

AN OVERVIEW OF SERICULTURE INDUSTRY IN KASHMIR

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ABSTRACT

Sericulture is one of the oldest industries in India and Asia. Sericulture is an agro-cottage, forest based industry, labor intensive and commercially attractive economic activity falling under the cottage and small-scale sector. The silk is the final product of this industry. It particularly suits to rural population working with agriculture, entrepreneurs and artisans as it requires low investment with potential for relatively higher returns. It provides income and employment to the rural poor especially, farmers with small land-holding and marginalized and weaker sections of the society. Kashmir is a nontraditional sericulture state producing Mulberry and Tasar silk. The bivoltine sericulture development has been one of the priority sectors of Indian silk industry but its production is yet to meet the targets. This paper mainly focused on the performance of Sericulture in Kashmir. Sericulture industry requires low investment and it helps to earn higher returns in short gestation period, due to this the farmers are getting attracted to this sector and it is a best tool to improve the rural economy as well as to improve their living standards.

KEYWORDS: Sericulture, Agro-Cottage Based Industry, Employment Generation, Socio-Economic Development, Raw Silk, Kashmir etc

INTRODUCTION

Sericulture assumes a special significance in the state of Jammu and Kashmir. This is the only traditional Univoltine belt in India capable of producing silk comparable to the qualities of exquisite imported raw silk of standard quality in the international markets. Its climate is temperate and congenial for rearing both Univoltine and Bivoltine silk worms' races. In view of the limited scope for pollution oriented heavy industries, sericulture has assumed added significance in the industrial planning of the state. Moreover the operation of this industry does not entail any import of raw material from outside the state at exorbitant transport costs.

Sericulture is one of the oldest occupations in Kashmir. The industry provides part time employment to about 30,000 families by way of silk worms rearing, besides providing employment to 5,000 persons on regular basis in the public sector. Besides, silk industry generates employment to about 10,000 weavers on the full time basis, in about 2,000 units in the valley in private sector. Thus about 2.15 Lakh people are engaged on full time or part time in this industry. The silk industry was a state monopoly till 1988 and farmers were getting no benefit out of the sale of cocoons as per floor price fixed by the government. A deep thought was given to regain its lost glory. The industry was demonopolised and ownership of plant was transferred to the farmers with the permission to sell surplus leaves and earn money. This helped from saving the industry from vanishing. Much care was taken by the farmers in preserving the trees which resulted in increased demand of the plant. Silk worms seed is supplied free of cost to the rears and cocoons are purchased by the government and private entrepreneurs. (Source: J&K Sericulture development department)

The development of Kashmir Sericulture has however not received due attention. The age old silk industry is facing extinction.

The yearly production of seed, mulberry leaf, cocoons and raw silk has been decreasing at an alarming rate during the last few years.

NEED AND SIGNIFICANCE OF THE STUDY

Indian economy is characterized by the rural poverty and backwardness and Sericulture is a labour-intensive industry in all its phases, namely, cultivation of silkworm food plants, silkworm rearing, silk reeling, and other post cocoon processes such as twisting, dyeing, weaving, printing and finishing. It provides employment to lakhs of persons, most of them being small and marginal farmers, or tiny & household industry mainly in the hand reeling and hand weaving sections. It can be used as a tool to reduce the rural poverty and overall unemployment to some extent.

In the year 2011-12 it is provisionally estimated that employment generation in the country is raised to 7.56 million persons compared to 7.25 million persons in 2010-11, indicating a growth of 4.3 %. Sericulture is a Labour intensive industry and it can be used to reduce the increasing unemployment of the country by providing necessary resources and training to the unemployed people of the country.

