CHAPTER - 5

STUDY OF THE D.I.C.

[ DISTRICT INDUSTRIAL CENTRE] IN THE AKOLA DISTRICT

STUDY YEAR 1981 TO 1990 ]
Although the programme of industrialisation was in progress in the country for a number of decades, it was noticed that the result of industrial development did not percolate to the rural areas. As a result there is huge unemployment in the rural areas. Central and state Governments in the past have taken up various schemes for development of small and village industries but the achievements have been far below the expectations. One of the reasons for the achievement being below the expectations that the benefits of the various schemes were not brought within the easy reach of the people in the rural areas. The focal points of development have tended to be in large cities and state capitals rather than district head quarters. The new industrial policy announced by the Government of India on 23rd December 1977 envisaged a new thrust to be given to small, village and cottage Industries.

Maharashtra is one of the industrially developed states in the country accounting for nearly 16 percent of the fixed investment about 21 percent of industrial labour and approximately 25 percent of the value of industrial output with only 9 percent of the total
population all India. However the industrial development in
the state has unfortunately been concentrated in Bombay,
Thane and Puna areas. Therefore it has been the endeavour of
the state Government to promote balanced industrial growth
and achieve dispersal of industries within the state.
Industrial policy and strategy adopted by the state
Government is to promote balanced industrial growth and
accelerate the base of industrial development and thus to
discourage further concentration of industrial activity in
the development zones encourage dispersal of industries in
the under developed areas, development of agro based
industries, set-up joint industrial activity in the
developed zones and development of small, tiny village and
cottage industries in rural areas and massive programme of
self employment to educated unemployed persons. For this
purpose the State Government has created a number of
promotional institutions and organisations at state and
regional levels like 1) MIDC, 2) MSSIDC, 3) SICOM, 4) MSFC,
5) RDC, 6) MAIDC, 7) LIDCOM, 8) MELTRON, 9) MSKVIB etc.
However the directorate of Industries is the modal agency
responsible for achieving overall objectives of industrial
development in the state.
1) Establishment of the DIC :-

D.I.C. Akola is the district administration office of the Directorate of Industries, Govt. of Maharashtra, Bombay DIC, Akola started functioning from 15-3-79 with the principal objectives of providing single roof, assistance to small scale industries and to serve as a focal point/nodal agency for boosting growth of industries, and more particularly, expanding the network of small scale industries to the rural areas in the district, providing gainful employment to the rural masses, the employed youths and the weaker sections of the society. There are various agencies such as DCVL, MIDC, MSFC, MSSIDC, SICOM, SISI, MAIDC, NSIC, LIDCOM KVIB, NSIR, DRDA, BANKS, MFBCDC which are functioning in different lines for the development of small scale industries. The working of DIC Akola is oriented to evolve inter association of all these agencies and the enterprising entrepreneurs on the single platform of DIC, so as to thrust moment in the process of industrial development. The entrepreneurs who are recognized as the most characteristic factor in this process is an almost concern of DIC. Looking in this spirit. DIC, Akola has started with motivation of entrepreneurship in the local masses who could come forward to pick up small tiny industries, and strive for its establishment.

1 - Action Plan and Achievement, 79-83 Year 82-83.
District Industrial Centre, Akola, Pg. No. 3.
It is always, therefore interesting to review the working of the DIC Akola and the various agencies in the field under the banner of Advisory committee which is headed by the collector Dy. Industries Commissioner for industries Akola. Under the persistent guidance of Collector, Akola such meetings are regularly held and effective co-ordination between the different agencies was very successfully achieved in the years. At the regional headquarters it is as well essential to tackle some characteristic problem relating to strategy of development problems of specific group of industries integration of the parallel activities etc.

In 82-83 which the constant efforts of our ex-joint Director of Industries and managing Director, D.C.V.L., Nagpur it was possible to streamline all these hard spots and to make a march toward the laid objectives.

Superintending Industries Officer, Nagpur introduced the policies and strategies for faster rearing of the new coming industries and more specifically to put adequate share of industrial development within the reach of the rural masses and weaker section of the society.

Apart from the team of DIC Akola the officers of MSFC, MIDC, MSSIDC, DCVL, MEB CDC, DRDA, Akola actively entangled themselves in the process for growth of industries
in Akola district and the office bearers of local industrial associations. Such as MIDC Industries Association Vidarbha chamber of commerce and Industries, who fully supported this process are worthy of mention in this progress\(^1\).

