

MAHARASHTRA ECONOMIC DEVELOPMENT COUNCIL
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Report on
“RURAL EMPLOYMENT
IN
MAHARASHTRA”

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REPORT ON

“RURAL EMPLOYMENT IN MAHARASHTRA”

Method and Coverage of Study

The Study Group constituted by the Maharashtra Economic Development Council on “Rural Employment in Maharashtra” has pleasure in submitting its report together with its recommendations.

We have in our report, considered mainly the unemployment of long-term nature in the rural areas (i.e., villages with population less than 5,000) in Maharashtra. For the purpose of collecting the required data, we had prepared a questionnaire on various important aspects of the problem and requested District Collectors, District Co-operative Banks, Zilla Parishads and Panchayat Samitis to send their replies. In spite of our best efforts, however, the response was not very satisfactory. We have, therefore, studied the problem mainly on the basis of the information available elsewhere on the subject.

1. Pattern of employment

1.1 In accordance with the Census (1961) data, about 43% of Maharashtra's population consists of workers of which about 70% are engaged in agriculture. Out of about 57 lakhs workers engaged in activities other than cultivation, about 46% are craftsmen, production and process workers, etc., 12% are sale workers, 9% are clerical workers and 6% are professional and technical workers and about 36% of all these workers engaged in activities other than cultivation are in rural areas.

1.2 Economic classification of population of Maharashtra as compared to that of India is given below:

Percentage Distribution

Class	Maharashtra	India
1. As cultivator	22.09	22.70
2. As agricultural labourer	11.40	7.18
3. In mining, forestry, quarrying, etc.	1.04	1.18
4. At household industry	2.10	2.74
5. In manufacturing other than household industry	3.30	1.82
6. In construction	0.60	0.47
7. In trade and commerce.. ..	2.16	1.74
8. In transport, storage and communications	1.13	0.69
9. In other services	4.09	4.46
10. Non-workers	52.09	57.02
	100.00	100.00

Source: Census of India, 1961.

The above figures indicate that while the pattern of employment in Maharashtra is more or less similar to that in India, the proportion of the population engaged as agricultural labourers in Maharashtra is as high as 11.40% and is significantly higher than that in India which is 7-18%.

1.3 The following table gives information about the distribution of persons at work other than those in cultivation, according to occupational divisions, in Maharashtra State:

Occupational Division	No. of workers	Percentage of total workers in all divisions	No. of workers in rural areas	Percentage of rural workers to total workers in each occupational division
(1)	(2)	(3)	(4)	(5)
0. Professional, technical and related workers	3,65,707	6.42	1,38,885	37.98
1. Administrative, executive and managerial workers	2,21,833	3.89	72,453	32.66
2. Clerical and related workers	5,19,610	9.11	56,475	10.87
3. Sales workers ..	6,97,478	12.23	2,04,123	29.27
4. Fishermen, hunters, loggers and related workers	4,35,669	7.64	3,67,955	84.46
5. Mines, quarrymen & related workers	42,595	0.75	31,554	74.08
6. Workers in transport and communication occupations	2,03,408	3.57	42,564	20.93
7-8. Craftsmen, production process workers and labourers not classified elsewhere	26,23,384	46.01	9,99,029	38.08
9. Service, sport and recreation workers	5,85,714	10.27	1,36,935	23.38
10. Workers not classified by occupation	6,006	0.11	2,244	37.36
All divisions ..	57,01,404	100.00	20,52,217	35.99

Source: Census of India, 1961.

From the above table it can be observed that nearly three-fourth of the workers engaged in mines and quarries and nearly four-fifth of the workers engaged as fishermen, hunters, loggers, etc., are in rural areas.

These together with those engaged in cultivation constitute bulk of the rural labour force.

1.4 Industrial classification of workers and non-workers by educational levels in rural areas given below indicates that relatively less literates are engaged in agriculture and allied activities than in other activities.

Occupational division (1)	Total workers (2)	Literate (without educational level) (3)	Primary or Junior basic (4)	Matriculation and above (5)
1. Total population of workers and non-workers	28,391,157	3,592,471	2,394,220	105,377
2. As cultivator ..	8,521,659	1,165,711	877,426	16,878
3. As agricultural labourers	4,308,078	335,576	160,290	824
4. In mining, quarrying, livestock, forestry, fishing, hunting & plantations, orchards, & allied activities	328,700	36,330	22,618	1,277
5. At household industry	594,202	113,174	94,621	648
6. In manufacturing other than household industry	172,672	40,867	50,056	4,906
7. In construction ..	124,466	19,479	17,007	4,727
8. In trade & commerce ..	214,930	54,966	85,230	4,423
9. In transport, storage & communications	69,184	16,314	20,035	4,192
10. In other services ..	548,063	78,069	164,441	47,271
11. Non-workers ..	13,509,203	1,731,985	902,496	20,231

Source: Census of India, 1961.

1.5 Factories and factory workers classified according to major groups of industries in Maharashtra in 1963 are given below:

Sr. No. (1)	Major Groups (2)	Working Factories (3)	Workers No. (4)
1.	Process allied to agriculture ..	482	38,050
2.	Food except beverages ..	1,556	57,935
3.	Beverages ..	29	1,370
4.	Tobacco ..	445	39,078
5.	Textiles ..	1,324	3,33,048

(1)	(2)	(3)	(4)
6.	Foot-wear, other wearing apparel and made-up textile goods	93	3,998
7.	Wood and cork except furniture	285	8,077
8.	Furniture and Fixtures	83	4,502
9.	Paper and paper products	125	8,186
10.	Printing, publishing and allied industries	608	31,356
11.	Leather and leather products except foot-wear	28	1,033
12.	Rubber and rubber products	86	10,532
13.	Chemicals and chemical products	427	39,798
14.	Products of petroleum and coal	39	4,588
15.	Non-metallic mineral products except products of petroleum and coal	441	33,875
16.	Basic metal industries	257	19,108
17.	Metal products except machinery and transport equipment	755	40,323
18.	Machinery except electrical machinery	617	50,330
19.	Electrical machinery apparatus, appliances and supplies	284	27,981
20.	Transport equipment	295	60,590
21.	Miscellaneous industries	606	31,638
22.	Electricity, gas and steam	115	7,298
23.	Water and sanitary services	44	1,720
24.	Recreation services	22	2,008
25.	Personal services	34	2,358
	Total ..	9,090	8,58,780

Source: Hand-book of Basic Statistics of Maharashtra State, 1963.

2. Unemployment and its size

2.1 According to international standards* the term "unemployment" comprises (a) all persons above a specified age who during the reference period were in the categories of workers available for employment but were without a job and were seeking work for pay or profit; (b) persons who were available for work except for minor illness, during the specified period who were never previously employed or whose most recent status was other than that of employee (i.e., former employers, etc.) or who had been in retirement; (c) persons without a job and presently available for work and were about to start a new work and (d) persons on temporary or indefinite lay-off without pay.

2.2 Unemployment is of various types and persons may remain unemployed due to various reasons. There may be, for instance, some time-lag of short-term nature in getting a job after education or after leaving the previous job. Periods of depression or seasonal character of

* The Eighth International Conference of Labour Statisticians, I.L.O. Publication (1955), pp. 42-44.

industries such as sugar industry, cashew industry, etc., may also cause unemployment. According to National Sample Surveys the idle days per worker per year in agriculture were 104 in 1953-54 and 103 in 1958-59.

2.3 In rural areas there are many self-employed farmers, craftsmen and traders who remain unemployed for some time in the sense that they are not gainfully employed for the period and are not able to earn income sufficient for their bare necessities. In such cases the problem of enhancing their productivity and income level by improving their skill and equipment may be relatively of more importance than that of providing employment to them for more time during the year. Of course to some extent the objective of raising productivity and income level and the objective of providing gainful employment are complementary to each other because productivity and income level can be raised to a great extent by providing productive work.

2.4 There is other and more serious type of unemployment in rural areas which is called underemployment and which is very important from the viewpoint of this study. The term "underemployment" refers to the difference between the amount of work performed by persons in employment and the amount of work which they would normally be able and willing to perform. There is diversity in the manifestation of underemployment in the form of potential, disguised, visible and invisible underemployment. Rural economy, as is well known, depends on agricultural activity and there are very few other jobs that can absorb its rising population. Consequently, such rising population works in agriculture without contributing any surplus to the production. Such surplus labour force can obviously be taken away from agriculture to other jobs without reducing agricultural productivity. Even though it is very difficult to estimate the extent of such unemployment in our State, extremely low standard of living in the villages clearly indicates that it must be of a very high size and of a serious nature. There are some areas in Maharashtra where this problem is very serious and therefore it is necessary to carry out fuller studies of such areas with regard to the availability of local skills, material resources, facilities, requirements, etc., and to devise special schemes for tackling the problem therein. Disguised unemployment in over-populated rural localities contains potential reserve for rapid economic progress. Maharashtra's economic development could be accelerated by releasing redundant labour and simultaneously increasing the productivity in such a way as not to entail much of capital investment.

2.5 The fact that unemployment problem in Maharashtra is becoming more and more serious day by day can hardly be exaggerated. As against the backlog of 4.46 lakhs of unemployed persons at the beginning of the Second Plan in the State and the addition of 10.55 lakhs to the labour force during the period, the new employment created during the Plan was only of the order of 7.17 lakhs. The Third Plan started with

a backlog of 7.84 lakhs and it is estimated that in the Plan period increase in the labour force would be about 16.5 lakhs. Thus the backlog of employment which was about 4.46 lakhs at the beginning of the Second Plan increased to 7.84 lakhs by the end of the Plan and is estimated to have increased appreciably further by now. Besides, there is the usual underemployment of substantial size in the agricultural *rural* population which constitutes about 72% of the State's population.

3. Main reasons for rural unemployment

3.1 Underdeveloped character of agricultural activities in Maharashtra, poverty of its farmers, growth of population and inadequacy of other outlets of employment are some of the most important reasons for rural unemployment in Maharashtra.

