

Chapter VI

Major Industries : The Wood Based Industry.

In this chapter only the major industries of North Bengal have been taken up for detailed study. The major industries are: The Wood Based Industry and The Hand Loom Industry.

The Wood Based Industry

Industries using timber as their basic raw material are termed as Wood-Based Industries. To name some of the important industries that are now functioning in North Bengal are : Saw Mill, Veener and Ply Wood Industry, Household Furniture, Cart-wheel, Boat-making, Wooden craft, etc. For the present study however, saw mill, veener and ply Wood Industries have been taken into consideration, since from the point of view of industrial development of North Bengal these industries have played an important role. The main aim of this study, therefore is to find out its trend of growth, locational factors and size groups and finally, some future possibilities contributing ultimately to strengthening of the industry.

The Development and growth Trend of the Industry.

An idea about the trend of growth of Saw Mill, Veener and Ply Wood Factories of North Bengal may be obtained from the following table. (Chart.16)

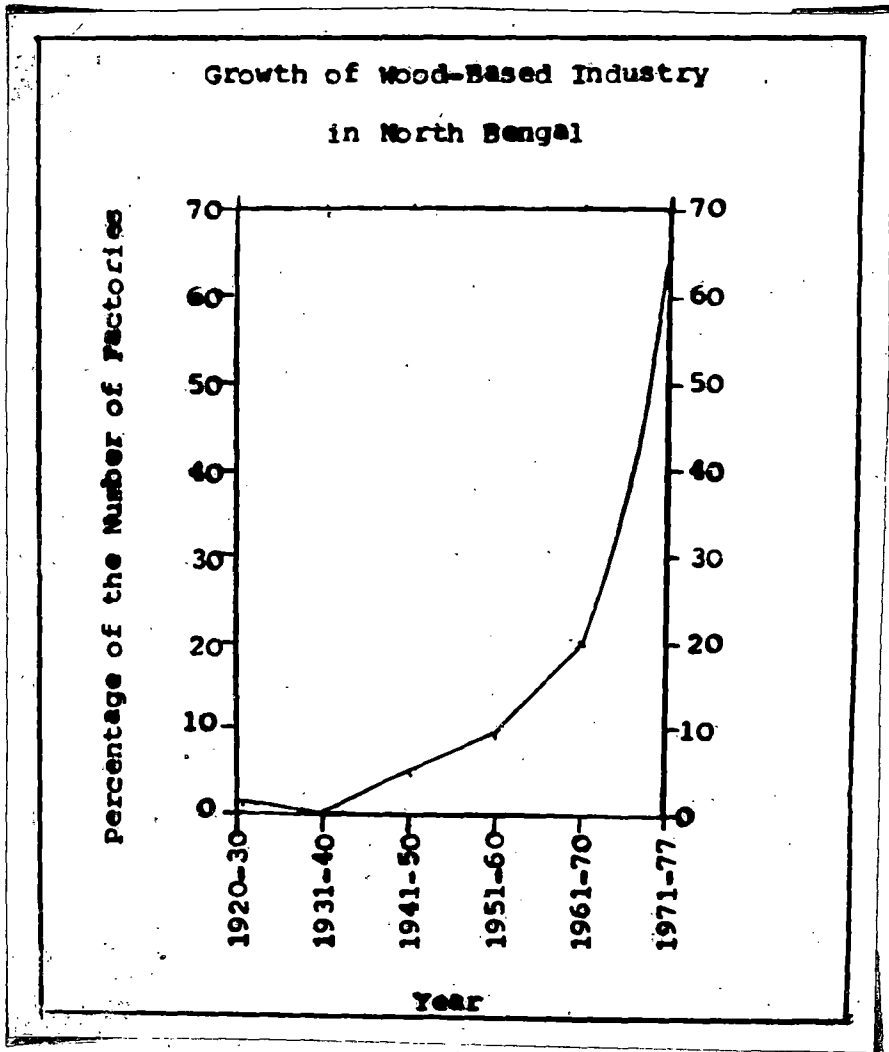


Chart. 16

Table-49¹

Growth of Wood-Based Industry in North Bengal

Year	No. of Factories established	Percentage of the total
1920-30	1	78
1931-40	-	-
1941-50	6	4.65
1951-60	12	9.30
1961-70	26	20.16
1971-77	84	65.11
Total :	129	100.00

It appears from the above table that the growth of Wood-Based Industry in North Bengal started as early as 1926, when a Saw mill was established at Siliguri in Darjeeling district by the Government. It may be surprising to note that there was no other Saw Mill and Ply Wood Factories established till 1940. And the first Ply Wood Factory, East India ply Wood Co. was

established in Cooch-Bihar Town in Cooch-Bihar district in 1944. Since 1941, however, the number of factories gradually increased and at present, there are about 129 units in North Bengal. The maximum development has taken place in between 1970-77, 84 new plants were added making an increase of over 65 percent in the total number of plants working in the region.

The principal reason behind this phenomenal increase in this particular sphere of activity is highly interesting. The partition of India in 1947 truncating Bengal left the several portion of North Bengal throubing under economic pressure. The entire transportation system was dislocated and the absence of direct route to the principal market of Calcutta almost had a paralysing effect on both its economic and administrative functions, the latter going out of gear all on a sudden. In order to remove these difficulties quick measures had to be adopted in no time and the main stress was primarily on ^alying out a well-limit transportation system.

Hence, since the begining of the Five Year plans various types of roads and railways have been constructed namely : village and district roads, state and National Highways formed an intergral part in this region giving it direct access to the part of this programme while a new railway link established direct communication between North Bengal and Calcutta across the River Ganga which till 1972 had to be ferried. The development of roads and railways, besides bringing the region

into the direct contact of its surrounding regions had its impact on the revitalisation of the regional economy. The remoteness of different parts of the region having been removed, the local resources came to be utilised in a more vigorous manner than hitherto ever witnessed. The developed transportation system helped in both ways - the movement of raw materials became easier and the market for their products enjoyed greater accessibility. The Saw Mill and Ply Wood Factories found their market apart from their domestic consumption for various uses like railway sleepers, house building materials, various constructional works, furniture making, chassis of vehicles, (bus, truck) etc. out of sawn wood and tea-chest, packing boxes etc. from veneer and ply wood. With the completion of Farakka Barrage over River Ganga in 1972, a direct link between South Bengal and North Bengal with that of Assam was established which brought a further spur in the industrial activities of the region witnessing a rapid growth of Saw Mill and Ply wood Factories finding their places in different districts of North Bengal with specially in the forest clad area of Darjeeling, Jalpaiguri and Cooch Behar. The industry, therefore, developed here have been mainly raw-material as well as Transport oriented.

