

CHAPTER THREE

NON-FARM ECONOMY OF BARAK VALLEY

3.1 Introduction

Nature was kind enough while blessing Assam with abundant and valuable natural resources. Surrounded by garlands of hills and lying down across the Brahmaputra valley, the region of Assam is also called as terrain of hills and rivers. The State of Assam is considered as gateway to northeast India with a geographical area of 78,438 sq providing shelters to 2.57 per cent population of the country. According to 2011 census report, Assam population stands at 3,11,69,272 out of which male population consists of 1,59,54,927 persons and female population of 1,52,14,345 persons. The State consists of three distinct natural regions namely, the Brahmaputra valley (derived from river Brahmaputra), the Barak valley ((derived from river Barak) along with the Hilly regions consisting of North Cachar Hills (now Dima Hasao) and the Karbi Anglong district. Alongside the State's two major river systems as divided into twenty-four districts of the Brahmaputra valley with a total area of 71,516 sq. km (including hill districts) and three districts of the Barak valley (with a total area of 6,922 sq km), the significant portion of region's habitation exists.

As the study area of the present research work is Barak Valley, it becomes necessary to look at the existing features of the region as per the available secondary data before the task of field survey. Henceforth, this chapter analyses the current segments and status of the economy of Barak Valley, with particular

emphasis on the non-farm sector. The information gathered in this chapter is mainly from the secondary data sources, namely, Census Reports, Directorate of Economics And Statistics (comprising three districts of Barak Valley and Assam), Government Departments and for some analytical purpose website information from relevant websites, respectively. Accordingly, the present chapter is discussed under the following remaining sections, namely, section 3.2 focussing on overview of Barak Valley that is, the geographical and demographic profile of Barak Valley, section 3.3 highlighting the characteristics of the status of Barak Valley economy, section 3.4 dealing with the status of Barak Valley in terms of rank position and finally, section 3.5 coming up with the conclusion of this chapter.

3.2 Overview of Barak Valley

An overview of Barak Valley, at the first stage, calls for an analysis from the viewpoint of the existing secondary information about the geographical and demographical characteristics of the region which is elaborately represented in the following sub-sections:

3.2.1 Geographical Profile:

Barak valley derived its name from its respective main river Barak flowing through East to West in the region and is thus known as South Assam due to location in the southernmost part of the State of Assam. Cachar, Karimganj and Hailakandi are the three plain administrative districts of the State which lies between longitude $92^{\circ} 15'$ and $93^{\circ} 15'$ East and Latitude $24^{\circ} 8'$ and $25^{\circ} 8'$ North with a total area of 6922 sq.km. The district of Cachar shares its border by State Manipur in the East, North

Cachar hills district and Meghalaya state in the North, district of Hailakandi and Country Bangladesh in the West along with State of Mizoram in the South. Cachar district is situated between longitude $92^{\circ} 15'$ and $93^{\circ} 15'$ East and latitude $24^{\circ} 8'$ and $25^{\circ} 8'$ North which has a total area of 3,786 sq. km, thus comprising 4.8 per cent of the total state areas. Karimganj district of Barak Valley is bounded on the north by the district of Dima Hasao, on the west by Bangladesh and Tripura, on the east Hailakandi district and the south by Tripura and Mizoram. The district of Karimganj lies between longitude $92^{\circ} 15'$ and $93^{\circ} 15'$ East and latitude $24^{\circ} 8'$ and $25^{\circ} 8'$ North covering an area of 1809 sq. km thus constituting an area of 2.3 per cent of the total state areas. Moreover, border of Hailakandi district in Barak valley in the North and East in one hand is enclosed by regions main river that is, Barak and on the other by district of Cachar. The districts border is shared by the State of Mizoram in the South and East while by Karimganj district in the West. Hailakandi district thus covers an area of 1327 sq km. which is just 1.7 percent of the total State areas.

Therefore Barak Valley, which constitutes 8.9 per cent of the geographical location of the state of Assam, lies in the map of India as follows:

valley region is Barak. Dhaleswari, Katakhal, Sonai, Singla, Kakra and Longai are the rivers coming from three districts of Barak valley. However, Jiri, Chiri, Jatinga, Dalu, Madhura, etc. are the important tributaries of river Barak originated from the hills. It needs mention here that river Barak forms the northern boundary of Manipur originating from the southern slope of the mountain ranges of Nagaland. The region's climate is mainly warm, moist and subtropical. The humidity level remains high throughout the year, with a slight decrease in March and April. However, temperature of Barak valley varies from season to season. For example, temperature generally lies between 25⁰ C to 40⁰ C during the months of summer season while it comes down to 10⁰ C and 25⁰ C during winter periods. The relative humidity varies from 58 to 91 per cent. Moreover, forest coverage in the three districts of Barak Valley shows the following distribution:

Table 3.1: Barak Valley Area under Forest Coverage

Forest Division Name	Forest (Reserved, in hectares)	Forest (Proposed Reserved, in hectares)	Area (Protected, in hectares)	Total Forest (Excluding Unclassed State Forest, in hectares)	% Of Total Forest Area
1	2	3	4	5	6
Cachar	34199.79	14270.00	7386.90	55856.69	2.78
Hailakandi	78145.83	170.00	-	78315.83	3.9
Karimganj	48057.30	6489.09	32625.00	87171.39	4.34
Barak Valley	160402	20929	40011.9	221343.92	11.02
Assam	1421237.612	210175.78	377819.781	2009233.173	

Source: Census 2011

As per census 2011 report, it is revealed that percentage of total forest area under Barak Valley in Assam accounts for only 11.02 percent out of which Karimganj

district holds the largest share, that is, 4.34 percent while Hailakandi in the second position, that is, 3.9 percent and Cachar with lowest percentage share, that is, 2.78 percent.

While having the general purview of physical features of Barak Valley with its respective district constituents, let us have a look on the administrative set up in the region as described in Table 3.2.

