CHAPTER - 5

MINERALS AND INDUSTRIES

Minerals:

In Bishnupur District, there has not been any detailed exploration of minerals. It is not known whether there are any useful minerals in Bishnupur District. However, mention may be made of sand and stone which are extracted from Thongjaorok and Khuga rivers, etc., for the purpose of construction of roads, dams, canals and buildings.

Development of cottage and small scale industries in Bishnupur District:

The Government of India announced an Industrial policy on 23rd December, 1977. The main thrust of the policy was on effective development of cottage and small scale industries widely distributed in rural areas and small towns in the country. The focal point of development of cottage and small scale industries was being shifted from state capitals and cities to district headquarters and villages.

One of the major steps taken to implement the new policy is the introduction of “District Industries Centres” (DICs) programme to cover the whole country. The District Industries Centre programme was launched in Manipur during the year, 1979-80. The main thrust of the programme was to provide all necessary inputs and facilities under a single roof to cottage, small scale industries, handloom and handicraft and other small and tiny industrial units. Also DICs are to undertake economic investigation of the potentials for the total development of the district including its raw-materials, demands, skills and other resources, identification of entrepreneurs, preparation of project profiles, assistance in procurement of machinery, equipment of raw-materials
and infra-structural facilities, making effective arrangement for credit facilities, quality control, research, extension and entrepreneurial training and rendering marketing support.¹

The District Industries Centre (DIC) of Bishnupur District was inaugurated on the 2nd October 1983 and its structural composition is as below:

1. General Manager - 1
2. Functional Manager - 3 (Credit, K.V.I/Infra, Economic investigation
3. Project Manager - 2. (Machinery & Handloom)
4. Assistant Manager - 1
5. Development officer - 1
6. Account officer - 1
7. Supervisor - 2 (Infra )
8. Supervisor - 3 (Credit )
9. Supervisor - 2 (Marketing)
10. Supervisor - 1 (Technical)
11. Supervisor - 6 (Handloom)
12. Other Supporting Staff - 30

In Bishnupur District, there is no large-scale industry at present. One of medium Scale, Sugar mill at Kabowakching was coming up under the public Sector in the District. But is now abandoned another hand-made paper plant based on water hyacinth has been proposed at Toupokpi. The present level of Industrial development is confined to Small Scale and artisan-based decentralised sector in terms of technology, investment limit, etc.

The development of Cottage and small scale industries Sector consists broadly of:

(i) traditional Cottage and household industries (viz., handloom, khadi & village industries, handicrafts, Sericulture and Coir-industry) ; and

(ii) modern Small-Scale industries.

Out of them, handloom weaving is the single most important industry which gives employment to women in large numbers. Handloom products of this district find market in the other Sates of India and foreign countries. 2

The most important characteristic of the Bishnupur District economy is its heavy preponderance on agriculture. The economic situation in the district is closely associated with the performance of the primary sector. This dependence mainly on one sector is proving to be a stumbling block on the road to socio-economic progress. Growth of new industries notable of which is Tasar, is in infant stage. However, contributions made by different units like small scale industries, electricity, gas and water supply, trade, transport, etc., towards the district economy are noteworthy. The economy, of course, is not diversified. It is very backward. Therefore, cottage and small scale industries occupy an important place in the economic structure of Bishnupur District.

Cottage Industries:

Cottage industries and handicrafts constitute major elements in the organic unity and culture of the people from the earliest beginnings in the known history of India. 3 The same thing is true of Bishnupur District.

Cottage industries are run as household enterprises, employing little or no hired labour. They require no power and production is generally carried on in the home of the artisan himself.

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They make traditional products with traditional methods. They get their raw-materials from local sources and dispose off their products in the local markets. They are found both in rural areas and in small towns. Examples are cotton handloom weaving, embroidery work, pottery, etc.

**Cottage industries may be of three types. They are:**

(i) Part-time rural cottage industries cover all such industries which provide supplementary occupation to agriculturalists, *e.g.*, handloom weaving, agriculture, basket-making, flour grinding, etc.

(ii) Whole-time rural cottage industries comprise mostly village crafts like pottery, blacksmithy, carpentry, oil-pressing by ghanis, handloom weaving by professional weavers, shoe-making, etc.; and

(iii) Urban cottage industries generally provide whole-time occupation to the workers engaged in them, *e.g.*, gold and silver thread manufacturing and ivory carving, brass and bell metal industries, toy-making, silk fabrics, etc.⁴

Following are the chief characteristics of the cottage or household industries:

(a) Such industries are decentralised and scattered over the whole country and carried on at different centres

(b) They are carried on by handicraftsmen in their own homes, on their own risk and for their own benefit

(c) They are carried on either with the help of the members of the family or with the help of hired labour whose number does not usually exceed ten

(d) Normally the amount of capital invested is small

(e) The necessary skill for carrying on the crafts is handed down from father to son or from the master to the apprentice

(f) The raw-materials are usually available near at hand while the tools needed are very few, simple and in most cases, are manufactured locally

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(g) Hand-power is mostly used. In some cases, machine power is used on a small-scale with no division of labour

(h) The largest section of the cottage industry thrives on the local market, though some of them cater now to the needs of the foreign markets and

(i) They absorb only a part of the time of the workers.

Such industries are organised by individuals with private resources and with the help of members of the household and are pursued as full-time or part-time occupation.  

Small-Scale Industries:

Small scale industries are those which produce traditional products but often use modern techniques. Examples of such industries are shoe-making, brick-kilns, manufacture of furniture, etc. These industries make use of improved methods but are essentially labour intensive.

Small-scale industries may be classified into four types. They are:

1. Part-time urban small-scale industries consists mostly of seasonal industries engaging part-time labour e.g., pottery
2. Whole-time urban small-scale industries include small permanent factories and workshops such as small hosiery factories, engineering factories, printing presses, etc.
3. Part-time rural small-scale industries cover all seasonal factories in rural areas such as rice mills, gur-making, etc. and
4. Whole time rural small-scale industries are extremely few and it is in this field that the scope for the establishment of new industries is the greatest.

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At one time, small-scale industries or small enterprises were defined by the Government at those industrial units which employed less than 50 workers while using power, or less than 100 workers without using power. But now-a-days, small enterprises refer to those units which have gross and fixed capital upto Rs. 60 lakhs or Rs. 75 lakhs for ancillary units. The investment limit for the tiny industrial sector was also raised from Rs. 2 lakhs to 5 lakhs.\textsuperscript{6} Since February 1999, the investment for modern small scale industries has been fixed at Rs. 1 (one) crore while that of the tiny industries has been raised to Rs. 25 lakhs.