Locational Analysis of the Saw Mills and Ply Wood Factories.

In making a locational analysis of the industrial plants functioning in different parts of the region it is necessary to evaluate all the factors taking an indispensable role in their functions.

Industrial Infrastructure.

(a) Raw material. The development of Saw Mill and Fly Wood Industries are mainly based on the utilisation of hard and soft wood. Hence, they are likely to be attracted by the forest areas. ~~That~~ the forest areas of North Bengal, have been divided into 7 divisions namely Baikunthapur division, Buxa Division, Cooch-Bihar Division, Darjeeling Division, Jalpaiguri Division, Kalimpong Division and Kurseong Division, Covering the districts of Cooch-Bihar, Darjeeling and Jalpaiguri. The total production of timber amounts to 90,499.23 cubic metres in 1971, for five divisions, the amount for Baikunthapur and Buxa forest divisions are not available. The total amount required for the industrial use is 20,000 cubic metres. The ratio between the total production of timber and the total requirement for industrial units, therefore, proves that from the point of view of raw material the region is really suitable for wood based industry.

(b) Power supply. Power is necessary for the development of Saw Mill and Fly Wood Factories. The Jaldhaka Hydel Power Station supplies the power to the industrial units through the following substations .

	<u>Name of the Sub-Station</u>	<u>Bulk Supply</u>
1.	Chalsa Voltage - 66/11KV Capacity- 1X 1MVA	At 11 KV
2.	Codlabari Voltage - 66/11KV Capacity- 2X1 MVA	At 11 KV
3.	Siliguri Voltage - 66/6.6KV Capacity- 2X3 MVA	At 6,6KV
4.	Banarhat Voltage - 66/11KV Capacity- 1X3 MVA	At 11KV
5.	Birpara Voltage - 66/11 KV Capacity- 1X1 MVA	At 11KV
6.	Cooch - Behar Voltage - 66/11 KV Capacity- 2X3 MVA	At 11 KV

As has been seen that the bulk supplier sub-stations are set up adjoining the forest and tea garden areas, provide facility for supplying power to the Saw Mill and Ply wood units. Most of the units have developed within these substations which have been discussed in the part of this chapter.

(c) Labour Supply. Huge amount of labour is required for the growth of industrial location. A dec^{enti}al variation of population will show the surplus labour supply within the area.

Table - 50^{4,5}

Number of Unemployed persons and growth rate of population in North Bengal.

Year	Total Population	Decade variation	Percentage decade variation	Total worker	Percentage to total worker	Non-worker	Percentage non-worker
1951	3,959,775						
1961	5,549,458	+1,589,683	+40.15	1,946,735	35.1	3,602,723	64.9
1971	7,418,663	+1,869,205	+33.68	2,174,878	29.3	5,243,785	70.7

A decadal^{ann} variation of growth rate of population shows that the percentage of population was increased to 40.15 percent between 1951 to 61, having 35.1 percent of total worker with 64.9 percent of unemployed persons during 1961. The density of population, further increases to 33.68 percent within 1971, while the total percentage of non-workers is 70.7 involving 29.3 percent in employment, indicates an excess supply of labour.

(c) Selection of the Site.

1. The physical condition of the site such as the stability of the ground for foundation of the mill area, ample space for dumping of raw materials as well as finished goods and wastage;
2. The facilities of supplying electricity, postal and telephone facilities;
3. Lastly, accessibility of the site both for road and rail transport.

Considering these three factors most of the saw mill and ply wood factories in North Bengal are located on either side of the National highway No. 31 and 34 or state highways, on spacious grounds provided with electric, telephonic and postal facilities.

Number of Mills Present in Different Districts.

With a view to ascertain the number of Mills functioning in North Bengal, a district-wise distribution has been given in the following table.

Table- 51¹

District-wise distribution of Mills in North Bengal
(up to 1977)

Name of the district	No. of units	Percentage of the total number
Cooch Behar	13	10.07
Darjeeling	40	31.00
Jalpaiguri	45	34.88
Malda	8	6.20
West Dinajpur	23	17.00
	129	100.00

A district-wise distribution of number of units reveals that maximum concentration has been taken place in the district of Jalpaiguri with 45 in number, 34.88 percent of the total. Darjeeling comes second having 40 units, with 31 percent, while West Dinajpur ranks third, 17 percent followed by Cooch-Bihar and Malda, 10.07 and 6.20 percent respectively.

The reasons for large number of factories in the districts of Darjeeling and Jalpaiguri are the presence of forested area and tea-garden. To have a figurative idea about the total forest and

tea-garden area within these two districts Table 52 has been presented below.

6
Table-52

Distribution of forests and tea gardens in Darjeeling and Jalpaiguri Districts.

Name of the district	Total Area (in thousand hectare)	Total forested area (in thousand hectare)	Percentage of the total	Tea-Garden area (in thousand hectare)	Percentage of the total
Darjeeling	310.77	118.5	38.1	29.01	9.3
Jalpaiguri	615.0	167.3	27.2	59.4	9.6

The distribution of forests and tea gardens, in the district of Darjeeling comprise 47.4 percent of the total area while it is 36.8 percent in Jalpaiguri district, have really attracted for developing the Saw mill and Ply Wood Factories.

Again, a categorical classification of the units in the region may be given thus.

Table-53¹

A categorical classification of the Mills in different districts of North Bengal (1976 - 78)

Category of the plants	Cooch Behar	Darjee-ling	Jalpai-guri	Malda	West-Dinajpur	Percentage age of the total
1. Saw Mill	12	38	38	8	18	114 88.4
2. Veneer & Ply Wood Industry	1	2	6	-	5	14 10.9
3. Commercial Ply Wood Factory	-	-	1	-	-	- 0.8
Total	13	40	45	8	23	129 100.00

It is very striking to note here that saw mills share 88.4 percent of the total number of units in North Bengal. This is very likely since the industry is still at its primary stage when sawn timber is greater demand for direct use than as a raw material for other industries. Most of the Saw Mills are thus engaged in producing materials for building as well as other constructional works. The demand in local market for sawn wood are gradually increasing with the growth of population and urbanisation.