3.2 Pressure of population on land is very great and is increasing rapidly due to galloping rate of population growth and inadequacy of other outlets of employment. Land holdings are too small to be economic and they are becoming smaller with rise in population. Out of 43.4 lakh land-holders 20.4 lakhs (i.e., 47%) have holdings smaller than 5 acres and these small holders have on the average 2—2½ acres of land. Condition of landless labourers is very miserable and their standard of living is much lower than that of land-holders. More than 60% of the State's population depends on agriculture and earns only about 33% of the total income of the State. Agriculturists in Maharashtra are poor compared to other sectors of population and are unable to improve their activity and methods of cultivation.

3.3 Maharashtra is one of the most backward States in agriculture and its yield per acre of cereals is about three-fourth of all-India average which is already very low. Even nature does not seem to be very favourable. Maharashtra's soil is not very fertile as compared to many other States in India. The rainfall varies from place to place and is extremely low in the interior. Moreover, it is of limited duration and is uncertain. The percentage of the irrigated area to the net sown area is as low as 6% which is about one-third of the national average. Irrigation facilities are poor and vast areas have lost fertility on account of unchecked soil erosion. There are large areas susceptible to famine and scarcity conditions particularly in Ahmednagar, Sholapur, Poona, Satara, Sangli, Aurangabad, Bhir and Osmanabad districts which lack adequate irrigation facilities.

3.4 Conspicuous features of the economy of Maharashtra are the concentration of industries in a very small area and the industrial backwardness of the rest of Maharashtra. In absence of adequate development of industries and various activities allied to agriculture such as animal husbandry, poultry, forestry, etc., there are very limited opportunities for gainful employment in rural areas.

4. Effects of rising unemployment

4.1 One of the serious losses in our State is the loss due to our inability to utilise to the fullest possible extent the manpower resources of our State. This loss is reflected in the poor standard of living and serious poverty in the rural population. It is difficult to estimate the extent of the loss and in spite of the planned efforts it has not been possible to reduce the same.

4.2 From economic point of view our State can be divided broadly in two parts: (i) relatively prosperous urban Maharashtra particularly Bombay-Poona region, (ii) poor rural Maharashtra. While the mode and standard of living and the pattern of production in some parts of cities like Bombay can be well compared with that in highly advanced countries like the U.K. and the U.S.A., the mode and standard of living and the pattern of production in many rural areas can be well compared with the most underdeveloped countries in Africa. The gap between the standard of living and the prosperity of these two sectors of Maharashtra's economy is widening with the lack of appreciable industrial development and increasing unemployment in the rural areas. It is very difficult to achieve balanced industrial growth of the State as a whole unless effective measures are taken to reduce appreciably the size of rural unemployment.

5. Measures to tackle the problem

5.1 Measures to be devised to tackle the problem can be broadly classified under two heads: (i) to control the growth of population; (ii) to expand the opportunities for seasonal, partial and full employment and to increase the productivity in various types of activities.

5.2 The rate of population growth, in our State, as is well known, is almost equal to the rate of our economic growth and consequently the rising population of our State is not only increasing the unemployment in the State but also reducing its rate of capital-formation. It is, therefore, very essential that vigorous steps are taken as early as possible to check the growth of population in Maharashtra by stepping up family planning devices by offering suitable monetary incentives, particularly to the people belonging to the low income group. The outlay of Rs. 260 lakhs provided in the Third Plan for the campaign and opening of family planning centres, in our opinion, was extremely inadequate considering the seriousness of the problem of population explosion in our State and its adverse long-term effects on the stability of its economy. We have considered this matter in detail and we strongly recommend that fairly large allocations should be provided in the Fourth Five-Year Plan for checking the growth of the population of our State and that steps should also be taken to ensure that the same are used in the best possible manner for achieving the results effectively within a reasonable time.

5.3 Population of Maharashtra and particularly that of Bombay City is increasing not only due to high net fertility but also due to migration from other less developed States. It is estimated that there are about 2.6 million migrants of different duration of residence at present in Bombay. About 40 per cent of these migrants come from different parts of Maharashtra and the rest from the other States of the country. About a million persons and about a half million persons migrated towards Bombay City during 1941-51 and 1951-61 respectively. Industrial prosperity of Bombay has been the main reason for this migration. Industries were established in Bombay City on a large scale on account of port and other special facilities which it offered, and industries which had already been established gave impetus to the establishment of new industries. This, in turn, led to the multiplication of commerce, banking, insurance and other organisations. Several of the new industries that are being floated in India, like petro-chemicals and intermediates for dyes and pharmaceuticals prefer to locate themselves in Bombay City. These trends are, therefore, likely to encourage migration towards Bombay in future also and aggravate the problem of congestion in the City further. Migration, particularly of the beggars, vagrants and the like, has adversely affected the social atmosphere of the City. It is, therefore, urgently necessary to devise suitable measures to control migration particularly towards Bombay City as effectively as possible.

5.4 Measures for checking the growth of population should be devised for solving the problem of unemployment and underemployment in rural areas on a long-term basis. For increasing opportunities for seasonal, partial and full employment and thereby utilising the labour potential to the maximum possible extent, it is necessary to increase the productivity in various types of activities such as agriculture, animal husbandry, fishing, mining and various types of industries referred to in the latter part of this Report.

5.5 It is true that economic development creates more and more employment and that employment is implicit in and follows investment. But in view of the seriousness of the problem of unemployment in our State and in view of the fact that capital is scarce factor in our economy with high opportunity cost it is necessary to ensure that our schemes of development are employment-oriented, particularly in those cases where mechanisation does not yield significant economies. The conflict between the labour intensive methods of production ensuring more employment and the capital intensive methods ensuring more production is not in as many fields as is normally presumed because in some fields such as heavy industries, technological considerations are very important in determining the mode of production. Moreover, as many such industries will have to be established for providing base for further development, it is necessary to have large number of labour intensive decentralised consumer goods

industries for tackling the problem of unemployment and raising the standard of living.

5.6 It is also advisable to give more emphasis on building up the potential for fuller and more remunerative employment in the long run than on expanding employment opportunities in the short period. In some other fields particularly in consumer goods industries, however, it may be advisable to use labour intensive methods due to serious unemployment in our State and shortage of resources particularly foreign exchange. In some such industries, even though capital intensive methods due to their productivity may yield more saving per head employed than labour intensive methods, their per head saving may be much less than the latter if the cost of unemployment to the society is considered. There is, in our opinion, great scope for enhancing the productivity of many small-scale industries without making them capital intensive, by giving them suitable technical guidance and incentives.

6. Infrastructure

6.1 The rural localities in Maharashtra generally lack adequate transport, communications, power, technical education and other facilities. Development of various types of agricultural and industrial activities in underdeveloped areas of Maharashtra would be, therefore, facilitated if effective steps are taken to provide these facilities to these areas at an early date.

6.2 The existing road mileage in Maharashtra, is very low even compared to that in many less industrialised States in India. Moreover, most of the roads in Maharashtra are qualitatively poor, unmetalled and unsuitable for all-weather traffic. There are some unbridged river-crossings and weak bridges and culverts which create serious bottle-necks and adversely affect the traffic in rainy season, particularly in Konkan and Marathwada areas. It is not surprising therefore that large quantity of agricultural produce like vegetables and fruits is wasted in the absence of adequate roads and transportation facilities. It is necessary to provide subsidised cold storage transport facilities, through agencies like the State Transport for encouraging various rural activities like dairy farming, horticulture and fishing. The importance of road construction in the areas wherein the absence of adequate roads has adversely affected the potential income from economic activities in particular can hardly be overemphasised.

6.3 The passenger traffic of the Konkan coast and creeks which is about 20 lakhs a year is said to be the highest in the world for such a short distance; and yet most of the minor ports in particular lack adequate facilities ashore for passengers, berthing facilities for ships, light-houses and some navigational aids, up-to-date communication facilities between different ports and also between ports and ships. Dredging of

ports and inland waterways has not been carried out on a continuous and regular basis as a result of which our State has not been able to utilise effectively the available port capacities and develop inland water transport and thereby encourage the development of agricultural, industrial and other activities in the Konkan region.

6.4 Rural electrification will have a vital bearing on the industrial prosperity of the rural areas. The supply of power to the rural localities is necessary for expediting industrial transformation and there is pressing necessity of bringing grid power to various underdeveloped areas in Maharashtra. Viewed from this angle, the targets of providing electricity to 10,000 villages and electrification of about 2 lakh pumping sets by the end of the Fifth Plan are not sufficient and it is necessary to sketch out more ambitious programme of rural electrification and take steps to ensure that the targets are achieved within the prescribed period.

6.5 Apart from the development of transport, communications and power, it is necessary to provide medical, educational and other facilities to the rural localities for discouraging the flow of rural population towards urban areas. In particular, it is necessary to provide facilities for suitable technical training in rural areas for the development of scientific agricultural practices and agro-based industries in order to create a technical bias in the people residing in these areas. The spread of technical education will play a very vital role in the rural transformation and it would be advantageous to increase the number of multipurpose institutions in the rural localities. It is hardly necessary to stress the importance of skill formation and development of entrepreneurial and managerial abilities for rapid industrialisation of rural areas.

6.6 The provision of infrastructure by itself will also provide significant employment particularly when labour-intensive methods are adopted. It has been estimated that the constructional activity would create additional employment of about 1.28 lakhs during the current Plan.

6.7 We understand that under rural works programmes such as construction and repairs to market and other roads, tanks, nallahs, etc., digging of compost pits, reclamation of land, anti-soil erosion measures, afforestation, horticulture development, etc., expenditure of Rs. 2.64, Rs. 18.23, Rs. 105.25 and Rs. 107.13 lakhs were incurred in 1961-62, 1962-63, 1963-64 and 1964-65 and man-days of 0.78, 8.75, 40.63 and 53.57 lakhs were generated during the respective years. The programmes aim at providing work in agricultural off-season and not a continuous work throughout the year and therefore, they are unlikely to have permanent effect on the migration of the workers from rural to urban areas. They would, however, go a long way in discouraging the seasonal migration of rural workers to urban areas and also in improving agricultural productivity, rural communications and housing and construction of community assets.

