

CHAPTER-I

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1. Introduction

The north eastern part of India is very rich in cultural diversity, one among the rich biodiversity hotspot. The State of Assam is a constituent unit of the Eastern Himalayan Biodiversity Region; one of the two biodiversity “Hot Spots” in the country, out of the 17 Mega biodiversity country in the world. The climatic condition and wide variety in physical features witnessed in Assam have resulted in a diversity of ecological habitats such as forests, grasslands, wetlands, which harbour and sustain wide ranging floral and faunal species, yet trouble torned emphasis on industrialization with NEIPP hasn’t made much difference in the past 30 odd years, more so since independence most people are dependent on agriculture and the economy is mostly dependent on service sector. India is one of the very few countries which skipped industrialisation and jumped directly to services after agriculture baring the existence of mega industry in the OIL and Tea sector of the North East

However, the cottage industry front showcased richness in its originality and craftsmanship in Cane, Bamboo, Textiles, Jewellery, Bell Metal yet the same with the passage of time have beared the burnt of competition and now struggling to survive. Though major emphasis in the form of MSME Act 2006 did usher some hope of revival

With a view to understand the eco system of the small business in general, specific to the NE India and with a greater emphasis on the Bell metal industry of Assam the researcher had studied extensively the problems that is facing the Bell Metal industry of Assam specially in “Sarthebari” which is the major producer of Bell Metal products. The artisans use traditional methods which has been passed on from generations to generations by their ancestors to produce Bell Metal products but with the change in time there is stiff competition from the Bell Metal products which are produce in other parts of the country with modern machines.

1.1 About the Study Area

Assam is one of the medium size states of the country with an area of 78,500 sq km and a population of 3.93 crore. 'Assam' is the anglicized form of the phrase 'Asom' because of this it's 'uneven' or 'unparalleled'. In line with a further interpretation, the word 'Assam' is derived from the word 'Ahom', the Tai Mongoloid race who ruled the Brahmaputra valley for 600 years, till coming of the British in 1826. Assam's is often a river valley civilization. Going back into historical past, one finds Assam as an historical land that had figured prominently within the international trade even before the birth of Jesus Christ. Chang Kien, a Chinese explorer, had found China's exchange with Assam as far back as in a hundred BC.. The earliest dwellers had been those of Austro-Asiatic aborigines who were followed by the pre-Dravidians, then the Mongoloid groups of persons who populate the land by the point of the Vedas. Many of the tribal groups of the North-eastern region are off springs of these Mongoloids, whom the Vedas known as the Kiratas. The old title of Assam was once known as Pragjyotisha, the present-day Guwahati being often called Pragjyotishpura,. Pragjyotisha, subsequently came to be often called Kamrupa, had then covered a so much bigger area, generally extending so far as the border of Nepal. Hiuen Tsang, the famous Chinese traveller, offers a vivid account of Assam of the seventh century, when King Bhaskaravarman more advantageous its energy and status of Kamrupa to an extent in no way finished earlier. In the sixteenth century, the Koch kingdom achieved pleasant heights in western Assam and today's North Bengal. Naranarayan, who is said to have dominated from 1533-1587 AD, was once the greatest among the Koch kings. The Mughals made repeated attempts to vanquish Assam however without any success. The Ahoms had been highly successful in resisting the Mughals. Nevertheless, in 1661, Mirjumla used to be assigned by way of Aurangzeb to conquer Assam.

Guwahati, which eventually got under the Mughals after Mirjumla's success, was once gained again with the aid of Lachit Barphukan within the year 1667. The royal fight between the Mughal and the Ahoms had been fought at Saraighat which is near Guwahati in 1671. Assam got here beneath the British domination after the treaty of Yandaboo between the Burmese and the British corporation in 1826. For approximately 1857 until 1947, Assam had a period of peace below the British regime. Tea, oil and bushes-headquartered industries have been centered in Assam for the duration of this interval. The railway infrastructure laid by using the British. 1947 additionally made enormous-scale migration of refugees from East Pakistan to Assam and the

starting of conflicts in the state. The state had to shift its capital in 1974 from Shillong to Guwahati, the Assam agitation started in 1979 and the administration used to be having a intricate time The agitation was once subsequently over in 1985 after the signing of the Assam Accord. The famous earthquake of 1950, which was one of the crucial 10 biggest earthquakes recorded on this planet. It has modified the topography of the region and the river Brahmaputra and some of its tributaries. Traditionally, Assam has been an awfully prosperous land. But in these days, Assam is without doubt one of the most poorest and the extremely predicament-ridden states in the nation. Natural calamities, normally floods, terrorism, ethnic anxiety, economic backwardness and poverty, large unemployment, and plenty of such issues have stricken the state for fairly some time. At the time of the Independence, Assam was one of the most richer states in India and its per capita earnings used to be 4 per cent which is above the countrywide normal. In these days, Assam ranks among some of the poorest states within the country and its per capita income is lower than 60 per cent of the country wide normal.² what's more shocking is that the difference between Assam and rest of the country in phrases of per capita income has been inceasing consistently during the last fifty years and if the present development still continues, then through 2020 the per capita earnings of Assam might be simplest about 40 per cent of the country

1.2 Cultural History of Assam

The culture of Assam is a hybrid one, developed as a result of more than a few cultural assimilation of ethno-cultural groups and a mix of more than a few politico-financial systems in distinct times of historical past. The roots of the tradition can be hint back to practically two thousand years when the primary cultural assimilation took place with Austro-Asiatic and Tibeto-Burman. With the reference from the epics Mahabharata it's also hypothesised that there was more commonly a powerful kingdom of these blended populace (of Austro-Asiatic and Tibeto-Burman foundation) in the generation just earlier than Jesus Christ, which has resulted in an early assimilation . Natural naming of the predominant rivers and spatial distribution of exclusive related ethno-cultural businesses also help that. Thereafter, western migrations

reminiscent of these of quite a lot of branches of Mediterraneans, and Nordics together with (or in the type of) the blended northern Indians (the historic cultural mix already present in northern Indian states corresponding to Magadha) have enriched the aboriginal culture and below particular more advantageous politico-monetary programs, Sanskritisation and Hinduisation intensified and grew to become prominent. Such an assimilated culture for this reason includes many elements of supply cultures, of which distinctive roots are problematic to trace. Nevertheless, in each and every of the factors of Assamese tradition, i.e. Language, typical crafts, performing arts, festivity and beliefs either neighborhood factors or the nearby elements in a Hinduised / Sanskritised types are continually reward.

It's believed that underneath the great dynasties of Pragjyotisha-Kamrupa (Varman dynasty for 300 years, Xalostombho dynasty for 200 years and the Pala dynasty for one other 200 years) for the period of the primary millennium AD, Assamese tradition in its usual type bought developed. The files of many points of the language, common crafts (silk, gold, bronze, etc.), and so forth. Are on hand in different varieties. When the Tai-Shans entered the area in 1228 below the management of Sukaphaa to type one of the vital strongest politico-financial systems (Ahom kingdom) in Assam for the next 600 years, once more a brand new chapter of cultural assimilation was once written. The usual Tai-Shans assimilated with the neighborhood culture, adopted the language on one hand and on the opposite also influenced the predominant-movement tradition with the factors from their own. In a similar way the Koch kingdom in the western Assam and the medieval Kachari kingdoms (Kocary) and Jaintia kingdoms in the southern Assam furnished stages for assimilation at distinctive intensities and with one of a kind cultural-mix. Vaishnav movement, the 15th century religio-cultural motion beneath the leadership of pleasant Srimanta Sankardeva (Xonkordeu) and his disciples have supplied an additional dimension to Assamese tradition. A renewed Hinduisation in regional varieties took situation, which was originally widely supported by the Koch and later through the Ahom Kingdoms. The resultant social associations comparable to namghar and sattra (the Vaishnav Monasteries) have become part of Assamese approach lifestyles. The movement contributed largely toward language, literature and performing and fine arts. Additionally it is seen that many a instances, Vaishnav action tried to introduce alien cultural attributes and adjust the tradition of long-established humans. Brajavali a language notably created through introducing phrases from other Indian languages had failed as a language however left its traces on the Assamese

language. Furthermore, new foreign ideas have been also offered changing individuals food habits and other facets of cultural life. This had a bigger impact on alienation of many local ethno-cultural and political organizations within the later intervals.

