Chapter III
Industrial Development

3.1 Introduction.
3.2 Changing Nature & Industries.
3.3 Factors influencing the location of Industries.
3.4 Industrial development after Independence
3.5 Classification of Industries.
3.6 General Distribution of Industries in Jalgaon districts.
3.7 Industrial Policies
Industrial Development in Jalgaon Districts

3.1 Introduction:

Though the Industrial development of the Jalgaon district has a long history. There is sufficient evidence to show that Industrial development was accelerated after independences, because of several factors. Prior to Independence especially during the British Period Industries had started setting in this region. During the British Period though the Government was not interested in raising industries in the region due to the development of infrastructural facilities such as railway and roads, power station and markets.

Industry was started in Jalgaon district with Khandesh spinning and weaving mills in 1874. A few modern industries based on power took roots in Jalgaon districts while at the same time due to the import policy of British Government a few cottage a village industries started losing their importance in the region. The industrial scene was dominated by the handicrafts and village industries were based on the artisans (Baluta) system. History of the Industrial development in the Jalgaon district. In 1801 to 1900 cotton is major crops in the study region. While above crops depends on Industry and first industry was started in 1874. Before that the British Government gave the prevision to import spinning and weaving machine. In 1844 at Dharangaon Jalgaon spinning and weaving mills machine were fit for production. Weaving machine is costly and that there is not much knowledge to operate this machine so there was no success. Then in 1848 Yawal, Chopada, Adawad & Kasoda spinning mills started. In 1850 (Richi) Stewart and company got the Dharangaon spinning mill and spinning work was started under the supervision of European administrative. In 1863 Mumbai. Bhusawal railway route was started so that the spinning and weaving mills were increased in this region. In 1962-63 at Bhusawal railway workshop was started. In this workshop Railway steam engine and Bogie repairs work started. In 1877-78 at Jalgaon two spinning and weaving mills were started later in 1879-80 were 7 spinning and weaving mill were started. In 1880 Nansaheb Phadnis started a Jagdguru
printing press was started. In East Khandes at Amalner Pratap spinning and ginning mill, start its production by 1911 there was 78 spinning and Ginning were working.

In 1917 at Jalgaon Mr. L.G. Baviskar started a Golden ink factory. In 1917-18 Government started special industry region for the development of industries in this region. In 1920 at Chalisgaon Mr. Narayan Venkat Bundelkhandi started a Laxminarayan mill and its production started in 1925. In between 1930 to 40 that there was reservation of cotton market prices of cotton low down so farmers moved to groundnut farming. Therefore New Dal mill was started in this decade in 1931 at Amalner. Amalner Electric Company started a power project. In 1936 Bhusawal city was electrified. In the decade 1940 to 1950 at Erondol small paper mill was started. In this decade there were many mills was started such as Vanspati ghee mills, soap mills, vegetable products. After Independence small medical factories were started in Jalgaon, Bhusawal Chopada, Bodhwad and Yawal. In 1956-60 there were some pesticides and Insecticides factory was started. In 1963 at Jalgaon Khandesh Oil Extraction. Oil mill was started in 1968 at Bhusawal thermal power station was started then Government milk dairy started in Jalgaon. In 1965 Government Started Maharashtra Industrial Corporation. After 1971 there was industrial development was going first Chemical, Engineering, Textile, Paper, Food process, Sugar factories was started. In that period Government of Maharashtra Jalgaon declare a Growth centre and then government gives many facilities to industry. In 1990-91 there were 412 factories and 23568 employers were working in this district. The major factories which started after 1971. Were as follows- Belganga co-operative sugar factory, Luckad Allviam Corporation, Vasant Co-Operative Sugar factory, Madhukar co-operative Sugar factory, B.S. Casting and engineering, Maniyar Plastics, Yawal co-operative Soot Girni, Kohinoor Enterprises, M.D.S. Switchgear, Maharashtra co-operative spinning mill, Panchsheel paper mills Jalgaon pipe manufacturing Jain industry, Kalyani brakes Ajanta pharmaceuticals.
3.2 Changing nature of Industries:

The history of Industrial development in the Jalgaon district reveals that nature of industry has been changing from time to time because of several factors. Developments of transport network and means of communication, establishment of power stations and availability of cheap power and development of urbanization and modernization which are responsible for changes in the taste and ideas of fashions of people development of technology and skills emergency of factory system development of market are other factors responsible for the change in the nature of industries.

