

## *Declaration by the candidate*

*The dissertation entitled “The Decay of Handloom Industry In the Cachar District of Assam An Analysis of the Causal Factors and Socio Economic Impacts” is a bona fide research work conducted by me and this has not been submitted for award of any degree in this or any other university or institute of learning.*

Dated.....

Tanaya Choudhury

Place.....

## **DEDICATION**

To my mother  
Late Aparajita chakraborty

## **PREFACE**

Weaving as a craft developed independently in ancient India. Each region in India has unique aptitude for the craft of weaving and have its own traditional style, and design. Indian handloom fabrics received popular patronage. Our handloom and handicraft products are fast becoming major lifestyle statements and have secured a place for India in the lives of millions across the world.

The word ‘handloom’ derives its meaning from the process of manual operation of a country- made wooden structure called ‘loom’. As an economic activity, the handloom sector occupies a place second only to agriculture in terms of employment. Mahatma Gandhi said “the spinning wheel is a nation’s second lung”. He considered the spinning wheel, a symbol of revolution. So, handloom weaving is the most important cottage and labour intensive industry in India. Indian artisans are famous for hand-spinning, hand-printing and hand-dyeing. They are accustomed to the art of weaving as a hereditary occupation. There are historical records to show that handloom fabrics of India established their reputation in the international market long before the historic Industrial Revolution in the West. The Handloom industry being a part of the Indian culture and tradition, it is one of the oldest cottage industries in India.

The handloom industry generates production at low capital cost, mostly using indigenous raw material and utilizing local skills, widens entrepreneurial base, facilitates balanced regional growth and prevents the migration labour to the metropolitan areas. The handloom sector plays an important role in the economic development of the rural poor in the state. But unfortunately in Cachar District handloom sector is not in a favorable environment due to various reasons. Despite

several measures taken by the government by the way of institutional support and direct financial assistance to the handloom weavers, they have been in miserable state due to many problems and are sustaining continuous losses. These problems include improper supply of raw material, price hike in yarn, lack of proper marketing facilities, lack of market awareness and promotion, lack of proper financial resources, involvement of middlemen, competition from mill and power loom products, lack of modern technology, lack of prompt and timely support from the government and other allied agencies and so on. Thus though handloom industry was once a significant household cottage industry, like those in many other parts of the country, the most of the units have closed down here, while others are finding it difficult to survive.

The standard of living of the weavers is significantly low and they are leading miserable and pitiable life due to unemployment and underemployment. This pathetic condition of handloom industry in Cachar District demands thorough investigation into the problems and measures to plug the loopholes and find remedies to the problems confronting handloom weavers. The declining trend in handloom sector is certainly an unhealthy phenomenon. If this trend is allowed to continue then the country with the population increasing at 1.2 crore every year has to suffer for want of cloth. Over the decades, the situation of most weaver's has deteriorated into a pitiful state, as weavers face increased poverty, hunger, health issue and inability to provide for their families.

Viewing the declining situation of handloom, many scholars have shown their interest to find out the causes of the problem faced by the handloom industry. However, not a single study has been conducted on the declining trend of handloom industry in the context of Cachar District. Thus the present study entitled "The Decay of Handloom Industry In the Cachar District of Assam

An Analysis of the Causal Factors and Socio Economic Impacts” intends to bridge the research gap arising in assessment of handloom industry in Cachar District.

The Cachar district is one of the backward areas of India facing poverty, unemployment, under employment, lack of infrastructure, lack of proper education skill, research, training etc. and so on. So, Cachar district offers an appropriate scope for studying the factors responsible for the decay of the traditional handloom industry and assessing the socio economic conditions of the weavers and also to find out the possibilities to avert any further decay.

The present study investigates the socio economic impact of the decay and also to find out the factors that are mainly responsible for the decay. The study is organized in six chapters. The Chapter I deals with the origin, growth and development, of handloom significance and strength of handloom sector and its relevance in a modern economy. It also deals with various other aspects like organisational structure, production of handloom fabrics, the need of the study, the objectives, and hypotheses, profile of the study area and methodology of the study. The Chapter II is devoted to review of literature. The review of literature has been done in three sections – first section deals with the international level studies, the second section deals with national level studies and the third section deals with local or regional level studies. The Chapter III deals with socio economic problems of the weaver due to the decay of handloom industry. The entire chapter is divided into two parts, viz, Socio economic profile of the weavers and Socio economic problems of the weavers in the district. This study is based on the primary data collected at the time of field survey. The Chapter IV deals with analysis of the objectives and hypotheses formulated in this study based on the primary data and secondary data. Tabular analysis, percentage analysis and econometric models like simple regression and multiple regression have been used in testing the hypotheses. The regression models have been estimated using the advanced statistical packages like SPSS 17.

The Chapter V presents an analysis of various steps and initiatives taken so far towards the solution of the problem. The sixth and the final Chapter is devoted to conclusions and suggestions.

Dated.....

Tanaya Choudhury

Place.....

# Acknowledgement

Undertaking of this research work for PhD has been a truly life-changing experience for me and it would not have been possible to do it without the support and guidance that I received from many people.

