
C.L.R.I. Chennai

(Full text of the section on Tripura reproduced from the Pre Investment Feasibility Study on “Potential and Development of Leather Industry in North Eastern Region”. Report prepared for North Eastern Development Finance Corporation Ltd., Guwahati, by Central Leather Research Institute (Council of Scientific and Industrial Research, Chennai)

1.0 Geographical Location

Tripura, situated in the North-Eastern part of India, is stretched in between 22°56’ and 24°32’ North Latitudes and 91°9’ and 92°10’ East Longitudes. The State was merged with the Indian Union on October 15, 1949 as ‘C’ category and became a Union Territory on 1 July 1963. Thereafter, it attained the Statehood on 21st January 1972. The area of the state is 10,492 sq. km. It shares a border of 856 km with Bangladesh, and also has common border with the neighbouring state of Assam and Mizoram. The state has 4 districts, 15 subdivisions and 38 development blocks.

Tripura is endowed with vast green forest covering 59% of the total area. The prominent hill regions are Jampui, Unakoti-Sakhantlang, Longtharai, Atharamura-Kalajhari, and Baramura-Deotamura. The important forest products include Sal, Teak, Gamai, Gurjan, and Champa. Bamboo and cane are available in the state abundantly, which are traditionally being used for multi-purposes by the tribal people. Gomati, Howrah, Muhuri, Feni, Khowai, Dhalai, Manu-Deo, Lungai and Juri are the major rivers.

2.0 Human Population

The estimated population of the state for the year 2000 is 31.91 lakhs, of which the ST population comprise 40% and the SC population 16%. It has a density of 295 persons per sq. km. as against 267 for all India. The urban population in Tripura is 4.79 lakhs (15%) and the rural 27.12 lakhs (85%). The general literacy rate is 73%. The male literacy rate stands at 81% as against 65% in case of females.

3.0 Seasonal Conditions

The soil, topography, rainfall and climate in Tripura are not adverse to agricultural production. There is scarcity of land for agricultural production since almost 59% of the area is under forest. The net cultivable land is 2.79 lakh ha. in 2000, which is 27% of the total geographical area of the state. The state experiences 2000 mm. rainfall which helps farmers to take up cultivation. The cropping pattern in the state shows that the area under food-crops account for 96% whereas non-food-crops only 4%.

4.0 Area and Production of Crops

According to the available official estimates, the production of important crops like paddy, wheat, pulses, potato, turmeric (dry), showed an increasing trend in 2000 over the previous year. The Tripura Horticultural Corporation Ltd. has created plantation for cashewnut, banana, orange, coconut, pineapple, etc. with an area of 1000 ha. on prime forest land from 1990.

5.0 Education

The state has one University located at Agartala, the capital of the state. Till 1999-2000, there were 1 Engineering College, 1 Polytechnic College, 1 Regional Pharmaceutical College, 3 Nurses Training Institutes, 4 ITIs and 14 Government Degree Colleges in the State. The state has 2074 Primary Schools, out of which 1284 Primary Schools are located in the Tripura Tribal Area Autonomous District Council (2000). The state has also 414 High Schools and 215 Higher Secondary Schools. There are 8 lakh students in the state.
6.0 Transport

Tripura is narrowly connected by a railway link of 45 km. from Kumarghat, North district via Dharmanagar to Badarpur and Lumding in Assam by metre-gauge. Only Agartala, the capital of the state, is connected by airlines with Kolkata and Guwahati. During 1999-2000, air-linkage between Agartala and New Delhi via Guwahati has been made.

7.0 Tourism

Nowadays Tourism has got wide recognition as an important activity, in creation of employment as well as generation of income. With this view, Trade & Tourism Fairs, Orange fair and Boat festivals are being organized in Tripura. In fact, Government of Tripura has participated in the Berlin Tourism Festivals also.

Tripura has resources for tourism due to Buddhist/Hindu religious places. There are 25 tourist spots in Tripura out of which 14 are in West District, 5 in North District and 6 in South District. During 1999-2000, 2.39 lakhs Indian tourists and 1300 foreign tourists visited Tripura as against 2.38 and 1200 respectively in 1998-99.

