Chapter VIII
Conclusions, Problems and Suggestions.

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Conclusions, Problems and Suggestions

8.1 Introduction:

In the last chapter Gandhian economic thoughts, definition, importance and classification of cottage industries, development of village and cottage industries in India and Maharashtra, village and cottage industries in Solapur district and tahsilwise distribution of oil ghanis, processing of cereals and pulses, leather units, carpentry and blacksmithy, cane and bamboo, potter units and other units are discussed in detail. In this chapter main conclusions are drawn from second to eighth chapters. An attempt is also made to discuss the industrial problems of the Solapur district. Suitable suggestions are also made in this chapter to change the existing situation and thereby to achieve development of industries in the study region.

8.2 Conclusions:

The following conclusions drawn from the second to seventh chapters.

1) The attainment of independence by India on August 15, 1947 made tremendous change to the industrial landscape. In view of the need to step up production and counter inflationary tendencies, it was essential to announce an industrial policy which could create conditions of economic security so very vital for the growth of the industrial structure and thus produce a climate stimulating investment in industry.

The Industrial Policy Resolution of April 1948 contemplated a mixed economy reserving a sphere for the private sector and another for public sector. Since the adopting of 1948 Resolution significant development took place in India.

2) Industrial Resolution 1956 classified all industries into three groups. In shedule A those which were to be an exclusive responsibility of the state, under schedule A were listed seventeen industries like arms and ammunition, atomic energy etc. under shedule B those which were to be progressively state owned and in which the state would generally set up new enterprises but in which private enterprise would be expected only to supplement the effort of the state. Twelve industries were included
in this groups like mining, aluminium. In schedule C all remaining industries are included.

3) Industrial Resolution 1956 encourage to village and small industries. It has also tried to remove regional disparities. It has given fair and non-discriminatory treatment to the private sector. It has allowed to foreign investment in the country. It explained the need for the provision of amenities for labour.

4) Industrial Policy 1977 gave more importance for the development of small-scale industries, cottage and household industries and tiny units. According to the 1977 Industrial Policy Statement, the role of large-scale industry would be related to the programme for meeting the basic minimum needs of the population through wider strengthening of agricultural sector. This policy has given more importance for expanding the private sector.

5) The major thrust of the 1980 Industrial Policy was to regulate the excess capacity installed over and above the licensed capacity. Not only that the Government also proposed to allow the privilege of automatic expansion of capacity to all industries. All this was sought to be justified in the name of full utilization of capacity and maximization of production. Big business naturally welcomed the liberalisation of capacity proposed in 1980 Industrial Policy. The Industrial Policy (1980) was guided more by considerations of growth. It liberalised licensing for large and big business but by blurring the destination between small scale and large scale industries it seeks to promote the latter at the cost of the farmer.

6) The main aim of the Industrial Policy 1991 was to unshackle the Indian Industrial Economy from the cobwebs of unnecessary bureaucratic control to introduce liberalization with a view to integrate Indian economy with the world economy to remove restrictions on direct foreign investment as also to free the domestic entrepreneur from the restrictions of MRTP Act. Besides the policy aimed to shed the load of the public enterprise which have shown a very low rate of return or are incurring losses over the years.

7) The Government of India launched the process of industrialisation as conscious and deliberate policy of economic growth in early fifties. Indian industrial sector made tremendous progress in five year plans. Most of the investments in the
second plan were in heavy and basic industries. In the sphere of village and small industries substantial progress was recorded in India.

8) In the third five year plan achievements was lower than the average of 14 percent per annum visualised in the plan. The performance in industry was for short of even the modest target setout in the fourth plan. In fifth five year plan the targeted annual growth rate of 8.1 per cent in the industrial sector, the actual annual industrial growth rate was only 2.4% during 1974-75 and 5.7% during 1975-76. The average annual industrial growth was of the order of 5.3% during 1974-75 and 1977-78 much below the target.

9) A review of the progress of the industrial growth during the sixth plan reveals that as against the target of 7% growth in industrial productions the growth rate achieved however was only 5.5%. This was lower than the trend growth rate of 6% witnessed in the earlier three decades. A review of the progress of the industrial growth during the seventh plan reveals that as against the target of 8.7% growth in industrial production, the growth rate achieved however was only 8.5%. This was marginally more than trend growth rate of 8.5%.

10) Industrial growth rate was not attained in eight and nineth plan due to industrial sickness, strike of the labour and other infrastructural reasons.

Large scale industries are facing various problems such as raw material, transportation, working capital, old machinery, problem of skilled labour, lockout, marketing facilities, less marketing price etc.

11) Two sets of factors are responsible for industrial sickness exogenous and endogenous. The exogenous factors relate to such factors as Government policies pertaining to production distribution and prices, change in investment patterns following new priorities in the plans, shortage of power, transport, raw materials, skilled labour, deteriorating industrial relations. Such factors are likely to affect all units in an industry. These factors can result in the sickness of the industry and thus deserve corrective action at the level of the state.

12) Small-enterprises present seriously handicapped in comparison with larger units by an inequitable allocation system for scare raw materials and imported components, lack of provision of credit and finance, low technical skill and marginal
ability and lack of marketing contracts.

Nearly 34.7% units are facing financial problem, 14.4% marketing, 5.6% raw material, 3.7% disputes among the entrepreneurs and employees. It is very essential to solve these problems for smooth small-scale industrial growth in India.

13) Out of the total industrial areas nearly 37.41% industrial areas were found in Konkan and Pune region during 1999. Regarding mini industrial areas Amravati was leading (33 areas) whereas Konkan was least in the state of Maharashtra. Pune region was first in investment in MIDC industrial area whereas Amravati was last in the investment in MIDC areas.

SICOM has assisted about 3248 units since its inception to 31st March 1999 and about Rs. 2905.62 crores amount was sanctioned by it since its inceptions.

14) Out of the total large and medium scale units nearly 46.49% units were concentrated in Pune district whereas only 14.02% units were found in Solapur district. Out of the total S.S.I. permanently units nearly 60.71% units were found in Pune district on the other hand 11.68% S.S.I. permanently units were concentrated in Solapur district. It means that there is variation in industrial development in Pune division. Physical and non-physical determinants are responsible for the regional variation in the Pune division.

15) In general the variability is high where the rainfall is less. Below 30% rainfall variability was observed in Mohol, Barsi and Karmala tahsils whereas 30% to 35% rainfall variability was noticed in North Solapur, Akkalkot, South Solapur and Madha tahsils. Above 35% rainfall variability was observed in Mangalweda, Malshiras, Pandharpur and Sangola tahsils during the period of investigation. High rainfall variability directly affects on industrial crops output.

16) It is broadly estimated that out of the total cultivated area very shallow soils occupy about 10%, shallow soils 20%, medium deep soils 45% and deep soils 25% area of the study region. Deep black and alluvial soils are found in the river valleys of Bhima, Nira, Man and Bhogavati. These soils are quite fertile and produce excellant industrial crops in the study region. Moreover, some parts like Natepute, Malshiras, Piliiv, Chandapuri, Salmukh, Mandaki, Bhalvani etc. have poor quality Murum in Malshiras tahsil, some parts in Sangola, Mohol, Akkalkot, Karmala and Pandharpur
tahsils. These soils put obstacle in the growth of industrial crops hence these areas are not suitable for agro-based small-scale and large-scale industries.