Table 3.2: Administrative Set Up Of Barak Valley

Name of the District	Area in Sq.km	Sub-Division	Towns (Statutory + Census)	No. of Villages	CD Blocks	Gaon Panchayats
1	2	3	4	5	6	7
Cachar	3786	2	19	1040	15	163
Karimganj	1809	1	7	936	7	96
Hailakandi	1327	1	3	331	5	62
Barak Valley	6922	4	29	2307	27	321
Assam	78438	56	214	26395	219	2202

Source: Census 2011

Administratively, the Barak Valley region is composed of twenty-seven (27) Blocks. Among 27 blocks, fifteen (15) community development (CD) block comes under Cachar district which includes Silchar, Udharbond, Borkhola, Lakhipur, Banskandi, Sonai, Binnakandi, Palonghat, Rajabazar, Narsingpur, Borjalenga, Salchapra, Tapang, Kalain and Katigorah respectively.

Karimganj district comprises seven (7) CD blocks, including North Karimganj, South Karimganj, Badarpur, Patherkandi, Ramkrishna Nagar, Lowairpoa, Dullavcherra. In comparison, Hailakandi district comprises five (5) CD blocks which involve Hailakandi, Lala, Katlicherra, Algapur and South Hailakandi. If we compare the village level as well as block level scenario as shown in the above table, it emerges that the importance of Cachar district is more as against

Karimganj and Hailakandi. Moreover, the essential towns in Barak Valley are Silchar, Lakhimpur, Karimganj, Badarpur, Hailakandi and Lala, respectively.

3.2.2 Demographic Profile:

We know that demography is the statistical study of human populations. As such the demographic features of Barak Valley different pictures about the population characteristics like population by area-wise (rural-urban), sex (males-females), sex-ratio, density, household size, literacy rates etc. has been highlighted through the following tables:

Table 3.3 Population by Area & Sex, Sex Ratio and Density of Population of Assam

Name of State/District	Area	Area(in 00'sq km)	Population (In '000 Nos.)			Sex Ratio	Population Density
			Persons	Males	Females		
1	2	3	4	5	6	7	8
Assam	Total	784.38	31,206	15,939	15,267	958	398
	Rural	771.78	26,807	13,679	13,128	960	347
	Urban	12.599	4,399	2,260	2,139	946	3491
Cachar	Total	37.86	1,737	887	850	959	459
	Rural	37.214	1,421	727	694	955	382
	Urban	0.6459	315	159	156	982	4884
Karimganj	Total	18.09	1,229	626	603	963	679
	Rural	17.897	1,119	571	548	961	625
	Urban	0.1927	110	56	54	982	5693
Hailakandi	Total	13.27	659	338	321	951	497
	Rural	13.165	611	314	297	948	464
	Urban	0.1053	48	24	24	994	4572

Source: Census 2011

Table 3.3 shows that in Barak Valley, Cachar shares the growing population as per the 2011 census, followed by Karimganj and Hailakandi. It is observed from the given table that rural people are more significant than that urban area both at the district as well as state level. The size of the male and female population is also less comparable in rural and urban areas of the three districts of Assam. However, population density is found to be more in urban areas than that of rural areas. It needs mention here that the Karimganj district's urban areas in Barak Valley have a more significant population density, followed by Cachar and Hailakandi.

Moreover, the household size distribution in both the rural and urban areas of Barak Valley and the state level has been shown in table 3.4.

Table 3.4: Number of Households, Population and Household Size in Assam

Name of State/District	Area	No. of Households (In '000 sqkms)	Population (In '000 sqkms)	Household Size
1	2	3	4	5
Assam	Total	6,406	31,206	4.9
	Rural	5,421	26,807	4.9
	Urban	986	4,399	4.5
Cachar	Total	380	1,737	4.6
	Rural	311	1,421	4.6
	Urban	69	315	4.6
Karimganj	Total	248	1,229	5.0
	Rural	225	1,119	5.0
	Urban	23	110	4.7
Hailakandi	Total	143	659	4.6
	Rural	133	611	4.6
	Urban	10	48	4.7

Source: Census 2011

However, in Barak Valley, the percentage of gender gap in literacy rates between males and females is narrowing down which can be seen from table 3.5.

Table 3.5: Literacy Rates and Gender Gap in Literacy Rate in Barak Valley

Name of State/District	Area	Literates (In '000 Nos.)			Literacy Rates (%)			Gender Gap In Literacy Rate (%)
		Persons	Males	Females	Persons	Males	Females	
1	2	3	4	5	6	7	8	9
Assam	Total	19,178	10,569	8,609	61	66	56	10
	Rural	15,685	8,706	6,979	59	64	53	11
	Urban	3,493	1,862	1,630	79	82	76	6
Cachar	Total	1,174	640	534	68	72	63	9
	Rural	924	510	414	65	70	60	10
	Urban	250	130	120	79	82	77	5
Karimganj	Total	795	436	359	65	70	60	10
	Rural	704	389	315	63	68	57	11
	Urban	91	47	44	83	85	81	4
Hailakandi	Total	407	227	181	62	67	56	11
	Rural	367	206	161	60	66	54	12
	Urban	40	21	20	83	87	83	5

Source: Census 2011.

The percentage of literates in both the rural and urban areas of all the three districts shows impressive figures in comparison to state averages. It is observed that in

urban areas of Karimganj and Hailakandi district, 83 percent of persons are literate which is higher than state average (with a gender gap of 4 percent in Karimganj and 5 percent in Hailakandi less than state literacy gender gap of 6 percent). However, rural literacy percentage rate is higher in Cachar district of Barak Valley.