6.8 During review made in Annual Conference on Community Development in 1959 it was realised that even the minimum programme could not be implemented in full for want of adequate finance, technical and trained, experienced administrative personnel and difficulties of marketing. The main reasons for the delay in schemes are reported to be the delay in sanctioning of funds, finalisation of schemes and inclusion of new types of schemes without adequate preparation—and administrative streamlining. In view of the importance of the Community Development Schemes, it is necessary to remove their handicaps and to intensify them for exploiting the unemployed labour potential to the maximum possible extent. In particular, it is necessary to plan and intensify the labour intensive constructional activities or rural works programmes in areas facing the problem of acute unemployment or underemployment. It is also necessary to have a systematic planning for starting and expanding the projects on a systematic basis over the Plan period with a view to generate employment over a period for particular areas selected. There should be also periodical inspection and supervision of work, technical scrutiny and evaluation. The blocks should be allotted sufficiently in advance of the agricultural off-season for facilitating the efficient implementation of the works and avoiding lapsing of funds. Programmes should be well integrated with other development programmes of the area. For getting spontaneous response and initiative of the local people Panchayati Raj institutions should be associated fully with the planning and implementation of the rural works programmes and should be encouraged positively to contribute their mite.

Rural works programmes will not only reduce the unemployment or underemployment in rural areas but also, as pointed out earlier, will utilise the unemployed labour potential to the maximum possible extent for the purpose of capital formation in the form of community assets. The Maharashtra State lacks adequate capital resources and foreign exchange resources required for establishing industries in adequate number and the infrastructure required for them. Rational and well directed use of surplus labour force in rural localities for the purpose of rural development schemes will neither have any adverse effect on the agricultural production nor will be inflationary in character. It is, therefore, very essential for us to adopt planned measures to utilise the large manpower resources available in rural areas for our capital formation and rapid economic development.

6.9 For solving effectively the problem of underemployment in rural areas it is necessary to diversify and strengthen the rural economic structure and to intensify programmes for rural works and for the development of various types of small and large industries and agro-industries in these areas.

7. Agriculture and allied activities

7.1 As pointed out earlier, more than 60 per cent of our population depends on agriculture and earns only about 33 per cent of the total income of the State. Serious underemployment in agriculture clearly indicates that the problem of unemployment in our State cannot be solved effectively unless we improve our agricultural activity.

7.2 Our State is one of the most backward States in agriculture and its yield per acre of the agricultural products in unirrigated areas on the average is appreciably lower than the national average which itself is very low. It is pertinent to note that the agricultural productivity in the irrigated areas of Maharashtra is higher than the national average and that with the availability of irrigation facilities some of its areas have become prosperous and have developed various types of cash crops and agro-industries. The irrigation potential and moisture conservation potential of Maharashtra, we understand, are about 1/5th and 2/3rd of the cultivated area respectively, and it is very essential that every effort should be made to exploit this potential as much as possible. For this we strongly recommend that major and minor irrigation projects (including lift irrigation) should be implemented expeditiously and the programme of contour bunding should be stepped up for ensuring adequate moisture conservation as well as soil conservation.

7.3 There is, in our opinion, great scope for bringing more land under cultivation, particularly by terracing hilly areas and by reclaiming khar and khajan lands and waste land and also for improving the agricultural productivity by the use of manures, fertilisers, insecticides and improved tools and implements and by improving the crop pattern and methods of cultivation and resorting to intensive methods of cultivation like the Japanese method of rice cultivation and double cropping. For the effective implementation of these measures, it is necessary to educate the farmers by carrying out propaganda, establishing a demonstration farm of suitable size in each taluka and ensuring that the farmers get fertilisers, better seeds, insecticides, implements, credit facilities, assistance in marketing and assured prices with built-in incentives for quality and quantity. It is advisable to take the maximum possible advantage of the experience of successful farmers in sketching the plan for the development of agriculture.

7.4 There is great scope for expanding opportunities for gainful employment in agriculture by resorting to cultivation of profitable crops like hybrid maize and elephant grass, horticulture and cultivation of fruits and vegetables. Most of these crops, particularly vegetables are more labour intensive than other crops. There would be increasing demand for them with the rising income. In view of these facts, it is very essential

to make suitable changes in cropping patterns and to undertake agricultural development programmes which are remunerative and also labour intensive. At present, oranges and other citrus fruits are produced mainly in Nagpur, Amravati, Wardha, Poona, Jalgaon, Ahmednagar and Aurangabad districts, grapes in Nasik, Aurangabad and Ahmednagar districts, mangoes in Ratnagiri, Kolaba, Osmanabad, Chandrapur, Amravati and Bhir districts and bananas in Jalgaon, Thana, Poona, Parbhani, Aurangabad and Nanded districts. There is a great potential for the production of these fruits in these districts and, therefore, we recommend, a planned programme for increasing the production of fruits in these areas particularly in the areas around big cities where there is a good market for these fruits. Certain fruits like cashew-nuts have a growing export market and it is necessary to step up their cultivation for increasing our earnings of foreign exchange.

7.5 Apart from the unfavourable seasons, the shortfall in agricultural production during the last 3—4 years is said to be due to inadequate allocations, delayed procedures and lack of co-ordination between various departments dealing with agriculture. There is an urgent necessity of correcting the past mistakes and carrying out improvements. Agricultural organisations should be geared up to meet the challenge posed by the short fall in agricultural production and to implement effectively various measures such as provision of water, seeds, fertilisers and pesticides, and development of marketing, credit and extension services. The problem of unemployment in our State, we believe, can be solved effectively if suitable measures of the type outlined above are devised for augmenting the profitability of agricultural activity and for transforming our subsistence farming into commercial farming.

7.6 The poverty and serious underemployment in rural areas in Maharashtra are also to a very great extent, due to the underdeveloped nature of various activities allied to agriculture such as animal husbandry, poultry, forestry, etc. The fact that out of the total cattle population of about 15 million in Maharashtra, only about 3 million is said to be fairly productive clearly indicates that the main problem in animal husbandry in Maharashtra is to improve the quality of the live-stock by various measures such as planned breeding and proper care. The per capita consumption of milk in Maharashtra is half of that of national average and there is great scope for its improvement with the increasing incomes of the people in the years to come. The demand for eggs will also rise with the rising income. At present, the dairy farming is mainly followed in Dhulia, Jalgaon, Nasik, Thana, Poona, Sangli, Kolhapur, Aurangabad, Nanded, Wardha and Nagpur districts and poultry is kept mainly in Ratnagiri, Poona, Chandrapur, Satara, Ahmednagar, Thana, Kolaba, Sangli and Kolhapur districts. There are great prospects for the development of these activities particularly in these districts and in places which are nearer to

the big and developing cities and markets. Vigorous campaigns should therefore, be started for impressing upon the farmers the advantages of animal husbandry and poultry-keeping and for making them conversant with the modern techniques employed in these fields in improving the productivity. Farmers should be given necessary finance and encouraged to follow these activities on a commercial scale. They should also be provided with necessary veterinary aid for controlling the diseases in live stock population. Efforts should also be made to put our forest wealth to the maximum possible use and to develop industries dependent on the same, particularly in Chandrapur and Ratnagiri districts. The development of the agriculture and activities allied to agriculture mentioned above will not merely reduce the magnitude of rural underemployment but will also improve financial condition, standard of living, health and productivity of the rural population.

8. Fishery

Although the problem of underemployment is confined mainly to agricultural activity it is also prevalent in other activities pursued on a small scale like fishery. At present, about 30,000 families are engaged in marine fishing and about 20,000 families are engaged in inland fishing on full or part time basis and catch about 1.6 lakh tons and 10,000 tons of fish respectively. We have a coast of about 450 miles and we are exploiting areas only upto 20 miles from the coast. All these facts clearly indicate that there is great scope for increasing the catch by increasing the crafts, improving their speed and using better equipment. It is necessary to improve our ports and equip them with all the facilities required by the fishing industry. We further recommend that fishermen and others concerned should be encouraged to start ice-factories and boat building yards and to build up cold storages. They should be also encouraged in deep sea fishing and to start the industries dependent on the same, such as shark-liver oil extraction factories, manure manufacturing factories, etc. Steps should be also taken to encourage inland fishing in districts like Thana, Pooana, Kolhapur, Aurangabad, Nagpur, Amravati, Vidarbha and Bhir where there is great potential for its development.

9. Mining

Mining is usually followed with modern tools and equipment and therefore it is quite unlikely that there is an appreciable underemployment in this industry. There is, however, great scope for the development of this industry and for expanding employment opportunities, particularly in the rural areas where the mines are situated. Maharashtra has good deposits of iron ore, manganese ore, bauxite, coal and lime stone and yet except for manganese and coal mining in Vidarbha and iron ore mining in Ratnagiri, mining has not been developed and even proper geological

surveys of these areas have not been carried out. It is necessary to execute a detailed geological survey of our mineral resources and indicate the mineral-based large and small-scale industries which can be profitably carried on in these areas. The State Government should take active interest, particularly in running the large mineral based industries and in encouraging similar or ancillary small-scale industries around them. Koyna electric power should be used to the maximum possible extent for accelerating the growth of the mining industries and mineral based industries in Maharashtra and for the establishment of the new industries. We strongly feel that there is an urgent necessity for formulating a Master Plan of the mineral development of the State, for disclosing the possibilities of large, medium and small scale mineral-based industries in the State.

10. Agro-Industries

10.1 A panel of experts appointed by the Planning Commission have set forth criteria for agro-industries which have been later on approved by the National Development Council. The industries which satisfy these criteria are those (i) which encourage greater input into agriculture, (ii) which lead to better processing and conversion of agricultural commodities, (iii) which ensure high returns on processed goods and (iv) which increase agricultural production.

10.2 The Khadi and Village Industries Commission and the Maharashtra State Khadi and Village Industries Board have been contributing their mite in resolving the problem of the complex skein of rural unemployment in the State. These statutory bodies formulate and execute schemes of development pertaining to traditional industries such as Khadi, Processing of Cereals and Pulses, Leather, Oil, Palm-gur, Gur and Khand-sari. Fibre, Hand-made Paper, Bee-keeping, Carpentry and Blacksmithy. The assistance of the Board emanates in the form of rendering assistance for organising co-operatives of artisans, provision of the requisite financial assistance and technical-know-how, making arrangements for training of artisans in the latest methods of production with improved implements, arranging for the supply of raw materials and sale of the finished products, etc. In view of the peculiarly backward nature of the class of artisans under this sector, who are shy of assimilating the new techniques of production the problem of organising the developmental programmes poses a number of problems. The Board with a State-wide coverage having come into existence only two years back it has not been able to register a significant impact of its activities in relieving the huge backlog of rural unemployment in the State. Nevertheless these programmes have been instrumental in opening up employment avenues to over 25,000 artisans in the rural parts of the State.

