

CHAPTER

PROBLEMS OF SMALL SCALE INDUSTRIES OF BIRBHUM

DISTRICT, WEST BENGAL

INTRODUCTION

Out of the total working force of 4.78 lakhs (1971 census) as much as 78.7% constitute cultivators and agricultural labourers. This figure clearly shows that the district is predominantly dependent on agriculture. Existing industrial activity of the district is mainly agro-based.

A comprehensive picture of the number and type of industries in the district is not available. An attempt in this regard was made by way of survey of manufacturing establishments in the non-factory sector (units not registered under the factories act) by the Bureau of Applied Economics & Statistics, W. Bengal. The industrial activities of the district in 1965-'66 comprising the Factor & non-factory sector is presented in Table 4.1.

With the Chief Inspector of Factories, 88 units were registered in 1970 with an employment of 4,634 persons. Out of the 88 units, food manufacturing constitutes, 77 units giving employment to 3,883 persons.

The number of small scale industries registered with the Directorate of Cottage & Small Scale Industries at the end of September, 1971, was 313 providing employment to 2,018 persons. The investment by these units is fixed

221
Number
X

Why no other figures!

assets was Rs. 57.13 lakhs. The major industrial activity is at Sainthia, Bolpur, Suri, Nalhati, Ahmadpur, Patelnagar, and Rampurhat. Industrywise distribution of these units is presented in a chart. There is only one large scale unit in the district - a spinning mill at Papchra. The only sugar mill of the State which was functioning at Ahmadpur closed down in 1964-'65.

Agro-based Industries :

Rice-Mills : Problems and Scope for Development

Must in the 80ies?

The main problem of the units is the procurement of paddy. These mills are getting the supply of paddy at controlled price which is Rs. 64 per quintal at present. But some traders purchase paddy at a higher price than the controlled price and get them milled in the husking mills by paying service charges. After milling, the rice is sold in the open market or transported to deficit districts without the obligation to sell it. As a result it becomes very difficult for the mill owners to procure paddy at controlled price from the cultivators. The paucity of working capital does not permit the mills to purchase enough paddy during the season.

One of the units has a programme to set up a mechanical paddy drying plant. A pilot project has been set up under the technical guidance of the Jadavpur University.

This mechanical process will eliminate the time loss of about 48 hours in Suri drying of paddy after boiling. In this process, the paddy will be sent direct to the milling plant through the drying channel.

Rice bran oil : Problems and scope for development.

The main raw material is the rice bran which is obtained from the district. The unit gets a small quantity of rice bran from its own rice mill. The bran from par-boiled paddy contains to high percentage of oil, which is about 7%. The price of the bran varies from Rs. 600 to Rs.700 per tonne. The solvent used is Hexane.

The main problem of the unit is irregular supply of solvent Hexane. The price of the Hexane has gone up considerably. Not it being supplied by Burmah Shell and Esso Companies @ rs. 13,500 per 10 kilo, litres.

The unit is contemplating to set up a plant for refining the oil and to recover wax and fatty acids from the crude oil. This involves a further investment of Rs. 50,000.

In view of the possible modernisation of some more existing rice mills and setting up of a modern rice mill at Ahmadpure by F.C.I., there will be sufficient availability of rice bran support one more rice ran oil mill suggested are given in the chapter on "Prospective Industries".

Oil Mills : Mustard Oil

There are about 12 mustard oil mills, one groundnut oil mill and two coconut oil mills in the district. These mills are located at Sainthia, Bolpur and Dubrajpur. Out of these mills, one mustard oil mill and one coconut oil mill at Sainthia have been visited.

Mustard Oil :

The unit visited has got a capacity to crush 5 tons of seeds per day. Oil recovery varies from 32 - 35% and 5% is lost as dust and impurities and the rest 60% is recovered as oil cake. About 7% to 8% oil is lost in the cake. The mustard seed is usually obtained from U.P., Punjab, Rajasthan and Bihar.

Investment and employment

The unit has invested Rs. 23,000 in land and building, Rs- 85,000 in plant and machinery (second hand machinery) and Rs. 3,00,000 in working capital. At present, about 30 persons are working in the mill.

Problems :

The oil and the cake are sold in the local market and unit has no problems in marketing its products. The main problem of the industry is the procurement of seed from other state after paying high freight charges and pilferage of seed transportation.



Coconut Oil :

The coconut oil mill located at Sainthia is running.

