Since the country has adopted the planning method for all-round development, special emphasis has been paid on agricultural and industrial sectors of the economy. The Industrial Policy of the country pays full attention towards the balanced growth in the industrial sector. However, more attention has been paid on the development of large scale and key industries in the country. Other industries like forest-based industries lag behind from other public sector and defence oriented industries. As is quite apparent from the physical and climatic situation of the country, forest wealth is in abundance and best harnessing of this source through proper development of forest-based industries will improve the economic and industrial scene in the surrounding area. It is, therefore, necessary to have a correct account about the progress, problems and future of forest-based industries in the state of Madhya Pradesh where-in about 37% area of total land is covered with rich forests.

After the formation of Madhya Pradesh in 1956, much has been done for the rapid industrial development of the State and Madhya Pradesh, Audyogik Vikas Nigam, Bhopal was established in 1962 with a motto of balanced growth of industrial centres in the state. The M.P. Audyogik Vikas Nigam, Bhopal has been entrusted with the job of proper and rapid development of forest-based industries in the state but
the progress made so far is far from satisfactory and needs special care and efforts to be made by the government and the industrialists both. No doubt since 1976 onwards, special care has been paid by the government towards the rapid formation of forest based industries in the state, the attitude of the industrialists is not encouraging. Similarly, the forest department and the industry department, both are not much cooperating in this regard. As a result of these factors the development and problems of forest based industries in the state, are not receiving momentum like other consumer goods industries.

Thus, there is a need for comprehensive approach in the formation of forest based industries, and their related problems for brighter future. The research on this subject should cover all categories of forest based industries for correct inferences and suggestive measures which may have practical utility for the government and the potential entrepreneurs.

The present work is an attempt to study all aspects of forest-based industries in the state of Madhya Pradesh, particularly for its favourable forest resources. Every care is taken to study the various developmental aspects of large, medium and small scale forest-based industries judiciously and hence the conclusions arrived at on the basis of this study and the suggestions made there-in, may be of more value to the potential entrepreneurs.
The study is based on the collection of secondary data from the various government departments of state level and number of corporations engaged in the promotional and departmental aspects of these units. Personal interviews and discussions with the industrialists have also provided useful information for this research work. The facts and figures collected have been critically analysed in the light of the general industrial development of the state and on the basis of literature available on the research topic. The reports of the various official committees and the government publications have proved to be of much use for the study.

In the first chapter the significance of industrialisation and the growth of forest-based industries in India have been discussed. The second chapter deals with the economic profile of the state and present general industrial development. The third chapter has been devoted towards a detailed survey of forest resources of the state, while the fourth chapter narrates about the development of forest-based industries in Madhya Pradesh during various Plans. In the fifth, sixth and seventh chapters production trends, financial structure and marketing aspects respectively of the forest-based industries have been dealt with. The eighth chapter deals with the government policy and the role of various assisting corporations. Main problems and suggestions have been narrated in the ninth chapter. In the concluding tenth chapter, facts and information compiled for this study have been summarised and conclusions arrived at, have been stated.
The facts and information collected for the study and its presentation will add to the existing knowledge about the progress, problems and future of forest based industries in the state. I am hopeful that the conclusions drawn in my study may lead to the advancement of existing knowledge on the subject. I hope that the conclusions drawn and suggestions made in the research work will help the government and potential entrepreneurs to act more realistically for the rapid development of forest-based industries in the state.

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