The characteristics of small-scale industries are:

(a) They are localised in urban and semi-urban areas;

(b) They use machines, power and modern production techniques;

(c) Their capital investment is not more than Rs. 1 (one) crore, irrespective of the number of persons employed. The capital investment means investment in fixed assets like land, building, machinery and equipment. Where units are functioning in rented premises, the capital valuation of such building is taken into account in assessing the prescribed limit of Rs. 1 (one) crore. When calculating the value of machinery and equipment, the original price paid by the owner is taken into account;

(d) They are run by small entrepreneurs or self-supporting workers and sometimes by co-operatives;

(e) They employ labour on wage basis and use the capital of other people;

(f) They produce goods for expanded markets and

(g) They work on a permanent basis.\textsuperscript{7}


\textsuperscript{7} Ibid., p. 827
Cottage and Small-Scale Industries in Bishnupur District:

The main theme of the New Industrial Policy of the Government of India is to develop the cottage and small-scale industries in the rural areas as well as in the towns and semi-urban areas of the country. The main aim of the new policy is to shift the focal points of development of cottage and small scale industries to the district headquarters policy is to shift the focal points of development of cottage and small scale industries to the district headquarters from the state capitals and cities. Establishment of a District Industries Centre (DIC) in every district is intended to provide all the services under a single roof. The functioning of the DIC in Bishnupur district at present is, however, highly unsatisfactory. It has become almost non-functional.

The development of cottage and small-scale industries plays an essential part in connection with the progress of economic development in a region or a society. The development of small industries has been given increasing emphasis in India under the Successive Industrial Policy Statement of the Country right from the first policy statement of July, 1948 to that of August, 1991.

But the development of cottage and small-scale industries in Bishnupur District primarily consists of traditional handloom and handicrafts and a few small industries like cycle and scooter workshops, automobile repair shops, bakeries, carpentry and wooden furniture units, printing presses, rice mill, watch repairing, etc. 8

The major components of the strategy and salient features proposed in this sector (cottage and small-scale industries) in Bishnupur District are as hereunder:

(i) to generate opportunities for fuller and full-time employment by:

a) revitalising and developing the existing traditional and other small-scale industries; and

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b) promoting intensive development of new viable small industries.

(ii) to raise the level of earnings of rural artisans, handloom weavers, craftsmen and others employed in these industries;

(iii) to promote the growth of these industries in rural areas and small towns;

and

(iv) to reduce progressively the role of subsidies by providing these selectivity for credit and development of skills, designs and marketing.

The main thrust of the policy will be the effective promotion of cottage and small scale industries widely dispersed in the rural areas. While the existing definition of small scale industry will remain, within the small scale sector special attention will be given to units in the tiny sector, viz., those with investment in machinery and equipment upto Rs. 25 lakhs and situated in towns with a population of less than 50,000 and villages.

While the number of industries reserved for exclusive development in the small-scale sector has been significantly reduced since globalisation, the Government will also consider introducing special legislation for protecting the interests of cottage and small scale industries with a view to ensuring that these activities which provide self-employment in large numbers get due recognition in industrial development.9

Present Position of Cottage and Small-Scale Industries in Bishnupur District:

The present position of cottage and small-small industries relates to the industrial status, the facilities given to small units, the present educational situation, the position of educated unemployed youth, etc. Examination of the present position is essential, as in the development of cottage and small scale industries, we have to view more carefully the progress made so far so that we can have an idea of the prospects and make reasonably accurate forecasts for the future.

Present Position of Educated Unemployed Youth:

In recent years, the number of educated youth, both technical and non-technical, not only in Manipur State as a whole but also in Bishnupur District has increase to a great extent owing to the continuous and rapid increase of local and other educational institutions thereby creating a critical position of educated unemployed.

At present, there are about Forty Five Thousands One Hundred and Five (45,105) only unemployed persons mostly youth in live Registers of the District Employment Exchange as per the Bishnupur District, At-A-Glance, 2004. It is not practically possible to provide cash of these unemployed persons with jobs in Government Departments.

To settle some of the problems of the unemployed youth, a special scheme for generation of “Employment For Educated Unemployed Youth” has been drawn up to be operated through the Directorate of Industries, Manipur. The scheme would be of two components:

1. Training component and
2. Self-Employment component.

The scheme will cover all educated unemployed youths who have passed the High School Leaving Certificate Examination and above.  

Self-Employment of Educated Unemployed Youth (SEEUY):

The scheme for providing self-employment to educated unemployed youth has been announced by the Prime Minister of India on August 15th, 1983 with the object of mitigating the problem of unemployed educated persons in the country. The scheme caters to educated unemployed youths, who are matriculates or above and are within the age group of 18 to 35 yrs. And beneficiaries are chosen from the relatively less affluent sections of the society.  

This special scheme is to be funded by the Centre and State on 50 : 50 sharing basis. The SEEUY scheme is providing loans to those educated unemployed persons who are willing to employ themselves. This scheme is divided into three types which are: Industry, Business and Services.

The scheme envisages to provide training in 21 (twenty one) trades to 865 educated unemployed youths for generating self-employment by establishing 865 industrial units in Bishnupur District. These industrial units will again generate an additional employment opportunity for about 865 persons. The industrial unit will be set up by the trained youths with the active technical guidance and economic assistance of the Industries Department, Manipur.

Training will be imparted to those potential youths in the selected trades and they will establish industrial units which are technically feasible and economically viable.

The names of the trades are as follows:

1. Handloom weaving
2. Bakery
3. Photo processing
4. Watch repairing and assembling
5. Dry battery assembling and repairing
6. Painting & artistic works
7. Tailoring (Ready made Garment)
8. Carpentry
9. Radio assembling & repairing
10. Automobile workshop
11. Iron and steel works
12. Sheet metal
13. Shoe making
14. Cycle & rickshaw parts manufacturing
15. Dry cleaning
16. Agarbati Manufacturing
17. Wool knitting
18. Cane & bamboo
19. Embroidery
20. Artistic metal & printing

The above list of the trades may be grouped into (a) handloom, (b) small-scale industries, and (c) handicrafts.

In the modified scheme, the beneficiaries for industrial and service ventures will include I.T.I. passed young persons apart from matriculates and above. The limit of loan for industrial ventures has been increased from Rs. 25,000 to Rs. 35,000 while in the case of service ventures, the limit remains at Rs. 25,000 while in case of business ventures, the limit has been reduced from
Rs. 25,000 to 15,000. However, the level of subsidy in all types of ventures is fixed at 25% of the total cost.

As mentioned earlier, the scheme is meant for relatively less affluent sections of the society and as such the family income per annum of the beneficiaries should not exceed Rs. 10,000 per annum. Further, there is reservation of 30% for scheduled castes/scheduled tribes.  

The total number of beneficiaries under the programme of self-employment to the educated unemployed youth in the district is as shown in the Table No. 5.1.

The present level of industrial development in Bishnupur District is confined to traditional cottage and small scale industries like, handloom and handicrafts, blacksmithy, jewellery, cane & bamboo works, carpentry and wooden furniture works, saw mills, printing press, iron and steel fabrication workshops, bakeries, tyre retreading and vulcanising, radio & T.V. repairing, tailoring and readymade garments, embroidery and wool knitting, electrical & battery repairing & charging, cycle repairing, vehicle repairing, dyeing & printing, etc.
Table No. 5.1
Number of Beneficiaries Under the Programme of Self-Employment to the Educated Unemployed Youth of Bishnupur District from 1983-84 to 2005-06.