Historically, it is not tricky to understand that on one hand, for the duration of the robust politico-monetary programs below greater dynasties, better cultural assimilations created usual attributes of Assamese tradition, even as on the opposite for the period of smaller politico-monetary programs or throughout political disintegration, extra localized attributes have been created with spatial differentiation. Time-component for such integrations and differentiations has additionally played extremely fundamental role along with the position of person movements within the entire sequence of sequential events³

With a powerful base of culture and history, the cutting-edge Assamese culture is widely influenced by using quite a lot of movements these took situation in the British Assam and in the put up-British generation. The language was once standardised by way of the American Missionaries in Sibsagar (Xiwoxagor) District (the nerve centre of the Ahom politico-economic system). At present Sanskritisation was increasingly adopted for setting up Assamese language and grammar. A new wave of Western and northern Indian have an impact on used to be apparent in the performing arts and literature⁴, as a result of increasing efforts of standardization in the 19th and 20th century, the localized varieties present in exclusive districts and in addition among the many ultimate source cultures with the much less-assimilated ethno-cultural groups have noticeable better alienation. However, Assamese tradition in its hybrid type and nature is one of the richest and continues to be below development.

1.3. The Socio Cultural –Economic Context of Assam

The people of Assam have traditionally been craftsmen from time immemorial. Though Assam is mostly known for its exquisite silks and the bamboo and cane products, several other crafts are also made here. Different regions of Assam are known for their different forms of art and handicrafts, out of which Bell Metal, cane and bamboo, jewellery and pottery comes under small and cottage industry and the age old famous tea and oil comes under the large scale industry. The various crafts of Assam are as follows

1.4. Crafts of Assam

The indigenous handicrafts that is confined to different parts of the country are restricted to official casts, had been practiced as household industries within the valley of the Brahmaputra. In Assam there's no dearth of raw substances, indigenous producers consists of thread and materials, cotton textiles, brass and bell utensils, oil extracted from mustered "Til" seeds "Gur" or molasses, jewelries, articles of ivory and agriculture implements. Each family in Assam prepares handlooms to fulfill the requirement of the household. The loom had been intact the center of home financial system the only hope of salvation within the hour of misery or despair. Assam has maintained a rich culture of quite a lot of usual crafts for more than two thousand years. At this time, Cane and bamboo craft, bell metal and brass craft, silk and cotton weaving, toy and mask making, pottery and terracotta work, wood craft, jewellery making, musical devices making, etc. Are remained as essential traditions. Historically, Assam additionally excelled in making boats, traditional guns and gunpowder, colours and paints, typical building substances, utilities from iron, and so on.

Cane and bamboo craft provide the most ordinarily used utilities in daily existence, ranging from household utilities, weaving components, fishing add-ons, furnishings, musical devices to constructing construction substances. Ordinary utilities and symbolic articles produced from bell metal and brass are found in each Assamese family.⁵ The Xorai and bota were in use for centuries to present gifts to respected humans and are two distinguished symbolic elements. Hajo and Sarthebari / Xorthebaary are the primary facilities of natural bell-metal and brass crafts.

Assam is the residence of a number of varieties of silks, essentially the most distinguished and prestigious being Muga, the usual golden silk is distinctive only to Assam. Apart from Muga, there are other two varieties referred to as Pat, a creamy-bright-silver coloured silk and Eri, a sort used for manufacturing warm clothes for wintry weather. Apart from Sualkuchi / Xualkuchi, the centre for the usual silk industry, in virtually every parts of the Brahmaputra Valley, rural households produce silk and silk clothes with excellent embroidery designs⁶. In addition, quite a lot of ethno-cultural corporations in Assam make special forms of cotton clothes with distinctive embroidery designs and distinct color combos. Furthermore, Assam possesses exact crafts of toy and masks making as a rule concentrated within the Vaishnav Monasteries, pottery and terracotta work in Western Assam districts and wood craft, iron craft, jewelry, etc. In many areas across the area.

1.5.About the Bell Metal Industry in Assam

Metal bells entered into production in 2000 BC, in Ancient China bells were made from various metals who had many deficiencies (problems with oxidations, low elasticity, easy to be damaged by weather) and which were often unsuitable to produce resonating “attractive” sound that we know today. After centuries of practice, innovation and technical advancements, modern bells finally received their current form that enables them to remain in use up to 3000 years. The most crucial way they were able to do so is in discovering precise mix from which their base component was made – 3000 year old bell metal.

Bell metal is a type of bronze that is used not only in manufacture of bells, but also for many other items such as eating utensils (especially in India), figurines, sculptures and production of early European cannons. Bell metal that is intended to be used in creation of functional and nicely sounding bells is a precise mixture of copper and tin. They are mixed in the ratio of about 4:1 (78% copper, 22% tin) and even though they are soft and formable metals, their joining create sturdy, slightly elastic, nicely vibrating, hard, least ductile, and long wearing alloy that can resist oxidation and weathering, all properties that are perfect for bells. Verdigris that forms on their surface with the interaction to atmosphere creates a very useful protective patina that protects the bell against the further oxidation.

One of the most important qualities of bell metal is its ability to maintain resonance when struck and to produce attractive sound that vibrates like a string. This ability comes from the chemical forces that hold the tin and copper together, vibrating mildly when struck with the clapper and resisting any possibility of forming cracks. Clapper that strikes the bell metal can be made in various sizes and weights (it is also made from bell metal) and can strike the bell at speeds of up to 1000 kilometers per hour. Bells that are used in Russian churches have few other ingredients in their metal, most notably silver. This addition of silver changes the ways bells resonate, and creates unique sound that was in use since the early years of Russian Christianity

1.6. Bell Metal In India

Bell metal is a difficult alloy used for making bells. It is a form of bronze. Bell metal alloys were in use for workshop art in India from time immemorial possibly as historical because the temple building activity itself. Bell metals are used to provide form of objects both for utility and aesthetic functions. Indian Bell metallic work is distinguished by means of ornate and sophisticated designs, finesse and conclude. Bell metal casting in Madhya Pradesh is essentially a tribal craft, practiced by non-tribals in Bastar, Pranpur, Datia and Sagar, in the beginning for the standards of tribals on my own. For the period of the Gupta interval the Kurkihar centre for brass and bell metallic in Bihar was once known for the period of the world, and historical past documents that two artists named Dhiman and Vithpal taught the craft to artisans from specific countries in Asia. This can be a ordinary cottage enterprise. Bell metallic staff belong to Moosari group. Moosari, Blacksmith, Goldsmith, wood worker and Mason are the five groups known as Viswakarma. Moosari is doing bell metallic and brass casting. . In bell metal works 100 % handcrafted staff is engaged. Kerala can also be the house of the bell-metal craft. The important raw substances for this industry which used to be used in Kerala are clay, wax, castor oil, fire wood, coconut shells, and coconut husk, cow dung and metals. Within the hands of skilled artisans or "moosaris" of kerala, the approach of casting bell metallic has developed to its ultimate, to produce single piece casting weighing to a tone. The perfection of casting technological know-how and alloy composition through an unbroken lifestyle of many international locations has resulted in numerous product forms varying from bells to cooling vessels. The cooking vessels large open with flat or curbed rims referred to as urlis, are classic in line and dignified in their simplicity. Big cauldrons known as varpu are made to be used in

temples. It has also a best way of life of wide range of tumblers in lots of sizes, very elegantly shaped. There's a precise jug, the curb part rounded in convolutions and an extended spout jutting out on the side. In the decorative line there are a kind of jewel packing containers, oval or rectangular, one with eight sides, fastened in front by using a gigantic daring ornamented chain, pan boxes, lime jars, each and every with another creative finish and floral or creeper design. Two special types of merchandise made in brass - ware and bell metal at the present time are forged pots and bowls with the decrease half of black or a ordinary dark color. Dhokra articles, commonly figures of riders and elephant, candle stands, the fish style sindhur dan (vermillion field), etc., were made via the cire-perdue or lost wax method. Bell metal craft of Manipur might be trace back to the late 17th or early 18th century. It is a cottage industry and is nearly constrained to two area of the valley, viz. Heirangkhoithong (at Chinga Makha) and Aheibam eikai (at Khongnang Pheidekpi). Each are about four miles south of Imphal and are three miles apart.⁹ The antiquity of using iron in India is proved via its reference in earliest literature, the Vedas. Brass and bell steel articles required by the individuals are partly produced in Assam and Tripura. The craft is practiced in Agartala , Narshinggarh, Soonamura and Kailasahar