3.3: Status of Economy of Barak Valley:

3.3.1 The Work Force and Its Occupational Pattern

Involvement in any productive economic activity with or without reimbursement, salary or gain is referred to as work. Such participation involves manual and/ or brain labour. Labour entails not only real jobs but also comprises effectual administration and management of work. Even temporary assistance or un-remunerative service rendered in farm activity, family-run business or in certain economic affairs is also included. All persons engaged in ‘work’ as defined above are workers. Workers are classified into two groups according to census that is, main workers and marginal workers. Those workers who work for 6 months or more than 6 months are known as main workers whereas workers working for less than 6 months are referred to as marginal workers. The working population and work participation rate highlights the occupational distribution of a region. A comparative analysis of the workforce participation rate with primary workers and marginal workers in Barak Valley against state and the national average is depicted through table 3.6.

Table 3.6: Workforce participation of Main and Marginal workers 2011
(in Percentage)

Name of the places	Workforce participation rate			Main Workers			Marginal Workers		
	Rural	Urban	Total	Male	Female	Total	Male	Female	Total
1	2	3	4	5	6	7	8	9	10
Barak Valley	32.11	30.83	31.97	41.27	6.97	24.65	15.59	50.30	22.91
Assam	36.4	32.0	35.9	42.35	9.68	26.59	7.58	11.12	9.29
All India	42.0	32.2	39.3	45.35	14.68	30.55	6.59	10.99	8.71

Source: Census of India, 2011

Table 3.6 shows that in Barak Valley, the workforce participation rate is 31.97 per cent which is lower than the state (35.9) and the national average (39.3). However, the rural workforce participation rate (32.11) is found to be higher than the urban workforce participation rate (30.83) in Barak Valley though both the rates are lower than the state and national figures. Moreover, the percentage of primary workers (24.65) is lower in Barak Valley than that of state (26.59) and national level (30.55). In contrast, the rate of marginal workers (22.91) is higher in Barak Valley in comparison to state (9.29) and All India level (8.71). This indicates that in Barak Valley, workers are engaged in economic activities for less than six months which is very disappointing for Barak Valley workers. It is also observed that percentage of female primary workers (6.97) are less than the main male workers (41.27) in Barak Valley, which follows the same trend as noticed for the state (male:42.35, female:9.68) and national averages (male:45.35, female: 14.68). However, in respect of marginal workers, percentage of female (50.30) are more in comparison to male workers (15.59) in the region of Barak Valley as is observed same for the state (male:7.58, female:11.12) and All India level (male: 6.59, female:10.99). The percentage of female marginal workers in Barak Valley is not only higher than that of male marginal workers, but it is also on the rise as compared to state and national averages. This notable and discouraging statistic is unfavourable for female workers in Barak Valley since they work for less than six months. The more detailed analysis of the status of workers in Barak Valley, in particular, is revealed in table 3.7.

Table 3.7: Workers and Work Participation Rate by Sex in Barak Valley
(in percentage)

Name of State/ District	Area	Work Participation Rate (%)			Main Workers (%)			Marginal Workers (%)		
		Persons	Males	Females	Persons	Males	Females	Persons	Males	Females
1	2	3	4	5	6	7	8	9	10	11
Cachar	Total	35.0	53.0	16.3	77.5	84.2	54.6	22.5	15.8	45.4
	Rural	35.3	52.6	17.2	75.1	82.5	51.3	24.9	17.5	48.7
	Urban	33.7	55.0	12.1	88.9	91.8	75.4	11.1	8.2	24.6
Karimganj	Total	32.5	51.1	13.2	73.5	80.1	46.8	26.5	19.9	53.2
	Rural	32.4	50.8	13.3	72.3	79.3	44.6	27.7	20.7	55.4
	Urban	33.0	54.2	11.5	85.9	88.6	73.0	14.1	11.4	27.0
Hailakandi	Total	32.5	50.5	13.5	77.1	82.8	54.8	22.9	17.2	45.2
	Rural	32.4	50.4	13.5	76.6	82.2	54.4	23.4	17.8	45.6
	Urban	33.1	52.2	13.9	83.7	90.2	59.5	16.3	9.8	40.5

Source: Census of India, 2011

It is evident from table 3.7 that in Barak Valley work participation rate stood at 35.0 per cent for Cachar, 32.5 per cent for Karimganj and Hailakandi district of Barak Valley, which is less in comparison to state average. Furthermore, although the male work participation rate is higher in rural and urban areas of Cachar district, followed by Karimganj and Hailakandi, the percentage of female work participation rates is higher in rural areas of Cachar district, followed by Hailakandi and Karimganj. For urban females, the rate is higher in the Hailakandi district followed by Cachar and Karimganj. Similarly, the Census data, as revealed in table 3.7, shows that primary workers are more in the Cachar district (77.5 per cent) followed by Hailakandi (77.1 per cent) and Karimganj (73.5 per cent). Female primary workers stood at 54.8 per cent (Hailakandi), which is higher than 54.6 per cent (Cachar) and 46.8 per cent (Karimganj). However, the percentage of female marginal workers is 45.2 per cent in Hailakandi, less than 45.4 per cent (Cachar) and 53.2 per cent (Karimganj). The significant observation of the district-wise data reveals that main female workers are less than main male workers. In comparison, female marginal workers are higher than male marginal workers in all the districts

of the Barak Valley region. Moreover, the percentage distribution of workers in terms of economic activities is represented through the following tables:

Table 3.8: Distribution of Workers by Category of Economic Activities in Barak Valley (in percentage)

Name of the State/District	Area	Workers			Cultivators		
		Persons	Males	Females	Persons	Males	Females
1	2	3	4	5	6	7	8
Assam	Total	38.4	53.6	22.5	34	36	28
	Rural	38.7	53.1	23.7	39	42	31
	Urban	36.4	56.8	14.9	3	3	3
Cachar	Total	35.0	53.0	16.3	20	23	10
	Rural	35.3	52.6	17.2	24	27	12
	Urban	33.7	55.0	12.1	1	1	1
Karimganj	Total	32.5	51.1	13.2	24	26	13
	Rural	32.4	50.8	13.3	26	29	14
	Urban	33.0	54.2	11.5	1	1	1
Hailakandi	Total	32.5	50.5	13.5	31	35	12
	Rural	32.4	50.4	13.5	33	38	13
	Urban	33.1	52.2	13.9	2	2	1

Source: Census of India, 2011

Contd. (Table: 3.8).....