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Year</th>
<th>Number of Beneficiaries</th>
<th>Amount in lakhs</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>1983-84</td>
<td>97</td>
<td>17.57</td>
</tr>
<tr>
<td>2.</td>
<td>1984-85</td>
<td>90</td>
<td>20.14</td>
</tr>
<tr>
<td>3.</td>
<td>1985-86</td>
<td>90</td>
<td>22.50</td>
</tr>
<tr>
<td>4.</td>
<td>1986-87</td>
<td>142</td>
<td>36.70</td>
</tr>
<tr>
<td>5.</td>
<td>1987-88</td>
<td>74</td>
<td>23.60</td>
</tr>
<tr>
<td>6.</td>
<td>1988-89</td>
<td>148</td>
<td>51.80</td>
</tr>
<tr>
<td>7.</td>
<td>1989-90</td>
<td>74</td>
<td>25.90</td>
</tr>
<tr>
<td>8.</td>
<td>1990-91</td>
<td>75</td>
<td>26.25</td>
</tr>
<tr>
<td>9.</td>
<td>1991-92</td>
<td>75</td>
<td>20.25</td>
</tr>
<tr>
<td>10.</td>
<td>1992-93</td>
<td>61</td>
<td>21.35</td>
</tr>
<tr>
<td>11.</td>
<td>1993-94</td>
<td>110</td>
<td>48.49</td>
</tr>
<tr>
<td>12.</td>
<td>1994-95</td>
<td>160</td>
<td>133.93</td>
</tr>
<tr>
<td>13.</td>
<td>1995-96</td>
<td>145</td>
<td>145.49</td>
</tr>
<tr>
<td>14.</td>
<td>1996-97</td>
<td>257</td>
<td>225.71</td>
</tr>
<tr>
<td>15.</td>
<td>1997-98</td>
<td>77</td>
<td>42.25</td>
</tr>
<tr>
<td>16.</td>
<td>1998-99</td>
<td>N.A.</td>
<td>N.A.</td>
</tr>
<tr>
<td>17.</td>
<td>1999-2000</td>
<td>43</td>
<td>29.65</td>
</tr>
<tr>
<td>18.</td>
<td>2000-01</td>
<td>N.A.</td>
<td>N.A.</td>
</tr>
<tr>
<td>19.</td>
<td>2001-02</td>
<td>75</td>
<td>38.44</td>
</tr>
<tr>
<td>20.</td>
<td>2002-03</td>
<td>42</td>
<td>20.40</td>
</tr>
<tr>
<td>21.</td>
<td>2003-04</td>
<td>75</td>
<td>52.00</td>
</tr>
<tr>
<td>22.</td>
<td>2004-05</td>
<td>85</td>
<td>37.69</td>
</tr>
<tr>
<td>23.</td>
<td>2005-06</td>
<td>97</td>
<td>23.69</td>
</tr>
</tbody>
</table>

Source:

Handicrafts in Bishnupur District:

Handicrafts are a special industry possessing special characteristics, historical and conventional, passed on from generation to generation. The first characteristic of handicrafts is that it is a traditional industry. But the handicraft industry may be mentioned with special account for contributing to the economic structure and development of the state. The handicrafts of Manipur are treated in high class in themselves drawing the main theme and subject matter from the episode of Khamba and Thoibi and later, Radha Krishna background of the then religious belief and designs depicting Pakhangba (the sacred snake). With simple processes of indigenous nature, craftsmen here produce handicrafts of excellence, the important of their being embroidery, cane & bamboo, traditional dance, costumes, ivory, stone & wood carving, metal craft, deer horn decoratives and supari walking sticks, dolls and toys, etc.

These beautiful crafts are scattered hither and thither owing to lack of proper organisation, lack of trained hands, finance and use of outdated tools and equipments by the artisans which are the main bottlenecks for development of these crafts in Bishnupur District.

In spite of having difficulties, demand of these crafts is increasing day by day in and outside Manipur. But the supply cannot meet the demand. In order to wipe out these problems, the Directorate of Commerce and Industries has taken up the following plan schemes and these plan schemes will also continue during the subsequent plan periods for development of handicrafts in Bishnupur District. The Government of Manipur proposed Rs. 1 crore for development of handicrafts in Manipur during the seventh plan period for the following programme:

1. Strengthening of cluster type of handicrafts training centre
2. Pina Fibre training cum production centre
3. Strengthening of training cum production centre for woollen shwal and carpet weaving
(4) Scholarship and stipend
(5) State award to craftsman
(6) Strengthening of export promotion, marketing, state participation in the exhibition
(7) Loan to craftsmen
(8) Opening of New Handicrafts Training Centre
(9) Equity share to Manipur Handloom and Handicrafts Development Corporation Ltd.
(10) Quality marking schemes and
(11) Opening of one crafts Mini-Museum for preservation of traditional handicrafts products.13

**Traditional Cottage and Household Industries:**

The present policy in Handloom Development is of more extensive than intensive type in nature. It will also be the endeavour of the State Government to take up schemes of Handloom in the form of loans or grants or subsidy to Weavers’ Co-operative Societies and individual weavers as well. Central Government assistance should be continuously sought in this regard. In future, therefore, stress should be given on intensive development and finding sufficient outlet of the products in both domestic and foreign markets.

The main objective of the development programmes is to provide steady and sustained employment to weavers and enlarge the base of production. Briefly the programmes are as under:

**Intensive Handloom Development Projects:**

**The special features of these projects are that:**

(a) the individual weavers who are without any organisational support would be brought under Handloom Corporations

(b) the supplies of yarn, dyes and chemicals would be arranged on a regular basis

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(c) the credit needs would be met by the banks and benefit of differential rates of interests would be available to a majority of weavers and
(d) the corporations would accept the responsibility of marking of the products of the beneficiaries.

Thus, for the first time, lakhs of weavers would be brought within the scope of the projects to enjoy better wages and work on modern loans under better working condition.¹⁴

But in artistic weaving also, there are so many accountable designs which are still famous such as Ningthou Phee, Lamthang Khulak, Khamen Chatpa, Shamilanmi, Moirangphee, Lashing phee, Leiroom, Hijamayek, Leirong, Akoibi Designs, etc. Each design has its own history as to how and by whom they were invented. In the art of design and painting Manipur can be proud of possessing good knowledge of dyeing of fast colour of various kinds and hard painting of clothes since time immemorial by using indigenous plant leaves, etc.

At present, the registration of these Handloom Development Co-operative Societies done by the Registrar of Co-operative Societies is while their activity is linked with the Directorate of Commerce and Industries. The responsibility for the success or failure of these societies cannot, therefore, be assigned to any particular organisation. Therefore, there is need to develop a single responsibility system. As in the case of some other states, the Directorate of Commerce and Industries can be made responsible for the same.

The design and quality of the products need diversification and improvement for which the introduction of new implements may be called for and market surveys for exploring both domestic and foreign markets should be conducted.¹⁵

¹⁴. Govt. of India, 1980: A Handbook For Extension Services, Rural Industrial Development: Development Commissioner, Small Scale Industries of India, p. 20
¹⁵. Government of Manipur 1990: Industrial Policy of Manipur: Directorate of Industries, p. 4
Khadi and Village Industries:

A khadi and village industries commission was established by the Govt. of India in 1957. But the Govt. of Manipur constituted only in 1966 a State Board for the development of khadi and village industries. The functions of the khadi and village industries commission are to plan, organise and implement programmes for the development of khadi and village industries.