10.3. It is a matter of great satisfaction that the Government of Maharashtra have decided to establish "The Maharashtra Agro-Industries Deve-

lopment Corporation Ltd." with authorised capital of Rs. 2 crores for promoting the manufacture and distribution of fertilisers, insecticides, pesticides, agricultural implements, agricultural machinery (such as tractors, diesel engines, pumps, drilling equipment) and other equipments required for fisheries, poultry, sheep, cattle and dairy development, food preservation and processing. The Corporation would also promote the agro-industries and their connected activities by providing them capital, credit, means, resources and technical and managerial assistance for the prosecution of their work and business and to enable them to develop and improve their methods of manufacture, management and marketing and their technique of production. Apart from the actual manufacturing and distribution activities the Corporation is expected to carry out campaigns, demonstrations, advertising in the press, publication of books or periodicals, etc., for popularising use of modern agricultural implements and techniques of production and render all possible assistance for promoting agricultural activities and agro-industries in Maharashtra.

10.4 Development of agro-industries is of crucial importance for solving the problem of rural unemployment and underemployment and uplifting the standard of living of the rural population. In Maharashtra there is great scope for the development of agro-industries and the recent development of the sugar industry in Maharashtra clearly indicates that such a development will have far-reaching beneficial multiplier effects on the rural economy.

10.5 Maharashtra is now the second largest producer of sugar in India. In Maharashtra sugarcane is produced on a large scale in Ahmednagar, Kolhapur, Sholapur, Poona, Nasik, Satara and Sangli districts and there are great prospects for its increased production with the development of irrigation facilities in these districts. The yield per acre and the sugar content in the cane are at their peaks in Maharashtra and therefore there is an urgent necessity for taking effective steps for the development of sugar industry in Maharashtra, and also various other industries based on its by-products, such as, paper, alcohol, wax, etc.

10.6 Maharashtra is a famous producer of groundnut and other oil seeds. Dhulia, Jalgaon, Satara, Sangli, Sholapur, Bhir, Osmanabad, Kolhapur, Nasik and Aurangabad are the important groundnut producing districts in Maharashtra and there are good prospects for stepping up its production in these districts. Increase in the production of groundnut and other oilseeds would be very helpful in reducing the shortage of edible oils and fats in our state and in enabling the existing oil mills, solvent extraction units and vanaspati manufacturing plants to utilise their capacity to the maximum possible extent.

10.7 Cotton is an important cash crop of Maharashtra and is produced mainly in Jalgaon, Buldana, Akola, Amravati, Yeotmal, Auranga-

bad, Parbhani, Nanded, Dhulia and Ahmednagar. There are about one and half lakh handlooms and about one lakh powerlooms in the State located mainly at Malegaon, Bhiwandi, Nagpur, Kamptee, Bombay, Ichalkaranji, Achalpur, Sholapur, Dhulia, Ahmednagar, Jalna, Sangli, Yeola and Sinnar. It is necessary to encourage growth of this decentralised industry and other industries based on cotton and cotton seeds such as industries manufacturing surgical cotton, cotton seed oil, etc.

10.8 In Maharashtra, tobacco is produced mainly in Kolhapur and Sangli and there is great scope for setting up industries manufacturing bidis, and extracting nicotine. Bidi industry is one of the most decentralised industry in Maharashtra. It gives employment in spare time to about 5 lakh workers in rural areas and is very important in Maharashtra, particularly in Bhandara, Nagpur, Chandrapur, Aurangabad, Osmanabad, Sangli, Sholapur, Ahmednagar, Nasik and Poona. Bidi industry is a cottage industry and it does not need a large amount of capital investment or tools. In view of these facts and particularly in view of the important role of this industry in the rural economy of Maharashtra and its employment potential, it is necessary to devise suitable measures to encourage the growth of this industry in Maharashtra.

10.9 Maharashtra produces various types of crops like rice, millets, wheat, maize, cotton, sugarcane, tobacco, and groundnut and other oil seeds, different types of fruits like grape, banana, mango, pineapple and other citrus fruits, coconut, cashewnut, different types of vegetables like potato, onion, brinjal, tomato and different types of animals, poultry and dairy products. It is, therefore, obvious that there is great scope for the development of various types of processing and manufacturing activities such as manufacturing of rice-bran oil, starch, fruit-canning, manufacturing of wine, syrups, etc., based on them on a rational and sound footing and also for the development of various types of other industries using the byproducts of these agro-industries.

For encouraging the growth of resource-based industries, it is necessary to devise suitable steps to enhance the agricultural productivity and thereby augment surplus required for processing and manufacturing activities and also to ensure that the surplus so available is utilised in the best possible way for producing the final product.

10.10 Apart from the development of the resource-based industries, there is great scope for the development of industries manufacturing pumps, ploughs and other agricultural implements, manures, fertilisers, insecticides, pesticides, etc., required by the farmers in Maharashtra in their agricultural activity and for the development of the various types of consumer goods industries. Various types of industries like rope making, gur manufacturing, pottery, brick-making, roofing, tile-manufacturing, salt production, preparation of bamboo mats, glass industry, industries manu-

facturing crockery, plastic goods, fountain pens, nibs, varnishes, readymade garments, domestic utensils, cement products, etc., can, for instance, be established at suitable locations in rural areas in Maharashtra. There is also a scope for the development of industries using metal as raw material such as industries manufacturing water taps and electrical motors, cutlery, hurricane lanterns, automobile and bicycle parts and accessories, surgical instruments, buckets, drums, steel furniture, domestic electrical appliances, etc. and foundries and steel re-rolling mills at suitable places.

11. Shifting of Urban Industries to Rural Areas

11.1 It is, as is well known, very difficult to start industries in rural areas due to lack of enterprise, capital resources, experience and other matters and therefore, it would be very much advantageous if some big industries are persuaded to shift to rural localities and steps are taken to encourage growth of various small-scale ancillary units around them. These industries, in turn, will improve the economic condition of the rural areas and, by encouraging the growth of various other demand-oriented industries, will go a long way in breaking the vicious spiral of poverty and lack of industrialisation in the rural areas that have been plunged in deep rooted poverty and economic stagnation of decades.

11.2 Maharashtra is one of the most highly industrialised States and accounts for about 23 per cent of the total productive capital and about 24 per cent of the value of the output of the country. The proportionate contribution of the factory sector to the industrial employment in Maharashtra is 2.2 per cent which is nearly 3 times the national average. The industrial progress of Maharashtra is reflected in its high per capita income of more than Rs. 421 which is higher by about 24 per cent than the national average. Maharashtra has the highest rate of savings and accounts for more than 36% of the paid up capital of the joint stock companies in India.

11.3 It is however pertinent to observe that the industrial progress of Maharashtra is mainly due to the industrial progress of Bombay City in which 4,035 (47 per cent) out of the total registered 8,622 factories in Maharashtra, giving employment to about 5 lakhs (64 per cent) of the factory workers in the State are located. Bombay City is one of the two principal centres of cotton textile industry which is the largest industry in India. About 19 per cent of India's industrial output comes from Bombay City and about 15 per cent of the income from the manufacturing and commercial activities in India is concentrated in this City. Bombay contributes 73 per cent of the gross output and 77 per cent of value added by manufacture in the State. With the rapid industrialisation, more and more industries are being established in the Suburbs and also in the Bombay-Poona region. Several of the new industries that are being floated in India like petro-chemicals and intermediates for dyes and pharmaceuti-

cals prefer to have their location in Bombay. The industrial prosperity of Maharashtra is thus mainly due to the industrial prosperity of Bombay-Poona region and the rest of Maharashtra is as undeveloped as most of the undeveloped areas in other States in India.

11.4 The overcrowding of population and congestion of industries in Bombay have given rise to numerous problems some of which, such as housing, transport, water supply, sewerage, drainage and slums have become very acute. The housing shortage in particular has affected the family life and created a variety of social problems. These factors are having an adverse effect not only upon the productivity of industries but also on the morale of the workers. In view of these facts and particularly in view of the backwardness of the rest of the regions and difficulties of starting industries therein owing to the lack of enterprise, capital, experience, etc., we strongly recommend that effective steps should be taken to persuade some big industries in Bombay to shift to rural localities in Maharashtra.

11.5 There are three main hurdles in the shifting of industries from urban areas to rural areas. The first is the heavy cost of dismantling plant, machinery and equipment and transporting and of re-erecting them at the new sites. The second is the housing of workers and other employees who would be willing to go to the new sites. The third is the retrenchment compensation that will have to be paid to the workers. The Union Government has recently offered to public limited companies owning an industrial undertaking relief from tax on capital gains arising out of sale of land and buildings situated in urban areas for the purpose of shifting the business of the company to rural areas. This concession has still to attract urban industries towards rural areas for various reasons.

12. Industrial Estates and Areas

12.1 Industrial estates are looked upon as a powerful and convenient tool for accelerating the industrial growth of the underdeveloped areas and increasing the employment opportunities therein. Industrial estates provide various facilities to small entrepreneurs which they would not have been able to get cheaply by their individual efforts and thereby encourage establishment of industrial units which otherwise would not have been established. They go a long way to stimulate the latent entrepreneurial talent and also help to exploit substantially the local raw materials and small savings. Well conceived and well-planned industrial estates encourage development of industries also in their vicinity. They thus become nucleus for further industrial development and inject an element of dynamism into the process of socio-economic growth of the region.

12.2 Eight industrial estates have been established in Maharashtra in the Second Plan. In the Third Plan twelve estates were established, fifteen estates were under construction and eighteen estates were registered.

The object of the scheme of development of industrial areas in Maharashtra is "to attract large-scale industries to the areas which have considerable potentialities for industrial growth by providing developed sites equipped with roads and railway sidings, drainage and lighting, power supply, etc." and the target envisaged in the Third Plan is the development of sixteen areas in Maharashtra.