LITERATURE REVIEW

In their article titled "Optimum Cropping Pattern for Sericulture-dominant Farms in Southern Dry Zone of Karnataka-A case Study", G. Srinivasa, P.G. Chengappa, Lalith Achoth, Keshava Reddy and G.N. Nagaraja have stated that, Sericulture is labour-intensive and well-suited to small and marginal farms with surplus labour, especially female labour. Ample labour and a small land-base encourage farmers to practice sericulture as a subsidiary occupation. While income from crop production is seasonal, sericulture provides a year-round income, which is an important incentive for small farmers to take up sericulture. The agricultural production is seasonal, while consumption is evenly spread over

the years. Under such circumstances, the planners and policymakers are confronted with the challenge of formulating a suitable agricultural production policy with which the desired growth of agricultural production can be achieved. In the present study, optimum cropping patterns for different categories of sericulturists have been suggested by selecting Siddlaghatta in Kolar and Kollegal talukas in Mysore as study areas. The primary data have been collected using the personal interview method. The deterministic linear programming technique has been employed to work out the maximum attainable returns by small, medium and large farmers through the optimum allocation of various crops, sericulture and livestock (dairy), using the available resources. The model has suggested fewer crops in the cropping pattern of both the areas. The model has also suggested shifting of the cropping pattern from subsistence-dominated crops like ragi to commercial crops like Bivoltine sericulture in the Kolar area and crossbreed sericulture in the Mysore area. The suggested cropping patterns have increased the gross income in the range of 83.55 to 388.68 per cent in the Kolar area and 2.71 to 10.70 per cent in the Kollegal area.

In their article titled "Productivity and Profitability in Rainfed Sericulture – A Study in the District of Chamaraja Nagar in Karnataka-A case Study" P. Kumaresan, G. Srinivasa and N.B. Vijaya Prakash have stated that, The resources use pattern and profitability of dry land sericultural operations have been analyzed. The study has been conducted with the information collected by interview method from randomly selected 67 rain fed-sericulture farmers in the Chamaraja Nagar

district of Karnataka. It has been revealed that the cash inputs such as chemical fertilizers and disinfectant chemicals are used less than the recommended quantities, whereas labour is used in excess. The production function analysis has indicated that bullock power, human labour, quantum of feed and disinfectants are the important inputs which significantly influence cocoon production. As regards the allocate efficiency of resource-use, bullock power is being used efficiently. Leaf, fertilizer and disinfectants are used at sub-optimal levels. The labour is being used in an uneconomical manner. It has been suggested that intensified extension efforts would bear fruitful results in popularizing the improved rain fed sericulture practices.

In their article titled “Sericulture as an Employment Generating House hold Industry in West Bengal (A Study on its Current Problems & Prospects)” -A case Study’ Chandan Roy, Sanchari Roy Mukherjee, Santanu Ghosh have stated that, Employment generation is one of the major potentials of Sericulture and Silk Industry in India. The farm and non-farm activity of this sector creates sixty Lakh man days of employment every year mostly in rural sector. The industry helps to create egalitarian distribution of income as it transfers greater share of its wealth from high end urban customers to poor artisan classes. In West Bengal, more than one Lakh families are occupied with sericulture activities where Karnataka is the state with the largest number of families involved with sericulture. Despite having high level family involvement, West Bengal produces smaller quantities of raw silk compared to Karnataka as well as Andhra Pradesh. This paper investigates the reason of this low production and finds out that low productivity of land is no way responsible for that. Different Employment Models constructed in this paper suggest that ‘area of mulberry cultivation’, ‘cocoon-market’ and ‘power-looms’ are powerful factors in changing the level of employment, while the primary survey exposes factors like ‘unitary household structure’, ‘income’ ‘years of education’ and ‘numbers of female in the household’ as the significant factors in accelerating average employment per family. The spillover effect of this employment generation is studied at the end. The study finds that as a poverty eradication measure, sericulture fails to expand in rural West Bengal vis-à-vis the other prominent states. But income inequality is undoubtedly diminished with the practice in sericulture.

In the Report “Note on the Performance of Indian Silk Industry and Functioning of Central Silk Board”, published by Central Silk Board Bangalore in November 2012, it is stated that Silk has been intermingled with the life and culture of the Indians. India has a rich and complex history in silk production and its silk trade dates back to 15th century. Sericulture industry provides employment to approximately 7.56 Million persons in rural and semi-urban areas in India. Of these, a sizeable number of workers belong to the economically weaker sections of Society, including women. India’s traditional and culture bound domestic market and an amazing diversity of silk garments that reflect geographic specificity has helped the country to achieve leading position in silk industry. India has the unique distinction of being the only country producing all the five known commercial silks, namely, Mulberry, Tropical Tasar, Oak Tasar, Eri and Muga, of which Muga with its golden yellow glitter is unique and prerogative of India.