Name of the State/District	Area	Agricultural Labourers			Household Industries			Other Workers		
		Persons	Males	Females	Persons	Males	Females	Persons	Males	Females
1	2	9	10	11	12	13	14	15	16	17
Assam	Total	15	13	21	4	2	8	47	48	43
	Rural	2	15	23	4	2	8	40	40	38
	Urban	2	2	3	4	2	8	92	93	86
Cachar	Total	11	11	14	4	2	11	65	65	65
	Rural	13	13	16	4	2	11	58	58	61
	Urban	1	1	1	2	2	6	95	96	92
Karimganj	Total	17	16	18	4	2	13	55	55	56
	Rural	18	18	20	5	2	14	51	51	53
	Urban	2	2	1	2	1	6	96	96	92
Hailakandi	Total	15	15	12	3	1	11	51	48	65
	Rural	16	16	13	3	1	11	48	44	63
	Urban	1	1	1	3	1	10	94	96	88

Source: Census of India, 2011.

As is evident from table 3.8, the percentage of female workers increased in the form of household industries and other workers as against cultivators. In comparison to the state average of other female workers (total 43 per cent with

rural 38 per cent and urban 86 per cent), Cachar owns the highest percentage of female other workers (65 per cent) both in rural (61 per cent) and urban (92 per cent) areas. It is followed by Hailakandi (total 65 per cent with rural 63 per cent and urban 88 per cent) and Karimganj (complete 56 per cent with rural 53 per cent and urban 92 per cent), though urban other female workers are higher in urban areas of Karimganj than that of Hailakandi district of Barak Valley. However, as per the 2011 census, the gender gap is negligible in agricultural labourers.

Likewise, the occupational distribution of the population in the manufacturing industry of Barak Valley comprises the percentage of workers engaged in diverse economic industries, that is, how many of these people are included in the manufacturing and the service sectors. In Barak valley, the existing industries include forest products, cotton textile, manufacturing excluding transport equipment along with food and kindred products respectively. However, the region is rich in cottage industries like pottery, blacksmith, gold and silver cane and bamboo works, sericulture, weaving, etc., which are facing an acute financial crisis and the lack of modern technological know-how. The government is taking a keen interest to ameliorate the condition of these industries. The Industries Department under-20 points programme has provided finance and technical know-how by training and giving machinery to young entrepreneurs in establishing small scale industries that have employed a good number of youths in Barak Valley. As per statistics available from secondary sources, food products and beverages and non-metallic mineral products are the central manufacturing units in Barak valley. These industries are playing a vital role in the region by generating enough employment avenues and producing various kinds of products in a large quantity. However, bamboo, cane, pineapple together with some other agro-based and fruit processing industries are some viable industries that have the growth potential in the region completely based on local resources. The pace of industrialization is slow in the region due to inherent constraints like location, transportation, market

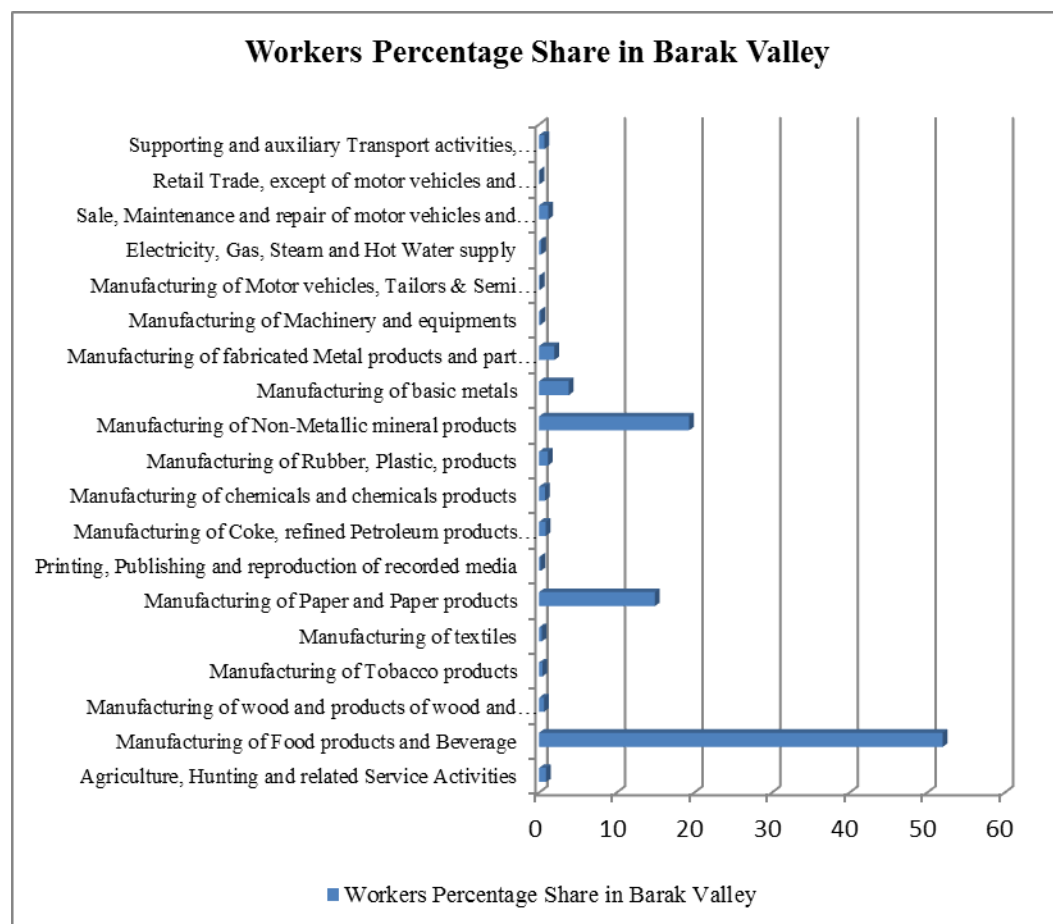
etc. The existing scenario of industries depicting the percentage share of factories and workers employed in different manufacturing units of Barak Valley is thus revealed in table 3.9. Moreover, figure III.I shows the percentage share of factory workers in Barak valley region.