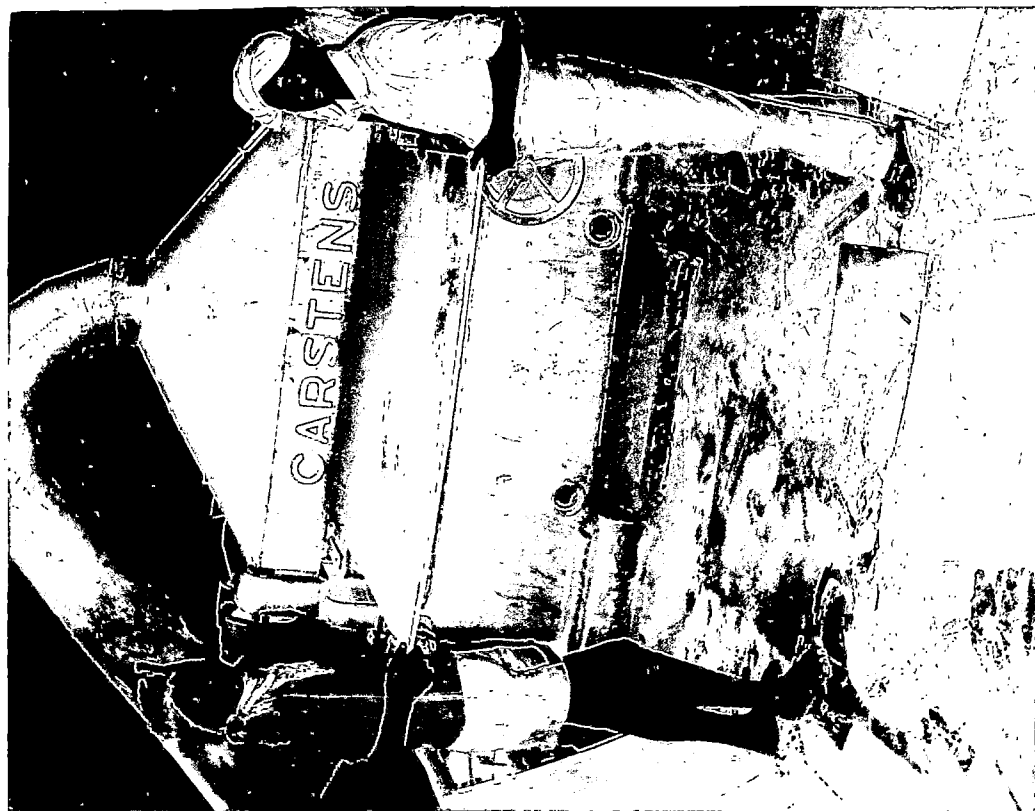
Log of Soft Wood Sawn by Electrically operated Machine
Assam Bengal Verner Industriy, Odlabari, Dt. Jalpaiguri.



Feeling of Verner from logs by Leathe Machine
Assam Bengal Verner Industry, Odlabari, Dt. Jalpaiguri.



Piecing of veneer to required size
Assam Bengal Veneer Industry, Godlabari,
Dt. Jalpaiguri.



Drying veneer in dry chamber
Assam Bengal Veneer Industry, Godlabari,
Dt. Jalpaiguri.



Pasting of 3 veneers for getting standard thickness
Assam Bengal veneer Industry, Oodlabari, Dt. Jalpaiguri.



Manufacture of Commercial ply for decorating purposes
Assam Bengal veneer Industry, Oodlabari, Dt. Jalpaiguri.

The veneer^e & Ply Wood Factories with 14 units forming 10.9 percent of the total have developed for making tea-chest for packing tea. The units are engaged in producing veneer of ply from the soft wood for packing tea for exporting outside. The only commercial Ply Wood Factory has established at Chalsa in Jalpaiguri district in 1977. The unit is engaged in producing decorative ply wood for making furniture, flushdoor, partition etc. With the growth of urban development the demand for this product has gradually been increased. The table below show the growth rate of urban population for 1961-71.

Table-5⁵
Table-54

Growth of urban population in North Bengal 1961-71

Year	Total urban population	Decade variation	Percentage of decade variation
1961	489,651		
1971	686,660	+197009	+ 40.23

The decennial variation of urban population between 1961-71 shows that, it increases to 40.23 percent in 1971, proves the growth of urbanisation.

Organisation, Structure and Size.

Except the Government Saw mill at Siliguri, all the Saw Mills

and the ply wood factories are privately managed, so far as the organisational structure of the industry is concerned.

Capital Structure. The collection of the accurate data relating to the invested capital in the case of small scale industry is very difficult. Unorganised nature of the units under survey and the general absence of accounting habits, or reluctance at disclosing their accounts to outsiders, make it difficult to obtain requisite data regarding their historical cost as well as the present book value of the fixed assets. However, in the present survey an attempt has been made to give a general idea \forall about the fixed capital invested per unit which was obtained from the owners of each establishment covered by sample survey. In the present survey 37 establishments covering the four districts of North Bengal namely Cooch Behar Darjeeling, Jalpaiguri, West Dinajpur. The factories at Malda district have started just in the year 1977, as a result of which any complete data relating to the size and structure of the mills have not been collected during the survey-work. (Chart.17)

Table-55⁷

Distribution of units in Saw Mill and Ply wood industry by districts.

Districts	No. of Centres	No. of Units
Cooch Behar	2	2
Darjeeling	4	7
Jalpaiguri	11	23
West Dinajpur	3	5
Total :	20	37

**Frequency Distribution of Capital
Investment in 37 Units of Wood -
Based Industry
-Working Capital
-Fixed Capital**

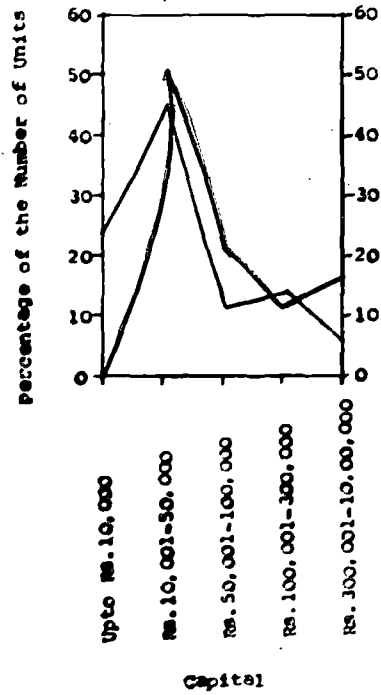


Chart. 17

The table shows that in Jalpaiguri district the maximum number of 23 units of the industry are concentrated in 11 centres giving an average of 2.09 units per centre the next largest group of units surveyed was in Darjeeling where 7 units have developed in 4 centres with an average of 1.75 units per centre; this is followed by West Dinajpur with 5 units in 3 centres, having an average 1.66 units per centre. Lastly Cooch Behar has 2 units confined to 2 centres.

