Chapter XI

RECOMMENDATIONS AND CONCLUSIONS

On the basis of the field study made by us and corroborating statistics, the various aspects of small scale industries of the Cachar district is studied and discussed under their respective heads. Here, in this chapter, attempt has been made to put forward some suggestions to remedy the problems faced by the sector in the district. However, previous chapters enunciated the manifold problems faced by the sector, also depicts the unsatisfactory state of affairs of the small scale sector in the district of Cachar in particular and the State of Assam and the North Eastern Region in general. The suggestions herein have been made on the basis of practical and realistic approach considering the geographical, political, social and economic environment prevailing there.

The small scale industries are like joint-venture where various parties are involved for having interest in their respective spheres. The entrepreneurs, the State, the financial institutions are the main parties to it. However, our suggestion has been made on all the factors and the agencies involved, viz., State Policy, State Agencies, Financial agencies, technical assistance, market, raw materials, management, etc.

Policy for Small Industries

To make the programme of small scale industries development —
real success, statutory backing of the programmes is very much required. Legislation incorporating definition of small scale industries, ancillary industries and tiny industries, to make available reliable and regular statistical data by the units to the concerned department of the government, credit facilities, to make available scarce raw materials, parts and components both imported and indigenous, consultancy and training facilities, export promotion, marketing facilities, reservation programme, ancillary development programme should be adopted at national level. For this purpose the report of the Committee for drafting legislation for small scale industries (Bhat Committee) of 1972 with necessary amendments should immediately be adopted in the Parliament. A popular programme like small industries development should have the backing of the Parliament which is the highest policy making body of a Democratic Nation like India. Urgent attention of the government is required in this regard. In short, the existing schemes of promotion and finance of the small scale sector ought to have statutory backing so that benefits are enjoyed by all the small scale units alike. The Policy Statements on small scale industries made from time to time are mostly general statements. The statements should be made on specific policy measures of development, regulation and promotion. Policies should be clear in terms of its applicability, i.e., the sector, the industry that it covers, the objectives, and the statutory authority which implements the policy measures.

Another aspect of the policy is that our policy for
industrialisation is generally negative in its approach, i.e., certain products should not be manufactured in the large scale sector, or certain industry cannot expand its production etc. Considering the total industrial backwardness of the country as a whole, the industrial policy should take into account all aspects of industrial units and all the sector together, viz., large, medium and small to create an industrial environment. Restrictions should be there only when something is already self-sufficient.

The need for review of our industrial policy with reference to small industries from time to time is all the more because, for several reasons - social, economic, political and cultural - growth of small industries holds out a solution to many of the acute problems like providing industrial growth with large scale employment, dispersal of industry, development of enterprise and initiative by utilising local resources, developing ancillary industries and developing specialisation in a technology which raises productivity without decreasing employment potential. With these end in view, the policies are framed but these are framed or designed at one point of time and implemented at another point of time. Immediate actions on proposals or reports should be taken by the authority to get the maximum utility from such reports. The concept of industrialisation is dynamic in nature and not stagnant and for that reason to keep the wheel moving dynamic approach is required.

The accuracy and reality of the plans and programmes depends
upon the accuracy of the statistical data on the basis of which plans and programmes are made and evaluated. In regard to small scale sector accurate data is very much missing. While bringing the small scale industries development programmes in the Statute Book, it should be made compulsory for all small scale units to register their units with the State Industries Department and submission of Periodical Returns. Non-compliance of this provision should have some penal action. Registration and submission of Periodical Returns should be made compulsory in the line of Companies Act. This compulsory additional work will create new employment opportunities for educated unemployeds and for this extra cost the government may allow some subsidy to the small units. The grass root level statistics will be correct and as a result accurate data will help better planning.

