effort to overcome the limitations of data has been made for analyzing the physical progress of the sales emporia since their inception,

It has been found that unattractive display, inadequate publicity, inferior technical know-how, indifference to consumer preference and poor finish of the goods offered for sale have largely accounted for the failure of the Government sales Emporia to make the expected progress. As against the average annual expenditure of Rs. 76,980/- the average annual sales of the three Government emporia at Kohima, Mokokchung and Tuensang together come to Rs. 38,536/-. This is, by no means, an encouraging performance particularly when these sales emporia are intended to act as effective agencies of the State Government's Marketing Organization for handicraft and handloom products. Besides, the supply of handicraft articles worth Rs. 1026/- in 1972 against the trial order from France, Trinidad and Tobago and Canada gave the first indication of some export potential, but it could not be exploited later on due to some practical limitations and lacunae.

While emphasizing the commercial prospects of the Government sales Emporia, it is felt necessary to recognize their conspicuous role as the cultural show-cases spreading the glorious image of Naga art and crafts. Mere examination of the costs and returns showing the depressing record of financial loss should not lead anyone to conclude that these sales emporia should be closed down simply because of their failure to fulfill the commercial obligations.

An unbiased evaluation needs to take a comprehensive view of their multi-dimensional contributions to the promotion of tribal arts and crafts without ignoring, at the same time, the basic considerations of economy and efficiency. Hence this evaluation study has made particular attempt to identify the organizational and operational weakness of the sales emporia and put forward suggestions for qualitative improvement of their artistic merchandise emphasizing the need for aggressive sales promotion with exciting publicity. Another important suggestion that calls for immediate attention, relates to proper arrangements for keeping systematic records and their periodical checking. The gaps and deficiencies in the existing records rendered the task of this evaluation study extremely difficult.

The Evaluation Unit gratefully acknowledges the Co-operation and assistance received from the Directorate of Industries, Nagaland especially their Marketing Officer and the District Industries officers at Mokokchung and Tuensang. Shri K. R. Debnath the then Deputy Director Evaluation shouldered the responsibility of organizing and supervising the work relating to this study. He also prepared the draft report. Shri N. Zeliang and P. Sema Investigators had rendered useful service in collecting and tabulating the required information. My thanks are due to them.

The Report was placed before the Steering Committee on Evaluation in its 1st meeting held on 4-6-79 under the Chairmanship of the Hon'ble Deputy Chief Minister. The findings/recommendations contained in the report were appreciated by the Committee

members. The Director of Industries was also present in this meeting His comments welcoming the suggestions contained in the report are given in the appendix. It would be seen that some of the recommendations have already been implemented by the Govt. It is expected that the study report is sure to prove its utility to the implementing Department as well as those interested in the subject.

11-7-79

H. G. Gupta
Deputy Director of Evaluation Nagaland: Kohima.

Chapter 1

INTRODUCTION

1.1 With a rich heritage of arts and crafts Nagaland occupies a distinctive place on the cultural map of India . The traditions of handloom fabrics and handicrafts reflecting the cultural mores of tribal communities have been handed down from generation to generation. Crossing the barriers of time these artistic traditions have continued to form an integral part of the Naga way of life in its flamboyant expressions. The unique combination of aesthetic decoration with utilitarian adaptation forms the core of tribal art which still retains the cultural identity of individual tribes showing a conservative regard for their dress, weapons and utensils. Of course, the production of all these artistic materials is largely confined to the decentralized household units depending mainly on hereditary skill. While weaving, embroidery, pottery etc. are done exclusively by the womenfolk, their male counterparts predominate in wood carving, blacksmithy, bamboo work etc.

1.2 The arts and crafts of Nagaland play an important role in the cultural and economic life of the people. In addition to providing considerable avenues of employment to the rural population they satisfy a wide range of consumer demand in the tradition-bound tribal society. In recent times, despite the influence of Christianity, western education and modernity the basic transformation of rural communities is yet to gain momentum although noticeable changes in habits, fashions and outlook have taken place in the urban and semi urban centres.

1.3 Emerging from its isolated existence the Naga society is now faced with the burning question: how to go ahead in the path of progress without losing the cultural identity ? It is in this context that tribal development programmes involve calculated efforts towards the revival, maintenance and improvement of age-old arts and crafts. The Government Sale Emporia may be utilized as effective means of reflecting the glory of tribal culture

on the one hand and patronising the poor craftsmen on the other. How far these sales emporia

in Nagaland have been able to achieve progress in this direction and how far they are poised for further development along these lines, should be studied carefully,

1.4 Loin loom weaving, wood carving, bamboo work, pottery and blacksmithy are the principal crafts of Nagaland. The products of weaving cover a wide range of artistic shawls, scarves, skirts, dresses for dancers and warriors, furnishing materials, etc. The products of wood work and bamboowork include baskets, hats sticks, headgears, dolls, decorative wood carvings on walls, pillars and gates, cups, dishes, spoons, warrior's shields etc. Pottery turns out various pots for cooking as well as storing paddy and other food articles. The main blacksmithy products are spears, daos, agricultural implements and guns.

Government Patronage to Arts and Crafts:-

1.5 As the economically weak artisans and craftsman are facing a serious challenge from the machine-made industrial products, the Government of Nagaland have launched various programmes for promoting and assisting the development of traditional arts and crafts. Government efforts to boost up and improve production mainly consist of granting loans to the artisans and craftsman supply of subsidized raw materials, tools and equipments to them and trailing through training-c un-production centres. In regard to marketing, the Government assistance is rendered through a Marketing Orgaaisation in the State Directorate of Industries. The main function of this Marketing Organisation is to purchase and procure artistic products from the artisans and craftsmen with a view to popularise and sell them through the Government Sales Emporia. The Marketing Organisation also extends technical assistance for accelerating quality production in the various department units and privately run units. It also organises exhibition with a view to exhibiting, popularising selling the product of Naga artisan and craftsmen.

1.6 By the time the stale of Nagaland came into existence in December, 1963 the Third Five Year Plan reached its mid-term stage. However during the Third Plan period Government extended assistance to handloom weavers in the form of interest-free loans, price-rebates and inducements for a switch-over from lion- looms to fly-shuttle looms. The third plan outlay for the development of weaving and sericulture was Rs. 3.50 lakhs. Similar Government assistance in the form of loans and subsidies was made available to those engaged in handicrafts such as bamboo and cane work. Training of artisans and craftsmen received considerable impetus under the Annual Plan 1967-68 Curing this Plan period, apart from the maintenance of two existing Weaving Training-Gum Production Centres at Mokokchung and Dimapur, training in weaving was to be started in the Cottage Industries Training Cum-Production Centre, Aghunato while training in dyeing was to be introduced in the W.T.C.P.C. at Dimapur In addition to training it was intended to run some weaving production centres on commercial basis and supply raw materials at subsidized rates. Local talents ware encouraged to acquire skill in handicrafts and financial incentives were provided in the form of supply of subsidized raw materials, tools etc. Also action was initiated to set up a Handicraft Training-Cum-Production Centre at Noklak.