Table 3.9: Occupational Distribution of Factory Workers in Barak Valley

Sl. No.	Types of Industries	Factory (Nos.)		Workers (Nos.)		Factory (%)		Workers (%)	
		Assam	Barak Valley	Assam	Barak Valley	Assam	Barak Valley	Assam	Barak Valley
1	2	3	4	5	6	7	8	9	10
1	Agriculture, Hunting and related Service Activities	32	5	545	101	0.28	1.4	0.35	0.9
2	Manufacturing of Food products and Beverage	1559	113	71123	5850	13.45	31.74	46.09	52.02
3	Manufacturing of wood and products of wood and cork, except furniture, articles of straw and plaiting materials	420	11	8175	75	3.62	3.09	5.3	0.67
4	Manufacturing of Tobacco products	53	2	760	50	0.46	0.56	0.49	0.44
5	Manufacturing of textiles	60	9	4394	43	0.52	2.53	2.85	0.38
6	Manufacturing of Paper and Paper products	68	3	4111	1680	0.59	0.84	2.66	14.94
7	Printing, Publishing and reproduction of recorded media	43	2	1048	24	0.37	0.56	0.68	0.21
8	Manufacturing of Coke, refined Petroleum products and natural fuel	68	2	5877	98	0.59	0.56	3.81	0.87
9	Manufacturing of chemicals and chemicals products	152	9	7751	85	1.31	2.53	5.02	0.76
10	Manufacturing of Rubber, Plastic, products	177	9	3643	128	1.53	2.53	2.36	1.14
11	Manufacturing of Non-Metallic mineral products	8416	109	36101	2175	72.63	30.62	23.39	19.34
12	Manufacturing of basic metals	172	41	4070	429	1.48	11.52	2.64	3.82
13	Manufacturing of fabricated Metal products and part (except Machinery and equipment)	109	18	1420	224	0.94	5.06	0.92	1.99
14	Manufacturing of Machinery and equipments	50	1	966	20	0.43	0.28	0.63	0.18
15	Manufacturing of Motor vehicles, Tailors & Semi Tailors etc	2	1	32	15	0.02	0.28	0.02	0.13
16	Electricity, Gas, Steam and Hot Water supply	43	3	1406	30	0.37	0.84	0.91	0.27
17	Sale, Maintenance and repair of motor vehicles and motorcycles; retail sales of automotive fuel	113	10	2307	134	0.98	2.81	1.5	1.19
18	Retail Trade, except of motor vehicles and motorcycle repair of personal and household goods	19	3	107	8	0.16	0.84	0.07	0.07
19	Supporting and auxiliary Transport activities, activities of travel agencies(including storage and warehousing)	31	5	475	76	0.27	1.4	0.31	0.68
20	TOTAL	11587	356	154311	11245	100	100	100	100

Source: Statistical Handbook, 2012.

Figure III.I: Percentage Share of Factory Workers in Barak Valley



The percentage of factories under manufacturing of food products and Beverage accounts for 31.74, giving employment to 52.02 workers in Barak Valley, which is more than the state average. For the state as a whole, 13.45 per cent of factories are in operation under the manufacturing of food products and Beverage, giving employment to 46.09 per cent of workers. Manufacturing of non-metallic mineral products in the region offers job to 19.34 per cent of workers. In contrast, at the state level, 23.39 per cent of workers are employed in non-metallic mineral product manufacturing units.

3.3.2 The Sectoral Composition

Occupations in an economy are grouped under three major categories, namely, primary activities, secondary activities, and tertiary activities. The main activities include all basic activities such as agriculture and allied activities such as forestry, fishery, animal husbandry, poultry, and fishery. Under the category of secondary activities, the manufacturing industries, consisting of both the small scale and the large scale industries are included. All other activities like communication, transport, trade, insurance, and banking etc., form the crust of the tertiary sector. As far as the sectoral composition of Barak Valley's economy is concerned, a significant transformation is noticed. The details of District Domestic Product and its design in 2011-12 are reflected in table 3.10.

Table 3.10 District Domestic Product (DDP) of Barak Valley

District Domestic Product (DDP) of Barak Valley (Estimates at factor cost, by industry origin, 2011-12)						
	GDDP at 2017-18 constant prices (Rs. In Lakhs)	GDDP at 2017-18 current prices (Rs. In Lakhs)	NDDP at 2017-18 constant prices (Rs. In Lakhs)	Total District Domestic Product (DDP) (in Lakhs)	Contribution of sectors to GDDP (%)	Contribution of Barak Valley DDP to GSDP (%)
1	2	3	4	5	6	7
Primary Sector	400170	513065	317051	1547337	21	2
Secondary Sector	431183	577761	551098	2111140	28	3
Tertiary Sector	962601	1258697	810467	3842232	51	5
Barak Valley Total	1793954	2349523	1678616	7500709	100	9
Assam Total	20705488	27359913	18133790	84332981	--	100
Per Capita DDP (In Rs.)	184488	184488	130722	--	--	--

Source: Directorate of Economics and Statistics, Government of Assam.

