

Chapter 3

BUSINESS STRUCTURE AND MARKETING STRATEGIES OF TRADITIONAL SWARNAKARS

3.1 Introduction

This chapter deals with the economic governance of the jewellery business run by the traditional *swarnakars*, who follow diverse business modules in their jewellery trade. For a comprehensive understanding of the trade we have to look in the both manufacturing and retailing arrangements. In the previous chapter, I have talked about the different socio-economic backgrounds of the traditional *swarnakars* and different places where they run the jewellery trade. In this chapter, I have discussed six different aspects of the trade: (1) business structure and marketing strategies of the traditional *swarnakars* (small and medium *swarnakars*), (2) changes they have brought about in marketing strategies over the years, (3) the impact of marketing strategies on the jewellery consumers and how the consumers are dropped back into the process of simulations (advertisements), (4) seasonality in jewellery demand from traditional *swarnakars* in Siliguri and how they pull out their business strategies in different seasons, (5) the changing legislations concerning jewellery trade and their impact on their trade, and finally (6) the role of the jewellery associations in mitigating their problems.

3.2 Business Structure of Traditional Swarnakars in Siliguri

The business structure¹ of the jewellery industry is linked to the economic structure of the traditional *swarnakars* as well as the principles of market economy. Marx's theory of class explains the "plurality of classes"² where the middle class works as the lesion

¹ Jeffery K Hass (2008) has mentioned that "process who interact with whom and how: between two people who know each other (network) or between two groups in different positions vis-a-vis power (manager versus employees – those who control labor versus those who work). Structure shapes actions by providing resources – people who provide information or other help, right to use money and property, and so on. Structure is the distribution of resources and the power to act", page 9.

² Alan Swingehood's (2002) explains that other than two halves of the class struggle; an intermediate class also belongs which he called as middle class.

between the owning classes and the working classes. Likewise, in the jewellery industry, there are different kinds of owners, the managers and the workers, who are placed in a hierarchical order, yet united in an overall structure, conflicting and cooperating at times. In the jewellery trade in Siliguri, the categories of people involved in a kind of “class relation” are the *karigars* (small manufacturer/wholesalers), small *swarnakars* (retailing and manufacturing/retailing/ wholesalers/petty-bourgeoisie), *karigars* who work in the workshop (big manufacturer/middlemen/proletariat), and middle *swarnakars* (who are in charge of the jewellery shop/control the capital/bourgeoisie). The jewellery industry is comprised of all these categories of *swarnakars* who are involved in production in different ways, and build a network depending on their nature of work and work relations. The relations of production between *karigars*-small *swarnakars*, *karigars*-middle *swarnakars*, *karigars*-managers, managers-middle *swarnakars*, middle *swarnakars*-salesmen and salesmen-small *swarnakars* can be explicated with the help of the following diagram. Even consumers in Siliguri play a crucial part in maintaining the organization of the jewellery industry.

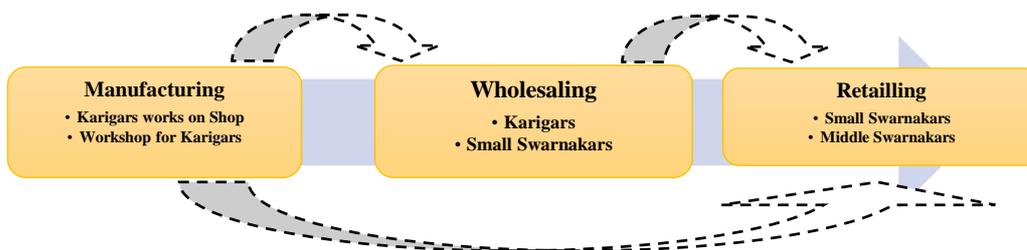


Figure 3.1: Structure of the Jewellery Industry in Siliguri

Figure 3.1 depicts the relationships between manufacturing unit and wholesaling unit, wholesaling unit and retailing unit, manufacturing unit and retailing unit, and manufacturing unit cum wholesaling retailing units in jewellery industry in Siliguri. These freestanding units are made to hold the traditional *swarnakars* (small *swarnakars*, medium *swarnakars*, and *karigars*) together into a single cycle to maintain their individual businesses though economic cooperation. They are dependent on each other in a structural network.

In short, they accommodate the construction of their household-owned jewellery business as a single unit as they maintain the chain of command in retaining the social

organization of the jewellery industry in Siliguri. The structure of the jewellery industry gets shaken when there is a change in government regulations and policies related to gold-trade. In the Table below, I have classified the traditional *swarnakars* in Siliguri in different categories.

The largest in number among the traditional *swarnakars* are the retailers and the owners of small-scale manufacturing Units (Table 3.1); they consist of 48 (47.1 per cent) out of 102 traditional *swarnakars* (of them 19.6 per cent are small *swarnakars*, 15.7 per cent are middle level *swarnakars* and 11.8 per cent are *karigars*). The small *swarnakars* control retailing and small manufacturing units. They are mostly the descendants of the *karigars* who had worked under the middle *swarnakars* and big *karigars* (owner of a jewellery workshop), and who later set up their own jewellery business after learning the techniques of manufacturing jewellery. There is a vertical intergenerational mobility in the lifetime of the *karigars* (manufacturer) as they become small *swarnakars* (petty bourgeoisie) in course of time. It is generally observed that the members of the older generation worked more as *karigars* but their descendants have set up their own business. Secondly, with intra-generational mobility one can see that the *swarnakars* are now permanently settled in Siliguri, although their parents had their business in smaller towns of North Bengal. After coming to Siliguri, they have mastered the skill of making jewellery by working as *karigars* in a workshop owned by others and then gradually set up their small shops.

Table 3.1 Classification of Traditional *swarnakars* based on their Form of Business

Type of Business	Types of <i>swarnakar</i>			Total
	Small <i>swarnakar</i>	Middle <i>swarnakar</i>	<i>karigar</i>	
Retailing	16	1	3	20
Wholesale	0	4	0	4
Manufacturing	0	0	30	30
Retailing and Manufacturing	20	16	12	48
Total	36	21	45	102

Source: Primary Survey, 2015-18

Note: Total Number of traditional *swarnakars* is 102

The share of the middle level *swarnakars* is comparatively small among the traditional *swarnakars*. This category has a long history of business in Siliguri market and they own their shops in the main market place of the city. They are well established business

houses and employ educated managerial staff and *karigars* in their shops. These shops train their staff in fabricating jewellery from raw gold, about the art of dealing with the consumers, the art of maximizing profit and so on. These jewellery houses have dominated the jewellery market in Siliguri for over three generations and work with some reputation; they have a stable set of consumers. Some such jewellery houses in this category are Bidhan Jewellery Works, Bidhan Jewellers, Art Jewellers, Jyoshomoti Jewellers, Ajanta Jewellers, Binda Prasad Jewellers and so on.

The business organization of the middle *swarnakars* is, to an extent, similar to that of the branded Corporate Jewellery Houses with three-tier of employees, namely, *karigars*, managers, and salesman, in an ascending order in hierarchy. Each of these categories of employees require specialized skill and some experience, for which they are trained. All these categories of workers work on a principle of functional interdependence, with the exclusive power controlled by the owner. 16 (76.20 per cent) of middle *swarnakars* have their own manufacturing units (i.e., jewellery workshops) cum retailing unit. Experienced *karigars* supervise the retailing units, and the managers supervise both the retailing and manufacturing units. Among all the middle *swarnakars* 4.9 per cent do not have manufacturing units of their own; they purchase ready-made jewellery from various manufacturing industries located in Mumbai and other areas of Maharashtra, Delhi and Kolkata and sell those ready-made jewellery to the small *swarnakars*.

Out of 102 traditional *swarnakars* (Table 3.1) 12 per cent are *karigars* work in several retailing and manufacturing jewellery units, controlled by traders of different scale. These *karigars* are specialist in making jewellery. Even among them there are sub-categories based on further specialization. On the basis of their micro-specialization they are known by different names such as Patra Wala, Die Wala, Polishing and Shinning Wala. They manufacture and sell their products to the jewellery wholesalers, jewellery-manufacturing units and sometimes they work for small *swarnakars*. Their share among the all *swarnakars* is less because they buy raw gold from the middlemen who come from Kolkata and from gold jewellery workshops in Siliguri. Because of rising complication in gold purchase, many of them had to close down their manufacturing shops. They work under other *swarnakars*, since they find it easier than running their own business. Running their own workshops was becoming troublesome

and less profitable. Recovering the money from their customers was also a problem. Another reason that contributed to their decline is that they were facing competition from the big business. The kind of products they were specialized in manufacturing are now made available in the market at a cheaper rate by bigger manufacturers. Whatever work was left has been taken over by the migrant *karigars* from Bihar, Malda, and Alipurduar. The traditional Bengali *karigars* now face competition from these migrant *karigars* because the latter agree to work for lower wages. This situation has made many *karigars* to leave their traditional business to work under small *swarnakars*. They now do not have to invest money into business nor worry about making a comfortable return throughout the year. It has also been found that a few of the *karigars* have closed down their jewellery shops and opened a new business or occupation (like running food stall, pulling rickshaw or running toto, etc.) in Siliguri. Thus, competition between the local *karigars* and the migrant *karigars* has increased in recent years, which has forced them either to work on low wage or quit the traditional profession and take up new occupations in the urban informal economy. In this process of decline, one can also see that a section of *swarnakars* who had their own shops have now sold out and are working as *karigars* in the shops owned by some other people.

The second largest group are the *karigars* who work in jewellery manufacturing units (*karkhana*). This group of *karigars* is larger in size compared to the group working in small retailing units. It is found from Table 3.1 that 31.9 per cent of *karigars* are working in jewellery manufacturing units. In the manufacturing units, all the specialist *karigars* work side by side to make a single piece of jewellery. *Karigars* specialised in different kinds of jobs are called *Melting Wala*, *Patra cum Die Wala*, *Sona/ Rupa Karigar* and *Polishing and Shinning Wala*, depending on the kind of works they do. Among them, many had their separate independent jewellery manufacturing shops earlier but had closed down their shops before taking up jobs in the manufacturing units owned by others. This downward mobility is due to their inability to adapt to the fast-changing jewellery market and uneven competition in the market.

The small *swarnakars* who are running their jewellery business for second and first generations are generally attached to retailing units. They constitute 19.1 per cent (Table 3.1) of the total *swarnakars* in Siliguri. These retailing shop owners sell jewellery directly to the consumers. They bring the jewellery from the manufacturing

units and directly sell to the customers. Of small *swarnakars* 17 per cent have their retailing shops where they purchase the readymade gold jewellery from the jewellery making workshops, owned by others; a few of them bring readymade jewellery from Kolkata and sell them to the Siliguri consumers. A few retailing jewellery shops of the small *swarnakars* are fading away because the new generation is not ready to run the hereditary business; they prefer a shift to different other career choice. Because of this some owners of retailing shops have sold their shops to others. The 2.1 per cent of middle *swarnakars* are generally the owners of the wholesale shops and they act as a medium for purchasing raw material (gold) and readymade jewellery from Kolkata and other neighbouring states like Sikkim and Assam.