1.7 In course of the three 'ad-hoc' Annual Plans of 1966-67, 1967-68 and 1968-69 an aggregate expenditure of Rs. 4. 30 lakhs was incurred on the development of handloom weaving, handicrafts and sales emporia as well as p-ogress of training, The detailed break-up of this expenditure is furnished below:-

(Figures in Rs. Lakhs)

Sl. No	Trade	1966-67		1967-68		1968- 69	
		Approved outlay	Actual Expdr.	Approved outlay	Actual Expdr.	Approved outlay	Actual Expdr.
		(3)	(4)	(5)	(6)	(7)	(8)
1.	Handloom weaving	1.25	0.89	0.50	0.11	0.22	0.44
2.	Handicrafts	1.00	0.32	0.45	0.39	0.24	0.54
3.	Emporia	0.15	0.05	1.40	1.40	3.00	0.08
4.	Training	0.50	0.12	0.08	0.11	0.10	0.05
Total :-		2.90	1.38	2.45	2.01	3.56	1.11

1.8 Under the Fourth Plan various steps were taken to augment the production of handloom weaving by organizing, on quasi-commercial basis, the production units in the Training-cum-P reduction Centres at Dimapur, Mokokchung and Tuensang. Between 1969-70 and 1971-72, Government efforts were directed towards the construction of buildings, procurements of tools and equipments as well as appointment of staff. A handicraft production center came to established at Noklak in 971-72. During The fourth Plan period the five weaving training centres and three handicraft training centres in Nagaland imparted training in various trades enabling the trainees to learn the use of important tools and equipments. According to the programme for promoting private entrepreneurs 68 licenses for weaving and 67 licenses for handicrafts were granted. the types of assistance rendered to the private entrepreneurs included loans, 10% outright grants as well as supply of subsidized tools and equipments. The following figures reflect the state Government's Fourth. Plan expenditure on the development of hand-loom, handicrafts and sales emporia:-

Sl. No.	Schemes	Fourth plan outlay (Rs. Lakhs)	Actual Fourth plan expenditure. (Rs. Lakhs)
1	2	3	4
1.	Handloom weaving	6.05	4.81
2.	Handicraft	2.80	1.79
3.	Sales Emporia	8.50	10.00

(Source Draft Annual Plan for 1975-76)
Part-II, Govt. of Nagaland

1.9 The figures presented above show that in the pattern of Government expenditure on the improvement of handloom weaving and handicrafts, the expenditure on Government sales Emporia accounted for the largest single share. Obviously, the bulk of this amount of Rs. 10 lakhs spent on sales emporia was directed towards construction of buildings rather than procurement of artistic materials for their sales promotion.

1.10 The programme for development of handloom and handicrafts production as well as distribution under the Fifth Five Year Plan is mainly marked by the continuation and expansion of the activities already initiated during the previous plans. In this particular field the Government efforts are being directed towards promotion of cottage industries primarily through training and demonstration, supply of subsidized implements and raw materials and enhancement of marketing assistance. Six Training-Cum-Production centres for weaving, carpentry, blacksmithy, basketry and other handicrafts are now functioning at Dimapur, Mokokchung, Tuensang, Aghunato, Mon and Noklak. Besides, schemes have also been approved with a view to providing training facilities and extension services to the rural artisans under the small and Marginal Farmers Development Agency. The starting of a sales emporium in New Delhi in 1974-75 may be regarded as an important landmark in the progress of marketing facilities for the state's handloom and Handicraft productions.

Objectives of the Study

1.11 The Government sales emporia in Nagaland have been functioning for a number of years and increasing amounts of funds have been provided for them under the successive Five Years Plans; but their lack of dynamism in sales promotion and publicity has made them vulnerable to open-criticism. Instead of entertaining general impressions the state Government felt that the actual position regarding Government sales Emporia should be examined through an evaluation study. The present study has, therefore, been carried out mainly with the following objectives:-

- (I) To study the working and progress of Government sales Emporia in Nagaland;
- (II) To analyse the problems and difficulties that hinder the effective functioning of Government sales Emporia; and
- (iii) To suggest measures for improving the organizational and functional efficiency of Government sales Emporia.

Scope Methodology and Limitation

1.12. By and large, the present evaluation study has been confined to the Government sales Emporia within Nagaland State. Its focus of enquiry, therefore, extends to the three existing Government sales Emporia at Kohima, Mokokchung and Tuensang. The Government sales Emporium recently started in New Delhi has been excluded from the purview of this study.

1.13. All the three Government sales Emporia have been studied on complete enumeration basis. After collecting background information from the available literature and state Department of Industries the Evaluation Team collected data by visiting the respective sales Emporia and canvassing a structured schedule, i.e. Emporium-level schedule. Another structured schedule (i.e. Artisan's Entrepreneur's schedule) was canvassed for collecting data from the sample artisans and entrepreneurs. About 15% of the sample artisans, about 55% of the ("entrepreneurs. 60% of the Training - Cum-

production Centres and 5% of the Co-operative societies supplying various products to the concerned sales emporia, have been selected as samples on random basis. As far as practicable the data collected from the field have been crosschecked with those available from the records maintained in the Directorate of Industries (Marketing Cell in particular), Kohima.

Chapter— II

ORGANISATION AND WORKING OF GOVERNMENT SALES EMPORIA

Basic Particulars Regarding sales Emporia.

2.1 Even before the inauguration of the State of Nagaland in December, 1963 there were Government Sales Emporia in Kohima and Mokokchung. Obviously their existence in those days could neither encourage the artisans and craftsmen to enhance production substantially nor stimulate any noticeable progress in popularizing and selling the products of traditional arts and crafts. Before analyzing the progress of these sales emporia under the Third and Fourth Five year Plans it is interesting to study the basic particulars presented in Table-I below:-

TABLE-I

Names of Govt. Emporia within the State	Location	Year of inception	Staff employed (Number)	Average Annual Turnover (Rs. Thousand)
(1)	(2)	(3)	(4)	(5)
Sales Emporium Kohima	Kohima Town	1955	4	27.4
Govt. Emporium Mokokchung	Mokokchung Town	1955	3	6.7
Sales Emporium Tuensang	Tuensang Town	1969	3	4.4

- Average means the average of annual sales in the 5 years of the Fourth Five Year Plan
- [Source: Field Investigation]

2.2 The above table shows that out of the three Government sales Emporia existing within the State, the Emporium at Kohima and Mokokchung were established in 1955 when as the Emporium at Tuensang came to be established in 1969. To any impartial observer the slow growth of these sales emporia presents an amusing paradox. Even after two decades of their establishment the sales emporia at Kohima and Mckokchung appear to be still in their infancy, The measures which ought to have been

taken at the very initial stage, still continue to engage the bulk of attention of the authorities looking after their growth. It needs hardly to be explained that land acquisition, building construction and interior decoration should no longer be the only aspects of development figuring so prominently in the programmes for sales emporia included in the successive Five Year Plans. The absence of a dynamic programme for sales promotion and expansion of market, forms a serious lacuna in the efforts to promote their growth,

2.3 Further, the factual account in Table-I also shows that from the standpoint of annual turnover the sales emporia at Mokokchung and Tuensang together do not measure even half the size of the emporium at Kohima. During the Fourth plan period the sales emporium at Kohima accounted for 71% of the average annual turnover of all the three Government emporia taken together. But the average annual turnover of the sales emporium at Tuensang remained at a disappointing level of only 11%.

