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## A STUDY ON THE SUSTAINABLE SURVIVAL STRATEGY BY BUSINESS PEOPLE ENGAGED IN AGARWOOD BUSINESS WITH SPECIAL REFERENCE TO HOJAI DISTRICT.

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### **ABSTRACT**

Aromatics originating from the resin-infused infected wood of the Aquilaria and Gyrinops genera have distinct and valued fragrances. Resin formation occurs as a response to internal injury and/or infections in the stems of the agarwood tree. The incenses and perfumes that are produced from agarwood have been valued for centuries and used by many cultures for spiritual, opulent, and aphrodisiac purposes. Agarwood is highly revered in the seminal texts of Hinduism, Christianity, Buddhism, and Islam. As early as 1400 B.C.E., agarwood was described as a fragrant product in Sanskrit texts, and in 65 B.C.E., Dioscorides detailed several medical applications for agarwood. Knowledge of human-induced agarwood formation was recorded in China as early as 300 C.E., where it was known that cutting into a tree would lead to a color change in its internal tissues within a year of the injury as a consequence of resin development. There is historical evidence of international trade in agarwood between the producing (tropical southeastern Asia) and consuming (Middle East, India, China, and Japan) regions of the world. Agarwood has been consumed primarily as incense with the burning of wood chips directly or as an important ingredient for powdered incense blends. The aromatic qualities of agarwood are

influenced by the species and variety of the two genera, geographic location, its branch, trunk and root origin, length of time since infection, and methods of harvesting and processing. The subtle but numerous variations in agarwood properties led to the development of systems for product classification and description in several consumer countries. This paper reviews the uses and trade of agarwood and its social, political, and economic significance in human history.

**KEYWORDS:** Perfumes, Oudh, Fragrance, Agarwood trees, Oil, Medicine.

### **Overview of Agarwood Business**

Agarwood tree is one of the precious gifts of nature deeply associated with the cultural heritage of Assam since ancient time. During early period the specially treated bark of agar tree popularly called "Sanchipat" was used for writing religious scripts which are still being preserved in many places including different "Satra/Namghar" in Assam. Agarwood is an integral part of the religious and cultural fabrics of India, largely used as agarbathi. The essential oil from agarwood is valued in high class perfumes and is much priced by European perfumer for mixing their best grade scents. Agarwood (Oudh) is a fragrant dark resinous wood used mainly for incense, perfumes and small carvings. The demand for this tree and its products are very high in Middle East and Asian countries such as Saudi Arabia, Qatar, Kuwait, Dubai, Oman, Bahrain, China, Korea, Malaysia etc. The Middle Eastern people mainly use it for incense and perfume while Buddhist uses agarwood for transmutation of ignorance. Tibetan monks utilize it to convey energy to wind down the mind and spirit. The tree becomes valuable only after getting infected by a particular fungus or group of fungi ceases to grow and become sick in the population stand. Hojai district in Assam is nerve centre of trade and commerce of agarwood including Naharani and Namti in Upper Assam. More than 70% of the total populations at Hojai are engaged in agarwood business in the means of livelihood. Due to the increase in the price of agarwood chip and oil the competition between the traders and entrepreneurs is highly affected. The first grade agarwood is one of the most expensive natural raw materials in the world. The price for 1 kg raw agar may be Rs 2000 or Rs 200000/- . The rapid increase in price level according to their quality led to take certain type of sustainable strategy adoption. The popularity of agarwood products in the international market offers the opportunity for high earning livelihood.

Though different species of agarwood are found in several south and Southeast Asian countries, natural agarwood is available in few places in India especially in north-eastern region. The over exploitation of natural crop has resulted in a scarcity of agarwood product.

The first and the foremost objectives of the study is to provide some background on the type of agarwood products and domestic market trend of this sector.

The main goal of the study was to find out the contribution of agarwood products to people's livelihood at Hojai district. Therefore, people's preference of quantum, the opportunities and constraints of agarwood business and the economic, social factors were identified and assessed. The study includes a research on the prospects and problems of entrepreneurs engaged in agarwood business with special reference to Hojai district. The study is of a great significance as it enables to understand the importance of agarwood business in promoting economic development.

### **HISTORICAL BACKGROUND**

Agarwood has at least a 3000 year history in the Middle East, Japan and China. Agarwood is an integral part of cultural and religious landscape of Muslim, Hindu, Buddhists, Christians etc. In addition, it is widely used in medical practices of ayurveda, unani, Arabic Tibetan, Sufi and Chinese. The followers of

Buddha believe that the burning of agarwood and the taking in its aroma helps one reach the ultimate stage of meditation.

There are references of agarwood in many ancient literature and religious scriptures. Agarwood and its essential oil gained great cultural and religious significance in ancient civilizations around the world, being mentioned throughout one of the world's oldest written texts (Sanskrit Vedas from India). It is also suggested that incense trade was in fact the first international trade route that existed in history. In Japan, agarwood is said to have arrived with Buddhism. In Vietnam ancient texts also refer to the use of agarwood in relation to travelling bud-dhist monks. Agarwood use as a medical product has been recorded in the Salih Muslim which dates back to approximately the ninth century, and in the ayurvedic medicinal text sushruta samhita.

## **USES OF AGARWOOD**

Though Agarwood is mostly used (in one way or another) as fragrance, in the form of agarwood chips, agarwood dust, (mostly for incense) or agarwood oil, there are an additional five uses: Decorative sculptures, beads, medicine, liquor and tea.

**1.1.2 (A):- Decorative sculptures:-** Agarwood pieces in natural shapes and sculptures are the highest value item in the consumer market.

**1.1.2 (B):- Agarwood beads:-** Agarwood pieces are also made into beads for religious purpose.

**1.1.2 (C):- Agarwood medicines:-** Agarwood is used to manufacture several types of crude and prepared medicine.

**1.1.2 (D):- Agarwood liquor:-** There are several types of liquor products produced with agarwood.

**(E) :- Tea:-** In rare cases and in very small portions agarwood is used to make tea.



**FIGURE 1.1.2 (A)**



**FIGURE 1.1.2 (B):-TASBIH MADE FROM AGARWOOD**

*Final product,  
L&D Agar oil*



**FIGURE 1.1.2 (D):- AGAR OIL**



**FIGURE 1.1.2 (E):- AGARWOOD TEA**

## **OBJECTIVE OF THE STUDY**

- To study the present scenario of agarwood business at hojai district.
- To study the problems and difficulties faced by entrepreneurs engaged in such business at Hojai district.
- To throw light on the pros and cons of agarwood business.
- To know about its future prospects.

## **SIGNIFICANCE OF THE STUDY**

To assess or evaluate the sustainability of a livelihood option one should look into the opportunities it offers and its constraints in terms of economics, ecological and social aspects. A host of such opportunities and constraints were encounter by the people engaged in agarwood business at Hojai, which could be categorized into economics, social and ecological aspects. To bring in light this constraints this study is extensively significant in order to relate with the current scenario and opportunities in agarwood business. These factors are discussed in following:-

- ❖ **Economics Aspects**:- The most important driving force for agarwood planting was the high income from its products like bark, wood, chips, wood peels, seedlings, oil etc. Raw material availability of such high value products at hojai attracted the attention of potential seekers from a number of region and countries giving a further boost to agarwood planting and trading in the area.
- ❖ **Ecological Aspects**:- The ecological aspects of agarwood planting was the lower requirements of water and nutrients than maize and other crops.
- ❖ **Social Aspects**:- There are number of social aspects in the promotions of agarwood like low labour and workers requirement in conversion process to oil and perfumes etc. the most positive social impact of agarwood business is that it created more work opportunities and new income sources in the district and its area.

Thus, the study was conducted to find out the prospects of Agarwood business in Hojai district as well as to identify the problems faced by the entrepreneurs engaged in such businesses.

## **SCOPE OF THE STUDY**

This study is mainly based on the field study on the entrepreneur engaged in agarwood business at Hojai district. The agarwood business largely influences a huge number of people across the state. The scope of this study lies in establishing the economic, ecological and social importance of agarwood business as a mean of survival and sustainability. The matter of this study is exclusively related to the people of Hojai engaged in agarwood business. This study is based on the prospects and problems of entrepreneurs engaged in agarwood business at Hojai district.

The study has been carried out in areas of Murajhar, Islammnagar, Doboka, Nilbagan, Hojai district, Assam. IT is step towards promoting sustainable entrepreneurship and creating awareness about the huge opportunities of agarwood business in north-east India. The study also gives an insight to the other researcher who wants to carry forward research work in the similar topic .

## **REVIEW OF LITERATURE**

### **Overall Review of Literature:-**

Rishu kalra,Nuthan kaushik (2017)-In their study ‘agarwood is a valuable oleoresin obtained from wounded tree of various genus of Thymelaeaceae family especially from aquilaria species.agarwood is regarded as most treasured non-timber forest product used in fragrances as well as medicines.quality of agarwood plays an important role to define its commercial value.different countries use different grading pattern to define the quality of agarwood’.

Chinese Herbal medicines (2016)-In their research “agarwood is an important non- timber forest product widely used in religious and cultural activities as perfume and fragrance and as traditional medicine in asia.the high value of agarwood and the inflated consuming market have led to constant rising of the prices.in general, the price of the agarwood is determined according to its quality, which can be divided into different grades. But up to now, there is not any standard quality grading system which could be used overwhelmingly throughout the agarwood producing, commerce and consumption”.

Gaikad V.K and Tripathi R.N (1982)-the main object of the study was to examine the pre-requisites for successful entrepreneurship. They found that all the entrepreneurs selected for study had basic character of initiative, drive and habit of hard work, but they did not have sufficient technical knowledge for awareness about the policy of government. The investigators found that unawareness and lack of sufficient fund are inhibiting factors in the development of industrial entrepreneurship in rural areas.

### **Identification of gap in existing studies:-**

The detailed review of available literature on the similar topic helps to identify the gap in the present studies ; that is, though some research have been undertaken with regard to Agarwood business, but not much study has been done to explore the huge opportunities of agarwood business in Hojai district of Assam. Hence, the present topic was an obvious choice for the study.

## **RESEARCH METHODOLOGY**

The methodology used to analyse the project is mainly based on survey method and thus survey was conducted for knowing (Prospects and problems of entrepreneurs engaged in Agarwood business in Hojai district).

**Research type:-** The research type of the present study is descriptive in nature.

**Source of data:-** The study was conducted by using both primary data and secondary data.

**Primary data:-** Primary data was collected with the help of structured questionnaire. 20 respondents from different areas of Hojai district were surveyed to collect the required information.

**Secondary data:-** The secondary data was collected from book, government policies, review, internet, website.

**Population of the study:-** People engaged in Agarwood business comprise the population of the study. But, since it is difficult to estimate the exact number of Agarwood business in Hojai District. Hence, population of the study remains undefined.

**Selection of the study area:-** The study have been conducted in Hojai District.

**Sampling Technique:-** For doing the above mentioned study, convenience sampling technique has been used.

**Sample Size:-** 20 samples have been selected for the study and the distribution of sample has been shown in the following table:-

AREAS	SAMPLES COLLECTED
Murajhar	3
Sabajpur	2
Islamnagar	3
Doboka	4
Nilbagan	1
Chowdhurybazar	2
Hojai Town	5
TOTAL	20

**Research Instrument:-** For collecting the information from the respondents, the instrument used in the present study is questionnaires.

**Data Analysis Technique:-** The statistical tools used to interpret the results of the study are Bar Chart, Pie Chart.

#### **Research Queries:-**

- (a) Whether the Agarwood business in Hojai District is contributing positively towards economic development of the area?
- (b) Whether the entrepreneurs are aware of its future prospects?
- (c) Whether the entrepreneurs are facing any problem in running the business?