The Government seems to be more worried about policy and priorities and not on their implementation. Good policies will remain Policy in papers and documents if the administrative incompetence or deliberate attitude of the bureaucrats stands in the way of performance. The attitude of the Civil servant in good number of cases seems unfavourable towards entrepreneur. For instance, "there in Japan each and every civil servant regards himself as a middleman or broker to get things done for the business community - to provide finance to industry in need, to negotiate a favourable trade treaty, or to help promote the exports of one manufacturing firm or another. For a Japanese Civil servant everything else takes second place. Were our administration to imbibe at least a part of that philosophy,
India would not be in the dire straits that it is today.\(^1\)

Multiplicity of authorities on various aspects of small scale industries causes crucial problems for small units. District Industries Centre, however, is a step to remove this. District Industries Centre may be started in all the district and all function for development of small scale industries may be assigned to DICs. One example of multiplicity of authorities and consequent problem faced by me, not to speak of entrepreneurs (who suffered most) is that when I demanded the particulars of the Badarpur Industrial Estate in given Proforma (Proforma enclosed in Appendix B) the District Industries Centre, Cacher's official immediately referred the same to the Assistant Director of Cottage Industries. When I went there they immediately got furious that everything in regard to Industrial Estate has been handed over to District Industries Centre and referred me again to DIC who in turn referred me to the Officer-in-charge of the Badarpur Industrial Estate (the Industrial Estate is managed by ASIDC but under the administrative control of the Directorate of Industries). Even after that, the minimum information sought for, were not conveyed causing great hardship in correct data processing. Specific authority with responsibility should be given to one agency for a particular job and also in the agency itself the responsibility of the concerned officials should be in clearly defined terms.

To make the Plan of District Industries Centre a success complete

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1. The Statesman, November 9, 1980
autonomy should be provided in its working. A Small Scale Industries Commission may be formed as an autonomous body with an Act of Parliament to directly control and co-ordinate the activities of DICs in order to ensure grass root level planning execution. A State level co-ordination committee of all DICs may be formed to implement the State's policy on small scale industries.

A new Industrial Estate at Silchar is recommended considering the importance of Silchar as district headquarter with all business and industrial infrastructural facilities in the district. This may be considered and undertaken on priority basis very soon.

The existing Industrial Estate at Badarpur may be converted into an ancillary Industrial Estate for Cachar Paper Project of Hindustan Paper Corporation at Panohgram (4/5 Kms. from the Industrial Estate) and for Cachar Sugar Mill at Chargola.

The concerned authorities ought to examine the feasibility of creating separate Industrial Estate exclusively for small ancillary units. The Government should further make it a statutory obligation of the large scale industries of the State to establish ancillary units at different places. For instance, the district of Cachar can justifiably aspire for small ancillary units to supply components to N.F. Railways.

Phase-wise two more Industrial Estates, one in the surroundings of Karimganj town and the other at Lalabazar of Hailakandi.
Sub-division should be started.

The Government should establish at least a couple of units in each Industrial Estate of the State by way of model units - model from all view points of management, business like approach and rational utilisation of human and material resources.

The District level planning should be initiated by a Committee consisting of all Heads of District administration concerned with Industrial activities including financial institutions and representatives of Associations of Industries, Trade and Public. The detailed plan chalked out by the Committee will include all aspects of small industries, technical, economic feasibility etc. Separate programme as chalked out by separate agencies conflicts and contradicts with one another and as a result these contradictions stand in the way of development of industries. The Credit Plan of the Lead Bank, the Action Plan of the DIC, and the Plans and Programmes of other agencies like SISI, Town and Country Planning for land, Electricity Department, etc. at present have no connection with one another. Let us suppose, according to DIC, place X is suitable for setting up Y industries, but the credit plan has no provision of financing Y industries in place X but has Plan to finance Z industries, and again electricity department has no provision of providing electricity in that area in the near future. All these cause bitterness amongst officials of the concerned departments and all expenditure of such planning is nothing but wastages of public revenue. The same set of Plans of small scale industries development should be accepted by all the concerned Departments/
Agencies to avoid any overlapping or contradictions.

Ignorance of the existence of the various schemes of assistance by the entrepreneurs may be removed by the wide publicity by all the concerned agencies. This may be done also by preparing a booklet containing the details procedure of obtaining the assistance/subsidies by the Industries Department and may be supplied free of cost to existing and prospective entrepreneurs. For availing the benefit under various schemes available at the District level, whom to approach (with designation of the concerned officials), how to approach (with necessary Proforms of forms to be filled up), when to approach (time etc., months of the year etc.) should be specifically outlined in the booklet. Seminars, symposia, open house discussions etc. may be conducted at the universities and colleges to induce the prospective entrepreneurs and for effective advertising.