It is thus observed that there is mobility of different forms among the traditional *swarnakars* who have been running their hereditary business for generations both as *karigar* and retailers. The penetration of market forces has destabilized them. Unable to cope with the competition with big money they are gradually reduced to the status of workers in others' shops or manufacturing units. Because of growing difficulties and loss of profit the children of the traditional *karigars* are leaving their hereditary business and looking for other kinds of jobs which would bring them economic security and status in society. Some traditional *swarnakars* who do not have male offspring to continue their hereditary business have disposed of their business. Besides, the retired *karigars* who work as salesmen and managers in retail shops owned by others are now completely alienated from their family business, from the work they used to do.

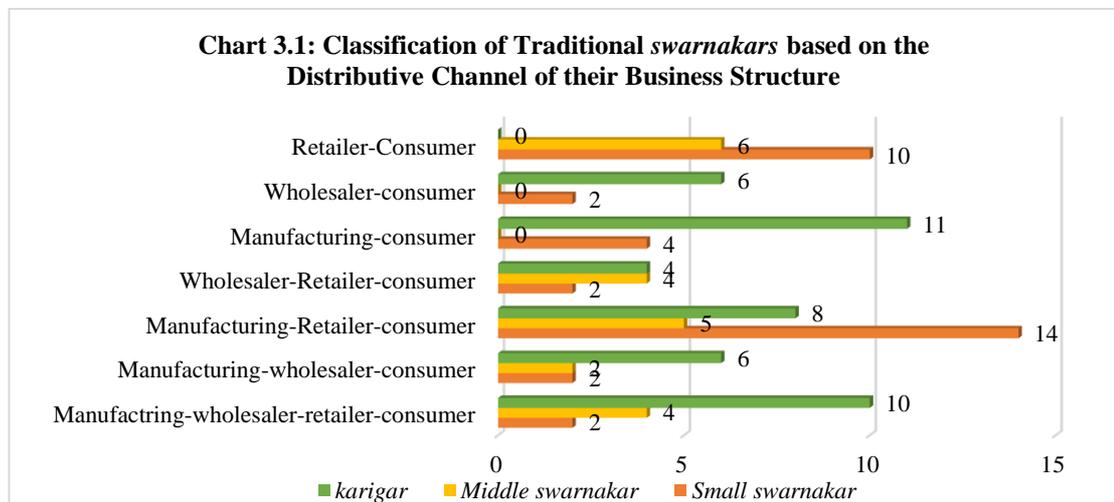
3.2.1 Distributive Channels in the Jewellery Business

The structure of traditional jewellery business depends largely on the distributive channel or process in which gold jewellery moves from production units to the hands of jewellery consumers. There is a channel connecting manufacturer and consumer through the intermediaries. In Siliguri, I have found seven different layers, which make the business chain. These are:

- Manufacturer→Wholesaler→Retailer→Consumer
- Manufacturer→Wholesaler→Consumer
- Manufacturer →Retailer →Consumer
- Wholesaler→Retailer →Consumer

- Manufacturer →Consumer
- Wholesaler→Consumer
- Retailer →Consumer

Jewellery market in Siliguri is always growing in terms of volumes of gold jewellery trade. This increase in demand has given rise to several jewellery businesses to launch business outlets in the city. The dominant form of the trade is gold manufacturing units attached to retailing shops (26.7 per cent). It shows that the traditional *swarnakars* in Siliguri are skilled in making different forms of jewellery designs, which attract the gold jewellery buyers of the city.



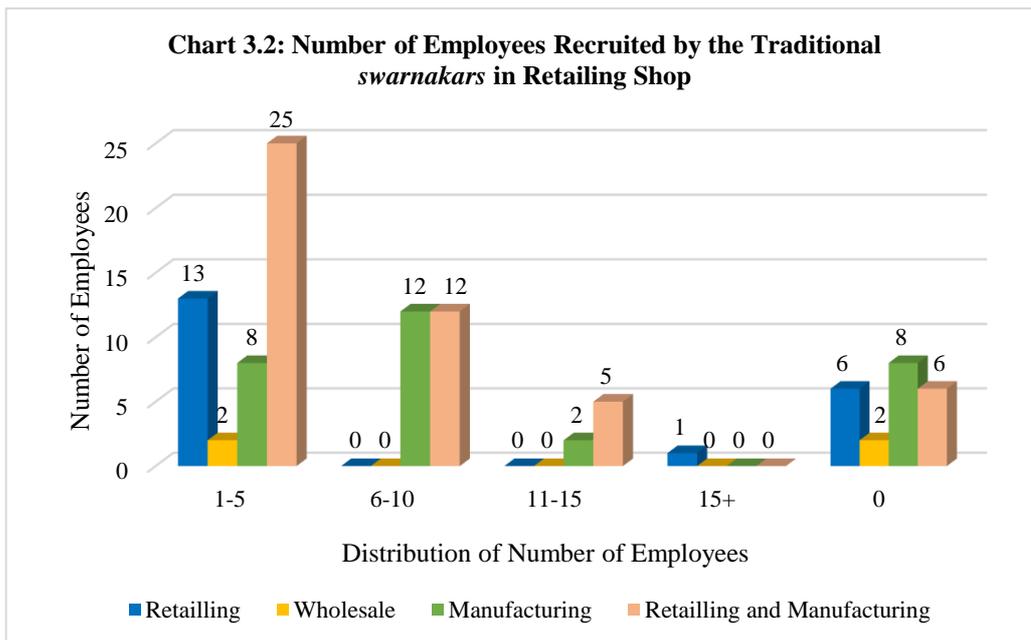
Source: Primary Survey, 2015–18

Note: Total Number of Traditional *swarnakars* is 102

3.2.2 Workers and Employees in Traditional Jewellery Shops

The largest employers in jewellery trade in Siliguri are the traditional manufacturing and retailing units. The employees of these two units, who are directly or indirectly linked with the consumers, play a significant part in sustaining the traditional profession. These units recruit workers/employees from diverse economic and educational backgrounds. Chart 3.2 shows that the largest number of employees recruited in retailing and manufacturing-retailing shops belong to the categories 1–5. The retailing outlets recruit salesmen and sometimes even managers on regular basis. Retailing shops like Ratna Bhandar in City Centre is managed by a professional manager. Similarly, Ratna Bhandar in Hill Cart Road has its own manufacturing and

retailing units. The owners recruit *karigars* for making jewellery and employees to run the shop. The traditional small and medium *swarnakars* have their own shops, which they run themselves with the help of one or two workers. The owners in such cases double their roles as owner and workers/manager.



Source: Primary Survey, 2015-18

Note: Total Number of Traditional *swarnakars* is 102

Chart 3.2 indicates that retailing shops recruit salesperson to deal with the consumers. On the other hand, retailing-cum-manufacturing jewellery shops recruit one salesperson on an average to look after the consumers and the owners look after the task of selling the jewellery. Retailing and manufacturing shops that employ more than 15 employees are the middle *swarnakars* who run bigger jewellery showrooms. They locate their manufacturing units in places different from their showrooms and employ different set of supervisors and *karigars* to look after the work. In Siliguri, I have found 12 such manufacturing units and 12 retailing-cum-manufacturing shops, which have employed 6–10 employees, and 2 manufacturing workshop and retailing-cum-manufacturing shop that employ 11–15 employees.

3.2.3 Work Relations among the Traditional *swarnakars*

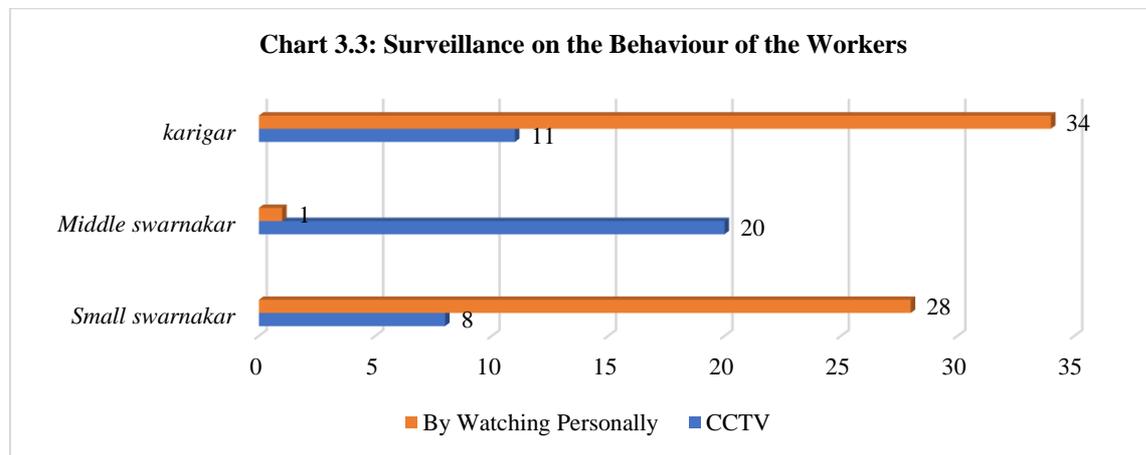
For understanding the business structure of the gold jewellery industry, it is necessary to know about the nature of work relations among traditional *swarnakars* who are

engaged in manufacturing and retailing gold jewellery. The type of relations one can find are owner-workers, worker-worker, owner-consumers, and workers-consumers. Variations in making gold jewellery in terms of style, design, technique used for manufacturing, weight and types of gold jewellery have created a hierarchical division among the workers where the work of the workers (especially *karigars*) are routinized, specified and specialised to carry out the functions given by the owner. The persons who are in higher position in the hierarchical order have a supervisory role as they maintain a cordial relation among all categories of workers. This vertical division of works has brought new social relations, formal and informal relationship, among the workers. The relations are based more on customary conventions since they do not have clearly laid down rules or contracts. The relations are preserved on the basis of certain mores and informal control of the behaviours of workers. The small *swarnakars* believe in maintaining the relations by ‘praise mechanism’³ where they prefer verbal rules in the form of mores to regulate the behaviours of the workers who are working in small and middle *swarnakars* shops. The adolescents who migrate to Siliguri to work as apprentice are recruited by the small *swarnakars* on low wages. The experienced small *swarnakars* then train them to be professional jewellery makers. In receiving training, the adolescent boys unconsciously learn the behaviours required in the trade; they learn the modes of communication with the owners and the fellow workers and with the jewellery consumers, if required. The middle *swarnakars* having shops follow a more formal code of rules and regulations, which may not always be written, for managing the workers (*karigars* and salesman/ salesgirls). An inclination towards the formal relationship is found among them. The recruitment of manager and salespersons to their shops is done on a formal way. The process starts with some kind of interview, followed by issuing appointment letters, and a briefing of how they should approach their jobs. The experienced managers correct them, even scold them when they make mistakes. But the approach towards the *karigars* is informal because *karigars* are less educated, they are unaware of the formal procedures of getting into employment; they are not given any appointment letter. They join their work on the basis of verbal agreement. The small *swarnakars* do not follow any formal procedure in recruiting *karigars*,

³ The ‘praise’ mechanism in social control is well known to us all, and is found no less perhaps in the adult world than in child training as a device to elicit behavior in accordance to social norms. (MacIver and Page 2011:139).

managers or salesman/salesgirl. The familiarity, close social, recommendation from the known circle work in recruitment of the workers. All the shops owned by the small *swarnakars* and middle *swarnakars* keep a close watch on the movements of the *karigars* and salesman/ salesgirls through CCTV surveillance.