#### **Periodicity of the Study:-**

The periodicity of study means the period in which the study was conducted. The periodicity of the study was during 1<sup>st</sup> September to 31<sup>st</sup> October 2021.

#### **Chapterisation Scheme:-**

The entire project work will run into three chapters. These are as follows:-

The first chapter brings out the meaning and concept of Agarwood business followed by the historical background and uses of Agarwood. It also includes the importance of the study, scope of the study, research methodology and periodicity of the study.

The second chapter will give a quick look in previous reviews of literature that help in identification of gap.

The third chapter being the last chapter lays down the data analysis and major findings and suggestions of the study, followed by limitations and conclusion.

## **2. ANALYSIS AND INTERPRETATIONS**

Data analysis and interpretation is critical for the successful completion of every research project. It helps to determine the results of the study in a comprehensive manner.

### **DEMOGRAPHIC PROFILE OF THE RESPONDENTS:-**

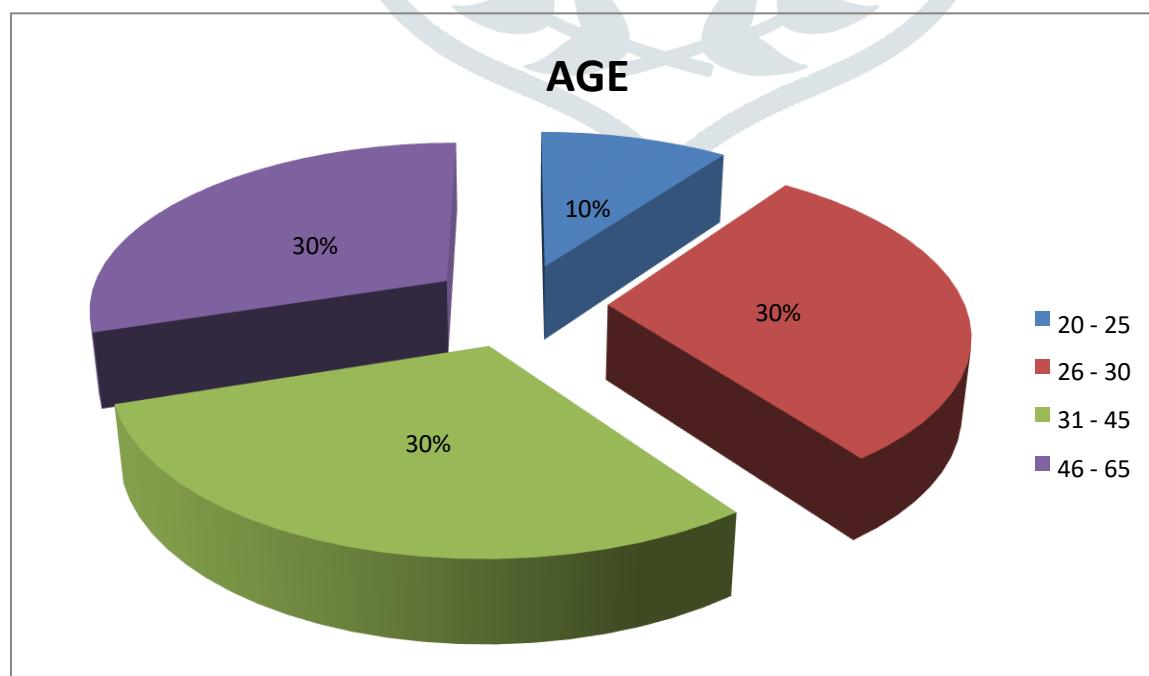
#### **AGE**

**TABLE :- 2.1.1** Respondents age group

AGE	RESPONDENTS	PERCENTAGE
20 – 25	2	10
26 – 30	6	30
31 – 45	6	30
46 – 65	6	30
TOTAL	20	100

Source:- Primary data

**FIGURE :- 2.1.1** Showing the age group of the respondents



**INTERPRETATIONS:-**

From the above table and figure it has been observed on an average people engaged in Agarwood business belongs to the age category of 26 – 65. Hence it can be interpreted that right from adult to senior citizen are interested in this business.

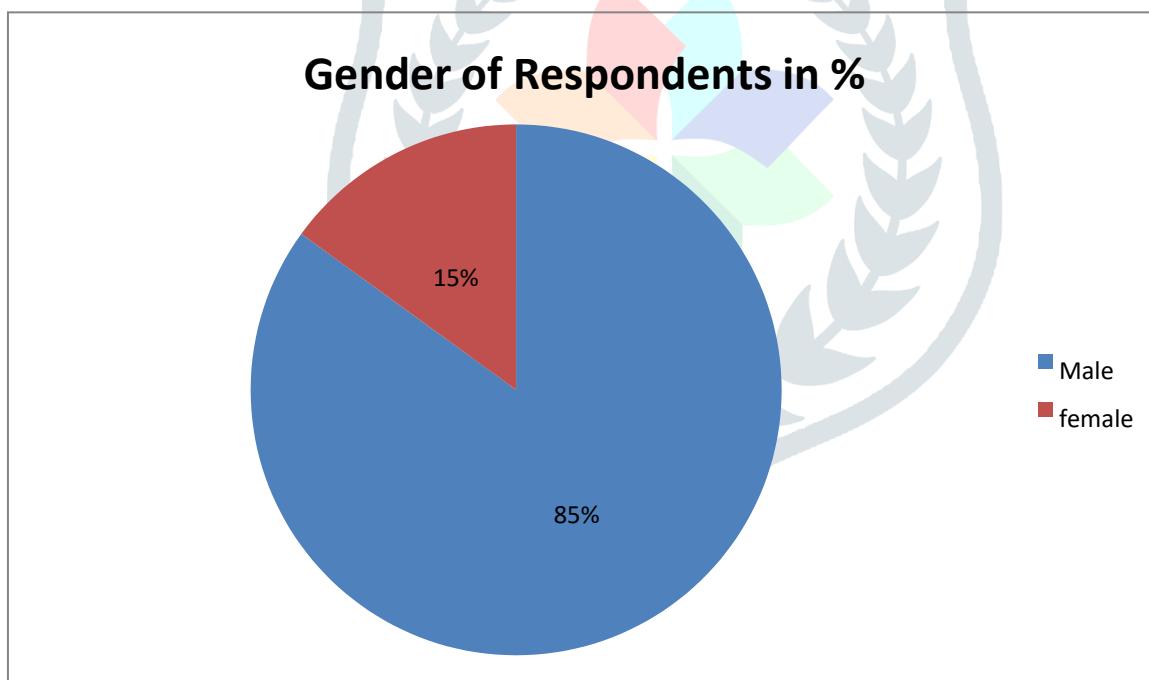
**GENDER OF THE RESPONDENTS:-**

**TABLE:- 2.1.2** showing gender of the respondents

OPINION	NO. OF RESPONDENTS	PERCENTAGE
MALE	17	85
FEMALE	3	15
TOTAL	20	100

Source:-Primary Data (field survey)

**FIGURE 2.1.2 ,** graph showing gender of Respondents



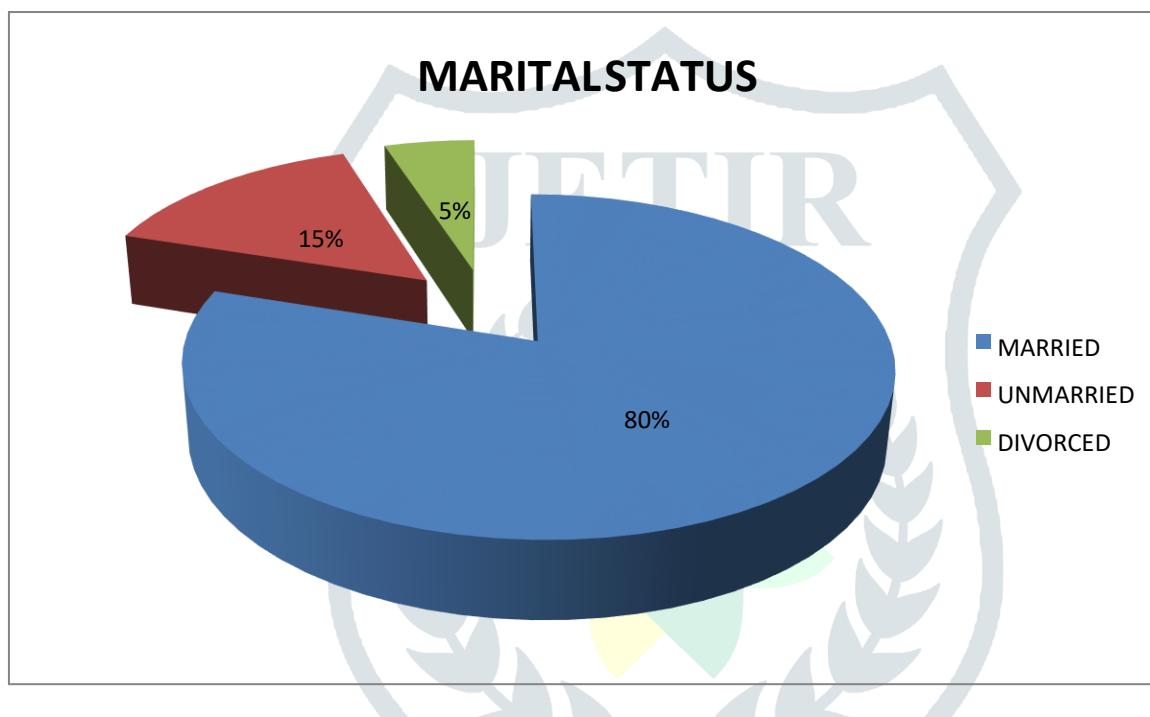
Source:-Primary Data

**INTERPRETATION:-** Above table shows that 85% of respondents were Male and 15% were female. This shows that majority of entrepreneurs engaged in Agarwood business are male.

**MARITAL STATUS****TABLE :- 2.1.3**, showing marital status of the respondents

CATEGORY	NO. OF RESPONDENTS	PERCENTAGE
MARRIED	16	80
UNMARRIED	3	15
DIVORCED	1	5
TOTAL	20	100

SOURCE:- Primary data

**FIGURE:- 2.1.3**, showing marital status of the respondents:-**INTERPRETATION:-**

From the above table and chart it is observed that 80 % of the total respondents are married and 15 % and 5% of the total respondents are unmarried and divorced respectively. Hence it can be interpreted that majority of the respondents have families.