12.3 While we are fully appreciative of the efforts of the Government in this behalf, we feel, there is great scope for making further progress in the matter and to improve the condition of the existing estates. In particular, there is great scope for removing the handicaps of the existing estates in respect of essential facilities like adequate water supply and electricity and to equip a large number of these estates with various other facilities like post office, bank, canteen, telephone, first-aid post and common facility centres. A Study Group constituted by the Council on the "Industrial Estates in Maharashtra" has studied this aspect in detail and submitted its report to the Government. We fully endorse their recommendations and would like to lay more stress on the recommendations regarding technical assistance, assistance in marketing, carrying out techno-economic surveys of the sites and establishment of fully packaged rural estates, worksheds, resource based functional estates, and estates around big factories in private and public sectors. We are confident that their effective implementation will go a long way in solving the problem of rural employment in Maharashtra.

13. Incentives for industrialisation in underdeveloped Areas

13.1 In developing the agro-industries of various types in Maharashtra, the State Government should play a very vital role and give suitable incentives and guidance for their development and also adequate incentives to industries to shift to underdeveloped areas. It is a matter of satisfaction that the State Government have shown realisation in this respect and adopted recently the "Package Scheme of Incentives for Dispersal of Industries" (particulars given in Appendix). It is however necessary to stress the fact that the concessions and incentives offered thereby are not adequate and attractive. The concessions and incentives to underdeveloped areas like Konkan and Marathwada in particular should be increased on the lines indicated below in order that the main object of the Scheme is not nullified and industries are not encouraged only on the periphery of the Bombay-Poona belt.

(i) At present there are 42 industries (list given in Appendix) which are normally held eligible for concessions under the Scheme. Resource-based agro-industries like spinning mills, oil mills, factories producing surgical cotton, rice-bran oil, cashew, vanaspati, soap, khandsari, tinned fruits and fertilisers for which there is great scope for development in

Konkan and Marathwada have not been covered by this list. It is necessary to make the Scheme applicable to these and such other resource-based industries in underdeveloped areas.

(ii) The incentives offered under the Scheme are for the period of 13 years from the date of licensing or registration as the case may be with regard to all concessions except in respect of electricity tariff where the incentive offered is initially for a period of 5 years from the date of commencement of production. In view of the underdeveloped nature of the economy of the areas like Konkan and Marathwada, it is necessary to extend the period of incentive in respect of electricity tariff to ten years from the date of commencement of production, and to extend all other incentives offered under the Scheme as also those recommended thereby to twenty years from the date of licensing or registration, as the case may be.

(iii) In accordance with the Scheme the Maharashtra Electricity Board offers rebate on electricity tariff to all industries coming up in the Bombay-Poona-Pimpri-Chinchwad regions and having a load of more than 200 KW. so as to bring the tariff on a par with the Tatas' tariff in Bombay. Industrial development of underdeveloped areas would be mainly an agricultural-industrial development and consequently most of the industrial units would be of small size. It is, therefore, necessary to offer the power subsidy to the industries in these areas having a load of more than 35 KW.

(iv) About 30 to 40 per cent of the industrial raw material quota (including scarce raw material) available for distribution should be earmarked for the use of industries in the underdeveloped regions.

(v) The following facilities and incentives recommended by the Committee on Dispersal of Industries, constituted by the Small Scale Industries Board of the Government of India, should be offered for a period of twenty years from the date of licensing or registration as the case may be:

- (a) Accommodation at concessional rent;
- (b) Housing for workers for which assistance would be given in the form of loans representing $37\frac{1}{2}$ per cent of the total cost and a subsidy of 50 per cent of the total cost;
- (c) Common services;
- (d) Priority in supply of raw materials with a guarantee of quota for working the factory on the basis of 8-hour shift;
- (e) Full subsidy to reimburse the expenditure in respect of sales tax (including sales tax on purchase of machinery), import duties, octroi, municipal taxes, excise duties and income tax (including corporation tax);
- (f) Subsidised water rates and subsidy in respect of expenditure for extension of transmission lines to the nearest point of distribution up to the factory site and of switch gears and transformers required;

- (g) Subsidy to reimburse the difference between the amount of interest on loans paid to the State Financial Corporation and the amount calculated at 5 per cent on the total amount of loans each year;
 - (h) Extension of repayment terms to ten years in respect of machines and machine tools obtained under the hire-purchase scheme of the National Small Scale Industries Corporation;
 - (i) Refund of 20 per cent of the cost of transportation of capital goods and of $33\frac{1}{3}$ per cent of the cost of transportation of raw materials and finished goods upto the point of first delivery.
- (vi) Industries in underdeveloped regions should be exempted for a number of years from taxes imposed by local authorities.
- (vii) The Government should declare the policy of participating in the share capital on an equal footing in any approved scheme in the underdeveloped regions and also establish in the public sector factories for fertilisers, machine tools, electrical equipment, cement, etc.
- (viii) The State Government should also follow effectively cases about the issue of licences under Industries (Development) Regulation Act for starting new units or expansion of existing units. Every effort should also be made to solve the other financial and other difficulties of the units in the underdeveloped regions and to make them efficient and competitive.

13.2 Handicaps and difficulties of a small industrialist (particularly of a prospective small industrialist) in starting an industrial unit can hardly be exaggerated. His financial position is generally weak and he generally lacks adequate technical, marketing, legal and other knowledge. He is, by himself alone, unable to derive the maximum benefit of the division of labour and specialisation. He finds it very difficult to carry out the various formalities involving time-consuming and troublesome negotiations with various agencies and authorities while starting the industrial unit. He also experiences difficulties and troubles in acquiring suitable site for his industry. We have considered this aspect of the problem in detail and we strongly feel that these difficulties in the initial stages seriously inhibit the promotion of various types of small industries in rural areas. For overcoming these difficulties, we strongly recommend that a management unit comprising cost accountant, mechanical and electrical engineer and an administrator with experience and background in economics and industry should be established at State level to render free assistance to willing investors in rural areas to set up suitable industrial units at appropriate locations and to render all possible help to them till they start their production.

14. Summary

1. One of the serious losses in our State is the loss due to our inability to utilise to the fullest possible extent the manpower resources of

our State. This loss is reflected in the poor standard of living and serious poverty in the rural population (4.1).

2. It is very difficult to achieve balanced industrial growth of the State as a whole unless effective measures are taken to reduce appreciably the size of rural unemployment (4.2).

3. Unemployment problem in Maharashtra is becoming more and more serious day by day (2.5).

4. Disguised unemployment in over-populated rural localities contains potential reserve for rapid economic progress. Maharashtra's economic progress could be accelerated by releasing redundant labour and simultaneously increasing productivity in such a way as not to entail much of capital investment (2.4).

5. Measures to be devised to tackle the problem of unemployment in Maharashtra can be broadly classified under two heads: (i) to control the growth of population; (ii) to expand the opportunities for seasonal, partial and full employment and to increase the productivity in various types of activities referred to in this report (5.1).

6. Fairly large allocations should be provided in the Fourth Five-Year Plan for checking the growth of the population of our State and steps should also be taken to ensure that the same are used in the best possible manner for achieving the results effectively within a reasonable time (5.2).

7. It is urgently necessary to devise suitable measures to control migration particularly towards Bombay City as effectively as possible (5.3).

8. It is necessary to ensure that our schemes of development are employment-oriented, particularly in those cases where mechanisation does not yield significant economies (5.5).

9. There is great scope for promoting a large number of labour-intensive decentralised consumer goods industries. There is also great scope for enhancing the productivity of many small-scale industries without making them capital-intensive, by giving them suitable technical guidance and incentives (5.5 and 5.6).

10. The rural localities in Maharashtra generally lack in adequate transport, communications, power, technical education and other facilities. Development of various types of agricultural and industrial activities in underdeveloped areas of Maharashtra would therefore be facilitated if effective steps are taken to provide these facilities at an early date (6.1).

11. Road construction is very important particularly in the areas wherein the absence of adequate roads has adversely affected the potential income from economic activities. It is also necessary to improve road transport and in particular to provide subsidised cold storage transport

facilities through agencies like State Transport for encouraging various rural activities like dairy farming, horticulture and fishing (6.2).

12. Handicaps of the Community Development Schemes should be removed and they should be intensified for exploiting the unemployed labour potential to the maximum possible extent. Labour intensive constructional activities or rural works programmes should in particular be planned and expanded in the areas facing the serious problem of unemployment and underemployment (6.8).

13. It is necessary to have a systematic planning for starting and expanding the Community Development projects on a systematic basis over the Plan period. There should be also periodical inspection and supervision of work, technical scrutiny and evaluation. The blocks should be allotted sufficiently in advance of the agricultural off-season for facilitating the efficient implementation of the works and avoiding lapsing of funds. Programmes should be well integrated with other development programmes of the area. For getting spontaneous response and initiative of the local people, Panchayati Raj institutions should be associated fully with the planning and implementation of the rural works programmes and should be encouraged positively to contribute their mite (6.8).

14. Major and minor irrigation projects (including lift irrigation) should be implemented expeditiously and the programme of contour bunding should be stepped up for ensuring adequate moisture conservation as well as soil conservation (7.2).

15. There is great scope for bringing more land under cultivation and also for improving the agricultural productivity by the use of manures, fertilisers, insecticides and improved tools and implements and by improving the crop pattern and methods of cultivation. For effective implementation of these measures, it is necessary to educate the farmers by carrying out propaganda, establishing demonstration farm of suitable size in each taluka and ensuring that the farmers get the necessary inputs and assured prices with built-in incentives for quality and quantity (7.3).

16. Planned programme should be sketched and implemented for increasing the production of milk, fruits, vegetables and poultry in the areas particularly around big cities where there is a good market for them (7.4 and 7.6).

17. Agricultural organisations should be geared up to meet the challenge posed by the shortfall in agricultural production and to implement effectively various measures such as provision of water, seeds, fertilisers and pesticides, and development of marketing, credit and extension services (7.5).

18. Fishermen and others concerned should be encouraged to start ice-factories and boat building yards and to build up cold storages. They

should be encouraged in deep sea fishing and to start the industries dependent on the same. Steps should also be taken to encourage inland fishing in the interior wherever there is great potential for its development (8).

19. There is an urgent necessity for formulating a Master Plan of the mineral development of the State for disclosing the possibilities of large, medium and small scale mineral-based industries in the State (9).

20. The State Government should take active interest, particularly in running the large mineral-based industries and in encouraging similar or ancillary small-scale industries around them (9).