The activities of KVIC cover training of artisans, supervising and managerial personnel, building up of reserves of raw-materials, tools implements and equipment and making them available to the programme implementing agencies at reasonable price. It also helps in marketing of goods produced by khadi and village industries.16

Then, the KVIC has decided to utilise the services of some selected institutions with a tradition of efficient and dedicated services in rural areas and guidelines have been evolved for:

(1) selection of institutions
(2) providing financial assistance to enable the institutions to build up required managerial capacity
(3) the nature of services to be rendered by the institutions and
(4) the nature and extend of financial assistance to be given to individual artisans.

The khadi and village industries commission, provides the fund required for implementation of khadi and village industries scheme in the form of loans and grants and State Government provides the funds to meet the establishment expenditure of the Board in the form of grant-in-aid.17

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Grants-in-aid are being given for the development of the following industries: village oil industry, non-edible oil, soap making, hand-pounding of paddy industry, palm fibre industry, cottage match industry, brick and village carpentry and blacksmithy. It has proposed grants-in-aid for the development of common workshop sheds.

The khadi and village industries board is playing an important role in Manipur including Bishnupur District where traditional industries are mostly of the cottage industry type.

**Financing of Cottage and Small Scale Industries:**

Finance is the life-blood of industry. No industry, big or small, can run without adequate finance or fund. Finance is a powerful developmental tool which greases the productive processes of industry like cottage and small scale industries. Financing is essential if the small sector is to function effectively. Because as we all know, finance is needed for investment in these small industrial units. It may come from both internal and external sources. But “it has been observed that all the sample industrial units have made capital investment mostly from their own resources.”

**Characteristics of Industrial Finance:**

Industrial finance differs from other types of finances such as commercial, agricultural and service finance in many aspects. Industrial finance by its very nature is a long term investment. A major portion of the capital is sunk in building, plant, equipment and machinery. Of course, certain portion may be used as working capital required for the purchase of raw-materials which will be converted into finished products and for meeting day to day expenditure such as payment of salaries, wages, etc. Generally, the major part of the capital is fixed capital and it cannot ordinarily be got back.

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The second characteristic of Industrial finance is that the investment must be of productive nature. The investment must be in a position to yield profit. It must also help the concern to build up reserves to provide for renewals and replacement of the initial investment.

Thirdly, the problem of providing finance to newly formed establishments, in the field of industry is such a complicated matter that it has given rise to specialised institutions.

Types of Finance:

An industrial unit requires finance of two types, firstly, for capital requirements like land, building, and machinery which in bank parlance is also called fixed capital, block capital or "Term Loan".

Secondly, the industry requires money to purchase raw-materials for its manufacturing process, spares and parts for its machinery. This alone is not sufficient. The raw-material goes through various stages of processing at which stage it is called "Work In Process" (WIP). Finance is required to hold stocks, not only the stocks in process but also finished goods pending sale. The finance provided against raw-material, W.I.P. and finished goods is generally known as working capital. The working capital also includes sundry debtors and expenses for wages, fuel, power, selling expenses, interest on fund borrowed, etc. 20

Types of Loan:

The loan capital structure of the small-scale industrial units coupled with their weak bargaining power emphasises the need for assistance from the district industries centre, in view of the strategic importance of the small-scale industrial sector in the national economy.

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The total capital requirements of an entrepreneur could be segregated into:

1. long term (loan) requirements for acquiring fixed assets like land, and building, plant and machinery, other installations, fittings, fixtures and so on and

2. short term (loan) requirements for working capital to meet the day to day requirements of business such as procurement of raw-materials, wages for workers, transport costs, etc. Here, we are concerned with long term requirements. Normally, State Finance Corporations provide long term loans. To some extent, commercial banks also provide long-term loans.

All small scale industrial units engaged/proposed to be engaged in process/service activity are eligible for financial assistance.

State Finance Corporations provide financial assistance upto Rs. 60 lakhs to private/public limited companies upto Rs. 30 lakhs to proprietary/partnership firms.

Rates of interest charged vary according to the size of loan and category of entrepreneurs like SC/ST, women entrepreneurs, ex-servicemen, physically handicapped persons, etc. Composite loans upto Rs. 50,000 are provided for meeting both term loan and working capital so that the small entrepreneur does not have to go to other institutions.

Promoter’s contribution varies from 10 per cent to 22.5 per cent depending on the category of entrepreneur, location of units, etc.

Under the “Single Window Scheme”, State Finance Corporations and twin function State Industrial Development Corporations provide financial assistance upto Rs. 10 lakhs and upto Rs. 5 lakhs for working capital if the project cost does not exceed Rs. 10 lakhs (excluding working capital margin). This scheme is refinanced by the newly created apex bank for small-scale sector known as “Small Industries Development Bank of India (SIDBI)” which became operational on April 2, 1990 as a wholly owned subsidiary of the IDBI.
The security for term-loan from State Finance Corporations would normally be by mortgage of land and building and by hypothecation of machinery and equipment acquired through financial assistance and personal guarantee/surety. Collateral security is optional at the discretion of SFCs/SIDCs.

The repayment of loan is usually in installments, spread over a period of 8 to 10 years, depending on the cash generation and the project profitability of the project.

A moratorium for repayment of installments of the principal ranging from 12 months to 24 months is allowed from data of the first release of the loan amount. However, interest is to be paid quarterly from the first release of the loan amount.

In respect of cases, where there has been considerable delay in implementing the project owing to factors beyond the control of the promoters, rescheduling of repayment of loan and extension of time for payment of interest may be granted on request.

Banking institutions all over the country like the State Bank of India and its subsidiaries, nationalised banks and other scheduled banks, are also assisting small-scale industries by granting financial assistance for acquiring fixed assets and working capital. They have arrangements either from their own funds or through SIDBI’s refinancing scheme.21

The banks have been advancing working capital loans to small scale industries in Bishnupur District over past few years are presented in the Table No. 5.2 below.

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<table>
<thead>
<tr>
<th>Sl. No</th>
<th>Year</th>
<th>Agriculture &amp; allied activities</th>
<th>Small Scale Industries</th>
<th>Other Services</th>
<th>Total</th>
</tr>
</thead>
<tbody>
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**Source:**
3. District Credit Plan, 1996-97: For Imphal, Thoubal, Bishnupur, Chandel, Ukhrul, Senapati, Churachandpur and Tamenglong District, Manipur State, p. 33
Seed Margin Money was introduced during 1977. The objective of the Central Scheme for providing financial assistance by way of margin or seed money to the State Governments and Union Territory Administrations is to enable them to expand their activities for promotion of small industries in Bishnupur District so as to increase employment opportunities including self-employment. The funds will be allocated to the State/District on the basis of their requirements and also the unutilised balances available with them from the funds already sanctioned for the purpose under the earlier Special Employment Programme.