17) Out of the geographical area about 2.51% geographical area was under forest during 1995-2000. There are a few scrubs and scanty forest with patches in Barsi and Malshiras tahsils only dry thorny, dry deciduous and common scrubs types of vegetation have spread in the district. These vegetation do not carry much importance from the view point of industrial development in the study region. It means that there is no wide scope for forest based industries in all tahsils of Solapur district.

18) Solapur district has got the advantage of two major projects such as Ujani Project and Nira right bank canal of veer project. Nira right bank canal provides water for irrigation to the 41 villages of Malshiras tahsil, 26 villages of Pandharapur tahsil and 20 villages of Sangola tahsil. The area irrigated by this canal is about 37069 hectares consisting of crops like sugarcane, fruits, cotton, jowar, wheat, groundnuts, grapes etc. Due to this canal four sugar factories flourished in Malshiras tahsil, one in Sangola tahsil and two in Pandharapur tahsil.

19) Ujani dam covers 9 tahsils viz. Madha, Malshiras, Pandharapur, Mohol, Mangalwedha, Karmala, Akkalkot, North Solapur and South Solapur. Ujani dam has changed cropping pattern of Pandharapur, Mohol, Malshiras, Mangalwedha and some part of Karmala and Madha tahsil to a greater extent. Area under sugarcane increased in all beneficial tahsils to large extent, hence, there is no shortage of sugarcane to the sugar factories.

20) Six medium projects are completed in Solapur district and these projects are providing water to the 18818 hectares of land of Mohol, Pandharapur, Sangola, South Solapur and Mangalwedha. 56 minor projects are completed in different parts of Solapur district. There are 11 schemes in Barsi, 11 in Karmala, 9 in Akkalkot and 6 each in Sangola, Mangalwedha and Malshiras and remaining are found in rest of the tahsils. Some times minor irrigation schemes are filled with water otherwise they remain dry even in monsoon rainy season. Therefore minor schemes are only useful to maintain water level in wells which comes in the jurisdiction of minor schemes.

21) Table 3.4 indicates that Sangola tahsil was ranking first in the number of irrigation wells whereas North Solapur was least in number of irrigation wells in the
study region. Out of total irrigated wells 75% irrigated wells were used in North Solapur, South Solapur and Karmala tahsils and 75% to 80% irrigated wells were used in Barsi, Akkalkot, Mohol and Mangalweda tahsils during 1998-1999. Most of the wells of dry area of Sangola, Madha, Karmala, Barsi, Akkalkot, North Solapur, South Solapur becomes dry in summer season, hence they are not useful for irrigation in summer season. Even then well plays important role in increasing sugarcane production in the study region. There is wide scope for agro-based industries in all tahsils of the study region.

22) Out of the total worker about 34.8% workers were engaged in industries in North Solapur in 1991. It means that industrial activities are important in the Solapur city. Industrial activities are very less in Mangalweda and Karmala tahsils because below 2% working population was engaged in industry in 1991. In the rest of the tahsils 2% to 6% working population was engaged in industries in 1991.

23) Table 3.8 indicates that the distribution of literacy varies from tahsil to tahsil. Below 40% literacy was found in Akkalkot whereas 40% to 45% literacy was observed in South Solapur, Mohol, Mangalweda, Sangola and Karmala tahsil in 1991. About 45% to 58% literacy was recorded in Madha, Pandharpur, Barsi and North Solapur in 1991. Rate of literacy can promote the industrial activities in the study area in near future.

24) Goat was ranking first in the total livestock in North Solapur, Barsi, Akkalkot, Mohol, Mangalweda, Pandharpur, Madha and Karmala tahsils in 1992. It means that goat rearing industry can flourish in above mentioned tahsils due to favourable climatic condition. All tahsils are rich in in female bovines (Female buffaloes and cow) hence, there is wide scope for dairy industries. Dairy industry is developed to a greater extent in Malshiras, Pandharpur, Sangola, Mangalweda, Karmala, Barsi and Madha tahsil. It is also developed to some extent in remaining tahsils of the study region.

25) Agricultural implements like electric pumps, iron ploughs and tractors have played important role in increasing industrial crops production to greater extent from 1980 onwards.

Improved seeds have increased the yield of industrial crops and that yield has given support to the development of agro-based small-scale and large scale industries.
in the study region.

26) There are 1134 villages in Solapur district. Out of the total villages 161 villages are having bank offices. At present there are 213 different bank in the study region. They are providing loans for construction of wells, irrigation lifts, tractors and maintenance of crops. Credit societies and banks provides Rs. 15000/- loan for one acre sugarcane area, hence, economic condition of sugarcane belt area of the study region is quite better. People of sugarcane belt particularly Malshiras, Pandharpur, Mangalweda, Mohol, Madha, Karmala and some parts of Akkalkot and Sangola tahsils have increased their standard of living to a greater extent due to agricultural and agro-based industrial development.

27) About 1110 villages were electrified as on 31st March 1981. During 1994 all villages (1142) were electrified by the Maharashtra State Electricity Board out of the total electricity consumption nearly 50.41% electricity was consumed by industrial sector in the study region in 1998-99. Transportation and communication facilities are favourable for the industrial development in the region.

28) Below 1% negative change in forest area was noticed in Barsi, South Solapur, Karmala and Madha tahsils on the other hand above 1% negative change was noticed in Mohol and Sangola tahsils during the period under study. Below 1% positive change in forest area was observed in North Solapur, Akkalkot, Malshiras and Mangalweda tahsils whereas above 1% positive change in forest area was recorded in Pandharpur (3.93%) from 1980-85 to 1996-2000 (map 4.1B). There is no scope for forest based industries in the study region.

29) About 1.59% to 13.49% geographical area was recorded under area not available for cultivation during 1996-2000. It was above 5% in Sangola, Malshiras and Karmala tahsils. About 0.18% to 3.19% negative change in area not available for cultivation was found in Pandharpur, Madha, Karmala, South-Solapur and Mohol tahsils and 0.06% to 3.66% positive change in this categories was occurred in remaining tahsils from 1980-85 to 1996-2000.

Out of total geographical area about 2.57% to 11.21% geographical area was found under other uncultivable land in the study region. Above 9% area was found in Sangola, Malshiras and Karmala. Tahsils like Mohol, Akkalkot and Malshiras showed
below 4% negative change in other uncultivable land whereas above 4% negative change was recorded in North Solapur and Mangalweda tahsils between 1980-85 and 1996-2000. Below 2% positive change in this categories was found in Pandharpur, Madha and South Solapur whereas above 2% positive change in this group was recorded in Barsi, Sangola and Karmala from 1980-85 to 1996-2000 (map 4.3B).

30) During 1996-2000 below 10% geographical area was fallow land in Barsi and South Solapur tahsils and 10% to 15% land was found in Madha, North Solapur and Mohol during 1996-2000. Above 15% geographical area was found under this categories in Akkalkot, Pandharpur, Sangola, Malshiras, Karmala and Mangalweda tahsils during 1996-2000 (map 4.4A).