In the report titled “Improvement in Economic Status of Sericulture Farmers in Tamil Nadu (An Over View)” -A case Study’, Harmandar Singh has stated that, In India Sericulture is essentially a village based industry providing employment to a sizable section of the population. India is the second largest producer of silk in the world with an annual silk production of around 18500 M.Tonnes. India has distinction of being the only country producing all four kinds of silk- Mulberry, Eri, Muga, and Tasar. However mulberry silk contributes more than 87% of the country’s silk production. Due to favorable climatic conditions, mulberry is cultivated mainly in five States of India i.e. Karnataka, Andhra Pradesh, Tamil Nadu, West Bengal and Jammu & Kashmir and 95% of raw production in Country.

In Vocational curriculum (With effect from the Academic Year 2005-2006) Curriculum of Intermediate Vocational Course"-A case Study' Shashank Goel has stated that, Sericulture means cultivation of silkworms which finally produces Silk. The word silk sounds luxury and class. Till today, no other fabric can match it in luster and elegance. As long as human desire for silk garments continues, the demand for sericulture activity remains. Silk is the queen of textile and the naturally produced animal fiber. Sericulture is an ancient industry in India dating back to at least second century B.C. In its long history sericulture has passed through periods of great prosperity as well as decline. Sericulture involves agriculture, art and industry; silkworm rearing is an art in the hands of rural people; reeling of the silk from the cocoons formed by the worms is an industry of different financial investments. Scientific sericulture is the meeting place for agriculture and art, art and industry, ancient culture and civilization, the rich and the poor it reflects the interdependence of these. Silk is a way of life in India. Over thousands of years, it has become an inseparable part of Indian culture and tradition. No ritual is complete without silk being used as a wear in some form or the other. Silk is the undisputed queen of textiles over the centuries. Silk provides much needed work in several developing and labour rich countries. More than 10 million farmers raise silk in China today. Sericulture is a cottage industry par excellence. It is one of the most labour intensive sectors of the Indian economy combining both agriculture and industry, which provides for means of livelihood to a large section of the population i.e. mulberry cultivator, co-operative rearer, silkworm seed producer, farmer-cum-rearer, reeler, twister, weaver, hand spinners of silk waste, traders etc. It is the only one cash crop in agriculture sector that gives returns within 30 days. This industry provides employment nearly to three five million people in our country. Sericulture is cultivated in Karnataka, Bengal, Tamil Nadu, Andhra Pradesh, Jammu & Kashmir, Gujarat, Kerala, Maharashtra, Uttar Pradesh, Rajasthan, Bihar, Orissa etc.

In the report titled "A fillip for the silk industry in north-east India -A case Study' Ratna Bharali Talukdar has stated that, Traditional silk growers of Assam in north-east India have benefited from the state government's cluster plantation scheme. Rural households are provided financial assistance, equipment and training to carry out the production process, thus generating more profit and employment. In December, Newson Marak, a Garo tribal from Jeera village of Krishnai block in Goalpara district of lower Assam produced around 25,000 cocoons of *Muga (antheraea assama)*, the state's unique golden silk. He earned Rs. 25,000 - double what he earned in February last year. A traditional silkworm grower in one of the state's richest silk cocoon producing pockets, Marak is happy that price per cocoon has increased by about 100% this winter. The rising price is partly attributed to high demand for *Muga* silk in the state with relatively low production, and partly to the initiative of the Department of Sericulture to fix the sale price of cocoons and free the growers from the clutches of middlemen, who previously made off with most of the profits from the trade. Enthusiastic over his increase in income, Marak is now planning to go in for *Muga* seed production simultaneously, as every kilogram of quality seed of *Muga* silkworm will fetch him an additional income of Rs. 6000. He has successfully completed two training camps to learn about scientific rearing of silkworms, organized by the Department.