Staffing Pattern :-

2.4 Corresponding to the different levels of annual turnover the staffing patterns of the existing Government emporia show considerable uniformity. Lack of adequate business has, therefore, led to appreciable underutilization of manpower resources available in sales emporia at Tuensang and Mokokchung. The emporium wise staff position, as obtained at the end of the Fourth Plan, is given in Table-II below:-

TABLE-II

Description of post/scale	Sales Emporium Kohima		Sales Emporium Mokokchung		Sales Emporium Tuensang	
	Posts Sanctioned. (No.)	Staff in Position (No.)	Posts sanctioned (No.)	Staff in Position (No.)	Posts sanctioned (No.)	Staff in Position (No.)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Sales Manager (Rs. 195-Rs. 441)	1	1	1	-	-	-
Salesman Rs.140-Rs. 220	1	1	1	1	1	1
(Rs.90-Rs. Rs.140) Peon	1	1	1	1	1	1
Chowkidar (Rs. 90-Rs. 140)	1	1	1	1	1	1

[Source : Field Investigation]

2.5 As revealed by the data presented in Table- II, the staffing pattern of the Government Sales Emporia in this State appears to be quite simple and adjusted to local conditions. Each of these emporia has one Salesman, one Peon and one Chowkidar while only the emporium at Kohima enjoys the additional advantage of having a Sales Manager. Except this Sales Manager who has undergone training in weaving, no other staff of any of these emporia possesses any technical qualification. Most of these staff have not passed even the Matriculation or its

equivalent Examination. None of them has adequate knowledge of management, accounting and sales promotion. This may be regarded as a serious lacuna which mitigates against the operational efficiency of the sales emporia.

Organisational Set-up:-

2.6 In the previous Chapter it has already been mentioned that the Government Sales Emporia in this State, form an integral part of the Marketing Organisation of the Directorate of Industries, Government of Nagaland. The Marketing Officer at the Directorate exercises financial, supervisory and technical control over these sales emporia and he is, again, under the administrative control of the Director of Industries. The purchases of goods for sale through the emporia are more or less centralized and the Marketing Officer not only arranges the purchase of articles but also distributes them among the various emporia. Of course, the District Industries Officer of the district in which a sales emporium is located, has been delegated some limited power of purchasing about Rs.5000/-worth of articles Per annum in consultation with a local committee. The sales proceeds of these Government emporia are all deposited to the Treasury as Government revenue. This particular arrangement implies that the sales emporia should be run with due regard to the commercial principle; otherwise their role as re venue-earners for the State will not be worthwhile.

Procurement of Articles Sold by the Emporia:—

2.7 The various products procured by the Government Sales Emporia in Nagaland may be classified under the broad groups viz. 'Handloom Products' 'Handicraft Products' and 'Other Products' (such as ordinary utensils, weapons etc.) The data presented in Table-III (a), (b) and (c) below reveal that in all the three emporia within the State, handloom products account for the highest proportion of the articles procured every year whereas other products occupy a very negligible share in the aggregate annual procurement. The sales emporium, Tuensang has no record of procurement of products belonging to the product-group-'other products*'. So far as the handicraft products are concerned, their proportion in the total products procured is comparable with that of handloom products only incase of the Sales Emporium at Kohima.

TABLE-III(a)
Value of Articles procured by Sales Emporium, Kohima

year	Handloom Products Procured	Handicraft Products Procured	Other Products Procured	Total
	Value (Rs.)	Value (Rs.)	Value (Rs.)	Value (Rs.)
(1)	(2)	(3)	(4)	(5)
1969-70	1,995	861	-	2,856
1970-71	6,942	261	850	8,053
1971-72	1,447	102	336	1,885
1972-73	10,106	844	362	11,312
1973-74	12,221	124	1,242	13,587
Total :-	32,711	2,192	2,790	37,587

[Source : Field Investigation]

Table- III (b)
Value of Articles Procured by Sales Emporium, Mokokchung.

Year	Handloom products procured	Handicraft products procured	Other products procured	Total
	Value (Rs)	Value (Rs)	Value (Rs)	Value (Rs)
(1)	(2)	(3)	(4)	(5)
1969-70	1,995	861	-	2,856
1970-71	6,942	261	850	8,053
1971-72	1,447	102	336	1,885
1972-73	10,106	844	362	11,312
1973-74	12,2-1	124	1,242	13,587
Total :-	32,711	2,192	2,790	37,693

[Source: Field Investigation]

Table – III (C)
Value of Articles Procured by Sales Emporium, Tuensang.

Year	Handloom products procured	Handicraft products procured	Other products procured	Total
	Value (Rs)	Value (Rs)	Value (Rs)	Value (Rs)
1969-70	1,927	114	-	2,041
1970-71	2,606	56	-	2,662
1971-72	2,318	10	-	2,326
1972-73	11,196	975	-	12,171
1973-74	5,355	3,150	-	8,505
Total :-	23,402	4,305	-	27,707

[Source :- Field Investigation]

2.8 Basing on the average of procurement figures relating to the five year of the Fourth Five Year Plan, the percentage share of each product-group in the total value of articles procured annually may be calculated as follows: -

Table – IV
Percentage Shares of Product Group in the Total Annual Procurement of Articles.

Names of Emporium	%of Handloom products	% of Handicraft products	% of other products	Total Articles procured
1	2	3	4	5
Sales Emporium, Kohima	61	38	1	100
Sales Emporium, Mokokchung	87	6	7	100
Sales Emporium, Tuensang	84	16	-	100

2.9 The over-whelming importance of handloom products in the total annual procurement of articles is revealed by the figures relating to tile sales emporia at Mokokchung which have virtually neglected the procurement of handicraft products. During 1973-74 the Sales Emporium, Tuensang has, of course, shown a healthy sign by increasing sustainably its procurement of handicraft products even though the share of handloom products in the total procurement declined considerably. From the factual account given in Table-IV it appears that the policy behind the procurement of articles has given due weight to the traditional pattern of consumption in the tribal society. But when it comes to the detailed selection of articles within each product-group it reveals a lack of any conscientious attempt at accommodating the changes in consumer tastes and fashions. This point will be elaborated later on while discussing about consumer preference.

2.10 Among the usual sources supplying the various articles traded by the sales emporia, mention may be made of artisans, entrepreneurs co-operatives and others (i.e. Training-Cum-production Centres). The artisans and entrepreneurs are found to be the major suppliers while the co-operatives play an insignificant role in this field. The figures given in Table-V at the next page bear out the truth of this statement. At the beginning of the Fourth Plan both the artisans and entrepreneurs together accounted for about 85% of the aggregate annual supply of articles to the emporia whereas at the end of the same Plan (i.e. by the end of 1973-74) these two categories of suppliers together accounted for about 52% of the aggregate annual supply. This sharp decline in the percentage share can hardly be regarded, as an indication of the working of sales emporia in the right direction. In the context of over-all increase in the annual sales of these emporia during the Fourth Plan Period, the sharp decline in the relative share of artisans and entrepreneurs in the total supply of articles*, raises the question as to whether the interests of this group of suppliers are safeguarded in the expected manner. It should not be forgotten that one of the objectives of opening the sales emporia is to promote the development of arts and crafts and such development is possible only by providing the necessary assistance and incentives to the local artisans and entrepreneurs for both qualitative and quantitative improvement of production.

2.11 As shown by the figures in Table-VI, the share of the cooperatives in the total procurement of articles is quite negligible (only-about 8% of the total value of articles procured in 1969-70 as well as 1973-74) in case of the emporium at Kohima. Again, in case of the emporia at Mokokchung and Tuensang it is found that the co-operatives have not supplied any article during the entire Fourth Plan period. This is an empirical evidence to prove that the co-operatives have failed to explore potential market for handicraft and handloom products.