Table-56⁷

Bivariate frequency distribution of 37 units by fixed and working capital

Fixed Capital	Working capital	upto-10,000	10,001-50,000	50,001-1,00,000	1,00,001-3,00,000	3,00,001-10,00,000	Total	Percentage
Upto - 10,000		-	-	-	-	-	-	-
10,001 - 50,000		8	11	-	-	-	19	51.35
50,001 - 100,000		1	5	2	-	-	8	21.62
100,001 - 300,000		-	1	-	1	-	4	10.8
300,001 - 10,00,000		-	-	-	4	2	6	16.2
Total		9	17	4	5	2	37	
Percentage		24.32	45.94	10.81	13.51	5.40		100

It is striking to note that a maximum number of 11 units out of 37, i. e. about 29.78 percent have got both the fixed and working capital ranging between Rs. 10,001-50,000. There are 5 units which have got a fixed capital ranging between Rs. 50,001-1,00,000 and a working capital ranging between 10,001-50,000. There is only one unit that has got a fixed capital ranging between

Rs. 1,00,001-3,00,000 with a working capital ranging between 10,001 - 50,000. It is highly interesting to note that not a single unit exists which has employed more than Rs. 3 lakh as fixed capital and a working capital ranging between Rs. 10,001 - 50,000. In all, 17 units, representing about 45.94 percent of the total number of units investigated during the survey, have working capital ranging between Rs. 10,001 - 50,000. Correspondingly, there are 8 units with a working capital upto Rs. 10,000 and the fixed capital ranging between Rs. 10,001 - 50,000. To sum up 19 units which constitute about 51.35 percent of the total number of units investigated have employed fixed capital ranging between Rs. 10,001 - 50,000.

Table - 57⁷

Distribution of Capital investment
of 37 units

Capital Investment	Percentage of units having fixed capital	Percentage of units having working capital
Upto Rs. 10,000	-	24.32
Rs. 10,001-50,000	51.35	45.95
Rs. 50,001-1,00,000	21.62	10.81
Rs. 100,001-3,00,000	10.80	13.51
Rs. 300,001-10,00,000	16.20	5.40

If the capital is compiled the following results is obtained for the 37 units.

Table - 58

Distribution of 37 units by total capital

Total capital (Rs.)	No. of units
Upto Rs. 10,000	-
Rs. 10,001-50,000	11
Rs. 50,001-1,00,000	10
Rs. 100,000-3,00,000	9
Rs. 3,00,001-10,00,000	4
over 10,00,000	3
	37

The table given above shows distribution of units according to different total capital invested. Thus out of (1) 11 i.e. 29.72 percent fall within the total capital range of Rs. 10,001-50,000; (2) 10 units i.e. 27.02 percent come within the total capital range of Rs. 50,001-1,00,000; (3) 9 units i.e. 24 percent come within the total capital range between Rs. 1,00,001-3,00,000 (4) 4 units i.e. 10.82 percent in Rs. 3,00,001-10,00,00 and (5) 3 units i.e. 8.10 percent have a total capital over Rs. 10,00,000.

Table - 59⁷

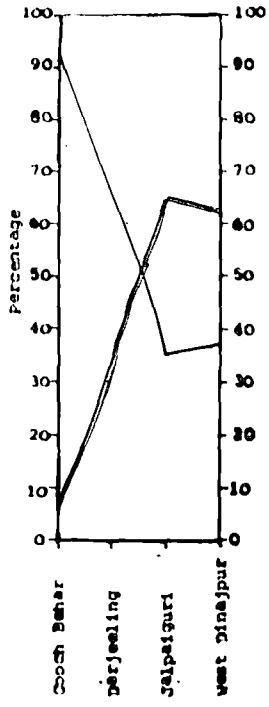
Distribution of 37 units by average daily employment

Average daily // employment	No. of units
1 - 9	11
10 - 49	18
50 and above	8
Total	37

The weighted arithmetic mean of average daily employment per unit comes to 8, approximately. Maximum number of units i.e. 18 (48.64 percent) have an employment ranging between 10 to 49 workers each while 11 units i.e. 29.72 percent employ from 1 to 9 workers each.

The following table (no. 60) shows that the total production in the units investigated in different districts, their installed capacity, the percentage of capacity utilised and the balances still to be/un utilised. (Chart.18)

Co-relation between Annual Production and
the installed Capacity of Production of 17
Units in wood-based Industry



- Percentage of Installed
Capacity Utilised.
- - - Percentage of Installed
Capacity Unutilised.

Chart. 18

Annual production and Installed capacity by districts for all, units averaged

District	No. of units	Annual production (in Rs.)	Installed capacity (in Rs.)	Percentage of Installed capa- city utilised	Percentage of Installed capa- city unutilised
1. Cooch Behar	2	13,22,000	14,26,000	92.70	7.3
2. Darjeeling	7	36,15,452	55,48,307	65.16	34.84
3. Jalpaiguri	23	93,38,145	2,63,64,500	35.41	64.59
4. West Dinajpur	5	9,70,750	25,62,618	37.88	62.12
	37	1,52,46,347	3,59,01,425	42.46	57.54

In this industry the maximum utilisation of the installed capacity is found in Cooch Behar with 92.70 percent of the total. Darjeeling utilises 65.16 percent of the installed capacity followed by West Dinajpur and Jalpaiguri with 37.88 percent and 35.41 percent respectively. It appears that there is a scope for expansion of production up to the limit of unutilised installed capacity.

The following table will give an idea about the varying amounts of capital invested per employment by districts in wood based Industry.