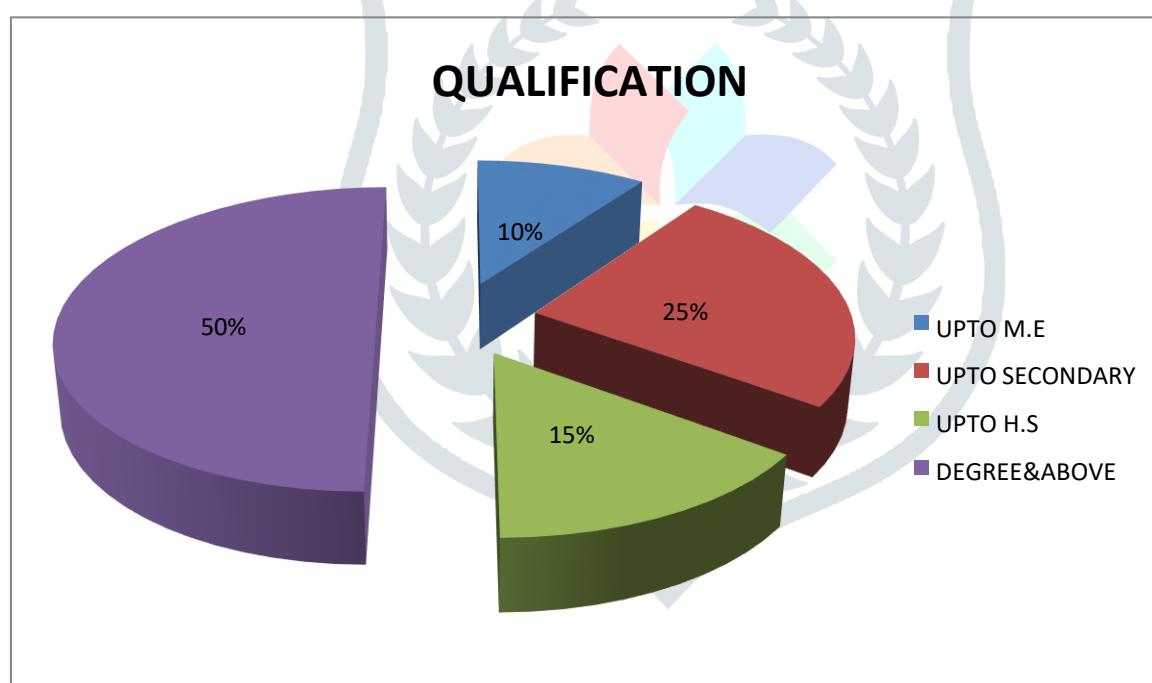
## EDUCATIONAL QUALIFICATION

**TABLE:- 2.1.4,** Showing qualification of the respondents:-

CATEGORY	NO. OF RESPONDENTS	PERCENTAGE
Upto L.P	0	0
Upto M.E	2	10
Upto Secondary	5	25
Upto H.S	3	15
Degree & Above	10	50
TOTAL	20	100

**SOURCE:- Primary data**

**FIGURE:- 2.1.4,** Showing qualification of the respondents:-



## INTERPRETATION:-

From the above table and chart it is observed the education wise qualification revels that the majority of the respondents (50%) have degree education. Thus, majority of the people engaged in such business are quite educated.

## INCOME PROFILE

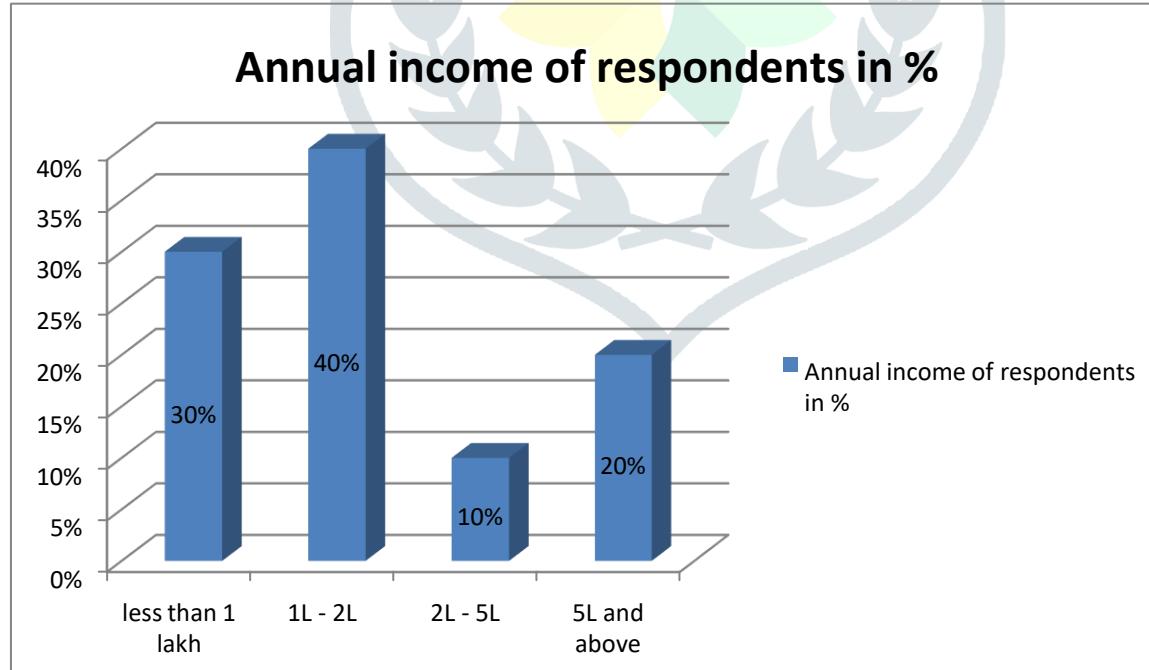
**TABLE 2.1.5**

Table showing annual income of the respondents-

VARIABLES (in Rs)	NUMBER OF RESPONDENTS	% OF RESPONDENTS
LESS THAN 1 LAKH	6	30
1 LAKH-2 LAKH	8	40
2 LAKH-5 LAKHS	2	10
5 LAKHS AND ABOVE	4	20
TOTAL	20	100

Source- Primary Data (Field Survey)

**FIGURE- 2.1.5**, chart showing annual income of the respondents-

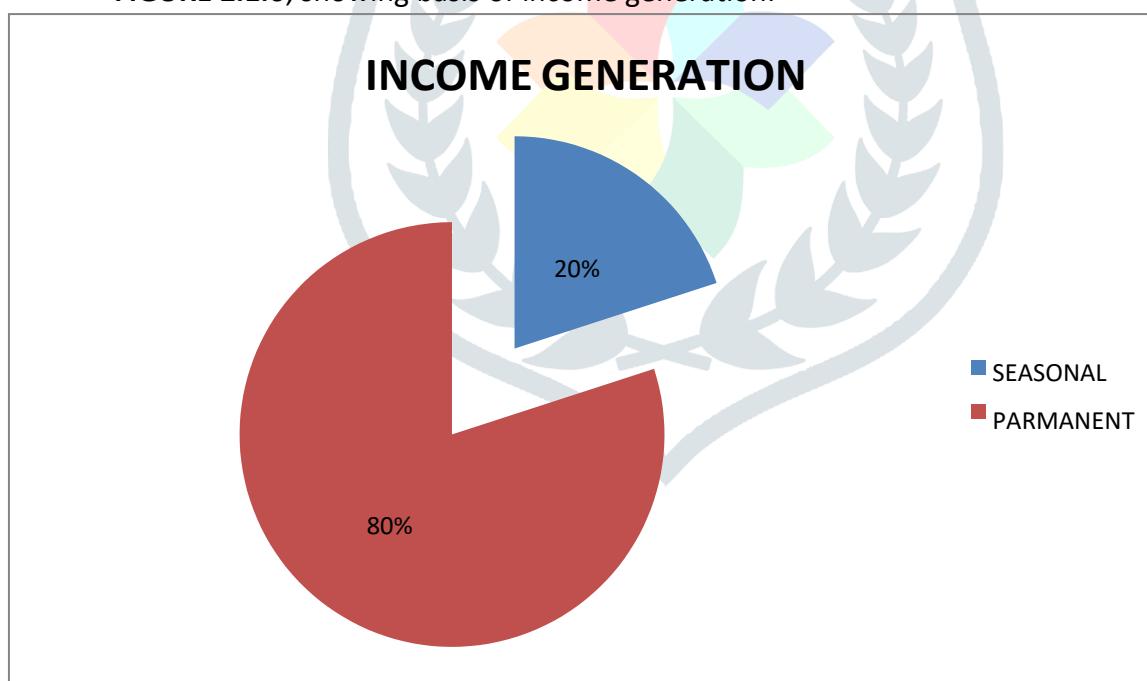


Interpretation:- The above table shows that 30% of the total respondents were having annual income of less than 1 lakh. It is also observed that 40% of the respondents were having annual income of between 1 lakh – 2 lakhs, 10% of the respondents were having annual income of 2 lakhs – 5 lakhs and 20% of the respondents having annual income of 5 lakh and above. The majority of the respondents are earning a fair income from such business.

**BASIS OF INCOME GENERATION****TABLE:-2.1.6, showing basis of income generation:-**

CATEGORY	RESPONDENTS	PERCENTAGE
SEASONAL	4	20
PARMANENT	16	80
TOTAL	20	100

SOURCE:- Primary data

**FIGURE 2.1.6, showing basis of income generation:-****INTERPRATATION:-**

From the above table and chart it may be interpreted that majority of the respondents (80%) permanent source of income generation is this type of business.

**QUESTIONNAIRE ANALYSIS**

**: IS AGARWOOD BUSINESS YOUR MAIN OCCUPATION?**

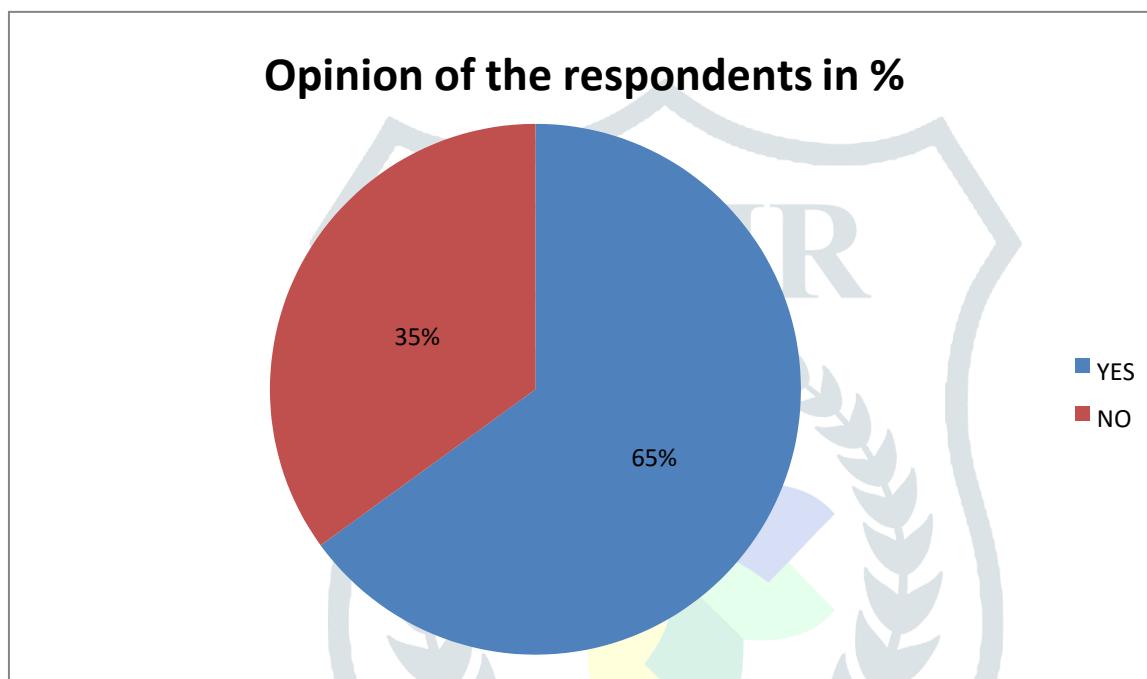
**TABLE 2.2.1**

Table showing number of respondents consider agarwood business as their main occupation.

OPINIONS	NUMBER OF RESPONDENTS	% OF RESPONDENTS
YES	13	65
NO	7	35
TOTAL	20	100

Source: - Primary Data (Field Survey)

**FIGURE: - 2.2.1**, Pie-chart showing the percentage of the respondents responses.



**Interpretation:-** The above table exhibits that the majority of the total respondents (65%) consider agarwood business as their main occupation whilst only 35% of the respondents do not consider the same. Hence, it can be interpreted that Agarwood business is quite popular occupation in Hojai District.