Capacity and production :

The unit has a crushing capacity of 5 tons of copra per shift. During 1969-70 and 1970-71, the unit has crushed 35,000 and 37,000 quintals of copra respectively. It buys its raw materials, copra from Kerala and also imports from Ceylon the State Trading Corporation. The copra yields about 58% and the rest 42% is cake which also contains some amount of copra.

Investment and employment

The unit has an investment of Rs. 77,000 in land and bill Rs. 1,20,000 in plant and machinery and Rs. 8,00,000 as working capital for 2 months. The unit at present is giving employment to about 25 persons.

Market :

The coconut oil is sold locally in the Eastern India especially in Calcutta market through agents. The oil cake do not have any local market and it is being sold to traders from Bombay.

Problems and scope for development :

Stores requirement of the unit per annum is given below :

- 1) Roller bearings, lubricants, belting nuts and bolts Rs. 45,000

2) Tin container (a) 16 kg capacity 1 lakh nos.	Rs. 5,00,000
(b) Assorted sizes 1,5 lakh nos	Rs. 9,00,000

The main problems of the unit is the procurement of copra. It is not getting sufficient quota of copra from S.T.C.

The unit is being modernised with an investment of Rs.40,000.

These processing units, namely oil mills, do not offer any industrial possibilities. Though the scope exists for a tin containers manufacturing unit, it is not recommended in view of shortage of raw material.

Mineral Based Industries :

China Clay Washery :

There are two china clay washeries in the district one at Patelnagar and another at Muhammad Bazar. The unit visited at Patelnagar.

Capacity and production :

The unit has a capacity to produce 1200 tonnes of washed clay per month working for 3 shifts. The unit normally works for 200 days in a year. Due to sun drying process it does not work during the monsoon. It produced 14,000 tonnes, 11,000 tonnes and 9,000 tonnes of washed clay during the year 1969, 1970 and 1971 respectively.

Investment and employment :

The unit has invested Rs. 49,000 on building and Rs. 3,000,000 in plant and machinery. It has given employment to 50 skilled and unskilled labourer.

Market

The washed clay is sold within the state and outside the State to rubber, paper, pesticides and paint industries.

Problems and scope for development :

The main problem of the unit is the non-allocation of washery regularly by the railway authorities and power shortage now and then.

In view of the demand for the finished product and the availability of raw materials in large quantity, there is a scope for one more unit. The details for a china clay washery are discussed in the chapter on 'Prospective Industries'.

Stone Crushing :

Stone crushing is an important industry in the district. Main centres of activity of the industry are Nalhati, Barapahari and Patelnagar where the stones are available in the adjoining areas.

Capacities :

The capacities of the unit vary from 1000 cft. to 2,000 cft. per day.

Investment and employment :

From an investigation of three such units, it is found that the stone crushing units on an average employ 65 persons with a total capital investment of Rs. 3 lakhs. The production usually produced in power driven (either electrical or jaw crusher).

Market :

It is reported that 20-25% of the production is local consumed and the rest is sent outside.

Problems and scope for development

The main problems of the unit are the non-availability of wagon in time, lack of working capital and to some extent shortage.

It is felt that in view of the increasing demand for stone chips throughout the country, some more units can be taken up and these can create employment to large number of local workers. Estimates for a stone crushing unit are given in 'Prospective Industries'.

Brick manufacture :

There are about 10 brick making units in the district, main places of concentration are Sainthia and Ballavpur bricks that are manufactured in the district are usually in the district for the house construction.

Capacities :

From a study of the two units that were visited, it is that both the units are running to full capacity during the season producing about 10 lakhs of bricks per unit. The brick varies from Rs. 50 to Rs. 60 per thousand.

Investment and employment :

The fixed capital investment comes to Rs. 20,000 per unit on an average. Each unit employs 50 persons in the peak season. The bricks are manufactured mainly by hand moulding processing burn in Bull's Kiln.

Problems and scope for development :

The main problem of the industry is the market as about 90% of the construction activity emanates from the Government. During season time, they require heavy working capital finance. Availability of suitable land for brick fields is also a problem for the industry as expansion of brick field tells the agricultural production. Further, for starting a brick unit, intermission is to be obtained from the Chief Mining Officer, Asansol and it takes about three months to get it. Levy of the Government on bricks at Rs. 3 per thousand is also another hindrance for the development of the industry. In view of these factors, the units are not contemplating any expansion in the near future.