Marak's story is that of an individual silk grower, but others are profiting through group efforts. Another tribal silk grower, Dinesh Chandra Rabha produces *Muga* cocoons as a member of a Self Help Group (SHG). The Sunnery Self Help Group of which Rabha is a member produced 65,000 *Muga* cocoons in November 2008.

SILK INDUSTRY IN KASHMIR

Sericulture being one of the traditional industries in Kashmir is a land mark of our cultural heritage. There is no

exact record as to how and when exactly this industry originated in Kashmir. However there is mention of silk and mulberry tree in Rajtarangni-the oldest written chronicle of Kashmir. The reference in Mahabharata and Ramayana-the two great epics establish that sericulture was being practiced in Kashmir from times immemorial. There is evidence in ancient Sanskrit literature as, that the original home of silk is Kashmir.

The above mentioned statement clearly depict that the existence of the silk industry in Kashmir goes back to not only centuries but even thousands of years. We find the existence of silk industry in Kashmir in the very ancient past by referring to “SABHA-DARUN of Mahabharata” where a clear mention is made of a “thread spun by worms”. Among the many presents offered to “yudhishtira” by a feudatory prince from the north-western side of Himalayas presumably Kashmir, we find an echo of its antiquates in Mirza Hyder Dughlat’s “Tariki-rashidi” (1540 A.D) wherein he records that among the various wonders of Kashmir, are the number of Mulberry trees cultivated for their leaves for the production of silk.

The developmental history of sericulture in Kashmir goes back to Vedic age and during those times silk industry of Kashmir was flourishing and growing concern and since then the industry is occupying a synonymous significance of whole world.

There has been a controversy regarding the development of sericulture in Kashmir. Historians and writers are of different opinions so far as the development of sericulture in Kashmir is concerned. Some writers are of the opinion that sericulture in Kashmir has emerged during the rule of king ZAIN-UI ABDIN (1421-1482 A.D). it is said that silk industry in Kashmir has achieved a great significance during the reign of ZAIN-UL-ABDIN and became a growing concern in economy of Kashmir because of the fact that the King, his courtiers and his nobles were having a particular sort of interest in silk garments and clothes. The history clearly reveals that king ZAIN-UI ABDIN had sent many persons to other silk producing economies having a specialization in the field of sericulture to gain special training in sericulture production and then brought the silk industry under their supervision and control. The creative and satisfactory, though not the best, supervision of these experts brought the industry on well productive lines and consequently the industry achieved a great progress and prosperity.

Since the king was the greaves admiral of silk, he considered the development of silk industry more essential as compared to the industries of the times. It is said that the silk industry was on in ancient Kashmir, but king ZAIN-UI ABDIN improved it by introducing better techniques and designs. Silk worms were reared and for their food mulberry were cultivated and its fruit was not eaten by people. The favorable climate, stable political conditions and the ready market for silk were the main factors which engaged the attention of government of king ZAIN-UI ABDIN to give a special recognition to the development of silk industry. If the reign of king ZAIN-UI ABDIN shall be called “The Golden Age of Sericulture”, we may not be wrong in our opinion, for it was only the silk industry which was showing bumper and appreciable results in the shape of mass production, best silk, high sales and considerable profits.

Besides the development and advancement of silk industry itself, the king was deeply sympathetic towards the manpower and labour employed in silk industry. The king provided for all sorts of facilities, amenities and incentives to labour force and had guaranteed of labour from exploitation.