8.0 Industry

Tripura is an industrially backward state with low level of investment. Industry sector is quite untapped and has the potentiality to pave the way for future development. The main reasons behind for backwardness of industry are : - i) isolated location of the state, ii) inadequate experienced entrepreneurs, iii) lack of communication facilities, iv) lack of scope for proper marketing, v) poor physical infrastructure, and vi) shortage of power.

The overall backwardness of the state is evident from the composite infrastructural index evolved by the Center for Monitoring Indian Economy (CMIE), based on availability of power, irrigation, road, railways, post-office, education, health and banking. As per the CMIE index for 1991-92, Tripura was the second most backward state in the country after Arunachal Pradesh.

Tripura has 84% of its common border with Bangladesh. Promotion of trade with Bangladesh including border trade opens a vast market for the industrial products. There is considerable scope for export to Bangladesh as well as to South-East Asian countries.

It was informed that 1282 factories were registered and licensed under Factories Act of 1948 with an employment of 29,000 workers in 1998-99. During 1999-2000, 1331 factories were registered in which 30,332 workers were provided employment.

There are Industrial estates for setting up of industries (Table 1.1). The state government allows various concessions on transport, raw materials, electricity etc. for encouraging industrial entrepreneurship.

Table 1.1

<table>
<thead>
<tr>
<th>District</th>
<th>Industrial Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>West Tripura</td>
<td>331 acres.</td>
</tr>
<tr>
<td>North Tripura</td>
<td>96 acres.</td>
</tr>
<tr>
<td>South Tripura</td>
<td>19 areas.</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>446 acres.</strong></td>
</tr>
</tbody>
</table>

The following are the state owned corporation in Tripura :-

i. Tripura Small Industries Corporation Ltd. (TSIC).

ii. Tripura Industrial Development Corporation Ltd. (TIDC).

iii. Tripura Jute Mills Ltd. (TJML).
iv. Tripura Tea Development Corporation Ltd. (TTDC).
v. Tripura Khadi & Village Industries Board (TKVIB).
vi. Tripura Handloom and Handicrafts Development Corporation Ltd. (THHDC).

9.0 Economy of Tripura

The economy of Tripura underwent stress and strain in recent years, as a result of which the State’s economy in real term had not been encouraging. The Net State Domestic Product (NSDP) at current prices (base 1993-94) has increased from Rs. 3319 crores in 1998-99 to Rs. 3647 crores in 1999-2000. The primary sector contributes 34%, secondary sector 13% and tertiary sector 53% of NSDP at current prices.

The per capita income of the state at current prices (base 1993-94) estimated at Rs. 9187 in 1998-99, has risen to Rs. 9768 in 1999-2000. On the other hand the per capita National Income at current prices has increased from Rs. 14682 in 1998-99 to Rs. 15841 in 1999-2000.

10.0 Incentives/Subsidies for the Industrial Units in Tripura

10.1 State Package of Incentives

- Capital Investment Subsidy @ 30% subject to a ceiling of Rs. 25 lakhs.
- Additional capital investment subsidy @ 5% to Thrust sector/export oriented units.
- Tripura Sales tax exemption for a period of 5 years from the date of set-up.
- Price Preference @ 15% on purchases by the government.
- Interest payment reimbursement @ 4%
- Standard Certification Charge Reimbursement up to Rs. 50000 per unit.

10.2 Incentives offered by Central Government to Prospective Entrepreneurs of Tripura

- Central Transport Subsidy @ 90% of transport costs of raw materials/finished goods calculated between Siliguri and factory site and @ 50% of transport costs of finished goods movement within the region.
- Capital Investment Subsidy @ 15% of investment in plant & machinery, subject to a ceiling of Rs. 30 lakhs.
- Interest Subsidy of 3% of working capital loans.
- 100% reimbursement of excise duty for 10 years from the date of commercial production of new units.
- Comprehensive Insurance Scheme for new industrial units set up after 24.12.97 for 10 years. The risk coverage includes fire, lightning storm, cyclone, landslides, riots, strikes, malicious/terrorist damages.
- Additional incentives include income tax exemption for 10 years for new industrial units, located in growth centres/industrial estates.