Seed Margin Money would be admissible to the units in which investment on plant and machinery does not exceed Rs. one lakh and located in towns and villages having less than 50,000 populations. The extent of assistance will be 10 per cent of total investment comprising fixed capital investment, pre-operative expenses and three months working capital requirement or Rs. 20,000 whichever is lower. The assistance could be utilised for (i) Seed money the State Corporations to enable them to obtain institutional finance to supply units as specified above; (ii) Assistance for consultancy service to small units as specified above.

**Hire Purchase Scheme:**

Since the small man is short of capital and in order to help him buy machinery, both indigenous and imported, the government, through the National Small Industries Corporation (NSIC), supplied small industries with machinery. This facility is given to the small scale manufacturers and the NSIC also undertakes the distribution of scarce raw-materials and renders marketing assistance.  

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The objective of the Hire Purchase Scheme is to assist small-scale industrial units and entrepreneurs in the procurement of machinery and equipment on hire purchase basis. Only small-scale industrial units and entrepreneurs including ancillaries are eligible for obtaining machines on hire purchase.

Machines on hire purchase are made available to small entrepreneurs by the NSIC and the State Small Industries Corporation.23

**Problems of Cottage and Small Scale Industries in Bishnupur District:**

Although many facilities have been made available by both the State and the Central Government, most of the cottage and small scale industrial units in the district are faced with a variety of problems. It is interesting to note that the various problems being faced by the cottage and small scale industries arise because of their size. Except for a few items that have been reserved for exclusive production in the small sector, which also is merely in name only, these industries have to compete with the large industries. This competition raises a number of problems for these industries. The main problems faced by the industrial units of this district are given below:

(a) irregular supply/shortage of power
(b) shortage of water for industrial uses
(c) non-availability of scarce raw-materials
(d) lack of proper management
(e) lack of entrepreneurial talent
(f) inadequacy of entrepreneurial training
(g) lack of technological know-how
(h) poor quality of product
(i) lack of organised marketing system
(k) lack of policy for industrial area/industrial focal points

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(l) non-existence of a branch of NSIC

(m) lack of linkages between the department and other agencies like khadi board, handloom board and handicraft board and

(n) non-existence of statutory bodies like financial corporation, development corporation and infra structural development corporations.

Techno-industrial survey may reveal the real position and difficulties of industrial units. Many units are becoming sick. In the absence of infrastructural facilities such as power, water, raw-materials, etc., no industry can be developed in the district for the present. However, planning for industrial promotion may be taken up with a well planned scheme of state incentives in such a way that this backward district may come up with all feasible industries.24

**Shortage of Raw-Materials:**

The cottage workers suffer from acute shortage of raw-materials. The handloom industry is wholly dependent upon the supply of yarn from the mill. But there is no cotton mill in the State.

Thus, the artisan does not get enough of what he wants; what he gets is of poor quality and that too has to be bought at higher prices. In addition, there is also a considerable lack of reliability in the quality of raw-material sold by the middlemen with the result that it destroys the reputation of the artisan who uses them.

The result is that these industries very often fail to produce goods in requisite quantities of good quality and at cheap rates.

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The future growth of these industries depends on access to raw-materials and equipments. The international team, therefore, recommended specific revision in the present system of allocation which redresses the current inequalities of allocation and distribution between large and small industries. It suggested a phased programme towards a single price-tax system for all commodities.

Efficient marketing would depend upon the choice of articles to be produced, by exploring the potential demands of the rural areas and by converting it into effective demand and by gauging the demand of the urban areas as well. As far as possible the marketing organisation of small producers should be a co-operative society which should handle supply as well as the marketing functions of the members.


**Lack of Efficient Management:**

One of the most important problems that the small-scale units are encountering is inefficiency of management. As we all know, management is a kind of input which is essential for making an industrial unit successful. A dynamic leadership is compulsory on the part of an enterprise. But in the case of cottage and small scale industries in respect of Bishnupur District, dynamic leadership appears to be lacking in many cases.

**Lack of Entrepreneurial Talent:**

Entrepreneurial talent is also one of the most important problems in cottage and small scale industries in Bishnupur District. Without an adequate supply of entrepreneurial talent, it will be difficult to set up new industrial enterprises or expand those already set up.
The government arranges from time to time programmes, like Entrepreneurship Development Programme (EDP) in order to strengthen the entrepreneurial talent of potential entrepreneurs to enable them to take an active role in establishing small scale industrial units of their own. Where there is lack of entrepreneurial talent, there is also lack of industrial development. Hence, it is necessary to have real entrepreneurs in an economy. But in the Bishnupur District, entrepreneurial talent is lagging behind that of other districts. In this connection, the entrepreneurial training programmes conducted by the industries department of the State in collaboration with different specialised institutions are far from being adequate to meet the challenge. Besides, the follow-up programmes of financial assistance given to such trainees are also not adequate.

**Lack of Machinery and Equipment:**

The availability of machinery and equipment to small-scale units and entrepreneurs within the district is inadequate. None of the reputed suppliers have a branch of their own in the district. Buyers of machinery have to depend on the local dealers and traders at high cost, or else order directly to suppliers to obtain the same. The units and entrepreneurs find the Hire Purchase Procedures of the National Small Industries Corporation very complicated and time consuming.

The NSIC can take over at least supply of low cost machinery and equipment on hire purchase basis up to a total value of Rs. 20,000/- per unit. This can considerably help the entrepreneurs and units whose educational level is low and the capacity to carry on correspondence is limited.26

**Lack of Credit and Finance:**

The biggest problem for cottage and small-scale industries are that of obtaining necessary finance.

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The artisan requires finance for purchasing raw-materials, working expenses and accommodation between production and sale of the products and holding his finished articles.\textsuperscript{27} His internal sources are quite inadequate. "This leads to instability of his profits which deters banks from giving unsecured loans".\textsuperscript{28} It is difficult for him to obtain the money that he requires from banks or even from co-operative credit societies for his assets are negligible and he cannot furnish sufficient security. This was recognised by the industrial planning team.

In their report they stated that, "In most of the workshops visited, real finance did not seem to exist at all. There was a severe lack of capital as well as of credit. They seemed to rely on dealers when buying raw-materials as well as when marketing their products".

The problem of finance is more acute in the case of small-scale industries which are comparatively more capitals intensive like engineering units. Government assistance in the field of finance is inadequate. Until recently, the commercial banks were not in favour of financing the small scale industry. But the co-operative credit societies can be of great service in advancing short-term loans to cottage and small scale industries. They know the artisans better and the procedures for getting loans are also simple.

Small scale units doing jobs for supplying goods to government departments suffer owing to the delays in payment of the bills for months and years and funds involved in those transactions remain blocked for long without their being ploughed back in the industry in time. In contrast with this situation, any application to the government for the supply of raw-materials is required to be accompanied by some advance payment. It may take fairly long time for the government to supply the materials or for the units to be told that the particular material indented is not available.