Chart 3.3 shows that 69 out of 102 traditional *swarnakars* take the informal mode of managing their workers while the middle *swarnakars* take a semi-formal mode and use CCTV for surveillance and monitoring the movements of the workers. When it comes to *karigars*, 11 (10.8 per cent) of them are working in jewellery making workshops, which use CCTV surveillance.



Source: Primary Survey 2015-2018

Note: Total Number of Traditional *swarnakars* is 102

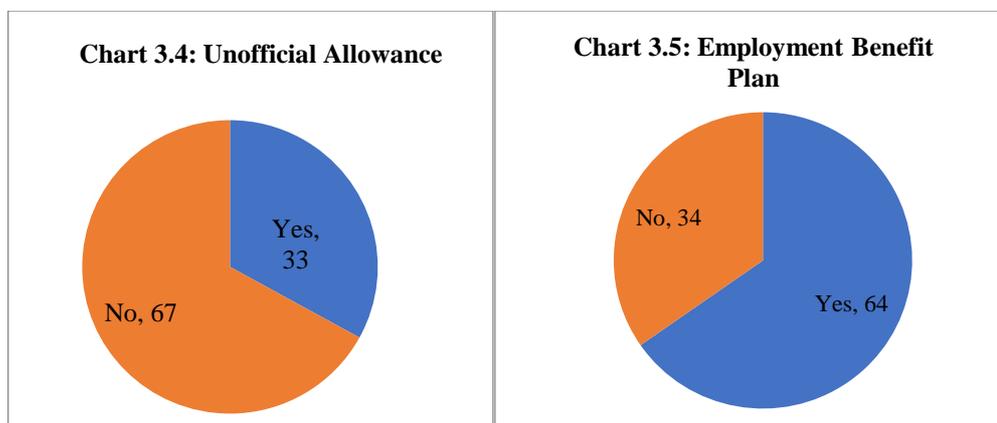
Relations among small *swarnakars* and *karigars* are informal and so is the association; but the association among workers in the middle *swarnakars* category is a mix of formal and informal. The relationship among the *karigars* working under small *swarnakars* and middle *swarnakars* or at a jewellery making workshop are generally cordial and they get into *focused interaction*. “The term ‘focused interaction’ is derived from the work of Erving Goffman, and the concept has played a crucial role in understanding the interactions among co-workers. Focused interaction takes place when an individual gives direct interaction to what people say or does” (Giddens et al.: 2003).

A *karigar* interacts with his fellow *karigars*, consumers and the owners of the jewellery shop. Although they are dependent on each other for making one single jewellery item,

their everyday interactions are primarily work related. While working in the workshop, they communicate through body gesture and verbal interaction. The working environment often yields informal relation like friendship although an individual worker tries to maintain his own creative form of work through his skills, which he does not want to share with other workers (Simmel 1971); everybody in workplace tries to maintain his uniqueness. The relations among the workers, which combine work relation with friendly relationship. They helped each other in making gold jewellery, visit each other's house, share each other's problems; however, the relationship between the *karigars* and the owner of the workshop and between the *karigars* and the owner of the jewellery shop is largely formal and work centric.

As a management strategy, in order to keep the working relations cordial, some jewellery shops have started providing some fringe *benefits* to the workers. *Such* benefits are given to the *karigars*, managers and salesmen in addition to their monthly salary or product-based wages, which include payment for overtime, financial help in case of a family emergency, festival bonus at the time of *Durga Puja* and *Diwali* for the *karigars*, payment of pension (pension benefit) after retirement for the managers working in middle *swarnakars*' jewellery shops. On 10th of July 2015, *Diamond World News Service* posted an online news about Indian gold *karigars* now given the status of handicraft artisans. In this news a notification was issued by the Development Commission (handicraft) from Government of Indian, Ministry of Textiles for the Indian Gold *karigars* to provide them certain benefits for their work. They have also added benefit schemes especially for the gold *karigars* such as discount on gold purchase, health insurance, funding their children's education, interest schemes and others. It is found that 33 per cent of traditional *swarnakars* get unofficial allowance from their owners, they get special benefits for extra-work with extra-pay, health-related emergency and financial help at times of emergency.

One of my respondent *karigars* says, “*getting a bonus every year has become a part of their job intensives but getting other help from the owner of the jewellery shop; especially small swarnakars is rarely they help. Whenever there was a financial need they take help from the owner of the jewellery shop but later on the owner take back the money from their wages*”.



Source: Primary Survey 2015-2018

Note: Chart 3.4: Have no employee in the jewellery shop.

Chart 3.5: Have no employee in the jewellery shop and small swarnakar does not pay any bonus to the salesman.

They also receive bonus on the eve of *Durga Puja* or *Diwali*. They are the workers who were recruited formally and they have some job security. These permanent workers are working for their employers for more than a decade. Medical help or allowance is not given to the *karigars* and the other workers. But according to the small shop owners the *karigars* and workers can earn good money if there is a lot of orders for jewellery. They can earn at least 10 thousand rupees as wage per month, on an average. Since they do not follow strict work schedule sometimes, they take leave from work, particularly when the work pressure is less. *Karigars* came from neighbouring places and belong to different communities. They are less educated, migrated and have no proper address of residence. Sometimes, it becomes difficult for the owners of the small *swarnakars* to trust the *karigars*. The owners are hesitant in giving advance wages or giving monetary help to the *karigars* since they live on the apprehension that the indebted *karigars* may not return to work. So, both the small and middle *swarnakars* feel safe to give festival bonus to the *karigars* rather than helping them under the Employment Benefit Programme.

3.2.4 Tools and Equipment used by Traditional swarnakars in Siliguri

From Table 3.2, we can see that 49 per cent of the traditional *swarnakars* utilize both types of tools—new tools and second-hand tools for making jewellery. The new tools do not mean hi-tech tools or equipment; rather, they are old fashioned tools purchased afresh. They periodically buy new tools in order to replace the old ones. Small

swarnakars and *karigar* are not trained to use hi-tech machinery, because they follow the conventional method. They follow the way their forefathers have taught them. The *karigars* pick up their tools according to their convenience and they often exchange their tools with their fellow workers. The mutual exchange of tools among the *karigars* keep them connected. I have found that 6.1 per cent of traditional *swarnakars* do not believe in exchanging or buying new jewellery making tools; they want to stick to the tools they have inherited from their family members. They do not discard them until they are absolutely useless.

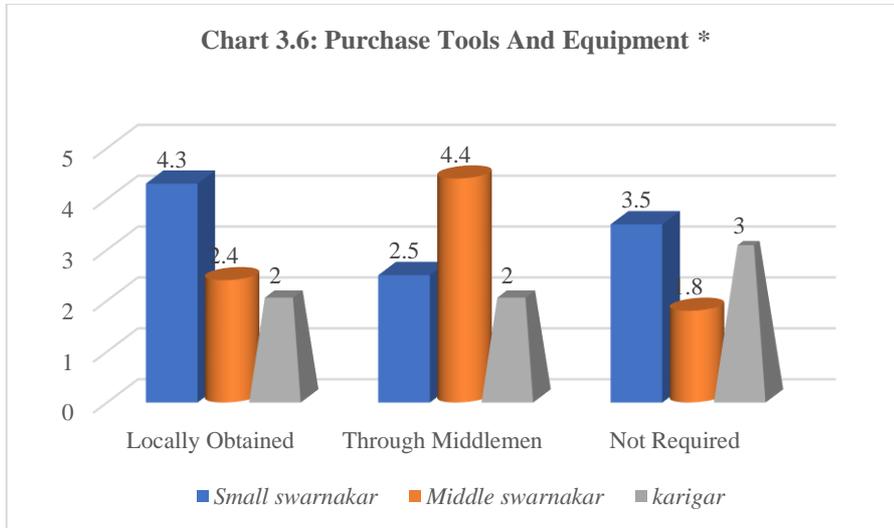
Table 3.2 Nature of Tools Purchased by Traditional *swarnakars*

Ways to Purchase Jewellery Making Tools	Nature of Tools			Total
	New Ones	Second-Hand Tools	Both	
Locally Obtained	28	6	20	54
Through Middlemen	14	0	12	26
Not Required	2	0	16	18
Total	44	6	48	98*

Source: Primary Survey, 2015-2018

Note: *98 out of 102 Traditional *swarnakars*. Remaining 4 of them had retailing shop where they directly sell the products.

It is found from Chart 3.6 that 24 small *swarnakars* and 21 *karigars* out of 102 traditional *swarnakars* have purchased tools for making jewellery from Siliguri market. All kinds of tools and types of equipment are available in Siliguri local market. This is made easy for the traditional *swarnakars* to depend on the local products other than buying from the middlemen who come from Kolkata. They have an empathetic relationship with the person from whom they purchase jewellery-making tools. Few traditional *swarnakars* do not purchase any tools and equipment because they are using their old tools for making jewellery and they mostly borrow from other traditional *swarnakars*.



Source: Primary Survey 2015-2018

Note: *98 out of 102 Traditional swarnakars. Remaining 4 of them had retailing shop where they directly sell the products

The prime target of these governmental policies is to protect the consumers from fraudulent means and to control the activities of traditional *swarnakars* and jewellery retailers who import raw gold. The absence of Hallmarking Centre in Siliguri (Primary Survey conducted till 2017) has affected the business of the small jewellery traders as a section of their customers doubt the purity of their gold. This is one of the reasons why some of them are gradually shifting towards corporate jewellers. In order to save their business, the traditional *swarnakars* now go to Kolkata for an imprint of hallmark on their jewellery, which involves extra cost. In case they do not receive adequate orders they just cannot afford to travel to Kolkata secure hallmark. It has also been noticed that the small jewellery market for many years survived on smuggled gold. By using smuggled gold, they could evade tax and can get raw gold in cheap price. The margin of profit was high, since the production cost was low. Government's control on smuggled gold has contributed to an escalation of raw gold price. Besides, the current laws and governmental policies of the country related to the Gems and Jewellery Industry in India have affected the local traditional *swarnakars* negatively. Rising excise duty and governmental policies have affected the traditional un-organised jewellery industry in Siliguri.

3.3 Governmental Policies and Programmes Related to Gold Jewellery

From the year 1947 to 1963, the possession of raw gold privately by an individual and the jewellery retailers was put under restrictions, and they were urged to go for 'loans backed by gold' (Desebrock 2002).

- In 1963, Gold Control Rules were announced by the regimes where the Government prohibited jewellery manufacturer or *karigars* from making gold jewellery above 14 karats and initiated domestic trade for equal distribution of raw gold.
- In 1965, Gold Bond was introduced in an exchange of gold jewellery, gold coins and gold bars with an interest rate of 7 per cent. National Defence Gold Bonds were introduced for 15 years where the interest rate is fixed at 2 per cent for 10 grams of gold bars, coins and jewellery at 995 purity.
- In 1966, 4th amendment of Defence of India Rules has declared to create gold jewellery above 14 karats, but possession of gold bar has been abolished. In the same year the Gems & Jewellery Export Council was established.
- In 1968, Gold Control Rules were clubbed under the Gold Control Act where possession of gold bar by individual became illegal, it became compulsory for jewellery retailers and gold refiners to have a license; and lastly, jewellery retailers need to depend on the old scraped gold as the metal for making new jewellery. These tremendous restrictions were put on jewellery retailers so that the purchasing of gold jewellery by the consumers gets reduced.
- In 1990, the Gold Control Act was abolished because it failed to put a check on jewellery retailers because illegally the traditional *swarnakars* were capable to operate their line of business with illegal means of getting new raw gold.
- In 1992, Government of India permitted the importation of raw gold and gold jewellery officially for the domestic market by formulating Non-Resident Indian (NRI) Schemes where the NRI can bring 5 kg of gold twice a year in a gap of 6 months; later in 1997, it increased to 10 kg of gold. Till date, this NRI scheme is

still in operation. This scheme has benefited traditional swarnakars by helping them run their business and trade successfully.