CHAPTER : II

LIVESTOCK

1.0 Livestock in Tripura

The animal husbandry sector is considered as a major activity for providing subsidiary income to the farmers of Tripura. Over the period of time, the sector has plans to breed, improvement and scientific management practices of the livestock. It is now ushering as a principal source of income to many farmers. Efforts are being made by the state government to take advantage of this sector.

Tripura is predominantly forest rich state. About 59% of the total area is occupied by forests. Only 27% of the area is utilised for agriculture purpose. The area under cultivation in general and under fodder crops in particular has a bearing on the livestock position of the state. On both
these accounts, Tripura is in a disadvantageous position. Rearing of animals has its limitations due to the practice of jhum cultivation in hilly areas. In Tripura cattle for agriculture as well as beef, buffalo for milk (plains), goats and sheep for meat are reared. Pigs are reared widely among the tribals for pork. Table 2.1 shows the livestock population in Tripura.

Table - 2.1 : Live stock population in Tripura

<table>
<thead>
<tr>
<th>Species</th>
<th>1992</th>
<th>2000*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cattle</td>
<td>9.50</td>
<td>9.84</td>
</tr>
<tr>
<td>Buffaloes</td>
<td>0.20</td>
<td>0.22</td>
</tr>
<tr>
<td>Goats</td>
<td>4.29</td>
<td>6.17</td>
</tr>
<tr>
<td>Sheep</td>
<td>0.05</td>
<td>0.05</td>
</tr>
</tbody>
</table>

*Estimates.

The date presented in Table 2.1 reveal that, Tripura holds 9.84 lakh cattle, 0.22 lakh buffaloes, 6.17 lakh goats and 0.05 lakh sheep in the year 2000. The density of cattle works out to 94 animals/sq. km. 59 for goats and negligible in case of sheep and buffaloes. The live stock strength for every 1000 human population works out to 275 for cattle and 172 for goats. These two species are major source for the supply of beef and meat to the local population. Although the animals population in proportion to the size of human population appears to be sizeable in case of cattle and goats, there exists inflow of animals from Bangladesh to Tripura also. The factor of having 856 kms border to Bangladesh also contributes for movement of animals into the state to meet the shortage of animal products.

2.0 Veterinary Practices

The spread of veterinary services in the state has resulted in the improvement of animal health. The state has a network of 9 veterinary hospitals, 52 veterinary dispensaries, 244 vet-first-aid centres, 23 stockman centres, and 118 stockman sub-centres during 1999-2000.

In Tripura, there are 2 cattle breeding, 3 poultry breeding, and 8 pig breeding farms under the Animal Resource Development Department during 1999-2000. As per official estimate of Central Statistical Organisation, the milk production in the state is of the order of 0.47 lakh MT and eggs to the tune of 580 lakh/pieces.

CHAPTER : III

AVAILABILITY OF RAW HIDES AND SKINS

1.0 Slaughter Practices in Tripura

The tribes living in the hill districts of Tripura are predominant beef eaters, whereas Hindus residing at Agartala and plain area are meat eaters. Based on the information collected during the field survey from the butchers, the live animals suppliers and raw hides and skins dealers, it is estimated that annually 1.54 lakh cattle, 0.04 lakh buffaloes, 3.95 lakh ovines are slaughtered in the state. Due to the demand for beef and meat products the old and unproductive bovine animals are slaughtered before they meet natural death.

2.0 Magnitude of Slaughter in Tripura

2.1 Bovines

With a view to assess the number of animals slaughtered in the state, the study team has contacted selected butchers, live animals suppliers and raw hides and skins dealers operating in the major meat markets of Tripura. As per primary information, there are 75 licensed butchers and 125 unauthorised butchers in the state. The licensed butchers have to pay Rs. 2000 per annum to the municipality for continuation in the activity. The unauthorised butchers generally
slaughter the animals on the way side and the meat is sold through makeshift retail outlets. The licensed butchers have meat stalls in the notified areas.