21. There is great scope for the development of agro-industries based on products like sugarcane, cotton, oilseeds, tobacco, different types of fruits, animal poultry and dairy products and the recent development of the sugar industry in Maharashtra clearly indicates that such development will have far-reaching beneficial multiplier effects on the rural economy (10.4).

22. Effective steps should be taken to persuade some big industries in Bombay to shift to rural localities in Maharashtra (11.4).

23. Handicaps of the existing industrial estates in respect of essential facilities like adequate water supply and electricity should be removed and large number of estates should be equipped with various other facilities like post office, bank, canteen, telephone, first-aid posts and common facility centres (12.3).

24. We fully endorse the recommendations of the Study Group on the 'Industrial Estates in Maharashtra' and would like to lay more stress on the recommendations regarding technical assistance, assistance in marketing, carrying out techno-economic surveys of the sites and establishment of fully packaged rural estates, work-sheds, resource-based functional estates and estates around big factories in private and public sectors (12.3).

25. The "Package Scheme of Incentives for Dispersal of Industries", should be made applicable to resource-based industries in underdeveloped areas. The period of incentives in respect of electricity tariff offered under the Scheme should be extended to ten years from the date of commencement of production and all other incentives as also those recommended in the Report should be extended to 20 years from the date of licensing or registration as the case may be. Power subsidy should be offered to the industries in the underdeveloped areas having a load of more than 35 KW. About 30 to 40 per cent of the industrial raw material quota (including scarce raw material) available for distribution should be also earmarked for the use of industries in the underdeveloped regions (13.1).

26. The facilities and incentives recommended by the Committee on Dispersal of Industries, constituted by the Small Scale Industries Board of the Government of India, should be offered for a period of twenty years from the date of licensing or registration as the case may be (13.1).

27. Industries in underdeveloped regions should be exempted for a number of years from taxes imposed by the local authorities (13.1).

28. The Government should declare the policy of participating in the share capital on an equal footing in any approved scheme in the underdeveloped regions (13.1).

29. The State Government should also follow effectively cases about the issue of licences under the Industries (Development) Regulation Act for starting new units or expansion of existing units (13.1).

30. A management unit comprising cost accountant, mechanical and electrical engineer and an administrator with experience and background in economics and industry should be established at State level to render free assistance to willing investors in rural areas to set up suitable industrial units at appropriate locations and to render all possible help to them till they start their production (13.2).

Appendix II

**THE PACKAGE SCHEME OF INCENTIVES
OFFERED BY
GOVERNMENT OF MAHARASHTRA
FOR
DISPERSAL OF INDUSTRIES**

I. NATURE OF INCENTIVES

- ★ State Government support for obtaining Industrial Licence.
- ★ Relief from incidence of certain taxes, duties and rates like electricity tariff, sales tax, octroi duty, water royalties, non-agricultural assessment.
- ★ Guarantee to loans.
- ★ Contribution towards cost of feasibility study.
- ★ Contribution towards cost of industrial housing.
- ★ Advance supply of building materials on loan from a Revolving Stock.
- ★ Preferential treatment in Government purchase programme.
- ★ Assistance in technical training of personnel.

II. DETAILS OF INCENTIVES

1. State Government support for obtaining industrial licence

Applications for industrial licence to the concerned authorities in the Government of India will be supported by the State Government.

2. Relief from the incidence of certain taxes, duties and rates

A. *Electricity Tariff*.—The Maharashtra State Electricity Board will offer a rebate on the electricity tariffs for all new industries coming up outside the Bombay-Thana and Poona-Pimpri-Chinchwad regions and having a load of more than 200 kw. so as to bring the tariff on par with Tatas' tariff in Bombay.

B. *Sales Tax*.—Government will give a cash refund of the sales-tax paid by the industry on raw materials purchased by it and on finished products. This, however, will not exceed in a year 8 per cent of the equity capital of the industry.

C. *Octroi Duty*.—Raw materials, capital equipment and building materials imported within the limits of local authorities by industries will be exempted from payment of octroi duty.

D. *Water Royalties*.—Government will exempt industries which lift water from the public water sources and are required to pay water royalties thereon from the payment of such royalty.

E. *Non-agricultural assessment*.—Industries will be exempted from payment of non-agricultural assessment on the land allotted to or taken up by them.

3. Guarantee to loans

Government may consider favourably guaranteeing loan to be raised by new industries, with a view to raising their borrowing capacity, on mortgage of the undertakings' assets.

4. Contribution towards cost of feasibility study

Government will give 75 per cent contribution towards the cost of preparation of a feasibility study done through an agency approved by Government. Such a report will remain the property of the Government or, if implemented within the prescribed time, the cost, thereof, will be converted as Government's contribution towards the share capital of the project.

5. Contribution towards cost of Industrial Housing

In respect of industries which have to pay 25 per cent of the cost of housing under the industrial housing scheme, such industries will be subsidised to the extent of 10 per cent of their share required to be paid to the Housing Board.

6. Advance supply of building materials on loan from a Revolving Stock

To help the industries in the speedy implementation of their projects and expeditious completion of their construction programme, Government has decided to create a revolving fund of building materials like cement, iron and steel, etc. The building materials will be given on loan to industrialists and stock will be replenished by the industries after their procuring the building materials on permits issued to them.

7. Preferential treatment in Government purchase programme

With a view to giving a fillip to the new industries in respect of marketing of their products in the initial stages, Government has decided to reserve for new industries 33 per cent of the purchases of Government through the Central Stores Purchasing Organisation at the lowest tendered price tendered in open competitive tender.

8. Assistance in technical training of personnel

For providing services of skilled personnel, Government will assist the industries by working a second shift in local technical high schools and in the shape of free use of equipment and provision for establishment expenses.

III. AREAS WHICH QUALIFY FOR EARNING THE NEW INCENTIVES

Industries which may be—

- (a) established newly in future in; or
- (b) existing industries within the Bombay-Thana region which may be shifted to, any place in the State of Maharashtra except the already developed zones near the Bombay-Thana, the Khopoli, and the Poona-Pimpri-Chinchwad regions will be eligible for earning these concessions.

A description of the areas excluded from the operation of these incentives along with the list of villages in the areas so excluded is given in Appendix 'A'.

Maps showing excluded areas in the Bombay-Thana, the Poona-Pimpri-Chinchwad and the Khopoli regions are at Appendices 'B', 'C' and 'D'.

IV. LIST OF INDUSTRIES WHICH WILL NORMALLY BE HELD ELIGIBLE FOR THE CONCESSIONS

- | | |
|---|--|
| * 1. Cast Iron Spun Pipes. | 21. Sewing machines. |
| * 2. Wire drawing units. | * 22. Electric fans. |
| 3. Iron Castings. | 23. Precision instruments. |
| 4. Malleable Castings. | 24. Radio receiver and electronic apparatus. |
| * 5. Non-ferrous Castings. | * 25. V.I.R. and Plastic coated wires. |
| 6. Steel forgings. | 26. Agricultural implements. |
| * 7. Steel pipe and tubes. | 27. Soda Ash. |
| 8. Gears. | 28. Salt. |
| 9. Forging dies. | 29. Sodium Hydroxide. |
| 10. Patterns. | * 30. Sulphuric Acid. |
| 11. Heavy structurals and Conveyors. | * 31. Calcium Carbide. |
| 12. Cranes. | 32. B.H.C. |
| 13. Cotton textile machinery. | 33. Paint and Varnishes. |
| 14. All varieties of machine tools. | 34. Straw Board. |
| 15. Agricultural tractors and farm vehicle. | 35. Rice bran oil. |
| * 16. Light petrol engines. | * 36. Refractories. |
| 17. Chemical and Pharmaceutical machinery. | * 37. Rayon Grade pulp. |
| 18. Printing machinery. | 38. Hard Board. |
| 19. Packing machinery. | 39. Fibre Board. |
| 20. Mill Handling transport equipment. | 40. Solvent extraction. |
| | 41. Seasoning of timber. |
| | 42. Frozen and dried vegetables. |

V. PERIOD DURING WHICH INCENTIVES WILL BE OPERATIVE

The incentives offered will be for a period of 13 years from the date of licensing or registration as the case may be in the case of all concessions except in respect of the electricity tariff.

In the case of electricity tariff the incentive offered is initially for a period of 5 years from the date of commencement of production.

* The industries marked above are on the banned list for the present.

VI. PROCEDURE FOR AVAILING OF CONCESSIONS

All enquiries in respect of these incentives should be addressed to Shri D. S. Godbole, Joint Director of Industries, Sachivalaya Annexe, 2nd Floor, Bombay 32 (Room No. 209) Telephone No. 212728.

1. Registration

Parties which desire to avail of these concessions will have first to register themselves with the "Incentives Cell of the Directorate of Industries". The application forms for such registration are available with the Industrial Assistance Unit, Directorate of Industries, Sachivalaya Annexe.

Form A is intended for registration of new units in the underdeveloped areas where the incentives are available.

Form B is intended for the registration of units shifting from the Bombay-Thana region to the underdeveloped areas.

Form C is intended for registration of existing units in the underdeveloped areas undergoing substantial expansion or manufacturing new articles.

2. Certificate of eligibility

After the registration, the unit will be given a certificate of eligibility which they will have to produce to the different authorities for obtaining concessions, exemptions, etc.

3. Procedure for obtaining the concessions is outlined below

(1) *State Government support for obtaining Industrial Licence.*—No separate application is required for this. The Directorate of Industries will act on the basis of the certificate of eligibility and the application for industrial licence.

(2) *Relief from the incidence of certain taxes, duties and rates—*

(a) *Electricity tariff.*—After getting the certificate of eligibility an industrial unit having a load of more than 200 K.W., and desiring to obtain this concession will apply separately to the Joint Director of Industries for obtaining the rebate on the electricity tariff, giving specifically the date of commencement of production and other relevant details. The Joint Director of Industries will, then make a suitable recommendation to the Maharashtra State Electricity Board for granting actual rebate.

(b) *Sales tax.*—After getting the certificate of eligibility the party will make a separate application for each period to the Joint Director of Industries for getting a refund of the Sales Tax due.

(c) *Octroi duty*.—After getting the certificate of eligibility, the party should produce it before the Municipality concerned and claim exemption. A copy of the application made to the Municipality should be endorsed to the Joint Director of Industries.