Below 5% positive change in fallow land was experienced in Barsi, South-Solapur and Malshiras tahsils whereas 5% to 10% positive change in fallow land was recorded in Pandharpur and Mohol tahsils during the period of investigation. About 10% to 20% positive change was recorded in remaining tahsils from 1980-85 to 1996-2000. It is essential to bring this fallow land under cultivation so that production of industrial crops can be increased.

31) Below 5% negative change in net sown area was found in Malshiras and South Solapur tahsils whereas 5% to 10% negative change in net sown area was recorded in North Solapur, Barsi, Mohol, tahsils during the period of investigation. Above 10% negative change in net sown area was found in Mangalweda, Akkalkot, Pandharpur, Sangola and Karmala tahsils during the period under study (map 4.5B). It is essential to bring more and more area under net sown area so that industrial crops area will be increased in near future.

32) The proportion of potential land is increased from 6.43% to 6.9% between 1980-85 and 1996-2000. There is more scope for extension of cultivated land by bringing fallow land and potential agricultural land under cultivation. If we brought this fallow land under agriculture, the area under industrial crops will be increased in near future. Problems of under use of net sown area, low productivity and risk of crop failure are taking the rural population, therefore, it is fruitful to investigate the degree of intensity with which the net sown area is utilized.

33) Area under sugarcane increased by from times in the study region where
as area under fruits increased by three and half times during the period under investigation. Most of the rich farmers of the district are attracted towards the fruit gardening like grapes, bananas ber and pomegranate but the poor farmers do not want to take such crops due to climatic harards and heavy expenditure for crops. In the long run the changes in industrial cropping pattern do occur on large scale in the study region.

34) Below 2% negative change in pulses area was recorded in Madha, Sangola, Pandharapur and South Solapur whereas above 2% negative change in pulses area was found in North Solapur between 1980-85 and 1996-2000. Below 2% positive change in pulses area was experienced in Mangalweda and Malshiras tahsils whereas above 2% positive change in pulses area was recorded in Karmala, Barshi and Akkalkot tahsils during the period of investigation. It means that there is more scope for dal mills in Mangalweda, Malshiras, Karmala, Barshi and Akkalkot tahsils.

35) All tahsils have recorded positive change in sugarcane area. Below 2% positive change in sugarcane area was recorded in North Solapur, Barshi, South Solapur, Mohol and Madha tahsils whereas 2% to 4% positive change in sugarcane area was recorded in Karmala, Sangola and Akkalkot tahsils during the period under study. Above 4% positive change in sugarcane area was recorded in Malshiras, Pandharapur and Mangalweda tahsils between 1980-85 and 1996-2000 (map 4.10B). Due to Ujani project area under sugarcane increased in Malshiras, Sangola, Pandharapur, Mohol, South Solapur, Madha, Karmala tahsils hence there is wide scope for additional sugarcane industries in these tahsils. Nira right bank canal has also played important role in Malshiras and Sangola tahsils to increase in industrial crops area to a greater extenton.

36) Table 4.6 indicates that rice, jowar, tur and cotton production showed decrease trend in their output during the selected period. The highest positive percentage was occurred in sugarcane production (266.55%) whereas the lowest positive change was found in groundnut (12.57%) from 1980-83 to 1997-2000. The highest negative change was recorded in the annual output of Jowar (477.14 M.T.). Whereas the lowest negative annual change was found in (154.03 M.T.) rice from 1980-83 to 1997-2000.

37) Table 4.7 reveals that tur production decreased by 1.73 times between 1980-
85 and 1996-2000. About 77.15% tur production was received from Akkalkot, South-Solapur and North Solapur during 1996-2000. Barsi, Mohol, Akkalkot and Karmala tahsils production decreased but their share in district total percentage increased by 1% to 3%.

Gram production was increased in Barsi, Akkalkot, South Solapur, Mohol, Pandharpur, Sangola, Malshiras, Karmala and Madha tahsils on the other hand gram production decreased to slight extent in remaining tahsils. It is very essential to increase gram production so that small-scale dal mills can be flourished in the study region.

38) Groundnut production decreased from 54234 metric tonnes to 51458 metric tonnes during the period of investigation. It was decreased in North Solapur, Barsi, Pandharpur, Sangola and Madha tahsils from 1980-85 to 1996-2000. There is more scope to increase groundnut production in the study region.

Sugarcane production increased by six times in the study region. Hence there is more scope for additional sugar industries in the study region.

39) On examination of growth rates presented in table 4.8 it is quite evident that the yield of eight crops out of nine selected crops increased during the entire period of investigation. Tur has shown decline or negative trend in the yields showed decline or negative trend in the yields from 1980-81 to 1999-2000. The highest positive annual compound growth rate was observed in the yields of bajara (4.66%) where as the lowest positive compound growth rate was experienced in Jowar (0.4%) during the entire period of investigation.

The average annual compound growth rate of cotton, gram, groundnut and sugarcane were 0.09%, 0.76%, 2.26% and 4.13% during the period of investigation.

40) Gram and tur yield increased in every tahsil where as groundnut yield increased by three times in entire region. It was also increased by four times in Karmala, Pandharpur, Malshiras, North Solapur and Barsi tahsils on the other hand the yield of groundnut increased by more than three times in remaining tahsils between 1980-85 and 1996-2000.

Yield of sugarcane slightly decreased in Mohol, Pandharpur, Sangola, Malshiras while it was increased in other tahsils during the period under study. Variability of rainfall, irrigation facilities and other non-physical determinants are responsible for
the ups and downs in yields of various crops during the period under study.

41) Four MIDC area found in Solapur district. These area's are found at Chincholi, Tembhurni, Kurduwadi and Solapur. Planned MIDC industrial estates will be start at Karmala, Aklu, Mangalweda, Pandharapur and Barsi tahsil. Nine co-operative industrial estates are in functioning at Solapur, Barsi, Aklu, Mangalweda, Karmala, Sangola, Akkalkot and Mohol. These industrial estates will develop the industrial atmosphere in the study region within few years.

42) There are four sugar industries in Malshiras tahsil such as Malinagar, Shreepur, Sadashivnagar and Shankarnagar. These units have changed the socio-economic structure of the Malshiras Economic condition of every farmer has increased to a greater extent due to increase in agricultural income. Area under sugarcane is also increased due to increase in irrigated area.

43) Vithal Co-Operative Sugar Mill, Gursale has changed the agricultural cropping pattern from food grains to cash crops in its jurisdiction. Before the establishment of this unit farmers were very poor. Their standard of living is very low. After the establishment of this unit agricultural income increased to a greater extent and every farmer became rich. Now the farmers are using two wheeler, four wheeler and they are living in bungalow.

44) Damoji Sahakari Sugar Factory, Malgalweda, Bhma sugar factory Takali, Adinath co-operative sugar factory Selgaon, Bhalvani Indira Sahakari factory Dahitane, Vithal Sahakari Pimpalgaon, Sangola Sahakari Sakhar Karkhana etc. have changed socio-economic structure of the concerned region within fifteen years. The standard of living of the people increased to a greater extent.