The above table shows that the share of the primary sector in the Gross District Domestic Product (GDDP) and Gross State Domestic Product (GSDP) is lower than that of the secondary and tertiary sector. The percentage of the tertiary sector's contribution is more to GDDP in Barak Valley, which is 51 per cent compared to the secondary sector (28 per cent) and the primary sector (21 per cent). However, in terms of Gross State Domestic Product (GSDP), though the trend is the same, it is observed that the contribution of Barak Valley's District Domestic Product to Gross State Domestic Product is very poor and accounts for only nine per cent which is very less impressive. However, as per statistics of 2011-12, the per capita income (net district domestic per capita) in Barak Valley was Rs. 130722 at 2017-18 prices. Over the past few years, the sectoral composition of District Domestic Product had undergone considerable change both at current and constant (2017-18) prices. The contribution of the tertiary sector in the region to Gross District Domestic Product and Gross State Domestic Product is higher than the secondary and primary sectors in recent years. In other words, the economy of Barak Valley at present is notably sustained by the tertiary sector. Heavy population pressures on land, splitting up of ownerships of land and unfair distribution of land structures account for the declining contribution of the primary sector to the District Domestic Product. The increased share of the secondary and tertiary sector indicates that nowadays the significance of non-farm sector as an alternative source for employment generation, reduction of poverty, and development of rural and urban areas of Barak Valley in the state of Assam has emerged.

3.3.3 Land Use-Pattern and Agricultural Production

The land resource is the most critical and valuable gift for a state or district, and its widespread utilisation is a matter of utmost concern to its inhabitants. According to its use capability, the utilisation of land makes sure that land resource is fully put to use. Lack of proper or profitable use means wastage of land wealth and ultimately results in loss of fixed asset productivity. It needs adequate help of all available land. The following table indicates the pattern of land use under the various classification of land in Barak Valley.

Table 3.11: Land use-pattern in Barak Valley, 2010-11

Sl no.	Land put to different uses	Area in Hectares			
		Cachar	Karimganj	Hailakandi	Barak Valley total
1	2	3	4	5	6
1	Total Geographical area	377610	180900	132587	691097
2	Forest area	138409	55995	62420	256824
3	Land not available for cultivation	89148	38518	14392	142058
a	Land put to non-agricultural uses	61447	31419	10951	103817
b	Barren and un-cultural land	27701	7099	3441	38241
4	Other non-cultivated land excluding fallow land	21745	10280	4923	36948
a	Permanent pastures and other grazing land	2600	2710	932	6242
b	Land under misc, trees, groves etc. not included in net	17108	5470	3716	26294
c	Cultivable waste land	2037	2100	275	4412
5	Fallow land	12922	72	558	13552
a	Fallow other than current fallow	6071	62	518	6651
b	Current fallow	6851	10	40	6901
6	Net area sown	115386	76035	50294	241715
7	Total cropped area	160728	103474	73246	337448
8	Area sown more than one	45342	27439	22952	95733
9	Total Land	1085105	541583	381245	2007933

Source: Directorate of Economics and Statistics, Government of Assam

Table 3.11 indicates that the total geographical area in Barak Valley is 691097 hectares with coverage of forest area with 256824 hectares. The land area not available for cultivation is 142058 hectares, while land put to non-agricultural uses accounts for 103817 hectares. The net area sown in Barak Valley is 241715 hectares with a total cropped area of 337448 hectares. In all land-use patterns in Barak Valley, Cachar owns the maximum share than Karimganj and Hailakandi. In respect of the agricultural production of Barak Valley, the staple food of the region is rice. Wheat, pulses, mustard, cereals along with tea are the important crops that are produced other than rice. However, often jute is also grown in the region. The area under production of essential crops in Barak Valley is shown in table 3.12:

Table 3.12: Area and Production of important crops in Barak Valley, 2011-12

Sl. No.	Types of crops	Area under cultivation		Production	
		Barak Valley Total (hect.)	Barak Valley (%)	Barak Valley Total (Tonnes)	Barak Valley (%)
1	2	3	4	5	6
A-Cereals					
1	Autumn Paddy	15740	6.8	52764	6.55
2	Winter Paddy	197649	85.38	694174	86.24
3	Summer Paddy	18018	7.79	57918	7.2
4	Wheat	76	0.03	92	0.01
5	TOTAL CROPS	231483	100	804948	100
B- Miscellaneous					
1	Matikalai	1505	15.14	836	1.71
2	Jute	152	1.53	1409	2.89
3	Rape and Mustard	2302	23.16	1141	2.34
4	Potato	5280	53.12	21193	43.41
5	Sugarcane	671	6.75	24229	49.62
6	Masur	30	0.3	16	0.03
7	TOTAL CROPS	9940	100	48824	100

Source: Directorate of Economics and Statistics, Government of Assam

It is observed from table 3.12 that the important cereal crops in Barak Valley are Autumn Paddy, Winter Paddy, Summer Paddy and Wheat while miscellaneous includes Matikalai, Jute, Rape and Mustard, Potato, Sugarcane and Masur crops. Among cereals, area under cultivation of winter paddy is highest, that is, 85.38 percent of total area with production at 86.24 percent. Similarly, among miscellaneous crops, potato shares the largest area (53.12) while largest production comes from sugarcane, that is, 49.62 percent.

3.3.4 Plantation Crops

Plantation belongs to either agriculture or forestry, depending on the type. Since problems of conventional field crops are somewhat different from those of perennial and tree crops, the present discussion focusses only on traditional field crops. The two major conventional plantation crops grown in the region are tea and rubber, whose details can be seen from the respective tables 3.13 and 3.14 as discussed below.

i) Tea Plantation

The state of Assam is known worldwide for its dominant role in the field of tea plantation. In Barak Valley which is marked with small hills and thus expedient for tea plantation, plantation of tea started in the year 1856. The region is also dotted with small hills, and the hill slopes are suitable for tea plantation. In table 3.13, a comparative picture of the tea industry of the Barak valley region as against of state average is highlighted.