It was only this sympathetic behaviour and attitude of the king ZAIN-UI ABDIN which created a sense of belonging, confidence and creativity in the minds of workers of silk industry and they were motivated to put in each and

every effort endeavor for the progress and the prosperity as a whole. Over a period of time industry became not only self sufficient to meet the requirements of home trade but was in a position to export silk fabrics and raw silk to the parts of India. The source of raw material, especially, cultivation of mulberry was given an upward push to have a bumper crop of mulberry trees. The people were given compensation and rewards for the protection and preservation of mulberry trees and punishments were given to those who cut the trees or damaged cultivation unnecessarily. Another school of historians and writers are of this opinion that sericulture in Kashmir has emerged when great Mughals invaded Kashmir. It is said that “Raja Baghwan Das” entered into the agreement with the ruler of Kashmir “Yousuf Shah Chack”, where the agreement provided among other things that sericulture in Kashmir shall be controlled by Mughals from Delhi direct. Mughals had their own interest in silk and were great admirers having great aspirations for the advancement and development of silk industry in Kashmir.

The official records and reports of sericulture development department of Kashmir clearly reveal that Europe was the first continent with which Kashmir has started its link trade. The reports show that in the year 1855 Kashmir was in a position to supply 25,000 ozs of silkworm seeds to Europe. By exporting silkworm seeds to Europe the silk industry of Kashmir gained a pivotal position on the silk route of Europe.

After the Mughal rule the Afghan governors exhibited indifference to the development of this industry and showed no interest in the cultivation and preservation of mulberry trees. The silk industry received a severe setback. Large numbers of mulberry trees in Mysoma, Srinagar were cut to clear the field for horse racing. Then the Sikhs who occupied Kashmir in 1819, paid great attention towards the development of silk industry in Kashmir, as a result of which the production of silk again increased. The tempo of progress continued up to the end of Sikh rule in 1846 and by that time silk had become an important commodity of trade. The govt. derived income of one Lakh rupees as duty from silk trade. The industry became the backbone of the economy of people of Kashmir.

Mharaja Ranbir Singh, who became the ruler of Kashmir in 1857, made this industry a state monopoly to boost its development. The maharaja set apart £30,000 for the development of silk industry. He got 127 rearing houses built in all parts of valley. Maharaja kept the operation of the industry under the control and supervision of Babu Nilamber Mukerji, the chief judge of Kashmir. He took great pains to develop the industry in scientific lines and reeling appliances and machinery was imported from Europe. Further, in order to induce more and more people to sericulture operations, many facilities and incentives were given to people to take to sericulture the rears were exempted from ‘begar (forced labour) which was a great relief to the people. About 400 people were employed for the whole time and thousands of poor peasants derived livelihood out of the industry. Many new techniques of reeling were also introduced. As a result, due to efforts of Babu Nilamber Mukerji the quality of raw silk greatly improved and he received a great appreciation from sericulture exports of Europe, who spoke highly of the quality of the fiber. However, the industry received a severe setback after 1878. The “Kiram kashes” who had become a privileged class misused their position and as a result people looked upon the industry with hatred. In the meantime the industry came under the grip of silk worm disease known as Pebrine which started in India in 1875 and reached Kashmir by 1878. The disease almost wiped out the industry completely.

It was in 1892 that Thomas Wardle Reorganized the industry and brought it on modern line. The industry again flourished and silk was exported and used for high quality fabrics and parachute making. In 1897 the department of sericulture was established under the directorship of C.W.Walton who had enough experience. Thus by 1907 the silk

industry of Kashmir developed to the extent that it was considered to be one of the largest concerns of its kind in world, providing employment to about 5,000 people. Moreover Kashmir silk which was already popular in Europe gained International reputation. To keep pace with the development, measures for extension of the sericulture operations were undertaken. As a result the rearing output increased from year to year and reached the maximum of 40407 mounds of cocoons in 1911.

The industry showed signs of depression after 1915. The machinery and the methods of reeling looked obsolete. Thus in 1921, govt. deputed Pt.T.C Wazir to Europe to study the state of practical sericulture and thereafter make recommendations for the development of the industry. On his return he submitted a report wherein he recommended;

- Modernizing the existing machinery and improvement in various processes of production.
- Reorganizing the mulberry department with a view to introducing a vigorous policy for the preservation of existing and propagation of new mulberry trees.
- Development in the techniques of incubation and installation of European machinery.

These recommendations received a little attention because it was opposed by labour force and interested section.