Table - 61⁷

Capital Investment per employment by districts

Name of the States	Total capital (Rs.)	Fixed capital (Rs.)	Working capital (Rs.)
1. Cooch Behar	3729.5	2049.1	104.91
2. Darjeeling	5670.2	4105.6	1565.3
3. Jalpaiguri	6233.2	3757.	2476.0
4. West Dinajpur	8299.1	4703.0	1865.3

The minimum amount of Rs. 3729.5 as total capital is invested per employment in Cooch Behar where as in the district of West Dinajpur a maximum amount of Rs. 8299.1 is invested per head. It is interesting to note that the amount of fixed capital invested per employment is highest in West Dinajpur with ^{Rs.} 4703.0 and lowest in Cooch Behar with Rs. 2049.1 . However, working capital invested per employment is highest in Jalpaiguri Rs. 2476.0 and lowest in Cooch Behar Rs. 204.91.

The foregoing analytical study reveals the characteristic feature of capital investment employment and installed capacity of 37 units under sample survey of this industry.

Again, the average employment, investment, production per unit in different districts have been showing thus :

Table-62⁷

Average employment, investment and production per unit by districts

District	Average no. of persons employed per unit	Average capital invested (per unit (in Rs.))			Average annual production (in Rs.) per unit.
		Fixed	Working	Total	
1. Cooch Behar	61.00	1,25,000	12,500	1,37,500	6,61,000
2. Darjeeling	66.28	2,72,142.8	10,375.71	2,82,518.51	5,16,493.14
3. Jalpaiguri	40.82	1,53,399.1	101,086.95	2,54,486.05	4,06,006.30
4. West Dinajpur	10.40	48,911.4	19,400	68,311.4	1,94,150

The table also brings out the concentration of this industry in different districts. Darjeeling has the highest concentration of this industry, it has the highest capital invested per unit, it means simply that an industry which offers better prospects in a particular area attracts more entrepreneurs to that area. This helps to concentration and investment per unit also go up. Thus, according to the average capital invested per unit the four districts rank in the following order :

- (i) Darjeeling; ii) Jalpaiguri; iii) Cooch Behar and iv) West Dinajpur.

The techniques employed at various stages of production varies from district to district. The types of production are also dissimilar. The efficiency of the machines employed is not identical in all districts. Locational advantages and others to economic considerations vary from district to district. The inter-action of several of the above mentioned factors causes diverse reactions on industry itself from district to district.

Some Important Centres of Wood-Based Industry

Depending upon the locational advantages for the growth of this particular industry, 3 important centres have been discussed under the following groups :

A. Siliguri Centre. This centre boasts of its early start with its Government Saw Mill, being the first in North Bengal. Approximately 36 saw mills and Ply Wood Factories are functioning within this centre. Table 63 have been given to show the growth rate of different units.

Table-63⁷

Name of the units with year of establishment
in Siliguri Centre

Name of the unit (1)	Year of Establishment (2)
1. Government Saw Mill	1926
2. M/s. Enco Ply Wood and Saw Mill Industries	1944

(1)	(2)
3. M/s. Bhiwani Saw Mill	1950
4. M/s. Arzune Niwas Saw Mill	1958
5. M/s. Radha Krishna Silpa Mandir	1958
6. M/s. Sri Durga Saw Mill	1960
7. M/s. Mahabir Industries	1965
8. M/s. A.K.Mitra Saw Mill	1966
9. M/s. Bengal Saw Mill	1966
10. M/s. Shibananda Saw Mill	1966
11. M/s. Dooars Timber Depo	1968
12. M/s. Mahabir Prakash Mill	1968
13. M/s. R.Banerjee Saw Mill	1968
14. M/s. Hindustan Saw Mill	1970
15. M/s. Everest Fly Wood Factory	1972
16. M/s. Equity Saw Mill	1972.
17. M/s. Haryana Saw Mill	1972
18. M/s. F.C.Talukdar & Sons	1972
19. M/s. Goodka Saw Mill	1973
20. M/s. MA Tara Industries	1973
21. M/s. Siliguri Timber Saw Mill and Industries	1973
22. M/s. Ananda Saw Mill	1974
23. M/s. B.E.Dey and others	1974
24. M/s. Bharat Kuti Industries	1974
25. M/s. Ila Saw Mill	1974

(1)	(2)
26. M/s. Swastika Saw Mill	1974
27. M/s. Banastree Silpa Mandir	1975
28. M/s. Bharat Saw Industries	1975
29. M/s. Bidhan Saw Mill	1975
30. M/s. Jaychand Vasen Saw Mill	1975
31. M/s. Rajkamal Saw Industries	1975
32. M/s. Woodcraft Industries	1975
33. M/s. Annapurna Saw Mill	1976
34. M/s. Ganesh Saw Mill	1976
35. M/s. Prakash Saw Mill	1976
36. M/s. Sevoke Ply Wood Factory	1977

The growth of 36 units within the centre shows that the rapid development of units have taken place from 1972, with 22 numbers forming 61 percent of the total units. ~~from 1926 to 1977.~~

The selection of Siliguri town for Saw Mill and Ply Wood Factories are indeed right. The large spaces on both sides of the Burdwan Road and Sevoke Road are suitable for establishing the factories. The Siliguri Town lies within the radius of 20 kilometres from the forested area of North Bengal. The Mills obtain their raw material by road from the forest. ~~The West Bengal~~
~~The West Bengal State Electricity Board have supplied the necessary~~
The West Bengal State Electricity Board have supplied the necessary

power for generating the machines. Siliguri Junction the nearest railway station, 1km away from the town, connects the centre Assam on the East and Bihar on the West. New Jalpaiguri Railway Station 6km. away from the Siliguri town links the centre with Calcutta in the South.