45) Sugar industries of the study region are facing problems like bumper sugar production, sugar production, low sugarcane price, by product, etc. Even then these factories are essential to change socio-economic status of the study region.

46) Sarojini Steel, Precision Shell Cast Precision Camshafts Units have solved unemployment problem of the Solapur cities. These units have increased purchasing power the employees and increased their standard of living to a greater extent.

47) Edible oil mills are suffering from shortage of raw material, irregular supply of lights, proper market, low marketing price.
Soot girni's are facing problem like shortage of raw material, skilled labour and working capital. Shetkari co-operative soot girni Sangola was 3.05% in loss in 1999-2000 where as it 1.16% in loss in 2000-2001. This unit obtained Rs. 14.21 lakh profit in 2001-2002 (0.3%).

48) Table 5.4 indicates that Swami Samarth Co-operative Soot girni's productivity level was constantly between 76.08 Gms. and 87.63 gms. This unit paid entire loan within time. Therefore this unit is in better position. By considering the technical working performance among all co-operative spinning mills in Maharashtra. The Maharashtra state co-operative spinning mill federation ltd. Bombay awarded certificate of merit to this unit as "Best working performance".

49) Dairy industries have changed standard of living of the poor people in entire study region. These poor farmers are getting monthly payments from dairy therefore their purchasing power is increased to a greater level. There is vast net work of dairy society in all tahsils of the study region. Increase in irrigation facilities are responsible for the development dairy industries from 1980 to 2002.

50) Solapur district Sahakari Milk production and processing sangh Ltd. Solapur have increased dairy activities in all tahsils except Malshiras. Table 5.8 indicates that outstanding loan amount of the sangh increased by 3.78 tiones between 1994-95 and 2001-2002. Percentage share of buffaloes milk in total collection varies from 2% to 4.89% from 1994-95 to 2001-2002. It mean's that cow's are playing dominant role in milk production in the study region. About 95% to 98% milk collection receives from cow.

51) During 2001-2002 about 120 lakh litres milk was sold in Karnataka state where as 143 lakh litre milk of Solapur Sahakari Co-operative dairy units was sold in local market. Table 5.10 reveals that this units profit increased by five time from 1994-95 to 2001-2002. Sangh is playing better role in the economic uplift of the poor farmer.

52) Shivamurth Milk Dairy is also playing important role in the upliftment of poor farmers economic status. About Rs. 8.5 crores share amount was found in this unit in 2001-2002. Two times milk is collected from 392 collection centres in the tahsil. Nearly 45 trucks are busy in collection. This unit has created healthy atmosphere in dairy business in Malshiras tahsil since last twenty six years.
53) Small-scale permanent units increased by 2.01 times, between 1980-81 and 1990-91 while they are increased by 4.3 times during the period of investigation. Investment amount of S.S.I. units was increased by 4.56 times, production capacity by 5.84 times and labour force increased by 9.93 times during the period under study.

Small-scale permanent units were increased by 1.75 times in Mohol, 2.16 times in South Solapur, 4 times in Akalkot, Barsi, Pandharpur and Sangola tahsils and 6 to 6 times in Karmala, Madha, Mangalweda and Malshiras tahsils during the period of investigation.

Government industrial policy, motivation to the entrepreneurs by local and state Government and infrastructural facilities are responsible for the fast development of small-scale industrial units in the study region from 1980-81 to 2000-2001.

54) Index number of small-scale permanent units increased by 330.52% between 1980-81 and 2000-2001. It was increased by 100.85% in first decade whereas it was increased by 230.52% in last decade.

In 1980-81 only Rs. 3898 lakh amount was invested in small-scale units and it was increased upto Rs. 17308 lakhs in 2000-2001. It means that investment amount was increased by 355.71% from 1980-81 to 2000-2001.

55) In first decade 1980-81 to 1990-91 investment amount was increased by 119.82% where as it was increased by 355.71% between 1980-81 and 2000-2001. In first decade production capacity was increased by 158% and in second decade i.e. 1990-91 to 2000-2001 it was increased by 483.58% in the study region.

56) Labour force tremendously increased in the study region. It was increased by 883.08% during the entire period of investigation.

In 1980-81 there were 892 provisional units and this figure was increased upto 5312 in 2000-2001. It means that they are increased by 5.95 times during the period of twenty one years. Out of the total provisional registered units about 31.06% units were textile units as on 31st August 2001. The share of chemical, plastic, other units, metal, food, agro-based electronics, forest based, leather, non-metal, rubber, electric and mineral based units were 12.27%, 11.58%, 9.14%, 8.09%, 6.27%, 8.04%, 4.33%, 4.01%, 3.9%, 1.79%, 1.24%, 0.74% and 0.54% respectively in 2001.

57) Dal mills were unevenly distributed in Solapur district. Out of the total units
nearly 54.06% units were concentrated in North Solapur where as below 4% units were found in Akkalkot, Karmala and Madha tahsils in 2000-2001. Investment amount of dal mills increased from Rs. 280 lakhs to Rs. 703 lakhs and production capacity increased from Rs. 340 lakh to Rs. 1012 lakhs between 1980-81 and 2000-2001. Labour force increased by 7.56 times between 1980-81 to 2000-2001.

Table 6.5 indicates that about 50% capacity utilization of dal mill was found in South Solapur and 55.55% in Akkalkot tahsil as on 31st December 2001. About 75% to 80% capacity utilization was recorded in Mohol, and Mangalweda where as 80% to 95% capacity utilization was recorded in the rest of the tahsil during the same year.

58) It is evident from the table 6.6 that irrespective of per capita value of gross output Madha (Rs. 6.23 lakh) is preceded by Akkalkot (Rs. 7.4 lakh) Mangalweda (Rs. 8.2 lakh), Karmala (Rs. 8.23 lakh), Mohol (Rs. 9.2 lakh), South Solapur (Rs. 9.2 lakh), Pandharpur (Rs. 10.15 lakh), Sangola (Rs. 12.25 lakh), Malshiras (Rs. 14.25 lakh), Barsi (Rs. 16.35 lakh) and North Solapur (Rs. 18.21 lakh) as on 31st December 2001.

Table 6.6 indicates that North Solapur ranks first in respect of net labour productivity (496.16%) followed Barsi (450.22%), Malshiras (361.24%), Sangola (343.63%), Akkalkot (295.25%), Pandharpur (290.45%), Karmala (251.23%), Madha (225.11%) and Mohol (214.25%) respectively in 2001. Table 6.6 indicates that per capita value added by manufacture is the highest in Malshiras tahsil (Rs. 2.75 lakh) and the second third, fourth, fifth, sixth, seventh, eighth, ninth, tenth are occupied by North Solapur, Mangalweda, Sangola, Karmala, Mohol, Barsi, Akkalkot, Pandharpur, Madha and South Solapur respectively in 2001.

59) Table 6.7 indicates that North Solapur ranks first (72.2%) in respect of net capital dal mill productivity where as south Solapur was least in net dal mill capital productivity during the period of 1991-92 to 2000-2001. North Solapur tahsil was highest irrespective of capital labour ratio and the lowest position was occupied by the south Solapur (Rs. 55000) in capital labour ratio from 1991-92 to 2000-2001.

