

Committee to evolve
a strategy
for Development programme
for
Small Scale Industries
in
Backward Areas.

Ministry of Industry
& Civil Supplies.

INDIA.

New Delhi,
16th March, 1976.

Dear Shri Couto,

Subject:- Report of the Committee to evolve
a strategy for development programme
for Small Scale Industries in
backward areas.

The Standing Committee on General Policy set up by the Small Scale Industries Board had recommended to the Government of India that a Committee should be constituted to review and examine the backward area development programme, so that a suitable strategy could be evolved for a development programme for small scale industries in backward areas. In pursuance of this recommendation, the Government of India in the Ministry of Industry & Civil Supplies, Department of Industrial Development set up on 9th September, 1975, our Committee consisting of the following members:-

1. Sri P.C.Nayak,
Secretary (Industries
and Labour),
Government of Maharashtra, .. Chairman.
Bombay.
2. Sri G.N. Mehra,
Industries Commissioner, .. Member.
Government of U.P.
Kanpur.
3. Sri C.S.Sastry,
Managing Director, .. "
Andhra Pradesh SSIDC;
Hyderabad.
4. Sri P.S.Krishnan,
Director of Industries, .. "
Andhra Pradesh,
Hyderabad.
5. Sri S.N. Sinha,
Director of Industries, .. "
Government of Bihar,
Patna.
6. Sri J.C.Das,
Director of Industries, .. "
Assam,
Gauhati.

7. Sri H.S.Bhatty,
President, FASST,
New Delhi. .. Member
8. Sri Chakradhari Agrawal,
Secretary-General, NAYE,
New Delhi. .. "
9. Sri G.B. Newalker,
Bombay. .. "
10. Sri S.F. Joseph, Chief (V&SI),
Planning Commission,
New Delhi. .. "
11. Sri Swarajya Prakash,
Director, DC (SSI),
New Delhi. .. "
12. Sri C.V.Kuppuswamy,
Director, DC (SSI)
New Delhi. .. Member-Secy.

The terms of reference of this Committee, as set out by the Government of India, were as follows:

1. To examine the adequacy of the criteria used for identifying the industrially backward districts with a view to suggest improvements/modifications, if any.
2. To examine the impact of the Central Scheme of Investment Subsidy for promotion of industries in selected industrially backward districts/areas with a view to find out whether these districts/areas had really developed industrially, vis-a-vis the other districts and, if so, size and types of industries established and their concentrations in different parts of the districts/areas.
3. To review the working and impact of the existing schemes of the Central and State Governments and also of all-India financial institutions for subsidies, concessions, and other incentives for promotion of industries in selected backward areas and to suggest modifications, if any, especially in the context of the growth centre strategy.

The Committee has concentrated its efforts on evolving a suitable strategy for the development of industrially backward areas with special emphasis on promotion of small scale industries. In the short span of time available, it could neither examine in great detail the adequacy of the criteria used for identifying the industrially backward districts; nor study in depth the Central Scheme of Investment Subsidy for promotion of industries in selected industrially backward districts and to make its final recommendations. However, based on the personal experiences of the various members of the Committee and from a Study of whatever material that was provided to it by its Secretariat, the Committee has made a number of important observations on both these aspects in the Report. The Committee hopes that these observations would be useful to the Government of India.

I am happy to forward herewith the report of our Committee. Both Sri C.S.Sastry and Sri P.S.Krishnan were transferred from their respective posts and as such they could not attend to the work of this Committee in the final stages. Sri S.E. Joseph also could not attend the last few meetings when the recommendations were finalised. Excluding these three members, the other members subscribe to the views expressed in this report. All our conclusions and recommendations are unanimous. However, these represent the personal views of the Members of the Committee, and not necessarily those of the Government/Organisation which they represent.

In conclusion, the Committee would like to place on record its gratefulness to Sri A.P.Sharma, Minister of State for Industry and Civil Supplies, Government of India, for giving us this opportunity to study and report on this important subject.

With regards,

Yours sincerely,


(P.C. Nayak)

Sri A.F. Couto,
Development Commissioner,
Small Scale Industries &
Joint Secretary to Govt. of India,
Ministry of Industry & Civil Supplies,
Udyog Bhavan, New Delhi.

Encl: Report:

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