2.12 Since its inception in 1969- the emporium at Tuensang has been purchasing products only from other sources (i.e. mainly the Training Cum-production Centre) till at last in 1973-74 it could purchase some articles from the local artisans. Besides, another important fact revealed by Table-VI is that during the Fourth Plan Period, only the percentage shares of 'other sources' in the total annual procurement has recorded some steady increase. This may be taken, more or less, as a rough indicator of the improvement in the productive efficiency of the T.C.P.C.s, but such a development at the cost of artisans' and

Table – V
Source wise break-up of value of Articles procured by Government Sales Emporia
Rs.

Year	Value of Articles procured by Kohima Emporium form				Values of Articles procured by Mokokchung Emporium form				Values of Articles procured by Tuensang Emporium form			
	Co-operative	Enter-preneur	Artis-ans	others	Co-operative	Enter-preneur	Artis-ans	others	Co-operative	Enter-preneur	Artis-ans	Others
1	2	3	4	5	6	7	8	9	10	11	12	13
1967-69	2,000	3,500	4,936	-	-	1,355	545	718	-	-	-	-
1969-70	2,500	9,347	17,496	-	-	N.A	N.A	N.A	-	-	-	2,041
1970-71	-	2,000	5,309	-	-	5,863	200	1,990	-	-	-	2,662
1971-72	1,800	3,200	4,886	-	-	1,885	-	-	-	-	-	2,326
1772-73	3,000	10,000	21,258	-	-	2,727	2,026	6,537	-	-	-	12,171
1973-74	2,500	3,000	2,476	-	-	3,029	2,223	8,335	-	-	5,000	3,505

Note:- The Sales Emporium, Tuensang was opened in 1969
[Source:- Field Investigation]

entrepreneurs' interest can hardly be regarded as desirable. Moreover, the excessive reliance on the T.C.P.C.s is one of the main factors responsible for the inferior quality and finish of the articles stocked in the sales emporia at Mckokchung and Tuensang. After all, the workmanship of the trainees engaged in various trades in the T.C.P.C.s cannot be comparable to that of the skilled artisans who might have acquired considerable experience and proficiency in specific trades. Nature and Trend of Sales;-

2.13 Retail sales on cash payment form the main business of the Government sales emporia. As the prices charged by the emporia are fixed, the question that naturally arises; are these prices the same as market prices? It has been gathered that in respect of several items like shawl, ladies, apparels, 'daos' etc. the market price happens to be not only more flexible but also lower than that charged by the Government emporia. At times a local artisan may sell the product of his own labor at a price which is even lower than the prevailing market price. But the Government emporium have to follow rigidly the prices fixed by the authorities controlling them.

In Nagaland the selling prices of products sold by these emporia are fixed on the basis of cost price plus a handling charge at 5% of the cost price. The result is that in regard to price competition the Government sales emporia cannot have an edge over their private competitors.* At least those local customers who can lap the private sources of handloom and handicraft products are found to have an impression that the Government emporia necessarily charge higher prices to cover their high establishment expenses. This difficulty can be overcome by offering, from time to time, some discounts or price concessions in order to attract customers to the sales emporia.

2.14 In absolute terms the annual sales of all the emporia have recorded a remarkable increase between the first year and the last year of the Fourth Plan even though the trend of annual sales is rather erratic over the entire period of this Plan. Despite this overall increase in sales the relative shares of individual emporia in the aggregate sales have undergone ups and downs during the period between 1969-70 and 1973-74. This point

Table – VI
Relative Shares of the Sources of Supply in the Annual Procurement of Articles.

Years.	Articles procured from co- operative		Articles procured from Entrepreneurs		Articles procured from Artisans		Articles procured from Others		Total value of Articles procurec
	Value of Articles procured Rs.	Share in total value of procurement Col.2 as % of col.10	Value of Articles procured Rs.	Share in total value of procurement col.4 as % of col.10	Value of Articles procured Rs.	Share in total value of procurement col.6 as % of col.10	Value of Articles procured Rs.	Share in total value of procurement col. 8 as % of col. 10	Total of 2,4,6 and 8
1	2	3	4	5	6	7	8	9	10
968-69	2.000	15.32	4.855	37.18	5.484	42.00	718	5.50	13.057
969-70	2.500	7.97	9.347	29.78	17.496	55.75	2.041	6.50	31.384
970-71	-	-	7.864	43.63	5.508	30.56	4.652	25.81	18.025
971-72	1.800	12.77	5.085	36.07	4.886	34.65	2.328	16.51	14.099
972-73	3.000	5.20	12.727	22.50	25.286	40.34	18.708	32.41	57.721
973-74	2.500	8.31	6.029	20.05	9.699	32.26	11.840	39.38	30.068

[Source : Field Investigation]

is amply illustrated by the sales figures of the respective emporia presented in Table-VII that follows.

2.15 In the case of emporium at Kohima the proportion of its sale in the total sale of all the emporia has declined from 86% in 1969—70 to 58% in 1973 74 In the case of sales emporium at Mokokchung the same proportion has increased from 13% in 1969-70 to 22% in 1973-74 . Such increase in the proportion of annual sales in the aggregate sales is found to be the highest in the case of sales emporium at Tuensang where it has recorded an increase from a mere 1% in 1969-70 to 20% in 1973-74. From these data given in Table VII it may be concluded that the predominance of the sales emporium at Kohima in the aggregate annual turnover is declining gradual!} with the marked rise in the annual sales of other two emporia.

2.16 By and large, the performance of both the emporia at Mokokchung and Tuensang has been poor during the Fourth Plan period when they were expected to make some progress worth mentioning. The insignificant business carried out by each of these two emporia raises serious doubts about the future of such uneconomic units. To any impartial observer they will appear to be permanent exhibitions of artistic products rather than sales emporia. Of course, the sudden spurt in the sales during 1973 74 has given them

some hope for a better prospect, but sustained efforts are needed for further improvement in their organization and working.

2.17 Further, from the figures presented in Table VIII at the next page it is possible to study the broad pattern of sales in respect of the sales emporia at Kohima and Mokokchung. Though similar data regarding the emporium at Tuensang are not available either at the sales emporium or at the Directorate of Industries there are reasons to believe that its broad pattern of sales is the same as that of the other two.

**Among the private competitors there are not only the individual artisans and craftsmen selling their own products but also a few private sales emporia which are doing good business.*

Table- VII
Annual Sale of Government Sales Emporia on Nagaland.

Years.	Sales Emporium, Kohima		Sales Emporium, Mokokchung		Sales Emporium, Tuensang		Total for all the Sales Emporium
	Sales Rs.	% of col. 2 to col. 8	Sales Rs.	% of col. 4 to col. 8	Sales Rs.	% of col. 6 to col. 8	Sales Rs.
1	2	3	4	5	6	7	8
1969-70	26,192	86	3,998	13	251	1	30,441
1970-71	21,497	74	4,820	17	2,717	9	29,034
1971-72	30,792	77	5,368	13	4,994	10	40,291
1972-73	26,756	70	7,290	19	3,994	11	38,040
1973-74	32,049	58	11,971	22	10,830	20	54,850

[Source : Field Investigation]

2.18 The figures presented in Table-VIII show that the sales of articles belonging to the most prominent product-group (i.e. handloom products) account for about 85% of average annual sale of Mokokchung emporium. From the standpoint of sales the articles which occupy the next important place belong to the product-groups of metal work as well as wood, bamboo and canework. But their joint contribution to the total annual sales are much less significant than that of handloom products. In case of Mokokchung emporium the product-group of metal work is found to be as insignificant as the product group of 'others'. The most striking fact revealed by the sales figures given in Table-VIII is that during the Fourth Plan period the handicraft products have stagnated at a very low level of sales whereas the handloom products have shown some tendency towards the increase of sales. This fact has a direct bearing on policy formulation inasmuch as it points to the need for a greater emphasis on the development of handloom products.