An Industrial Area may be developed in the outskirts of Silchar Town wherein the already proposed Industrial Estate alongwith developed plot of land will be made available to the entrepreneurs. The Industrial Area should have all the infrastructural support, viz., Railway siding, Electric supply, Road transport agencies Offices, Banks, Post and Telegram Offices, Health Centre, Canteen, Police Sub-Station, Housing for essential services, Warehouse, Raw materials Depot etc. etc. The Action Plan of DIC, Cachar suggested Malini Beel area, i.e., Tarapur Part VIII village and Ambicapur Part VIII village having Government Khas land of about 2000 bighas. The area has other facilities too in regard to Transport and Communications etc. The Department
of Town and Country Planning has earmarked another area, viz., Khetal T.E. area for industrial area. The matter may be settled soon and the work for developing the area should be started immediately. The District Level Committee as suggested earlier should take up all the matters including this type for rapid industrial development.

The Growth Centre approach should be materialised by developing selected growth centres with all industrial and social infrastructure for industrialisation. Industrial environment should be created in those areas. Demand-based traditional and modern tiny units may be set up there on selective basis. Local talents may be utilised for this purpose. Some such centres in Cachar district may be Lakhipur, Sonai, Udarbond, Pailapool, Srikona, Lalabasar, Katlicherra, Patherkandi, Ramkrishnanagar. The concept of growth centre may be suitably developed in the backward district like Cachar with impetus to rural industrialisation. Even in the backward district, special incentives by way of subsidy/aid etc. may be provided for starting industries in such selected growth centres.

Raw materials depot at various trade centres of the district according to requirements may be opened to supply raw materials, specially scarce raw materials to small industrial enterprises of the district.

The Industries Department officials always seem busy with 'file work' instead of with 'factory-work'. Most of the entrepreneurs complain that their units are never visited by
any officials to see their problems. Therefore, periodical visits of registered small units by the Inspectorate staff of the Industries Department as well as other agencies like financial institutions who advanced loans to such units, is necessary.

Procedural formalities at all levels should be minimised and simplified as much as possible to enable quick disposal of papers.

It is evident that government policies on small industry development is more or less adequate but what lacks is its effective implementation as mentioned earlier.

**Entrepreneurs**

The common attitude of the educated youths to get a white-collar job require transformation. The attitude should be changed. They take up such venture like small industries with half-heart when their all attempt to get a white-collar job is frustrated. The Publicity Department may organise adequate publicity measures in schools, colleges, institutes and universities level regarding the scope and facilities of starting industries as an occupation for educated mass. According to the observation made in the National Workshop on promoting entrepreneurship in small towns held at SIEIT institute in Hyderabad in May 1980 "Educational institutions are a very promising source to identify potential entrepreneurs particularly engineering colleges and Polytechniques. An attempt to identify potential
entrepreneurs in these institutions seems to be rewarding." As such these institutions are ideal centre for arranging training programmes for existing and potential entrepreneurs of the district. The entrepreneurs should be business-minded. The business-mindedness should be spontaneous and not imposed upon them.

Extreme dependence of the small entrepreneurs on Government and other parties on all matters concerning their units is very discouraging trend. It should be remembered by the entrepreneurs that the unit belongs to him and therefore it is he who will take all risks and profit or losses will be his and nobody else. Therefore, they should try their level best to become independent on all affairs of his unit. He should develop all his business man-like qualities by cultivating them right from beginning. Above all, self-confidence should be developed which will help him to take independent decisions, implementation of the decisions and like. It is seen that those units which are enjoying some positions in the market, is due to their individual efforts.

The entrepreneurs are to follow strictly an unwritten code of conduct embracing spheres like customer satisfaction, profitable utilisation of funds, healthy motivation of the employees, respect for commitment and establishment of business goodwill.

2. SIET Institute : SEDME, June, 1980, p. 179
In a developing country, like ours and in backward States/Districts, support for industrialisation is necessary. But support should be in the initial period only and not throughout the life of the units. The initial period of support, however, may range from 3 years to 15 years depending upon the nature and circumstances of a small unit, after which the entrepreneurs are expected to stand on their own legs.