(d) *Water Royalties*.—After getting the certificate of eligibility, the party will apply to the Collector or the Irrigation and Power Department authorities as the case may be for the necessary exemption and endorse a copy of the application to the Joint Director of Industries. The necessary order of exemption will be issued by the authorities concerned.

(e) *Non-agricultural assessment*.—After getting the certificate of eligibility, the party will apply to the Collector of the district concerned for the necessary exemption with a copy to the Joint Director of Industries. The Collector will issue the necessary order of exemption.

(3) *Guarantee to Loans*.—After getting the certificate of eligibility, the party will apply separately for such guarantee to the Joint Director of Industries. Each case of guarantee will be considered on merit.

(4) *Contribution towards cost of feasibility study*.—After getting the certificate of eligibility, the party will apply separately to the Joint Director of Industries for Government's contribution towards the cost of feasibility study giving the details of the consulting agency. Each case will be considered on merit.

(5) *Contribution towards cost of Industrial Housing*.—After getting the certificate of eligibility, the party will apply separately to the Joint Director of Industries for obtaining the concession.

(6) *Advance supply of building material*.—After getting the certificate of eligibility, the party will make a separate application to the Joint Director of Industries for getting advance supply of building material. The Joint Director will issue suitable recommendations to the Maharashtra Industrial Development Corporation which will arrange for this supply.

(7) *Preferential treatment in Government purchase programme*.—After getting the certificate of eligibility, the parties are advised to contribute to the *Government Gazette* (Part II—Supplement), where all tender enquiries in respect of State Government's purchases are published by Government. If any party is interested in obtaining any particular order, they should make a separate application BEFORE THE PRESCRIBED DATE to the Joint Director of Industries giving full details. Joint Director of Industries will make a suitable recommendation to the Central Stores Purchase Organization.

(8) *Assistance in technical training of personnel*.—After getting the certificate of eligibility, the party may, if so interested, write to the Joint Director of Industries regarding its requirements in this respect. The Joint Director will make suitable recommendation to the Director of Technical Education.

VII. EXISTING FACILITIES

The new incentives offered now are in addition to the following concessions already available for the dispersal of industries:—

(1) *The Maharashtra Industrial Development Corporation's Scheme of Industrial Areas.*—The Maharashtra Industrial Development Corporation is developing many areas in underdeveloped parts of the State where developed plots are offered to industries on concessional terms as follows:

- (i) No rent for the first two years.
- (ii) 50 per cent of the economic rent for the next three years.
- (iii) Full economic rent from the sixth year onwards.

The development includes, building of access roads, supply of water, drainage facilities and power. The Corporation will also endeavour to provide common facilities like post office, bank, petrol pump, etc.

The underdeveloped areas which are being developed at present are—

- | | |
|---------------------|-------------|
| 1. Akola. | 6. Roha. |
| 2. Nagpur. | 7. Nasik. |
| 3. Jalna. | 8. Dhulia. |
| 4. Aurangabad. | 9. Jalgaon. |
| 5. Pophali-Chiplun. | |

(For further details please contact or write to Shri P. M. Kulkarni, Assistant Chief Executive Officer, Maharashtra Industrial Development Corporation, 6th floor, Novelty Chambers, Grant Road, Bombay-7.)

(2) *The Scheme for Industrial Estates.*—The Directorate of Industries is also encouraging setting up of Co-operative Industrial Estates to a number of places in the underdeveloped parts of the State where the following facilities are available:—

- (a) the cost of land is borne by Government;
- (b) the members of the society have to raise 20 per cent of the total cost of the estate excluding the cost of land, as share capital. Government contributes 20 per cent and the remaining 60 per cent can be obtained from the Life Insurance Corporation of India under Government guarantee.

There are a few Government or Municipal Estates where ready built sheds are available on rent.

A list of industrial estates set up in the Second and Third Plans is given in Appendix 'E'.

A number of more estates are also planned in the Fourth Plan.

(For further details please contact or write to Shri M. L. Shivalkar, Deputy Director of Industries, Sachivalaya, Annexe, Bombay-32.)

(3) *Joint Sector Scheme.*—The new industries coming up outside the Bombay-Thana and Poona-Pimpri-Chinchwad regions will be considered for assistance by way of participation or underwriting of capital issued under the existing scheme of joint sector on the merits of each case.

(4) *Scheme for financial assistance.*—The industries coming up in underdeveloped areas are charged concessional rates of interest on loans advanced by the Maharashtra State Financial Corporation as follows:—

Loans exceeding Rs. 25,000 but not exceeding Rs. 50,000

- (i) 5 per cent for industries located in Konkan, Vidarbha and Marathwada;
- (ii) 5½ per cent for industries located in the rest of the State except Greater Bombay and Thana (up to Bassein and Thana Creek).

[For further details please contact or write to Shri S. M. Kasbekar, Deputy Director of Industries (Loans), Sachivalaya Annexe, Bombay-32.]

Appendix III

“महाराष्ट्रांतील ग्रामीण भागांतील रोजगारी” ह्या विषयावरील अहवालाचा सारांश

१. महाराष्ट्र राज्यांतील मनुष्यबळाचा जास्तीत जास्त उपयोग करून घेण्याच्या असमर्थते-मुळे महाराष्ट्र राज्याचें फार नुकसान झालें आहे. हें नुकसान आमच्या ग्रामीण भागांतील निकृष्ट राहणीमानाच्या व दारिद्र्याच्या स्वरूपांत स्पष्टपणें दिसून येतें. (४.१)

२. ग्रामीण भागांतील बेकारी पुष्कळशा प्रमाणांत नष्ट करण्यासाठीं परिणामकारक उपाय योजल्याशिवाय महाराष्ट्र राज्याचा समतोल औद्योगिक विकास करणें अत्यंत अवघड आहे. (४.२)

३. महाराष्ट्र राज्यांतील बेकारीची समस्या दिवसेंदिवस फार गंभीर होत चालली आहे. (२.५)

४. महाराष्ट्र राज्यांतील मनुष्यबळाचा उत्तम उपयोग करून घेतल्यास व त्याची उत्पादकता वाढविल्यास राज्याच्या आर्थिक प्रगतीचा वेग जास्त भांडवल न गुंतवितांही वाढवितां येईल. (२.४)

५. महाराष्ट्रांतील बेकारीची समस्या सोडविण्याच्या उपाययोजनांचें दोन विभागांत वर्गीकरण करतां येईल. (१) लोकसंख्येच्या वाढीवर नियंत्रण ठेवणें. (२) हंगामी रोजगार, जोडव्यवसायांतील रोजगार व पूर्ण रोजगार मिळविण्याच्या उपलब्ध सोयी वाढविणें व ह्या अहवालांत निर्दिष्ट केलेल्या व्यवसायांतील उत्पादनक्षमता वाढविणें. (२.१)

६. महाराष्ट्राच्या लोकसंख्येच्या वाढीवर नियंत्रण ठेवण्यासाठी राज्याच्या चतुर्थ पंचवार्षिक योजनेत जास्त तरतूद केली पाहिजे व ह्या तरतूदीचा योग्य काळांत परिणामकारक उपयोग होण्यासाठी योग्य त्या उपाययोजना केल्या पाहिजेत. (५.२)

७. विशेषतः मुंबईकडे वळणाऱ्या लोकसंख्येचा ओघ परिणामकारक रीतीने थोपवून घरण्यासाठी योग्य उपाययोजना करणे अत्यंत आवश्यक झाले आहे. (५.३)

८. विशेषतः ज्या ठिकाणी यांत्रिकीकरणामुळे फारशी बचत होत नाही त्या ठिकाणी योजनेचा उपाय रोजगाराभिमुख असावेत. (५.५)

९. जादा रोजगार उपलब्ध करणाऱ्या, विकेंद्रित व ग्राहकोपयोगी वस्तूंचे उत्पादन करणाऱ्या उद्योगधंद्यांची वाढ करण्यास महाराष्ट्र राज्यांत पुष्कळ वाव आहे. त्याचप्रमाणे योग्य तांत्रिक मदत व सवलती देऊन असंख्य लघुउद्योगांची उत्पादकता वाढविण्यास पुष्कळच वाव आहे; व त्यासाठी मांडवली गुंतवणूक वाढविण्याचीही आवश्यकता नाही. (५.५ व ५.६)

१०. महाराष्ट्रांतील ग्रामीण विभागांत दळणवळणाच्या, विद्युत् व इतर शक्तींच्या तांत्रिक शिक्षणाच्या व इतर सोयींचा तुटवडा आहे. म्हणून ह्या सोयी लवकर उपलब्ध करून देण्यासाठी परिणामकारक उपाय योजले तरच शेतकी व औद्योगिक व्यवसायांची अविकसित भागांत प्रगति करणे सोपे होईल. (६.१)

११. ज्या भागांत अपुऱ्या रस्त्यांमुळे व्यवसायांत पुरेशी द्रव्यप्राप्ति होऊ शकत नाही त्या ठिकाणी तरी जास्त रस्ते व सडका बांधणे फार महत्त्वाचे आहे. त्याचप्रमाणे रस्त्यांवरील मालवाहतूक सुधारणे व विशेषतः राज्य वाहतूक मंडळासारख्या संस्थांनी दुग्धव्यवसाय, बागायती शेती व मत्स्यव्यवसाय यांस उत्तेजन देण्यासाठी किफायतशीर वातानुकुलीत वाहतुकीची सोय उपलब्ध करून देणे आवश्यक आहे. (६.२)

१२. समाजकल्याण योजनेतील अडचणी दूर करून त्यांच्या द्वारा मनुष्यबळाचा जास्तीत जास्त उपयोग करून घेतला पाहिजे. ज्या ग्रामीण भागांत बेकारीची समस्या जास्त तीव्र आहे त्या भागांत जास्त रोजगारी उपलब्ध करणाऱ्या ग्रामीण विकास योजना नियुक्त करून तांतडीने अमलांत आणल्या पाहिजेत. (६.६)