1.7 Bell Metal In Assam

To start with Bell metal enterprise in Sarthebari used to be carried on under the patronize of wealthy traders (Mahajans)'. This wealthy merchants under whom the employees have been doing the jobs weren't giving their appropriate component to their share. In 1933 a farsighted gentleman named Kohiram Das started a Co-Operative society among the brass and bell metallic employees considering that the workers were disadvantaged of the correct share and the advantages. The artisans weren't giving right remuneration percentage to their work. They had been continually disadvantaged of right wages. This co-operative was once known as Assam Co-operative Bell metallic Utensils Manufacturing Society Ltd. He was the primary secretary on this establishment. ". The society used to be registered under co-operative act 1939. Mr Kohiram Das died in 27 July 2012 at a age of seventy seven years, he had three sons, he's the primary artisan to acquire artisan pension with the aid of the Assam government. During my research after I approached the workers most of the employees expressed that they weren't given right remuneration share to their work, even after the society was formed, nonetheless Mr Kohiram Das said that the society is providing different advantages like on hand raw substances, credit

facility, distribution facility. However there are many other primary needs like training, standardization of the product, potential building and many others. However there are also many humans who are living very peacefully with the earnings generated in association with the cooperatives. There is another workforce known as Mahajan who are equally important for the procurement of raw materials from quite a lot of suppliers, each the participant, the Cooperative and the Mahajans are equally essential for the procurement of raw materials, it is complicated to find out how many staff is working where staff is the Cooperative and the Mahajans, as they fluctuate according to their wishes and free will, so it's essential for the government to prepare the field and set principles just like the Tea industry. To improve the quality of standards of the product, there will have to be design institution which will have to be placed in Sarthebari, my comparative learn says that like "Swalkuchi Institute of Fashion technology" an equal institute for bell metal should be established for bell metal with the aid of the government of Assam. The Mahajans involve on this trade, can not have direct control over the artisans like before the formation of Cooperative. The raw material fabric introduced with the aid of the co-operative society or different Mahajan(wealthy merchants) are given on credit score to the various artisans. According to their requirement, on an normal 30 grams further is given in each 1 kg of raw material. The artisans have the freedom to give again their finished products in line with their time, and in return they are given wage according to the already set rate for quite a lot of styles and sizes of the merchandise in market. Under this co-operative society about 1720 individuals working day-to-day and running their livelihood.. In accordance with the rules of the society audit, the balance of the artisan are checked and calculated after each 6 month and a lump sum of the whole incomes is given to the artisan for their every day needs and the leisure stays with the Co-Operative. The artisans collect their raw materials from the society to give different sizes and styles to meet the wants of the society. The artisans' are giving remuneration consistent with the grades of the works of their products. Their remuneration more than a few from 300 to 400 per kilogram. The ordinary annual revenue of artisan is between 10,000 to 15,000 per month. Most of the artisans has began working from the age of 13 or 15 years. The product comprised of bell metal are disbursed among the many 11 co operative societies everywhere the Assam specifically- GUWAHATI FANCY BAZAR, GANESHGURI CHARIALI, DISPUR, PALTAN BAZAR, JORHAT, NORTH LAKHIMPUR, SARTHEBARI NEW MARKET, SIBSAGAR, TEZPUR, GOLAGHAT, PATHSHALA. The

products of bell metal are giving to the shops through the co operative inside their jurisdiction, at the same time the retailers or person customer should buy the product immediately from the co operative society additionally. The turnover of the Assam Co-operative Bell steel Utensil Manufacturing Society was round Rs 3.79 crores in fiscal year 2009-2010. There is not any manipulate of price of the merchandise and the retailers can sell the merchandise in step with the fee constant with the aid of themselves. The Assam Co-operative Bell metal Utensils Manufacturing Society Ltd can avail financial institution loans but they don't get any subsidies. Underneath the initiative of NEDFI specialists artisans of the industry are selected for training in one-of-a-kind locations of India, but training is in no way fruitful, given that it does no longer suit the nearby standards. The artisans were unable to satisfy the significant order given by way of NEDFI and other institution and also orders from state like Arunachal Pradesh for the reason that the products are made through hand, so the government must provide training facilities to uplift the dyeing tradition

1.8. Bell metal industry as a source of Livelihood

According to the Planning Commission of India the source from which 60% of income is generated can be said as the main source of income i.e. When Gross Income is deducted from Other Sources of Income

Net Income = Total Income – Expenses (Cost of land, labour, capital, transportation. etc)

Private Income refers to the income earned by individuals and other private corporate from their economic and non-economic activities irrespective of domestic territory or foreign territory. So, transfer payments like scholarships, pensions etc. included in Private Income

A livelihood comprises the capabilities, assets (including both social and material resources) and activities required for a means of living. A livelihood is sustainable when it can cope with and recover from stress and shocks and maintain or enhance its capabilities and assets both now and in the future, while not undermining the natural resource base (Chambers & Conway, 1991)

1.9. The Moria Community of Assam

Brass and bell metal works have been particularly developed for the duration of Assam previously. Brass metal work is the ancestral occupation of the Moria neighborhood men and women. In step with Assam historical past tells, these men and women were at the beginning warriors; it was once during the combat of Hatbor and DuiMuniSila of Silghat in 1532 ad, the Muslim invaders have been repulsed by the Ahoms and their common Turbaq was killed. In that fight the Ahoms captured 900 Muslim soldiers. Later, these prisoners were settled in unique components of Assam, married neighborhood Assamese Hindu ladies and became an indispensable part of the society. History says that they have been at first ordered to cut grass for the king's elephants, but discovered really unfit for this work. They had been next employed as cultivators, however their lack of information of agriculture was so great that they stole mud from other persons's paddy field and carried the stolen mud to their paddy subject rather of ploughing land and planting the seedlings in it. The subject (Khat) the place the Moria men and women carried mud (Boka) for cultivation is now often called Bokakhat and the subject from the place the mud had been collected is known as Moria Hola.¹⁰ Later, King got here to learn about their skill in computing device works and employed them as cannon and gun maker wherein they confirmed first-rate craftsmanship. They began manufacturing loved ones and ornamental brass objects. For this reason brass metal work step by step flourished with royal patronage and grew to become a usual occupation of Assamese society. With the development of science and science, fast urbanization of 20th century world, a drastic change in the world economic climate got here into existence. Due to globalization, many ethnic groups are compelled to leave their ancestral occupation to manage with the changed fiscal structure. Folks converted to different financial activities which will provide them a greater socio financial lifestyles. Moria group has additionally been going through the phase of occupational shifting whilst struggling to manage with the transformed financial situation.

1.10 Industrialization

At the time of independence, there used to be a small and big modern-day industrial sector in Assam dominated by colonial capitalists. This sector includes of plantation , manufacturing, and mining of coal, refining of oil, plywood and other forest resources merchandise and railways being developed to facilitate the product of those industries (Sarma 1993)¹. But the situation change after independence, industrialization system in Assam bought a important setback. With the partition of the country at independence their was break down of the vicinity's approach routes to the relaxation of the India and the world through East Bengal. The narrow corridor of North Bengal is the only hyperlink of the vicinity with the country and the neighborhood acquired overload with poor transport and excessive cost of motion of man and material from it. This in turn has caused barriers in monetary integration of the location with the rest of India Whilst international colonial showed curiosity in taking on industrial ventures , there was no tremendous progress of funding through personal or public sector for sustaining gradual growth of industries. As unbiased India relay upon a public sector dominated programme of industrialization, political concerns got here on the decisions related to area of foremost and upcoming industrial units. This style of development is of no good to the already ignored Northeast region in getting its share of investments in industries, at least for the first two decades of monetary planning and development. Subsequently within the course of time, responding to the growing public anger within the area, the crucial government started giving extra awareness to the issues of business and financial backwardness within the vicinity. Many public sector industrial units were then based and fiscal transfers to the States of the neighborhood had been better tremendously. For this reason of this there was once a revival of business undertaking within the region in 1970's. However the great times didn't continue to exist very long and within the liberalized established of the 1990s the industrialization method took some fresh look within the North-East region. The drift of foreign direct funding (FDI) is also now not very encouraging. Figuring out the accelerated drawback of the neighborhood in bringing industrial investment in put up-reform atmosphere, the government made some good provision for fiscal and different concessions for newly set up industrial items. In line with press release dated March 21, 2007 of the division of Commerce, executive of India, Rs 1068 crores have been invested to situated 681 industrial models within the region for the duration of the period from 1999 – 2004. These types of units in the beginning were little more than packaging units of items manufactured for the nation. Such sort of items have been ordinarily established only to