Professor McClelland viewed the entrepreneur as one "who likes to take reasonable risk, wants to know how they can turn out as quickly as possible and has high degree of need for achievement motivation." He also elevated the entrepreneur to a very high status by opining that "economic development depends on vigorous activities of a number of individuals who behave in an entrepreneurial fashion." Therefore, our entrepreneurs should realise their role in the socio-economic development of the district and for that reason the whole of nation and should behave in such a manner to make others feel their status and role. He should be very conscious of time, committed to his work, efficiency and achievement. The entrepreneur should not be a complaining child but a brooding "little Professor". His "adult should be very strong which gives him a keen sense of analysing the present and future realities. While explaining the behaviour of an entrepreneur the author adds that "His


5. SIET Institute, Hyderabad : SEDME, December, 1979, p.
(Entrepreneur's) 'little Professor' hits upon an idea and his adult translates the idea into a reality. He is, however, a benevolent 'parent' when dealing with his subordinates.

Despite several incentives such as subsidy, loans at low rate of interest, tax concessions, infrastructure facilities etc., the response is found to be poor. The Government should find out ways and means to stimulate the dormant entrepreneurs available amongst the mass.

The recent thought regarding industrialisation has, however, undergone a massive transformation. Production by the masses and not mass production is the emphasis of the day. The concept of industrialisation of district/area etc. is replaced by the concept of small town/growth centres/villages etc. This means actual place of developing industries is first to be selected and then various measures are required to be taken for identifying entrepreneur, selection of entrepreneur, training to entrepreneur, economic and technical assistance etc.

In-plant training should be provided to both the existing and potential entrepreneurs.

More research programmes, specifically tailored to the requirements of individual regions/States/District in the country need to be organised.

Modern small scale units may be better organised on co-operative basis. The possibility of organising collective or group entrepreneurship on a co-operative basis should be explored,
particularly in areas where a tradition of mutual co-operation already exists. Co-operative form of organisation will solve many of the organisational, operational and financial problems of a small scale industry.

Training programme should be more practice-oriented and take specific note of the conditions obtaining in the particular region/area where the units are to be set up or existing instead of stereotyped programmes generally adopted by some agencies.

Training programme for small entrepreneurs should invariably include the basic knowledge of accounting and cost calculations so that at least they can satisfy themselves and other concerned agencies including Banks. If found possible, separate training programme for accounting of small enterprises may be tailored to impart training to the entrepreneurs for their practical use.

Since small units cannot bear the cost of training the labour, the Government may take up the training programme periodically at different centres for the workers engaged in the trade. Moreover, training en masse may be provided to the potential labour force by the Government in various trades to ensure uninterrupted labour supply.

The Small Industry Extension Training Institute of Hyderabad opened its only branch at Gauhati with a view to cater to the needs of consultancy and training towards development, management and extension of small industries in N.F. Region. The training programme to be imparted at the Branch of the
Institute should take note of the special characteristics and infrastructural drawbacks of the region.

The entrepreneur should realise his responsibility and obligation towards the nation and should be very particular in paying rent, rates, taxes, interest and all other dues to the concerned authorities regularly.

Specific measures for revival of individual sick units should be taken. Simply by providing required credit, an industrial unit should not be left, rather technical assistance should be provided along with finance to ensure speedy utilisation of funds for right purpose.

Finance

It has been recognised by all that small scale industries have the largest employment potential. To achieve this objective several organisational, managerial, financial, technical and marketing problems of this sector are resolved in an integrated manner. However, to meet the credit needs of this sector several agencies are there but it is undeniable that the desired co-ordination and cohesion amongst these agencies and between these agencies and those meant for promoting small enterprises on the other are altogether non-existent. The promotional and financial agencies are to move forward in unison. They should chalk out jointly detailed long-term credit-cum-operational programmes of a given region. These should be time bound programmes with well-defined targets as well as unambiguous
norms to appraise actual performance.

The lead Bank of the district has drawn up district credit plans. But Credit Plan alone cannot lead us anywhere unless operational plans for profitable utilisation of that credit is also drawn concurrently. If found possible, liaison committees should also be formed for joint adoption of post-Planning follow-up measures. In short, the communication gap now existing between these two categories of agencies is to be fully covered and thereby help creating a clear goal-congruence before them.

The high-powered Committee (Puri Committee of 1978) for examining bank credit problems of small scale industries rightly observed and recommended for standardisation and simplification of Application and appraisal Forms. The Committee evolved two sets of application and interview-cum-appraisal forms for small scale industrial borrowers whose requirements of credit facilities do not exceed Rs. 2 lakhs.