#### HOW LONG HAVE YOU BEEN ENGAGED IN AGARWOOD BUSINESS?

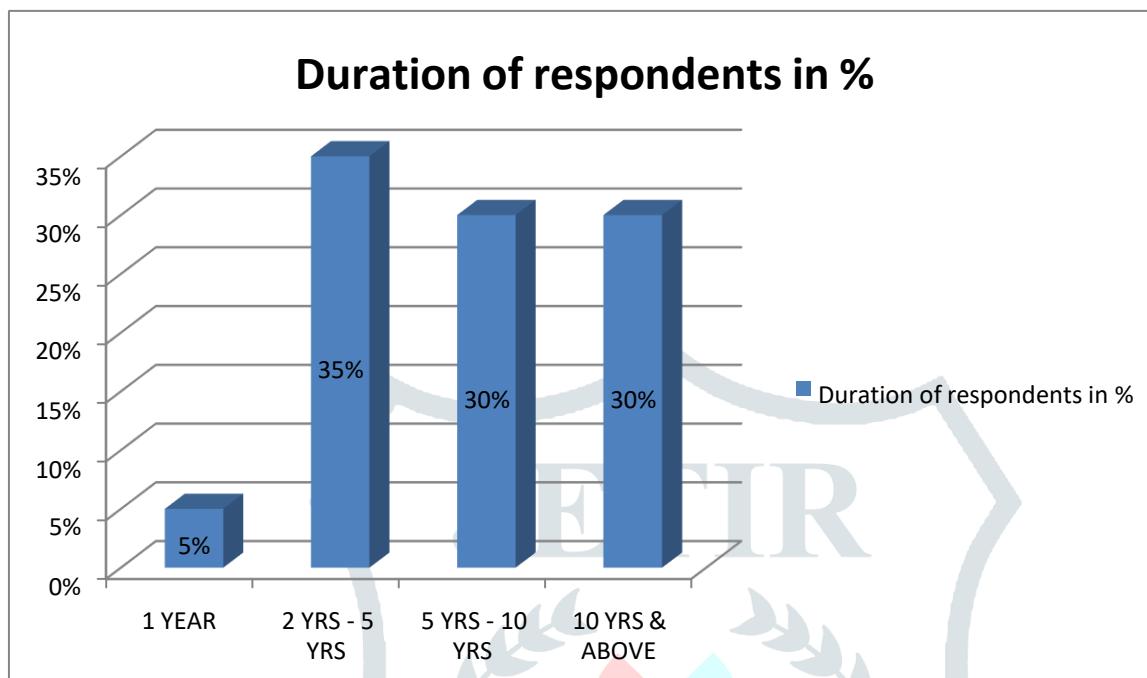
**TABLE:-2.2.2**

Table showing duration of engagement in agarwood business of the respondents.

DURATION	NUMBER OF RESPONDENTS	% OF RESPONDENTS
1 YEAR	1	5
2 YEARS – 5 YEARS	7	35
5 YEARS – 10 YEARS	6	30
10 YEARS AND ABOVE	6	30
TOTAL	20	100

Source- Primary data (field survey)

**FIGURE 2.2.2**, showing the duration of engagement in agarwood business.



**Interpretation:-** The above table exhibits that the majority of the total respondents (35%) are engaged in agarwood business from 2 years – 5 years whilst the two other groups of entrepreneurs fall under the duration of 5 years – 10 years and above respectively with the same percentage i.e- 30%. And it is observed that only 5% of the total respondents were engaged from less than or equal to 1 year. It has been observed that majority of the respondents are into this business for quite a long time.

#### WHICH TYPE OF AGARWOOD BUSINESS ARE YOU ENGAGED IN?

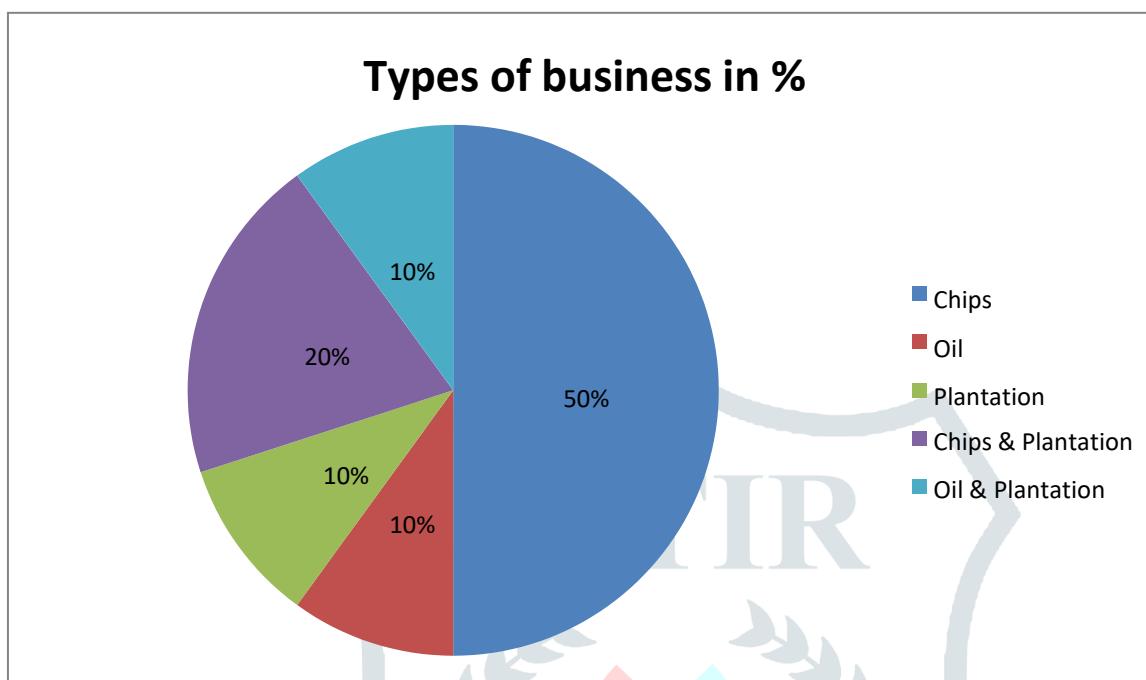
**TABLE 2.2.3**

Table showing type of agarwood business they are engaged in:-

PARTICULARS(TYPE)	NUMBER OF RESPONDENTS	% OF RESPONDENTS
CHIPS	10	50
OIL	2	10
PLANTATION	2	10
CHIPS & PLANTATION	4	20
OIL & PLANTATION	2	10
TOTAL	20	100

Data Source:- Primary Data (field survey)

**FIGURE 2.2.3**, Pie chart showing the type of agarwood business they are engaged in-



**Interpretation:-** The above chart exhibits that the majority of the entrepreneurs i.e – 50% were engaged in Chips business while 20% of the total respondents were engaged in chips and plantation business. It also can be observed that the same numbers of people are engaged in Oil, plantation and Oil and Plantation with a percentage of 10 %. It can be clearly seen that entrepreneurs in Hojai district are extremely engaged in chips business of agarwood.

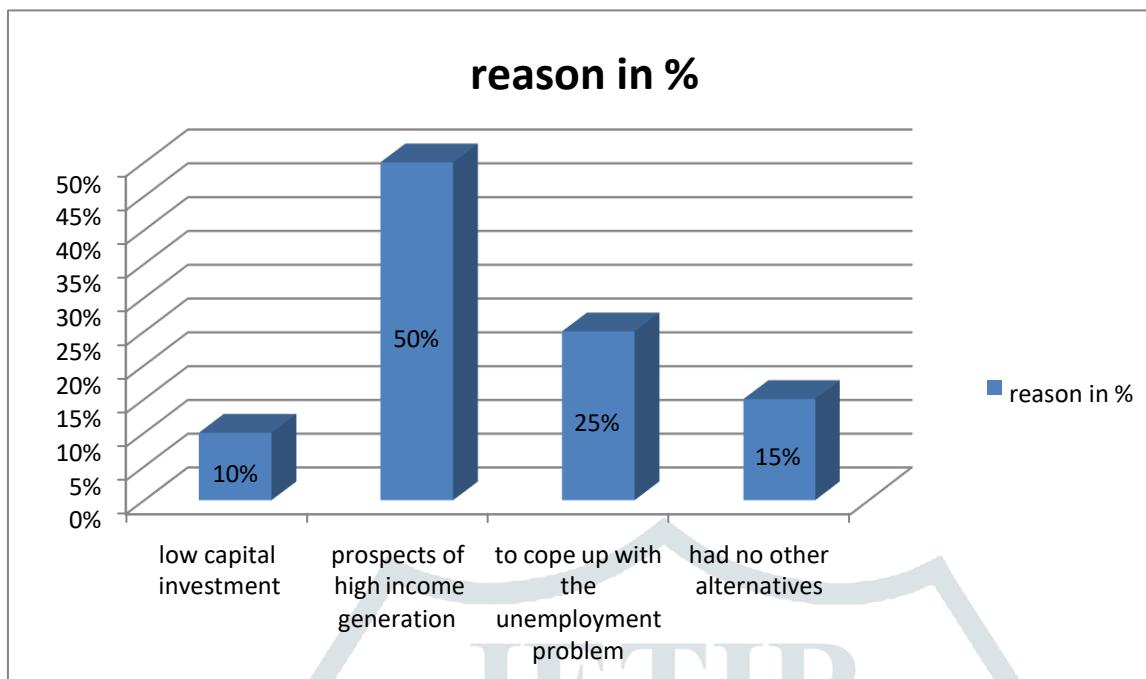
#### COULD YOU TELL ME THE MAIN REASON FOR UNDERTAKING THE AGARWOOD BUSINESS?

**TABLE 2.2.4**

Table showing the main reason for undertaking:-

VARIABLES(REAON FOR UNDERTAKING)	NUMBER OF RESPONDENTS	% OF RESPONDENTS
LOW CAPITAL INVESTMENT	2	10
PROSPECTS OF HIGH INCOME GENERATION	10	50
TO COPE UP WITH THE UNEMPLOYMENT PROBLEM	5	25
HAD NO OTHER ALTERNATIVES	3	15
TOTAL	20	100

Source: - Primary Data (Field Study)

**FIGURE 2.2.4**, Chart showing main reason for undertaking agarwood business.

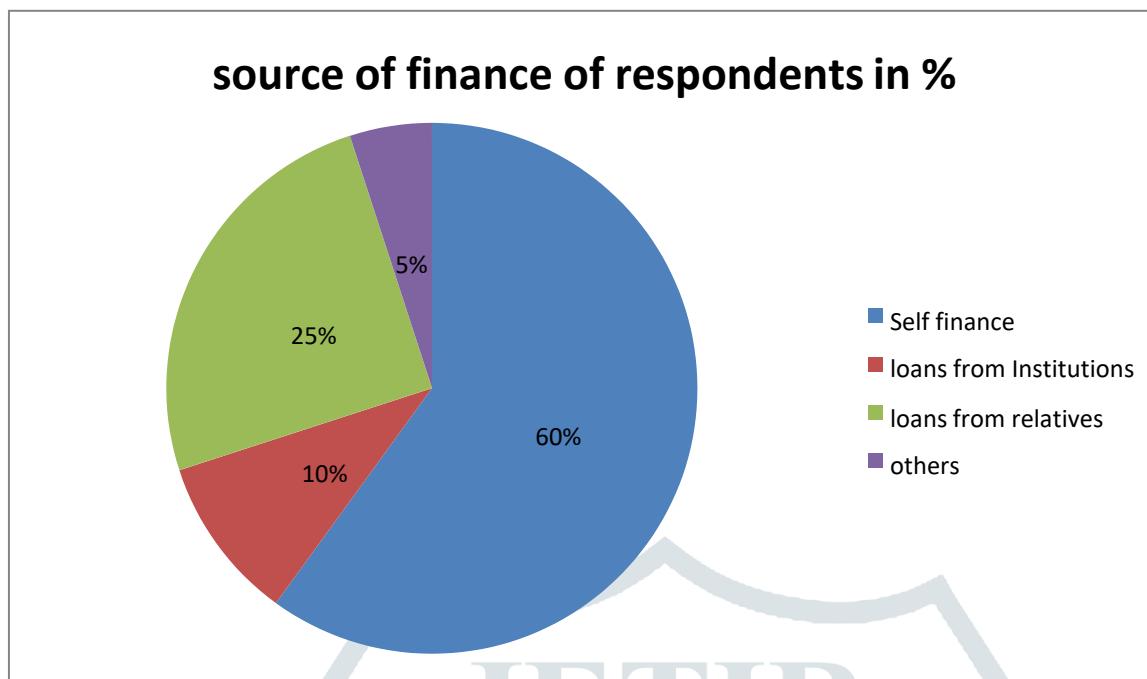
**Interpretations:-** The above table exhibits that the majority of the respondents (50%) undertaking agarwood business for prospects of high income generation. While (25%) of the respondents undertaken agarwood business to cope up with the unemployment problem and the best part is that the (15%) of the total respondents undertaken the business only that they had no other alternatives. They had to undertake the business because they did not have any other choice to go with. And it is also observed that the minority of the respondents (10%) of the total respondents chose to undertake the business for low capital investment and it is also one of the reasons that led to come in force for undertaking the business. Thus it can be interpreted that majority of the respondents runs such business with the expectation of high income.