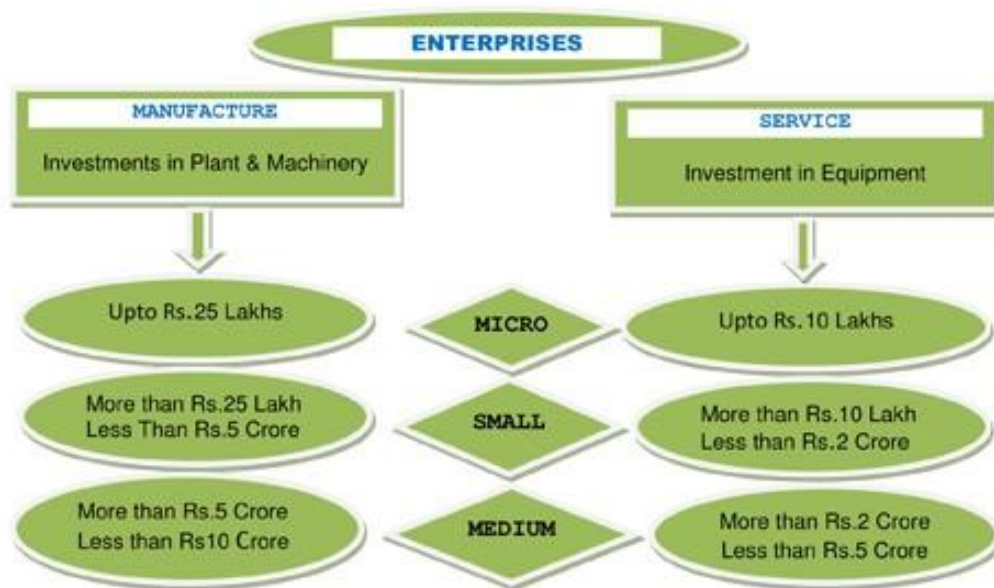
take some capabilities of the fiscal and other incentives and the models can't make contributions to actual industrial progress.

A. Marketing Practices in handicrafts

A 1.1. MSME ACT, 2006.

The conceptual and legal framework for small scale and ancillary industrial undertakings is derived from the Industries Development and Regulation Act, 1951. The Act provided the necessary powers to the Central Government to amend the provisions of this act from time to time so as to encourage small scale and ancillary undertakings. The Small and Medium Enterprises Development Bill 2005 which was enacted in June 2006 was renamed as “Micro, Small & Medium Enterprises Development Act, 2006” aims at facilitating the promotion and development of small and medium enterprises. Various notifications issued by the Central Government from time to time relating to increase in slap rate of investments in plant & Machinery for manufacturing enterprises and equipments in service enterprises provides a clear cut proof that the economy of our country is striving towards achieving the economies of scale by increasing the volume of production of goods. The Micro, Small and Medium Enterprise Development Act, 2006 (MSMEDA) extends the scope to accomplishes many long -standing goals of the government and stakeholders in the MSME sector including the service sector.

Definition of Micro, Small and Medium Enterprises is given by MSME Act, 2006.



Source: <http://www.caclubindia.com/articles/all-about-msme-act-2006-opportunities-15687.asp>

This MSME Act, 2006 received attention during the "Make in India" campaign of the new government and the Micro, Small and Medium Enterprises (Amendment) Bill, 2015 was introduced in the Lok Sabha on 20 April 2015. The Bill increases the amounts of investment in plant and machinery for enterprises engaged in the manufacture or production of goods (pertaining to specified industries) to qualify as micro, small or medium enterprises, and thus brings more enterprises within the fold of the regime. The Bill also allows for the Central Government to change these investment limits through a notification, by up to three times the specified limits.

Type of enterprise	MSME Act, 2006	Amendment Bill, 2015
Micro	Up to 25 Lakhs	Up to 50 Lakhs
Small	25 Lakhs to 5 crores	50 Lakhs to 10 crores
Medium	5 crores to 10 crores	10 crores to 30 crores

For enterprises involved in the provision of services, the amounts of investment in equipment have been increased as under:

Type of enterprise	MSME Act, 2006	Amendment Bill, 2015
Micro	10 Lakhs	20 Lakhs
Small	10 Lakhs to 2 crores	20 Lakhs to 5 crores
Medium	2 crores to 5 crores	5 crores to 15 crores

Sources;<http://www.mondaq.com/india/x/433224/Inward+Foreign+Investment/The+Micro+Small+And+Medium+Enterprises+Amendment+Bill+2015>.

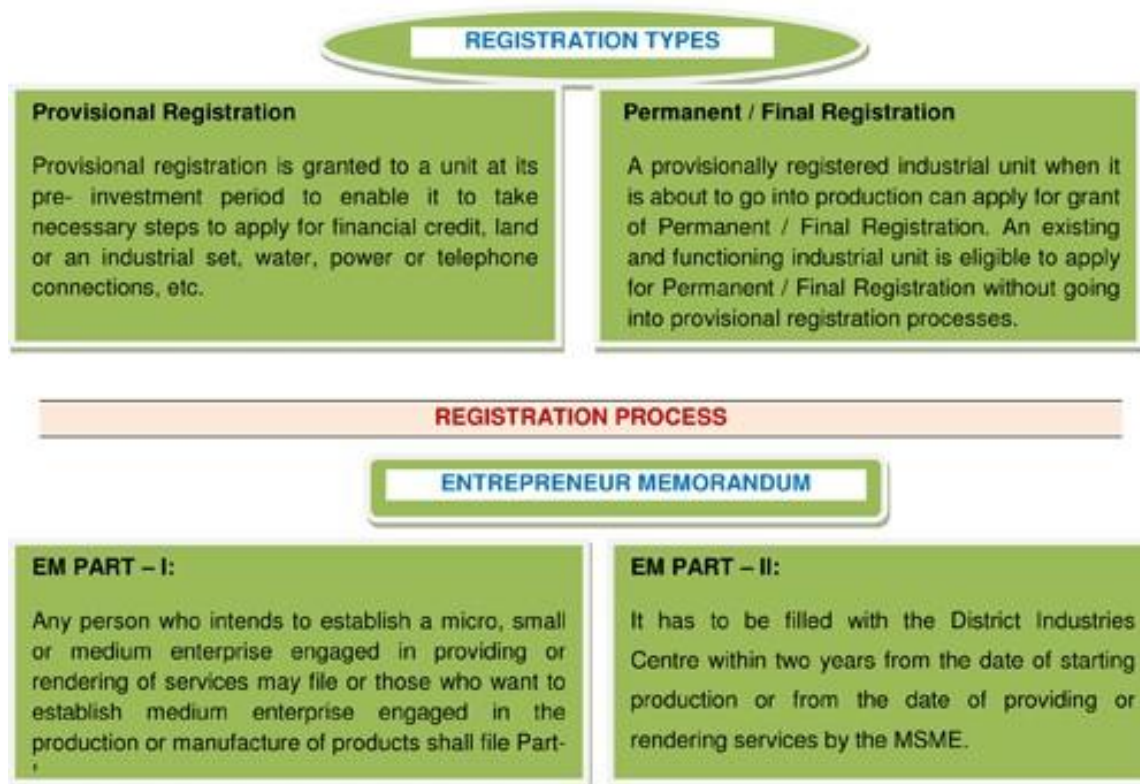
A.1.2. Registered under MSME Act,2006

All classes of enterprises, whether Proprietorship, Hindu undivided family, Association of Persons, Cooperative Society, Partnership Firm, Company or Undertaking, can apply for the registration and get qualified for the benefits provided under the Act.

Registration of MSME:

1. Voluntary and not Compulsory with respect to Micro and Small Enterprises
2. DIC is the primary registering centre
3. Provisional Registration
4. Permanent/Final Registration

REGISTRATION PROCEDURE



Source:- <http://www.caclubindia.com/articles/all-about-msme-act-2006-opportunities-15687.asp>

A.1.3 .Benefits of Registration under MSME Act 2006 ,

If a micro or small enterprise has filed a memorandum with DIC of its area, then it stands to gain as to timely payment in respect of supply of goods or rendering of services to any buyer. With the enactment of MSME Act, 2006, the Interest on delayed payments to small scale and ancillary industrial undertakings act, 1993 is repealed w.e.f. 2nd October, 2006. Any Buyer who purchased any goods or availed any services from Micro or Small enterprises which has filed a memorandum with the authority, then the buyer shall make the payment on or before the date agreed upon between him and the supplier in writing or within a period of 15 days from the day the goods are delivered or services are rendered. However the period of credit can not exceed more than 45 days from the date of delivering product or services.