- In 1993, 1994 and 1997 government has introduced Special Import Licence and Open General Licence Schemes; 5 years' Gold Bond was brought out in 1998 to the consumers so that they can invest in the schemes.
- In 1999, State Bank of India received authorization to take gold from the public for earning interest in maintaining it.
- On 11 April 2000, Bureau of Indian Standards (BIS) introduced Certification Schemes for Hallmarking of Gold Jewellery to put a check on the arbitrary rate put by the local jewellers in the name of the purity of gold. Local jewellers do not desire to watch over the governmental method to evaluate the purity of gold jewellery because they do not believe in the mechanical device for evaluating purity. Due to this Government of India understands the essentiality to spread consciousness among the gold jewellery consumers before buying gold. Buying gold in India has served its purpose for investment and as security money along with religious and cultural significance. For both the purposes, gold jewellery is a highly consumable product in India, so the government took the initiative on 26 November 1986 through a BIS act, and on April 1987, BIS started its activities to protect consumers from deceit and to protect the national economy. Hallmarking Scheme under BIS provides “third part assurance and satisfaction”⁴ to the consumers to get “right purity of gold (or silver) for the given price (value for money)” (Frequently Asked Questions on Hallmarking of Gold & Silver 2018). This Scheme operates through Regional and Branch Offices of BIS located in various sections of the state. In West Bengal, there are eight Hallmarking Centre’s located only in Kolkata (Most Immediate No. 11/30/2008-BIS, 2009)⁵. To open a Hallmarking Centre, a jeweller had to get recognition from BIS Assaying and Hallmarking Centres available in Regional Centres of the concerned state. The Indian Standard for gold is IS 1418.

⁴ Frequently Asked Questions on Hallmarking of Gold & Silver, Retrieved June 9, 2018, (<http://www.bis.org.in/cert/FAQsHM.pdf>)

⁵ Government of India. Ministry of Consumer Affairs Food & Public Distribution. Department of Consumer Affairs. Krishi Bhavan, published in May 12, 2009, Retrieved June 9, 2018 (www.bis.org.in/cert/goldhm.pdf)

This licence has some codes, which are marked on gold jewellery. Identification of hallmarked gold jewellery till 1 January 2017 was done by the following mark:

- BIS Logo Mark 
- The purity of gold is identified by Caratage which has its number-
- 23 karat gold= **958**
- 22 karat gold= **916**
- 21 karat gold= **875**
- 18 karat gold= **750**
- 17 karat gold= **708**
- 14 karat gold= **585**
- 09 karat gold= **375**
- Identification Mark of Assaying or Hallmarking Center
- Identification Mark of Jewellery Shop
- Year of making the jewellery.
- For jewellery consumers, BIS has introduced magnifying glass of minimum 10X magnification, which should be available in the jewellery shop. Consumers can check the purity mark with the aid of this device before buying it (Scheme for Certification of Gold Jewellery/ Artefacts for Fitness Marking As per IS 1417:1999, 2005)⁶

From 1 January 2017, a slight amendment was done by BIS in the identification marks of the hallmarking jewellery is:

- BIS Logo Mark 
- The purity of Gold is identified by Caratage which has its number-

⁶ Scheme for Certification of Gold Jewellery/ Artefacts for Fitness Marking As per IS 1417:1999, 2005, Retrieved on May 6, 2018 <https://bis.gov.in/qazwsx/hmd/STI-1417-4.pdf>

- 22 karat gold= **22K916**
 - 18 karat gold= **18K750**
 - 14 karat gold= **14K585**
 - Identification Mark of Assaying or Hallmarking Centre
 - Identification Mark of Jewellery Shop
- In November 2005, Reserve Bank of India has circulated “Preferential treatment to Hallmarking Jewellery” to Banks “while granting advances against jewellery” (Frequently Asked Questions on Hallmarking of Gold & Silver 2018).
 - In March 2008, BIS has launched Hallmarking on Silver Jewellery. Hallmark on Silver Jewellery is Marked as:

- BIS LOGO



- The purity of Silver can be identified by numbers

Fine Silver=	999.9
	999.5
	999
Silver mixed with alloys for jewellery artefacts =	970
	925
	900
	835
	800

- Identification Mark of Assaying and Hallmarking Centre
- Identification Mark of Jewellery Shop
- Year of making the jewellery.

- In the 2012 Union Budget, a certain quantity of taxation that was imposed on the purchase of gold jewellery above 2 lakhs. Customs duty was levied for the refinery and manufacturer of gold bars from 1 per cent to 2 per cent and Central Excise Duty was increased for gold bars, gold ore, gold ore to 3 per cent (GJEPC India 2012)⁷; but later on this increase in excise duty was withdrawn by the Government of India.
- In 2014, World Gold Council indicated that India should launch ‘Karigar Welfare Scheme’ for the development of skills and training programmes for the jewellery *karigars* for showcasing Indian hand-made Jewellery (in this issue, 2014)⁸. In 2014, the Government of India lifted the import duty on gold and silver jewellery from 10 per cent to 15 per cent for protecting the domestic jewellery market by starting a project identified as ‘Make in India’. The monetary value of gold and gold jewellery has increased in the domestic market after raising the import duty on gold, but the uprising demand for handcrafted Indian designed gold jewellery in United States, Europe, China, Japan, particularly South Asian Countries has cause the government on the exportation of handcrafted gold jewellery (Watal 2018:12-19) other than machine-made jewellery. The objective is to make India a worldwide manufacturing hub by recycling and refining of gold jewellery in order to boost the Indian gold jewellery market by exporting gold jewellery.
- In 2015, PAN became mandatory for purchasing gold jewellery worth 2 lakhs and above.
- In Union Budget of 2016–2017, the Government of India re-imposes excise duty of 1 per cent without CENVAT credit or 12.5 per cent with CENVAT credit with mandatory of PAN card for transactions of 2 lakhs or above. Hallmarking of jewellery will be done at 22 karats, roll back the policy on 1 per cent of TCS (Tax collected at source) for purchasing gold jewellery of 2 lakhs or above and imposed it till 5 lakh or above. In November 2016, the government demonetized ₹500 and

⁷ Highlights of Union Budget 2012-2013, March 19, 2012, Retrieved March 2, 2015 (https://gjepec.org/admin/Circulars/1229521255_Circular-to-all-Members-on-Budget2012-13.pdf)

⁸ Weekly Economic Bulletin. September 30-October 06, 2014. Retrieved March 4, 2016, (http://indiainbusiness.nic.in/newdesign/upload/Publications/Weekly/Oct_2014/MEA_Newsletter%20Sept_30_Oct_06.pdf)

₹1000 notes for removing the black money from Indian Market, and 3 per cent of GST and 1 per cent of VAT were imposed⁹.

3.4 The Response of the swarnakars to the Governmental Policies

The governmental policies on gold (as raw material), gold jewellery and jewellery trade have impacted the traditional *swarnakars* adversely. They recorded their protest against some new regulations by organizing a National Strike in 2012. In March 2012, The Central Board of Excise under the Ministry of Finance introduced a policy by which the small traditional *swarnakars* now have to pay “excise duty” on gold bars, gold coins and gold jewellery. By a policy decision made by Pranab Mukherjee (the then finance minister), the gold artisans or *swarnakars* have to pay 0.3 per cent of excise duty, which means 30 paise duty on ₹100 transaction. Following Budget 2012, in which the declaration was made, the traditional *swarnakars* went on a Nation-wide strike because they thought it would be difficult for them to follow the complexities of this excise duty and particularly when they have to pay value-added tax (VAT). Another important reason for them was that if they had to pay 0.3 per cent extra on transactions the jewellery prices will increase, which will adversely impacted their business. Since they deal with small capital, and their business being small, the new changes in the policy created a lot of apprehensions. The all-India strike forced the Government to withdraw the proposed excise duty and reduce the tax on imported gold, which the government had increased by 4 per cent. According to a 2012 report, around 2 tons of gold India produced in a year against an import of 900 tons¹⁰. The mandatory “Hallmarking on gold” has also adversely impacted the small traditional *swarnakars*, because the process involves additional cost and administrative hassles. The gold ornaments made and sold by the corporate jewellery houses provide Hallmark, which the consumers trust as the hallmark of purity. This shift of consumers from traditional *swarnakars* to corporate jewellery has put a cost on the petty traders. Over the last two decades, one can see the rise of a new jewellery consumer culture, where the trade name of the company on the

⁹ Government imposes 1 percent excise duty on gold jewellery, Deccan Chronicles with Agency Inputs, Published on March 1, 2016, Retrieved June 6, 2018 (<https://www.deccanchronicle.com/nation/current-affairs/010316/government-reimposes-1-per-cent-excise-duty-on-gold-jewellery.html>)

¹⁰ Huge gold imports strains balance of payment: Pranab, *The Hindu-Business Line*, New Delhi, Published on March 20, 2012, Retrieved March 2, 2018 (<https://www.thehindubusinessline.com/economy/huge-gold-imports-strain-balance-of-payment-pranab/article23066172.ece>)

jewellery has become a fashion, adding benefit to the ornaments. This provided an impetus for the middle and upper classes consumers to abandon the traditional and petty traders and shift towards the corporate jewellery (Sennettle 2006).

The prime target of these governmental policies is to protect the consumers from cheating and to prevent tax evasion by the *swarnakars* and jewellery retailers. The non-existence of the Hallmarking Centre in Siliguri (Primary Survey conducted till 2017) has put traditional *swarnakars* in an adverse position as their customers are moving towards the Corporate Jewellers. The government is expecting that by 2022, the number of skilled and semi-skilled *karigars* and *swarnakars* would exceed than 9.4 million (Watal 2018:12). This has given hope to the traditional *swarnakars* to continue their hereditary or family business and display their skills for a value. Let us have an account of how the traditional *swarnakars* look at the government policies.

Strike 2012- In March 2012, The Central Board of Excise under the Ministry of Finance declared its new policy to introduce ‘Excise Duty’ on gold bars, gold coins and gold jewellery. The nitty-gritty in maintaining a financial record for every transaction of selling jewellery was thought to be tough for local traditional *swarnakars*, they also apprehended harassment at the hands of the excise department. The small traders were completely ignorant about the processes of doing accounting and keeping tax file.

Mr. K Gowasmi, a 44-year-old *karigar*, who works in an Astrological Jewellery Shop, expressed his worries by saying that it is a trap of the government to impose 0.3 percentage of every transaction because government knows that this jewellery industry is run by uneducated and less educated people whose livelihood depends on their hand skills; any legal or formal or mandatory rule imposed on them by the government will make them handicapped in maintaining financial records. For maintaining financial record for every transaction, they need to keep charter accountant or cost accountant; they would have to hire the services of cost/chartered accountants, which would mean extra cost.

On March 20, 2012, proprietor of the J. J. Gold House in Kolkata stated, “*we are idle since last week, and jewellers are in no mood to reopen stores*”.