\textsuperscript{27} Sivayya, K.V. & Das, V.B.M, (1987) : Op.cit, p. 120
\textsuperscript{28} Ibid, p. 839.
Low Level of Technology and Skill:

In the cottage and small scale industries, the technique of manufacture is poor and primitive. They use old methods and implements. The existing techniques in a number of cases have descended from the hoary past and still retain the form, shape and size which they first had centuries ago.\(^{29}\) But the development of cottage and small scale industries is hampered by the present low level of technology and shortage of trained and experienced supervisory personnel. In particular, the production techniques, especially in handloom, village ghanis and pottery are even now antiquated.

The small-scale industries are provided, at present, technical advice and assistance by three sources; the financial corporation, the development corporation and the infra-structural development corporation. But the facilities provided by these bodies are not sufficient and satisfactory.

Instead of providing too many services in too many locations, there should be greater concentration of activity in major locations. Design work taken up should be much more carefully related to the market requirements and the ability of small industries to produce machines after they have been tested.

Though, the position in some small industries like light engineering industries is somewhat better when compared with the organised large-scale sector, the instruments of production and management of small industries leave much to be desired. The Planning Commission has also admitted that the development of small industries has been hampered by the low level of technology. The village artisans lack in technical education. Even if they want to introduce improved tools and implements, owing to lack of finance, they use primitive and outmoded tools and machines. It is also pointed out that more than the availability of credit, lack of technical consultancy services at all levels has been the biggest obstacle in the development of cottage and small scale industries.\(^{30}\)

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29. Ibid, p. 121.
If the small-scale industries are to compete with big industries, they must keep pace with advanced technology. According to Dr. Gadgil, "The small size of industries must be compatible with efficient production and as low an investment as practicable. Technology may be evolved out of traditional techniques or derived from advanced techniques by modifications or adjustments or could even be newly created according to needs".\textsuperscript{31}

**Marketing Problem:**

Lack of proper marketing channels is another difficulty. The products of the cottage industries have to be sold mainly in the local markets. This considerably limits the scope for remunerative prices. The artisans are not aware of the market information and their products are not in accordance with the changes in fashions of the consumers in many cases. Though the small-scale industries are better placed in this respect when compared with cottage industries, they are faced with competition from large-scale industries. To overcome this difficulty, an efficient marketing system is essential.\textsuperscript{32}

**Inadequate Infra Structure:**

Inadequacy of infra-structural facilities is one of the major problems of industrialisation in Bishnupur District. Where there is inadequacy in infrastructural facility, the enterprise will not be able to function smoothly. Therefore, many units are becoming sick. In the absence of infrastructural facilities such as power, water, raw-materials, etc., no industry can be developed in the district for the present. However, planning for industrial promotion may be taken up with a well planned scheme of State incentives in such a way that this backward district may come up with all feasible industries.

\textsuperscript{31} Ibid, p. 846.
\textsuperscript{32} Ibid, p. 122.
Remedial Measures of Cottage and Small Scale Industries in Bishnupur District:

Taking into consideration the available resources and industrial situation in Bishnupur District and other trends of development in the district, the remedial measures for industrial promotion in a backward district like Bishnupur District may be enumerated on the following lines:

(a) Infra-Structural Planning
(b) Entrepreneurship development
(c) Establishment of Industrial estate and mini-industrial estate
(d) Establishment of artisan complex
(e) Accommodation of technical and financial requirements and
(f) State industrial policy with feasible incentives.

(a) Infra-Structural Planning:

Infra-structure for industries may be classified into two types, viz., general and specific. General infra-structure is required for development of any type of industries. Developed land, sheds, power, water, health and general education facilities, transport and communication fall under this category. Specific infra-structure is special for each group of related industries or industrial complexes.

Both general and specific infra-structure are required for development of industries. But specific infra-structure can be planned only when the type of industries is known. Development of general infra-structural facilities does not require such specification and hence can be planned in advance.

In Bishnupur District as well as in the state as a whole, there is no organisation which can take up the infra-structure development. The MSIC which was then dealing with procurement of raw-materials and sales of finished products is now converted into the Manipur Industrial Development
Corporation (MANIDCO) by expanding and strengthening its capacity. The corporation can now extend its activities to such infra-structure development by establishing more industrial estates, mini-industrial estates, industrial areas, etc., in the nine districts of Manipur.

In the context of the present situation in the State, several mini-industrial estates consisting of ten to twelve worksheds can be set up in the district headquarters and some important growth centres. Further, an industrial development authority should be set up for each selected centre.

The essential features of industrial development authority should be:
(i) authority to obtain grants from the central/state government and borrow from other services;
(ii) authority for planning, promotion and management of the Centre; and
(iii) authority for management consisting of field representatives of all authorities involved in the issue of sanction and registration.

The industrial development authority should work on a commercial basis and make investment according to necessity so that returns from entrepreneurs flow in regularly. The most important part of the plan will be preparation of a master plan, including power, water, housing, transport, etc., for each centre and looking after its effective implementation.

(b) Entrepreneurship Development Programme:

The potential sources of entrepreneurship that can be tapped are:

(i) People who already have an industrial background either having run an industry which is close to the field selected or who has worked at lower level in industry
(ii) People from traditional trading families
(iii) Technicians and professionals and
(iv) Others.
Entrepreneurial promotion should be extended to attract persons from backward area who have migrated for lack of opportunity. Training for entrepreneurship should be prepared to give help to the trainees in the form of suitable accommodation and stipend; the selected applicant should be given a blue print of the industry he wants to start at the end of the training period. A good consultancy service should be provided by the training organisation. Coordination between training organisation and State industries development organisation should be established. The promotional organisation must provide continuous technical guidance and assistance during the period of operation. Such entrepreneurship development and training should be taken in regional centre.

The level at which any entrepreneur is to be trained will depend on the complexity of the project which he is expected to undertake. The DIC will have to be the principal field agency for the purpose of entrepreneur selection and training.33

The promotion of Entrepreneurial Development Programmes and creation of awareness in people towards setting up of small-scale industries are two important pre-requisites for industrial development and reduction of unemployment. A number of entrepreneurial development programmes are, therefore, being organised by SIDO through small industries service institutes and their branches with the help of the State Directorate of Commerce and Industries, State Financial Corporations, Commercial Banks and other developmental agencies for the benefit of different target groups consisting of both skilled/semi-skilled and educated/ineducated persons. These programmes are organised for engineering and non-engineering entrepreneurs. Entrepreneurial Development Programmes for non-engineers includes women, rural artisans, technicians, weaker sections of the society, educated unemployed and physically handicapped.34

34. Govt. of India, 1990: Facilities and Services for Development of small-scale industries: Ministry of Industry, pp. 7-8.
(c) Establishment of Mini-Industrial Estates:

The Mini-industrial Estate programme was launched in other states as part of the DIC programme in which major thrust in industrial development has been through the decentralised sector in rural and semi-urban areas.

The programme is yet to be taken up in Manipur. The main objectives of the programme are:

(i) To create employment opportunity in the secondary sector through tiny sector enterprises
(ii) To train technically qualified and skilled persons as well as those belonging to economically weaker sections to become self-employed and
(iii) To develop manufacturing enterprise with close linkages with the local economy.

