

**Chapter V : Development of small
industries.**

CHAPTER - V

Development of Small Industries

A. Scope of Development of the Small Scale industries

Tripura is pre-dominantly over saturated by agricultural economy. So industrial developments lags far behind from other developed States.

First of all forests play very important role in Tripura's economy. About 59.6% of land is covered by forest, 64 varieties of commercial wood are grown in the State. Bamboo grows abundantly and here also grows one of the best varieties of rubber in the country. Basing on these forest resources a number of forest based industries can come up with assured commercial success.

An important aspect of forestry development is raising of rubber plantation over an area of 260 hectares. This will be further expanded in the next plan period. All encouragement will be given to the entrepreneurs for setting up of sophisticated rubber industries for production of compressed rubber sheet, surgical gloves, cycle tyres and tubes, hawai chappal, rubber toys and some other industries which will have rubber as raw materials.

Tripura has a very good scope for setting pulp and paper industries because bamboo is an ideal raw material for manufacture of pulp and paper industries. Bamboo grows all over the territory.

From simple materials like cane, bamboo and wood, the making of innumerable objects of exquisite beauty are carried out everyday,

which are in use right from the cosmetic table to elegant drawing rooms, from ordinary wall decoration to more sophisticated field of interior decoration. Even then the handicraft industry is not in a good position in national or local market due to poor publicity, marketing facilities etc. Now it is necessary to introduce new dimension by incorporating innovative approach for creating greater scope.

The agro-physical conditions of Tripura are reported to be highly favourable for extension of production of pine-apple and orange. These are two main varieties the 'queen' which is very sweet and suitable for extraction of juice and 'kew' which is bigger in size and suitable for canning in the form of slices. Orange is prominent in Thampai Hills which is famous for its quality product. They grow in abundance cost of plantation is low, vegetation period is limited and they are grown on tillaslopes which are usually fallow and not utilised for any other purpose.

"It will be worthwhile to add that experiment is being conducted to manufacture yarn from pine-apple leaves. Since there is no scarcity of pine-apple leaves in the State, it is expected that there is bright prospect of textile products manufactured from pine-apple yarns. Besides, residual pine-apple leaves will also be utilised for alcohol and paper pulp industry. Properly planned and coordinated pine-apple and orange plantation offer a vast scope for expansion and economic growth" .

. The agro-Forest produce in Tripura's economy - Haradhan Debnath, page 40.

Tripura's principal agricultural crops are paddy, jute and mesta, sugar cane, cotton, oil seeds and potatoes. Depending on these agricultural products, there have been growing rice mill, jute mill, cotton ginning industry and oil ghanis.

Dioscorea floribunda, a rarely grown medical plant whose extracted juice is the base material for steroid group of drugs, is imported at a high cost. Now it is successfully cultivated in Tripura. There are also many other medical plants reported to be grown in Tripura.

There is no glass factory in Tripura. But good quality white sand suitable for glass manufacturing have been found in the State. This resource provides bright opportunities for small scale units of glass factory.

Tourism is treated as an industry declared by Govt. of India. Tourism and Hotel industry are related with each other intimately. Tripura tribals have rich traditional handicrafts, art, music and dance and the rich natural assets, and the State is gifted with a number of historical places which will provide unique scope for development of tourism.

The Information Cultural Affairs and Tourism Department will gear up their activities to strengthen the basic amenities like accommodations, transport, way side amenities, building of yatri niwas and tourist lodges in various places of tourist interest. In view of the developing trend, hotel industry will be encouraged to give a further boost of this industry.

Programme for the development of the small industries

The Central and State Govt. have taken various schemes to develop the Small Scale Industries in the State. Under the subsidy schemes a large number of industrial units were granted subsidies through various schemes. While capital and transport subsidy were granted under centrally sponsored schemes, power was financed from the State budget. These subsidy schemes offered by Govt. encouraged small scale industries to develop and also created interest in establishing new units.

The Govt. of Tripura has established a good number of Cooperative Bodies and institutions in order to provide all out assistance to the industrial sector. These are (1) Tripura Industrial Development Corporation Ltd. (2) Tripura Handloom and Handicrafts Development Corporation Ltd. (3) Tripura Apex-Weavers Corporation Society (4) Tripura Khadi & Village Industries Board. Seven Central Govt. sponsored Co-operative Bodies have also been established in Tripura like (1) Khadi and Village Industrial Commission (II) Sericulture Research Centre (III) Bamboo and Cane Industries Centre (IV) Weavers Co-operative Centre (V) Small Scale Industries Centre (VI) Bazar Samprasaran Seba Kendra (Market Expansion and Service Centre) (VII) Export and Import Office.

