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2.0 OBJECTIVES AND METHODOLOGY OF RESEARCH

2.1 INTRODUCTION:

The State of Maharashtra has given a lead to the country in the industrial field as in so many other spheres of activity. In fact, the country's industrialisation had its origin in our State. It was in the year 1854 that India's first cotton textile mill was established in Bombay.

As a result of purposeful planning of industrial development since commencement of the Planned era in the country, the industrial structure of the State has been greatly enriched and diversified with expansion of the existing industries and establishment of new ones. Maharashtra now possesses a cross-section of industries, including iron and steel, cement, aluminium, heavy chemicals, machine tools, industrial machinery, light engineering, heavy foundry and forge units, light engineering, heavy and light electrical goods, dye-stuffs and intermediates, pharmaceuticals, plastics, synthetic fibers, sugar and alcohol, fertilizers, insecticides and pesticides, electronics and a wide variety of other producer and consumer goods. The State is fortunate in having a good number of sophisticated industries requiring high degree of technical skill. The state also possesses well-organised firms and associations of industries and trades with long experience and wide contacts in the external trade. The share of Maharashtra in the country's export trade is of the order of about 10 per cent.
of the total export trade of India. One particular aspect of the growing industrialization of the State which cannot be lost sight of is the establishment of a number of medium-sized and small scale units covering a host of industries.

In a planned programme of industrial development, a good deal of responsibility devolved on the State. It has to provide the necessary infra-structure in the shape of land, roads, water, power and other facilities, which are required for setting up of new industries. The Government of Maharashtra has been taking active interest in the industrial development of the State and have already taken several steps in that direction. Among these, special mention may be made of the establishment of special Corporations such as the Maharashtra Industrial Development Corporation, the Maharashtra Small-scale Industries Development Corporation and the Maharashtra State Financial Corporation.

Although, as already stated, the State as a whole has been undergoing transformation in regard to industrialisation and has achieved sizeable industrial progress, there is still vast scope for further industrial development in a number of potential growth centers in the State. There is no doubt that all concerned, namely the State Government and the industrialists will intensify their efforts and help to accelerate the State's industrial progress. However, one aspect which requires to be stressed in this connection is that relating to the need for achieving a balanced industrial growth of the State. It is a patent fact that
whatever industrial progress has been achieved in our State is uneven and lopsided in character. In any purposive programme of industrialization, this position requires to be rectified. It is no doubt true that this question has been receiving attention of the State Government and as a result of certain measures taken in that direction, the last few years have witnessed some spread of industries over a wider area. However, there is still a great deal to be done in this regard.

Our State has been committed to the goal of agro-industrial development. The philosophy underlying this goal is that the fruits of economic development which the country is embarked upon must percolate to the countryside. It is only after even dispersal of industries all over the state that economic planning will have any significance or meaning for a country with a vast rural population. For a balanced growth it is essential that every possible attempt is made to develop the resources and locational advantages in the vast hinterland of the State. However, it would be desirable and greatly advantageous to bring about a balanced industrial development of the State not by compulsion, but by resorting to a positive method of providing infra-structure and other necessary facilities in suitable centers in the State's backward pockets, with a view to attract new industrial enterprises to those centres.

2.2 CHOICE OF THE TOPIC

Inspite of the fact that Maharashtra is an advanced state in respect of industrialisation, majority of large and medium
scale units in the state are seen to be concentrated in Bombay-Pune belt. Researcher has observed the tendency among industrialists to shift their existing plants, expansions to neighbouring states. Researcher is an executive in the Personnel Department of a reputed company in Bombay; who wanted to probe into the problem of migrating units as to why they think of migration rather than stay in the state of Maharashtra.

