

# AN ANALYTICAL STUDY ON PROBLEMS AND PROSPECTS OF COTTAGE AND SMALL-SCALE INDUSTRIES IN BISHNUPUR DISTRICT, MANIPUR

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## Abstract:

**Bishnupur District is an economically and socially backward rural district of Manipur where agriculture and allied activities are the main occupation of the inhabitants to get additional employment opportunities, it is required to develop the Cottage and Small Scale Industries in the district. This study examines the problems and prospects of the cottage and small-scale industries in the district. A remedial measure has been suggested.**

**Keywords:** *Bishnupur District, Employment, Cottage, Small Scale, Industry, Problems, Prospects,*

## Introduction:

Population growth that is too quick causes underemployment and widespread unemployment in the economy. The ratio of employees to the overall population grows as the population does. But it is impossible to increase employment in the absence of supplementary resources. The rise in the labour force has the effect of increasing underemployment and unemployment. Population growth has a negative impact on investments, savings, and income. As a result, work possibilities must decrease and capital formation is slowed, which raises unemployment. In addition, the complimentary elements that are accessible per worker decrease when the labour force grows along with land, money, and other resources. Unemployment and underemployment therefore rise. It has the same trend in Bishnupur District. The main goals of small businesses in rural regions are to provide employment possibilities, enhance the quality of life and income, and create a more balanced and integrated rural.

There is no large-scale industry in the district. One medium scale, Sugar mill at Kabowakching was coming up under the public sector in the district. But, it is now abandoned, and another hand-made paper plant based on water hyacinth has been proposed at Toupokpi. The present status of industrial development has been confined to small-scale and artisan-based decentralization sectors in terms of technology, investment limit, etc. The traditional cottage and home industries (such as handloom, khadi and village industries, handicrafts, sericulture, and coir-industry); and contemporary small-scale businesses make up the majority of the cottage and small industries sectors.

The economic situation in the district is closely associated with the performance in the primary sector. This dependence mainly on one sector is proving a stumbling block to socio-economic progress. The growth of new industries, notable of which is Tasar, is in the infant stage. However, contributions made by different units like small-scale industries, electricity, gas and water supply, trade, transport, etc., towards the district economy are noteworthy. The economy, of course, is not diversified. It is very backward. Therefore, the study on problems and prospects of cottage and small-scale industries in the district is urgently called for. This paper is a humble effort toward the end.

## Origin of Research:

Cottage and Small Scale Industries play a vital role to get additional employment opportunities the relatively lower capital investment will be encouraged and established based on local resources. In an industrially backward State like Manipur particularly in Bishnupur District, the industrialization process can expand in a systematic and planned manner with locally available resources in the balanced regional development of the national economy.

## Study Area:

Bishnupur District is located in the South West of Manipur Central Valley Area. The study region lies between 24 10' and 24 45' North Latitude and 93 45' and 93 52' East Longitude and the altitude is 822.18 m above mean sea level. Bishnupur District comprises an area of 469 sq. km and supports a population of 237399 according to Census 2011.

## Objectives:

To examine the various problems and prospects related to the cottage and small-scale industries in the district.

## Methodology:

The study is based on secondary data that may be found in a variety of publications, including books, newspapers, and reports from both government and non-government groups. The main data have been examined as a complement to the secondary data. Additionally, information has been gathered via a questionnaire from researchers, well-known academics, and social workers in several connected sectors.

**The Problems of the study area:**

The cottage and small-scale industrial units in the district are facing a variety of problems. It is interesting to note that the various challenges faced by the cottage and small-scale industries arise because of their size. Except for a few items that have been reserved for exclusive production in the small, which also is merely in name only, these industries have to compete with the large industries. This competition raises several problems for these industries. The main problems faced by the industrial units of the district are as detailed below:

1. Irregular supply of power;
  2. Shortage of raw materials;
  3. Lack of entrepreneurial talent;
  4. Lack of proper management;
  5. Inadequacy of entrepreneurial training;
  6. Lack of technological know-how;
  7. Poor method of production;
  8. Poor quality of products;
  9. Lack of organized marketing system;
  10. Lack of policy for industrial area/industrial focal points;
  11. Lack of credit and finance;
  12. Lack of relationship between the department and other agencies like Khadi Board, Handloom Board, and Handicrafts Board;
- and
13. Non-existence of statutory bodies like development corporations and infrastructural development corporations.