Above mentioned different industrial development bodies or corporation have taken various schemes to encourage entrepreneurs and develop the existing industries.

In addition to implementation of State Schemes for incentives to industries, the State Govt. also provides assistance under

different sectors of industries like Handloom, Handicrafts, Sericulture, Khadi and Village Industries, Tripura Tea Development Corporation and District Industries Centre (DIC) etc.

The schemes of different sectors are given below.

The main schemes under the Handloom sector are

1. 50% transport subsidy on carrying of raw materials and finished products. (This scheme is also implemented through THHDC and TAWCS only).

2. 20% Rebate on sale of Handloom. (This scheme is implemented through Tripura Handloom and Handicrafts Development Corporation Ltd. Tripura Apex Weavers Cooperative Societies and Govt. Sales Emporia).

3. Organisation of special training programme for the handloom weavers.

4. Grant of 90% share capital to handloom weavers' Cooperative Societies.

5. 75% grant to distressed tribal weavers for purchase of yarn.

6. 75% grant to distressed weavers for work shed.

7. Grant of share capital to T.H.H.D.C. and Apex Weavers Co-operative Society.

8. 100% Establishment grant for setting up sales emporia under the T.H.H.D.C. and Apex Weavers Cooperative Society.

9. Construction of Handloom sheds in different places for the benefit of the weavers.

10. Special grant for "Pachra" production programme under the A.D.C.

(1) Modernisation of Handlooms

Other than above maintenance schemes some new schemes have been taken up for the over all development of the handloom sector.

(II) Free training facilities in weaving in ITI's pilot centre and Design Extension Centre by providing stipends.

1. Thrift Fund: Majority of weavers are very poor. They have no scope for savings which can take care of themselves in their hours of need. Considering their economic condition a Thrift Fund Scheme is being introduced in State, where each member of a primary weaver's co-operative society will contribute 3 paise per rupee of his income, which will be matched with contribution of 2 paise each, both from the Central Govt. and the State Govt.

A token provision of Rs. 25,000 has been made for this in the year 1988-89.

2. Yarn Bank: Maintaining steady supply of yarn to the weavers, poses a constant problem in this State. To overcome this difficulty there is a proposal to set up a yarn Bank in Tripura. The proposal is yet to be cleared by Central Govt. The total estimated cost of the projects is Rs. 85 lakhs. An amount of Rs. 15.74 lakhs have already been paid to T.H.H.D.C. for construction of a godown at Agartala. Further, an amount of Rs. 16 lakhs have been provided for the year 1988-89 for this scheme.

3. Norad schemes: Under the sponsorship of the Norwegian agency for International Development, the Ministry of Social Welfare have introduced this special scheme for training of tribal women in

handloom. Under this scheme a training cum production centre has been set up at Kalapania under Mohanpur Block, through a Weaver Co-operative Society constituted of 50 tribal women. The project cost is estimated at Rs. 3.74 lakhs. The provision for 1988-89 has been Rs. 1.00 lakh.

(III) Hill Area Woollen Development Programme: The Govt. of India has laid special emphasis on the development of rich tribal traditions in handloom weaving in the North Eastern Region. The objective of the scheme is to provide adequate training facilities. The project site has been selected at 'Kanchanpur' in North Tripura with an estimated project cost of Rs. 3.07 crores. Actions have been initiated to get the project cleared by the Central Govt. A provision of Rs. 2.00 lakhs have been made for the 1988-89.

Mechanised Dye-House: Supply of dyed yarn had been a chronic problem in Tripura. To overcome this difficulty, a mechanised dye-house is being set up at Dharmanagar at a project cost of Rs. 240 lakhs. The rate capacity is 1600 kgs. The project is nearly completed. T.H.H.D.C. is the implementing agency for the project.

Handicrafts: Handicraft is one of the traditional and also ancient industry in Tripura. The major schemes under the handicrafts sector are:

1. 50% Transport subsidy for raw materials and finished products.
2. 50% grants for purchases of tools and machineries.

3. 75% grants for distressed category artisans for purchases of tools and implements.
4. Training to prospective artisans.
5. Rebate on Sale of handicrafts.
6. Free supply of improved design suiting. The contemporary taste.
7. Managerial grant to handicrafts Co-operative Societies.
8. Share capital contribution to Handicrafts Co-operative Societies.
9. Distribution of free designs from Designs Extension Centre and Indranagar to the artisans for reproduction.
10. Free training facilities to artisans in ITI's Design Extension Centre. Training run by DICs under TRYSEM Programme etc by providing stipend.

