

## Introduction

With a few of its speciality products and characteristic Industries, North Bengal, being one of the smallest and humid regions of India, lies in between the Eastern Himalayan Mountain ranges and the River Ganga. It has a population of about 3,541,940 (1971) and until recently, its economy was based primarily on agriculture. Since the 4th 5 year plan North Bengal has benefitted financially for the rapid rise of Industries which has permitted the region on an ambitious development programme. (Fig.1).

Despite the low progress in economic development with its industries much smaller in both bulk and variety than the largescale industries of southern West Bengal, North Bengal is fortunate enough in possessing a few of its speciality industries, having in some cases world market.

The table below shows the total employment in Small Scale and Cottage Industries in North Bengal and its southern counterpart. (Chart.2).

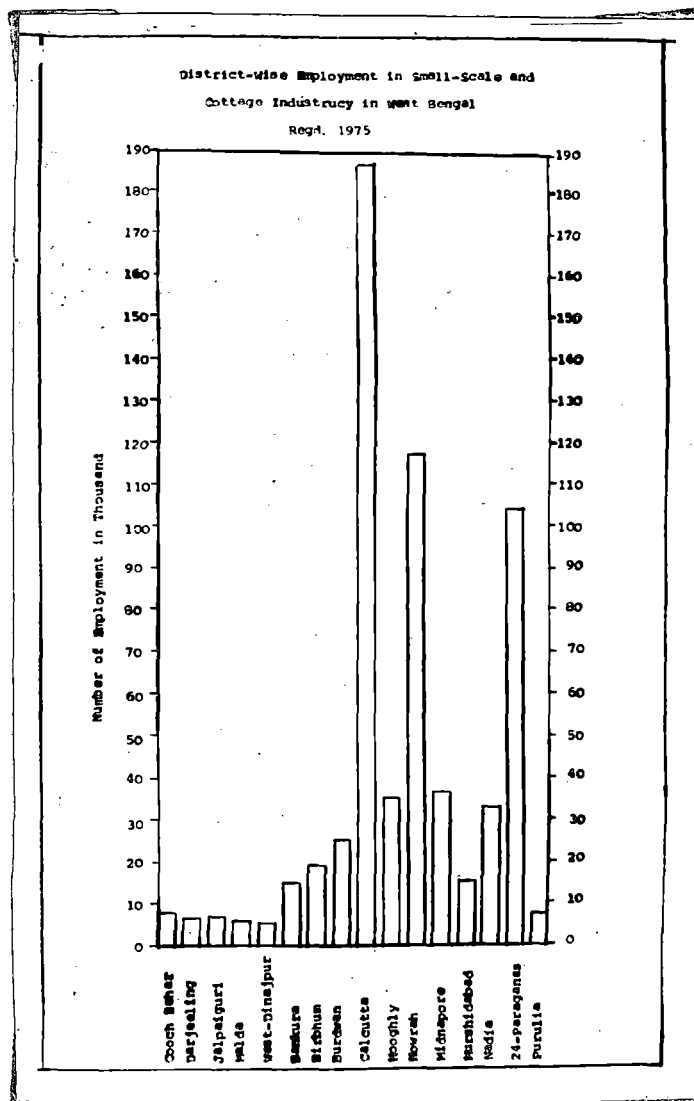


Chart. 2

Table - 1

Regd. as on 13.12.75

District-wise employment in Small Scale and Cottage Industries in West Bengal.

Sl. No.	Name of the Districts	Total Employment
1.	Darjeeling	6,966
2.	Jalpaiguri	7,294
3.	Cooch Behar	7,615
4.	West Dinajpur	5,034
5.	Malda	5,109
Total for North Bengal		32,018
6.	Bankura	14,404
7.	Birbhum	18,835
8.	Burdwan	24,553
9.	Calcutta	1,86,824
10.	Hooghly	35,325
11.	Howrah	1,16,523
12.	Midnapore	36,444
13.	Murshidabad	14,757
14.	Nadia	33,415
15.	24-Parganas	1,04,434
16.	Purulia	7,836
Total For West Bengal		6,29,367

Source : Directorate of small Scale Industrial Office, Calcutta.