The depression of 30's left its deep scars on the silk industry of Kashmir. This was a period of uneconomic prices, competition, dumping and loss of market. Consequently foreign markets were lost and home markets flooded with Chinese and Japanese products, which were cheaper than the local products. In May-June 1932, the total quantity of Chinese silk sold in the continent was 3,500 bales out of which 2900(82.86%) bales were exported in India alone. In European markets, Kashmir silk met cut throat competition from China and Japan. Kashmir silk could not stand in competition due to high price and lower quality as compare to Japan and China in 1931-32, there was no export to Europe confined solely to India. (source: 'production problems of silk industry in Kashmir' by A.M.Shah)

The state of J&K is characterized by hilly topography and difficult terrain besides seasonal land lockedness of certain areas stretching even up to seven months a year. The geographical area of the state is about 13.90 million hectares, out of which about 17.41% that is, 2.42 million hectares have been surveyed and are under the reporting system. Ladakh division covering about 70% of the total geographical area, the state has only 0.62% of its area recorded in the revenue papers. Major part of the surface area of the state being mountainous is inhospitable for human habitation and nearly half of it is used for forestry. The state of J&K is one of the most under-developed states of the country. It has a backward agriculture and a meager industrial base. The state is rich in natural resources and its labour force is very intelligent and hardworking. But, due to under utilization of natural resources and man power, substantial gains have not been achieved in the fields of economic development and upliftment of the people. What is more disappointing is the fact that the state is becoming more and more dependent on the imports of both agricultural and industrial commodities from other states of the country due to the absence of sound and scientific economic planning in the state. The agricultural productivity is extremely low because of inadequate supply of irrigation, high - yielding variety of seeds and fertilizers to the farmers. Inadequacy of credit facilities is also one of the causes of low agricultural productivity. Low agricultural productivity breeds general poverty among the cultivators. Some of the century's old, but very important industries of the state such as silk industry and the woollen and cotton textile industries are fast declining due to utter negligence on the part of state government and competition from other states of the country. The majority of the industrial units run by the state

government has become sick and has been incurring huge annual losses for the last so many years. In J&K economy structural transformation took place in the post independence period as a contribution of agriculture towards state domestic product declined following the expansion of other sectors of the economy. Despite this decline agriculture continues to be the dominant sector of the economy because of the dismal performance of the economy with regard to industrialization, which is evident from the fact that the contribution of the manufacturing sector has more or less remained constant over the plan period both at constant and current prices. A close study of the NSDP at constant prices reveals that the percentage of agriculture to the total had decreased from 47.40% to 30.88% in the years 1980 – 2005, the industrial sector has grown from 12.90% to 22.57% for the same period of time and also the services sector has grown from 39.70% to 46.55%. These figures clearly show that the industrial and services sectors share have grown whereas the agriculture's share has been decreasing. The same is the case of NSDP at current prices that is the percentage of agriculture's share has decreased while as industrial and services sectors share has increased, but the share of industrial sector has increased at marginal rate.

COMPANY PROFILE

The Jammu and Kashmir government few decades back has setup large filatures at Jammu and Srinagar to promote and develop sericulture activities in the state. Apart from the filatures, a weaving unit was also setup at Srinagar for the utilization of yarn produced in these filatures. This unit is presently under the umbrella of Jammu and Kashmir Industries Ltd. (JKI) which has 180 other units in Jammu and Kashmir.

The Silk Weaving Factory was established in the year 1921 in the premises of Govt. Filatures (Silk Factory Rambagh). However, in the year 1937 the factory was destroyed by fire. It was shifted to Rajbagh in 1938 where it is presently located.

The site of the factory is an ideal one as it is situated on the bank of the river Jhelum. The plant is spread over an area of about 90 Kanals (489600 feet). This factory has main building consisting of three departments, viz. throwing section, warping section and weaving section.

Besides there are two single storied showrooms, a single storied building for the management, two huts one is meant for dispensary and time keepers and the other one for workers union respectively. There is no separate electrical installation for the factory. As a result it has to suffer power failures, voltage breakdown off and on.