### 2.2 Cattle

The estimated number of bovine slaughter in the state is of order of 1.58 lakhs. Of this, cattle slaughter account for 97% and buffalo slaughter is the rest. The beef is consumed mainly by the tribal population whereas the meat by the people living in the plain areas. The prevailing meat price is Rs. 150/- per kg whereas beef is sold at 60/- per kg. Shortage of live animals is faced during festivals, marriage periods, and from November to February. The butchers normally source the animals from live animal traders, the weekly markets and from the farmers of nearby villages. Tripura state supplies live animals to Mizoram and Bangladesh too. The per capita meat consumption in urban and rural areas and the quantum of meat/beef consumed in the state is presented in Table 3.1.

<table>
<thead>
<tr>
<th>Region</th>
<th>Human population (lakhs)</th>
<th>Beef (in kg)</th>
<th>Buffalo Meat (in kg)</th>
<th>Ovine Meat (in kg)</th>
<th>Beef (in lakh kg)</th>
<th>Buffalo Meat (in lakh kg)</th>
<th>Ovine Meat (in lakh kg)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Urban</td>
<td>4.79</td>
<td>8.2</td>
<td>0.50</td>
<td>2.1</td>
<td>39.3</td>
<td>2.4</td>
<td>10.01</td>
</tr>
<tr>
<td>Rural</td>
<td>27.12</td>
<td>3.1</td>
<td>0.2</td>
<td>0.8</td>
<td>84.0</td>
<td>5.4</td>
<td>21.70</td>
</tr>
</tbody>
</table>

The data presented in Table 3.1, shows the pattern of meat consumption in the state. Nearly 56% of the population in the state belong to schedule tribes and schedule castes. Their preference towards beef has a bearing on the beef consumption and the slaughter rates. Further, the state has more than 800 km border with Bangladesh without much restrictions for movement of people and commodities. Since the population in Bangladesh are also beef eaters, the animals as well as beef/meat are also being moved into that country. Considering all these factors and based on the beef/meat consumption pattern and the quantum of its consumption an attempt is made to arrive at the number of specie-wise slaughter of animals in Tripura. The estimated number of animals slaughtered and the availability of raw hides and skins, deducting the portion of non-recovered hides, are shown in Table 3.2.

### Table 3.2

**Slaughter rates and availability of hides and skins**

<table>
<thead>
<tr>
<th>Specie</th>
<th>Population Hides/Skins (lakhs)</th>
<th>Animals slaughtered</th>
<th>Slaughter Rate (%)</th>
<th>Hides/Skins Recovered (lakhs)</th>
<th>Hides/Skins Non-recovered (lakhs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cattle</td>
<td>9.84</td>
<td>1.54</td>
<td>16</td>
<td>1.34</td>
<td>0.20</td>
</tr>
<tr>
<td>Buffalo</td>
<td>0.22</td>
<td>0.04</td>
<td>18</td>
<td>0.04</td>
<td>Neg.</td>
</tr>
<tr>
<td>Ovines</td>
<td>6.25</td>
<td>3.96</td>
<td>63</td>
<td>3.84</td>
<td>0.12</td>
</tr>
</tbody>
</table>

It is evident from Table 3.2 that in Tripura an estimated 1.58 lakh bovine and 3.95 lakh ovine animals are slaughtered annually. Out of this, cattle and goats are predominant and buffalo and sheep are insignificant. As against this quantum of slaughter, 1.38 lakh bovine hides and 3.84 lakh ovine skins are recovered. Nearly 0.20 lakh cattle hides and 0.10 lakh goat skins are not recovered from the slaughtered category. Apart from this, out of 0.78 lakh fallen hides available in the state, only 0.25 lakh hides are recovered and the rest are not recovered due to the inaccessibility to the hilly terrain.

