

CHAPTER - IV

CONCLUSIONS AND SUGGESTIONS
FOR
INDUSTRIAL DEVELOPMENT OF SINDHUDURG

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C H A P T E R - I V
CONCLUSIONS AND SUGGESTIONS
FOR
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4.1 CONCLUSIONS

1. The tendency of migration amongst male population in the district is found to be high. This tendency is clearly discernible in the age group of 15 to 55 years, which is regarded as working population. This is obviously due to the fact that no opportunities of gainful employment are available in this industrially backward district.
2. It is seen in the course of sample survey that the skilled workers are not available on reasonable wage rates. These skilled workers are brought from states like Kerla , Karnataka etc. They demand high wage rates. Moreover, this outside labour force is not stable and labour turnover is high. In short, the committed labour force which is the prerequisite for the process of industrialisation is found absent in the district to meet the needs.
3. Though, there are 10 large scale units mentioned in the report of the District Industries Centre, they don't have forward and backward linkages. In the process of

industrialisation, there is an urgent need of large scale industries which will set in the process of ancillarization with maximum forward and backward linkages.

4. In terms of labour intensity, the building and construction material industry is ranked first followed by agro based units. This labour intensity has been calculated as employment generated per lakh of investment in fixed assets. On the whole, it has been found that resource based units have got higher potential of employment, generation as compared to those of chemicals and engineering industries.
5. Talukawise distribution of industrial units (Table No. 21) clearly shows that the aspect of regional imbalance needs our attention. The number of units in the factory sector is highest in Sawantwadi followed by Kudal (74 units), Malwan (56 units) and Kankabli (43 units), Vengurla and Deogad keep low profile in this respect. Whereas Vaibhavwadi is miserably lagging behind. The taluka of Vaibhavwadi was included in the district of Sindhudurg at the time of its formation, Earlier, it was a part of Kolhapur district which is quite progressive in the field of industrial activity. There seems to be no logical explanation as to why this taluka (Vaibhavwadi) should lag behind inspite of exposure to the highly progressive industrial belt of Western Maharashtra.

This talukawise disparity in the process of industrialisation certainly offers a challenge to policy makers.

6. In the value added by manufacture in the district, the percentage of food product is comparatively high taking into account the percentage of investment in fixed assets. This high percentage of value added in monetary terms is obvious because the raw material (usually mango, cashew, coconut etc) is available for processing comparatively at low price. In the category of metal product and parts, the percentage of value added is low taking into account the percentage of investment in fixed asset (Table No. 26).
7. The per capita (workers) value added in the food product and non metallic mineral product industry is found to be increasing due to availability of raw material in the district itself. Whereas, the per capita value added of other industries is found decreasing mainly because of the non-availability of raw material in the district which is to be transported from other states.
8. As compared to the total number of industrial co-operatives in the State, the number of industrial co-operatives in the district is certainly very low. The industrial co-operatives can involve a large number of people in a democratic way in the process of industrialisation. In fact, in certain

categories of industries like mango processing, cashewnuts, there is fair scope for utilisation of this form of organisation since it would be ideal to form growers' industrial co-operatives.

- 9 The infrastructural activities like communication, transport, electricity, water supply should be available for industrialisation especially when the process of industrialisation is in the stage of 'take off'. The necessity of these facilities is actually felt in semi-urban and rural areas. There are three industrial estates in the district. One is on co-operative basis. The Development Corporation of Konkan manages one mini-industrial estate at Kankavli and MIDC runs one industrial estate at Kudal. As industrial estate offers initial savings in capital expenditure, they may help in boosting up the tempo of industrialisation.
10. The Government has given due weightage to the resource based industries like agro based, forest based and mineral based industries in the future development policy of the district which will help to utilize local resources on a large scale.
11. The District Planning and Development Council has allotted the lowest budget grants and expenditure for industries as compared to other sectors during the year 1981-82 to 1984-85

and has still minimized the allocation of funds in the revised outlay.

12. The amount spent by District Industries Centre, Sindhudurg on administration is found to be high during the period 1982-83, 1983-84 and 1984-85. (6.96%, 17.84%, and 12.54% respectively) These figures have been worked out as percentages of total disbursement for industrial development.
13. The disbursement of financial assistance for the district by MSFC has been found to be high as compared to the financial assistance from other agencies like DCKL, SICOM, etc. (Table No. 47).
14. The financial assistance by MSFC for Konkan region(excluding Greater Bombay) is found to be the highest as compared to other regions of Maharashtra. However, the disbursement for the Ratnagiri and Sindhudurg district is found to be quite less than the other districts of Konkan region(Table No.42).
15. SICOM has disbursed maximum financial assistance for Konkan region i.e. 35.41 per cent. However, less amount is disbursed for Sindhudurg and Ratnagiri districts i.e. 0.63 per cent upto March 1983.
16. The expenditure incurred on industrial development by MIDC for the Konkan region is the highest as compared to

other regions of the State. However, the expenditure on development of industrial areas of this district is negligible (Table No. 46.).

