

Role of Small Scale Industries in the Process of Industrialization in Pune and Aurangabad Districts of Maharashtra State

V.S. Patvardhan

CHAPTER I

INTRODUCTION AND SAMPLE

Introduction

1.1.1 The place accorded to small scale industry sector in the process of economic development and particularly in the process of industrialisation by the policy makers has been quite significant. Expectations and hopes about the sector have been consistently high through the period of planning in the thirty odd years since Independence. In each plan document the importance of this sector has been emphasised. Very recently in the Industrial Policy Statement issued in July 1980, the role of the small sector was reiterated.

1.1.2 However, little factual information about the sector is readily available. The Small Industry Development Organisation (SIDO) of the Government of India is entrusted with the responsibility of promotion, development and monitoring the small sector. It estimated that during the period 1973-74 to 1979-80, the number of small scale units increased from 312 thousand to about 800 thousand, their production increased from Rs. 7,200 crores to Rs. 19,060 crores and the employment provided by them rose from 39.6 lakh to 64.6 lakh persons. If the revised definition of the small units (having investment in plant and machinery upto Rs. 20 lakhs against Rs. 10 lakhs previously) is taken into account and the coverage of small units is accordingly extended (along with that of ancillaries with revised investment limit from Rs. 15 lakhs to Rs. 25 lakhs), SIDO estimated that the production and employment goes upto Rs. 21,635 crores and 67 lakh persons in 1979-80. SIDO estimated the value of production of small units and employment during 1980-81 at Rs. 28,060 crores and 71 lakh persons. (SIDO, 1981-82, p.18) The exports from this sector on the basis of information collected from Export Promotion Councils were provisionally placed at Rs. 1,519 crores during 1980-81 or about 23 per cent of exports from India (SIDO, 1981-82, p. 18)

Acknowledgement

The report on a study carried out in the Gokhale Institute of Politics and Economics, Pune 411 004 under the 'Indo-Dutch Programme of Alternatives for Development' sponsored by the Indian Council of Social Science Research, New Delhi,