#### FROM WHERE DO YOU GET FINANCIAL SUPPORT?

**TABLE:- 2.2.5**

Table showing source of financial support-

VARIABLES(source of finance)	NUMBER OF RESPONDENTS	% OF RESPONDENTS
SELF FINANCE	12	60
LOANS FROM INSTITUTIONS	2	10
LOANS FROM RELATIVES	5	25
OTHERS	1	5
TOTAL	20	100

**FIGURE 2.2.5**, pie chart showing the source of finance of the respondents.

**Source- Primary Data (field study)**

**Interpretations:-** from the above table and chart, it exhibits that the majority of the respondents source of finance is Self finance. The majority i.e. - 60% of the respondents finance their business for smooth functioning through his own funds. It is also observed that 25% of the respondents take loan from relatives to run the business successfully and 10% of the total respondents take loan from institutions. It is also seen that only 5% of the total respondents have other source of finance for their business, such as taking loan from zamindar, interest business person etc. Thus, the observation reveals that majority of such businesses are self financed.

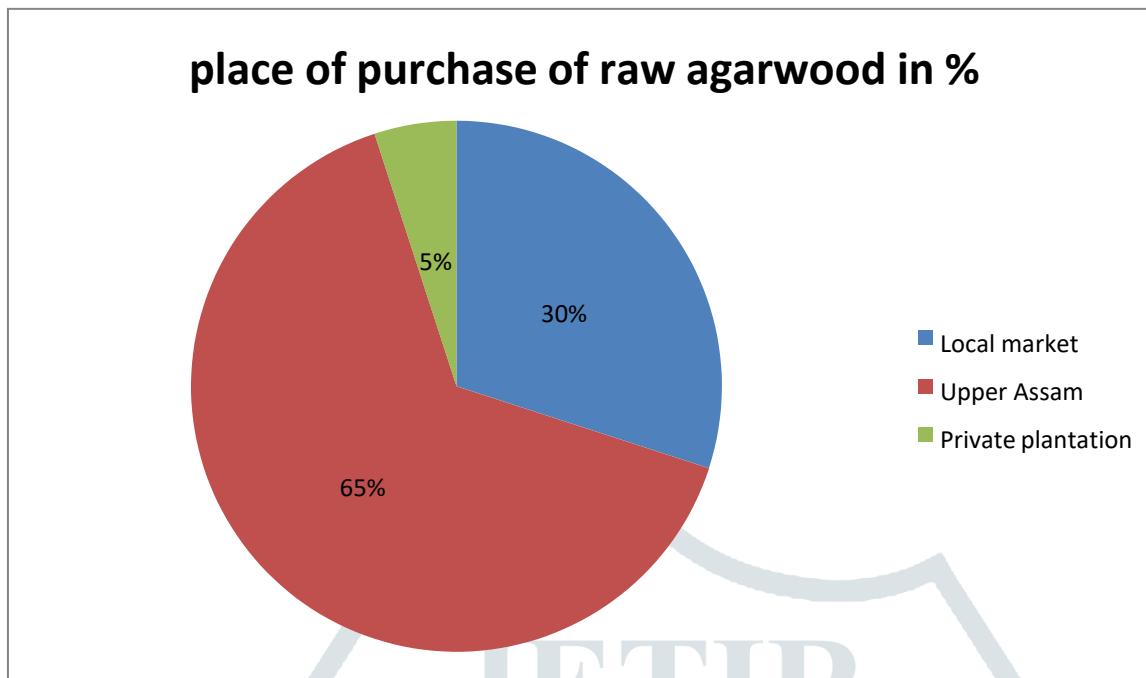
#### **FROM WHERE DO YOU PURCHASE RAW AGARWOOD?**

##### **TABLE:-2.2.6**

showing the responses of respondents in percentage.

PARTICULARS	NUMBER OF RESPONDENTS	PERCENTAGE OF RESPONDENTS
LOCAL MARKET	6	30
UPPER ASSAM	13	65
PRIVATE PLANTATION	1	5
TOTAL	20	100

**Source-primary data (field Survey)**

**FIGURE 2.2.6**, showing the responses of the respondents:-

**Interpretations**:- The above table and pie chart reveals that majority of the people (65%) purchase Raw agarwood from Upper Assam areas such as Naharani, Namti, Sonari, Sivsagar, Kachar etc. it can also be seen that (30%) of the total respondents purchase Raw agarwood from local market such as Islammagar market, Doboka market etc. And only (5%) of the respondents purchase Raw agarwood from private plantation. Therefore it has been observed that Upper Assam serves to be a popular place for acquiring raw agarwood.

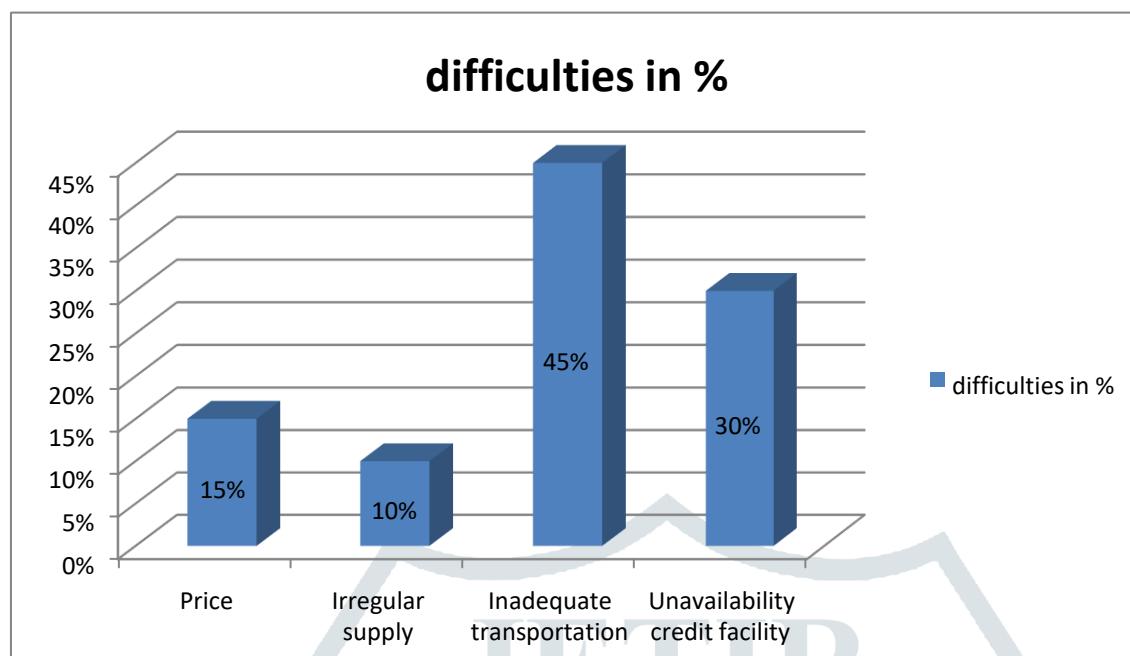
#### WHAT ARE THE DIFFICULTIES WHILE PURCHASING?

**TABLE:-2.2.7**

Table showing difficulties while purchasing in percentage.

VARIABLES(DIFFICULTIERS)	NUMBER OF RESPONDENTS	% OF RESPONDENTS
PRICE	3	15
IRREGULAR SUPPLY	2	10
INADEQUATE TRANSPORTATION	9	45
UNAVAILABILITY CREDIT FACILITY	6	30
TOTAL	20	100

Source:- Primary Data (Field survey)

**FIGURE 2.2.7**, Bar chart showing the difficulties while purchasing in percentage.

**Interpretations:-** The above table and Bar chart exhibit that the majority of the respondents (45%) had difficulties in inadequate transportation while purchasing Raw agarwood, since they buy raw material mostly upper Assam areas. It also can be seen that (30%) of the total respondents had unavailability credit facility problem while purchasing because very few seller or dealer sell raw material (agarwood) in credit. It is also observed that (15%) of the total respondents had problem with price determination while purchasing because it takes place when the entrepreneurs is very new to the business. Lastly, only (10%) of the total respondents had problem with irregular supply. Hence, it shows that lack of proper transportation facilities is the main difficulty faced by the respondents.

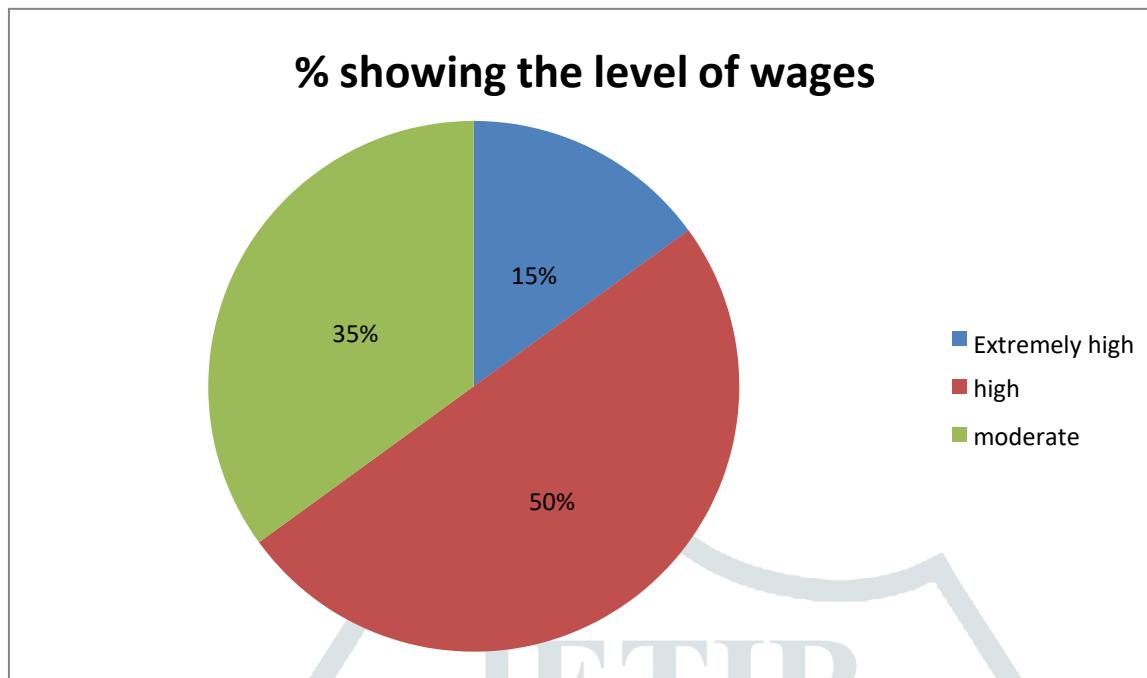
#### DO YOU THINK WAGES IN AGARWOOD BUSINESS ARE HIGH?