The factory has glorious past. It has been engaged for the last seventeen years in the manufacturing of high quality silk fabrics. The records revealed that the factory has played a vital role during the Second World War when parachute was manufactured in thousands of meters in the shifts and exported to U.K for the manufacture of parachutes used by British and American army in the war with German.

PRODUCT PROFILE AND PRODUCTION

The factory is engaged in manufacturing of silk fabrics out of silk yarns which is being supplied by the two filatures of JKI at Srinagar and Jammu. The name of all these varieties of silk have been derived from China the place of its origin the following two tables 1.1 show product wise and overall production respectively for the last ten years followed by charts respectively.

Table 1

Products	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
Crap(409)	269.75	2083.65	3365.8	4647.95	2863.15	461.2	2340.15	12168.1	21996.05	10280.1
Crap spl.	775.25	2641	1786.95	232.9	155.9	X	704.95	12788.3	1852.7	1269.7
Chinon207B	16578.7	10852.8	17800	24748	18963.15	4900.85	30842.85	18191.63	5540.4	5191.75
Chinon 36"	45185.7	42548.2	31176.15	19804.1	25054.5	7783.35	12085.55	6799.48	1513.4	9976.6
Chiffon 360"	X	X	X	3552.55	367.3	742.85	2922.8	1700.65	478.5	5546.45
Chiffon 36"	617.55	153.7	X	X	X	X	X	X	X	20.25
goorgett	242.4	675.25	1958.55	3241.85	154.7	X	1424.5	X	X	
Champion	X	X	X	X	X	X	X	X	X	X
Habuti 521k	X	X	X	1077.95	1147.1	194.4	1010.85	785.43	560	X
Satin 80	1268.2	1682.3	1439.3	1196.3	588.6	X	638.65	1559.45	2480.25	1187.9

The above Table 1.1 reveals that the performance of govt. silk weaving factory Rajbagh has not been encouraging by the trends in the production of different silk products. There are certain varieties of silk like Chiffon 36", Champion with insignificant production over last 10 years. The production figure of other varieties of silk like Crap, Chinon, Goorgett etc are also not satisfactory. The table also shows that among all varieties only Chinon is produced in bulk as is its novelty of Kashmir.

Annual Production of Silk in Silk Weaving Factory Rajbagh

Table 2

Period	Quantity Produced (meters in lakhs)	Value (Rs in lakhs)
2001-02	75000	164.683
2002-03	74000	196.84
2003-04	78000	226.9
2004-05	52500	137.26
2005-06	52500	160.925
2006-07	27300	89.216
2007-08	54500	171.675
2008-09	64100	182.085
2009-10	39500	208.56
2010-11	42500	220.15
2011-12	23600	100.064