2. Aims and objects of DIC:

The aims and objectives of the Directorate in the context of the industrial development in this state can be broadly divided into two categories

1) Promotional

2) Regulatory

For obvious reasons the government has been very keen to see that industrial activities get dispersed from the congested Bombay-Pune corridor. This policy has been implemented on the one hand by giving incentives to the units that go to the backward areas and on the other hand by making the regulatory functions of the Directorate very restrictive. From the time, the promotional corporations came into the existence, they took the initiative in granting the incentives and the Directorate concentrated in its regulatory activities of late the Government has redefined the role of the Directorate by giving it the role of the leader of all the organisations working in the state for promotion of industrial development. This is the reason why the post of Industries

\(^1\) - OP-CIT, Pg.No. 4.
commissioner has been redesignated as Development commissioner (Industries).

Under the regulatory the aims and objectives officers of the Directorate of Industries at various level broadly discharge following aims and objectives:

1. Registration of small scale units.
3. Allotment of plots in MIDC area.
4. Approval of schemes and allotment of plots in co-operative industrial estates.
5. Recommendation in respect of N.A. Permission.
6. Grant of NOC within the Bombay Metropolitan region:
7. Recommendations for allotment of power.
8. Granting Recommending financial assistance.
10. Recommendation for registration with the exports promotion council:
11. Registration with CSPO/NSIC for marketing.
12. Assessment of capacity.
13. Utilization of raw-material.

Although the Directorate is required to do the above regulatory aims and objectives with the change in the strategy of industrial development and policy of the
Government for giving priority to the rural industrialization the main role of the Directorate is that of development and to help the prospective entrepreneurs to set up their ventures and not to control them.

It is in the sphere of development of industries that the Directorate plays the major role in assisting the prospective entrepreneurs to set up their units in the following way:-

1) Conducting survey of resources available in the districts,
2) Preparation of action plans for each district;
3) Conducting motivational camps and entrepreneurial training programme.
4) Giving consultancy series to the enter presence.
5) Organizing seminars and exhibition entrepreneurs.
6) Provide escort services to enable them to get all the necessary permissions and assistance from various agencies.

It is therefore, the end ever of the Directorate to assist the entrepreneurs not only by way of above developmental activities but also to use their good office to help them through the regulatory powers with officers as described above in the interest of balanced growth of industries.
3. Organisation and Management :-

In pursuance of the Industrial policy-1977, a programme for setting up District Industries center (DICs) was launched by the Government of India to be operational from 1st May 1978. The programme provided for setting up a DIC in each district of the country, in a phased manner in order to make the district headquarters a focal point for development of small-scale and cottage industries to shift the emphasis from cities and state capitals to the district headquarters a focal point for the entrepreneurs. Accordingly the Government of India issued guidelines to the state Governments for setting up DIC in each district of the state. In the state of Maharashtra District Industries Centres have been set up in the then existing 25 district in two phases. In the first phase 15 DICs were established in May, 1978. 10 more DICs were established in the year 1979. Subsequently for new districts have been created bifurcating the existing 4 districts. In these new districts also the DICs have been set up. At present in all the 29 district of Maharashtra DICs have been functioning.

The main objects of the DIC programme are firstly to make available various assistance and clearance required under one roof and secondly to promote rural industries.
Staffing Pattern of the DIC:

Accordingly there are now only 4 functional Managers in addition to General Manager, in the disciplines of Economic Investigation, Infrastructure, Credit and Village Industries. The first 3 functional Managers are officers on the establishment of Directorate of Industries, while the Manager (vi) is an officer of the KVIB who also functions as the District Development officer of the Board. Besides the 4 functional Managers, the GOI has also suggested the appointment of 2 or 3 project Managers in each DIC who are to function as technical subject specialists. The proposal for appointment of project Managers is under consideration of the state Government. District Industrial centers building Akola is newly constructed and the building is in use as a District H.Q. with a view to monitor and assist the working of the DICs. The following committees have been set up:

1. Zilla Udyog Mitra
2. District Advisory Committee (DAC)
3. Regional level co-ordination Committee
4. District level co-ordination Committee
5. District Consultative Committee.

There is clerical staff to assist the working of DIC Akola from General Manager to the class IV workers share the responsibility of functioning of the DIC, Akola.

4. Working of DIC:

The DIC Akola carries out the following works in the area¹.

1. Survey of Natural resources and its utilization manpower estimates of demand and identification of suitable industries bearing adequate scope for establishment in the district.
2. Preparation of model project schemes in respect of these industries.
4. Motivation and Development of entrepreneurship
5. Small scale Industry approval and registration.
6. Allotment of land upto 2 area in MIDC industrial area.
7. Allotment of cement and steel for construction of industry sheds.
8. Recommendation of loans under :
   a) Seed money scheme for educated unemployed.