**TABLE:- 2.2.8**

showing the wages level in percentage (%)

VARIABLES(WAGES LEVEL)	NO. OF RESPONDENTS	% OF RESPONDENTS
EXTREMELY HIGH	3	15
HIGH	10	50
MODERATE	7	35
MINIMAL	0	0
TOTAL	20	100

Source- Primary Data (Field Survey)

**FIGURE 2.2.8**, pie chart showing the Wages level in percentage (%)

**Interpretations:-** The above chart exhibits that the majority of the respondents (50%) think that wages in agarwood business is extremely high. And it can also be observed that (35%) of respondents think that the wages in agarwood business is neither high nor extremely high but moderate. They think that wages is rather very affordable. Therefore it has been observed that the wages is affordable for the people engaged in the Agarwood business.

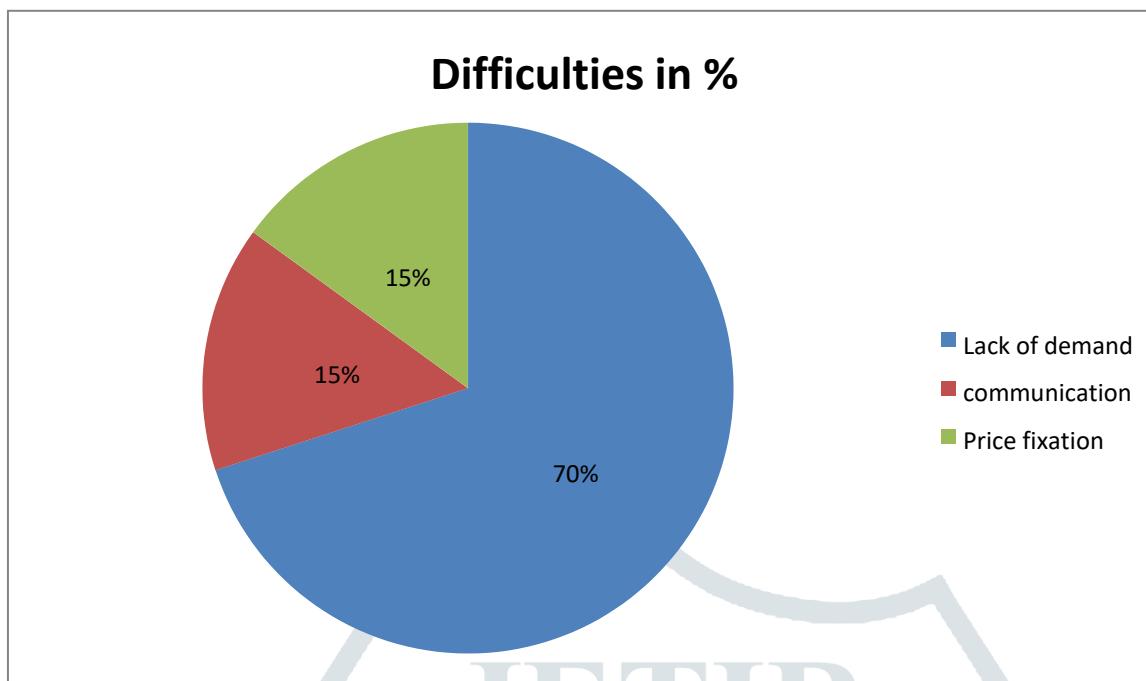
#### DID YOU FIND ANY OF THE FOLLOWING DIFFICULTIES WHILE SELLING

##### AGARWOOD FINISHED PRODUCTS?

**TABLE 2.2.9**

Table showing respondents difficulties in percentage (%)

PARTICULARS(difficulties)	NO. OF RESPONDENTS	% OF RESPONDENTS
LACK OF DEMAND	14	70
LOW NUMBER OF CONSUMER	0	0
COMMUNICATION	3	15
LOCATION	0	0
PRICE FIXATION	3	15
TOTAL	20	100

**FIGURE 2.2.9**, pie chart showing the difficulties in percentage (%)

**Interpretations-** The above chart exhibits that the majority of the respondents (70%) did find difficulty of lack of demand while selling agarwood finished products. It is also observed that (15%) of the total respondents find difficulties in communication with other entrepreneurs. Lastly it is also reveals that 15% of the total respondents found the problem in price fixation, while selling the agarwood finished products. It corresponds to the problem when the entrepreneur is very new to the agarwood business. Therefore it has been observed that there is lack of demand for the product but the demand also depends upon the market condition to some extent.

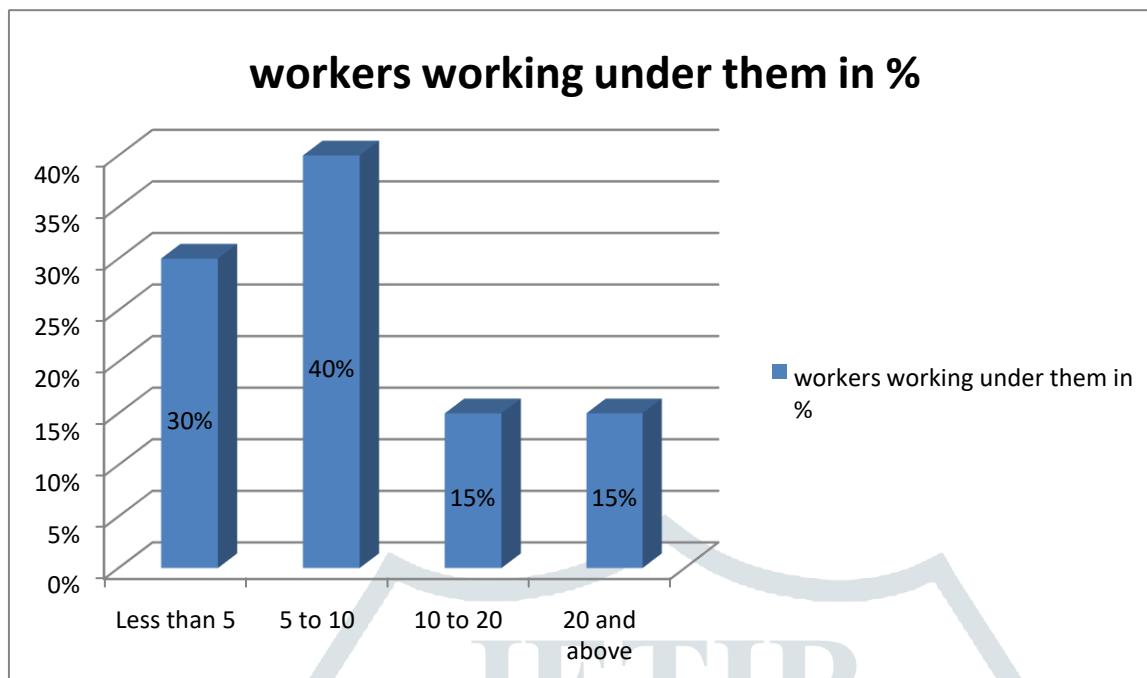
#### NUMBER OF WORKER CURRENTLY WORKING UNDER YOU?

**TABLE:-2.2.10**

showing number of workers currently working under them in percentage (%)

PARTICULARS(no. of workers)	NO. OF RESPONDENTS	% OF RESPONDENTS
LESS THAN 5	6	30
5 - 10	8	40
10 - 20	3	15
20 AND ABOVE	3	15
TOTAL	20	100

Source- Primary Data (Field Study)

**FIGURE 2.2.10**, Bar chart showing number of workers currently working under them in percentage (%)

**Interpretations-** The above table exhibits that the majority of the respondents (40%) have number of workers between 5 and 10 currently working under them. It also observed that 30% of the total respondents consider less than 5 workers currently working under them. Therefore it has been found that it create employment in the region.

## HOW WOULD YOU RATE YOUR ASSOCIATION WITH AGARWOOD BUSINESS?

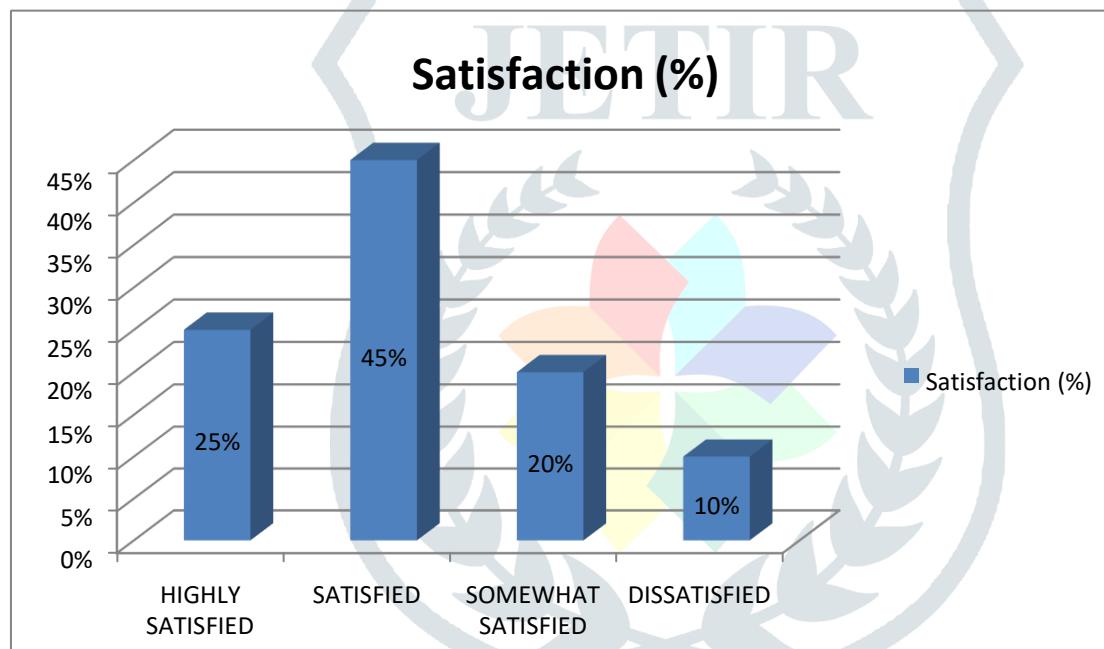
**TABLE:- 2.2.11**

showing respondents level of satisfaction in percentage (%)

OPTION	NO. OF RESPONDENTS	% OF RESPONDENTS
HIGHLY SATISFIED	5	25
SATISFIED	9	45
SOMEWHAT SATISFIED	4	20
DISSATISFIED	2	10
TOTAL	20	100