Table 3.13: District wise tea growers in Barak Valley

Districts	Tea growers				Production as per Plantation District					
	No. of tea growers (small)		Registered area in Hectare		Area under tea cultivation		Production (in '000 Kg)		Average yield (Kg. per hect.)	
	2013-14	2014-15	2013-14	2014-15	2013	2014	2013	2014	2013	2014
1	2	3	4	5	6	7	8	9	10	11
Cachar	172	172	604.97	604.97	35834	33853	56306	54688	1571.3	1615.4
Karimganj	10	10	57.50	57.50	-	-	-	-	-	-
Hailakandi	4	4	23.84	23.84	-	-	-	-	-	-
Barak Valley Total	186	186	686.31	686.31	35834	33853	56306	54688	1571.3	1615.4
Assam	77229	84591	72400.65	82250.47	322210	304400	629050	610970	1952.3	2007.1
% of Barak Valley	0.24	0.22	0.95	0.83	11.12	11.12	8.95	8.95	80.48	80.48

Source: Directorate of Economics and Statistics, Government of Assam

It follows from Table 3.13 that tea production in Barak Valley is deficient; that is, in comparison to state-level region's production is only 8.95 per cent. This indicates that tea estates in the Barak Valley face several constraints and hence need required remedies as the tea industry, which provides significant scale employment to the growing workforce, continues to be an essential economic activity in the region.

ii) Rubber Plantation

Rubber plantation in Barak valley is also gaining popularity among the other plantation crops. In the early 1980s on an experimental basis, Rubber plantation was started on a few selected west hilly locations of the region by Rubber Board of India. Within an area of 354 hectares of land, the production of rubber in the Barak Valley region has been started whose Regional office was established at Silchar in the district of Cachar that covers the entire region. The rubber varieties adopted in

part are mainly RRI-150, RRIM-600 and GTI. Table 3.14 highlights the status of rubber plantation in Barak Valley.

Table 3.14: Production of Rubber in Barak Valley, 2015-16

Region	Area (In Hectares)	Production (In MT)	Tapping Area (In Hectares)		Employment Generation (Nos.)	
			2014-15	2015-16	2014-15	2015-16
1	2	3	4	5	6	7
Cachar	2732.00	348.68	248.17	262.17	6184	8687
Karimganj	18544.00	2860.51	1989.00	2154.00	40209	56745
Hailakandi	873.00	59.14	39.00	42.00	1475	2276
Barak Valley Total	22149	3268.33	2276.17	2458.17	47868	67708
Assam	55989.71	16399.63	11079.62	12307.76	134118	174763
% of Barak Valley	39.56	19.93	20.54	19.97	35.69	38.74

Source: Directorate of Economics and Statistics, Government of Assam

Table 3.14 indicates that in Barak Valley area for rubber plantation accounts for 39.56 percent contributing 19.93 percent production in the region while creating employment avenues for workforce at the rate of 38.74 percent in 2015-16. Hence rubber plantation in Barak Valley also plays a vital role as an economic activity.

3.3.5 Infrastructure Scenario

Sound infrastructures are the backbone of an economy. Provision of proper and required accessibility of infrastructural facilities can boost economic activities in a nation. Likewise, essential infrastructure in terms of electricity, transport and banking services can pave the way for economic development in a backward economy like Barak Valley. The details of these infrastructural facilities in Barak Valley are presented under the following sub-headings.

i) Transport

The existing transport system in Barak Valley comprises of road, railways, airway along with ferry services. Table 3.15 thus highlights the length of roads in Barak

Table 3.15: District-Wise Length of Roads, 2016 (In Km.)

District	State Highway	Major District Road	Rural Road	Urban Road	Total
1	2	3	4	5	6
Cachar	107	165	848	42	1162
Karimganj	35	342	539	19	935
Hailakandi	17	99	351	6	473
Barak Valley Total	159	606	1738	67	2570
Assam	2530	4379	36544	1409	44862
% of Barak Valley	6.28	13.84	4.76	4.76	5.73

Source: Directorate of Economics and Statistics, Government of Assam

Table 3.15 reveals that the percentage share of the length of roads as a state highway, district roads with the rural and urban road is not up to the mark in Barak Valley. As per statistical handbook 2016, the total length is only 2570 kilometres in the region compared to state-level 44862 kilometres as a whole, that is, 5.73 per cent share only.

Assam State Transport Corporation (ASTC) and private transport operators are mainly providing road transport services in the region of Barak valley.

Apart from road transport, Barak Valley is connected with Assam and the rest of the country with rail line though not routed to all the states directly. in Cachar district, district Headquarter that is, Silchar town has the nearest railway station. Cachar along with the states of Mizoram and Tripura is linked with the other parts of the country through Lumding-Badarpur section of NF railway.

Provision of air transport system is there in the region which operate through airport located at a distance of 30 km away from Silchar town (district Headquarter of Cachar district) namely Kumbhirgram. Moreover, in the region, there is availability of the ferry services too though to limited extent.

ii) Power

In the era of modern industrial development where electricity and power are the key components, Assam State Electricity Board plays a vital role as a source of supplying electricity in Barak valley. It has to depend entirely on supply from outside. According to the census of 2011, electrification of villages in the valley began in a major way under the rural electrification scheme. Most of the villages are covered by a rural electrification scheme in Barak Valley except Hailakandi district, where the electricity facility is not developed up to a desirable extent. As per statistical handbook 2012, out of 1040 towns, 890 numbers of villages are electrified in Cachar district while Karimganj has an unlimited number of villages electrified at 749 out of 936 villages. The number of villages electrified in the Hailakandi district is 309 out of 331 villages, with the number increasing to 313 after one year. Table 3.16 depicts the deprivation in household electricity services, the basic amenity of a sound and robust society, in rural and urban areas of Barak Valley.

Table 3.16: District-Wise Deprivation in Rural-Urban Electricity (in percentage)

Districts	Household without electricity	
	Rural	Urban
1	2	3
Cachar	47.4	17.9
Hailakandi	79.1	10.6
Karimganj	43.3	25.5
Barak Valley	57.0	18.0
Assam	36.2	7.3

Source: AHDR, 2014

It is observed from table 3.16 that deprivation in a household without electricity is 57.0 per cent in rural areas and 18.0 per cent in urban areas of Barak Valley, both of which are higher than state rates, while rural deprivation is more in comparison to an urban one in the region. Thus, deprivation in the provision of electricity service needs to be taken care of, which is vital for the development of the economy.

iii) Banking

Since nationalization, commercial banks in Barak valley are playing an important role for the economic rejuvenation of the region's economy. In the districts of Barak valley, operation and performance of different bank branches has improved over the years. This can be seen from table 3.17.