Handicrafts and Emergency of Small Scale Industries:

Especially before 19th century all industries were organized as handicrafts and cottage industries. But at present most of the handicrafts and cottage industries are in declining stage. Especially after the beginning of five years plan whatever industries where set up in the region were either small scale or medium and large scale with the exception of emergence of a few village industries in the district of Jalgaon. In the region, handicrafts and cottage industries but at present nature of Jalgaon industries are dominated by small and medium and large scale industries.

Seasonal to permanent character:

Previously most of the industries were seasonal in character at present industries which have agriculture; horticulture and marine based are seasonal in character and remaining all industries work throughout the year due to the perennial availability of raw materials i.e. from local as well as from outside the region throughout the year. Therefore at present more than 95% of the Jalgaon industries are permanents in character.
From Manual Skill To machine based:

In the past all the processes in the industries were manual. But at present all the industries are machine based. Due to this at present most of the goods are manufactured by machinery. As a result of greater application of technology cottage industries where manual skill was the main asset are yielding place to the new small scale machine based industries.⁴

Powerless to power based Industries:

Prior to the 20\textsuperscript{th} century all the industries that existed in Khandesh (Konkan) did not use power at all. But after the establishment of Tata's power station between 1910 and 1920 development of knowledge regarding use of coal, water, petroleum the industries based on power were started in Jalgaon districts.

The first power station was started in 1928-29 with the Co-operation of Amalgamated Electric Company then 1931 Amalner electric supply was started production of power with 520 k. watts. 1936 in Chalisgaon, Bhusawai, Pachora electric supply was started with 166 k. volts production of power. Then in 1960 Maharashtra State Electric Mandal was found and later on many electric stations were started in the region. The main power station is Bhusawal thermal was started in 1968 with 62.5 megawatts production of power this power plant started with the help of Germany and Poland after that there are units of power was started in 1979 to 1982 with 420 megawatts production of power. Thus the period of fifty ears nature of Industry has been changed from powerless to power based.

Less capital to capital Intensive:

In the 19\textsuperscript{th} century most of the industries were either handicrafts or cottage. These industries did not required machinery at all. Besides these industries required a few establishment equipments and a tow workers capital requirements for the establishment were very small. But in the modern era most of the industries are small, medium and large scale industries. Particularly
engineering mineral based and chemical industries and even textile industries some of agro based industries require various type of raw materials equipments and machinery. Land rates are also high as compared to the past. Besides requirement of worker in these industries is also high. Therefore project requirement of capital for the establishment of industry is higher as compared to the past.

**From Traditional method to Modernization:**

Previously methods that were adopted in the industries were old and tradition band. Industries which were carried on old methods were fishing industry. Wooden toy making, fruit canning, metal ware handmade paper etc. But due to technological development various new techniques and modern methods have been used in the above mentioned industries. Electrification has brought in improved methods as in the milling sugarcane, fruits etc.

**Artisan (Baluta) System to Enter Preneur Class System:**

Previously artisan (Baluta) system was dominant in the industry. Industry was mostly dependent of the individual artisans. He himself carried all the Industrial activities. Besides there ditary skill and degree of specialization were dominant within the framework of artisans systems. But at present enter preuners through they did not have hereditary skill have become dominant in the field of industry.