As Siliguri jewellers operate under the guidance of Calcutta Gems and Jewellery Associations so all the four jewellery associations in Siliguri follow the footsteps of the above associations. It was also found that hundreds of small *swarnakars* and middle *swarnakars* along with their *karigars* came out in the H. C. Road near the Venus More area to demand the withdrawal of 1 per cent of excise duty and 4 per cent of custom duty on standard gold bars and gold coins which were enforced on them. After 12th day of strike, Pranab Mukherjee declared to have a relook at jewellers' demand for withdrawal of excise duty on unbranded jewellers (traditional *swarnakars*/ local jewellers)¹¹ had built a hope that the lockdown situation will be solved, but an introduction of the Tax Deduction at Source (TDS) on purchasing jewellery above Rs 2 Lakhs made the traditional *swarnakars* to continue the strike for 21 days. The reason for the introduction of TDS is that to restore the black market and to control smuggling of gold (Mishra 2012). After 21 days of long National strike by traditional *swarnakars* in Siliguri, they received the good news that the proposed excise duties have been withdrawn. The political parties which were in alliance with the ruling Congress party had a hand in this development¹². (Jewellers to End Strike today after Pranab Assures Duty Review, 2012).

Strike 2016—In 2016 Budget, Finance Minister Arun Jaitley proposed levying 1 per cent of excise duty again on non-silver jewellery, especially on gold jewellery. He also made it mandatory to use PAN card for the jewellery purchase worth ₹ 2 lakh and above.

Mr. P. Karmakar, aged 47, a middle *swarnakar*, president of the Bidhan Road Jewellery Association, expresses that “*during 1981 or 1982 (not sure about the year) and in the year 2012 the Indian government tried to impose excise duty on jewellers which government stepped back to enforce it. Every time the government is trying to enforce these rules but the feeling of belongingness among the jewellers all over the country made the government roll back these rules.*”

¹¹ Pranab Mukherjee to meet jewellers today, India News, Published on April 6, 2012, Retrieved February 6, 2013 (<https://www.ndtv.com/india-news/pranab-mukherjee-to-meet-jewellers-today-475270>)

¹² Jewellers to End Strike today after Pranab Assures Duty Review, Retrieved April 7, 2012 (https://www.rsbl.co.in/media-gallery/2012/apr/The_Economic_Times_7Th_April-2012.pdf)

It reflects that the financial department of our country was trying to put some regulations on the gold transactions in order to generate revenue. The government was aware of the volume of jewellery trade in India. India was the largest consumer of gold before China took over in 2013; about 974.8 tonnes of gold consumption in India come from either imports or recycling. It was also observed that gold consumption in India holds the highest position in the world as a percentage of GDP (Menon 2015). But such regulations on every transaction on 'gold' brought trouble for traditional *swarnakars* all over India. It is found that within three days of National strike in 2016 more than 300 associations, small and middle *swarnakars*, *karigars* and many more persons, directly or indirectly linked with jewellery business in India, participated in the strike¹³. The traditional *swarnakars* in Siliguri supported the National strike and had organised candlelight rally against Central Excise Duty on 13th March 2016 with a slogan “*inspector raj cholbena cholbena*”, “*hamare mange puri karo*”, “*roll back excise duty*”. A news flashed on 18th day of the strike that the strike has caused a loss of ₹ 60000–70000 crore to jewellery industry in India. This made the government re-think about the imposed rules and declared that there will be no ‘inspector raj’, which means jewellers will not face any harassment from excise officers or ‘inspector raj’¹⁴.

Mr. J. Roy, aged 51, a small *swarnakar* said: “*now all the political parties including Congress, AAP, Shiv Sena and many more have been involved in these issues. Previously there was a clash in between jewellers and governmental policy but now it has changed the entire scenario*”.

Like, Mr. Roy and many other local jewellers who wanted to reopen the shop, because they were doing no business for weeks, could not do so out of fear of being isolated. Mr K. C. Ghosh, a 67-year-old small *swarnakar* admitted of making losses since he had to keep his business shut. For him, the move was suicidal for the jewellers (i.e. “*nijer*

¹³ Jewellers begins 3 Days Pan-Strike to Protest Excise Duty Levy. (2016, March 02). Retrieved March 03, 2016 (www.ndtv.com)

¹⁴ Indo-Asian News Service on April 3 2016, 6:36 PM in New Delhi presented a new flash with a headline *Excise Duty will bring back Inspector Raj: Arvind Kejriwal*, highlights “The excise duty ... will give rise to corruption. The excise inspectors will ask for bribe from the jeweller. ... when the United Progressive Alliance government was in power, Pranab Mukherjee as the Union Finance Minister had also introduced the same tax in 2012. However, the then Congress led government had to roll back the tax after resistance from jewellers. The President also agreed with the view that it will bring the Inspector Raj back in the country”. *Indo-Asian News Service*. Retrieved April 3, 2016 (www.india.com)

paaye kurol mara”). Despite this, he sided with the protesters. All the four-jewellery associations came together to support the Gems and Jewellery Association in India. So much was the scale of the movement that the individual traders had to join the 42-day-long strike. The strike period included March–April, the peak season for jewellery business in Siliguri.

In order to sustain the long strike, Siliguri Swarna Shilpi Unnayan Samity in Siliguri took initiatives to distribute rations, vegetables and money to small *swarnakars* and *karigars* to help run their family. Mr. B. R. Ghosh, a 61-year-old small *swarnakar*, and the secretary of Siliguri Swarna Shilpi Unnayan Samity (association) at Mahabirthan, opined that the members of their association had distributed ‘ration’ from 7th April 2016 to the local *karigars* and small *swarnakars* who were economically unstable. The ‘ration’ included rice, wheat, lentils, mustered oil and vegetables, which was distributed to economically distressed *kaigars*, gold workers and salesmen as they were finding it difficult to manage their families without wages. Once in a week, the association distributed ‘rations’ to eighty *karigars* and some small *swarnakars*; the day’s ration included 7.5 kg of rice, 1 kg of lentils, 5 kg of potato and 500 gm of mustard oil.

Mr. G. Karmakar, a small *swarnakar*, said, “*our associations made a committee of eight members to oversee ‘ration’ distribution and take care of the difficulties faced by their association members*”.

The helping gestures from the association stimulated the members of Khudiram Pally association and Hill Cart Road association to keep them united in those difficult days. The Bidhan Market association, on the other hand, did not organize any such relief work. Mr. P. Karmakar, aged 47, a middle *swarnakar*, and the president of Bidhan Market association, explained that their members are relatively better paid and they never demanded such special support.

In a focused group interaction, the respondents said that it is not possible to impose a tax on the *karigars* for making jewellery because the process for making one piece of jewellery required minimum five to six *karigars*, and not all *karigars* work in a particular shop. Each traditional *swarnakar* who have jewellery shop recruits at least one or two specialised *karigars*. So, for making one-piece jewellery traditional

swarnakars are depending on each other. For these reasons, if a levy is put jewellery, the price of the gold jewellery will boost up in one side; and on another side, keeping a record for every step of jewellery making by specialised *karigars* is not an easy for the traditional *swarnakars*. The long strike made a large number of workers jobless and they had to face serious economic distress. Most of the workers are paid daily wages or on jewellery piece rate. They work on “no work no pay” principle. The wage rate being very low they do not have savings to see through the crisis. The association had to step in to support them. However, the *karigars* and small *swarnakars* understood that the proposed policies, if implemented, would destroy their livelihood. They could see that the policies would heavily favour the corporate jewellers.

With the prospect of being unemployed, small *swarnakars* and *karigars* faced psychological problems for not being able to meet their day-to-day household requirements. This strike impacted their families negatively. The condition of the middle *swarnakars* was slightly better since they had some reserve cash to take care of their families. They thought that the strike was absolutely necessary for their survival in the trade. Their worries were articulated in the slogans they used during the strike; the banners read: “*Simplify TAXATION...be it VAT, CST, EXCISE DUTY, INCOME TAX, SERVICE TAX and all other taxes*”, “*Roll Back the levy*”, etc. They have put questions to the government such as “*Why burden the poor traders and swarnakars with excise duty?*”

Among other incidents, on the 41st day of National strike, on 13th April 2016, one gold artisan in Kolkata, named Mr. Susanta, aged 36, committed suicide because of poverty and indebtedness. Eight artisans had committed suicide in the country¹⁵. The strike was called off after 42 days, and on the eve of *Akshaya Tritiya* the traders returned to business. The memory of long layoff still haunts the jewellery traders and all the people who draw livelihood from the trade, the workers, in particular.

Demonetization—On 8th November 2016, Indian Prime Minister Narendra Modi declared demonetization of 500 and 1000 rupees notes with a declared objective to find

¹⁵ Khanna, Rohit. April 11, 2016. Jewellers Strikes: Eight Artisans ends Life this year, The Times of India Retrieved on May 11, 2016 (<https://timesofindia.indiatimes.com/city/kolkata/Jewellers-strike-Eight-artisans-end-life-this-year/articleshow/51771232.cms>)

out black money. This sudden announcement led people wanting to convert their accumulate, undeclared, cash into gold. In Siliguri and Bagdogra, like in other parts of the country, people thronged jewellery shops of all kinds to purchase of gold coins and jewellery. This gold rush benefitted the traditional *swarnakars*, along with middle and big jewellers in Siliguri.

One of the jewellery consumers, named Mrs. M. Dey, aged 46, disclosed that her husband had exchanged old currency notes in exchange of gold jewellery. She was happy that because of this crisis she could procure jewellery worth several lakhs of rupees. This indicates that there was a golden rush of many consumers in Siliguri who have converted the ‘banned rupees’ into gold jewellery and gold coin. The consumers who buy jewellery from small traders usually pay in instalments. But this time, they bought jewellery in cash. In Siliguri market money in millions was exchanged for gold coins and gold jewellery.

Mr. C. Karmakar, a small *swarnakar*, noticed a panic buy among the peoples who keep undeclared liquid cash at home, and not in bank, in order to evade taxes. Even the rich section who never visited the small jewellers visited such shops and bought all the ornaments they had in store. Mr. Karmakar recalled that he had to return many of his customers because he had no stock of gold or gold jewellery.

Another small *swarnakars*, named Mr. V. Prasad, aged 46, received information about the panic buy from his friend, who gained more than Rs. 3 lakhs in a day. He said that noticing the sudden rise in demands the traditional *swarnakars*, small and middle, collected gold from gold bullion dealers in Siliguri. Gold bullion dealers charged higher than the market value of gold. The traditional *swarnakars*, in chain, charged higher than the market rate for every jewellery item they sold; thus, making some quick money. Still, there was a huge shortfall of supply in Siliguri market.

Mr. A. Pal, aged 34, a salesman in a small *swarnakar*'s shop, said: “*in those days we kept the jewellery shop open till 12:30 am because of customer rush*”.

The sudden rise in demand contributed to acceleration of gold price, i.e. the gold price for 10 grams of gold rose up to ₹30050 (Siliguri gold market price) but on the day of

demonetisation the price rose to anything between ₹37000 and ₹43000. Each customer was ready to buy jewellery by giving an advance of ₹ 2 lakhs to Rs 4 Lakhs. So much was the panic buy that some customers were ready to accept a lower value for the old currency notes. A middle *swarnakar*, named Mr. K. Gupta, aged 41, told me that on the demonetisation night some consumers had exchanged banned rupees with gold jewellery for lower values, they accepted Rs 950 for one thousand notes. Mr. K. Gupta, a middle *swarnakars*, and Mr J Prasad, a *karigar*, having his own *Kharkhana* (jewellery workshop) endorsed that between 8th November and 12th November 2016 all the traditional *swarnakars* made a huge profit out of sudden rise in sale following demonetisation. Following this chaos, the government had forced the bullion dealers/traders to close their business for a few days. Consumers who purchased did panic buying of jewellery mostly belong to business class and the upper class, who had so much of black money outside the banking system.