**SOURCE:- Primary data**

**FIGURE 2.2.11**, Bar chart showing the satisfaction level in percentage (%)



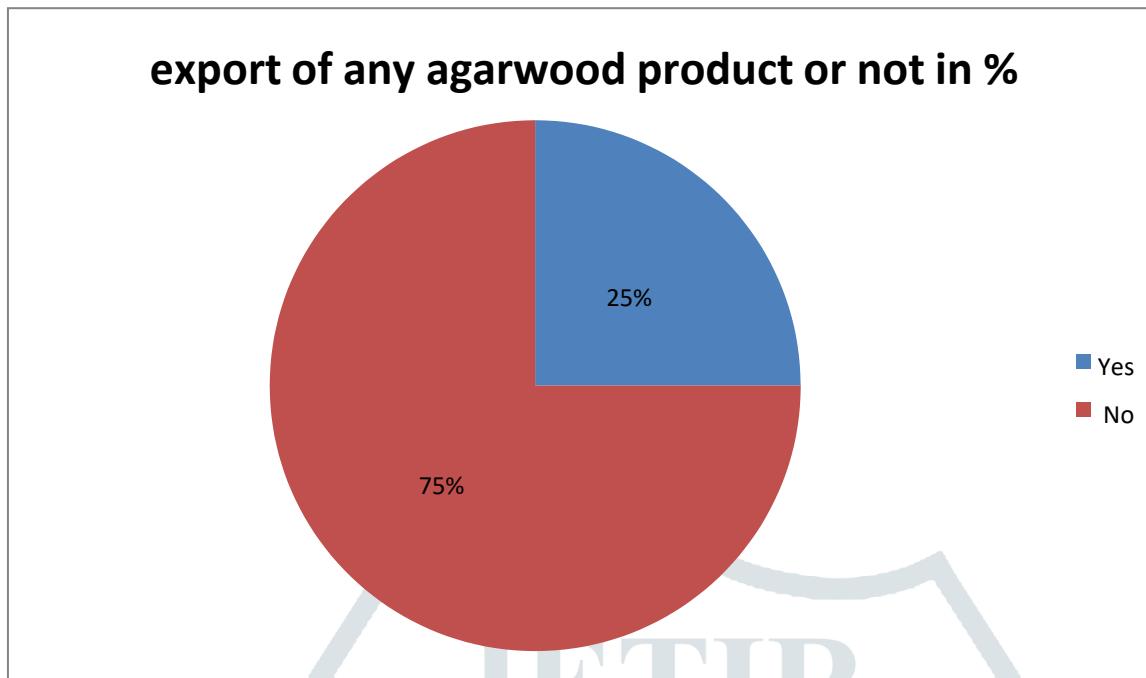
### INTERPRETATION:-

The above table and bar chart exhibit that the most of the respondents (45%) indicates that they are satisfied with the association in agarwood business. It also observed that 25% of the total respondents indicate that they are highly satisfied with this business.

## DO YOU EXPORT ANY OF THE AGARWOOD PRODUCTS?

**TABLE:- 2.2.11**

OPINION	NO. OF RESPONDENTS	% OF RESPONDENTS
YES	5	25
NO	15	75
TOTAL	20	100

**FIGURE 2.2.12**, graph showing export of any agarwood products or not in percentage (%)

**Interpretations:-** The above chart exhibits that only (25%) of the respondents export and rest (75%) of the respondents do not export any agarwood products. It has been observed that majority of the respondents do not export the product. Rather they sell in the domestic market.

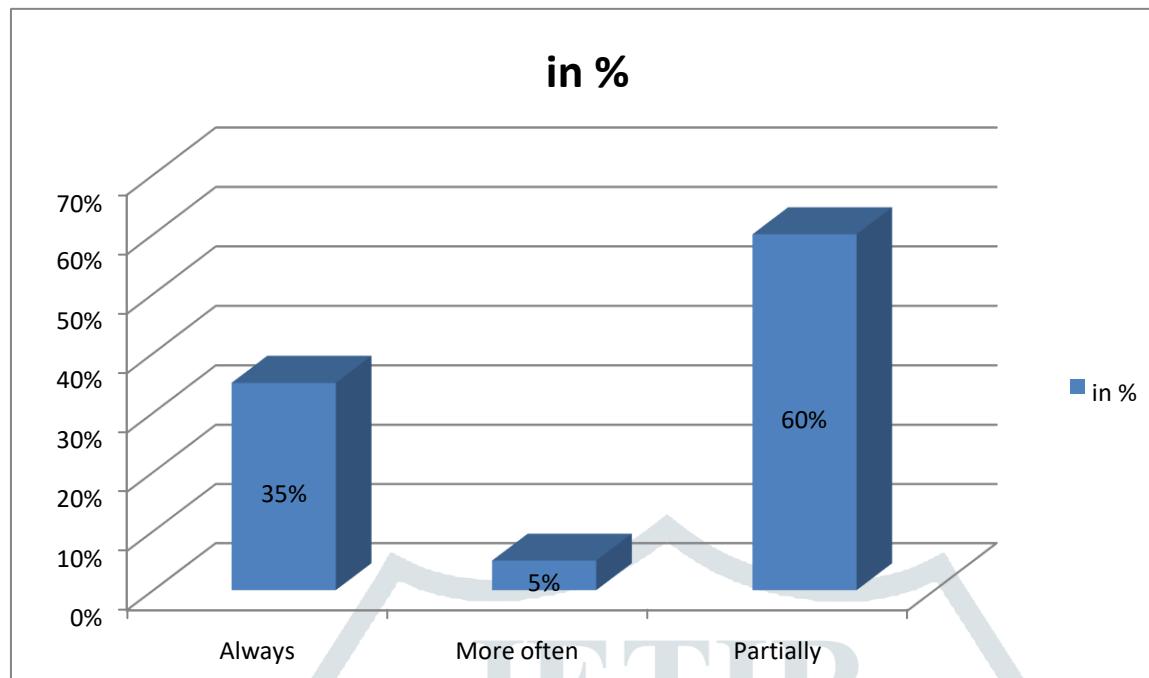
#### **DOES AGARWOOD BUSINESS ALWAYS YIELD PROFITS?**

**TABLE 2.2.13:-**

showing does agarwood business always yield profit or not-

OPINION	NO. OF RESPONDENTS	% OF RESPONDENTS
ALWAYS	7	35
MORE OFTEN	1	5
PARTIALLY	12	60
NOT AT ALL	0	0
TOTAL	20	100

Source- Primary Data (Field Survey)

**FIGURE 2.2.13**, Bar chart showing it is yield profit or not in percentage (%)

**Interpretations:** - The above chart exhibits that more than half of the respondents (60%) gave opinions Agarwood business partially yield profit however, 35% and 5% of the respondents gave opinions that it is always yield profit and more often. Therefore it has been found that Agarwood business is partially profitable i.e it generate average profit for the people engaged in the business.

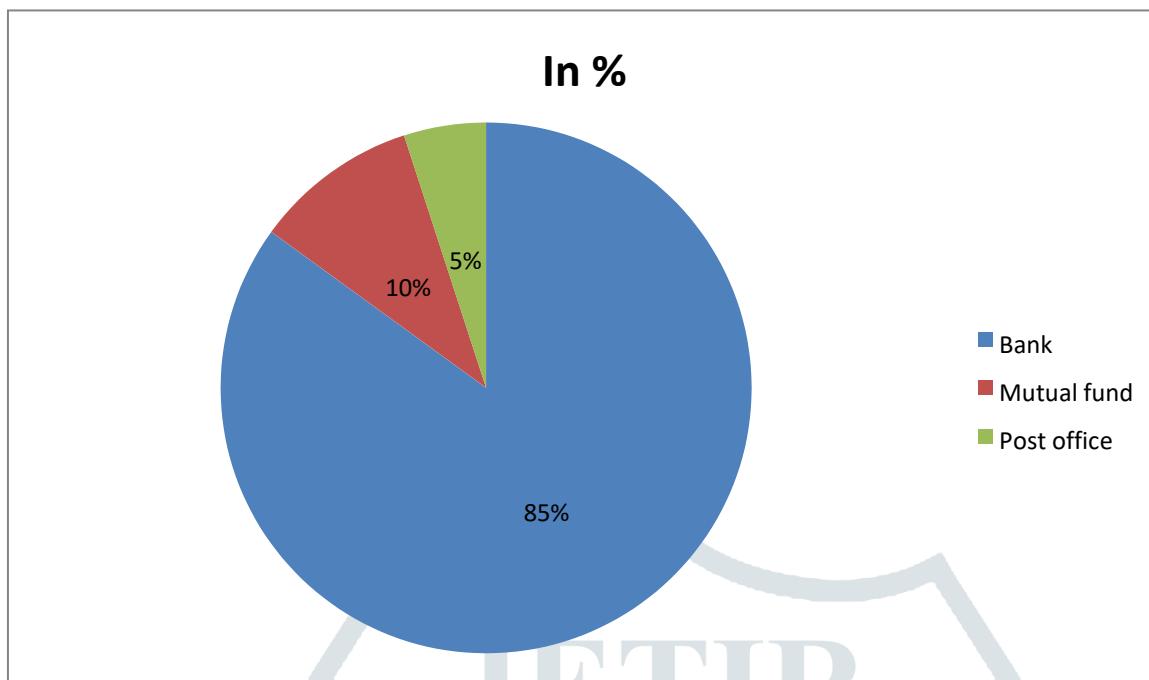
#### WHERE DO YOU INVEST YOUR PROFITS?

**TABLE:- 2.2.14**

showing where the respondents invest their profit.

PARTICULARS	NO. OF RESPONDENTS	% OF RESPONDENTS
BANK	17	85
MUTUAL FUND	2	10
POST OFFICE	1	5
TOTAL	20	100

Source- Primary data (Field Survey)

**FIGURE 2.2.14**, graph showing where the respondents invest their profit in percentage (%)

**Interpretations:-** The above table and pie chart reveal that among all the respondents, (85%) of the respondents invest their profit in bank while 10% and 5% of the total respondents invest their profits in mutual fund and post office concurrently. Therefore it has found that most of the respondents investment their profit in the bank.

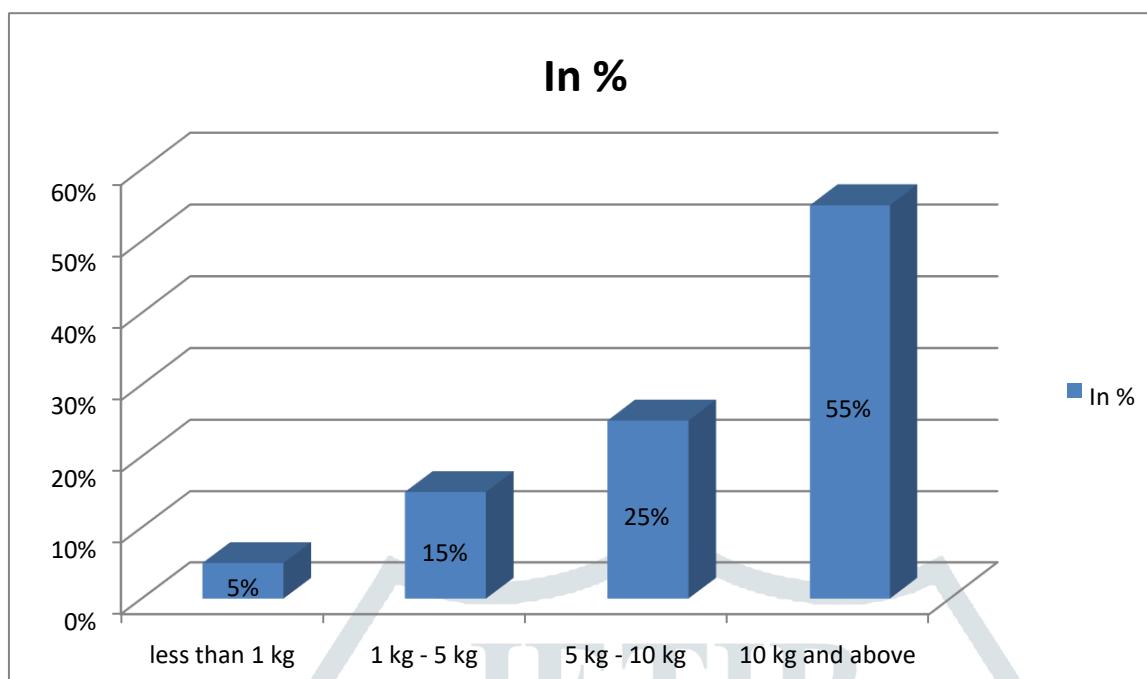
#### HOW MUCH IN QUANTITY DO YOU USUALLY BUY RAW AGARWOOD?