2.19 While framing and implementing a dynamic sales policy regarding these emporia it is always to be remembered that though the broad pattern of sales cannot be altered basically in the short period an effective drive for sales promotion can slightly modify the product composition of aggregate sales in order to keep abreast with the changes in tastes

Table – VIII
Product-group wise Distribution of Annual Sales of Government Sales Emporia.

Years.	Value of products sold in Kohima Emporia					Value of Products sold in Mokokchung emporia.				
	Handloom	Metal work	Wood, Bamboo & cane work	others	total	Handloom	Mental work	Wood, Bamboo & cane work	others	Total
1	2	3	4	5	6	7	8	9	10	11
1969-70	19,605	2,900	3,294	393	26,192	2,782	15	218	983	3,998
1970-71	16,391	3,002	1,646	458	21,497	4,148	183	383	106	4,820
1971-72	27,433	2,452	827	80	30,792	4,679	335	292	62	5,368
1972-73	24,340	1,452	358	606	26,756	6,487	397	199	307	7,390
1973-74	28,360	1,862	1,376	451	32,049	11,217	416	338	NIL	11,971
Total :-	1,16,129	11,668	7,501	1,988	1,37,286	29,313	1,346	1,430	1,458	23,547

The category of 'Others' include items like ordinary utensils, weapons etc.

[Source : Field Investigation]

Table - IX
View of Sample producers on Government Assistance/Guidance (position at the time of enquiry)

Types of producers	Percentage of producers engaged in seasonal-1 roperennial production.		Supply Articles to Govt. emporia in the last 2 years		Weather Govt. pay at rates higher than market prices	Weather bills are cleared by the Govt. in time?		Weather Govt. supplied rewmaterials at subsidized rate.		Percentage of those who did not get technical guidance from Govt.
	Seasonal %	Preens %	% of those who supplied	% of those who did not supplied	(Yes or No)	% of those who said yes	% of those who said No	% of those who said yes	% of those who said No.	(%)
1	2	3	4	5	6	7	8	9	10	11
Artisans	50	50	50	50	No	-	100	-	100	100
Govt. Entrepreneurs	100	-	100	-N.R	N.R	N.R	N.R	N.R	N.R	N.R
Private entrepreneurs	60	40	60	40	No	-	100	20	80	100
Co- operative	-	100	-	100	No	100	-	-	100	100

Note : N.R relevant.

[Source : Field Investigation]

and fashion both within and outside the State. The present passive policy of waiting for the virtually stagnant local market to absorb the assorted products haphazardly displayed at the Government emporia will neither help the emporia to gain any measure of economic liability nor serve the economic interests of the artisans and craftsmen. If the sales emporia are to fulfill these two basic objectives they must take proper account of the trends of consumer preference and try to make their products and prices quite attractive to the customers. Of course it is also necessary that the authorities controlling the sales emporia should have recourse to some system of market intelligence which may provide the guidelines for regulating all the business transactions carried on by these emporia.

2.20 From the available facts and figures it has not been possible to form any detailed and precise idea about consumer preference for the goods sold by the Government emporia. This is possible only if a study is undertaken on this subject and the position is reviewed at least once in a year. The broad pattern of sales for some successive years has served only as a very rough indicator of the consumer behavior.

2.21 Among the handloom products shawls, scarves, ladies' apparels, neckties and Naga bags are found to enjoy maximum consumer preference in all the sales emporia. Among the handicrafts products (both metallic and non-metallic) the decorated spears, wooden plates and spoons as well as artistic bamboo and cane products appear to have good prospects for increase in demand which the sales emporia can take advantage of. It is, of course, true that all types of products cannot enjoy the same degree of consumer preference in all the districts primarily because of regional differences in customs and cultural traits. This is a subject which needs further study so that the pattern of consumer preference in the various parts of the State may be ascertained with some amount of precision. Once this is achieved it will be easy to base product-planning for the sales emporia on a more realistic basis and bring about some improvement in the design and finish of various artistic merchandise. Conscientious attempts to carry out these practical exercises in market research and product-adjustment will definitely help in accelerating the progress of sales of all the Government emporia functioning within the State.

WORKING OF GOVT. EMPORIA VIS A-VIS ARTISANS/ CRAFTSMEN

2.22 As an inter-related issue it may be examined how and to what extent the working of the Government sales emporia has helped the artisans and craftsmen in their business with the emporia. In the absence of sufficient data it has not been possible to make a detailed study of this particular aspect. Nevertheless the over-all position in this regard appears to be discouraging in the light of the respondents' reaction reflected in the schedule which was canvassed among the artisans and entrepreneurs. Before analyzing the position from the standpoint of beneficiaries it will be worthwhile to study the usual Government measures for incentives and assistance to the artisans and craftsmen.

2.23 While discussing about Government patronage in Chapter-I (paragraphs 1.5 and 1.6) it has already been stated that the various forms of financial assistance include loans, subsidies, price rebates etc. But from the impressions gathered through field enquiry it seems

that somehow or other this system of financial assistance is not working properly to the maximum benefit of those for whom it is meant. The truth of this statement is borne out by the figures given in Table-IX at the previous page. Except Government entrepreneurs (e.g. T.C.P.C. s) most of the respondents to Artisans/Entrepreneurs schedule expressed the view that for purchases of articles for the sales emporia the State Government pays prices which are often lower than the market prices and that the Government does not provide technical guidance. Most of the respondents stated that the Government payment against their bills involved delay. In most of the cases the respondents revealed that the Government had supplied them no raw material at subsidized rates.

2.24 An important form of direct financial assistance is grant-in-aid; but in Nagaland it has failed to prove its usefulness to any appreciable extent. Before 1973-74 the State Government used to extend financial assistance to a small number of progressive artisans and craftsmen by way of grant-in aid. No record of grant-in-aid for the first year of Fourth plan (i.e. 1969-70) is available at the Directorate of Industries. The position regarding the next three years (i.e. 1970-71, 1971-72 and 1972-73) is reflected in Table-X presented below:-

Table-X
Grant- in – aid given to progressive Artisans of Nagaland during the forth plan period.

Trades.	1970-71		1971-72		1972-73	
	Recipient of Grant No.	Amount granted Rs.	Recipient of grant No.	Amount granted Rs.	Recipient of grant No.	Amount granted Rs.
1	2	3	4	5	6	7
Book binding	1	500	-	-	-	-
Sericulture	4	7,500	1	1,500	11	2,200
Bee keeping	2	1,000	2	2,000	6	1,800
Handicraft including bamboo & cane work	-	-	5	5,000	-	-
Handloom weaving	2	1,000	6	4,300	16	4,400
Black smithy, carpentry & others	-	-	7	6,400	5	1,600
Total : -	9	10,000	21	19,200	38	10,000

[Source : Official Records]

2.25 From the figures given in Table-X it is clear that the system of grant-in-aid was haphazard and inadequate and in view of its insignificant coverage it could not produce any appreciable impact in the desired manner. The lion's share of the meagre grant-in-aid went to the Seri culturists and handloom weavers while the handicrafts including bamboo and cane work were completely ignored in two out of three years for which the data could be obtained. The individual shares of grant in respect of various trades were not fixed on any rational basis. There is no evidence to show that the capacity to supply products to the emporia increased in case of the concerned recipients of grant.