**3.3 Factors influencing the location of Industries:**

Many important geographical factors involved in the location of individual industries are of relative significance. ie. Availability of raw material power resources, water, labour, markets and the transport facilities. But besides such purely geographical factors influencing industrial location there are factors of historical human, political and economic advantages. Consequently the factors influencing the location of industry can be divided into two broad categories.
1. Geographical factors and

2. Non Geographical factors.

1. Geographical Factors:

Following are the important Geographical factors influencing the location of industries.

i) Raw Material:

The significance of raw materials in manufacturing industry is so fundamentals that it needs no emphasizing indeed the location of industrial enterprises is sometimes determined simply by location of the raw materials. Modern industry is so complex that a wide range of raw materials is necessary for its growth. Further we should bear in mind that raw material of one industry may well be the finished product of another. For example pig. Iron produced by smelting industry, serves as the raw material for steal steelmaking industry. Industries which used heavy and bulky, raw material in their primary stage in large quantities are usually located near the supply of the raw materials. It is true in the case of raw materials which lose their weight in process of manufacture or which cannot bear high transport cost or cannot be transported over long distances because of their perishable nature. This has been recognized size 1909 when Alford Weber published his theory of location of industry. Some of the industries like watch and elected miss use very wide range of light raw materials and the attraction influence of each separate material diminish. The result is that such industries are often located with no reference to raw materials and are sometimes referred to as footloose because a wide range of location is possible with in an area of sufficient population density.

ii) Power:

Regular power supply of power is a prerequisite for the localization of industries. Coal, minerals, oil and hydro-electric are the three important
conventional sources of power. Most of the industries tend to concentrate at the source of power. The iron and steel industry which needs large quantities of cooking coal as source of power are frequently tied to coal fields. Other like the electro metallurgical and electro chemical industries. Which are great users of chief hydro electric power are generally found in the areas of hydoras power production for instance aluminum industry. As petroleum can be easily piped and electricity can be transmitted over long distance by cables. It is possible to disperse the industry over larger area. Industries moved to southern states only when hydropower could be developed in these coal deficient areas. Thus more than all other factors affecting the location of large and heavy industries.

iii) Labour:

No one can doing that the prior existence of a labour force is attractive to industry unless there are strong reasons to the contrary labour supply is important in two respects a) workers in large numbers are often required people with skill or technical expertise are needed stall and Buchannan showed in 1961 that labour costs can vary between 62 percent in clothing and related industries and 29 percent in the Chemical industry. In the fabricated metal products industries work out 43 percent. In our country modern industry still requires a large number of workers in spite of increasing mechanization here is no problem in securing the supplies of unskilled labour by location such industries in large urban centers.

iv) Transport:

Transport by land or water is necessary for the assembly of raw materials and for the marketing of the finished product. The developments of railways in India connecting the port towns with hinterland determined the location of many industries around Calcutta, Mumbai, Chennai. As industrial development also further the improvement of communication facilities. It is difficult to estimate how much a particular industry owes to original transports facilities available in a particular area.
v) Market:

The entire process of manufacturing is useless until the finished goods reach the market. Nearness to market is essential for quick disposal of manufactured goods. It helps in reducing the transport cost and enables the consumer to get things at cheaper rates. It is becoming more and more true that industries are seeking locations as near as possible to their markets. It has been remarked that market attraction are now so great that a market location is being increasingly regarded as the normal one and that a location elsewhere needs very strong justification. Ready market is most essential for perishable and heavy commodities. Sometimes there is a considerable material increase in weight bulk or frangibility during the process of manufacture and in such cases industry tends to be market oriented.

vi) Water:

Water is another important requirements of industries many industries are established near rivers cannels and tanks because of this reason. Iron and steel industry textile industries and Chemical industries require large quantities of water for their proper functioning significance of water in industry is evident.

vii) Site:

Site requirements for industrial development are of considerable significance sites generally should be flat and well served by adequate transport facilities. Large areas are required to build factories. Now there is a tendency to set us industries in rural areas because the cost of land has shot up in urban centers.

viii) Climate:

Climate plays an important role in the establishment of industries at a place. Harsh Climate is not much suitable for the establishment of industries. There can be no industrial development in extremely hot, gummed dry or cold
climate. The extreme type of climate of north west India hinders the development of industries moderate climate of west coastal area is quite major industrial portion are come in this region Maharashtra and Gujarat region alone cotton textile industry required humid climate because thread breaks in dry climate majority of textiles industry located in Maharashtra and Gujarat.

**Non Geographical Factors:**

**i) Capital :**

Modern industries are capital-intensive and require Hugh investments capitalists are available in urban center. Big cities like Mumbai, Calcutta, Delhi, Chennai are big industrial centrals because the big capitalists live in these cities.