Table 6.8 indicates that North Solapur tahsil occupies the first position in both gross profit as percentage of total value of output (14.43%) and gross profit as percentage of invested dal mill capital, Malshiras is placed with 12.41% and 13.23%
while south Solapur tahsil occupies the last position the corresponding percentage being 8.63% and 7.63%.

60) Table 6.9C reveals that net profit per quintal dal is about Rs. 100 and 53 paisa only. The cost benefit ratio was 1:1:08 as on 31st December 2001. Out of the eleven selected dal mills three mills were found sick due to various reasons. Absence of long term planning over dues of loan, lack of modernization, poor utilization of production capacity, irregular supply of electricity etc. are the burning problems of selected dal mills.

61) Oil mills increased from 160 to 410 during the period of investigation. Investment amount increased from Rs. 244 lakh to Rs. 738 lakh and production capacity of oil mills increased by 4.37 times between 1980-81 and 2000-2001. Investment amount of oil mills increased by 3.03 times between 1980-81 and 2000-2001. It was increased in every tahsil but percentage share of investment amount in the district total percentage decreased in some tahsils, hence, they showed negative change. The highest investment amount in oil mill was found in North Solapur (58.56%) where as the lowest investment was experienced in Mangalweda (1.9%) in 2000-2001.

62) Table 6.11 indicates that there is variation in investment, production capacity, actual production capacity, production cost, sale value, profit and labour force of selected oil mills in 2000-2001. Physical and non-physical factors are responsible for the variation in oil mills.

Oil mills are suffering from irregular supply of electricity, problem of raw material, administration, marketing price etc.

There were 387 food product units in the study region. Food product increased from 387 to 837 units between 1980-81 and 2000-2001. Its investment increased by 3.5 times, production capacity lay 5.56 times and labourforce by more than three times during the period of investigation.

63) Textile units increased by 5.14 times from 1980-81 to 2000-2001. Its investment increased by more than five times. Out of the total textile units about 92.69% units were concentrated in North Solapur where as only 0.22% units were found in Madha tahsil in 2000-2001.

Entire region has very little forest cover hence, there is no wide scope for forest
based units. Below 1% negative change in forest based S.S.I. units was noticed in Akkalkot and Pandharpur tahsils where as above 1% negative change in was recorded in Sangola, Malshiras (3.86%) and North Solapur (6.4%) tahsils from 1980-81 to 2000-2001. Below 3% positive change in forest based units was reported in Barsi, Madha, Karmala, South Solapur and Mohol tahsils on the other hand above 3% positive change was recorded in Mangalweda between 1980-81 and 2000-2001 (map 6.7B).

64) Building material S.S.I. units increased by 4.5 times, leather units by two times, rubber by 4.25 times and chemical units by 4.5 times during the period of investigation.

There were only 110 electric and electronic units in the study region. These units increased from 110 to 903 units between 1980-81 and 2000-2001. All S.S.I. units increased in study region to a greater extent due to Govt. industrial policy, physical and infrastructural facilities during the period of investigation.

65) During 1980-81 two to five industrial combination was experienced in the entire study region. Where as monoculture to six industrial combination were experienced in the study region. Industrial combination changed from two to one in North Solapur, three to four in Barsi, three to five in Akkalkot, two to three in South Solapur, four to three in Mangalweda, four to five in Pandharpur, five to four in Sangola, four to three in Karmala and five to six in Madha during the period of investigation.

66) Table 6.23 indicates that only 2 units per 100 sq. kilometres were found in Madha and Karmala where as 182 S.S.I. units per 100 sq.km. recorded in 1980-81. In 2000-2001 below 20 units per 100 sq.km. were observed in Madha, Karmala, Sangola, Akkalkot and Mangalweda tahsils and above 20 to 50 units were found in rest of the tahsils except south Solapur (116) and North Solapur (799). Industrial units were increased due to Govt. efforts, local entrepreneurs, availability of infrastructural facilities.

Below 2 units per 1000 population was recorded in Karmala, Madha, Sangola, Pandharpur, Mangalweda, Mohol and South Solapur and 2 to 4 units per 1000 population were noticed in Malshiras and Barsi during 2000-2001. Above 4 units per 1000 population were concentrated in North Solapur in 2000-2001 (map 6.13B).
67) Table 6.25 reveals that low concentration of dal mills was observed in Pandharupur, Akalkot, South Solapur, and Mohol tahsils and moderate concentration of dal mills was observed in Barsi and Madha tahsils in 1980-81. High concentration of dal mills was observed in the rest of the tahsils during 1980-81. No change was noticed in North Solapur, Barsi, Mangalwada and Madha tahsils during the period of investigation low to moderate change was observed in Akalkot, low to high in South Solapur, Mohol and Pandharpur tahsils and high high to moderate change was observed in Malshiras during the period of investigation (map 6.14B).

68) Low concentration of textile mills (below 0.8%) was noticed in Madha, Karmala, Mohol, Pandharpur, Malshiras, Mangalwada, and Akalkot tahsils, and moderate concentration 0.8% to 2% was noticed in Barsi and South Solapur where as high concentration (above 2%) was recorded in North Solapur.

No change in textile mills concentration was observed in North Solapur, Madha, Karmala, Sangola, Malshiras, Mohol, Mangalwada, Akalkot and Pandharpur where as moderate to low concentration change was noticed in Barsi and South Solapur tahsils from 1980-81 to 2000-2001.

69) Table 6.26 reveals that low diversification of S.S.I. units was noticed in Madha, Karmala, Malshiras, Sangola and Akalkot tahsils and moderate diversification was observed in Barsi, and Mangalwada tahsils in 1980-81. High diversification was recorded in North Solapur, South Solapur, Mohol and Pandharpur tahsils in 1980-81 (map 6.18A).

No change was experienced in Madha, Karmala, North Solapur and Akalkot, tahsils where as moderate to low change in S.S.I. diversification was found in Barsi and Mangalwada, from 1980-81 to 2000-2001. High to low change was noticed in South Solapur, Mohol and Pandharpur and moderate to high diversification was observed in Malshiras tahsil and low to moderate change was noticed in Sangola tahsil from 1980-81 to 2000-2001 (map 6.18B).

70) Khadi and village industries are developed in India through five year plans in India. The production of Khadi and village industries increased from Rs. 2428 crores to Rs. 4320 crores during the period of eighth plan in India.

At present there are 2.53 lakh Khadi and village units are found in Maharashtra.
During 2000-2001 about 8187 Khadi and village units were found in eleven tahsils where as Rs. 198 crores amount was invested in these units. Nearly 17562 workers were engaged in Khadi and village units. These units are unevenly distributed in the entire study region.

71) Table 7.2 indicates that out of the total units about 2.89% units were belonging to processing of cereals and pulses, 3.04% oil ghanis, 15.39% leather units, during 2000-2001. The shares of other units, pottery units, cane and bambooes, carpentry and blacksmithy units were 17.98%, 19.03% and 24.46% respectively during 2000-2001.