**TABLE:- 2.2.15**

showing how much in quantity they usually buy raw Agarwood:-

OPTIONS	NO. OF RESPONDENTS	% OF RESPONDENTS
LESS THAN 1 KG	1	5
1 KG – 5 KG	3	15
5 KG – 10 KG	5	25
10 KG AND ABOVE	11	55
TOTAL	20	100

Source- Primary Data (Field Survey)

**FIGURE 2.2.15**, bar chart showing how much in quantity they usually buy raw agarwood in percentage (%)

**Interpretation:-** The above table and bar chart reveals that majority of respondents (55%) buy mostly 10 kg and above raw agarwood. It is also observed that 25% of the total respondents buy mostly 5 kg – 10 kg raw agarwood. And lastly 15% and 5% of the total respondents usually buy 1 kg – 5 kg and less than 1 kg raw agarwood.

Therefore the entrepreneurs usually buy Agarwood in bulk i.e above 10 kg.

#### WHAT ACCORDING TO YOU IS THE PROSPECTS OF AGARWOOD BUSINESS IN

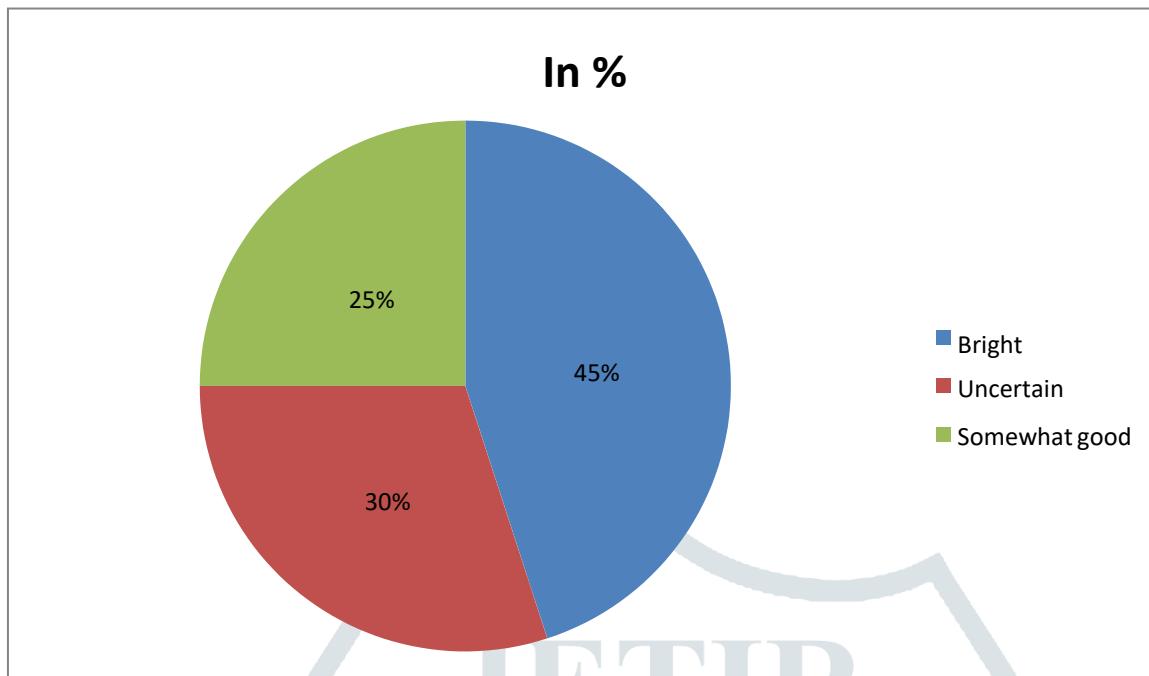
#### THE NEAR FUTURE?

**TABLE 2.2.16**

Table showing according to the respondents prospects of agarwood business in the near future:-

OPTIONS	NO. OF RESPONDENTS	% OF RESPONDENTS
BRIGHT	9	45
UNCERTAIN	6	30
SOMEWHAT GOOD	5	25
CAN'T SAY	0	0
TOTAL	20	100

Source- Primary Data (Field Survey)

**FIGURE 2.2.16**, graph showing prospects of Agarwood business in near future in Percentage (%)

**Interpretation:-** The above table and pie chart reveals that most of the respondents (45%) say prospects of agarwood business in the near future are bright. It is also observed that 25% and 30% of total respondents say prospects of agarwood business in the near future are somewhat good and uncertain. Therefore it has been observed that the Agarwood business has a great opportunity in the near future. It generates employment in the region which helps in increase the standard of the people and they can fulfill their needs and wants from the profit easily. Therefore, this business will be good option for the people in the region.

## **FINDINGS**

The present study emitted as a study on prospects and problems of entrepreneurs engaged in agarwood business with special reference to Hojai district has come up with the following findings-

### **Demographic profile**

The majority of respondents (30%) respectively belong to the age group of between 26-30, 31-45 and 46-65 concurrently. It is observed that 80% of the respondents are married. Education wise qualification revels that majority of the respondents (50%) have degree and above education. The classification of the sample based on the basis of income generation at Hojai shows that the majority of the respondents (80%) have income generation of permanent basis.

It is observed that 85% of the total respondents were male respondents while only 15% of the respondents were female.

It is observed that the majority of the total respondents (40%) have an annual income of

Rs 1 lakh- 2 lakhs .

### Business profile

- 65 % of the respondents consider agarwood business as their main occupation.□
- It has been found that 35% of the respondents are engaged in agarwood business over a period of 2 years – 5 years.□
- It is observed that majority of the respondents (50%) are engaged in chips business while the rest of the respondents are engaged in oil, plantation, chips and plantation and oil plantation simultaneously.□
- 50% of the respondents undertook agarwood business accepting the fact of prospects of high income generation whilst 25% of the respondents undergone□ with agarwood business in order to cope up with unemployment problem. It is also revealed that the rest of the respondents i.e- 10% and 15% respectively had undergone with agarwood business with a view point of low capital investment and they had no other alternatives.

□□

□

### Financial Inclusion

- More than half of the respondents get financial support by self financing.□
- It is revealed that the majority of the respondents (50%) think that the wages in Agarwood business is high whilst only 15% of the respondents think that wages is extremely high and more 35% of the total respondents think that the rate of wages in Agarwood business is minimal.□
- When it comes to number of workers currently employed by the respondents, the majority of the respondents ( 40%) have numbers of workers between 5 and 10 currently working under them.□
- As asked how much in quantity they easily buy raw agarwood, the majority of respondents (55%) buy mostly 10 kg and above raw agarwood.□
- Regarding export of agarwood products, only 25% of the respondents export and the rest 75% of the respondents do not export any agarwood products.□
- More than half of the respondents (60%) gave opinion that agarwood business partially yields profit however, 35% and 5% of the respondents give opinion that yields profits and more often.□
- Among all the respondents, 85% of the respondents invest their profits in bank while 10% and 5% of the respondents invest their profit in mutual fund and post office concurrently.□

### Problems and difficulties while selling and purchasing

- Talking about the place of purchase of raw agarwood, more than half of the respondents (65%) purchase from upper Assam places such as Naharani, Sonari, Namti, Sivsagar etc.□

- It is also perceived that the majority of the respondents (45%) had found the problem of inadequate transportation since most of the respondents purchase raw agarwood from upper Assam.□
- It has been noted that the lack of demand is the major difficulties while selling agarwood finished products. The demand is highly dependent on the market condition. The majority of the respondents (70%) gave the same opinion regarding the problems.□

### Level of satisfaction

The level of satisfaction in association with agarwood business has been analysed. that the most of the respondents (45%) indicates that they are satisfied with the association in agarwood business. It also observed that 25% of the total respondents indicate that they are highly satisfied with this business.

### Prospects of agarwood business in the near future

Most of the respondents (45%) say prospects of agarwood business in the near future are bright. It is also observed that 25% and 30% of total respondents say prospects of agarwood business in the near future are somewhat good and uncertain. Therefore it has been observed that the Agarwood business has a great opportunity in the near future. It generates employment in the region which helps in increase the standard of the people and they can fulfill their needs and wants from the profit easily. Therefore, this business will be good option for the people in the region.

### SUGGESTIONS

- The agarwood business should be standardised and widely recognised among masses to avoid early distribution.□
- There should be establishment of local markets for trading specially for buying raw agarwood.□
- It has been found that the transportation is the major problems for bringing here the raw agarwood from upper Assam places, therefore implementation of fast as safe route transportation is extremely important.□
- Credit facility should be provided by traders and entrepreneurs in order to run smooth functioning in the agarwood business.□
- Training and development of workers play a prominent role in the agarwood business in order to minimize wastage and time. So, better training program should be initiated.□
- The government policies play a vital role in cut down of profit and wages, therefore proper plans and policies should be formulated.□
- There must be an equilibrium between the demand and supply for the Agarwood finished product so that it eradicates the problem of diminishing demand.□
- There should be implementation advance machineries and tools for convention of raw material into finished product.□

- Trade including export of the agarwood products including its plant or their derivatives must be as per the country's extend EXIM policy.□
- To help growth of local economy and for enhancing the livelihood opportunities further for the local people, setting up of small scale distillation units should be encouraged in the localities.□
- Pricing pattern, social and economic dimension as per requirement of the concerned state, may be further supported by minimum support price (MSP).□
- Declare Agarwood as a priority sector. The government may consider declaring agarwood as a thrust sector.□
- The government should take necessary initiative to facilitate formal export of agarwood items by training up the entrepreneurs and making necessary institutional arrangements.□

Of the various benefits, economic benefits are of utmost significance. But the level of economic benefits attained by the respondents is relatively low. Therefore, more efforts and strategies should be made by the entrepreneurs to become more economically empowered.

### **LIMITATION OF THE STUDY**

- The period of the study was the major limitations. The resources constraints have limited the scope of the study.
- The answer of the respondents, mainly from their past experience and memory which might have caused error.
- The service of date is not adequate, some of the replies of the respondents may be biased.
- The research work is done in few parts of the Hojai district. Therefore it cannot be considered as a representative of the entire district.

### **CONCLUSION**

Agarwood Business is critical to the process of development of the economy in India. It plays a crucial role in the alleviation of poverty and in the all round progress of the nation. The refined petroleum, diamond, cars, packed medicaments and other service sectors are the main foreign currency earning sectors of India. But agarwood sectors are providing most expensive premium items in the world. So, if India can flourish this sector than it could be one of the major sources for earning foreign currency and boost up export figures of India. Agarwood has been valued, used and traded internationally for more than 200 years. Hojai district is famous for its agarwood business tradition and culture. Hojai is literally the business hub for agarwood business. Agarwood products were seen a important strategy to earn a high income by virtue of expensive and therefore, most of the people in Hojai district including its villages were attracted to this livelihood activity. It was found that there was higher number of household getting cash from agarwood business other than any other agricultural business. A study on prospects and problems of entrepreneurs engaged in agarwood business will help to know the people's way of doing its business and operations and how do they fight their problem. From this study we can infer that the majority of the respondents are satisfied in association with the agarwood business.

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