**ii) Government Policies :**

Government activity in planning the future distribution of industries for reducing regional disparities elimination of pollution of air and water and for avoiding their heavy clustering in big cities has become no less an important location factor. There is an increasing trend to set up all types of industries in an area. Where they derive common advantage of water and power and supply to each other the products they turn out. The latest example in our country is the establishment of a large number of industrial estates all over India even in the small scale industrial sector. The state policy of industrial location has a greater hand in the establishment of a number of fertilizer factories. Iron and steel plants engineering works and machine tool factories including railway, shipping aircraft and defense installations and oil refineries in various parts in the new planning era in free India. We may conclude by noting that the traditional explanation of a location of industry at a geographically favorable point is no longer true.
iii) Efficient Organization:

Efficient and enterprising organization and management is essential for running modern industry. Success fully Bad management sometimes squanders away the capital and puts the industry in financial trouble leading to industrial rain. Bad management does not handle the labour force efficiently and tactfully resulting in labour unrest. It is detrimental to the interest of the industry.

iv) Banking facilities

v) Insurance etc.

3.4 Industrial development after independence:

In this period several types of new industries including small, medium and large scale industries came into existence in the Jalgaon region. At the same time emergence of the factory system and changes in the taste and ideas of fashion of people have led to the decline of certain handicrafts and cottage industries. Several factors are responsible for the rapid industrial development which took place after the independence. Among other factors adequate supply of hydro electricity is most important for the industrial progress of any area of region.

Due to the industrial development a definite change is seen in the artisan class. Before the industrialization Craftsman and Artisan wasted their time in futile get together. This many also be due to some cases they did not have any pressing work which would keep them busy for the whole day. The cultivators depended on the carpenters and the blacksmiths who usually took their own time. The increased industrialization put a check on such waste of time and man power of the handicrafts consequently the diversion of man power of the craftsman workers took place in the region. Because the workers in village industries or village artisan who could not complete.
With foreign and modern factory goods competition began to depend upon agriculture as the means of livelihood. Especially during the period of 1850 to 1950 handicrafts and cottage industries had much incentive to innovate themselves. Handicrafts so faced damaging competition from factory industry many handicraftsman throughout the 20th century and early decades of the 21 the century had been able to readjust them to the situation creased by factory industry by turning to either agriculture or to migrate towards other job opportunity in the textile factory. In certain cases some artisans concentrated in the larger villages and towns. Among such classes of artisans the weaver was the first to show such signs concentration in the bigger centers. Even such artisans like carpenters and black smiths moved out from the village.6

3.5 Classification of Industries:

Industries can be classified into several groups. The following table gives an understanding about them.

<table>
<thead>
<tr>
<th>Industries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Labour</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>1)Large, 2)medium, 3)small</td>
</tr>
<tr>
<td>private sector</td>
</tr>
</tbody>
</table>

Village cottage consumer ancillary basic capital , 1.Labour intension, 2.
1) On the Basis of strength of Labour:

i) Large scale Industry:

Industries which employ a large number of labors in each unit are called large scale industries. Cotton or jute textile industries are large scale industries.

ii) Medium Scale Industries:

The industries which employ neither very large nor very small number of labours and have investment of about one million rupees are put in the category of medium scale industries. Cycle industry, radio, and television industries are some examples of medium scale industries.

iii) Small scale industries:

Industries which are owned and run by individuals and which employ a small number of labours are called small scale industry.