About 0.05% to 2.67% positive change in village and cottage units were recorded in the units of oil ghanis, processing of cereals and pulses, cane and bambooes and other units during the period of investigation.

72) Oil ghanis increased by two times from 1980-81 to 2000-2001. Out of the total units nearly 56.22% units were concentrated in North Solapur where as only 1.20% units were found in Karmala tahsil in 2000-2001.

Selected Oil ghanis are facing the problem of capital, raw material, skilled workers, marketing, and shortage of regular electric supply. Out of the total processing of cereals and pulses units nearly 54.85% units were found in North Solapur, 5% to 10% in Barsi, Sangola, Malshiras and Pandharpur tahsils in 2000-2001. About 0.02% to 2.07% negative change in processing of cereals and pulses units were observed in Barsi, Akkalkot, South Solapur, Mangalweda, Sangola, Pandharpur, Karmala and Madha where as 0.87% to 8.63% positive change was recorded in North Solapur and Malshiras during the period of investigation.

73) Leather S.S.I. units increased by more than times during the period of investigation. Out of the total units nearly nearly 38.08% units were concentrated in North Solapur where as only 3.54% units were recorded in Madha tahsil in 2000-2001. Investment amount of S.S.I. leather units increased by three times where as labour force increased by more than two times during the period of investigation.

Average production cost per unit was Rs. 6.25 lakh in the district. There was little variation in the production cost of selected leather units. It means the cost of raw material, labour charges, cost of other charges are similar in all the tahsils in the
study region.

74) Carpentry and blacksmithy units increased by 1.8 times during the period of investigation. Investment amount of blacksmithy and carpentry units increased by 2.5 times and labour force by two times between 1980-81 and 2000-2001.

About 0.27% to 3.66% negative change in carpentry and blacksmithy units observed in Barsi, Akkalkot, South Solapur, Mohol, Mangalweda and Sangola tahsils whereas 0.04% to 3.11% positive change in the carpentry and blacksmithy units occurred in the remaining tahsils between 1980-81 and 2000-2001.

75) Investment amount of carpentry and blacksmithy units increased by 2.64 times while labour force increased by 2.11 times between 1980-81 and 2000-2001. About 0.21% to 12.61% positive change in labour force was noticed in North Solapur, Pandharpur, Sangola, Malshiras and Madha tahsils while 0.75% to 6.37% negative change was recorded in the rest of the tahsils between 1980-81 and 2000-2001.

Table 7.8 indicates that average cost of production in the case of selected carpentry and blacksmithy units was Rs. 1.82 lakh in 2001. The highest production cost was recorded in North Solapur on otherhand the lowest production cost was recorded in Mangalweda tahsil 2001. The sale value was very less in Sangola and Mangalweda tahsils while sale value was highet in North Solapur. It was moderate in Barsi, South Solapur and Malshiras tahsil. There was no vast difference in sale value except Sangola, Mangalweda and North Solapur in the entire study region.

76) Out of total cane and bamboo Khadi and village units below 5% units in each tahsil were found in South Solapur, Mohol, Karmala and Mangalweda tahsils where as 5% to 10% units in each tahsil were found in Akkalkot, Pandharpur, Madha, Sangola and Malshiras tahsils in 2000-2001. Above 10% cane and bamboo units were located in Barsi (15.41%) and North Solapur (31.83%) tahsils in 2000-2001 (map 7.5A).

About 0.46% to 12.86% negative change in investment amount was recorded in Mangalweda, Barsi and North Solapur while 0.01% to 5.27% positive change in investment amount was recorded in remaining tahsils during the period of investigation.

77) Table 7.9 reveals that nearly 41.35% labour force of cane and bamboo units was engaged in North Solapur tahsil and 58.65% labour force was engaged in

Investment amount of cane and bamboo selected units varies from tahsil to tahsil in the study region. The highest investment in selected cane and bamboo unit was found in North Solapur and the lowest investment was recorded in Madha and South Solapur. The average production cost of selected cane and bamboo units was Rs. 5.65 lakh in entire study region in 2001.

78) Potter Khadi and village increased by 1.5 times between 1980-81 and 2000-2001. Out of the total pottery units about 44.93% units were concentrated in North Solapur in 2000-2001. The shares of Pandharpur, Malshiras, Barsi, Mangalweda, South Solapur, Sangola, Mohol, Akalkot, Madha and Karmala were 13.48%, 8.22%, 7.83%, 5.20%, 4.17%, 3.98%, 3.85%, 3.53%, 2.70% and 2.12% respectively in 2000-2001.

Other khadi and village units increased in every tahsils during the period of investigation. It was increased more than two times in North Solapur, South Solapur and Malshiras tahsils between 1980-81 and 2000-2001. Very less units was increased in Madha, Karmala and Mohol tahsils from 1980-81 to 2000-2001. Increase in population, infrastructural facilities are the factors which are responsible for the increase in other units in the study region from 1980-81 to 2000-2001.

8.3 Problems and Suggestions:

1. Problem of proper industrial survey:

   In the absence of a comprehensive survey of large medium, small-scale, khadi and village industries on a tahsilwise basis it is difficult to say with any degree of certainly why these industries are not flourishing quickly. But during field work four in the Solapur district author noted some of the difficulties confronting the industrial growth in the district. They were as follows:-

   a) Total absence of business like methods in maintenance of accounts, publicity and advertisements.

   b) Absence of co-operative efforts in each industry and unwillingness to organise themselves into voluntary organisation groups of guides for their mutual benefits.

   c) Lack of working capital and ability to build necessary stock of finished good.

   d) Inability of entrepreneurs to adopt themselves to exchanges of times due to
partly to their conservation and want of financial and other resources.

e) Lack of facilities of securing adequate and regular supply of raw material.
f) Lack of training facilities to the labours and entrepreneurs.
g) Absence of proper marketing facilities.
h) Lack of proper marketing price.
To Solve these difficulties the following remedies should be adopted.
a) It is essential to give proper knowledge to the entrepreneurs and skilled labours regarding mainenance of accounts, publicity and advertisements etc.
b) It is necessary to appoint functional experts to the structure of the industry.
c) It is essential to organise proper survey before starting the unit in any area.
d) Various banks should provide lot of working capital to the industrialist at low rate of interest.
e) Co-operative movement should be started on large scale in the entire study region so that industrial development will start at the faster rate.
f) Government of Maharashtra should have start training centres in the study region. The training facilities should be started at the various MIDC region.

h) It is necessary to prepare type designs irrespect of each industries, furnishing details of facilities required to start it and those that exist in different areas, the manufacturing processes involved raw material resources of the state, marketing facilities, and financial applications and to publish bulletins.

i) Sufficient market price should be given to the industrial goods. In that sence Govt. of Maharashtra should have fixed proper price of every finished goods.

2. **Dearth of Entrepreneurs**

The dearth of entrepreneurial talent is an inability factor to accelerate the process of industrialization in the region. In all discussion on industrial development in this region inadequate supply of entrepreneurship is pointed out as a major factor hindering the development of the industries. However, during recent years a number of organizations held a number of comprehensive programmes for developing entrepreneurship in the region. Solapur district has no tradition of entrepreneurship as for example Gujarat, Mumbai etc. The reason for lack of entrepreneurs in the Solapur district is economic condition of the people, disinterestness of rich people
and less credit facilities.