Under the umbrella of Development Corporation, development of integrated complexes is commendable. The residence-cum-workshed may build for power loom weavers with centralised processing facilities for the industry developed at various places. In the district, only independent worksheds may be provided at convenient distances; processing facilities can also be developed in the co-operative sector right inside the State. Common facilities and support service needed by the industries may be made available within the state for the convenience of the artisans.

Apart from providing infra-structure through mini-industrial estates, training, development of entrepreneurship, credit and marketing assistance should be carefully planned taking into account the requirement of various product lines. Mini-industrial estates as already suggested in the context of infra structure planning may be set up as a preliminary step in the venture.
(d) Establishment of Artisans Complex:

Rural artisans complex is a new deal to rural artisans in a village where there is artisan concentration of twenty and above. Here construction of artisan complex in the rural areas can conveniently be planned. Artisans are provided with house-cum-workshed, improved tools, training to acquire new skills, working capital, common facilities centre, etc. The artisan in such complexes gets better remunerative earning from their trades.

Such complexes are divided into two categories namely, uni-functional and multi-functional. Uni-functional complexes are preferred to multi-functional complex. Only one trade is accommodated in the uni-functional complex. The multi-functional complex accommodates more than one trade but causes much inconvenience at times for the artisans who take up their trades in the complex with regard to space, common facilities, etc. The artisans are provided with workshed accommodation individually where they have their own residence. In certain cases, separate worksheds are constructed generally under one roof individual unit accommodation being separated by partition walls. The worksheds which will be executed along with housing scheme will be done from the artisan complex programme. Workshed can be an extension of the housing scheme. The identification of the artisan entrepreneur will have to be carried out under the guidance of the DIC.

(e) Accommodation of technical and financial requirements:

(i) Technical:

Technical entrepreneurs and artisans should be settled in their respective trades by providing training facilities in plant studies, etc. At present, the technical wing in the sphere of non-farm activities in NABARD is confined to handloom, spinning, khadi & village industries type of industries. Since NABARD operations in other fields becoming size able, the necessary technical assistance can be obtained from the statutory or other promotional
and developmental agencies functioning in the field. The DIC has to play an important role in providing technical guidance to the prospective entrepreneurs.

(ii) Financial:

With the establishment of NABARD, for the first time, a single apex lending institution to support the operation of cottage and small scale industries and artisans has been established in the country. It has been envisaged that NABARD will provide refinance assistance for all rural development activities including those relating to production of goods, provision of service, and promotion of cottage and village industries, industries in tiny and decentralised sector, small-scale industries and handicrafts and other rural crafts.

At present, financial assistance is available to artisans and craftsmen from the government and the banking system. The government assistance is generally routed through promotional and development agencies in the form of loans, grants, subsidy, interest subsidy, seed money, etc. More important of the schemes under which funds are made available are for Rural Artisan Programme and those assisted by national level institutions like the KVIC, Handloom Board, Handicrafts Board, Silk Board, Coir Board, etc. Main credit scheme by banks for rural artisans and craftsmen are:

(i) Differential Rate of Interest (DRI) Scheme
(ii) Composite loan scheme
(iii) Working capital finance and
(iv) Loans for godowns, show-room, etc.

These facilities are, however, merely on paper and they are seldom available to the small and tiny units in the district in practice. Besides, the present trend towards privatisation and cut in government subsidy has affected adversely the financial position of these small units in their day to day operation.
(f) State Industrial Policy with Feasible Incentives:

One of the important objectives of the government's industrial policy is to remove regional imbalances and to secure the industrialisation of the backward areas of the country. The government has provided services incentives to enable entrepreneurs to establish industries in backward areas. This includes concessional finance, extended by the All India Term lending institutions, outright subsidy on fixed capital investment, preferential treatment in the grant of industrial licence, etc.

Since, Manipur is identified as a no-industry state, the central investment subsidy at 25% of the investment subject to a ceiling of Rs. 25 lakhs is eligible.

Since, the small scale industries sector is recognised as one of the priority sectors of the Indian economy certain general incentives should be provided to the small scale industrial units in the form of financial benefit as follows:

(i) New small scale industrial undertakings may be exempted from income tax, sales tax for a period of five years from the date when production starts.

(ii) Small scale entrepreneurs need not obtain any licence for setting up the unit unless the item of manufacture is covered in the list of industries notified by the government of India as subjected to special regulation and

(iii) Special facilities may be provided to the small scale units to participate in the government purchase programme which includes exemption from registration fees, security deposit, free supply of tender form, etc. The state government in their purchase programme, may also render preference in State store purchase from small scale units.\(^{35}\) However, at the time of actual purchase, few government departments respect this norm and a new thinking is required on either side to bring about a healthy change in this regard.

Prospects of Cottage and Small Scale Industries in Bishnupur District:

Bishnupur District is very small in area compared with other districts of Manipur. Hence, the development of the district as a whole depends mainly on industrialisation. Thus, the prospect of establishing and developing small industries in the district are there with the expectation of more regular power supply from Loktak Hydro-Electricity Project, availability of raw materials from inside and outside the district, local demand for the products, traditional skill of the people, availability of educated and trained young entrepreneurs, etc.

1. Resource Based Industries:

(a) Modern Rice Mill:

Although many rice mills have been set up in many localities, most of them are huller mills which produce less percentage of rice and also take away nutritive part of rice bran. Hence, modern rice mills of rubber rolled sheller type are also being thought of. These can give more production of rice nutritious to health. Now-a-days, in both urban and rural areas hand pounding of rice has been replaced by mills and also rice is the principal food of the Manipuris and paddy is cultivated and produced abundantly in the district. Moreover, there is increasing demand of rice bran and broken rice for feeding poultry, cattle and piggery in the district. Taking these facts into consideration together with the continuous increase in population, although private parties are permitted hoarding and stocking of paddy, a few more modern rice mills may be set up in the district in the years to come even on job work basis.36 The rated capacity of the sheller is 1000 kg. per hour. Assuming four hours per day utilisation of the sheller, the production is assessed at 1000 quintals per month approximately (taking 25 working days per month).37

(b) Oil Mills:

Although there are some registered existing units in the district, most of them are in a dying condition owing to lack of own working capital to procure and stock oil seeds in the season. Mustard oil is one of the most important essential commodities for every house not only in Bishnupur district but also in the State as a whole. Taking into consideration the local demand of oil, the oil need production of the district as well as the State and good power position, at least one or two more units for prospective entrepreneurs may be set up in the district.

(c) Briqueted Fuel:

There are many rice mills and saw mills in the district. The wastes like rice husk and saw dust are utilised as fuels for cooking purposes only by the low-income group people. Rice husk produced by rubber sheller rice mills cannot be used even for cooking purpose. They pose a problem to the mill owners owing to pilling up and covering large areas. So, these wastes may be converted into smokeless briqueted fuel. It can be conveniently and economically utilised in cooking, heating and other purposes in homes, hostels, factories and even offices.