It is evident from the above table that out of the total employment of 6,29,367 in Small Scale Industry in West Bengal, the North Bengal districts share about 33,018 employment or 5 percent. In North Bengal again Cooch Behar possesses 23.8 percent followed by Jalpaiguri 22.8 percent, Darjeeling 21.7 percent, Malda 16 percent West Dinajpur 15.7 percent of the total employment engaged in Small Scale and Cottage Industry.

The present Study being on the Industrial Development of North Bengal its aim is to focus on the actual performances of the manufacturing units and how satisfactorily the job is done by the industry in providing employment, marketable goods and in distributing the income for strengthening the economy of the region.

A delimitation of some terms : Before proceeding further, it is necessary to define and discuss briefly some of the terms to be used frequently in succeeding chapters. Particular attention is, therefore, must be given to the Industry "Small Scale", "Medium Scale" and "Large Scale" units. Industry here refers to a privately owned business firm, engaged in productive activity. "Small scale", "Medium Scale" and "Large Scale" units, are the subgroups of such industry differing from each other on the basis of their capital outlays. Thus for the large, Medium and Small scale units by "the definitions generally accepted now is that an industrial undertaking with a capital of upto Rs. 5 lakhs is a small scale unit; one with a capital of upto Rs. 20 lakhs

is a medium scale unit<sup>1</sup> and the one with a capital investment in excess of Rs. 20 lakhs is large Scale unit.

According to a press statement<sup>2</sup> the Govt. of India with a view to broaden the scope of the small scale industry so as to include within its folds a large number of such industries, has accepted to consider and redefine the present working definition<sup>3</sup>. Which has been criticised as very narrow<sup>4</sup>. "Under the new definition the only limiting factor for an industry to be called a small-scale industry would be in regard to the capital investment which should not exceed Rs. 5 lakhs, including the cost of land, Machinery, building and other materials"<sup>5</sup>.

- 
1. Capital for Medium and Small-Scale Industries, S.S.E.S. Bombay, 1959, p.4.
  2. The Hindu, d. 7.10.59 - Shri M.M. Shah at 14th meeting of All India Small Industries Board, (Puri 5,10.59); also small Industrial Bulletin No. 21, 1959 p.21.
  3. Working definition by Karve Committee.
  4. The Govt. of India have decided to revise the definition of Small Scale Industries, so as to include all industrial limits with a capital investment of not more than rupees five lakhs, irrespective of the number of persons employed - The Hindu 3.2.60.
  5. According to the 77th Report of the Estimates Committee 1959-60 (2nd Lok Sabha) "for the purpose of Govt. Assistance Small Scale Industries are defined to include all industrial ~~small scale industries as defined to include all industrial~~ units with a capital of not more than Rs. 5 lakhs irrespective of the number of persons employed". It has been clarified by the Govt. to the committee, that "Small Industries are defined as units with fixed capital assets not exceeding Rs. 5 lakhs irrespective of the number of persons employed" but no clarification was given on whether the term fixed capital assets mean gross or net assets. To avoid the risk of medium size units claiming or taking special advantages of Govt. aid offered to smaller units (on the pretext that their net value of fixed assets is below Rs. 5 lakhs) the committee pointed out that the term fixed capital assets be treated as gross fixed assets.

Investment of capital per unit of manufacturing unit in North Bengal are mostly identical with that of the small scale and Cottage industry which is "a small scale or cottage industry may accordingly be defined to be an enterprise or series of operations carried on by a workman skilled in the craft on his own responsibility, the finished product of which <sup>he</sup> markets himself. He works in his own house with his own tools and materials and provides his own labour and at most the labour of such members of his family as are able to assist. These workers work mostly by hand labour and personal skill with little or no aid from modern power driven machinery, and in accordance with traditional techniques. Such supplementary energy as is provided by animal power may add to the economy and efficiency of the industry. He works, finally for a market in the immediate neighbourhood, that is to say, in response to known demand with reference to quality as well as quantity".