To solve this problem Government should have given free technical education to the youngster so that they can come ahead to start their own industry. It is also necessary to give more subsidy (about 30%) on industrial loans so that person’s from various community can be motivated to start the various types of the units in the study region.

3. **Less Technical Development and Lack of Skilled Labour:**

   Industrial development of any region is also depends upon the technical development of that region. There are seven industrial training institute which gives admission to 1277 students. There are four polytechnic and one engineering college in the study region. Due to lack of proper training facilities there is acute shortage of local skilled workers to handle not only the sophisticated units but also units of general nature. Therefore, the local units have to depend to a great extent on out side resources particularly workers which are working in chemical, engineering, steel, sugar factories etc. units. To solve this problem technical and industrial institute should be increased in the study region at every tahsil place. Govt. of Maharashtra should have given training to the workers without charging in any cost. These training programmes should be organised under the guidance of District Industrial Centre Solapur.

4. **Problem of Monopoly:**

   the owners of selected large and medium scale and small-scale units have individualistic and traditional attitudes to solve the management problems at all levels. In most of the cases, it is one man-show. Since the direct and at personal level.

   The decisions are centrally taken by owners by institution and experience. The employees do not taken decisions, they rely on the owners for every action in all units. To solve this problem it is necessary to involve to the worker in policy matter decision. At least some opinion from the workers should be taken regarding the policy decision and problems of the units.

5. **Lack of co-ordination:**

   Entrepreneurs of the Solapur district come across a number of problems in the initial stages because of lack of co-ordination among various Government agencies / departments / financial organization etc.
The author came across a recent incident in the Sangola tahsil where an entrepreneurs (Ginning factory) after installing all Machines had to wait one year for power connection and another four month for sanction of working capital from Nationalised Banks. Therefore, it is essential to avoid this type of delay government of Maharashtra should have take initiative to solve this type of problems of entrepreneurs. Co-operative movement should become strong in the study area. Rich and educational people should have start co-operative movement in every corner of the study region.

6. **Resource Constranet**:

All the manufacturing industries perform some operations or a series of operations on raw materials. All establishments are, therefore, concerned although in widely varying degrees, with their location relative to their materials and to the cost of processing them.

Forest resources not found in Solapur district. It is not rich in mineral resources therefore, there is not wide scope for forest based and mineral based industries. As far as water resources are concerned Malshiras, Pandharpur, Mangalweda, Mohol, Some parts of Karmala, Madha and Sangola have no problem but south Solapur, North Solapur, Akalkot and Barsi tahsils are facing water problem in summer season.

The study region is also rich in livestock (chapter III). However, the scientific management of cattle and dairy are almost absent in the study region except Malshiras tahsil. Most of the engineering, chemical, electrical industries import raw materials from Mumbai, Pune and other parts of India. If we observe resource conditions in the study region except agricultural resources, we can come to the conclusion that resources are calesing constraint for the industrial development of the region. To solve above water problem of the some tahsil it is necessary to increase water resources by increasing minor schemes, Kolhapur type bandhare’s in the study region. It is also necessary to raise the percentage of irrigated area in the Karmala, Madha, South Solapur, North Solapur, Barsi and Akkalkot tahsils so that production of industrial crops will be increased to greater extent.

7. **Seasonal Service Problem**:

Nearly 80% labours of agro-based industries are facing this type of problem. Factory workers of sugar industries and ginning pressing mills are working for six
months. Some workers of dal oil, brakery workers are also receiving less salary which is not sufficient to feed their family members.

To solve this problem the workers should have given more than half salary during the off season period. The rate of their salaries should be increased so that they can maintain their standard of living very well.

8. **The Problem of Finance**:

Financial weakness of most of the industrial concerns is the major drawback which retards the growth of industrialisation in the Solapur district most of the small-scale entrepreneurs (30%) of selected units told that they are facing financial problem. Lack of finance is responsible for most of the problems from which the entrepreneurs all over the study region suffers. It is due to this factor that they cannot undertake any new experiment cannot hold their products in order to take advantage of a better market and what is of most serious consequences to the industry as a whole they have to solicit the assistance of the Mahajans or middlemen and get entangled in the grip. To solve this problem Government of Maharashtra should have given sufficient loans to the entrepreneurs through different banks and agencies so that entrepreneurs will get sufficient loans to run their unit properly.

9. **Problem of Capacity Utilization**:

Most of the large medium and small-scale units are facing the problem of under utilization. The following are the causes of under utilization.

i) Shortage of raw materials in rainy season particularly for oil, dal, mills.

ii) Problem of working capital.

iii) Irregular supply of light.

iv) Old machinery.

v) Lack of trained and skilled labour.

vi) Mismanagement.

To solve the problem of capacity utilization the following measures should be implemented

a) It is necessary to start raw material depot at tahsil level by the Govt. of Maharashtra.

b) Management should be strict and prompt in its administration.
c) Workers should be given chance of training by the entrepreneurs.
d) Machinery should be cleaned and repaired every after three months so that full capacity can be utilized.
e) Government should be given sufficient loans to the entrepreneurs through various banks of financial institutes for the smooth functioning of the units.
f) M.S.E.B. should supply regular light to the industrial area so that S.S.I. and large scale units can be run throughout the year.

10. **Problem of uneven distribution of industries:**

There is heavy concentration of large and small scale units in Solapur city. It means that all the industries are concentrated in North Solapur. Large scale units like sugar industries and small-scale agro-based units are scattered in the study region. Small-scale units are also concentrated in Pandharpur, Akalkot, Sangola, Mohol, Mangalweda cities. Madha, Karmala, South Solapur and some parts of Barsi, Mohol, Mangalweda, Sangola are backward in industrial development.

For the proper and balanced industrial development of each tahsil some justified and fruitful suggestions are put forward.

a) There is need to generate almost equal industrial employment opportunity in each tahsil through local resources and demand because each and every tahsil cannot have sufficiency of all resources.

b) To check the exploitation of one tahsil for the development of another it is necessary to consider area and population as criteria in new industrial programmes or have integrated programmes to help both.

c) The scheme of industrial loans should be liberalised with a view to further reduce the rate of interest and increase the number of installment for repayments. In deserving cases the requiring after of adequate security for loan should be relaxed.

d) The state should Launch an active programmes of organising artisans or labours to form themselves into association for their mutual benefit. There should be recognised associations for each industry.

11. **Lack of planned working system:**

After the establishment of District Industrial Centre at Solapur a new generation of entrepreneurs has been entering in the small-scale industries. These new
entrepreneurs are quite new in this industrial sector was found during the survey that they had neither industrial education nor practical experience. Large, medium, small-scale units requires all types of skills which every industry does, technical knowledge business tacts, management skills etc. From all these aspects it can be said that entrepreneurial skill is very low in the existing intrepreneurs of selected units. Because of this there is a lack of planned working system and this is one of the main reason for the failure of industrial development.