2) On the basis of Raw material:

Industries classified on the basis of raw materials and finished goods.

i) Heavy industries:

Industries which use heavy and bulky raw materials and produce products of the same category are called heavy industries. Iron and steel industry presents good example of heavy industries.

ii) Light industries:

The light industries use light raw materials and produce light finished products. Electric fans, sewing machine are light industries.
3) **On the basis of ownership:**

Since the start of the planned development of Indian economy in 1951 Industries are divided in the following four classes.

i) **Private sector industries:**

Industries owned by individuals of firms such as Bajaj or TISCO situated at Jamshedpur are called private sector industries.

ii) **Public sector industries:**

Industries owned by the state and its agencies like Bharat Heavy Electrical Ltd. or Bhilai steel plant or Durgapur steel plant are public sector industries.

iii) **Joint sector industries:**

Industries owned jointly by the private firms and the state or its agencies such as Gujarat Alkalis Ltd. or Oil India Ltd., Fall in the group of joint sector industries.

iv) **Co-operative sector industries:**

Industries owned and run co-operatively by a group of people who are generally produces of raw materials of the given industry such as a sugar mill owned and run by farmers are called co-operative sector industries.

4) **On the basis of source of raw material:**

On the basis of source of raw materials industries are classified as under.

i) **Agro based industries:**

Agro based industries are those industries which obtain raw material from agriculture. cotton textile, jute textile, sugar and vegetable oil are representative industries of agro based group of industries.
ii) Mineral based industries:

These industries depend upon raw materials primarily from minerals such as iron and steel aluminum and cement industries fall in this category.

iii) Pastoral based industries:

These industries depend upon animals for their raw materials, hides, skills, bones; works, shoes dairy etc. are some of the pastoral based industries.

iv) Forest based industries:

Paper card, board, lac, rayon, resin , tanning of leather, basket industries are included in this type of industries.

5) Miscellaneous Industries:

The industries are also classified into the following categories.

i) Village Industries:

Village industries are located in villages and primarily cater to the needs of the rural people. They usually employ local machinery such as oil extraction flour grinding and agricultural implements.

ii) Cottage industries:

Industries which artisans set up in their own houses work with wood, cane, brass, stone etc. are called cottage industries. Handloom, Khadi and Leather work at the artisans house fall in this category.

iii) Consumer industries:

Consumer industries convert raw materials or primary products into commodities directly used by the people textiles, bakeries, sugar etc some of the consumer industries.
iv) **Ancillary Industries:**

The industries which manufacture parts and components to be used by big industries for manufacturing heavy articles like truck, buses, railway engines, tractors etc. are called Ancillary industries.

v) **Basic industries:**

Industries on which depend may other industries for their manufacturing process are called basic industries. Iron and steel industries and power generating industry are included in this category.

vi) **Capital investive industries:**

Industries requiring huge investment are called capital intensive industries. Iron and steel cement and aluminum are capital intensive industries.

vii) **Labor intensive Industries:**

Such industries as require huge labour force for running them are called labour intensive industries. In these industries labour is more important than capital. Shoe making and Bidi manufacturing etc. are included in these industries.

3.6 **General distribution of Industries in Jalgaon district:**

The distribution and location of manufacturing industries are certainly governed to a significant degree by environmental factors including physical as well as human factors or cultural environment. Natural environmental factors are usually of greater importance in the choice of a industrial site while the cultural environment is of greater importance's in the distribution of
### Table no. 3.1

Talukawise general distribution of industries in Jalgaon district.