The following table shows the distribution ( including number of units and total capital investment ) of the Small Scale and Cottage Industry both in North Bengal and the whole of West Bengal.

---

6. Report of the Sub-Committee of the National Planning Committee on Rural and Cottage Industries, 1943 pp. 24-25

Table 2

Small Scale & Cottage Industries in North Bengal  
(Registered upto 13.12.75)

District	No. of units	Total capital Investment (Rs.)
a	b	c
1. Darjeeling	2,177	30,478.0
2. Jalpaiguri	1,779	28,819.0
3. Cooch Behar	1,313	15,230.8
4. West Dinajpur	1,573	27,055.6
5. Malda	1,246	7,974.4
Total for North Bengal 8,088		1,09,558.6
		<del>1,09,558.6</del>
(AV. Investment per unit)		(13.54)
6. Bankura	3,601	23,406.5
7. Birbhum	2,943	32,961.6
8. Burdwan	7,514	1,51,782.8
9. Calcutta	20,307	11,37,192.0
10. Hooghly	4,839	2,96,146.8
11. Howrah	10,890	7,84,080.0
12. Midnapore	4,859	34,984.8
13. Murshidabad	6,416	23,097.6
14. Nadia	4,914	55,036.8
15. 24-Paraganas	13,389	4,12,381.2
16. Purulia	12,061	14,021.6
Total for West Bengal 89,822		30,52,628.7
		<del>30,52,628.7</del>
(AV. Investment per unit)		(23.99)

Source : Collected from the directorate of the Small Scale and Cottage Industries, Govt. of West Bengal.

The object of above furnished data is to find out the regional pattern of the number of units and the total capital investment in the Small Scale Industry in North Bengal. The figures in column b show that the number of units (8,088) accounts for 9 percent of the total number of such units in West Bengal (89,822) and the average capital investment per unit in North Bengal is 13.54 (shows only 38 percent compare to the whole of against 33.99 in West Bengal. It is quite evident from the above facts that the industrial situation in North Bengal in the context of West Bengal is not at all satisfactory.

The following Table gives an idea about the different types of Small Scale Industries in West Bengal.

Table 3

Industry wise Distribution of S.S.I. Units in West Bengal (Registered upto 13.12.1975)

Sl.No.	Industry	No. of units
1	2	3
1.	Process Allied to Agriculture	4
2.	Food Bevarage	3,934
3.	Tobacco	377
4.	Textiles including textile wearing apparel	5,659
5.	Foot wear	1,015
6.	Wooden products	2,219
7.	Furniture	2,362



1	2	3
8.	Paper and paper products	728
9.	Printing and Allied industries	4,051
10.	Leather and leather products	997
11.	Rubber Products	1,527
12.	Chemical and Chemical products	8,803
13.	Non-metallic industries	1,985
14.	Basic Metal industries	12,440
15.	Manufacturing of metal products	15,581
16.	Manufacturing of Machinery	9,890
17.	Manufacturing of Electric Machinery & apparatus	5,488
18.	Manufacturing and repair of transport equipment	3,341
19.	Manufacturing of Scientific and measuring instrument	844
20.	Manufacturing of photographic and optical goods	611
21.	Manufacturing and Repair of Watch & Clocks	269
22.	Pen pencil	674
23.	Button making	274
24.	Plastic products	2,632
25.	Celluloid articles	655
26.	Others	3,467
	Total	89,822

(Source : Directorate of Small Scale and Cottage Industries, Govt. of West Bengal)