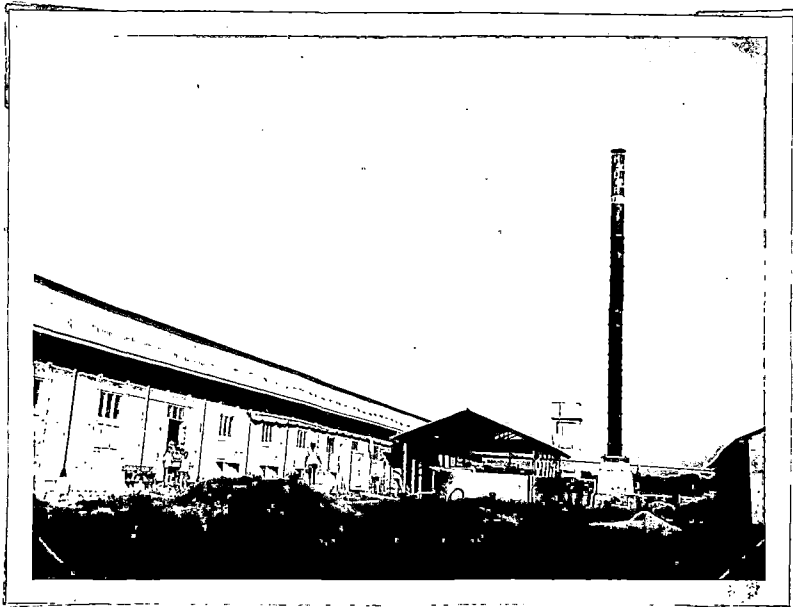
Apart from railway lines National Highway No. 31 passes through this centre from Calcutta in the south to Assam in East, provides facility for movement of raw materials from the forest and finished product to the local tea-garden, urban market, beside the Calcutta market. A large number of labour has been recruited from the surrounding villages and forest areas. The sized timbers of the Saw Mills have been sent to Bihar, Orissa, Rajasthan, Uttar Pradesh for making railway sleepers, besides their use in various constructional work in local market. While the veneer and ply wood factories are engaged in producing ply wood for packing tea, for exporting abroad.

B. Oodlabari Centre. Comprising of 3 Saw Mills and 2 ply Wood Factories the Oodlabari centre is situated in Jalpaiguri district, 35 km. away from Siliguri town. Following factories have been established within this centre.

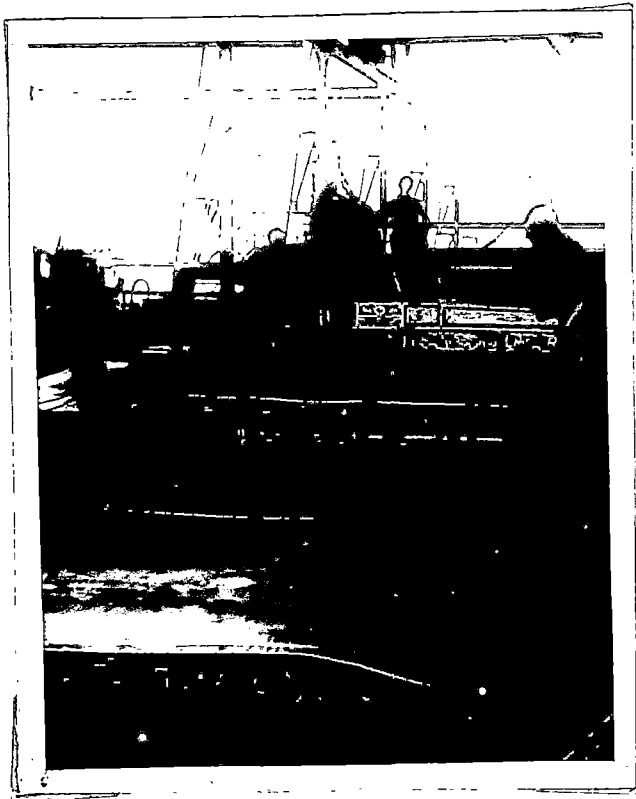
Table - 64⁷

Name of the Units in Oodlabari Centre

Name of the Units	Year of Establishments
1. M/s. Assam Bengal Fly Wood Factory	1951
2. M/s. Prahlad Flour and Saw Mill	1955
3. M/s. Mina Saw Mill	1964
4. M/s. Oodlabari Saw Mill	1966
5. M/s. Dosmit veneer Industry	1974



Madora Wood Craft Industry
Chalsa, Dt. Jalpaiguri.



Manufacture of Commercial Plywood
of exportable variety,
Madora Wood Craft Industry,
Chalsa, Dt. Jalpaiguri.

The table above shows that the first Saw Mill was established in 1951 in Oodlabari Centre, and within 1974 four more units were added owing to the facilities of obtaining raw materials within the radius of 15 Kilometres. The National Highway No.31 and Metre Gauge railway lines offer facility of movements of finished product to the local as well as outside market. This area enjoys the advantages of electricity from the Jaldhaka Hydel Project controlled by the West Bengal State Electricity Board from Oodlabari sub station. The large spaces within each units prove suitable for dumping the raw materials as well as finished products. Labour has mainly been drawn from the local forest and tea garden area. The sized timbers produced here have been used by the contractors for various constructional work, and Ply wood Factories supply Ply Woods and veneer to the tea companies at Calcutta for export-business.

C. Chalsa Centre. Consisting of 5 units, the Chalsa area offers a suitable location for developing this industry.

Table-65⁷

Name of the units in Chalsa Centre

Name of the Industry	Year of Establishment
M/s. Chalsa Saw Mill	1966
M/s. Timber Trading Works	1970
M/s. Dooars Saw Mill	1974
M/s. Calcutta Ply Wood Co. Ltd.	1977
M/s. Madora Wood Craft Industry	1977

