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7.1 INTRODUCTION

Gujarat is one of the few states in India which has a strong industrial base as well as developed service sector. The state is helped by various financial institutions not only that for new entrepreneurs the state has launched entrepreneurship development programmes. In present study, location of industries in Gujarat has been explained. For that, various aspects of industrialization have been discussed in beginning of the study.

The purpose of study is to examine the disparities in respect of the selected industries of Gujarat state. With the help of location analysis regional disparities can be removed.

The study specially attempt to review of industrial location, various approaches, and theories given by different economist have been discussed in second chapter some empirical studies have been also discussed regarding this. This study is based on Sargant Florence theory, which suggests two statistical techniques (i) Location Quotient and (ii) Coefficient of Localisation. The analysis points out all the need for an effective implementation of regional planning of industries in order to achieve an equal distribution of employment opportunities for all people in different region of the state.
There are many industries which can be analysed but in present study selected industries examined because of covering all industries was the difficult task. An addition to that the data of industries were not available in the require format. There are many factors where affects location such as Government policies, schemes, Infrastructural facilities, financial provisions etc. These have been discussed in chapter 4. Industrial policy of India regarding location pattern of industries have been discussed as well. There is a remarkable role of industrial location policy of Gujarat State.

Chapter-5 and 6 deals with concentration and dispersion of selected industries for that two statistical measures offered by Sargant Florence are used.

The purpose of this chapter to give brief Idea about aspects of industrial location in Gujarat, which analysed in the forgoing chapters to provide an integrated view of the findings and conclusion.

7.2 FINDINGS

Location Quotient is an Index of the degree of concentration of an industry in particular place.

If the Location Quotient of a given region in respect of a particular Industry is above unity, the implication is that the region has a larger share in the distribution of that particular industry than warranted by its share in the distribution of industrial employment. If location quotient of a given region in respect of a particular industry is less than unity, the implication is that the region has a smaller share in
the distribution of that industry than its due share in terms of its share in the
distribution of total walking population.

The location quotient for different industries in a particular state shows
whether a state is having a lopsided development or balanced development.

In this context, present, study shows the location quotient more than
unity for different districts with respect to selected industry group for the year 1975,

It is found that Rajkot, Sabarkantha, Kheda, Vadodara has shown a
decline in the number of industries with location quotient greater than one in 1985
compared to 1985 while Surendranagar, Amreli, Junagadh, Kachchh Banaskantha,
Bharuch, have shown increasing trend during the period of analysis, Jamnagar,
Bhavnagar, Mahesana, Ahmedabad, Panchmahal, Valsad, Surat have shown no
change during the period of analysis.

It is found that Surendranagar, Amreli, Junagadh, Panchmahal
Vadodara, Surat, Valsad districts have shown a decline in the number of industries
with location quotient greater than one in 1998 compared to 1990 Porbaandar,
Sabarkantha, Ahmedabad, Anand, Navsari have shown increasing trend during the
same year. Jamnagar, Rajkot, Bhavnagar, Kachchh, Banaskantha Mahesana,
Bharuch have shown no change during the period of analysis.

It can be said that most of districts are not able to claim their legitimate
due share in respect of most of industries under study. It shows that there are
disparities in distribution of industrial activities in state of Gujarat. hence, efforts must
be made to avoid the extremely localized distribution of industries in the state.

7.2.2 DISPERASAL OF INDUSTRY

An attempt is made to study the trend in dispersal of industries. For this purpose, the coefficient of localization computed, in the manner described earlier, for elected industries group so as to facilitate comparisons between the two points of time. In present study, is for 1975 and 1985 and further for 1990 and 1998.

The industry is with high coefficient indicate concentration in a few places in state, while those with low coefficients indicate dispersal.

In present study the structural clay product, wearing and finishing of cotton, manufacturing of dairy products had low coefficient almost less than 0.50% in 1975. It implies that these industries are more evenly spread among different regions. Other hand some of industries has high coefficient such as manufacture of cement, lime and plaster manufacture of refining sugar indicating more concentrated to a few districts.

The coefficient of localization in 1985 however present quite different picture. It shows the number of industries with low CL increased indicating the greatest prospects for dispersal and decentralization.

There are three industries namely, sugar refining industry, production of common salt and structural clay products, have got more than 0.50% coefficient. It indicates law industrial dispersal. Other hand, manufacture of dairy products, manufacture of drug and medicines of cement, lime and plaster, Iron and steel
industry have low coefficient less than 0.50% indicating more dispersal in various parts of state. This information is basically regarding the year of 1990.