At this moment of accomplishment, first of all I pay homage to my supervisor, Prof. Dr. Alok Sen of Assam University. This work would not have been possible without his guidance, support and encouragement. Under his guidance I successfully overcame many difficulties and learned a lot. I am also extremely indebted to my supervisor for providing necessary support to accomplish my research work. I warmly thank him for his valuable advice, constructive criticism and his extensive discussions around my work. His guidance helped me in all the time of research and writing of this thesis. The work would never have been possible and completed without his guidance.

I gratefully acknowledge the authors, researchers and institutions whose works were been reviewed in the course of this study. The knowledge gathered from these works has created basic foundation of this work. I visited various libraries including the Central Library of Assam University during the course of this study. I thank the concerned staff and officers of those libraries.

My deep appreciation goes out to all the local officials and all the staff of Asst. Director of Handloom and Textiles, Cachar, because collection of information from secondary sources is

always a difficult task for an individual researcher involved in research work, their valuable time and extending their hands of cooperation during the course of the study help me enormously.

Last but not the least, I would like to pay high regards to my family, my husband and my two children for their sincere encouragement and inspiration throughout my course of study. Besides this, I also thank my friends and well-wishers for their encouragement for conducting the study.

Dated.....

Tanaya Choudhury

Place.....



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## **ABBREVIATIONS**

<b>ACASH</b>	<b>Association of Corporations and Apex Societies of Handlooms</b>
<b>ASEB</b>	<b>Assam State Electricity Board</b>
<b>ATRA</b>	<b>Apex Textile Restructuring Agency</b>
<b>AP</b>	<b>Andhra Pradesh</b>
<b>BTAD</b>	<b>Bodoland Territorial Area District</b>
<b>BG</b>	<b>Broad Gauge</b>
<b>CC</b>	<b>Circulating Capital</b>
<b>CI</b>	<b>Composite Index</b>
<b>DDHPY</b>	<b>Deen Dayal Hathkargha Protsahan Yojana</b>
<b>DDTP</b>	<b>Design Development &amp; Training Programme</b>
<b>DF</b>	<b>Degree Of Freedom</b>
<b>DHDS</b>	<b>Diversified Handlooms Development Scheme</b>
<b>GDI</b>	<b>Gender Related Development Index</b>
<b>GDP</b>	<b>Gross Domestic Product</b>
<b>GEN</b>	<b>General</b>
<b>GER</b>	<b>General Enrolment Ratio</b>
<b>GOI</b>	<b>Government Of India</b>
<b>GOA</b>	<b>Government Of Assam</b>
<b>HC</b>	<b>Handloom Co-operatives</b>
<b>HDC</b>	<b>Handloom Development Corporation</b>
<b>HDI</b>	<b>Human Development Index</b>
<b>HEPC</b>	<b>Handloom Export Promotion Council</b>
<b>HHEC</b>	<b>Handloom and Handicrafts Corporation Of India</b>
<b>IHDS</b>	<b>Integrated Handlooms Development Scheme</b>
<b>IIHTS</b>	<b>Indian Institutes Of handloom Technology</b>



<b>MB</b>	<b>Municipal Board</b>
<b>ME</b>	<b>Middle East</b>
<b>MEPS</b>	<b>Marketing &amp; Export Promotion Scheme</b>
<b>MGPS</b>	<b>Mill Gate Price Scheme</b>
<b>NABARD</b>	<b>National Bank for Agriculture and Rural Development</b>
<b>NCAER</b>	<b>National Council For Applied Economic Research</b>
<b>NCDC</b>	<b>National Co-Operative Development</b>
<b>NEP</b>	<b>New Economic Policy</b>
<b>NER</b>	<b>North East Region</b>
<b>NF</b>	<b>Northeast Frontier</b>
<b>NGO</b>	<b>Non-Governmental Organization</b>
<b>NH</b>	<b>National Highway</b>
<b>NHDC</b>	<b>National Handloom Development Corporation</b>
<b>NWI</b>	<b>Non Weaving Income</b>
<b>OLS</b>	<b>Ordinary Least Square</b>
<b>OBC</b>	<b>Other Backward Class</b>
<b>PC</b>	<b>Planning Commission</b>
<b>PWCS</b>	<b>Primary Weavers Co-Operative Society</b>
<b>R&amp;D</b>	<b>Research and Development</b>
<b>RBI</b>	<b>Reserve Bank of India</b>
<b>RRR</b>	<b>Revival, Reform and Restructuring</b>
<b>SAP</b>	<b>Structural Adjustment Programme</b>
<b>SAHCB</b>	<b>State Apex Handloom Co-Operative Body</b>
<b>SC</b>	<b>Schedule Cast</b>
<b>SGSY</b>	<b>Swarnajayanti Gram Swarojgar Yojana</b>
<b>ST</b>	<b>Schedule Tribe</b>
<b>SHG</b>	<b>Self Help Group</b>
<b>SHC</b>	<b>State Handloom Corporation</b>

<b>SSI</b>	<b>Small Scale Industries</b>
<b>TC</b>	<b>Town comity</b>
<b>TRATS</b>	<b>Textile Restricting Asset Trust</b>
<b>TUFS</b>	<b>Technology Up gradation Fund Scheme</b>
<b>WSC</b>	<b>Work Shed Centres</b>

# CHAPTER I

## INTRODUCTION

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