Registration of an entity under the Act is a medium to enjoy the benefits available to SMEs in terms of easy finance availability from Banks, preference in procuring Government tenders,

stamp duty, concession in electricity bills and timely receipt of payments from the buyers or debtors, reimbursement of ISO Certification expenses and so on. There is a growing recognition worldwide that small and medium enterprises (SMEs) have an important role to play in the present context given their greater resource-use efficiency, capacity for employment generation, technological innovation, promoting inter-sectoral linkages, raising exports and developing entrepreneurial skills. All sectors and classes of enterprises, whether Trading, Service or Manufacturing, Proprietorship, Hindu undivided family, Association of persons, Co-operative society, Partnership firm, Company or Undertaking, by whatever name called can apply for the registration and get qualified for the benefits provided under the Act. With a view to boost the development of small enterprises in the country, the Government of India has recently enacted “Micro Small and Medium Enterprises Development (MSMED) Act, 2006 and also set up a separate Ministry of Micro Small and Medium Enterprises.

A 1.4. Salient features of MSMED Act 2006.

I. Recent Initiatives:

1. By enacting the Micro, Small and Medium Enterprises Development Act, 2006, the Government of India has recently fulfilled one of the needs felt and articulated by this segment for long. This Act seeks to facilitate promotion and development and enhancing competitiveness of these enterprises. It provides the first-ever legal framework for recognition of the concept of “enterprise” (comprising both manufacturing and services) and integrating the three tiers of these enterprises, namely, micro, small and medium. Apart from clearer and more progressive classification of each category of enterprises, particularly the small, the Act provides for a statutory consultative mechanism at the national level with wide representation of all sections of stakeholders, particularly the three classes of enterprises; and with a wide range of advisory functions. Establishment of specific Funds for the promotion, development and enhancing competitiveness of these enterprises, notification of schemes/programmes for this purpose, progressive credit policies and practices, preference in Government procurements to products and services of the micro and small enterprises, more effective mechanisms for mitigating the problems of delayed payments to micro and small enterprises and simplification of the process of

closure of business by all three categories of enterprises are some of the other features of this legislation.

2. The Government has also announced a Policy Package for Stepping up Credit to Small and Medium Enterprises assuring, inter alia, a 20 per cent year-on-year growth in credit flow.

3. Significant improvements have also been made in the Credit Linked Capital Subsidy Scheme for Technological Up-gradation, leading to a spurt in the number of units availing of its benefits.

II. Promotional Package:

In fulfillment of the assurance in the National Common Minimum Programmes (NCMP), the following Package is announced:

(A) Legislation:

1. With a view to facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises, the Micro, Small and Medium Enterprises Development Bill, 2006 has been passed. The Government will take up effective and expeditious implementation of this legislation in close collaboration with all stakeholders.

2. The Government will also soon enact a law on Limited Liability Partnerships covering, among others, micro, small and medium enterprises, with a view, inter alia, to facilitating infusion of equity and venture capital funding in these enterprises.

(B) Credit Support:

1. In line with the Policy Package for Stepping up Credit to Small and Medium Enterprises (SME), the Reserve Bank of India (RBI) has already issued guidelines to the public sector banks to ensure 20 per cent year-on-year growth in credit to the SME. Action has also been initiated to operationalise other elements of the said Policy Package. Implementation of these measures will be closely monitored by the RBI and the Government.

2. The Small Industries Development Bank of India (SIDBI) will scale up and strengthen its credit operations for micro enterprises and cover 50 lakh additional beneficiaries over five years beginning 2006-07. Government will provide grant to SIDBI to augment SIDBI's Portfolio Risk Fund for this purpose.
3. Government will also provide grant to SIDBI to enable it to create a Risk Capital Fund (as a pilot scheme in 2006-07) so as to provide, directly or through intermediaries, demand-based small loans to micro enterprises.
4. SIDBI's direct lending operations will be expanded by increasing the number of branches from 56 to 100 in two years beginning 2006-07, with a view to catering to the credit needs of more clusters of micro and small enterprises (MSEs).
5. The eligible loan limit under the Credit Guarantee Fund Scheme will be raised to Rs. 50 lakh. The credit guarantee cover will be raised from 75 per cent to 80 per cent for micro enterprises for loans up to Rs. 5 lakh. Accordingly, to strengthen the Credit Guarantee Fund, the corpus of the Fund will be raised from Rs. 1189 crore as on 01 April 2006 to Rs. 2500 crore over a period of five years (with contribution by the Government and SIDBI in the existing ratio of 4:1)
6. Moreover, to encourage public sector banks and public financial institutions to contribute to the corpus of the Fund, the feasibility of allowing deduction of their contributions to the Fund for income tax purposes would be examined.

7. The Fund will continue to be maintained with and managed by the “Credit Guarantee Fund Trust for Small Industries (CGTSI).” The Trust will be renamed as “Credit Guarantee Fund Trust for Micro and Small Enterprises” (CGTMSE).”

III. Fiscal Support:

Taking into consideration all the relevant factors, including the new definition of small manufacturing enterprises, under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, the Government will examine the feasibility of:

1. Increase in the General Excise Exemption (GEE) limit and the existing eligibility limit for GEE;
2. Extending the time limit for payment of excise duty by micro and small enterprises; and
3. Extending the GEE benefits to small enterprises on their graduation to medium enterprises for a limited period.

IV. Support for Cluster Based Development:

For comprehensive and speedier development of clusters of micro and small enterprises, the earlier guidelines of the Small Industries Cluster Development Programme (SICDP), are renamed as “Micro and Small Enterprises Cluster Development Programme” (MSECDP) and reviewed during 2006-07 to accelerate holistic development of clusters, including provision of Common Facility Centres (CFC), developed sites for new enterprises, up-gradation of existing industrial infrastructure and provision of Exhibition Grounds/Halls and also for creation and management of infrastructure-related assets in the public-private partnership mode. The ceiling on project cost is raised to Rs. 10 crore.

V. Technologies and Quality Up gradation Support:

Following are the provisions made for the up gradation of technologies and quality of small enterprises:

1. Four Training-cum-Product Development Centres (TPDCs) for agro & food processing industries would be set up at identified existing Small Industries Service Institutes (SISIs) to facilitate promotion and development of micro and small enterprises in the food processing sector.
2. The two existing Central Footwear Training Institutes (CFTIs) (at Chennai and Agra) will be further strengthened to expand their outreach and assist the MSE in upgrading their technology.
3. Vertical Shaft Brick Kiln (VSBK) Technology would be promoted for adoption by MSEs engaged in manufacturing bricks to make them energy efficient and eco-friendly. For this, one-time capital subsidy (limited to 30 per cent of the cost or Rs. 2 lakh, whichever is less) will be provided to micro and small brick manufacturing enterprises.
4. With a view to promoting energy efficiency in electrical pumps and motors manufactured by MSEs, a special programme of assistance will be launched after a detailed technical study.
5. The existing scheme of assisting the attainment of ISO 9000 and 14001 standards will be operated as a continuing scheme during the 11th Five Year Plan.
6. The scope of the above-mentioned scheme will be expanded to cover “Hazard Analysis and Critical Control Points” (HACCP) Certification obtained by MSE.

7. A Technology Mission will be established with a view to assisting micro, small and medium enterprises (MSMEs) in technology upgradation, energy conservation and pollution mitigation.

VI. Marketing Support:

The National Manufacturing Competitiveness Programme (NMCP) announced in the Budget Speech of 2006-07 will include components relating to marketing support to MSE. Implementation of the NMCP will be taken up soon.

VII. Supports for Entrepreneurial and Managerial Development:

As many as 20 per cent of the entrepreneurship development programmes (EDP) will be organised for Scheduled Castes (SC) / Scheduled Tribes (ST), women and physically challenged persons with a stipend of Rs. 500 per capita per month for the duration of the training.

1. 50,000 entrepreneurs will be trained in information technology, catering, agro and food processing, pharmaceuticals, biotechnology, etc., through specialised courses run by SISIs, over the period co-terminus with the XI Plan.
2. A new scheme will be formulated to provide financial assistance to select management/business schools and technical institutes, to conduct tailor- made courses for new as well as existing micro and small entrepreneurs.
3. A new scheme will also be formulated to provide financial assistance to 5 select universities/ colleges to run 1200 entrepreneurial clubs.
4. A new scheme will be launched for capacity building, strengthening of database and advocacy by Industry/Enterprise Associations, after consultation with the Associations and States.

5. A comprehensive study will be conducted to assess the needs and scope of Government intervention required for enhancing the competitiveness of micro and small enterprises in the service/ business sector.

