

# Initiatives for The Development of Micro, Small and Cottage Industries in Bihar Including Bhojpur

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## Abstract

With the independence of India Govts. at both the Central as well as at the state levels tried their best to improve the economic conditions of India. They made plans and policies to develop domestic industries, cottage industries, agriculture and industries at higher level. At that time they had a little resource. India lacked education, technical knowledge and advanced machines for agriculture. Not to speak of factories bigger things, India could not even manufacture needles at time. Later schools training colleges, ITI colleges and technical colleges were set up. Capitals were made available to businessmen through bank loans. Great importance was attached to cottage industry, domestic industries and micro industries. It required less labourers and capital as well as space. Though natural resources were in abundance with India but with back of education and technical knowledge and money Indians were not capable of installing industries at bigger levels. Through successive Five-year plans developmental works were carried on gradually. Each and every Govt. in different periods contributed in the development of industries and agriculture. As the technical knowledge, knowledge regarding agriculture and manufacture of farm equipments grew the more and more courage to invest in business and industries came in their heart. Entrepreneurship developed slowly but steadily in our countrymen.

**Keywords:** Small Scale Industries, MSME, Special Economic Zone.

## Introduction

Small Scale Industries have been playing a vital role in the country's development. These have contributed significantly to the socio-economic development comprising labour absorption, income distribution, rural development, poverty eradication, regional imbalances and promotion of entrepreneurship. The small-labour intensive industries in the country have been favoured basically to create employment opportunities, as it has always been endowed with abundance of labour even though such industries may not always be supported on the grounds of their economic efficiency. In addition, a low capital investment with appropriate market environment is believed to stimulate growth of numerous indigenous industries with a wide regional dispersal. This helps in promoting balanced growth, more equitable income distribution and diversification of the industrial structure, which often leads to increased utilization of national resources. As a result promotion of SSIs has been one of the main strategies for economic development of the country since the 1950s.

## Aim to take Initiatives for The Development of Micro, Small and Cottage Industries

1. To Initiative for MSME in Bihar
2. To create SEZ (Special Economic Zone)
3. To set up small workshop to train people for working in industries
4. To remove unemployment
5. To develop infrastructure

The economy of Bihar is largely service oriented but it also has a significant agricultural base. The state also has a small industrial sector. As of 2018-19, agriculture accounts for 20%, industry 19% and service 61% of the economy of the state. Present study attempts to understand and analyse the problem of sickness in SSI. From a sociological perspective, the problem of sickness in industrial units is essentially a sociological

problem. An industrial enterprise is a social system with whom it interacts in terms of specific role relationship. Accordingly the problem of sickness may be interpreted in terms of the malfunctioning role of relationship based on the reciprocity of expectation among the interacting social systems.

So far, however, no attempts appears to have been made analysing the problems of industrial sickness from a sociological point of view and in a systematic and comparative context.

Micro and small enterprises constitute over 90% of total number of enterprises in most of the economies and are credited with generating the highest rates of employment growth and account for a major share of industrial production and exports too. In India, in Bihar too, the MSEs play a pivotal role in the overall industrial economy of the country. The major advantages of the sector are its employment potential at low capital cost.

The government of India has announced the industrial policies from time to time which incorporated policies for small-scale industries. Bihar continues to think and plain about it. Recently the Bihar Government announced its industrial policy, a significantly updated version to face the challenges of attracting investors from outside as well as inspiring its own entrepreneurial talent. The industrial policy of 2011-16 of Bihar may provide special facilities to the industrially backward area like Bhojpur district.

The research tends to highlight the problems and possible solutions of small industries in Bhojpur district of Bihar. The impact of industrial policies in development of indigenous agro-based and allied industries in things particular to a region has been analysed.

The problems of industrial sickness of Bihar can be solved through the joint enterprise and efforts of union and state govts. A generous policy may cure and the development of indigenous and agro-based industries will be very helpful.

#### **Objective of the Study**

1. For broadening the vision of industrial set up in agricultural area.
2. For preparing new government policies to uplift culture & living standard of people preparing industrial environment.
3. For enhancing working skills.
4. For developing self confidence to create economic activities.
5. For realising social responsibilities of the entrepreneurs.

#### **Conclusion**

Micro and small enterprises constitute 90% of total number of enterprises in economics. Small and Micro industries of Bihar play a vital role in overall industrial economy. The Bihar government should uplift its own entrepreneurial talent to attract investors from outside. Special facilities should be provided in Bihar for industrially backward areas such as Bhojpur district knowledge regarding agriculture, manufacturing of farm equipment and other technical knowledge should be provided to boost up confidence for small businesses. Moreover, the problem of industrial sickness can also be solved through joint enterprises.

More & more workshops should be setup to gain knowledge practically. Concludingly, the govt. of Bhojpur should create SEZ.

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