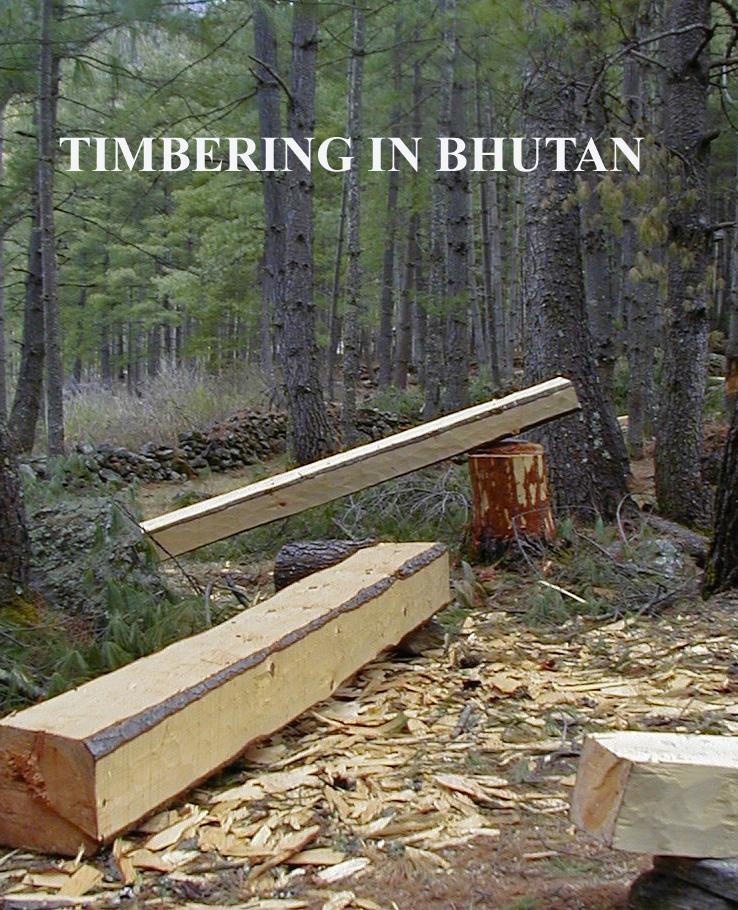
# **CHAPTER 6: INDUSTRIES**

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he subject 'Industries' covers the whole range of industrial activities carried out by businesses in all fields including mining, manufacturing, wholesale and retail trade, and other service industries. In Bhutan, the industrial sector has until recently played a relatively small role in the economy of the kingdom.

The mining industry in Bhutan is as yet relatively undeveloped. The kingdom has significant deposits of a number of mineral resources, including limestone, coal, graphite, gypsum, slate and dolomite. Most mining activities are limited to relatively small operations, mainly involved in the mining of dolomite, gypsum, limestone, slate, coal, marbles, quartzite and talc.

The manufacturing industry is dominated by a small number of major operators such as the Penden Cement Plant, the Bhutan Board Products Ltd., the first chemical plant, Bhutan Carbide and Chemicals Ltd. established during 1988, the Bhutan Ferro Alloys Ltd.; and Bhutan Agro Industries Ltd. Besides these, there are a number of other small manufacturing plants concentrated in the food processing. Cottage industry also plays a prominent role with its good timber resources and favorable agricultural conditions. There is lot of scope for expansion of the manufacturing sector particularly in these areas.

As the industrial sector grows in Bhutan, statistics on industry will become increasingly important. The Department of Trade keeps a record of all industrial licenses and activities. Besides, Censuses of Manufacturing Industries conducted at regular intervals viz. Industrial Census of 1998 and 2001 have been the source of important information on Industries. For example, information on the number of industries in operation, types of industries, employment in industries etc. presented in this chapter are the results from those Censuses.

According to the information collected in 2001, the number of industrial license holders increased from 523 to 569 in 2001, with these establishments operated by the private sectors. Most of the existing industrial establishments are small scale or cottage industries.