VIII. Empowerment of Women Owned Enterprises:

1. Under the SICDP/MSECDP financial assistance of up to 90 per cent of the cost, subject to ceiling of Rs. 9 crore, will be provided for clusters developed exclusively for micro and small enterprises operated and/or owned by women.
2. Associations of women entrepreneurs will be assisted under the SICDP/ MSECDP in establishing exhibition centers at central places for display and sale of products of women- owned micro and small enterprises.
3. To encourage entrepreneurship among women, 50 per cent concession in fees would be given to women candidates in entrepreneurship/ management development programmes conducted by SISIs.
4. To facilitate export by women entrepreneurs, the National Small Industries Corporation Ltd. (NSIC) will assist them to participate in 25 exhibitions over the period co-terminus with the XI Plan.

IX. Strengthening of Prime Minister's Rozgar Yojana (PMRY):

1. The Prime Minister's Rozgar Yojana (PMRY), introduced in 1993, has been one of the important credit-linked subsidy schemes to generate self- employment opportunities for the educated youth by assisting them in setting up viable micro enterprises. By the end of 2005-06, it has provided self-employment opportunities to 38.09 lakh persons. A recent review has, however, established the need to improve its effectiveness as a measure for self-employment through this route.

2. The design parameters of the PMRY, in terms of family income limits for eligibility, project cost ceilings, corresponding ceilings of subsidy, rates of assistance to States towards training of beneficiaries before and after selection, etc., will be improved with effect from 2007-08, keeping in view the findings of the review.

X. Strengthening of Data Base for MSME Sector:

1. To strengthen the data base for the MSME sector, statistics and information will be collected in respect of number of units, employment, rate of growth, share of GDP, value of production, extent of sickness/closure and all other relevant parameters of micro, small and medium enterprises, including khadi and village industry units set up under Rural Employment Generation Programme and Prime Minister's Rozgar Yojana as well as coir units, through annual sample surveys and quinquennial census.
2. The quinquennial census and annual sample surveys of MSMEs will also collect data on women-owned and/or managed enterprises.
3. A scheme will also be formulated and implemented to regularly collect data on exports of products/services manufactured/provided by micro, small and medium enterprises, including khadi and village industries.

A.1.5. Cluster Approach of India

The predominant fundamental of cluster is that collaborating at the same time competing in a similar product and possibilities in particular discipline with the equal flexible specialization. Clusters are regarded to broaden the productivity with which enterprise can compete, nationally and globally. A sectoral and geographical concentration of enterprises in special small and medium organisations (SMEs) faced with common possibilities and threats.

The brass & bronze metal utensils cluster of Mirzapur city is without doubt one of the oldest clusters in the country. The most important rationale of development of brass industry is because of availability of raw material, and typical ability and skill of the local people. At present there are more than 300 units firms manufacturing brass utensils or equivalent work, many of the men and women belong to KASERA & AGRAWAL caste and the complete direct employment of the cluster is approx, 5000 people and indirect employment can be 5000 humans. Urban and rural Industrialization is the predominant thing in our nation for development of our small scale Industries.

The brass and bell metal of Hajo and Sarthebari (Assam) cluster can also be one of the crucial oldest cluster of the nation, it was once run considering the fact that the fore-father of present enterprise. The fundamental purpose for the progress of brass metallic is because of the people are in born skill and easily available of raw material in the past.

At present there are more than a 100 household manufacturing brass and bell utensils, most of the individuals belong to Muslim and Hindu (Assamese) and the complete number of artisan is about 700 and some manufacture their own product

A 1.6. The Theoretical Framework

Marketing touches every person's life. Marketing involves a huge quantity of activity, together with Marketing research, Product development, Distribution, Pricing, Advertising, and Personal promoting, Sales advertising, Packaging and Branding. Marketing combines numerous activities designed to sense, serve and fulfill purchaser needs at the same time as assembly the dreams of the business enterprise. Handicraft devices, which can be in most cases run by way of people with sole proprietary form of organization can't manage to pay for to have separate and well-organized advertising and marketing gadget. The artisan-cum-owner of the unit appears after all of the features with the assist of contributors of his family. Most of his time is spent in the production. In case, he has a bit time at his disposal, he uses it for obtaining raw materials. Usually, the artisans has little know-how and marketplace information referring to his products. Hopefully, the artisans in handicraft industry supply little importance to the essential marketing feature.

- **Potential of Rural Marketing**

1. **Large Population:** Still, the majority of the population in India resides in Villages and therefore, the marketers find more potential in the rural areas and direct their efforts to penetrate the rural market.
2. **Increased Income:** The income and the purchasing power of the rural people have increased. With the use of modern agricultural equipment and technology, the farmers can produce more and can get better returns for their agricultural produce. The increased income motivates a farmer to improve his livelihood by purchasing a good quality product and thus, the marketer gets an opportunity to enter into the rural market.
3. **Competition in Urban Market:** There is a lot of competition in the Urban market, where people are well aware of the goods and services and have created a brand loyalty. Therefore, the marketers move to the rural market to escape the intense completion and generate revenues from the untapped areas.
4. **Improved Infrastructure facilities:** Today, many villages are well connected with the roads and transportation facilities that enables the marketer to access the rural market and promote his goods and services. With the growth in telecom services, the rural people can be reached easily via mobile phones.
5. **Saturated Urban Market:** Also, the marketers may move to the rural markets, when the urban market has reached the saturation point, the i.e. market is well stuffed with the products, and the consumers are not likely to make a frequent purchase due to the varied options available in the market.
6. **Support of Financial Institutions:** Several Co-operative banks and public sector banks offer the loan facility to the rural people at low-interest rates. With the loan, the purchasing power of an individual increases, thus resulting in a better standard of living.
7. **New Employment Opportunities:** The Government is running several employment opportunity programmes, with the intention to engage people in other activities apart from the agriculture occupation. The Integrated Rural Development Programme (IRDP), Jawahar Rozgar Yojana (JRY), Training Rural Youth for self-Employment are the certain programmes, designed to increase the livelihood of rural people.

A 1.7. Marketing practices in handloom products.

The Sualkuchi handloom unit comprises both organized and decentralized sector that combines of small handloom owner and independent weavers. There are numerous marketing agencies for handloom fabrics at Sualkuchi. The handloom industry though quite old is not thoroughly organized and hence marketing agencies are also diverse. The weavers who are registered under the weavers co-operative societies manufacture and market rather sell the products through the societies. But the independent or the unorganised weavers sell their products directly to customers or through marketing agencies commonly known as middlemen or brokers.

A 1.8. Marketing practices in Terracotta and Pottery

In India, the single largest cluster wherein each Terracotta and Pottery crafts are discovered and practiced in traditional way is Asharikandi (Madaikhali) craft village. Due to the factors of production, the product-pleasant of one place varies from that of every other. Weather is a key thing and plays a chief function in Terracotta-production. NECARDO- North East Craft and Rural Development Organization, an NGO that works for the maintenance and promotion of the traditional craft and welfare of the craft folks claims that Asharikandi is one among the most important clusters of Terracotta and Pottery inside the North East India. The reference to the river Brahmaputra thru the Gadadhar, a tributary of mighty Brahmaputra, offers the vicinity an advantage for advertising community with the fundamental towns.

A 1.9 . Marketing practices in Cane and bamboo

Cane and bamboo are the two maximum generally-used materials in daily lifestyles in Assam. Products ranging from family implements to construction of dwelling houses to weaving accessories to musical gadgets are made in bamboo. No mechanical devices are used inside the craft, that is specifically a family enterprise. Besides basket-weaving, bamboo is used chiefly

within the creation of houses and fencing. The craft traditionally gives part-time employment to cultivators in the lean season, even though, increasingly, complete-time artisans engaged in commercial interest can be determined now. Cane and bamboo sources within the north east has been changing the socio monetary face of the region. This has end up a fact inside the area handiest because of the Cane and Bamboo Technology Centre (CBTC

A.1.10. Marketing practices in Assam Traditional Ornaments (ATO)

The states Assam, is wealthy in production of Gold Ornaments dates again to numerous centuries. Some of the popular Assamese Traditional Ornaments consist of earrings with notable Lokaparo, Keru, Thuriya, Jangphai, Longkeru, Sona or Makori; an array of necklaces consisting of Golpata, Satsori, Jonbiri, Bena, Gejra, Dholbiri, Doogdoogi, Birimoni, MukutaMoni, Poalmoni, SilikhaMoni and Magardana and diverisified jewelry consisting of senpataHorinsakua, Jethinejia, bakharpata and others. The ATOs is usually hand-crafted and the designs are in most cases depict floral and faunal treasures of the place.