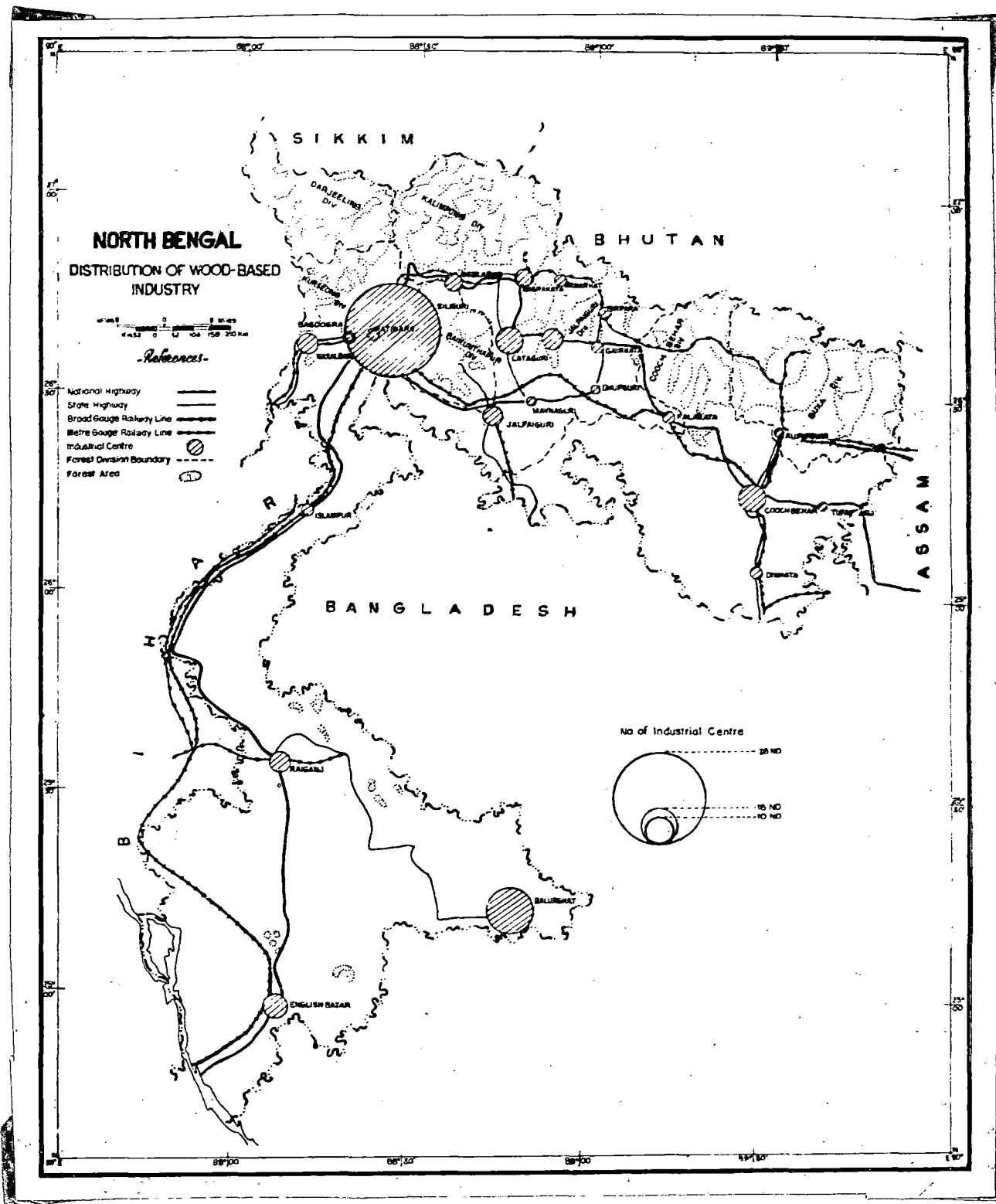


Fig. 19

The mills at Chalsa started as back as 1966, it increases to five within 1977. The Centre lies within easy access, 5 kilometres radius, of the Jalpaiguri forest division supplies raw materials for the mills. The mills at Chalsa are situated on either side of the National Highway No. 31, offers facility for transporting the products to the market. Jaldhaka Hydel power station supplies the electricity from Chalsa substation. A good number of labour has been recruited from the local villages of forest area and tea gardens. Sawn Wood have been consumed by the local market and tea garden for building construction. Ply Woods and veneers are sent to Calcutta for packing tea. The Madora Wood Craft Industry have started on 1977 with an investment of Rs. 80,00,000 produces mainly commercial plywood of exportable quality.

Apart from these centres there are some other clusters of small scale Saw Mills and Ply Wood Factories in different parts namely, Banarhat, Gairkata, Lataguri in Jalpaiguri district, Naxalbari in Darjeeling district, Cooch Behar and Dinhata in Cooch Behar district, Malda Town in Malda district, Balurghat, Islampur and Raiganj in West Dinajpur district. (Fig.19)

Production.

It is highly interesting to note that the data on production for all the existing 114 saw mills operating in the region are not available either with the District Industrial Offices or with the concerns giving loans to many of them. It may be noted here that although all the concerns are registered units many of them do not

seek loans which appears to be the only occasion when they have to give out their production figures. At the same time they do not seem to have any compulsion for producing their figures on production every year to any Government agency. Thus it becomes difficult to get a true picture about the production position of this individual industrial units. Again, even where the industrial units are seeking loans, they are obliged to produce only the figure on their current production which may not be an indicator of the actual production for every year. In the absence of such figures one may however make some idea about the production of the industrial units on the basis of the rate of production which is 150 cft. for 8 working hours. This however, is dependent on the availability of power. Presuming that the power supply remains undisturbed, and all the 114 units work 6 days a week, the total production amounts to 2,667,600 cft. a year.

It is not possible to ascertain whether the actual production does approximate the figure mentioned above on the contrary the figure of production appears to be on the higher side when it is compared with the average production figure of the 20 saw mills for which data were collected personally from field investigation. According to the available data the total production for these 20 units amounts to 456,388 cft. And on this basis the production for 114 saw mills might amount to 2,652,666 cft, taking an average for the individual means. Thus there is a disparity between the two figures, the average for the 20 surveyed mills giving a total production is lesser than what is expected on the basis of the

actual daily capacity for each mill. The disagreement between the two figures, however, is not tenable in view of the fact that the production of individual mills vary widely between the 20 saw mills which have been investigated personally. Here, the annual production varies generally from 2,000 cft. to 50,000 cft., dropping to a minimum of 58 cft. in one case such variation is due to many factors and it is conceivable that similar variation in production is also expected in the case of the remaining saw mills. As a result of the variable conditions governing the production of the saw mills their annual output for the region as a whole is expected to the limit of 2,667,600 cft. a year (average working days 6 months).

There are altogether 14 plywood factories in the region and as mentioned earlier distributed all over the region they function throughout the year. The different constraints are responsible for the variable production and this is largely manifest in the total annual production of them.

8
Table - 66

Production of Plywood in North Bengal
(in sq. mts.)