2.26 However, after 1973-74 the system of distributing grants-in-aid to the artisans/craftsmen came to be withdrawn presumably because of certain operational difficulties. As disclosed by the Directorate of Industries, an amount of Rs. 15,000 was drawn in 1973-74 for distribution as grant-in-aid, but the same amount came to be refunded to the treasury simply because its disbursement involved certain difficulties. Thus, at present no Government patronage to artisans/craftsmen is available in the form of grants. Of course, the Evaluation Team is also of opinion that it is advisable to help the poor artisans/craftsmen with the subsidized supply of adequate raw-materials on the one hand and spot payment for the articles supplied on the other. There should always be some arrangement for cash grants to meet the urgent requirements of working capital and equipments in cases where the performance of such producer/suppliers is found satisfactory.

Chapter-III

Appraisal Of Financial Performance

3.1 The Government sales emporia in Nagaland are yet to accelerate their progress of sales in order to prove that they are economically viable. An analysis of the facts and figures presented in the previous chapters lead one to the conclusion that the present level of business can hardly justify their existence or expansion as commercial establishment*. For example, during the year 1973-74 all the existing Government emporia in the State together could achieve an aggregate sale of Rs. 54.850- as against their aggregate operating cost of Rs.56,510-. In this situation there can be no two opinions regarding the need for improvement of financial performance as much as that for augmenting the sales. An attempt has been made here to examine broadly the financial performance of these emporia and indicate some effective means of further improvement. Due to non-availability of necessary data it has not been possible to make a detailed financial analysis of capital structure etc..

Lack of proper Financial Planning Control

3.2 The financial performance of Government sales emporia during the Fourth Plan period betrays a lack of system or consistency. Thus, the available statistics of fund allocation and expenditure reflect two significant facts: Firstly, the divergence between approved outlay and actual expenditure is more marked under the Plan budget than that under the Non-Plan budget; secondly, the progress of approved outlay and actual expenditure in both the Plan and Non-Plan budgets has been erratic without showing any steady trend of rise or fall. The factual account given in Table XI bears out the truth of these statements.

Table – XI

Plan and Non-Plan outlay in respect of Government Sales emporia in Nagaland from 1969-70 to 1974-75.

Years.	Plan outlay Rs			Non- plan outlay Rs.		
	Approved outlay	Actual expenditure	Shortfall or excess in expenditure	Approved outlay	Actual expenditure	Shortfall or excess in expenditure.
1	2	3	4	5	6	7
1969-70	30,000	7,000	23,000	31,100	27,600	3,500
1970-71	21,000	28,000	7,000	28,200	26,800	1,400
1971-72	82,000	32,000	50,000	37,300	34,400	12,900
1972-73	81,000	61,000	20,000	42,900	41,100	1,800
1973-74	65,000	52,000	13,000	41,300	39,900	1,600
1974-75	2,00,000	58,000	1,42,000	81,300	79,200	2,100

[Source: Field Investigation]

3.3 An examination of the figures given in Table - XI naturally leads anyone to the conclusion that so far there has been no deliberate attempt to control the plan expenditures or gear them properly to the successive phases of implementation of the physical programme. Presumably, this is the main reason for the wide divergence between the approved plan outlay and actual expenditure almost every year. The lone exception to this usual experience is provided by the year 1970-71 when the plan expenditure exceeded the provided outlay. Evidently because the approved Plan outlay happened to be the lowest among all the annual Plan outlays during the Fourth Plan period. Of course, the outlay and expenditure in the year 1974-75, much exceeded all the previous levels signaling an ambitious start of the Fifth Plan; but the actual performance fell far short of the target leaving an unusually high shortfall to the tune of Rs 1.42 lakhs out of the approved outlay of Rs. 2.00 lakhs. Such a position calls for more careful financial planning on realistic basis. Even the funds allotted for building construction should not be allowed to lapse due to delay in execution.

Break-up of Expenditure

Emporium-wise break-up of Expenditure

5.4 Further, it is worthwhile to study the emporium wise breakup of Plan and Non-Plan expenditures during the Fourth Plan Period as reflected by the figures presented in Table-XII at the previous page. So far at Non-Plan expenditure is concerned the growth of actual expenditures as between 1969-70 and 1973-74 has been different in case of different emporia. The most spectacular increase is found to be in case of Mokokchung emporium, (almost doubling of expenditure) whereas in case of Kohima emporium the increase is just moderate. Of course, in case of emporium at Tuensang the increase is quite considerable. These increases in expenditure in the respective emporia are found to synchronise with similar increases in the sales of these emporia as between the opening and closing years of the Fourth Plan. This, of course, is a good indication to show that the

Table – XII
Emporium- wise break up of plan and Non-plan expenditure during the Forth Plan period.

Types of expenditure by respective emporia	1969-70		1970-71		1971-72		1972-73		1973-74	
	Approved	Actual	Approved	Actual	Approved	Actual	Approved	Actual	Approved	Actual
1	2	3	4	5	6	7	8	9	10	11
NON- PLAN										
Kohima emporium	18,000,00	16,000,00	14,000,00	13,000,00	20,000,00	18,000,00	21,000,00	20,000,00	20,000,00	19,000,00
Mokokchung Emporium	7,600,00	6,600,00	8,000,00	7,800,00	10,000,00	9,500,00	13,200,00	12,900,00	13,400,00	15,000,00
Tuensang Emporium	5,500,00	5,000,00	6,200,00	6,000,00	7,300,00	6,900,00	8,700,00	8,200,09	8,100,00	7,900,00
Total : -	31,100,00	7,600,00	28,200,00	26,800,00	37,300,00	34,400,00	42,900,00	41,100,00	41,500,00	39,900,00
PLAN										
Kohima Emporium	-	-	-	-	67,000,00	20,000,00	80,000,00	60,000,00	63,000,00	50,000,00
Mokokchung Emporium	-	-	-	-	-	-	-	-	-	-
Tuensang Emporium	30,000,00	7,000,00	21,000,00	28,000,00	15,000,00	12,000,00	1,000,00	1,000,00	2,000,00	2,000,00
Total : -	30,000,00	7,000,00	21,000,00	28,000,00	82,000,00	32,000,00	81,000,00	61,000,00	65,000,00	52,000,00

Note:- All expenditures from 1969-70 to 1973-74 were shown under Non-plan budget in respect of the Govt. Emporium at Mokokchung whereas in respect of that at Kohima all expenditure from 1969-70 to 1970-71 were shown under Non- plan budget.

[Source: Field Investigation]

expenditures were made to achieve some progress in the tales and not merely defray the expenses of additional manpower.

3.5 But in case of emporium at Kohima the Plan expenditure .show the greatest increase whereas in case of Tuensang emporium the Plan expenditure has been very sluggish and depressing with the remit that it decreased substantially from Rs. 7,000- in 1969-70 to Rs. 2.000- in 1973-74. The emporium at Mokokchung did not have any Plan expenditure under the Fourth Plan. In fact, Plan outlay and actual expenditure need to be boosted up with the purpose of supporting an increasing volume of business in all the three emporia. At least the Plan expenditures should not reflect any lack of dynamic planning for expansion of business.