<table>
<thead>
<tr>
<th>Sr.No.</th>
<th>Tahsil</th>
<th>2010 -11 Total Project</th>
<th>Investments in crore</th>
<th>M.I. D.C.</th>
<th>MIDC Subdivision</th>
<th>Co-op. Industry</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Chopada</td>
<td>123 (2.47)</td>
<td>59.37 (2.89)</td>
<td>0</td>
<td>0</td>
<td>01</td>
</tr>
<tr>
<td>2.</td>
<td>Yawal</td>
<td>116 (2.80)</td>
<td>57.00 (2.77)</td>
<td>0</td>
<td>0</td>
<td>01</td>
</tr>
<tr>
<td>3.</td>
<td>Raver</td>
<td>122 (2.95)</td>
<td>69.14 (3.37)</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>4.</td>
<td>Muktainagar</td>
<td>88 (2.13)</td>
<td>43.75 (2.13)</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>5.</td>
<td>Bodhwad</td>
<td>74 (1.79)</td>
<td>38.09 (1.85)</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>6.</td>
<td>Bhusawal</td>
<td>262 (6.34)</td>
<td>123.07 (5.99)</td>
<td>01</td>
<td>0</td>
<td>01</td>
</tr>
<tr>
<td>7.</td>
<td>Jalgaon</td>
<td>2029 (49.14)</td>
<td>998.06 (48.06)</td>
<td>01</td>
<td>1432</td>
<td>01</td>
</tr>
<tr>
<td>8.</td>
<td>Erondol</td>
<td>138 (3.34)</td>
<td>78.33 (3.81)</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>9.</td>
<td>Dharangaon</td>
<td>126 (3.05)</td>
<td>65.38 (3.18)</td>
<td>0</td>
<td>0</td>
<td>01</td>
</tr>
<tr>
<td>10.</td>
<td>Amalner</td>
<td>176 (4.26)</td>
<td>87.90 (4.28)</td>
<td>0</td>
<td>0</td>
<td>01</td>
</tr>
<tr>
<td>11.</td>
<td>Parola</td>
<td>155 (3.75)</td>
<td>7141 (3.82)</td>
<td>0</td>
<td>0</td>
<td>00</td>
</tr>
<tr>
<td>12.</td>
<td>Bhadgaon</td>
<td>82 (1.98)</td>
<td>39.57 (1.92)</td>
<td>00</td>
<td>0</td>
<td>01</td>
</tr>
<tr>
<td>13.</td>
<td>Chalisgaon</td>
<td>338 (8.18)</td>
<td>169.72 (8.23)</td>
<td>01</td>
<td>0</td>
<td>01</td>
</tr>
<tr>
<td>14.</td>
<td>Pachora</td>
<td>208 (5.03)</td>
<td>101.91 (4.96)</td>
<td>0</td>
<td>0</td>
<td>01</td>
</tr>
<tr>
<td>15.</td>
<td>Jamner</td>
<td>92 (2.29)</td>
<td>41.7 (2.03)</td>
<td>0</td>
<td>0</td>
<td>01</td>
</tr>
<tr>
<td>Total District</td>
<td>4129 (100%)</td>
<td>2051.46 (100)</td>
<td>03</td>
<td>1432</td>
<td>10</td>
<td></td>
</tr>
</tbody>
</table>

Source: DIC Jalgaon
manufacturing industries as the human factors plays a very dominant role in the distribution of industries in any region. It is also important to note here that once the industries established in a particular locality they tend to become stable and create external economics which attract more industries is to the same locality. Thus the right choice of site for an industry an important factor of course industry attracts industry. This is a well known and frequently attested formula. Within Jalgaon region and Jalgaon is the best example of this formula.

In Jalgaon district there were 4129 industries and 23066 industrial workers during 2010-11 out of the total industries of Jalgaon district about 3275 small scale industries and 854 large and medium scale industries are set up. Whereas out of the total persons employed in industries of the region about 79.5% persons were engaged in small scale industries.

It shows that more than 79.5% workers were engages in small scale industries and only 20.5% persons were engaged in large and medium scale industries.
Graph No. 3.1

2010 -11 total project

Chopada, Yaval, Raver, Muktainagar, Bodhwad, Bhusawal, Jalgaon, Erondol, Dharangaon, Amalner, Parola, Bhadgaon, Chalisgaon, Pachora, Jamner

2010 -11 total project
TOTAL PROJECT AND INVESTMENT OF INDUSTRIES IN JAJGAON DISTRICT

Legend

JALGAON
- TOTAL PERCENTAGE OF UNITS
- INVESTMENT IN PERCENTAGE
General distribution of the present manufacturing industries in the Jalgaon district is not uniform. It presents a very complex and rather peculiar picture because most of the manufacturing industries of the Jalgaon district are concentrated in Jalgaon city & Jalgaon Tahsil. It is obvious from the following statistics that more than 50% of the region manufacturing employment are concentrated in Jalgaon city only.

Table no. 3.1 reveals that the general distribution of industries in Jalgaon district. Total no of project in the district is 4129 out of them 49.14 percent was located in Jalgaon tahsil it is highest figure in this region. Wherever the lowest project was situated in Bodhwa tahsil (1.79%) Table no. 3.1 reveals that Jalgaon 49.14 and Chalisgaon 8.18 percent project was situated in means that near about 60 percent project are located in two tahsils and remaining 40% project are situated in other thirteen tahsil in the year 2010-11.