Name of the Central Excise Division	1975-76	1976-77	1977-78 upto October
Cooch Behar	168,497	179,748	109,866
Jalpaiguri	470,533	425,768	332,901.81
Siliguri	701,506	978,296	889,010

Table no. 66 shows the total production of plywood for 3 financial year for the region of North Bengal. The over all picture is not very encouraging in view of the fact that the production is far from steady between the years 1975-76 to 1977-78. The figures are shown for the 3 divisions and in none of them the production shows a steady increase. The figures for 1977-78 however, do not give a complete picture, yet it is not expected that in the remaining 2 months the production will be such as to exceed the previous year's records. Thus the decline in total production, in each of the division is very clear.

Utilisation of By-Products.

The saw dust and waste timber are the by-products of both saw mills and ply wood units. They are either used as fuel for generating steam-power for heating the dry chamber in ply wood factories, or consumed by the local market for domestic fuel. They may be utilised for the production of paper pulp, straw boards and paper boards.

Problems.

The wood based industry in North Bengal faces various problems; which may be ascertained from the following discussion.

1. Timber, the raw material for the industry have been distributed through lease of forest, which is done through the practice of Auction by the Government Forest Working Plan Division. The small-size saw mill units cannot compete with the big timber merchants and as a result the production capacity of

the units suffer greatly. This can be minimised by changing present practice.

2. The saw mills and ply wood factories of North Bengal are frequently suffering from insufficient supply of electricity. Regular supply of electricity in the industrial sector may help the industry.

3. The wood based industries of North Bengal are in the most cases, small in size and paucity of working capital is the general problem in these sectors. Financial help from Government side may improve the industries.

The Development Plan for Saw Mill and Ply Wood Factories.

In order to improve the industry, the State Government has helped in the shape of productive capital loans among the various units, through several agencies. The West Bengal Financial corporation is playing an important role from 1972, which may be found in the following table.

10
Table-67

Assistance of capital for Saw Mills and Ply Wood Factories by the West Bengal Financial Corporation

Year	No. of Saw Mills	No. of Ply Wood factories	Amount disbursed (in Lack Rs)	Employment
1972	-	1	3.49	59
1973	2	-	1.35	21
1974	2	-	2.85	27
1975	3	3	75.49	437
Total	7	4	83.18	539

Table no. 67 shows the financial benefit offered by the West Bengal Financial Corporation for 4 financial year in North Bengal. It is very encouraging in view of the fact that the number of units, amount of capital and employment are steadily increasing between 1972-75.

Side by side Nationalised Banks : the United Bank of India, the Central Bank of India are helping with a liberal hand to promote the Wood based industries. If these schemes become fruitful in the long run, that will help increasing more employment opportunities as well as bringing an economic stability in North Bengal.

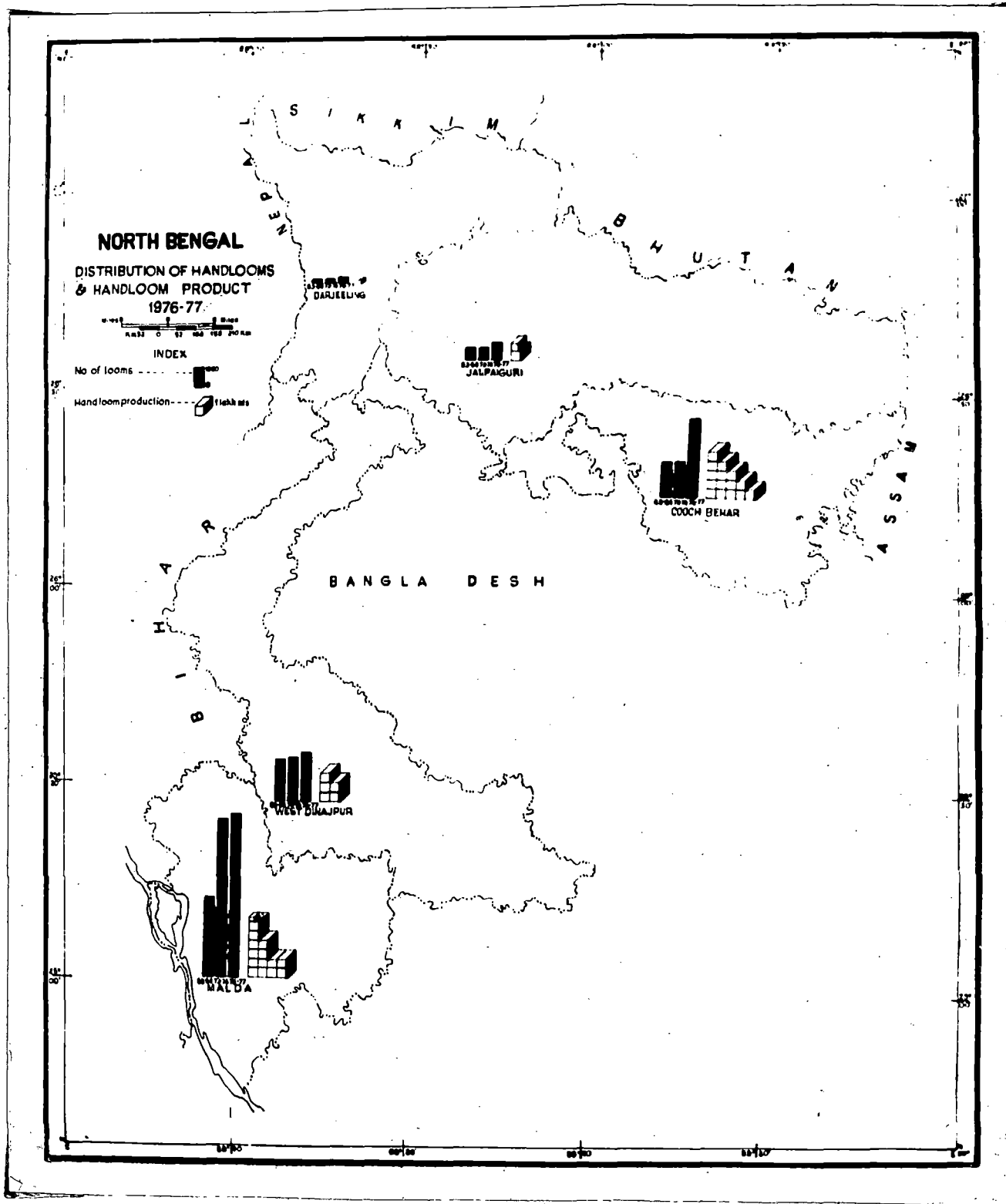


Fig. 20