Effective financial management has to provide the analysis of past performance and future planning and control of current activity. Control is achieved by implementing decisions in accordance with agreed plans. For the implementation of effective financial management system in large medium and small-scale industry the entrepreneurs is not in a position to maintain professional financial managers. then the alternative is to train the entrepreneurs in the field concerned through training programme.

Training programme should be undertaken facilities to entrepreneurs. The training must be simple enough so as to enable the layman to understand what is what? If it could not reach the entrepreneur in a right direction there can be no use with training. The expert may try to give simple example from the practical point of view and also explain how to solve the problems when even they occur.

12. **Problem of the textile industry**:

Textile units are facing the following problems:

a) Replacement of the old machinery by new equipment.
b) Reduction of cloth and year prices to stimulate higher consumption.
c) Growing competition in textiles in the export market.
d) Heavy incidence of taxes and levies and more particularly excise duty and sales tax on mill cloth.
e) Low productivity of workers and a mounting wage bill.
f) Inferior quality and shortage of cotton.
g) Problem of sickness.
h) Impact of W.T.O. in the short run.

To solve above problems it is essential to replace the old machinery very quickly. Mill owner should improve the quality of production. Govt. of Maharashtra should
have reduce the levies and taxes to certain extent. Workers should have given more bonus so that they can improve their productivity. It is necessary to give various facilities to the entrepreneurs to solve the problem of sickness.

13. Problem of Sugar Industries:

Some sugar industries are registered at Chumb Kategaon, (Barsi) Gandgaon (Barsi), Rui Shelgaon (Barsi), Malegaon (Barsi), Kole (Sangola), Chinka (Sangola), Jawala (Sangola), Dharphal (North Solapur), Tirhe (North Solapur), Madi (North Solapur), Tikearwadi (North solapur), Sirapur (Mohol), Anager (Mohol), Kurundwadi (Ashti Mohol), Bhok Balagaon (Mohol), Salase, Bhilarwadi, Jatagaon, Daolari, Pothare, Vihal, Parewadi, Salase, Jinti (Karala) and Antrol, Mandrup, Kandalkaon, Bhandar kavatha, Mal kavatha, Indulwadi, Boramam, Pinfarwadi, Masti (South Solapur) and Bhilarwadi (Karmala).

But these units are not yet started. They have registered units but provisional units. Fitten sugar factories working in the study region. Actually all these units working on co-operative basis. Some factories are facing the following problems.

i) Problem of low wage:

Nearly 70% workers told that their job is seasonal and they are getting very low wage as compared to other labours of the factories. During the period of rainy season or off season they have to search another job. Therefore, it is necessary to give full salary to the worker in the period of crushing season and more than half salary in off season.

ii) Poor recovery percentage:

Out of the fifteen sugar factories nearly seven factories are having low percentage recovery of sucrose in Solapur district. It is below 10% hence, sugar factories are unable to pay more amount per metric tonne's to the farmers.

To solve this problem it is essential to increase in irrigation facilities so that farmer can kept their sugarcane upto the full growth in their farm.

iii) Problem of Phumper Sugarcane Production:

Irrigational facilities are more in Malshiras, Pandharpur so sugarcane production is increased in these tahsils. There are four sugar factories in Malshiras and two factories in Pandharpur tahsil but sugarcane area is more as compared to the capacity
utilization of these factories. To solve this problem it is essential to start additional now factories in these tahsils.

iv) The Problem of low prices of sugarcane:
    Sugar industries are giving Rs. 700 to 850 per metric tonne’s to the farmers. It is not sufficient amount as compared to production cost of sugarcane. To solve this problem it is essential to increase the rate of sugarcane per metric tonne up to Rs. 1100/-.

v) The Problem of by products:
    An important problem of sugar industry is the fuller utilization of by products specially bagasse and Molasses. At one time, bagasse was used as fuel, while sugar factories did not know what to do with the accumulating molasses a health hazard. Molasses is now being used for the manufacture of power alcohol, fertilizers, cattle feed, etc. Now factories like Shirpur is producing alcohol in the study region.

vi) Faulty Government Policy:
    The sugar economy is a highly controlled one sugar factories are under compulsory licensing. There is a statutory minimum price for sugarcane fixed by the central Government and state Advised Prices Fixed by the state. At present fixed sugarcane price is very low so it is essential to increase fixed price pto Rs. 700/-

14. Problem of Khadi and Village Industries:
    Nearly 78% selected Khadi and village industrial entrepreneurs told the following problems to the author at the time of field work.
    a) Problem of working capital.
    b) Problem of debt of loans.
    c) Lack of training facilities.
    d) Lack of proper management.
    e) Shortage of water.
    f) Shortage of raw material.
    h) Lack of co-ordination.
    i) Social problem.
    g) Lack of market price.
    To solve the above problems the following remedies should be implemented.
i) Khadi and village industrialist should be given proper training by the state Government.

ii) Rural banks, Bank of Maharashtra and other banks should have provide required loans to the entrepreneurs at the lowest rate of interest.

iii) Most of the businessmen or entrepreneurs take the loans from the rural money lenders. Therefore, this practice should stopped by the Government.

iv) Grampanchayat should have given required area to the entrepreneurs.

v) Management should be improved.

vi) It is the duty of Govt. of fix the price of every, finished products so that entrepreneurs will be benefit.

vii) Govt. should arrange raw material depot at tahsil place.

viii) There is need to develop co-ordination between the Khadi and village units owner.

ix) Government of Maharashtra should have provided water to the every village so that water problem will be minimized.

15. **Problem of Industrial Sickness**:

   About 35% selected large and medium as well as small-scale units were found sick during the period of field work.

   a) Due to liberal policies of the state some units obtain easy approvals. They required the process of screening of project proposals by hook or crook.

   b) Failure to pay statutory liabilities.

   c) Decrease in working capital.

   d) lack of demand, non-availability of raw materials and under utilizations of capacity leads to the sickness of the industry.

   e) Continuous irregularity in cash credit accounts and poor repayments of bank loans.

   f) Lack of management talent and disregard of basic principles of business management is another major factor that contributes to sickness.

To solve the above mentioned problems the following remedies should be adopted.

i) Govt. should have fixed the prices of finished products. So that entrepreneurs
will get proper price.

   ii) The Government should be given industrial permission to the proper entrepreneurs. Govt. should have aoid liberal policy. The process of screening project should be done strictly.

   iii) Entrepreneurs should try to avoid the cash credit. The should have also pay the banking loan instalment regularly.

   iv) The rural growth centres may assume responsibility of purchasing the goods produced by the small industrialists in the village and arrange to dispose then of through a district level or state level marketing corporations.

   v) The small entrepreneurs may be given training in the industries they propose to start by the District Industrial Centre at the district head quarter and rural growth centres.

   vi) The financial agencies may convert the over dues of sick units into medium or long term loans and fix a schedule of repayments. They may again provide working capital either as medium or long term loans.

   vii) The rural growth centres in the village and District Industrial Centres in the district should provide consultancy services, arrange financial assistance from the banking institutions and other financial agencies, start raw material banks and supply raw material to the entrepreneurs at low cost.

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