2.3 OBJECTIVES OF THE STUDY:

The researcher wants to study the problem of Migration of Engineering goods Industries from Bombay to other States with following predetermined objectives:

1. To study the Industrial structure of Bombay Industrial zone during the decade i.e. 1961-1990.
2. To examine the reason for concentration of Industrial Units in Bombay.
3. To study the Industrial relations and impact of strong trade unionism in Bombay on migration of Industrial Units out of Maharashtra.
4. To study the Policies of Government of Maharashtra to retain the Industrial Units in Maharashtra which are going to migrate especially from Bombay to other States.
5. To recommend to the Govt. of Maharashtra suitable changes in the policy towards industry and Labour which may help checking migration of industrial units to other states.
As a matter of fact, migration of all industries from the state of Maharashtra is necessary. However, such a study is beyond the capacity of an individual. The researcher has therefore selected only 'Engineering Goods Industry' from Bombay city for the detailed study of migration. It is assumed that whatever reasons for migration of these industries will be noticed, the same might be applicable to other industries and other places in the state as well, though with some differences.

From the data initially collected, it was found that in all 195 units of Engineering Goods Industry are either already migrated to neighbouring states or are planning to shift/expand in other states in near future. The researcher decided to adopt purposive sample method for his study. A sample of 25 Engineering Units engaged in different products, having different sizes and covering varied market sizes have been randomly chosen for detailed study. This sample roughly works out to 12.8 percent of the total population. This sample would be fairly representative to disclose the major causes behind the migration, actual or prospective.

Questionnaires for the sample companies were designed. The top executives of the sample units have responded to the questionnaire without reservations. In addition a small number of eminent industrialists and business consultants were interviewed to supplement primary data collected through migrating executives.
Secondary data about companies was collected from the offices of the Registrar of companies, state department of Industries, Published reports, magazines, journals and News Papers. Information supplied by the centre for Monitoring Indian Economy was of great help to the researcher. For historical references, the researcher has gone through a number of reference books and other material given in the bibliography.

2.5 **SCOPE OF THE STUDY**

This study is limited to Engineering goods industry migrating from Bombay Metropolitan city to other states between 1961-91. However, the events during 1981-91 decade will be stressed to ascertain the true position. Though findings and recommendations may be relating to Engineering goods Industry, the researcher is sure that they will be applicable to any industry located elsewhere in the state.

Researcher, before studying the problem in detail, assumed that the migration of industrial units in the private sector must have been taking place either on account of hostile attitude of aggressive trade unions or on account of passive attitude of the Government of Maharashtra towards appropriate industrial policies, taxation or provision for a package of facilities to be offered to prospective immigrants.

Since the Researcher is working in Bombay Metropolitan city, he thought that he can find out the real causes of migration on the basis of data readily available in the head offices.
of the respective state departments and of the migrating companies. Considering his capacity as an individual, researcher decided to study migration of a single group of industries, viz. 'Engineering Goods' from Bombay to other. Results of his findings about a small sample might prove to be fairly representative to comment upon overall migration of all industries throughout the state of Maharashtra.

2.6 **STATEMENT OF HYPOTHESIS:**

The researcher proposes to make the following statement of hypothesis to be tested through the proposed study.

i) There is strong trade unionism in Maharashtra as compared to the neighbouring states of Gujarat, Madhya Pradesh, Karnataka etc.

ii) The neighbouring states offer better infrastructure facilities and patronage to newly proposed units than that in Maharashtra State.

iii) On account of trade unionism and aggressive attitude of trade unions to fetch higher wages and better service conditions the management in private sector are inclined to shift their units from Maharashtra to other states.

iv) The attitude of Government of Maharashtra towards this issue is passive.

2.7 **LIKELY CONTRIBUTION:**

To the best of his knowledge and belief, researcher feels that such a study on this particular aspect has not been
undertaken by any Government Research Institution or individual researcher during recent times. Therefore, findings and recommendations; the outcome of this study, may be of great help to the policymakers at the states and centre in India. Similarly, the study would be a new addition to the existing fund of knowledge to the industrialised society and academicians involved in similar research.

2.8 LIMITATIONS:

The researcher is fully aware about the limitations of his study as an individual to this Macro-Economic problem. He has studied only one group of industry assuming other industries would show similar tendencies. He has concentrated his attention on this industry in Bombay City alone, assuming situations elsewhere alike. This may not be true. Furthermore, out of the small sample, some respondents might have biased opinion on the situation. However, the information received through primary data is supported by substantial secondary data to check the deviations on account of bias. The researcher, inspite of these limitations, is sure that the degree of deviation is small because of the representative data base used in the study.