A.1.11. Marketing Practices in Bell Metal products :

- I- Product: A product is a hard and fast of exact and intangible attributes, along with packaging, color, rate, manufacturer's status, retailer's status, and manufacturer's and store's offerings, which the customer may also accept as offering want satisfaction.

A product line is a collection of products related in characteristic or customer purchase needs. The advantages of converting the composition of the product line, through either including or subtracting products, depend upon a number of things- the possibilities of consumers, the strategies of competitors, the firm's fee structure, and from the product to every other name but some.

a. Bell Metal designs:

The Design of a Bell Metal product should be in accordance with the tastes and possibilities of clients. There are 3 sorts of designs viz., conventional, present day, aggregate of traditional and

present day which are commonly adopted by using artesian. Conventional designs are age old and traditional designs. While modern designs are in line with the changes of consumer preferences and tastes. Conventional and present day is a aggregate of each kinds.

b. Product making plans and development :

Product making plans and development can be discovered even in handicrafts. Bell Metal are the goods of creativity and workmanship. Artisans, usually, try for excellence of their crafts by undertaking product making plans and improvement.

b. Expansion in Bell Metal :

Expansion is growing the existing scale of operation both by using mechanizing the procedure of manufacturing or by way of enhancing the established capacity. Expansion is undertaken whilst there may be more demand for the goods. It also can be undertaken in anticipation of future demand. However, growth involves finance, without sufficient finance, expansion interest can't be taken. The expansion of the unit can be done in diverse approaches; this is with the aid of mechanization, enhancing the artisans potential and growing the delivery of raw material at a reasonably-priced rate.

A.1.12. Best Practices in Cluster Development

1. The TAMA Network, Japan

TAMA stands for Technology Advanced Metropolitan Area an area in Japan that has produced a huge number of merchandise and process through linkage between large quantity of few small and large manufacturers. The Technology Advanced Metropolitan Area (TAMA) Network Model turned into an island covering a place of 3,000 square km, geographically it's miles located inside the south western location of Saitama and central part of Tokyo, with seventy four municipalities home to over 10 million humans of which four million paintings within the TAMA network firms. In 1998, the price of products shipped from TAMA place became \$214 billion. The general cost-add per worker were \$116,447 for TAMA (compared to \$a 110,184 for all of Japan, \$94,970 for USA and US\$58,260 for Germany). In 1998 TAMA had two times the shipment price of the Silicon Valley (TAMA Document, 2004). The version is sponsored up by

using 300 companies, 34 universities, seventy eight banks / chambers of commerce, 20 metropolis councils, five/nine loaned entrepreneurs. It offer diverse offerings like monetary assist, Prepares neighborhood skills, New enterprise and incubation assist, Information community services, Technology exhibitions, disseminate studies findings and provide distant places marketplace assist, Tech – Entre interplay using TAMA meetings

2. Wenzhou Model

Wenzhou produces a large percent of the world's lighters, small knickknacks and regular household goods. The attention is at the things that the huge nation-owned factories forget about. The underground economic system of Wenzhou has been funded, nearly absolutely, from back alley banking. Supported through permissive neighborhood officers, Wenzhou evolved a dynamic surroundings of shadow banking. Households pooled their cash into underground lending syndicates and private cash homes operated across the clock. From 1980 to 1988, the percentage of business output by using private companies in Wenzhou multiplied from 1% to 41%. In the equal decade the average earnings of Wenzhou peasants went from being most of the lowest within the nation, to 50% above the countrywide common. Today, the town is well-known for its multimillionaires. Wenzhou has got 28,430 firms and 202,458 family gadgets, the full income is 106.1Billion Yuan and a common GDP boom price 20.3 %, The Rural Income per individual: 1978 -a 165 in 1989 to 924 yua. The levels of increase are Stage I (70s – 80s): Local markets for easy imitative products for daily use. Low value Low best, Stage II (80s – early 90s): Specialized markets, Volume increase, National market attain, Inspection, Stage III (1990 onwards) : Quality structures, income boom, Low price high quantity, export led boom. The main elements of the model are Large number of small manufacturers, Specialized markets for products, Credit facility, Sales Network and Government as facilitator and coordinator

3. The Engineering Network Model , Rajkot

Rajkot place acknowledged for its engineering network of the country has authorities subsidies for low pace diesel engines which changed into reserved for SSI. In 1990s there were 8000 factories with 500,000 personnel and a annual sales turnover Rs 250 crores . Rajkot produces 60% of India's production and 50% of the exports are finished from Rajkot. The fundamental capabilities of this cluster is Reservation for SSI, Intense outsourcing , Technology and Productivity thru declining unprofitable marketplace length, cooperation and Diversification

B. Socio-Economic Background.

B 1.1. History of Cottage Industry:

It is a kind of specialized form of small scale industry where the production of commodity takes place in the surroundings of homes and the workers, the so called labors are supplied by the family members only. In general the machineries commonly used at homes, are utilized for the production of commodities. Basically it is a home made product unorganized and produced at home by the tradition of generation. The commodities of these industries are basically consumable products and that are being produced through the utilization of the traditional techniques. In the atmosphere of prevailing unemployment, people have no alternative but to go for home made small scale industries for the survival of livelihood. Thus a huge section of labor of large population is absorbed to stabilize the rural economy.

B 1.2 Banking and Finance:

History of Indigenous Banking : As observed by the Assam Provincial Banking Enquiry Committee in 1920-30, the history of indigenous banking in Assam is shrouded in obscurity. During Pre-British days, Assam had a self-sufficient economy which was mainly based on the barter system. There was hardly any need for credit money itself was scarcely available to the public for day-to-day transactions except coins for smaller denominations and cowries or conch shells which were used in minor transactions. Such an economy would have never fostered the growth of any banking system or so-called indigenous banking as well as money-lending. People belonging to the higher echelon of the society were in the habit of hoarding money and valuable ornaments. On the other hand, those in acute poverty could upon the help of their co-villagers in the shape of doles of paddy or facilities for cultivation".

B 1.3.. Historical Background of the Area

From the ancient period Barpeta witnessed the rule of the Varmans (380-654) the Salasthamas (655-985) the Palas (985-1260) the Kamatas (1260-1509) & the Koches from 1509. During the Kamata & Koch rule major historical development took place. The Koch King Naranarayan who founded Barnagar (Sorbhog) The Barpeta District formed an essential part of the Koch-Hajo and the Ahom Kingdom till British Administration took over. Barpeta district

witnessed the rule of several dynasties like the [Varman Dynasty in Assam](#), the Salasthamas, the [Pala Dynasty](#), the Kamatas and the Koches. Barpeta is also known as Tatikuchi, Porabhita, Barpeta's glory reached its zenith at the dawn of 16th Century A.D. and Barpeta became a nerve center (Boikuntha Doloi) of Vaishnavite culture with the divine presence and touch of Mahapurush Srimanta, Sankardeva-Madhabdeva-Harideva, Damodardeva and their disciples.

Widespread destruction of life and property took place when the Maans invaded from Myanmar. Even the Barpeta Satra was razed to the ground during this invasion. To restore peace British army entered Barpeta to drove-off all the invaders. With the advent of British rule Mouzadari system came into effect. In 1841 Barpeta became a Civil Sub Division and John Batlor became the first administrator. As a part of policy of exploitation, land-revenue rates were suddenly enhanced which resulted in a number of peasant unrest in between 1893-94 particularly in Bajali and Sarukhetri area. Large number of arrests was carried out to foil attempts of unrest. The Lachima up rising is one such shining example of peasant revolt against British rule. Rajior Sabha constituted during this period raised the banner of revolt.

During the struggle for independence large number of people participated and was jailed. Madan Chandra Barman and Rauta Koch were first martyrs to sacrifice their lives during Quit India Movement of 1942

B 1.4. Role of Organised and Unorganised Industries in Assam

Assam got its berth in the industrial map of India since the pre independences period. During the British period, the process of industrialization was initiated in Assam with the growth of tea and oil industry. With the development of these two industries, the industrialization process gained its momentum in the last half of the British period and subsequently after independence.

The industries in Assam can be broadly classified into- (a) Organised industries and (b) Unorganised industries. The organised industries of Assam includes Tea, Petroleum, Paper, Cement, Plywood, Coal, Jute, Sugar etc. The unorganised industries of the state include the small and cottage industries, Khadi and village industries etc.