### 3.0 Movement of raw hides and skins

The primary information collected from the butchers, village headmen, the existing tanner and raw hides and skins dealers reveals that
1. Out of 1.63 lakh bovine hides (1.38 lakhs slaughtered and 0.25 lakhs fallen), nearly 60% of them (say 1.00 lakh pieces) are moving into Bangladesh illegally and the remaining 0.60 lakh pieces are available for trading in Agartala market, which ultimately reach Silchar and Kolkata.

2. Similar is the case with ovine skins also. Of the estimated availability of 3.84 lakh ovine skins, about 50%, say 1.92 lakh pieces, are moving into Bangladesh and the remaining quantum of half of the total are collected by the local dealers and their collection agents located in Agartala.

3. Out of 1.92 lakh skins in Agartala market, about 60%, say 1.20 lakh skins, are procured by the local Tripureswari Tannery and the remaining 0.72 lakh skins are moving out to either Silchar Tannery in Assam or to Kolkata.

   Following are the reasons for outflow of hides and skins into Bangladesh:
   1. Proximity advantage to Bangladesh Tanners, who quote competitive prices compared to Indian dealers.
   2. The Indian dealers quote less price per piece. However, while quoting the price they also consider the high transport costs involved in moving the materials from Agartala to Kolkata.
   3. The general tendency among the butchers and the collection agents is that the Bangladesh traders offer high value compared to the Indian counterparts.
   4. Since Tripura has vast border (800 km) with Bangladesh, the movement of hides and skins are taking place illegally rather easily.
   5. The leather trade policies of the two Central governments are said to be the advantage of the Bangladesh traders. For instance, in India there exists 60% export duty on the export of raw materials and wet blue leathers, whereas in Bangladesh the tanners have liberal incentives for such export. All these factors play a vital role in the movement of raw hides and skins into Bangladesh.

The following flow Chart-I shows the movement of raw materials from Tripura state:

```
<table>
<thead>
<tr>
<th>Raw Hides (1.63 lakh pieces)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bangladesh (60%) through illegal transaction</td>
</tr>
<tr>
<td>Agartala (40%)</td>
</tr>
<tr>
<td>Silchar Tanners (20%)</td>
</tr>
<tr>
<td>Silchar Dealers (40%)</td>
</tr>
<tr>
<td>Kolkata Dealers (40%)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Raw Skins (3.84 lakh pieces)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bangladesh (50%)</td>
</tr>
<tr>
<td>Agartala (50%)</td>
</tr>
<tr>
<td>Silchar Tannery (30%)</td>
</tr>
<tr>
<td>Kolkata Tanners (40%)</td>
</tr>
<tr>
<td>Local tanner (30%)</td>
</tr>
</tbody>
</table>
```

4.0 Raw Hides & Skins Curing

The Bora Bazar and Phartala areas in Agartala are the main points of collection of raw hides and skins in the state. In these two areas, six dealers are involved in the collection of bovine hides and ovines skins. The information collected from the raw hides/skins dealers, on the movement of hides and skins is already shown in the flow chart-I. The raw hides and skins dealers normally do the first and second salting of curing of hides and skins. Common salt of 3.5 kg per piece of cattle hide, 500 grams per piece of goat skin are applied for curing. There is seasonal variation in the arrival of hides and skins into the market. Such fluctuations in the seasonal variations are also taken into account while estimating the raw hides and skins availability. 20% of the goat skins are
in the size ranges of less than 28”, between 28 and 31 inches (50%) and remaining 30% are in 32” inches and above range. The prevailing price of goat skin per piece varies from Rs. 50 to 60. Hides are graded according to weight ranges. Table 3.3 shows the weight ranges of cattle hides along with the proportional shares and the respective price per piece.