१३. पंचवार्षिक योजनांच्या काळांत समाजकल्याण योजना पद्धतशीरपणे योजून अंमलांत आणल्या गेल्या पाहिजेत. या योजनांची वारंवार तपासणी, देखरेख व मूल्यमापन केले गेले पाहिजे. कामे व्यवस्थितपणे पार पाडण्यासाठी व गुंतवणूक वाढवण्यासाठी योजनांचे कार्यक्षेत्र शेतकी-हंगामाचे अगोदर योग्यवेळी निश्चित केले गेले पाहिजे. समाजकल्याणयोजनांची इतर विकास-योजनांशी योग्य सांगड घातली गेली पाहिजे. स्थानिक जनतेचे स्वयंस्फूर्त साहाय्य व धडाडी जागृत करण्यासाठी ग्रामपंचायतीसारख्या संस्थांचे, योजनांचा आराखडा तयार करतांना व त्या अंमलांत आणतांना जास्तीतजास्त सहकार्य घ्यावे व त्यांना जास्तीतजास्त परिश्रम करण्यास उत्तेजित करावे. (६.८)

१४. लहान व मोठ्या जलसिंचनाच्या योजना ताबडतोब अंमलांत आणण्यात व जमिनीची धूप होऊ नये व कस कायम राहावा म्हणून भूसंरक्षण योजनांचे कार्यक्षेत्र वाढवावे. (७.२)

१५. जास्तीतजास्त जमीन लागवडीखाली आणण्यास व नैसर्गिक व रासायनिक खतें, जंतुनाशक द्रव्यें, सुधारलेलीं शेतकी अवजारे व साधनें वापरून व लागवडीच्या पद्धति व पिकें ह्यांत सुधारणा करून शेतकी उत्पादनक्षमता वाढविण्यास पुष्कळ वाव आहे. ह्या उपायांची परिणामकारक अंमलबजावणी होण्यासाठीं शेतकीज्ञानाचा प्रसार करून व प्रत्येक तालुक्यांत एक प्रात्यक्षिक-शेत उपलब्ध करून शेतकऱ्यास शेतकी व्यवसायांत सुशिक्षित केलें पाहिजे. त्याचप्रमाणें शेतकीमाल्याच्या किफायतशीर किंमती बांधून दिल्या जातील ह्याबाबतींत आश्वासन दिलें गेलें पाहिजे. (७.३)

१६. विशेषतः शहरांभोंवती जिथें जिथें चांगल्या बाजारपेठा आहेत अशा ठिकाणीं दूध, फळें, भाजीपाला, अंडी व कांबऱ्या ह्यांचें उत्पादन वाढविण्यासाठीं योजनाबद्ध कार्यक्रम आंखावेत व ते अंमलांत आणावेत. (७.४ व ७.६)

१७. शेतकीउत्पन्नाच्या घसरगुंडीमुळें निर्माण झालेल्या परिस्थितीचें आन्धान स्वीकारण्यासाठीं शेतकीसंस्था जास्त कार्यक्षम केल्या गेल्या पाहिजेत व त्यांनीं पाणी, बीं-वियाणें, खतें व कीटनाशकें पुरविणें, विक्रीसंबर्धन व कर्जपुरवठा इत्यादि उपाययोजना परिणामकारक पद्धतीनें अंमलांत आणल्या पाहिजेत. (७.५)

१८. कोळी व तत्सम प्रकारच्या लोकांस बर्फाचे व बोटीचे कारखाने काढण्यास, शीतगुदामें बनविण्यास त्याचप्रमाणें खोल पाण्यातील मच्छिमारी करण्यास व त्यांवर अवलंबून असलेले उद्योगधंदे काढण्यास उत्तेजन दिलें पाहिजे. ज्या ज्या ठिकाणीं गोड्या पाण्यातील मासळी पकडण्यास खूप वाव आहे तिथें तिथें त्यासाठीं उत्तेजन दिलें गेलें पाहिजे. (८)

१९. खनिज पदार्थांवर अवलंबून असलेले लहान, मध्यम व मोठे उद्योगधंदे महाराष्ट्रांत ठिकठिकाणीं स्थापन करण्यास किती वाव आहे हें अजमाविण्यासाठीं राज्याच्या खनिजसंपत्तीबाबत एक सविस्तर योजना आंखण्याची अत्यंत गरज निर्माण झाली आहे. (९)

२०. राज्यसरकारनें खनिजसंपत्तीवर आधारलेले मोठे कारखाने चालविण्यांत पुढाकार घेतला पाहिजे. त्याचप्रमाणें तथा पद्धतीच्या व त्यांवर अवलंबून असलेल्या छोट्या कारखान्यांना उत्तेजन दिलें पाहिजे.

२१. ऊंस, कापूस, गळिताचीं धान्यें, तंबाखू, फळें, दूध, अंडी, मांस इ. वर अवलंबून असलेल्या उद्योगधंद्यांची वाढ करण्यास महाराष्ट्रांत पुष्कळ वाव आहे. महाराष्ट्रातील साखर उद्योगधंद्याच्या अलिकडच्या काळांत नेत्रदीपक प्रगतीमुळें ह्या धंद्याचे ग्रामीण अर्थव्यवस्थेवर फार उत्तम परिणाम होतील, असें स्पष्ट दिसतें. (१०.४)

२२. मुंबईतील कांहीं मोठ्या उद्योगधंद्यांस महाराष्ट्रातील ग्रामीण भागांत जाण्यासाठीं प्रवृत्त करण्यासाठीं परिणामकारक उपाय योजावेत. (११.४)

२३. औद्योगिक वसाहतींचा पुरेसा पाणीपुरवठा व वीज ह्यांसारख्या अत्यावश्यक सोयी-बाबतच्या अडचणी दूर केल्या जाव्यात व पोस्ट ऑफिस, बँक, टेलिफोन व प्रथमोपचारसामुग्रीसारख्या आवश्यक सोयी त्यांना उपलब्ध करून दिल्या जाव्यात. (१२.३)

२४. महाराष्ट्र आर्थिक विकासमंडळानें नियुक्त केलेल्या “महाराष्ट्रातील औद्योगिक वसाहती” वरील अभ्यासमंडळाच्या विशेषतः तांत्रिक सहकार्ये, विक्रीबाबत मदत, जागांचें तांत्रिक व आर्थिक बाबतींत संशोधन व स्वयंपूर्ण ग्रामीण औद्योगिक वसाहती, स्थानिक कच्च्या मालावर आधारित पूरक औद्योगिक वसाहती व सरकारी व खाजगी कारखान्यांवर आधारित औद्योगिक वसाहती यांची स्थापना ह्यांवाबतच्या धिफारशी अंमलांत आणण्यात.
२५. महाराष्ट्र सरकारने उद्योगधंद्यांच्या विकेंद्रीकरणासाठी दिलेल्या सवलती स्थानिक कच्च्या मालावर आधारित असलेल्या अविकसित भागांतील उद्योगधंद्यांना उपलब्ध करून दिल्या जाव्यात. विजेमदलची सवलत १० वर्षेपर्यंत व इतर सवलती २० वर्षेपर्यंत उपलब्ध केल्या जाव्यात. अविकसित भागांतील ३५ किलोवॅटचेवर दाब असणाऱ्या उद्योगधंद्यांना विजेबाबतच्या सोयी उपलब्ध करून दिल्या जाव्यात. त्याचप्रमाणें वितरणासाठी उपलब्ध असलेल्या कच्च्या मालापैकी ३० ते ४० टक्के कच्चा माल अविकसित भागांतील उद्योगधंद्यांच्या उपयोगासाठी राबवून ठेवला जावा. (१३.१)
२६. भारत सरकारच्या लघुउद्योगमंडळानें नियुक्त केलेल्या विकेंद्रीकरणावरील अभ्यासमंडळानें धिफारस केलेल्या सवलती व सोयी वीस वर्षे उपलब्ध करून दिल्या जाव्यात. (१३.१)
२७. अविकसित भागांतील उद्योगधंद्यांवर ग्रामपंचायतींवारल्या स्थानिक संस्थांनी काही वर्षे कर बसवून नयेत. (१३.१)
२८. अविकसित भागांतील मंजूर केलेल्या उद्योगधंद्यांत भांडवलपैकी अर्धे भांडवल गुंतवण्याचें धोरण सरकारने जाहीर करावें. (१३.१)
२९. इंडस्ट्रीज (डेव्हलपमेंट) रेग्युलेशन ॲक्टनुसार नवीन उद्योगधंदे काढण्याबाबत किंवा अस्तित्वांत असलेल्या उद्योगधंद्यांची वाढ होण्याबाबतच्या अर्जांचा राज्यसरकारने परिणामपूर्वक पाठपुरावा केला पाहिजे. (१३.१)
३०. अविकसित भागांतील उद्योगधंद्यांची स्थापना योग्य ठिकाणी करण्यासाठी, विनामूल्य मदत करण्यासाठी आणि तें उत्पादन सुरू करिपर्यंत सर्वप्रकारची मदत करण्यासाठी कुशल हिरोबनीस, एंजिनियर व अर्थशास्त्र, व उद्योगधंद्यांत वाकनगर असलेला न्यवस्थापक ह्यांचें राज्यपातळीवर मंडळ नेमण्यांत यावें. (१३.२)

Constituent Members of the Council :

1. Maharashtra Chamber of Commerce, Bombay;
2. Mahratta Chamber of Commerce & Industries, Poona;
3. Nag-Vidarbha Chamber of Commerce & Industries, Nagpur;
4. Indian Merchants' Chamber, Bombay;
5. Bombay Chamber of Commerce & Industry, Bombay;
6. Association of Indian Industries, Bombay;
7. Maha-Vidarbha Chamber of Commerce & Industries, Nagpur.
8. Marathwada Chamber of Commerce & Industries, Aurangabad.

Aims and Objects of the Council :

- (a) to try to visualize potential development of industries, trade, commerce, transport, communications, irrigation projects, etc. in the Maharashtra State,
- (b) to convene, as and when it is deemed fit, Conferences of the industrial and commercial interests in the State of Maharashtra,
- (c) to formulate and submit to Government or other authorities schemes in consonance with the recommendations of the Conferences and if necessary, wait upon the Union Government, the Planning Commission, the State Government, the public bodies and other interested parties,
- (d) to prepare and submit to Government and/or other authorities from time to time comprehensive memoranda indicating the lines on which the economic development of the Maharashtra State should be undertaken,
- (e) to investigate the possibilities and prospects of new schemes of development by undertaking surveys or procuring and collecting essential factual data, etc. and
- (f) to do all that may be necessary for the furtherance and realisation of these and similar objects.