(d) Citronella Oil:

Citronella oil is produced by distillation of citronella grass which grows well in Bishnupur District. The plantation has to be carried out for distillation of oil. The citronella grass is cut four times a year usually. The whole plantation area is to be divided in such a manner that distillation of the grass can be carried on round the year. The initial yield of oil will be low but it will increase every year. The land for such plantation can be obtained from the Government on lease basis. The initial plantation area will be 100 acres and the same may be expanded in subsequent years.
(e) Mini Fruit Processing Units:

The district produces substantial quantities of fruits like oranges, banana, lemon, guava, peach, mango, pineapple, etc. Fruits are available in plenty in the district and they are sold at very cheap price during the time of season. Hence, mini fruit processing plants may be taken up. There is still scope for establishment of one or two fruit preservation and processing units in the district.

(f) Stone-Crushing:

Along with the development plan, construction of building, roads and bridges has increased manifold. Out of the total plan fund more than 50 % goes to road and bridge construction etc. Moreover, the price of brick is very high. Therefore, people will naturally like to use stone/chips for construction activities. Stone boulders are available in plenty at Thongjaorok River in Bishnupur. Since, boulders cannot be directly used, stone crushing is a must, three to five stone crushing units may be established in the District. The units may be located at Bishnupur, Thanga, Moirang, Nambol and Ningthoukhong.

(g) Plastic Industries:

Plastic goods have become very popular in recent years because of their lightness and low cost. Every household uses plastic utensils like buckets, mugs, etc. A branch of CIPET (Central Institute of Plastic Engineering Technology) has been opened at Imphal to impart training to entrepreneurs interested in plastic industries. After completion of their training, they can set up their own plastic industries. In time, some plastic industrial units can be set up in Bishnupur District.

(h) Other Resource-based Industries:

Besides the above mentioned industries there are many resource based industries like mushroom cultivation, flour mill, spices grinding, bakery, photo frame making, mat-making, straw board making, etc., which may be set up in the district.
2. Demand Based Industries:

(i) Iron and Steel Fabrication:

With the advancement of the modern days, development activities are also at the increasing trend. Numbers of automobiles/motors are also increasing day by day thereby arising the need for repairing workshop units, tyre retreading units, etc. Iron and steel fabrication works are also essential in the district as per demand in the market.

(ii) General Engineering and Fabrication Works:

Now-a-days, the demand for fabricated items like window grills, gates, shutters, over head tanks, agricultural implements and equipments has also been increasing tremendously. With the change and improvement of living standard, items like steel furniture, sofa sets, dining tables, hospital beds, etc., are increasingly demanded by the public and government offices. Since there will be no problem with the commissioning of Loktak Hydro Electric Project, a few such units can be established in Bishnupur District.

(iii) Aluminium Utensils:

Now-a-days, Aluminium utensils are widely, used in this district and demand for such utensils is growing day-by-day. Aluminium Utensils are generally popular with many families of low income and middle income groups. Aluminium products are lighter and cheaper than those made out of other metals. Aluminium utensils are of two types: (i) sheet metal products and (ii) cast articles. Besides, Aluminium utensils are bulky and thus they create problems of transportation over long distances from other parts of India into Manipur. The position will not be so if it is imported in the form of raw-materials. It will, therefore, be convenient as also economical to setup units for manufacturing Aluminium utensils in the district.

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38 Govt. of Manipur, 1989-90: Report on prospect for setting up small industrial units in Manipur: Directorate of Industries, p.8
(iv) Hosiery:

The manufacture of hosiery items like cotton vested and under wears can be taken up in the district, very profitably. These items have good market prospect as consumer products with high replacement demand as the average life of hosiery undergarment is about six to nine months. The demand for the item is increasing. In view of the improving standard of living of the people in rural and urban areas, it will be convenient to set up units for manufacturing hosiery in the district.

(v) Pottery:

Earthen jars and pots have still got demand in the market. High quality earthen jars are needed for dry fish fermentation as an industry. Hence, in view of the demand in the market, a few units of pottery industry may be taken up successfully.

(vi) Other Demand based Industries:

Besides the above mentioned units, other demand based industries like Photostat, mat making, foot wear, dry cleaning, photo processing, etc., are also quite feasible and they will provide lots of employment opportunities and can make a profitable line of business. Therefore, as per their feasibility and services to the population, the DIC proposes to set up such units at different locations of the district.

3. Skill-based Industries:

(i) Weaving:

In Bishnupur District, weaving is traditionally done in each and every household industry. Likewise, tailoring is also one of the professional and common activities of the district where a large number of young boys and girls are given employment opportunities. Dance and costumes dress making is also becoming a very important household industry in modern days. For this, expert hand, are required. Two such units are proposed for the district. Its products
will have a good market as such old and traditional items/goods are rare nowadays.

(ii) Semi-automatic Loom:

Handloom is one of the major sources of employment. Manipur handloom products are one of the highly demanded textile products in the country and even outside the country in view of their artistic and complex designs. If proper marketing facilities are provided to the weavers, there is great scope for expanding handloom activities in the State as well as in the district concerned. At present, handloom industry is only at the household industry stage where the products are lacking in both quantity and quality.

Therefore, the DIC (Bishnupur) intends to establish one modern handloom industrial unit in the district where modernised looms will be installed for better and more efficient production of handloom clothes which will encourage other weavers in the State.

(iii) Embroidery and knitting:

Embroidery and woollen knitting are becoming more and more popular. Handicrafts like embroidery. Clothes can capture markets even, out side the State. Now-a-days, girls, both literate and illiterate, are interested in the job. It has become an employment oriented industry to the womenfolk of the district.

DIC (Bishnupur) has also been imparting training to the girls of the district for the last 4/5 years and continuation of training programmes in these two trades is proposed in the coming years. Hence, a few more such units may be encouraged in the district.

(vi) Other Skill-Based Industries:

Besides the above trades, there are some skill-based industries like loom weaving, dolls, toys and dance costumes units, a few of which may be encouraged.
To conclude, there is no detailed exploration of any useful minerals in the district. However, mention may be made of sand and stone which are extracted from Thongjaorok and Khuga rivers, etc., and there is a strong case for the promotion and development of a number of cottage and small scale industries in Bishnupur district. Moreover, there is also a view that small scale industry represents a traditional phase as the number of small scale firms, at a later stage, develop into big firms and a number of small firms are liquidated on account of competition from the large firms.\(^{39}\) The problem is great when small units have to compete with large units for capturing the limited market. The small units may not be in a position to get their requisite materials for production at reasonable prices. The large units may be organised in such a way that the small scale units are complementary to them. The solution for the conflict between them may be found in two ways: one is to encourage the cottage and small scale industries by providing various concessions to them as regards the supply of raw-materials, finance, power, tax concessions etc. The other is to restrict in entrance of large units into some sectors, reserving such sectors exclusively for the small scale sector: But the various concessions like financial aids, provision of sites on hire purchase basis in industrial estate, power at cheaper rates, preference in Governments purchase policy, etc., are being given to the small scale industries without tangible results.

Though many promotional measures have been taken up and a development programme for assisting the small scale entrepreneurs has been launched, still there are various areas in which these units can be helped. Thus, it may be hoped that cottage and small scale industries will have a bright future in Bishnupur District.

REFERENCE


7. Ibid., p. 827.


12. Ibid., p. 4.


28. Ibid., p. 839.
29. Ibid., p.121.
32. Ibid., p.122.