<table>
<thead>
<tr>
<th>Weight Range</th>
<th>Size</th>
<th>% Share</th>
<th>Prevailing Price/Piece</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extra heavy</td>
<td>20 to 26 sq.ft.</td>
<td>20</td>
<td>400</td>
</tr>
<tr>
<td>Heavy</td>
<td>14 to 18 sq. ft.</td>
<td>50</td>
<td>250</td>
</tr>
<tr>
<td>Light</td>
<td>8 to 10 sq. ft.</td>
<td>20</td>
<td>90</td>
</tr>
<tr>
<td>Small</td>
<td>6 to 8 sq. ft.</td>
<td>10</td>
<td>55</td>
</tr>
</tbody>
</table>

CHAPTER : IV
LEATHER INDUSTRY IN TRIPURA

1.0 Tanning Industry

Tanning industry is the backbone of leather-related activities. There is no historical records of tanning industry in Tripura. The practice of burial of dead domestic animals in Tripura might be the reason for non-existence of tanning industry. However, in the year 1997, a local industrialist came forward to establish a small scale tanning unit in Agartala after studying the availability and movement of raw hides and skins. Mr. Narayana Kar started “Tripureswari Tanning Unit” for processing of goat skins into wet blue leathers. He was assisted by the Scientists of the Kolkata Regional Centre of Central Leather Research Institute. This tannery annually process around 1.20 lakh pieces of goat skins into wetblue leathers. The tannery sources the skins from local dealers, and after processing, wetblue leathers are supplied to Chennai. Discussions with the tanner indicate that the unit is not interested to enhance the production capacity. Only 30% of the goat skins available in the state are being processed into wetblue leathers locally by the tanner. The remaining 70% of the goat skins find their way to Bangladesh, Silchar, Kolkata. Since the unit is working at a minimum capacity of producing 300 skins per day into wetblue leathers, it is not commercially feasible for the unit to go for processing of finished leathers. Further, processing of finished leather involves huge capital investment on machinery and chemicals which is not viable for such low scale of production. Added to this, the leather finishing operations required highly skilled workers and technicians who are not available in Agartala.

2.0 Proposal for Tanneries

As has been mentioned earlier, Tripura state has potential to start a hide-based tannery with a capacity to process 300 hides per day into wetblue leathers. To achieve this target the entrepreneur should be in a position to source all the hides and restrict the movement of hides to Bangladesh. The proposed tanner should initiate a tie-up with leading Kolkata tanners for supplying the wetblue leathers. Establishment of wetblue tannery is not capital intensive but labour intensive only. Already a skin-based wetblue leather tannery is functioning in Agartala. Since the tannery is not regular in production, the tanner may contact the RECD (CLRI) for technical suggestions towards ensuring higher capacity. Efforts are also to be made by the tanner to source all the skins available in the state to process up to wetblue leathers. The quality of wetblue leathers of Tripura origin is best suitable to make goat suede leathers for which there exists good demand in Tamil Nadu.

3.0 Leather Product Industry

The leather footwear manufacturing activity is not significant in the state. However, under the ‘Charma Shilpi’ movement, a cooperative society of Cobbler Community is functioning at Agartala. Around 1400 cobblers have registered their names with this society. During field survey
in Khowai town, it was noticed that around 15 cobblers who are members of the above society, have set up their production cum sales shops in one commercial street where they attend to footwear fabrication/repairs. Some of them are engaged in the manufacture of musical instruments using parchment leather. Lack of working capital and non-availability of finished leather, are major constraints to the cobblers in the state.

Most of the cobblers source raw materials for footwear production from Bangladesh due to easy accessibility and cost advantages compared to local market. Occasional orders are placed to them by the local consumers.

The local footwear retailers source various types of footwear from Kolkata, New Delhi and Kanpur. In Agartala alone, there are 50 footwear retail shops. Khadim Footwear is most popular and favoured brand name in Tripura. One leather shoe factory, started in Agartala in a small scale is making shoes for police and forest departments. Its supply to local market is insignificant. Around 20 footwear manufacturers, mostly migrated from West Bengal and Bihar, are producing varieties of chappals for local consumption. Even roadside vendors are also selling non-leather footwear. It was observed that by and large the traders of Tripura footwears market source the requirements from outside market.