¹ - District Industrial Centre Akola, Action Plan and Achievement, 79-83, Year 82-83, Pg. No. 5 & 6.
b) Seed money scheme for tiny sector industries.
cia) Composite loan scheme of MSFC and Banks.
d) ISB Component/Trysem subsidy scheme.
e) Differential Interest rate scheme.
f) Loan-cum-subsidy scheme of LIDCOM.
g) 50-50 loan seed money special component scheme of D.C.V.L.
h) Normal lending scheme of MSFC and banks.
i) Cash credit scheme for rural artisans.

9. Interest subsidy to SSI units to the extent of difference between 9% and actual lending rate of financing agency.

10. Recommendation of plant and machinery on hire purchase scheme of NSIC.

11. Recommendation/allotment of raw material for processing such as steel, st. coal, hard cake, pig iron, p wax, furnace oil, kerosene, L.P. Gas, spirit, molasses etc. and import License.

12. Recommendation of manufacturing industries for exemption from electricity duty under BED act.

13. Organizing training programme under EDTP/TRYSEM.

14. Organizing training course in Handicrafts trades.


16. Recommendation under quality marking scheme.

17. Recommendation under single point registration with NSIC.
18. Registration under CSPO scheme for marketing assistance.

19. Capacity assessment of SSI units and recommendation for registration under DGS and D. scheme.

20. All activities under KVIB section for promotion of khadi and village industries and the rural artisan sector.

21. Technical guidance and loan/subsidy to gober gas plants.

22. Inter departmental coordination,

   The total work of DIC Akola is carried out under the direction and control of the General Manager. Four Managers are assisting in carrying out the responsibility bestowed upon General Manager. Field staff and administrative staff is appointed to share the respective work. The equipment and the stationery is provided to document and carry out the duties bestowed upon them. Other all requirements are taken care of by the Government of Maharashtra. The result of all these is seen in the successfully working of the DIC Akola.

5. Promoting and Clearing permission for small scale Industries

   District Industrial center, Akola health and assisted small scale Industries during their establishment
and production the DIC Akola in the analysis stages health small scale Industries in promotion and clearing permission in their establishment.

DIC organized consultance project approval and registration camps through out the district. These camps were very helpful to the new entrepreneurs because probable entrepreneurs were guide about field of industries new viable project, different schemes of Assistance procedure for preparing project schemes and know cases.

Numbers of Industrial projects were granted approvals are registered, further more, they were provided with all Govt. facilities. These small scale industries were granted permission for the production of goods and sales of yet in the market some of them were granted permanent S.S.I. registration.

Nationalized Bank sanctions loan to the new entrepreneurs as per the guide lines and recommendation of the M.I.D.C., Akola in the conformation with the DIC, Akola. The KVIB has section subside to the new entrepreneurs who were given loan by the Nationalised Bank. Further more KVIB gave technical guidance in the construction of the respective Industrial Plan.

For promoting and clearing permission of small scale industries and putting of them on in line with other producing action plans were utilized. In order to put
this plan in action the DIC clearly indicated the suitable products and a possible location for it. So as to find healthy growth of industries spread up all over the district. For meeting the credit requirements of this sector, obviously it was essential to tap the financing institutions such as MSFC, bank KVIB, LIDCOM, MFBCDC, SFDA, DCC Bank, DPDC etc. The project industries were therefore divided under different schemes of sectors & linked under different schemes of financial assistance. At the same time, attempt was always made to make the finance easily available for smaller units and rural units in most convenient way and with best exploitation of the different schemes. This unified approach made it possible to divert sufficient money flow in this small scale sector.

Further in order to motivate more and more people to industrial ventures, a continuous programme of consultancy seminars was chalked out at different centres in the district. This approach massively helped for creation of entrepreneurship in the local people and could cultivate in their minds the superiority of industry as self employment venture. A very big flow of people to undertake industry business service units was achieved which ultimately led to achievement of the task of industrial growth in the district. A periodical review of these inputs and results was regularly taken which enabled DIC Akola to
reach towards the planned target. Achievements are shown in following table.

### Table No. 11

**Action Plan: Targets and Achievements 1979-83**

#### TARGETS

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#### ACHIEVEMENTS:

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1 - Action Plan and Achievement, 79-83, Year 82-83. District Industries Centre, Akola, Pg.No. 15.
As per the policy of the Govt. of India, implemented by Maharashtra state, District Industrial center was established in the Akola District. The head Quarter of the DIC Akola is situated in the Akola city. The DIC Akola is one of the progressive institution helping new entrepreneurs in establishing various kinds of industries and specially encouraging the natives to establish small scale industries. If the DICS established in the Maharashtra are compared with each other in regard to the achievements of the aims and objectives, the DIC Akola has done a marvelous job and is outstanding.

DIC Akola unit is well organized and is managed by capable officers and men, hence the work carried out by this unit is systematic, of good quality and fulfills the requirements of the present and an eye is also kept while promoting and clearing the small scale industries on future Akola DIC centre is a model in this regard.