The industries with high CL indicates law dispersal these industries using highly 'localised' materials and having a 'material index' greater than one unity. Generally these industries are considered to be capital intensive.

The industries with law CL Indicates high dispersal. It is suggested that the policy of dispersal of industries should therefore, aim at the encouragement of these industries.

In regard to manufacturing of refining sugar, manufacturing of cement, lime, plaster, manufacture product of petroleum industry, coefficient of lcalisation is as high as 0.83, 0.84, 0.81 respectively in 1975 which came down in 1985.

In regard to manufacture of common salt, manufacture of drugs and medicines, fertilizer and pesticide have moderate coefficient of localization in 1975 which came down in 1985.

In regard to manufacture of structural clay products, coefficient of localization is 0.24 in 1975, that has gone up in 1985.

In regard to manufacture of refining sugar, production of common salt manufacture of drug and medicine have got more than 0.50% coefficient of localization which came down in 1998.

In regard to structural clay products and manufacture of cement lime and plaster the coefficient of lcalisation in found law which gone up in 1998.
On the basis of the above analysis or few important observation and suggestion can be made. An Industry with high CL may move towards high CL because of technological development.

For example sugar industry, paper industry, Iron and steel industry Drug and medicine industry, petroleum products, as they are rooted to raw material or using 'localised, materials or having a 'material Index' high may have lower CL this is possible just because of technological development.

It may be also pointed out that some industries showed quite low coefficient of localization in 1985 namely, manufacturing of dairy products manufacture of drugs and medicines, Iron and steel industry and manufacture of machine tools, their parts and accessories.

In regards to manufacture of during product, manufacture of drug and medicine manufacture of drug and medicine manufacture of cement, lime and plaster, Iron and steel industry, coefficient of localization less than 0.50% however, these industries are considered capital intensive.

It may be also pointed out that other industries like manufacture of common salt, Fertiliser and pesticides. Sugar structural clay products have showed moderate coefficient of localization during the period of analysis.

7.3 CONCLUSION

The analytical survey has clearly revealed that the distribution of productive activities in selected important industries of Gujarat are uneven. It is observed that some of districts have shown a decline in the number of industries with
location quotient greater than one. An addition some of districts showed no change during the period of analysis. In other word the most district are not able to claim their legitimate due share in respect of most of industries. It means there are disparities in distribution industrial activities in state.

It is observed that there one some industries out of twelve industries have quite moderate coefficient of localization means between 0.50 to 0.75 in 1975 and 1985. These industries are namely, manufacture of drug and medicines, Iron and steel industry manufacture of pulp, paper board including newsprint, fertilizer and pesticide, manufacture of machine tools, their parts and accessories.

A few industries have high coefficient of localisation. These industries are namely manufacture of refining sugar manufacture of common salt, manufacture of cement, lime and plaster manufacture of petroleum products.

It may be pointed that industries with a law coefficient can thrive in different regions and thus these industries are dispersed in present study, there ar four industries out of six industries shows low coefficient of localization both in 1990 and 1998. These industries are manufacture of dairy product, manufactue of drug and medicine, manufacture of cement, lime and plaster and Iron and steel industry.

In this context, it can be said that there are few industries with high coefficient localization.

The classification of industries into low, moderate (medium) and high categories on the basis of coefficient of localistion serves a very useful purpose in solving the problems of interregional adjustment. “So long as there is unequal development of industries in the various regions, there will always be a necessity
for allocation and reallocation of industries among them in order to attain equilibrium conditions in industrial employment.\textsuperscript{2}

Apart from utilizing the existing industries for removing inter-district variations in the distribution of industrial activity, possibilities must also be examined of potential industries that could be developed in each district.

"Any inductive study in the prospensity of each industry for dispersal would not only be of great theoretical significance, but of immense practical utility in framing a realistic policy of locational planning base on broader economic, social and strategic consideration."\textsuperscript{3}

In this context, the indices provided by Sargant Florence are of immense value for studying the locational dynamic in a country. "Such indices should precede an application of theoretical principles for ascertaining the causes that underline such dynamics."\textsuperscript{4}

In spite of certain limitations, the indices prepared by Sargant Florence are an invaluable guide for analyzing the trends of development in any country on the basis of coefficient of localization, the types of industries that may be dispersed should be decided. It should be noted that industries with a medium coefficient of localization can also be diversified by offering inducements, keeping in view the factor endowment in each region.
Notes:

1. J. Satyanarayan and K. Ramakrishna Sharma, "Regional Dispersal and Location of industries in India", State and society: October – December, 1984