3.5 Marketing Strategy of Traditional swarnakars in Siliguri

A market is a place for economic activities for individuals and groups to form their economic institution freely without any objections. It considers the condition of production, reproduction and consumption of social life where individuals are related and economically dependent on one another. Marx has vividly explained how the production system, along with distribution and consumption constitutes the ‘base’ or foundation of a social system. The junction between the ‘base’ and ‘superstructure’ is the market where an individual involuntarily enters into social relations through sale and purchase. Therefore, the concept of market deals with how the producer and sellers are selling their products, how they deal with the demand and supply of the products, how they determine the price of the products, and how they maintain a cordial relationship among the producers, retailers and consumers. Market thrives under neo-liberal policies, where the state grants more and more space to it and amend the credit policy, taxation and labour laws to suit the interests of the market¹⁶. The market economy thrives by promoting consumerism, i.e., by granting more choice and freedom to the sellers as well as the buyers. The largest market in India is that of consumed

¹⁶ Hass in his book “Economic Sociology: An Introduction” has mentioned Zeliers explanation of market economy which is “ ‘ Market Economy’ implies a system in which actors are relatively free in their choice of purchase, dealings, and activities. In market we exchange goods and services relatively freely: workers negotiation labor contracts with employment, buyers negotiate price with sellers (Zelier 1998).”

yellow metal, i.e., gold. Gold jewellery plays an important role in the life of the Indians. It symbolises purity and sacredness; therefore, a big social value is attached to gold and gold jewellery. It has both material and cultural value. Being the largest consumable metal marketed in India, it is necessary to recognise how this metal is marketed in forms of gold jewellery.

Sociologically, marketing engages people in exchange of goods and services. Philips Kotler (et al.) writes: “Marketing is a societal process by which an individual and groups obtain what they need and want through creating, offering, and freely exchanging products and services of values with others” (Kotler 1994:6). In exchange, the sellers need to know the preferences, needs and taste of the buyer and the buyer should know about the products the sellers are out to trade. It works on the principle of reciprocity; there always has to be something to offer in exchange from either side. There is a great deal of dynamism in the relation between the buyer and seller. Since the sellers face competition, they resort to various strategies to outwit others in the business. The traders of all size try to establish some kind of stable relationship with their consumers and work on their psyche. A sense of mutual trust and consumer satisfaction come handy in building the relationship. For the small and medium *swarnakars* the relationship lasts for generations as the buyers and sellers get into some kind of social relationship. Some families have their ‘family *swarnakars*’ who supply all kinds of jewellery for all occasions.

Marketing strategies of the traditional *swarnakars* and jewellery traders concern the process and techniques that they use to run their line of work and to influence the consumers. The marketing strategies of the traditional *swarnakars* and jewellery traders were based on local demands and the prime mode of marketing was to build a stable face-to-face interaction sometimes by visiting the known customers with the design book or to gain the confidence of the customers when they visited their shops. Consumers buy jewellery for ‘tradable investment’ (Desebrock 2002) for savings, emotional attachments, values and capital if they exchange or sell their old jewellery at a reasonable price. Therefore, the quantity of gold jewellery possessed by the consumers as an asset is determined by a class situation where the marketing strategies of jewellery traders are dependent on the rate of gold per grams to deal with the jewellery consumers. The strategy adopted by the jewellery industry, at present, has

changed from ‘production to consumers’ to ‘consumers to production’. It signifies that the traders have started giving emphasis on the taste of the consumers before making gold jewellery. The industry now makes designs based on their experiences in dealing with the customers and in line with the changing tastes and needs of the buyers of different classes and communities. Now the marketing strategy is consumer oriented and research based. Pricing of the gold jewellery is also a crucial part of the marketing strategy adopted by the traditional *swarnakars* and jewellery traders. Therefore, there are a few hidden strategies adopted by them for earning extra profits in the competitive market. Some such strategies are as follows:

- Traditional *swarnakars* hide the purity of gold to the consumers. Consumers who visit local *swarnakars* and traders mostly are from the lower-class and middle-class background. They are unaware of the purity element: gold policies and the fluctuation of gold prices and pricing of gold jewellery. This is the main catch for the traditional *swarnakars*. Gold jewellery is generally made of 20–22 karat gold mixing with other metals to give perfect shape to the jewellery item. Consumers have no means to make out the exact proportion of mixing of metals; they have to trust what the seller is telling them. For this reason, they visit the known traders hoping that they would not cheat them. The traders take advantage of this blind trust. The traditional *swarnakars* and traders make full use of their trust and hoodwink them by hiding the purity of gold to the consumer, i.e., they would charge the price for 24 karats while actually offering 18-karat gold. Here is an illustration of how trust of the customer is used to make extra profit.

Current gold rate for 24 karat gold for 10gm in Kolkata (dated 3/6/2018): INR= ₹ 32,210.00

Polishing and making charge (may vary): INR= ₹ 1000 per gm of gold

Traditional Swarnakars will calculate the cost of 10gms of gold jewellery

	Calculation	Amount
Cost of Gold (10 gm) (24 karat)	1×32210	32210.00
Polishing and making charge (may vary)	$10 \text{ gm} \times 1000$	10000.00
	Total	₹ 42210.00

Generally, gold jewellery contains 20–22 karat and diamond jewellery is made with 16–18 karat. Hence, the actual cost of gold jewellery which consumer need to pay:

The current gold rate for 22-karat gold for 10gm in Kolkata (dated 3/6/2018): INR= ₹ 30,640.00

Polishing and making charge (may vary): INR= 1000 per gm of gold

Consumers need to pay for 10 grams of gold jewellery

	Calculation	Amount
Cost of Gold (10 gm) (22 karat)	$1 \times 30,640$	30640.00
Polishing and making charge (may vary) for per gm of gold is 1000	$10 \text{ gm} \times 1000$	10000.00
	Total	₹ 40640.00

Therefore, a huge difference in pricing is seen in calculation where the *swarnakars* earn (42210–40640 = ₹1570) extra on every jewellery of 10 grams. As they do not provide any purity certificate, the consumers are unaware of their trickery in setting jewellery price.

The traders use tricks to make extra profit while buying or exchanging old gold jewellery items. They fix the value at 30–40% lower than the market value. Here is an illustration.

(Current gold rate of 24-karat \times gold weight) - 40% of the total value
$(32210 \times 10\text{gm}) - 40\% = \text{₹ } 193260$ (amount given to the consumer)
Profit = $32210 \times 10\text{gm} = 322100 - 193260 = \text{₹ } 128840$ (<i>swarnakar</i>)

The traders bring back the old jewellery for sale after polishing or a little bit of repair; they sell them at the current market rate. While selling this to new consumers they will add making charge to the total price. In this way, the traditional *swarnakars* make profits in addition to normal trade. The rates for making jewellery, polishing jewellery and for designing jewellery are not fixed. The charges vary depending on types and designs of gold jewellery. The sellers add making charges arbitrarily.

- Other strategies are employed to entice the consumers to purchase jewellery on a regular interval. One such strategy is not to ask the customer to pay the entire amount at one go; rather, she/he is given an option to pay in easy instalments. This is often deployed by the traditional *swarnakars* in Siliguri and the system is offered to the known and proven customers. But in essence, it is strategy to make more profit. Sometimes the customers are in the habit of exchanging their old-fashioned jewellery for a trendy ornament, thus, giving an opportunity to the traditional *swarnakars* to make some profit; in every exchange the traders apply their own rules of calculation to inflate profit. This is also known as swapping jewellery where both the consumers and *swarnakars* are happy in whatever exchanges they do. Sometimes, the traditional *swarnakars* personally visit the customers' houses with whom they have a close relationship for inviting them on the occasion of *Akshaya Tritiya*. The consumers visit the shops on an auspicious day for honouring the invitation promise. When they visit the shop, they come as potential buyers; they end up buying some jewellery item, thus enhancing the business of the jewellers. The *swarnakars* find their ways to convince the customers to buy. Nowadays the traditional *swarnakars* have started distributing some small gifts as 'token of love', to give a "feel good" feeling to the customers. This gift-giving often depends on the amount of gold jewellery purchased by consumers. Introduction of trendy designs has been one of the ploys to attract the lower-middle-class and lower-class consumers to jewellery buying. Another ploy is called Gold Scheme, where the consumers have to pay fixed EMI for 11 months and earn one EMI is given free by the trader. The customer can buy jewellery on the completion of 12 months. This guarantees a stable sale for the trader. It is also noticed that the traditional middle *swarnakars* in Siliguri have started advertising their jewellery products in hoardings and banners, in order to attract the consumers. Advertisements are also put up in local printed papers and local television channels.

3.6 Traditional swarnakars on Hallmarking of Jewellery

The traditional *swarnakars* were against the government regulation for introducing BIS Hallmark Jewellery for jewellery retailers and manufacturers, which could have saved the customers from being cheated. Traditional *swarnakars* opposed the move because they thought that the problem would bring them troubles and hassles and they would not be able to cheat the customers on the purity of gold. Jewellery consumers in Siliguri

had only a vague knowledge about the importance of Hallmark Jewellery and they were being guided by a misplaced trust on known *swarnakars*. Given below are the responses of the traditional *swarnakars* on the proposal of mandatory hallmarking.

Mr. K. Pal, a retired *karigar*, now working as a salesman in a small *swarnakar's* shop said that he and his fellows used to make gold jewellery with a purity of KDM jewellery. For him, mandatory hallmarking is a ploy of the government to hand over the jewellery business to the corporate jewellers (i.e. to the hand of corporate business). Several small *swarnakars* and a few middle *swarnakars* supported his views regarding mandatory hallmarking.

Another respondent who runs a jewellery workshop, named Mr. J. Prasad, said that he does not believe in machine certified purity of gold, which can be manipulated. In a contrast, Mr. J Saraf, aged 42, and Mr. B K Gupta, aged 51, both middle *swarnakars*, said that the government has taken a universal decision which will apply to all equally; this gives the consumers the right to know about the purity of gold jewellery. This will bring a much-needed transparency in the trade and will help the traders to deal with the customers better. This honest reply from the respondents shows that middle *swarnakars* want that the consumers to know the value of hallmarking scheme. However, in view of the *karigars* and small *swarnakars* in Siliguri, KDM mark could have been a better method to serve everybody's interest; the small traders could have saved them from unnecessary travels to Kolkata to get the hallmark. The consumers could have been saved from paying extra for the jewellery with hallmark.