17. The Action Plan of 1986 to 1988 for the industrial development of the district still shows Talukawise Imbalance. It shows that the industrially backward talukas like Vaibhavwadi, Deogad have not been given much scope for their industrial development in future too. In short, the Action Plan will reinforce the present talukawise imbalance as it can be seen from the pattern of resource allocation (Table No. 50).
- 18 According to the Regional Plan for Ratnagiri and Sindhudurg districts for the years 1981 to 2001 prepared by the Ratnagiri-Sindhudurg Regional Planning Board, the proposed Industrial locations for the large, medium and small scale industries have not been still implemented.
19. According to the recommendation of the Task Force Committee¹ of 1981, 4 nucleus plants proposed for the district but in fact, only one plant i.e. MELTRON at Kudal has been started so far.

4.2 SUGGESTIONS :

1. In the policy formulation for industrial development the aspect of industrial structure deserves the attention. It may be suggested that agro based and forest based units have got high percentage of value added in the total value added by different types of industries. This high percentage of value added is certainly impressive, because the resource based units have got low percentage of capital investment in the total investment in the fixed assets in the district. With low investment in fixed assets, if we get high percentage of value added it is desirable that as a matter of policy we should give emphasis on these resource based units. Secondly, even from the point of view of employment the resource based units be given priority in the plan for district industrialisation.
2. In the structural change, it is suggested that non-metallic mineral based industries be promoted to utilize local raw material with locally available skill. The category of non metallic minerals covers the following activities.
 1. Clay articles
 2. Stone crushing
 3. Mineral carvation

4. Salt manufacturing
5. Shell lime making
6. Brick making
7. Manglore tiles
8. R.C.C.pipes
9. Mineral paints
10. Mosaic Tiles

3. In the present perspective plan for district development, (Regional Plan, Ratnagiri Sindhudurg Resource Region, 1981-2001) 4 Nucleus plants have been suggested. It is expected that they will boost up the process of industrialisation. It is suggested that in ^{case} / of these four plants certain ancillaries should also be developed. It may be suggested that close scrutiny of various operations in these plants should be carried out with a view to starting number of ancillaries around them.
4. As the tendency of migration amongst male population is high, whatever labour force left is mainly female population. The policy makers can think of extending training facilities to this female labour force with a view to absorbing them in different industries. Even the list of industries can be carefully prepared so that this female

labour force can be conveniently put to work by using their special skills like dexterity.

5. The Government should give equal weightage to all the tahsils and due concession for the comparatively backward tahsils like Vaibhavwadi, Deogad in the future plan of industrial development to avoid imbalance.
6. The Govt. should extend training facilities to the female labour for the female labour oriented industrial units like food product industries.
7. The agencies like Khadi and Village Industries Board should give maximum financial assistance to the co-operative industrial sector with a clear cut linkage between the financial assistance and the form of organisation.
8. The Govt. should make arrangement for the preservation of perishable goods like various types of fruits, fish etc. The common storage facility by the Govt. will ensure continuous supply of raw material to food product industry. At present no such facility is in existence. It will curtail enormous cost for individual entrepreneurs. This will also avoid distressed sale of these perishable commodities at throw away prices.

9. The committed, stable labour force is a sine qua non of industrial development. It requires special efforts to create this labour force by making provision of such facilities like low cost housing, water supply, education and training.
10. The infrastructural facilities like communication, transport, electricity, water supply etc. are inadequate to satisfy the need of development. Hence it may be suggested that organised industrial locations may be promoted by establishing industrial estates. Secondly, amongst the different modes of transport, water transport may be given priority since cost-wise it would be economical. The creation of social overhead capital (SOC) is urgently required in the perspective plan for district industrialisation. It is expected that it should be given high weightage in the process of resource allocation.
11. In the present resource allocation for various sectors in the district plan, industrial sector gets a meagre amount of two percent. This percentage may be increased in the District Planning and Development Council's budget.
12. It may be suggested that expenditure on DIC administration should be minimized and diverted to actual development activities. In this regard, the principle that the cost of distribution of benefits should not exceed the actual benefits themselves, be followed.
13. The disbursement of financial assistance by DCKL should be

increased to fulfill the backlog of the development of this region.

14. The agencies like MSFC, SICOM, MIDC have disbursed and spent maximum assistance to Konkan region. However, the assistance extended to Sindhudurg and Ratnagiri is quite less as compared to other districts of the Konkan region. This intra regional imbalance may be rectified by these agencies.
15. The proposed industrial locations recommended in the perspectives plan prepared by Regional Planning Board be implemented with immediate effect by acquiring land in the respective tahsils. The acquisition of land is a time consuming process and the Govt. may expedite the whole process by giving proper directions to revenue authorities.

R E F E R E N C E S

1. The Committee was appointed under the Chairmanship of Joint Secretary, Ministry of Industry, Govt. of India on 31.8.1981.

Extract for Ratnagiri Sindhudurg Resource Region,
Regional Plan, Vol. II P. 440.