Category 'C' - for advances up to Rs. 25,000
Category 'B' - advances between Rs. 25,000 and Rs. 2 lakhs.

The Committee recommended that these simplified application and appraisal forms be adopted by all banks for the sake of uniformity and simplicity. Simplification of forms along with simplification of all procedure of obtaining credit is required for small industries.

In respect of margin money, the Puri Committee's recommendation for not insisting on margins to small units requiring financial
assistance up to Rs. 25,000 by Banks is agreeable. The Committee also recommended that banks should not hesitate to finance up to 100 per cent of their requirements. This is very important and significant that cent per cent finance should be provided against such schemes otherwise part finance does not help them rather they are forced to pay the interest without viable investment and the resultant loss and non-recovery of loans. This facility should be provided in general to all tiny, village and cottage industries irrespective of their location and also to avoid diversion of funds.

The Banks should keep a constant watch on funds granted to such units and offer necessary managerial advice for its proper utilisation. The follow-up measures should be adopted by the institution concerned invariably not in the interest of the borrower alone but also in the interest of the institution concerned to ensure speedy recovery of loans with interest. In this respect, the Report of the Study Team of the State Bank of India (Varshneya Committee) contains valuable suggestions. The Study Team "felt that the Bank should assume a new role; as a purveyor not merely of finance but also of the know-how on the use of it. The Team has, therefore, made the following recommendations: (a) Preparation of counselling material dealing with basic requirements of managing a small scale unit. This material would be made available to new entrepreneurs at the time of sanctioning their proposals as well as to existing borrowers. (b) Increased use of the Bank's own counselling cell. (c) Increased use of management consultants. (d) Training and education of borrowers. (e) Formation of National Equity Fund."
(f) Preparation of a scheme by the borrower for each proposal involving borrowing in excess of Rs. 2 lakhs."6 This aspect of counselling in management sphere to small entrepreneur by financial institutions is very much needed specially to this region and therefore, the district of Caohar also, where entrepreneurs are not conscious of managerial know-how.

Financial institutions very often complain regarding the attitude of the small entrepreneurs in regard to their dealings with such institutions. But one should not overlook the attitude of the other side. Moreover, such faults are also committed by large entrepreneurs but due to the size and volume of their dealings these are generally overlooked, since the large units can absorb the shocks of these faults whereas the small ones cannot. "There is little or no margin for error for the small units for their very limited resources."7 The business man-like attitude are expected to be shown by the entrepreneurs as well as by the lending institutions.

In order to tackle the financial deficiency of small units the Government should persuade the Commercial Banks and other financial agencies to advance credit on the basis of "Productivity Approach" rather than on "Security Approach".

Financial institutions should remember their increasing role to the development of economy and towards solution of multiple

6. Varshneya Committee Report, p. 19
7. Ibid., p. 17
problems faced by our country. The very purpose of Bank nationalisation will be frustrated until and unless the priority sector like agriculture, irrigation and small scale industry do not get adequate funds for their efficient management. The Commercial Banks should provide loans on easy terms and act as guardians of small scale industrial enterprises. It is seen that small entrepreneurs mostly report regarding rejection of schemes by Banks. Moreover, existing units do not get adequate funds for their smooth running. What again interesting is that after getting credit even the units cannot repay the loan instalment and interest regularly. That reflects upon the efficiency of the financial institutions also. "We call a medical practitioner a bad one if most of his patients die. Similarly, it is a reflection on the lender if the small scale units borrowing from it do not prosper in the desired lines." Hence financial institutions should not be suppliers of fund alone but should supply efficiency too.

The Banks should fix repayment programmes taking into account the sustenance requirements, the break-even point, surplus generating capacity etc., and not on an 'ad-hoc' basis.

Funds should be made available to small and village entrepreneurs at liberal rate of interest by financial institutions. This liberal rate of interest should be allowed specially to educated and trained entrepreneurs.

Mortgage and guarantee systems should be withdrawn in case of small, tiny and village industries for obtaining bank loan.

Banks should check against diversification of funds by entrepreneurs for unproductive purposes.

Sick units should be offered special concessions in the matter of repayment of loans etc.