Table 3.17: District-Wise Profile of Commercial Banks in Barak Valley,
(Rs. in Crore)

District	2015				2016			
	No. of Reporting Offices	Deposit	Credit	Credit Deposit Ratio	No. of Reporting Offices	Deposit	Credit	Credit Deposit Ratio
1	2	3	4	5	6	7	8	9
Cachar	115	5437	1712	31.5	122	5904	1992	33.7
Karimganj	56	2197	597	27.2	62	2491	738	29.6
Hailakandi	31	956	312	32.7	33	1031	376	36.5
Barak Valley Total	202	8590	2621	30.4	217	9426	3106	33.2
Assam	2047	97378	35911	36.9	2177	103794	42671	41.1

Source: Directorate of Economics and Statistics, Government of Assam

It appears from table 3.17 that over the years the performance of bank branches is improving. From 2015 to 2016, the number of reporting bank offices has increased from 202 to 217 in Barak Valley against 2047 to 2177 for Assam during the reference period. The credit-deposit ratio figure is also impressive compared to the state level; that is, credit-deposit ratio has increased from 30.4 per cent to 33.2 per cent as against state-level from 36.9 per cent to 41.1 per cent during 2015 to 2016.

3.4 Rank of Barak Valley

3.4.1 Dimensional and Human Development Indices of Barak Valley Districts

Traditional village farming and handicrafts together with booming modern industry and mechanized agriculture are the salient features of Barak Valley's economy. Despite its various ups and downs and multi-dimensional constraints, the region holds different percentage changes when compared to multiple indices over the years as against the state level. Table 3.18 figures out the percentage change concerning some dimensional and human development Indices of Barak Valley districts.

Table 3.18: Ranks of Dimensional and Human Development Indices of Barak Valley Districts, Assam, 2003 to 2014 (in percentage)

Districts	Dimensional Index: Health			Dimensional Index: Education			Dimensional Index: Income			HDI		
	2003	2014	Change	2003	2014	Change	2003	2014	Change	2003	2014	Change
1	2	3	4	5	6	7	8	9	10	11	12	13
Cachar	0.307	0.319	3.8	0.634	0.647	2.1	0.266	0.479	44.5	0.402	0.463	13.2
Hailakandi	0.293	0.366	19.9	0.563	0.605	6.9	0.234	0.376	37.8	0.363	0.437	16.9
Karimganj	0.207	0.360	42.5	0.620	0.627	1.1	0.078	0.420	81.4	0.301	0.456	33.9
Barak Valley	0.269	0.348	22.7	0.606	0.626	3.2	0.193	0.425	54.6	0.355	0.452	21.5
Assam	0.343	0.523	34.4	0.63	0.661	4.7	0.286	0.501	42.9	0.407	0.557	26.9

Source: AHDR, 2003 and 2014

It is evident from table 3.18 that human development index which measures average achievement in key dimensions of development, shows a percentage change of 21.5 per cent for Barak Valley as against 26.9 per cent of the state average over a decade from 2003 to 2014. The health and income indicator in the region, that is, the health dimension index reflects 22.7 per cent change for Barak Valley and a 34.4 per cent change for the state during the mentioned reference period. However, in respect of percentage change in income dimension, Barak Valley decadal change is higher than the state level, that is, 54.6 per cent for Barak Valley and 42.9 per cent for state level. However, the data is less impressive in decadal percentage change of the education sector.

3.4.2 Rank of Barak Valley by Human Development Indicators

Table 3.19: Human Development Indicators, Barak Valley Districts, by Rank in Assam

Districts	HDI Rank		Income Rank		Education Rank		Health Rank	
	2003	2014	2003	2014	2003	2014	2003	2014
1	2	3	4	5	6	7	8	9
Cachar	8	24	7	13	9	16	12	27
Hailakandi	11	27	9	27	14	24	14	24
Karimganj	19	25	19	20	11	19	18	25

Source: AHDR, 2003 and 2014

Table 3.19 shows that the rank of Barak Valley as measured by human development indicators has moved down from 2003 to 2014 in all the three districts, which is very disappointing for the region as a whole, namely,

1. Human development index rank (from 8th rank to 24th for Cachar, Hailakandi from 11th to 27th rank and Karimganj moves from 19th to 25th).

2. Income rank (from 7th rank to 13th for Cachar, Hailakandi from 9th to 27th rank, and Karimganj moves from 19th to 20th).
3. Education rank (from 9th rank to 16th for Cachar, Hailakandi from 14th to 24th rank, and Karimganj moves from 11th to 19th).
4. Education rank (from 9th rank to 16th for Cachar, Hailakandi from 14th to 24th rank and Karimganj are moving from 11th to 19th).

3.5 Conclusions

Barak Valley's salient characteristics as discussed under different headings in the present chapter bestow the valley a distinct regional identity leading to the vindication of formulating remarkable plan of actions within the integrated development plans for Assam and North East India. The Ravine's distinctive geographical situation makes it worthwhile of a nodal point in growing not only inter-state links and economic cooperation between Barak Valley region with the rest part of the country but also in enhancing Indo-Bangladesh economic cooperation through proper infrastructural facilities. The prime organised industry of the Barak Valley is Tea which is in a state of sickness and neglect. In the Barak Valley gardens, many tea bushes have become age old and unyielding, and still, they are not restored by new horizons which accounts for their low productivity. As explained briefly in the above section, the industrial or non-farm scenario in the Barak Valley also forges to identify the need for regional forethought in this area to attain a step forward. Therefore, new get-up and-go are essential with a meticulous inspection of the development prospective of the non-farm sector of the region as the workforce in recent years are engaged more in non-farm occupations than that of farm occupations in Barak Valley.