There are 3 footwear material dealers in Agartala. Much of the requirements of footwear materials are procured from local stores by cobblers. The footwear material dealers handle leather, adhesive, soles, foam, leather board and obtain supplies from Kolkata.

During the field survey, the study team has visited the leather industrial units set up by the Centre for Social Work and Research in Murabari near Agartala. This centre has established a carcass recovery centre, a bone crushing unit, a vegetable tanning unit and a footwear production unit in one campus. The main aim of this centre was to provide value addition to the raw materials with the technology initiation. Setting up of such a gamut of units right from flaying to footwear production has the advantage of both forward and backward linkages. The status of these leather-related units are as shown under.

4.0 Flaying Centre

This centre was aimed to procure around four carcasses a day towards conversion and processing them into value added products like meat meal, bone meal, and the hides into vegetable tanned leather. It was set up in an artisanal concentrated place. The centre is equipped with three hand-pull carts for transporting the dead animals. The centre pays Rs. 300/- per carcass to the owner. Presently due to the lack of market for meat meal, the flaying centre is closed but the bones are collected from the carcasses for making bone meal.

5.0 Bone Crushing Unit

Equipped with necessary machinery and four skilled workers, the bone crushing unit is working successfully in this complex. As against an estimated demand of 100 quintals of bone meal per month in Agartala, this unit is producing 70 quintals per month. There exists ready market from local poultry and nursery units. This unit is supplying at Rs. 1780 per quintal bone meal as against the prevailing price of Rs. 2200/- per quintal brought from outside. The price advantage coupled with assured quality enabled the local buyers in favour of this unit. Having seen the success in this sector, the CSR is trying to enhance bone meal production. It has plans to procure bones from all over the state and also from borders of Bangladesh through established nodal centres.

6.0 Vegetable Tanning Unit

The vegetable tanning unit by CSR was established with a view to process the hides available through the existing flaying centre. Although the unit started functioning for one year, it could not see the anticipated success. The leathers processed being inferior quality with less thickness, could not be used either in their own footwear unit or sold to outsiders, resulting in the reduction in working capital. The local tannin barks, used could not effectively tan the leather leading to inferior quality. The workers engaged also do not have skills to produce quality leathers with locally available tanning barks/materials. Lastly even to collect the local tannin barks there has been severe restrictions from the forest department, resulting in non-availability of locally
available barks. All these factors are responsible for this tiny unit to become sick. Now the organisers are trying to revive the unit by introducing wetblue leather processing.

7.0 Footwear Unit

The footwear unit was set up by CSR to convert the leather processed by the tannery into footwear and leather products. Although there exists work capacity for 16 persons, at the time of visit only 4 persons were working in the unit. On an average they produce 10 to 15 pairs of chappals and sandals and sell through the retail market outlet established by them in a fairly good commercial location in Agartala. During Durga Pooja, and other festivals, the production of footwear goes up to 50 pairs/day and all of them are being sold through the retail outlet. Even the artisanal footwear production cum retail shops functioning in commercial places in Agartala produce each 10 to 15 pairs every day and directly sell to the consumers. The existence of such shops in the localities since 20 years has enabled them to establish direct linkage with the customers. The raw materials/accessories and the printed uppers are procured from the wholesale dealers stationed in Agartala or from Bangladesh. Hence whenever the production of products is linked to the market outlet, the success rate is at higher degree. This is true with SLP footwear in Aizwal, Mukthamani Devi footwear near Imphal and the bone crushing unit by CSR.

8.0 Marketing

As has been mentioned, in Agartala alone 50 retail showrooms are involved in trading of footwear. More than 40 roadside vendors are also engaged in sales of footwear. During peak season, on an average, each retail shop sells around 80 to 100 pairs per day and the vendors sell nearly 20-30 pairs day. However, in other normal days, average daily sales per shop is 40 pairs, compared to 20 pairs by the vendors. The price range of the footwear in show rooms is Rs. 300 to Rs. 1000 for shoes, Rs. 75 to Rs. 150 for chappals and 100 to 300 for sandals. The vendors sell all types of non-leather footwear in the price range of Rs. 40 to Rs. 100. Chinese and Taiwanese sports shoes are preferred by the youngsters. The price of Chinese and Taiwanese footwear is in the range of Rs. 200 to Rs. 600 per pair. It was observed that altogether the annual sale of both leather and non-leather footwear in Agartala, including nearby villages, which buy footwear during weekly markets is estimated at 20 lakh pairs.