However, in view of the high percentage of rejections in the present type of kilns, the units can go in for the improved type of brick kiln developed by the Central Building Research Institute, Roorkee. The details of this kiln are given in Appendix.

Bone Crushing :

The only bone crushing unit of Birbhum is located at Sainthia. It was established in the year 1965. It produces crushed bones of size 5/8" and 3/8".

The unit is working much below its capacity. It needs capital and accommodation. Large amounts are needed to advance to bone collectors and also for stocking bones to the factory for running during the rainy season. Further, it needs credit facilities for purchase of heavy vehicles to transport bones from collection centres as the freight charge by private owners is high.

It applied for loan of Rs. 7,00,000 to S.B.I., Suri. It deserves encouragement in view of its export oriented production and employment generating capacity.

Forest Based Industries

Saw mills : There are a number of saw mills in the district. The mills usually do the sawing of logs on service charge basis. The capacities of these mills vary from 80 to 100 cft.

The average fixed investment of the mill is to the tune of Rs. 40,000 and Rs. 3,000 as working capital.

The main problem of the unit is lack of adequate working capital.

Furniture : There are a good number of furniture workshops in the Districts. The unit visited at Rajnagar is manufacturing wooden doors, windows and household furniture. The proprietors are unskilled carpenters.

Capacity

The capacity of the unit is Rs. 3,000 worth of goods per month. It is at present working at 50% of its capacity.

Investment and employment :

The investment is plant and machinery, land and building working capital is Rs. 1500/-, Rs. 1500/- and Rs. 7000/- respectively. At present the unit is giving employment to 5 persons.

The main problems of the unit is marketing. It has taken a loan of Rs. 2,000 under B.S.A.I. Act. The unit is also facing problem for getting logs swan. Hand Swaing increases the cost of the goods. The village has not yet been electrified.

If power is available, unit is ready to set up saw mill also.

Apart from the above units, Srinikotan is running carpentry production centre, which manufactures furniture, windows and doors against orders and also for sale. About 75% of its production is oriented to meet the requirement of Visva-Bharati. The products of this Centre are in very good demand due to their quality and excellent designs. The Centre is unable to meet the demand for its products.

Metal-based Industries :

Sheet metal products :

In Birbhum, there are about 7 units producing sheet metal products like sugarcane juice pans, dones, drums, tray etc. The two units visited are one at Sainthia and another at Mollarpur. The unit at Sainthia is doing a good business and has also some expansion programme.

Capacities :

The Sainthia unit has a capacity to produce goods worth Rs. 6,000/- per month and has produced Rs. 30,000 worth of goods during 1970-'71.

Investment & Employment :

The Sainthia unit has invested Rs. 21,000/- as fixed capital and Rs. 8,000/- as working capital. It provides employment to 8 persons. The other unit at Mollarpur is a

small one and has invested Rs. 1,000/- giving employment to 3 persons.

Marketing :

The units sell their products within the district in the adjacent district of Murshidabad and in the adjacent parts of Bihar. The irrigation dones, sugarcane juice boiling pans, tray and drums are in great demand in the district.

Problems and prospects :

The main problem of the unit is the raw material. These units are not allotted any quota of B.P. Sheet (14G - 20G). The price of the sheet also fluctuates frequently in the Calcutta market.

The units have got their expansion programme and intend to instal lathes, drills, grinding machines, and welding sets to take up the production of gates, grills, etc., and the repairing and servicing of sugarcane crushing machinery.

Metal based :

R.C.C. Spun pipes :

There are two R.C.C. spun pipe manufacturing units in the district at Bolpur. Out of these two units, one unit was visited.

Problems and scope for development

The main problem of the unit is the non-availability of raw materials like M.S. rods and other reinforcement

materials at reasonable price. The unit is now being operated with diesel power and they are facing problem in getting electricity for 25 H.P. Motor.

In view of the existing good demand for R.C.C. spun pipes and probable demand for prestressed concrete poles, there is a scope for setting up a unit in the above mentioned industry.

Tyre Resoling and Repairing :

Birbhum district is mainly connected by bus routes as also a good number (about 1,500) of public and private vehicles also ply in the district. In order to cater to the servicing needs of the automobiles a number of tyre resoling units have come into operation in the district. Though these units are not yet modernized, they are doing good business.