Recurring Expenditure vis-à-vis operational Efficiency

3.6 In an attempt to measure the operational efficiency of the respective emporia the recurring expenditure incurred by them may be for successive years since the beginning of the Fourth Plan. As will be seen in Table-XIII both the emporia at Kohima and Mokokchung seem to have stabilized their establishment expenses at uniform level; but their levels of other recurring expenditures differ presumably in

accordance with the variations in their physical volume of business. Consequently, the total recurring expenditure in case of emporium at Mokokchung appears to be too high to be justified by the small value of business. It is, therefore, advisable for this emporium to increase its sales which should rise to a level which is rather commensurate with the annual recurring expenses. Further the factual account given in Table-XIII reveals that even after its inception in 1969-70 the emporium at Tuensang is still languishing at the nascent stage and its activities are yet to be organized properly. Even in the last year of the Fourth Plan its establishment expenses account for about 90% of its total recurring expenditure leaving an insignificant balance to bear the material cost, cost of transport etc. In fact the figures of recurring expenditure reflect some organisational weakness which this sales emporium seems to be suffering from. Unless this weakness is overcome it will not be possible for this emporium to function as an economically viable unit.

Table- XIII
recurring expenditure incurred by Government Sales Emporia in Nagaland.
(Figures in Rupees)

Years	Sale emporium, Kohima			Sales Emporium, Mokokchung			Sales Emporium, Tuensang		
	Establishment expenditure	Other recurring expdt.	Total recurring expdt.	Establishment expdt.	Others recurring expdt.	Total expdt.	Establishment expdt.	Others recurring expdt.	Total expdt.
1	2	3	4	5	6	7	8	9	10
1968-69	8,970.42	19,691.34	28,661.76	5,300.00	6,300.00	11,600.00	-	-	-
1969-70	13,111.79	3,471.82	44,583.61	6,200.00	7,800.00	14,000.00	1,604.00	NIL	1,604.00
1970-71	10,189.65	24,089.94	34,279.59	7,300.00	8,100.00	15,400.00	3,253.00	NIL	3,253.00
1971-72	10,525.32	17,339.10	27,864.42	8,700.00	9,400.00	18,100.00	3,268.00	438.00	3,253.00
1972-73	12,831.30	40,915.25	53,746.55	12,400.00	18,000.00	30,400.00	5,825.00	988.00	6,813.00
1973-74	12,595.90	14,807.34	27,403.34	12,600.00	9,600.00	22,200.00	6,223.00	684.50	6,907.50

Note :- The sales emporium at Tuensang was started in 1969-70

[Source : Field Investigation]

3.7 As will be seen in Table-XIV at the next page, between 1969-70 and 1973-74. the sales emporia were mostly running at loss. During this -5. year period, only in two years (i.e. 1971-72 and 1973-74) the sales emporia at Kohima and Tuensang could how some positive net return whereas the emporium at Mokokchung showed negative return in all these five years. This situation calls for measures to increase sales on the one hand and reduce operating cost on the other. There is, of course, substantial scope for pruning down the expenditure on items of recurring cost other than establishment items provided the policy for purchasing articles for sale is rationalised. Establishment expenses also offer some scope for economy especially in case of the emporium at Tuensang. It is the Directorate of Industries which is required to take step* for more rigid financial control after helping the emporia to gear financial planning properly to the physical programme

Table – XIV

Net return of operating cost in respect of Govt. sales emporium in Nagaland during the Forth Plan period.

Years.	Sales emporium, Kohima			Sales emporium, Mokokchung			Sales emporium, Tuensang		
	Sales value	Recurring cost	Net return on operating cost col. 2- col.3	Sales value	Recurring cost	Net return on operating cost col. 5-col. 6	Sales value	Recurring cost	Net return on operating cost col. 8- col.9
1	2	3	4	5	6	7	8	9	10
1969-70	26,192.65	44,583.81	- 18,390.96	3,997.46	14,000.00	- 10,002.54	251,13	1,604.00	- 1,352.87
1970-71	21,496.78	34,279.59	- 12,782.81	4,820.25	15,400.00	- 10,579.75	2,717.02	3,253.00	-535.98
1971-72	30,782.69	27,864.42	+ 2,918.27	5,367.75	18,100.00	- 12,732.25	4,131.03	3,698.00	+433.03
1972-73	26,736.34	53,743.55	- 26,990.21	7,289.57	50,400.00	- 25,110.43	3,994.45	6,813.00	- 2,818.55
1973-74	32,049.78	27,403.24	- 4,646.54	11,970.91	22,200.00	- 10,229.09	10,829.91	6,907.50	- 3,922.41

[Source : Field investigation]

and its phases of implementation the emporium at Tuensang is still languishing at the nascent stage and its activities are yet to be organized properly. Even in the last year of the Fourth Plan its establishment expenses account for about 90% of its total recurring expenditure leaving an insignificant balance to bear the material cost, cost of transport etc. In fact the figures of recurring expenditure reflect some organisational weakness which this sales emporium seems to be suffering from. Unless this weakness is overcome it will not be possible for this emporium to function as an economically viable unit.

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Chapter-IV CONCLUSIONS AND RECOMMENDATIONS

Conclusions:-

4.1 From the analysis of factual accounts, as presented in the previous chapters, the conclusion that emerges is that even after a considerable period of their existence (e.g. the emporium at Tuensang has been functioning for the last 8 years, that at Mokokchung for the last 22 years and that at Kohima for the last 22 years), the Government sales emporia in Nagaland are still showing tardy progress. They are yet to overcome some of their initial difficulties like problem of suitable accommodation, paucity of competent staff and poor display and publicity. Lack of a dynamic marketing policy involving purchase and sale of artistic materials is a serious lacuna that has adversely affected the operational efficiency of these emporia.

4.2 So far much of attention has been directed towards the question of building accommodation and staff recruitment whereas inadequate care has been given to proper business management with an outlook that combines both commercial and service principles. Consequently neither of the objectives with which these emporia were set up could be fulfilled to the desired extent. It is necessary to take measures for making these emporia operationally viable and developing them as remunerative marketing outlets for the products of artisans and craftsmen in the State, In order that these objectives may be achieved, some practical lines of action have been suggested at this stage.

Recommendation: -

4.3 The following are the main recommendations of the Evaluation Team on the basis of their findings of the present study:-

(i) When the present evaluation study was taken up the Government sales emporium at Kohima was located in an unsuitable accommodation and its display of materials was quite shabby. It is now heartening to find that the State Government have tackled this problem successfully by providing good building, accommodation to this emporium in an attractive site. Here, it is suggested that similar steps should be taken to provide, as early as possible, such suitable building accommodation also to the sales emporia at Mokokchung and Tuensang. In order that the emporium at Tuensang may hold out the promise of a successful career, it should be shifted from its present site which is hardly, attractive. The emporium at Mokokchung should preferably be shifted to the central part of the town's existing marketing complex and housed in its own building. It will not only save high rentals inflating the operating cost but also attract interested customers,

(ii.) One Govt. sales emporium should be set up early at Dimapur which is the gateway to the two states of Manipur and Nagaland apart from being a developing commercial centre of vital importance to these states. A few private sales emporia are already thriving here with regular business. This proposed Government 'emporium at Dimapur should be properly located in its own building and should be well equipped with staff and materials so that it might compete successfully with the emporia and shops selling similar products not only of Nagaland but also of Manipur and Assam.