This spatial variation in distribution of industries is due to several factors in which a mention may be made of un-even distribution of necessary raw materials, Government policy, influence of certain political parties and infrastructural facilities that are concentrated in large towns and cities of the Jalgaon district.

Table no. 3.1 also reveals that the investment of projects was uneven in Talukawise. The highest investment was recorded in Jalgaon tahsil (48.06% ) where as the lowest investment was noticed in Bodhwa tahsil (1.85% ) Jalgaon and Chalisgaon tahsil was highest it means near about 58% investments are recorded in both tahsils total investments in the district was 2051.00 carores in the year 2010-11.

Table 3.1 also reveals that the total no. of areas in Maharashtra Industrial Development Corporation was 3 one is Bhusawal, one is in Jalgaon and one is Chalisgaon tahsil. But Jalgaon tahsil record sub division of Maharashtra Industrial Development Corporation was recorded 1432 another tahsil there is no sub division of particular Industries. Co-operative industries
was located in Chopada, Yawal, Bhusawal, Jalgaon, Dharangaon Amalner, Bhadgaon, Chalisgaon, Pachora and Jamner each tahsil one co-op. industries was recorded. Sugar industries are located in rural areas of Jalgaon district oil industries, dal mills are located in rural and urban areas in Jalgaon district. Bodhwad and Bhadgaon tahsil are backward in manufacturing industries because there is no sufficient raw material & skilled labour not available in large scale. Table 3.1 shows us that agric based industries are highly concentrated in every tahsil of this region.

Table 3.2 reveals that the percentage of workers in various industries the highest workers are recorded in plastic industry 26.66% in Jalgaon district then motor vehicle repairing means workshop, Garage there were 8.05 workers are working then railway engine and Bogie repairing in Bhusawal junction only one junction Bhusawal has a railway work shop there is 6.18 percents workers are working. Where ever the agro based industries 6.09% workers are working there are many small industries are situated in the study region.

The above discussion reveals that within the Jalgaon region there is variation in spatial distribution of manufacturing industries rather than uniform distribution due to following chief factors.

Jalgaon region has uneven distribution of natural resources and raw materials but agricultural product is sufficient in this region. Cotton is very important drop in this region and Banana in some tahsils important crop in this region.
## Table no. 3.2