The Investment Subsidy Scheme and transport subsidy scheme as available for the entrepreneurs of Cachar district should be given wide publicity to enable them to avail the benefit of the schemes.

Sales tax, Excise duty, and income tax exemptions at various rates may be allowed for small scale entrepreneurs as an incentive.

Electricity duty for small scale, village and cottage industry should be waived.

The recommendations of the Puri Committee by and large should be implemented speedily by the concerned authorities to boost up activities of small entrepreneurs specially for the N.E. Region.

Market

The real test of success of an entrepreneur lies in the market. "Small scale entrepreneurs with their limited resources, lack of marketing know-how, small organisation and other structural limitations cannot undertake market promotion and development
programme on their own.” Therefore, Governments should play a special role in market promotion and development for small industry products.

Small scale industries are not in a position to produce quality products according to specifications, standards, tastes, packaging requirements and consumer preferences of the buyers as a result of which even in rural and semi-urban areas, they are losing ground to large scale manufacturers. Therefore, the produce of the small scale sector ought to be standardised as those of the large scale sector. Though entrepreneurs sometimes realise that now-a-days consumers are more fashion-conscious than quality conscious. But, they should not forget that it is quality which prevails in the long run. Moreover, to compete with foreign producers in foreign market only quality has that guts. Therefore, to ensure quality products Indian Standards Institutions (ISI), Directorate of Industries and SISI and other institutions should render necessary assistance for improving quality, packing, etc.

Co-operative retail sales counter may be encouraged to market the local products manufactured by small units in various areas of Big Town and Cities and in semi-urban and rural towns. This will also absorb a large number of educated unemployed. Such co-operatives should be provided with necessary funds by banks. This measure may be adopted only after careful market survey district-wise.

There is a great possibility of joining hands between the large and small enterprises of a region in the sphere of marketing. For example, the large firms may act as the marketing channel of the product of the small scale sector. In Japan, nearly 60 per cent of the small units' products are purchased in bulk by the big Departmental Stores. In other words, it is high time that thoughts on innovative lines were made to promote the interest of the small scale sector. Our traditional approach is to think in term of large industries versus small industries. But in fact these two groups are not rivals but rather complimentary to each other.

The grant of price preference under Assam Preferential Stores Purchase Rules, 1972 should be implemented in its letter and spirit. A good percentage of small units reported that undue favour is shown to outside firms while purchasing stores in Government Departments and other Public bodies and institutions. However, it is also undeniable that in some cases the quality of the small scale industry's products are too inferior to be purchased. Wide publicity of the Scheme of Price Preference should be given amongst entrepreneurs. The registration of units under this rule may be relaxed in backward districts as an incentive by the State Government by waiving the Registration fees or bringing it a nominal amount in case of cottage industries and small scale industries.

The existing list of reserved items of stores for purchase from the small scale sector should be reviewed and modified from time to time by an expert committee appointed for the purpose.
Prompt payment of bills by the Public Bodies and Government Departments for purchases made from small enterprises is necessary to relieve such enterprises from shortage of working funds.

The Reservation Policy of products to be manufactured by small scale units only to avoid competition from large scale sector should be reviewed from time to time. At present there are 934 items reserved for production in small sector only.

The Government should regulate the promotion of the same type of units and see that the existing units utilise their installed capacity fully, before additional units are promoted.

In the case of units situated in rural areas the Government should also undertake the marketing of those small industry products to enable the entrepreneurs to concentrate more on production rather than marketing.

Effective steps are necessary to protect small entrepreneurs and village artisans from the clutches of middlemen who take away large share of profit out of the ultimate sale proceeds.

Small scale entrepreneurs should not insist on and depend on only on the patronage of the State. They should take effective steps to make publicity of their products wherever and whenever possible.

The entrepreneur's behaviour and manner counts much in disposing of their products. They should know the art of salesmanship.
In regard to market, Cachar district has enviable location to feed the entire State of Tripura and the UT of Mizoram and part of Manipur State. The district enjoys definite advantages over any other area of the country in regard to market. Cachar is the gateway of above stated area and therefore products of the Cachar district can be sold there with minimum transport cost. Therefore, a detailed survey should be made of the requirements of those area and necessary steps may be taken to produce and supply such products.