In West Bengal, at present, there are 59 Assaying & Hallmarking Centres (till 2020), but in Siliguri, there are only 2 Hallmarking Centres¹⁷ which were established in the year 2018. Siliguri Hallmarking Centres go through the necessary testing and give hallmark following IS 15820:2009. The Indian Standards General Requirement are:

¹⁷ Assaying & Hallmarking Centres in ERO-159. Retrieved Jan 7, 2020, (<https://bis.gov.in/wp-content/uploads/2019/07/ERO.pdf>), Mr Shrimant Marut Patil, Partner, Recognition No: ERO/RAHC/R-700607, Validity: 14/02/2021, M/s Siliguri Hallmarking Centre, H/13/2/65/1, Ground Floor, Priyadarshni Market, Khudirampally, Siliguri- 734001, Darjeeling district (West Bengal) and Mr Ashib Rahaman Purkait, CEO, Recognition No: ERO/RAHC/R-700591, Validity: 09/10/2020, M/s Star Hallmarking Centre, St Floor, 181/2 Hill Cart Road (Opp. Bata), Hotel Niladri Plaza (Ojha Mansion), Siliguri (West Bengal)- 734001.

- *“To constantly serve, meet and exceed overall expectations of the customer about the quality of assaying and hallmarking with an error-free and technically valid result.*
- *To pursue better professional practice and continually improve system and services.*
- *To periodically train key technical person and employees whose service may affect the quality of centres’ performance, thereby enhance the satisfaction of customers.*
- *To continuously endeavour to build and maintain the reputation of the Centre being absolutely trustworthy in the eyes of its valued customers who are primarily jewellers and,*
- *To familiarize all personal concerned with testing activity with the quality documentation and implementation of the policies and procedures in their work.”(said by Mr. S. M Patil, aged 52, father of Kiran Patil, Siliguri Hallmarking Centre, 2018).*

Mr. S. M. Patil is a member of the Bangiya Swarna Silpi Samity (jewellery association in Khudiram Pally and the head of all the jewellery associations in Siliguri). He has said that he and some other members of the association are trying to use hallmark for the last five to six years, but the members of under whom his shops are registered, did not give permission to apply for launching the centre. They favoured setting up a Hallmark centre in Siliguri, but some other members of the association opposed the move on the apprehension that the move will affect their business. They were in favour of KDM jewellery rather than hallmark jewellery. So much was the difference of opinion between the two groups that the association split in 2017. Finally, however, the association gave its nod to the proposal of having hallmark centre in Siliguri in agreement with Calcutta Gems and Jewellery Associations. As an outcome, in March 2018, the first Hallmarking Centre was established in Siliguri.

After the establishment of the Hallmark Centre, the traditional *swarnakars* in Siliguri made drastic changes in their marketing strategies. In order to attract the consumers, they are now promoting hallmarked jewellery and at the same time, they have cut down the time of delivery of hallmarked jewellery. Small *swarnakars* are now displaying display boards in front of their shops saying ‘KDM and Hallmarking Jewellery’, ‘Hallmarking Jewellery available’ and so on.

3.7 Strength, Weakness, Opportunities and Challenges of Traditional swarnakars

The traditional *swarnakars* make efforts to win the hearts of consumers in order to advance their business. Like all other businessmen, they make continual assessment of their *strength* and *weakness* of their business and look for new *opportunities* and *challenges*. The new regulations, the competition with fellow businessmen, competition with big business, supply of raw gold, the fluctuations in gold price, the changing demands and emerging fashions bring challenges to the small and traditional *swarnakars*.

On the positive side, the consumers of the gold jewellery in Siliguri maintain direct relations with the owners of the jewellery shops and *karigars*. They are comfortable in dealing with the *karigars*, explain what exactly they want, the kind of jewellery they want and what to do if they want to exchange or alter the ones they already have. This face-to-face interaction between consumers–*karigars*, consumers–small *swarnakars*, consumers–middle *swarnakars* create a known and comfortable ambience between the consumers and the sellers. One can call it an extension of social relations, which is the source of mutual trust that jewellery trade demands. The traditional *swarnakars* take utmost care in maintaining this social ambience since they very well understand that this is the key to the success of their business. The consumers too are generally reluctant to travel to an unknown zone to buy jewellery.

The major difficulty that faces the traditional *swarnakars* is the unavailability of modern techniques and machines in their disposal. Mr. L. Ghosh, a small *swarnakar* and a member of Kalibari Jewellery Association, said that modern machineries are too expensive for their setup as the demand of the ornaments, the amount of business, profit, and the amount of raw gold that they deal with are not sufficient enough to mechanise their production. Other problems are rising wage rate of *karigars*, higher taxes, inability

to make low weight *jewellery*, hassles relating to procurements of hallmarks, lack of standardized rules and regulations for purchase of raw gold, the risk involved in purchase of raw gold from black market, huge competitions among the traditional *swarnakars* and with corporate jewellers. Despite so many difficulties one can see that over the last three–four years many new jewellery shops have come up in Bidhan Market, some of which are new outlets of the already existing traders. This shows that there are still some business opportunities for the small and medium *swarnakars* in Siliguri.

Jewellery business creates lots of job opportunities for the *karigars* of different categories, who are in demand to complete different stages of jewellery making. It opens up opportunities for the job-seekers from the neighbouring states like Bihar, Assam, Orissa, Uttar Pradesh, who migrate to Siliguri to work in the jewellery industry. The demand for jewellery in Siliguri is stable as well as on the rise. There are many reasons for this. Siliguri is a business hub; people are economically rich for whom gold jewellery represents ‘status symbol’ not only for women, adolescent girls and small kids but also for men and adolescent boys. Married women and men wear gold jewellery in line with the demands of the social ceremony or function. The norms, the traditions, the standards and the will to display wealth in coherence with the growing purchasing power of the burgeoning middle-class attract people to the jewellery shops. The obligation of gift-giving among the kin, the compulsion to buy ornaments on festivals like *Dhanteras* and *Akshaya Tiritiya* and in many more occasions sustain the jewellery demands in the market. Ornaments of different designs and styles are made for each part of the body to grab the attention of the consumers, who are driven by a desire to beautify the body. Nowadays, the small and middle *swarnakars* are using advertisement media, largely under pressure from corporate jewellers, for promoting their business. The buying of ornaments by the upper and middle classes also entice the lower and lower-middle-class consumers to buy ornaments within their means, and at times, by stressing their means. Exchange of gold ornaments during marriage and other social occasions has been mandatory for these classes as well. However, keeping true to their means they purchase light-weight ornaments or even customized gold jewellery at times.

For a long time, Siliguri jewellery market was controlled by the small and medium jewellery traders who ran their family business. Some of these business families spread out their outlets in different parts of North Bengal, namely, Matigara, Bagdogra, Jalpaiguri, Malbazar, Birpara, Coochbehar, Alipurduar and even in Bongaigao and Kockrajhar in Assam. The entry of the corporate jewellers and frequent changes in the governmental policies have shaken the traditional *swarnakars*, especially *karigars* and small *swarnakars* as their business face new challenges. Another threat comes from the growing popularity of imitation jewellery, known as ‘city gold’ jewellery, made of bronze and coloured in gold. For the commoners it is very difficult to differentiate ‘city gold’ from real gold jewellery. The cost of ‘city gold’ jewellery is much lesser than real gold jewellery. People from lower income groups are now catching up with the trend of buying city gold jewellery, which they can afford. The demand for hallmark jewellery with logo and number, such as BIS 916, 22-karat gold, is making gold jewellery costly. As a result, proper gold jewellery is going out of reach of many of the lower and middleclass customers. For safety reasons too, a section of consumers are now shifting towards wearing city gold jewellery, particularly when they travel.

Strength	Weakness
<ul style="list-style-type: none"> • Availability of skilled cheap labour • Production cost is less • Long-standing reputation • Fast supply of ordered gold Jewellery • Repair of old and damaged jewellery 	<ul style="list-style-type: none"> • Consumers do not pay the total amount of jewellery at a time. • The entry of the corporate jewellery brands in Siliguri • Inadequate infrastructure (<i>for small swarnakars</i>)
Opportunities	Challenges
<ul style="list-style-type: none"> • Employment in large number • Entry of the youth • Entry of non-caste individuals in this occupation • People with less educated but skill can find jobs 	<ul style="list-style-type: none"> • Volatile gold price • Regulatory governmental policies (GST, Hallmark) (<i>for small swarnakars</i>) • Frequent change in governmental policies • Accounting for all transactions

The entry of the corporate jewellers in Siliguri has affected the business of the small and middle level traders and this is the general perception. The corporate jewellers enjoy huge competitive advantage. However, Mr. P. Karmakar, a middle *swarnakar*, has disclosed that the entry of the corporate jewellers in Siliguri has given a huge scope

for the middle-level jewellers to retain their business but the small business has been seriously affected.

3.8 Seasonality in Jewellery Business and Changing Business and Marketing Strategies

Gold has a religious significance in India. It has its long history that traces back how this yellow metal has become a part and parcel of our social and economic life. As a metal, it is a good conductor of heat and electricity; and it is also considered as a novel metal because it does not react with chemicals as it is resistant to tarnish and corrosion. For this reason, gold jewellery is taken as the purest and sacred something to be offered to Hindu god and goddesses. The behaviour of the Siliguri jewellery consumers vary depending on seasons; in the festive seasons the jewellery trade goes up while in other seasons it slumps. Traditional *swarnakars* are aware of the time, months, dates (written in *Panjika, a Bengali calendar*). Traditional *swarnakars*, arrange their sale according to the dates of the festivals, marriage seasons and so on. It is found that the upper-middle class and the upper-class people purchase gold jewellery during *Poila Baishak* (Bengali New Year); they buy jewellery besides buying new clothes. Mr. D. Pal, a 29-year-old small *swarnakar* said that Siliguri is a multicultural city and the Marwari, Nepali and Bihari consumers buy jewellery following the Hindu calendar. It is noticed that consumers purchase gold in *Poush, Chaitra* and *Bhadra* months since they consider these months to be auspicious months for marriage and *annaprasan*. *Akshaya Tritiya* and *Dhanteras* are the two festivals when the consumers consider purchasing gold jewellery or gold coins to be devout. *Akshaya Tritiya* is celebrated in the month of *Vaishak* (late April or early May). It is believed that buying gold jewellery or gold coins will bring prosperity and good fortune to the life of the buyers because gold symbolises with 'goddess Lakshmi'. Traditional jewellers look for this fortunate day on which they sell high and earn a great amount of profits. Besides, on this day, they recover old and sell wedding jewellery. They give discounts on incentives on purchase of more jewellery. Another festival for purchasing gold jewellery is *Dhanteras*, which is celebrated in the month of *Ashwin* (late October to mid-November). It is also known as the festival of wealth. As a part of Hindu tradition, this day is celebrated exactly two days before Diwali where the traditional *swarnakars* gives offers and discounts of various kinds on purchase of gold coins and gold jewellery. Among the regional

festivals in Siliguri Durga Puja, Diwali and Teej Festivals, which also provide the Hindus occasions to purchase gold jewellery.

Besides, among the Hindus, there is a custom for gifting gold jewellery on occasions like marriage and *annaprasan*. People buy gold jewellery when a son or daughter is born. The ideology behind gifting gold to the son symbolises pride for the family and for the daughter purchasing gold means future security and marriage. The jewellers prepare according to the festival calendar. Mr. S. Roy, a 51-year-old small *swarnakar* said that January, February, June, October, November and mid of December are the months for wedding and during these months sale generally goes up. Mr. K. Goswami, who is a *karigar*, stated “during these seasons the work pressure is high. The sale of gold jewellery increases in early-mid September, on the eve of wedding season”. Another middle *swarnakar* said: “jewellery sale is high in the marriage months and when there is a drop in the rate of gold. Upper middle class and upper class or business class people purchase jewellery when the gold rate is relatively low”. Therefore, sale of gold jewellery these days does not depend only on *Panjika*, as consumers wear gold jewellery to display their social status. One can notice a growing tendency among men and women to wear gold jewellery to flaunt and it has become an integral part of their economic status. The middle- and upper-class people also show a tendency to go for the trendy jewellery, like light-weight gold jewellery, modern designs, and so on. With changing fashion, the middle- and upper-class consumers show a tendency to exchange their old and out of fashion jewellery for the new and trendy jewellery. This gives an opportunity to the middle *swarnakars* to make profit.