C. Product development programmes.

C 1.1 Product development defined:

whether or not or no longer a company is effective depends as much on its merchandise as upon another aspect. If a firm's merchandise line is obsolete, sales will probably be low. If the line is simply too slim, seasonality is also a difficulty; and if the line is simply too broad, the corporation will not be able to supply and promote its merchandise effectively. If a product has too many frills on it, construction expenditures could exceed the rate the shoppers are willing to pay; and if a product is just too simple there is also little demand for it in spite of low production cost. For that reason, the determination and initiation of merchandise or offerings is in no way an easy matter. For the motive a corporation ought to set up policies whether or not it'll produce high or low exceptional items or a line with each, whether it is going to attempt to lead the enterprise to develop new designs or let its rivals set the percentage, how cost shall be centered and how they're going to be involving great, who can pay supply, service, and repair fees, and a myriad of alternative insurance policies. The term "Product progress" dealing with all such concerns renders useful services to small manufactures. In creation it experiences what to provide, the best way to produce, the place to supply, how a lot and when to supply, for whom to produce, and what should be the high-quality, measurement, form, and typical of the product and what approaches of production should be adopted to toughen the need of current product and so on. In an effort to make the product market-oriented. Not like production and distribution it reviews such consideration as how to sell, where to promote, when to promote, how much to sell, whom to promote and what are their likes and dislikes, their household conditions, their social, financial and physical limitations and many others, and what ways and approaches of distribution of goods will have to be adopted and more than a few different principal marketing functions.

In brief, product progress programme clearly offers with the introduction of a new brand into the market and brings it in the circle of genuine competition or pushes it into the prevailing market. In other phrases, it focuses attention on these forces which operate in popularizing a brand new product or manufacturer out there. It usually is defined as a aware and good-planned effort to toughen present product or add to the kind of products produced and marketed.

The above analysis means that product development programme deals with two most important aspects, the construction or manufacturing and the marketing or distribution features of a industry unit.

C.1.2.Elements of Product development programme

The term product development programme can be broadly classified in the following manner:

- I) Product development policy;
- II) Product development planning;
- III) Testing product features, performances and stability;
- IV) Distribution channels.

These elements of product development programme are discussed below at some length:

C1.3. Product development policy:

Product progress coverage serves as a guide in opting for the types of merchandise or what exact items will be manufactured or treated. Aside from this, product development policy can also be worried with a form of additional issues comparable to high-quality, design, improvement in packaging and branding and marketing of goods in unique market conditions. Hence, the first situation of a trade unit is the content material of its product line. The term “product” on this discussion approach an end-product provided for sale by the firm and product line is used here in a huge experience to comprise all of the merchandise manufactured by way of the company. The time period product line will also be utilized in a narrower sense to refer to corporations of merchandise which might be related either on the advertising and marketing part as being constituted of the identical materials or by means of an identical processes¹. For this rationale trade executives make decision virtually everyday that impact the product line in such matters as allocations of manpower, factory space, or earnings effort. They in general make a decision whether to undertake a new development mission, to introduce a new product, or to do away with an old one. Errors in any of those are most often costly, and will even be

ruinous. For taking higher and turbo choices on problems of product line content, formal product policies are formulated.

C1.4. Product development planning :

Throughout the period of prosperity when industrial items are well known, a company tends to forget about considering of the future. When the receives more orders then he concentrates in the direction of the problems of production, however when the cycle reverses and he awakens to the fact that orders are now not running his industry to capacity, he turns his awareness to the cultivation of old patrons and the development of new ones. By that time, nonetheless, he could also be too late. The effective manufactures don't stay up for a period of recession or despair earlier than taking corrective action. By way of a combo of advertising research and product planning he's in touch with the market, and he has deliberate his product line so that he could meet the standards of his patrons and thereby maintains higher degree of producing pastime. Product planning is, thus, primary for the long-run success of the business and ought to be applied despite whether a buyer's market exists or a seller's market exists. In short, product development planning is typically worried with the making of essential selections, corresponding to what and the way a lot is to be produced, to whom it's to be allocated, via the conscious choice of a determinate authority, on the groundwork of comprehensive survey of the construction approach as a entire. It embraces all events which allow producers to check what must represent a organization's line of products. Ideally, product planning should make sure that the whole complement of a organization's merchandise are locally associated, in my view justifiable and design to improve its aggressive and revenue function. It requires an estimate of the industry's market advantage, sales talents, fee requirements, and the profit possibilities of product to verify whether or not product development is feasible. Product development being a more restricted term in compasses the technical activities of product study, engineering, and design

C 1.5. Testing product Features, performance and stability :

Testing product function, efficiency and stability have additionally been regarded as a principal part of product development programme as it saves the product from failure. The trying out of product facets, efficiency and balance from the stand-factor of outside appearance as well as inside construction has been an aspect of principal influence in trendy product development. It ensures that the article will meet the purchaser's want and is of fine quality. Surely, without trying out no warranty in regards to the purchaser performance and balance of the product can take delivery of to the customers. Thus, the items for which no guarantee is given from the side of the producers are neglected for available in the market with the aid of the buyers. For example, the Bata footwear enterprise dominates available in the market over others in view that of the purpose that the enterprise gives a warranty of its product. Hence, trying out product aspects, performance and balance are additionally important from the point of view of effective and lucrative working of an enterprise.

C 1.6. Distribution Channels :

To provide goods consistent with the tastes, fashions habits and consumers' conduct, more cost effective and of excellent condition, is indubitably primary for a trade success. However, it's not more likely to prevail until it is backed by using an aggressive marketing programme. In other phrases, without making a choice on proper channels of distribution or making improvements within the distribution process, no trade unit can run efficaciously and advantageously. The present process of distribution of items in small scale industrial sector is unorganized as mentioned earlier. Apart from this, the small manufactures take undue advantage from agents market and feel that anything is produced will be ultimately consumed and, accordingly, they don't lay the a lot wanted stress on advertising and marketing techniques. Additionally, additionally they consider that if goods are produced in bulk, the country's situation will likely be solved without considering that the pliability of demand and different market occasions. Each these notions seem to stem from one company notion that goods must be produced first without market study and correct be trained of customer conduct and then the advertising men will take them to the excellent buyers. Many corporations suppose of themselves as producing a product for sale to distributors. Which means that the marketing function is delegated to an outsider and that the corporation turns into based upon the integrity and effectively of the distributing

organizations. However the distributors who operate within the rising economies are more speculators than advertising and marketing associations.

In a similar fashion, the manufacture who're having their own earnings drive are also apt to expect that a revenue force can invariably control simply an additional product, despite its market, or a product will sell itself or take no effort. For that reason, one of the vital most typical issues in business at present is that of the one earnings drive seeking to duvet too many markets. For instance, when a single sales drive covers two markets, similar to consumer market and the commercial market, higher outcome can be received through segregating the sales drive into two businesses, one for each and every variety of market. It appears that almost always in the present policy a salesman can't be continuously transferring backward and forward between specific types of customers without having his effectiveness materially impaired. The buying habits and factors of the two forms of customers are so distinct as to contain one-of-a-kind mental shifts by using the salesman. Under these stipulations it could be effective for the manufactures to build totally new distribution channels for the product.

C 1.7. Methods of product development:

For the rationale of product development in general the following two ways are adopted by the producers: (a) Production system ; and (b)via Marketing procedure. Even as developing a product via creation method, the next elements will have to be considered by using the management of small scale industries:

- (1)The best of the product must be high standard.
- (2)External appearance of the size, form, color, finish, texture, dimension and other physical aspects that enchantment to the client's experience of beauty, utility or big difference and so on. Should be regarded.
- (3)Standard dimension should be maintained.
- (4)The choice of materials, materials and their arrangement in relation to each other should be so designed as to give the user greater convenience, more economical operation and longer life.
- (5) Use or utility of the product must be regarded in designing its outside look as good as its inside construction elements in order to provide better utilities and value to the users or patrons.

C.1.8. Incentives of product development:

The following are the most important incentives of the product development:

Production: within the case of construction the incentive is normally the want to utilise immoderate ability made to be had by using seasonal or cyclical explanations or through whatever else that contributes to less-than-ability use of production facilities. It is going to come additionally from the wish to make profitable use of waste merchandise or from an consciousness of the high manufacturing price of the historical product.

Advertising and marketing: The advertising considerations fall into more than a few areas such because the product wishes of the purchaser, price consideration, distribution channels, advertising, private selling and purchasing with recognize of customers' wants. The incentives for constructing some new product is brought about with the aid of many causes. These comprise complaints, revenue returns, all allowances, and the must do away with unproductive carrier calls.

THE MARKET: here the competitive action of rival items or some new or improved product generates the incentives for product progress. As a result the practice of the alternate almost always requires the introduction of latest items periodically and both new market and new desires result in opportunities for brand new products