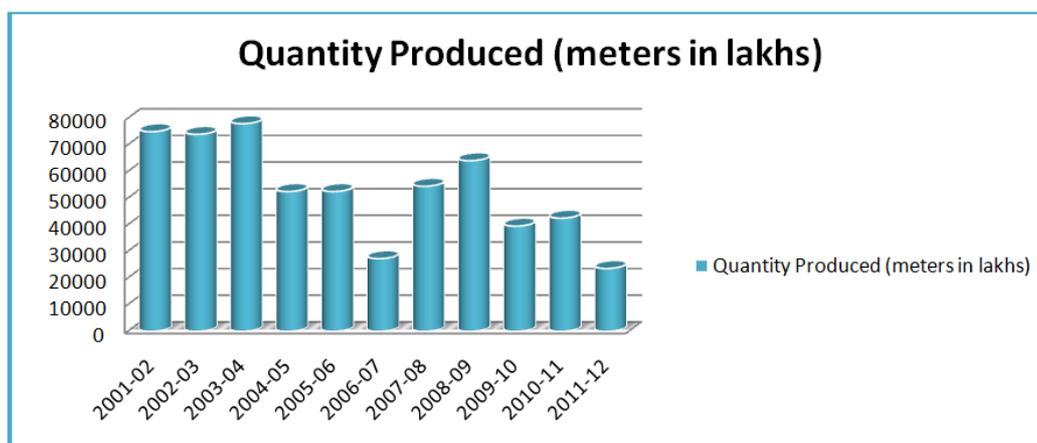


Figure 1

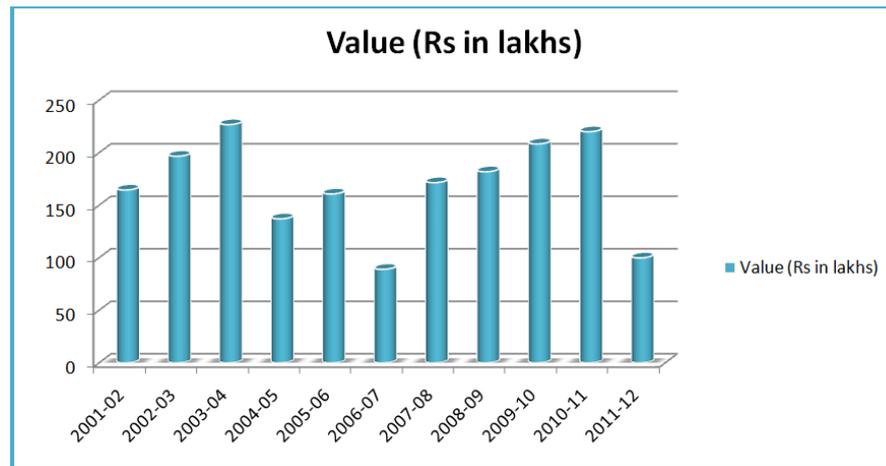


Figure 2

Above Table 8.2 and Charts 1.2 (a), 1.2 (b) reveal that the overall production of silk fabrics has shown a declining trend during the period of study. The quantity of silk fabrics produced in the factory has decreased from 75,000 meters in 2001-02 to 23,600 meters in 2011-12 amounting to 69% decrease. The production of silk products was maximum 78,000 meters in 2003-04, but there after it showed a sharp decline.

The decrease in production of silk fabrics in the factory has been mainly due to:

Non Availability of Raw Material

The factory is engaged in the manufacture of silk fabrics out of silk yarn supplied to it by two filatures of JKI at Srinagar and Jammu. Due to non availability of cocoons in these filatures for the last more than six years the production of raw silk has gone down. Thereby having a direct and negative impact on the production silk fabrics of the factory. The factory has been facing an acute shortage of raw materials which continues till date.

Inferior Quality of Raw Material

There was a time when Kashmiri silk was considered best quality silk of the world. However, with time the quality of raw silk which is now being produced in Kashmiri filatures is poor. As a result the quality of silk fabrics produced in the factory is also poor. So therefore the demand of Kashmir's silk in the market has gone down resulting in the decreased production of silk fabrics.

Dearth of Skilled Labour and Obsolete Machinery

The other important reason for the declining in production is the dearth of skilled labour and obsolete machinery. The machinery has been imported from the European countries at the time of establishment of factory and it continues till date. As and when any breakdown in the machinery occurs, it become very difficult for the management to arrange spare parts. In addition there is lack of proper training to the workers who lack necessary skills to run the machinery.

CONCLUSIONS

The study entitled "Financial Analysis of Govt. Silk Weaving Factory Rajbagh Srinagar" has revealed that the age old factory is facing extinction. The annual production has decreased substantially and the factory is running under heavy

losses. There has been a fall of 69 percent in the production from 2001-2002 to 2011-2012. A similar declining trend is shown by the annual sales figures of the factory. The sales volume shows a decrease of 66.27 percent from 2001-2002 to 2011-2012.

The working of factory brings to light an important fact that the state silk industry has shown a poor performance. The major factors responsible for the decline of Kashmir silk Industry in general and Govt. Silk Weaving Factory in particular is the acute shortage and inferior raw materials. Consequently there has been a large decrease in the production of silk fabrics which has not allowed the fixed cost to spread fully, resulting in high cost of production. This has hampered the growth of the unit. Further, the average cost per meter of silk fabric produced is very high as compared to average selling price, resulting in heavy losses to the unit. The other major factor responsible for the high cost of production of firm is high rate of overhead expe

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