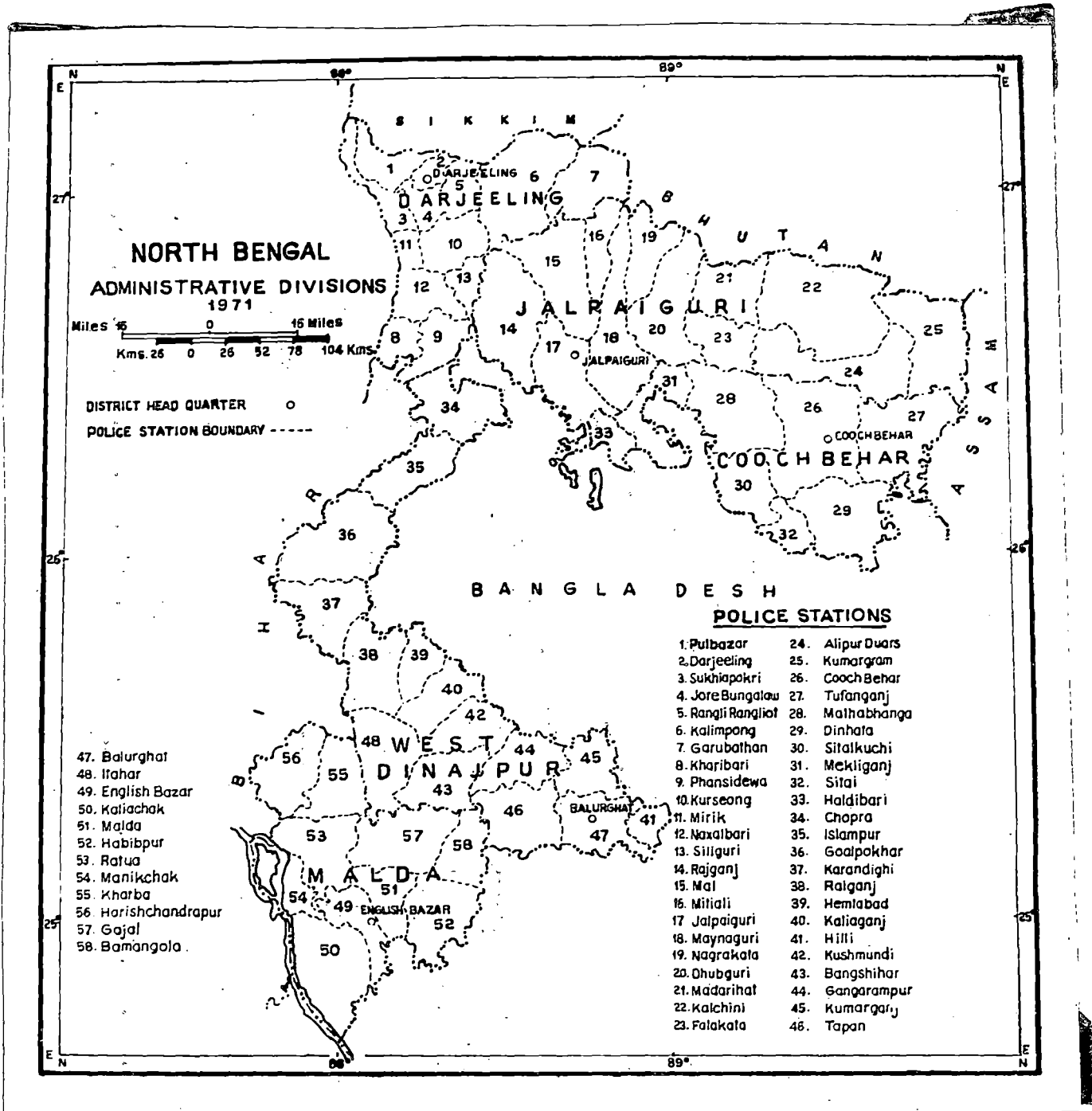


Fig. 3