(iii.) In order that the Government emporia may get adequate guidance and assistance in respect of financing, management, marketing, technical know-how and publicity, it is advisable to set up one State Handloom and Handicrafts Board as a specialized Agency.'

It will be possible for such an agency to mobilise financial resources through loans and grants from the central and State Governments, banks and other financial institutions. This Board will be able to channelise funds and technical know-how to the artisans and craftsmen and at the same time help the sales emporia to market their products both at home and abroad. With such a suitable organisation it is possible to explore the expert potential in this field in a big way. Some relatively advanced states like Karnataka; Tamil Nadu and Maharashtra have set up such Boards and Nagaland may follow their example particularly in respect of composition and functioning of the proposed Board.

(iv) The existing policy for purchasing the products to be sold by the emporia is too centralised to give scope for local variations and adjustments according to tastes and fashions of consumers. The Directorate of Industries may continue to guide and supervise the purchase of such articles, but it is better to leave this job to be done in each place by a locally constituted Committee in which the District Industries Officer, Marketing Officer of the Directorate of Industry (or his representative), Manager of sales Emporium and some knowledgeable persons of the locality should be represented. Moreover, the District Industries Officer should not only be given adequate power to purchase goods but also suitable budget provision to utilise funds for this purpose. This will obviate delay and uncertainty in purchasing articles for the emporia and help the artisans and craftsmen to get payment in time.

(v) Lack of knowledge about consumer tastes and fashions and absence of any effort to adjust designs and finish to consumer preference without distorting the cultural tradition, should no longer be allowed to continue. Because this lacuna will retard the progress of sales and may cause unsold stocks to pile up with the passage of time. A special study on consumer preference for the products sold by the emporia should be conducted by the Directorate of Industries with the assistance of Directorate of Economics & statistics. This is of special significance to Nagaland particularly because of major portion of the total sales of Govt. Emporia in the state consists of consumer goods like shawls, scarves, ladies apparels, bags, baskets etc.

(vi) As has already been mentioned in Chapter-II, the negligible role of co-operatives shows that they have failed to explore the potential field of handicrafts and handloom products. In Nagaland there are only two artisans' co-operatives-one at village Chizami and the other at village Jotsoma, both of which are in Kohima district. They are really in moribund conditions. Statistics reveal that artisans' co-operative have so far supplied only 8% of the total value of articles procured by the sales emporium at Kohima whereas in case of the emporia at Mokokchung and Tuensang such co-operatives have not supplied any article during the entire reference period of the present study. In a state where the handloom and handicraft products have a tradition and future there is no reason why co-operatives should not play some useful role in this particular field. The Cooperative Department should coordinate its efforts to start artisans' cooperatives with the promotional efforts of the Directorate of Industries in this field so that concrete production programmes may be formulated by cooperatives in accordance with the concrete programmes of purchase of artistic materials by the respective sales emporia. This will benefit both the co-operatives

* This position relates to the time of field enquiry of the present study.

and the emporia- Besides, successful trainees coming out of T.C.P. *Us* may also be brought within the fold of such co-operatives.

(vii) It is necessary to pay due consideration to the quality and finish of the products offered for sale in the Government emporia. This can be done by arranging to supply quality raw-materials (like yarn, bristle, and hairs metal parts etc.) to the artisans who are given orders to supply products to the sales emporia and also by ensuring proper inspection of the articles received by the emporia. Further, keeping the quality consideration in view it is not advisable to dump substantial quantities of products turned out by the trainees of TC.P.C's as has been done in the emporium at Tuensang. It should be remembered that the products made by the trainees cannot be comparable with those produced by the skilled and experienced artisans.

(viii) The present picture of procurement of different product by the Government sale* emporia shows that the bulk of supply consists of handloom products where as handicrafts; and other articles are almost neglected. It is necessary to take adequate steps to increase the supply of handcraft and other products simultaneously with the increase in supply of handloom products at well, If possible the export potential for handloom and handcraft products may also be explored under the active patronage of the Government.

(ix) The flexibility of market prices, as compared to the fixed prices charged by the Government emporia give a general impress to the customer that the market prices are often lower than the prices charged by these emporia This problem has been explained in paragraph. 2.13 The handling charge of 5% added to the cost price really puts the Government emporia at a relatively disadvantageous position in the matter of price' Competition from private individual and dealers. This problem should be tackled by offering from time to time (say at the lime of Christmas, Durga Puja, Gandhi Jayanti and so on) some discounts and price concessions in order to attract customers to the Government emporia. The emporia at Kohima and Mokokchung can also arrange, at times, some lucky draws or gift distribution connected with some definite value of purchase by customers.

(x.) The financial appraisal of the Government emporia has revealed that they - are continuously running at a loss. To prevent this, positive measures should be taken to increase the sales while strict economy should be exercised in order to slash down high operating cost.

(xi.) The system of keeping records as well as the existing arrangements for publicity and display need definite improvement. At present the records are kept irregularly and unsystematically, with the result that many useful data on sales, capital investment etc. could not be collected by the Evaluation Team. Moreover , there should be adequate publicity through hoardings at vantage points (like railway station, bus stop or central places in towns) as well as through cinema slides and news media.

APPENDIX-I
GOVERNMENT OF NAGALAND
DIRECTORATE OF INDUSTRIES
NO. IND/MO/EMP/1/78-79.
DT, KMA, THE 26th JUNE '79.

To,

The Special Secretary,
To the Government of Nagaland,
Industries & Commerce Department Nagaland, Kohima.

SUB:- FIRST MEETING OF THE EVALUATION STEERING COMMITTEE-
REPORT ON SALES EMPORIA

Sir,

In compliance to your letter No, ID/Ct/i/76 dated the 8th June '71, I am to say that the Evaluation Report as submitted by the Evaluation Department has been gone through and their suggestions and recommendations there-in have been appreciated and taken into account for action since then. However, the correctness of the figure as tabulated in their report can not be confirmed readily as it involves lot of clerical jobs to do so. It may also be noted that since the Emporia has already been transferred to Nagaland Handloom and Handicrafts Development Corporation, the future course of action if any will be taken up with them.

A copy of the letter issued to the Planning and Coordination Department, Nagaland, Kohima, is also enclosed herewith for your information.

Yours faithfully,

Encl- As above.

(AK\NG AO)
DEPUTY DIRECTOR OF INDUSTRIES,
NAGALAND : KOHIMA.

APPENDEFX I (Cntd)
GOVERNMENT OF NAGALAND
DIRECTORATE OF INDUSTRIES
NO. IND/MO/EMP/IfS-79.
Dt. Kma. the 21st June '78.

To,

The Joint Secretary
to the Government of Nagaland,
planning & Coordination Department,
(planning Branch),
Nagaland, Kohima.

SUB- EVALUATION REPORT ON GOVERNMENT SALES EMPORIA IN
NAGALAND

Sir,

In acknowledging the receipt of the evaluation report vide your letter NO. EVL/12/70 dated 20-5-78,I would like to slate that the contents of the report have been gone through and the suggestions and recommendations there-in have been appreciated by us. We would try to implement and fulfill the suggestion given by you to the extent possible.

Yours faithfully,

SD/-K.M CHADHA,
DIRECTOR OF INDUSTRIES,
NAGALAND ; KOHIMA.

Copy to:-

The Secretary to the Government of Nagaland, Industries & Commerce
Department for information.

SD/-KM. CHADHA.
DIRECTOR OF INDUSTRIES
NAGALAND ; KOHIMA.