CHAPTER 3

The significance of the district of Barddhaman in the present industrial situation of West Bengal

The industrial development of an area is largely an index of its economic growth. After independance the deficiency in the field of industry was realized by the Govt. of India. So, Indian Planning Commission laid a greater stress on stepping up the industrial production in different planning periods, particularly from Second Plan period.

Prof. Mahalanobis's mode, which was the kernal of Second Plan strategy, directed the industrial planning of India through the establishment of heavy and key industries which were to have a maximum growth in the economy. A pronounced emphasis was put on heavy, basic capital intensive industries to accelerate economic growth. Thus major development took place mainly in iron and steel and in engineering industry in the areas where the locational advantages were available.

West Bengal enjoys a number of locational advantages for which the State showed a steady progress in the industrial growth. Apparently, the State has a duel economy as it is fortunate both in industry and agriculture. Traditionally, West Bengal has placed an important role in the industrialization of India, third only to Maharashtra and Tamilnadu. About 13% of the country's total number of registered units is located here and those absorb over 16% of country's total number of workers. Suitable geo-econmic condition helps the state to enjoy a monopoly in jute textile and to grow 20% of India's total tea. Once, the monopoly of jute helped the State to contribute the largest share among all the States in the country's foreign exchange earnings. This is clearly stated by A.K.Chatterjee in his article

on 'Jute Industry, Problems & Prospects' - "The role of the jute manufacturing industry in our country's economy is quite evident from the fact that nearly one fifth of the total foreign exchange of the country is earned through the export of jute goods and the industry continues to be the number one foreign exchange earner. About 96% of the jute mills are concentrated in West Bengal. The industry employs about 240,000 workers and about four million agricultural families are dependent on jute cultivation as their major source of income". So this traditional industry of West Bengal had an important role in India's foreign exchange earning. In order to manufacture machineries to feed the jute industry, engineering units sprang up in the C.M.D., particularly in and around the city of Calcutta and Howrah. But, now this industry has lost its relative importance in many respects.

On the other hand, the State is also rich in its mineral products. About 30% of India's total coal is met by the Ranigunj field, located in the plateau fringe of the State, particularly in the district of Bardhaman. The Second Plan policy which aimed at the rapid industrialization through the establishment of large industrial complex stimulated the state's industrial growth that was entirely depending on coal.

The industrial growth of West Bengal was high during 1959-60 and it maintained a steady growth till 1965. It may be pointed out from the Economic Review 1963-64 that, 'industries are springing up rapidly around Durgapur which is in the midst of the Bengal - Bihar coal belt and ideally suited to sustain a large industrial complex'. The industrial units of West Bengal showed 36% growth in 1960-65. Then the situation appeared to be somewhat uncertain, as evidenced by the fact that 26% growth of industrial units was noticed within a span of seventeen years (from 1965-82).

Owing to rapid industrialization right from early sixties onwards, Asansol - Durgapur Industrial Complex emerged as an important industrial belt of the State as well as of the country. Outside the jute industrial belt of C.M.D. area, this basic heavy industrial area has a key position in the total industrial structure of West Bengal. This industrial area covers an area of about 1200 sq.km. in the district of Barddhaman. The area is endowed with rich resources like coal and other non-metallic minerals and located favourably in regard to availability of other essential minerals along with infra-structural facilities. This linear area, running from Barakar in the west to Durgapur in the east, has developed with the establishment of some large-size public and private sector plants while some other units had already been developed prior to independence.

But it is obvious that the mere establishment of a few large-size units cannot help to generate industrial growth of a particular region unless the area is provided with a number of small-scale industries to feed the construction process of the big units. Asansol Planning Organisation has pointed out that "To reap structural and economic advantage, the planned growth of small scale and ancillary units is a desired goal." Thus in maximising growth initiating potential of a newly developing economy an appropriate programming of small industry should receive a high priority. This is amply supported from the experience of the present more developed economies. This was stated by V.S. Mahajan in his article on Small Engineering Industries in Growth Strategy. Such an appropriate programming of small industries did secure a spread effect in industrialization in the western part of Barddhaman.

district. The West Bengal Small Industries Corporation was formed with a view to generate more employment and to develop a sub-contracting relationship between the small and large scale industries supplying machineries needed for their parent units.

In addition, the eastern part of the district has been benefitted by an intensive network of canals in the command area of the D.V.C. which has turned the district into a flourishing agricultural area. This has favoured the district with a significant role in agricultural food-products industry of the State.

In order to study the industrial importance of the district, 'number of workers employed per factory'\(^7\) has been taken as a standard for measuring the size of the industrial unit. In industrial labour strength the district ranks fourth in West Bengal next to 24-Parganas, Haora and Hugly districts\(^8\) - all belonging to Calcutta Industrial Area. These three districts are famous for jute and engineering industrial labour concentration while Bardhaman stands mainly for mineral-based industry. The following characteristic features may particularly be mentioned.

1. Keeping in view the agricultural production under the Intensive Area Development Project, along with its Package Programme, it can be stated that, the district has also grown in agricultural food producing industry, particularly rice mills, in which she ranks second next to Birbhum district. The district does not have any jute and tea processing industry which are the two other important industries of the state.

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\(^7\) Structure of Indian Industries - M.M.Mehta, Bombay, 1961, pp.374.
2. The paper industry has got an important role in the district, second only to 24-Parganas. The Bengal paper Mills, one of the oldest units of the district, is responsible for such position.

3. The basic heavy inorganic chemical industry has promoted the district to rank second after 24-Parganas. The raw gas extracted from coke-oven plant is used as raw material of this industry. This industry has enabled some small scale units to be established depending on the raw materials supplied by Durgapur Chemicals Ltd.

4. Owing to the high priority given to refractories, Barddhaman stands ahead of all other districts in West Bengal. In producing such other non-metallic mineral products like lining bricks, plate glass, cement and so on, the employment capacity of the district is higher than other districts.

5. The metal industry has assumed tremendous importance in the district particularly in view of its high capacity of manpower absorption. A large section of industrial workers are employed by the public sector plants like Durgapur Steel Plant, Alloy Steel Plant, IISCO etc. These industrial units act as parent units of some small ancillary units. These ancillary units are complimentary to their puts units for their regular supply of machineries, machine tools and accessories required by the large units. In addition, these large units have a spread effect of industrialization in Asansol-Durgapur Industrial Complex, showing sub-contracting relation between basic metal and engineering industry. It can be added that engineering industries like their manufacturing nuts and bolts, hardware, textile machinery and jute machinery, are highly developed in Haora, Hugly and 24-Parganas.

9 Small Industries— Seminar in the Districts of West Bengal. Directorate of Cottage & Small Scale Industries, Govt. of West Bengal, 1970, pp. 186
6. Barddhaman stands ahead of all other districts in West Bengal in developing large engineering units such as Chittaranjan Locomotives, Asansol Sen Raleigh, Hindustan Cables and so on. Such large engineering units have not been developed in any other part of West Bengal. Moreover, the large engineering units like ACC-Vickers & Babcock, Mining & Allied Machinery Corporation are also established here supplying engineering equipments and machineries to cement industry and coal mines respectively.

In short, it can be stated that, the district is fairly developed in its mineral-based industry. Some large units of this class play a leading role in the entire strategy of ancillary development and spread effect of industrialization of the State. Simultaneously, the traditional agro-based industry shows a marked growth over the eastern part of the district. These two add to the important role of the district in the industrial scenario of West Bengal. This is why so detailed analysis of the nature of industrial growth of Barddhaman district over time and space becomes so necessary.

* Sometimes called ACC Babcock Ltd. Dr AVB
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