Out of the total sales, gents footwear constitute 40% and ladies 35% and the rest 25% children footwear. Of the total 20 lakh pairs of footwear sales in Agartala, 9 lakh pairs are leather, and the rest is mixed and non-leather footwear. In other towns the footwear demand is met by the local retailers and vendors. Based on the field survey information, the estimated consumption of footwear in the state is around 65 lakhs, of which leather footwear constitutes 20 lakh pairs, and non-leather footwear 45 lakh pairs. Out of the total leather footwear, the shoes comprise 30%, the sandals 25% and the chappals 45%. The student population of about 8.00 lakhs in the state is another major contributing factor for consumption of shoes.

Since 95% of the total requirement of footwear is sourced from outside the state there exists potential for promotion of footwear within the state. The value of the total footwear consumption is estimated at Rs. 75 to 100 crores per year. To start with at least 40 to 50% of the requirement may be planned to be produced in the state. The establishment of artisanal leather complexes at two or three places in the state may create employment for 2000 persons.

9.0 Leather Garments

Use of leather garments is limited in India. People living in high altitude places like Kashmir, Himachal Pradesh, Shillong, Mizoram, Arunachal Pradesh prefer leather garments due to cold climatic conditions. Their use is limited to high income group and younger classes. In case of Tripura, use of leather garments is not much noticed during the survey and only a small segment of high and middle class, particularly youth, prefer leather garment. Since use of leather garments is seasonal, it is not considered essential item for mass consumption. Based on the field observations, the estimated annual consumption of leather garments in Tripura is around 30,000 pieces. This quantity of leather garments are sold through the four footwear shops located in Agartala. On an average all these shops account for a meagre sale of 5000 leather garments. The remaining 25,000 pieces are purchased directly by the customers from New Delhi and Kolkata.
due to the price advantage. Most of the sales are effected during winter season. Leather garments of Chinese and Bangladesh origin comprise around 5 to 10%.

10.0 Leather Goods

Items made up of leather such as ladies handbags, wallets, purses, belts, key chains, pouches, are also in use in Tripura. Among them belts and wallets are major items and they constitute more than 60% in the total sales. Consumption of leather goods is mostly confined to towns. Agartala is the main market for leather goods in the state. The demand for leather goods is more during Christmas and Durga Pooja periods. The annual sale of leather goods is around 1.60 lakh pieces in Tripura. The Agartala market alone transacts nearly 50,000 pieces of leather goods. In the absence local manufacturing units for leather goods, all the items are sourced from Kolkata market and 10 to 15% from Bangladesh.

11.0 Conclusion

In the whole spectrum of leather sector, leather products enjoy a unique preference as they are labour intensive and add value to the basic raw material. In terms of employment, this category provides more jobs of 3 times over the tanning sector. The value of the leather product is doubled over that of finished leather. It is interesting also to note that with low investment in small scale, cottage level, leather product units can be established and there is no pollution-related problem. Hence, the leather product industry is environmental friendly. In the context of skills not being available, the core staff could be trained through short term training programmes. With all these in-built advantages, promotion of leather products industry is ideally suitable for a state like Tripura.

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Public Opinion

When the Panchayat Raj is established, public opinion will do what violence can never do. The present power of the zamindars, the capitalists and the rajas can hold sway so long as the common people do not realize their own strength. If the people non-co-operate with the evil of zamindari, or capitalism, it must die of inanition. In Panchayat Raj, only the Panchayat will be obeyed and the Panchayat can only work through the law of their making.

(Extracts from "The Mind of Mahatma Gandhi, pg 374-75)