3.9 Jewellery Associations in Siliguri

Over the years, with an increase in the number of jewellers in the Siliguri market, there emerged a demand for an organization or association. Association is a formal organization with members having a common purpose or interest, which works in a spirit of democracy and cooperation and promotes fellow-feeling among its members. *Swarnakars* and *karigars* of Siliguri came together and formed an association for helping each other and to promote jewellery business collectively. There are four different associations with different interests but they have a history of cooperation at times of common and bigger crisis. Those four associations are as follows:

1. Bangiya Swarna Silpi Samity (BSSS) located in Khudiram Pally
2. Siliguri Swarna Shilpi Unnayan Samity (SSSUS) located at Kalibari Road cum New Cinema Road in Mahabirsthan
3. Hill Cart Road Swarna Silpi Samity (HCRSSS) located at Hill Cart Road
4. Siliguri Brihataya Swarna Rupaya Bapshai Samity (SBSRBS) located at Bidhan Market

The largest of these associations is Hill Cart Road Swarna Silpi Samity. Khudiram Pally and Mahabirsthan and Hill Cart Road associations have their registration number of their own and they are also active associations. All the associations have their own way of decision making and protecting the interests of their members. These associations undertook programmes to improve the life of the *karigars* and small *swarnakars* as well as the middle *swarnakars*, who have been into this business for more than three generations. Mr. S. M. Patil, a middle *swarnakar* who has his jewellery shops in Khudiram Pally, Hill Cart Road, Mahabirsthan and also have a small jewellery outlet in Sikkim, said that *Bangiya Swarna Silpi Samity*, which is the mother of all the associations in Siliguri, does not operate on a set of concrete rules and regulations. The mother organization, have no specific interest towards the beneficiaries and lacks unity among the members. However, *Hill Cart Road Swarna Silpi Samity* is the most organised of the associations, which works according to a set of written rules and regulations; it also organises a lot of programmes like blood donation camps and celebrates occasions like Saraswati puja, Vishwakarma puja and helps the association members. Like so, Mr. J. Kr. Sarkar, aged 51, a small *swarnakar*, said that *Siliguri Swarna Shilpi Unnayan Samity* of Mahabirsthan is more like an informal association; it has no written rules and regulations, but it is the most active association in terms of helping its needy members.

3.10 Problems of Traditional swarnakars

Currently, the traditional *swarnakars* are confronting a number of problems. Some of these problems are rooted in the external developments like the complicated governmental policies and all-powerful corporate jewellers. Traditional *swarnakars* are dependent on the skills of the *karigars* for making gold jewellery. *Karigars* are the backbone of the jewellery industry. They have the ability to design jewellery on any

specification given to them by the customers. Due to increased complexity in jewellery designing the *karigars* are facing problems, as they cannot meet some of the demands. The limitations of the skills and outdated machinery prevent them from adapting to new demands.

The gap between modern designs (which are done with sophisticated machinery) and traditional designs done by the traditional *karigars* is widening. Although Siliguri consumers still prefer traditional designs over modern designs, it becomes difficult for the traditional *swarnakars* to meet changing taste of the customers. Methods that they follow in making jewellery for polishing, dyeing, manufacturing and designing machines are gradually being replaced by the methods followed in modern manufacturing industries, which run on large-scale automation. These days, to cut on production cost, the middlemen supply readymade parts (which can be assembled to make a piece of ornament) which are proving to be cost-effective. The middle-level *swarnakars* have the money to buy them in bulk but a single traditional *swarnakar* does not have the money to buy in bulk. To overcome this problem, a few traditional *swarnakars* team-up to purchase readymade parts, which they distribute among the small *swarnakars* according to their demand. This process of making jewellery has simplified the jewellery manufacturing procedure where these small bits of designs can be soldered together to create fascinating designs to attract the consumer's attention.

The new system of jewellery making threatens to reduce the traditionally skilled *karigars* to mere assemblers of made parts. Their long-earned skill is no longer useful and they thus feel alienated from their craft of jewellery making. On top of this many *karigars* are faced with the threat of losing job and the ones who continue to work are paid less. A gripping sense of alienation has forced many *karigars* to leave the job as *karigar* and to start a new business of their own outside jewellery business. This has adversely affected the traditional *swarnakars*, especially the small *swarnakars* in Siliguri. The slow growth of the business has made the small *swarnakars* to motivate their offspring to go for other career options rather than continuing with their hereditary business. The shortage of permanent *karigars* is affecting the small and middle *swarnakars*. It has become a common pattern in Siliguri jewellery market that the young and energetic *karigars*, after mastering the skill and techniques of jewellery making from the shop owner and fellow *karigars*, start their own shops after some time.

Intragenerational job mobility is found among the traditional *swarnakars*; they take with them some of the stable customers of their old employer. This is leading to an increased competition among the small jewellery shops. The total business is thus being parted and fragmented.

Alienation of the *karigars* and traditional *swarnakars* can be put to an end if a proper training facility is arranged for the traditional *swarnakars* to run the business; the *karigars* have to be given special training for making modern jewellery using modern machines. But such training facilities are missing in Siliguri. The associations should take up the task of modernizing the industry in order to survive in a competitive market. For unknown reasons, the associations are not interested in doing so. It is found that the middle *swarnakars* are updated about these training programmes and certification course for running and sustaining the *karigars* in the shop. According to Mr. A. Agarwal, aged 28, Mr. P. Karmakar, Mr. M. Saraf and many more middle *swarnakars* have acknowledged the importance of specialized training and modernization for the survival of the business. They have participated in various training programmes held in Kolkata, Delhi and Mumbai, and have been immensely benefitted. Mr. A. Agarwal was of the view that the small *swarnakars* are largely unaware of all these programmes and few of them who are aware are educationally backward; some of them have no interest to attend, some are afraid to participate and most of them feel that it is not for them. Traditional *swarnakars* who are less educated were ignorant about up-gradation training and were unable to acquire information about the programmes. These training programmes are expensive and are held outside Siliguri so they were unable to pay the course fee for training purpose. This gap in knowledge and lack of awareness has created problems for small *swarnakars* in Siliguri.

The working environment plays a significant part in the work life of the *karigars*. It is the place where the *karigars* spends most part of their working life. It is natural that the work environment would have a direct bearing on the life of the *karigars*, their health and mental condition. It has been found that a large number of *karigars* confront some kind of health-related problems due to the bad work environment. The size of the workshops is generally small and congested. Small jewellery shop owners keep at least one *karigar* in their workshop. For them, the workshop size, on an average, is approximately 5 feet by 5 feet. For the medium-sized shops, where 6-7 workers work,

the average room size is 9 feet by 10 feet. Besides congestion, the work involves flame, burner, high temperature resulting from heating and melting the gold. Fresh air does not flow in the absence of windows and ceiling fans. The working environment becomes intolerable due to rising heat, irritating smoke and smell of the chemicals used for melting gold. For cooling the temperature of the room, they use table fan. While the work is on, the *karigars* are not allowed to use a fan as it interferes with the process of making jewellery. Inadequate ventilation and polluted air inside the workshop stress the *karigars* and this leads to fatigue and drowsiness. The *karigars* are made to inhale toxic particles day in and day out causing irreversible health ailments. In general terms, this can be termed occupational hazardous, but from the perspective of the *karigars*, it is ‘taken-for-granted realm of routine’ (Storey 2014). Out of 17 *karigars* whom I covered in my study, 14 (82.3 per cent) are affected by asthma and spondylitis. Other 3 (17.64 per cent) have developed eye problems.

Mr. S. Karmakar, aged 55, a *karigar* who works in a small *swarnakar*’s shop said: “A few weeks ago, I started feeling a weird sensation in my right-hand finger, a numbness. This sensation got worse after working with my jewellery tools and instruments. My hand started shaking while I was making jewellery.”

In this way, the *karigars* are susceptible to many health issues; they develop different ailments in hands, arms, neck, shoulder, and back. Governmental policies and programmes have also impacted the traditional *swarnakars*. After the liberalization of gold policy in 1991, the demand for gold jewellery began to increase. The flow of smuggled gold (untaxed gold) also increased; the government was not in a position to monitor the actual transaction of gold in the market. The mandatory “Hallmarking of Gold Jewellery and Certification of gold jewellery” is done to safeguard the consumers from adulteration and impacted jewellery business adversely. The imposition of GST on all gold transactions also increased the worries of the small traders. The corporate jewellers with their better management skills have adjusted with the new legislations well as fast. But the small jewellers had a tough time to adjust. As the traditional *swarnakars* cannot give the certificate of the purity of gold with Hallmark, the trust of the consumers is on the wane. The increase in excise duty and the mandatory PAN card for the consumers for any transaction of Rs 2 lakhs and above have also affected the business of the small *swarnakars*, who were in the habit of doing the transactions

informally. The World Gold Council Report 2014 has noted several problems that face the traditional *swarnakars* in India, and recommended upgradation of the infrastructure of jewellery market. The government so far has not made any policy or scheme for the upliftment of the traditional *swarnakars*. But in 2014, the World Gold Council (India) proposed a “Karigar Welfare Scheme” for the gold workers and a scheme for skill development. Till date, all the governmental policies are related to the raw material needed for making jewellery i.e. “gold”.

The traditional *swarnakars* work in their own shop and make jewellery with the help of *karigars*, whom they employ. They work with their traditional tools, which their earlier generation used to use. Thus, they find it difficult to compete with modern industries which operate with hi-tech types of machinery. From the Table 3.3, it is clear that the oft-cited problems that face the small traders involve lack of finance, innovation and absence of modernization of production system. Thus, when the big business is entering the market with all advantages, they are out to lose business. The problems, which the traditional *swarnakars* are facing, are as follows:

Table 3.3: Problem of Traditional *swarnakars*

Problems of Traditional <i>swarnakars</i>	Percent
Showcasing of jewellery product	25%
Free demonstration of jewellery	25%
Lack of financial support	100%
Inability to make low weight jewellery	100%
Inability to give discount on jewellery price	37.5%
Offer Price	62.5%
Inability to give free gift on purchase	37.5%
Lack of variation in jewellery design	100%

Source: Primary Survey, 2015-2018

3.11 Summary of the Chapter

In this chapter, I have given an outline of the traditional *swarnakars* in Siliguri jewellery market. I have discussed about their evolution and spread of the traditional caste business, the business organization and business strategies and their challenges and problems. The picture that I have got it that in the changing scenario the traditional

swarnakars, especially the small *swarnakars*, and the *karigars* are finding it extremely difficult to sustain their livelihood. The middle-level *swarnakars* have adjusted well as they find ways and means to expand their business but the small *swarnakars*, and their *karigars* are fighting a survival battle with the approach of the big and corporate traders. The newly introduced government regulations and the new tax regime are also going against their interest. The traditional *karigars* are gradually becoming redundant with the population of ready-made factory ornaments and mechanization of large-scale production system controlled by big business.