**Prospects of the study area:**

Bishnupur District is the smallest district of Manipur. Hence, the development of the district as a whole depends mainly on industrialization. Thus, the prospects of establishing and developing small industrial units in the district are there with the expectation of more regular power supply from the Loktak Hydro Electricity Project, availability of raw materials from inside and outside the district, local demand for the products, the traditional skill of the people, availability of educated and trained young entrepreneurs, etc. The main prospects of the Cottage and Small-Scale Industries of the district are as given below:

**1. Resource-Based Industries:**

The proposed need for the establishment of resource-based industries in the district is as follows:

- i) Oil Mills:
- ii) Modern Rice Mills:
- iii) Briquetted Fuel:
- iv) Citronella Oil:
- v) Mini Fruit Processing Units:
- vi) Stone-crushing: and
- vii) Wooden Boat Industries:

Besides, the above-mentioned industries, there are many resource-based industries like mushroom cultivation, flour milling, spices grinding, bakery, photo-frame making, mat making, straw board making, etc., which may be set up in the district.

**2. Demand-Based Industries:**

**The proposed need for the establishment of demand-based industries is given below:**

- a) General Engineering and Fabrication Work:
- b) Iron and Steel Fabrication:
- c) Pottery:
- d) Hosiery: and
- e) Aluminium Utensils:

Besides the above-mentioned units, other demand-based industries like Photostat, mat making, footwear, dry cleaning, photo processing, etc., are also quite feasible and they will provide lots of employment opportunities and can make a profitable line of business.

**3. Skill-Based Industries:**

The Skill-Based Industries that may be taken up in the district are as detailed below:

- i) Weaving:
- ii) Semi-automatic Loom:
- iii) Embroidery and Knitting:

Besides, the above trades, there are some skill-based industries like loom weaving, dolls, toys, and dance costume units, a few of which may be encouraged.

**Remedial Measures:**

Taking into consideration the available resources and industrial situation in the Bishnupur District and other trends of development in the district, the remedial measures for industrial promotion in the backward district like Bishnupur District may list on the following lines:

- i) Infrastructural Planning:
- ii) Establishment of Industrial estate and minimum industrial estate:
- iii) Accommodation of technical and financial requirements:
- iv) Entrepreneurship developing:
- v) Establishment of artisan complex: and
- vi) State industrial policy with feasible incentives.

**Conclusion:**

There is a big potential for the expansion of several cottage and small-scale industries in the Bishnupur District. Moreover, there is also a view that small-scale industry represents a transitional phase as the numbers of small-scale firms, at a later stage, develop into big firms, and several small firms are liquidated on account of competition from the larger firms. The problem is great when small units have to compete with large units for capturing the limited market. The small units may not be in a position to get their requisite materials for production at reasonable prices. The large units may be organized in such a way that the small-scale units are complementary to them. The solution to the conflict between them that may be found in two ways:

1. To encourage the cottage and small-scale industries by providing various concessions to them as regards the supply of raw materials, finance power, tax concessions, etc.
2. To restrict the entrance of large units into some sectors, and reserve such sectors for the small-scale sectors.

However, small-scale enterprises are receiving several concessions like financial help, the supply of sites on a hire purchase basis in an industrial estate, electricity at lower rates, priority in the Government's purchasing policy, etc., without seeing any noticeable effects.

Although many promotional measures have been taken up and a development programme for assisting small-scale entrepreneurs has been launched, and still there are various areas in which these units can be helped. The development of cottage and small-scale industries will rebuild the rural areas and accelerate the pace of economic growth and well-being of the people by providing more employment opportunities in industries increasing thereby the income level. In a way, the Government will have to take up suitable schemes for seeking quick ways to create more employment opportunities in important projects of various small-scale industries which are labor-intensive, quick yielding, and bringing more jobs and more consumer goods to the people of the district and the state as well.

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