The handicrafts artisans are scattered throughout the State. The artisans face difficulties in procuring raw materials like cane and bamboo etc. There is a proposal to set up 6 (six) raw materials depots in different parts of the State.

The Khadi and Village Industries have brighter scope in Tripura for all round development in the State.

The developmental programme of the Board consists of the following three categories:

- (1) Departmental project
- (2) Assistance to Co-operative Societies
- (3) Assistance to individual artisans.

The important schemes are :

(I) Grant for ^{the} purchase of improved tools, working capital to cobblers and other village industries artisans.

(II) Providing training in Ambar Charka manufacturing of cottage matches, bee keeping, oil ghani, leather goods, handicrafts, gobar gas, weaving, etc.

(III) Free marketing facilities to Khadi and Village industries products through Sales Emporium set up by the Govt. and Khadi and Village Industries Board.

Sericulture is the oldest industry in Tripura. But this industry has not developed to the desired extent.

The main schemes under the sericulture sector are:

(1) Free technical guidance to the village rearers in raising mulberry gardens, rearing of worms from Govt. Farm/Extension Centre etc.

(II) Free distribution of mulberry cuttings, (disease free) to the rearers.

(III) Grant for raising mulberry gardens

(IV) Grant for purchase of rearing appliances

(V) Grant for construction of rearing houses.

(VI) Grant for purchase of fertilizer/insecticides

(VII) Purchase of Cocoons from the rearers by the Govt. at reasonable rates.

(VIII) Free training to rearers.

Tripura Tea Development Corporation

The TTDC provides the following assistance for development of tea industry.

- (1) Managerial grant to Co-operative tea gardens.
- (2) Supply of inputs to the Co-operative tea garden at 50% subsidised rate.
- (3) Share capital contribution to the Co-operative tea gardens
- (4) 25% contribution towards establishment of nurseries in the Co-operative gardens.
- (5) Training/Study tour for managerial improvement of Co-operative tea gardens
- (6) Welfare facilities for the tea garden workers
- (7) Special employment programme for small marginal and jhumia tribal farmers through establishment of tea estates.

District Industries Centre:

The district Industries Centre was launched on the 1st May 1978 to provide all round promotional help to small village and cottage industries and provide all the services and supports to the decentralised industries under a single roof as far as practicable, at pre-investment and post investment stages. In order to achieve rapid rural industrialisation through single window service, three district industries centre came into being in three districts of Tripura.

The main functions of the DIC consist of the following

- (1) Registration of Small Scale Industries
- (2) Assisting entrepreneurs mainly in the small scale sector for preparation of industrial project reports and processing cases for bank finance.

(3) Arranging training programme for small artisans.

(4) Advancing small grants to ex-trainees under State Aid to Industries Rules.

DICs also implement the self-employment programme under both central as well as State sectors. Recently the TIDC (Tripura Industries District Centre) have been given the responsibility to implement the self employment programme for weaker sections of the society other than ST/SC. To encourage the small scale entrepreneurs to set up new industries in the State, a number of incentives are offered to them. Apart from the Central Sector subsidies, the State Govt. operates a separate package scheme of incentives.

Under the State package Incentive Scheme, mainly the following incentives are provided:

- (1) Subsidy to a feasibility study.
- (2) Subsidy on rent of land.
- (3) Subsidy for consumption of power
- (4) Subsidy for development of land
- (5) Interest free loans for construction of factory building.
- (6) Subsidy on bank loans interest
- (7) Subsidy on wages paid to workers.
- (8) Price preference for locally registered SSI Units.

The Central sector subsidy consists of the following:

1. Central capital investment subsidy.
2. Central transport subsidy.

Last of all the State has set up three industrial training institutions with 16 different trades, provide adequate skilled/

semi skilled man power for different industries. The annual intake capacity is about 150 trainees through ITI's situated at Agartala Kailashar and Jatasbari (Amarpur). The trades covered are fitter, turner, welder, motor mechanic, diesel mechanic, electrician, wiremen, sheet metal, draughtsmen (Civil), surveyor, radio/T.V. repairs, blacksmith, tailoring, stenography etc. The passed out trainees of ITIs are given in plant training in engineering trades during which a stipend is given to them. A project involving Rs. 5.5 crores have been taken up under World Bank assistance scheme for modernisation of ITI's. There is also a sanctioned plan for opening of women's ITI at Agartala. The Govt. of India have recently agreed to arrange for apprenticeship training of 100 (one hundred) boys from Tripura in various industrial units in the country.

Above mentioned different schemes can play a meaningful role like a key for industrial development.

The present package of incentives, rules and regulation for industrial registration and financial assistance will be liberalised and simplified to make attractive to the entrepreneurs.