**Raw Materials, Power, Transport Etc.**

Regular and adequate supply of raw materials should be ensured by the Government to the small entrepreneurs. This may be ensured by opening 'Raw-Materials Bank' at various Trade centres of the district.

Such 'Raw materials Bank or Depot' may be operated by agencies like ASIDC.

ASIDC should devote itself towards promotion, development and extension of small scale units instead of opening small units by themselves in competition with other small units.

Indigenous raw materials should be made available abundantly to local entrepreneurs first and then only the surplus resources may be sent outside. In case when indigenous raw materials are scarce considering the requirements, a fixed percentage of such raw materials may be reserved for small scale sector.
To increase the production of raw materials steps may be taken by appropriate help to those sectors and industries which produce raw materials for small scale sector.

Stress should be laid on establishing ancillary industries under priority basis. For this purpose, however, over and above the existing big units, indepth study should immediately be made to explore the possibilities of starting more big units in the district.

Public sector undertakings like ONGC, Railways, Defence, Refineries etc. should be requested by the State Government to sponsor suitable ancillary industries in the State and supply necessary technical know-how from the parent unit to promote ancillarisation.

The North Eastern Region having highest power potential generates lowest power. The projects already under construction and new projects for power generation should be undertaken.

Diesel sets should be installed in the district and power supplied to consumers at cheap rates of power tariff.

Power generation sets may be allowed to be purchased by small scale units on hire-purchase basis. Such sets may also be purchased jointly by three/four small units. Subsidy may be provided by the State Governments towards the cost of generating sets at the rate of certain percentage of the total cost.

The power subsidy available at present for small entrepreneurs at the rate of 9 paise per unit, requires wide publicity and
the method of obtaining such subsidy should be simplified.

The Government should immediately take up the matter of water transport in the district of Cachar with Calcutta and other port town through Bangladesh.

Inland water transport in the district through river Barak, Dhaleswari, Sonai, Madhura etc. may be taken up for transportation of goods from one town to another at minimum cost.

The Government should take up the matter of extension of proposed railway lines to Manipur, Mizoram and Tripura thereby developing the overall railway transport in the district as well as with neighbouring States and Union Territory.

A second railway line from Hojai/Lanka to Badarpur via Jowai, Garompani etc. may be operated if found feasible after making technical and other field survey. This will help to serve a portion of Meghalaya and North Cachar Hills and will work as alternative railway lines for the existing Lumding-Badarpur line. This line should be broad gauge, extending the B.G. line at least up to Dimapur for the time being from Gauhati. The present task of extension of BG line up to Gauhati from New Bongaigaon should immediately be finished.

Road transport system of the district is not up to satisfaction. Road-ways to Haflong from Silchar should be improved and the present work of roadways linking Lumding with Cachar should be completed immediately and special importance should be given for its quick completion. Ropeways may be constructed for quick and uninterrupted supply of goods to Cachar District and other adjacent areas through the Barak Hills.
The District Industries Centre (DIC) scheme is a right step towards decentralisation and diversion of authority from state capital to District Headquarters. But sufficient autonomy and discretion should be provided to DICs for its proper functioning. However, professional and trained managerial personnel should be engaged in the management of DICs instead of Administrative personnel. Public Administration and Business Administration is quite different from one another.

Provision of audit of accounts of the small scale units should be made and necessary administrative order to small units should be issued in this regard to ensure ascertainment of profitability and productivity of the units.

Regarding DIC, comment of an entrepreneur is worth mentioning. "DIC, Cachar is having virtually no functioning. This is purely a show-room of few officers only." Such allegations against DIC is really shameful. The authority should try to improve and render their service in real sense of the term to the entrepreneur.

Revival of sick units should be undertaken by the Government after diagnosis of the reason for sickness in a planned manner.

In case of some sick units it is seen that though the unit is sick the entrepreneur is in good health. Their financial position is much better than average entrepreneur. The entrepreneurs should not adopt such means to get rid of repayment of loans and/or enjoy some special benefit.
Sharing the views expressed by all the entrepreneurs and concerned officials and persons I meet, I also like to put on record that the district of Cachar has nice potential of small industries provided the State comes forward with a real helping hand for its speedy growth in consonance with national aspirations. I also fervently hope that the findings of this thesis will be examined by the concerned agencies and materialised for attaining the national objective of small industry development as a peoples' programme.