### Distribution of workers in various industries in Jalgaon district

<table>
<thead>
<tr>
<th>Name of activity</th>
<th>% of workers</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Agro based industries</td>
<td>6.09</td>
</tr>
<tr>
<td>2. Fruits &amp; vegetable process</td>
<td>5.01</td>
</tr>
<tr>
<td>3. Fruits &amp; animal process</td>
<td>2.99</td>
</tr>
<tr>
<td>4. Dairy</td>
<td>1.39</td>
</tr>
<tr>
<td>5. Rice &amp; pulses process</td>
<td>3.38</td>
</tr>
<tr>
<td>6. Other food grains process</td>
<td>3.83</td>
</tr>
<tr>
<td>7. Livestock food process</td>
<td>0.16</td>
</tr>
<tr>
<td>8. Drug making</td>
<td>0.15</td>
</tr>
<tr>
<td>9. Tobacco</td>
<td>2.91</td>
</tr>
<tr>
<td>10. Spinning</td>
<td>0.45</td>
</tr>
<tr>
<td>11. Other cloth production</td>
<td>3.75</td>
</tr>
<tr>
<td>12. Ara machine &amp; wood process</td>
<td>1.36</td>
</tr>
<tr>
<td>13. paper industry</td>
<td>0.57</td>
</tr>
<tr>
<td>14. printing</td>
<td>1.20</td>
</tr>
<tr>
<td>15. Chemical</td>
<td>1.03</td>
</tr>
<tr>
<td>16. other chemical</td>
<td>2.82</td>
</tr>
<tr>
<td>17. Medicine</td>
<td>0.87</td>
</tr>
<tr>
<td>18. Rubber products</td>
<td>0.02</td>
</tr>
<tr>
<td>19. plastic products</td>
<td>26.66</td>
</tr>
<tr>
<td>20. Fabrication</td>
<td>00.08</td>
</tr>
<tr>
<td>21. Non metallic product</td>
<td>1.78</td>
</tr>
<tr>
<td></td>
<td>Description</td>
</tr>
<tr>
<td>---</td>
<td>--------------------------------------------------</td>
</tr>
<tr>
<td>22.</td>
<td>Iron &amp; steel product</td>
</tr>
<tr>
<td>23.</td>
<td>Gold &amp; Silver product</td>
</tr>
<tr>
<td>24.</td>
<td>Silver Pedi</td>
</tr>
<tr>
<td>25.</td>
<td>structure of ornaments</td>
</tr>
<tr>
<td>26.</td>
<td>Other production</td>
</tr>
<tr>
<td>27.</td>
<td>Electric motor &amp; other</td>
</tr>
<tr>
<td>28.</td>
<td>wiring</td>
</tr>
<tr>
<td>29.</td>
<td>Electrical Lamps</td>
</tr>
<tr>
<td>30.</td>
<td>Other electrical instruments</td>
</tr>
<tr>
<td>31.</td>
<td>Various machine</td>
</tr>
<tr>
<td>32.</td>
<td>special machine</td>
</tr>
<tr>
<td>33.</td>
<td>motor vehicle spare parts</td>
</tr>
<tr>
<td>34.</td>
<td>Railway Engine of Bogie</td>
</tr>
<tr>
<td>35.</td>
<td>Furniture</td>
</tr>
<tr>
<td>36.</td>
<td>Armament</td>
</tr>
<tr>
<td>37.</td>
<td>Remaining of machine</td>
</tr>
<tr>
<td>38.</td>
<td>Electric repairing</td>
</tr>
<tr>
<td>39.</td>
<td>Water filter</td>
</tr>
<tr>
<td>40.</td>
<td>Motor vehicle Repairing</td>
</tr>
<tr>
<td>41.</td>
<td>Godowns</td>
</tr>
<tr>
<td></td>
<td>Total</td>
</tr>
</tbody>
</table>
Graph No. 3.2

Distribution of workers in various Industries

1. Agro based industries
2. Fruits & vegetable process
3. Fruits & animal process
4. Dairy
5. Rice & pulses process
6. Other food grains process
7. Livestock food process
8. Drug making
9. Tobacco
10. Spinning
11. Other cloth production
12. Ara machine & wood process
13. Paper industry
14. Printing
15. Chemical
16. Other chemical
17. Medicine
18. Rubber products
19. Plastic products
20. Fabrication
21. Non metallic product
22. Iron & steel product
23. Gold & Silver product
24. Silver Pedi
25. Structure of ornaments
26. Other production
27. Electric motor & other
28. Wiring
29. Electrical Lamps
30. Other electrical instruments
31. Various machine
32. Special machine
33. Motor vehicle spare parts
34. Railway Engine of Bogle
35. Furniture
36. Armament
37. Remaining of machine
38. Electric repairing
39. Water filter
40. Motor vehicle Repairing
41. Godowns
3.7 Government industries policy of the region:

1. Industry Scenario at National Level

Proactive government policies, opening up of various sectors for investment, promising consumer markets and significant investment in infrastructure for industry have all contributed to the increased pace of growth in India which is evident in the strong fundamentals of the Indian economy. The Economic Survey 2005-06 has observed that the buoyant business expectations have successfully lifted the investment tempo in the industrial sector which is marked by filing of over 15,000 Industrial Entrepreneur Memorandums with proposed investment to the tune of Rs.739,637 crore and additional employment generation potential of 2.96 million persons during the last three years (December, 2005).

The industrial sector is projected to grow by 9% during the current financial year. According to the Economic Survey 2005-06, the high growth in the industrial sector that started in the second quarter of 2002-03 continued for the third successive year, with the rate of growth of industrial sector in terms of Index of Industrial Production at 7.8% during April to December 2005-06 The major driver of this growth was the robust performance in the manufacturing and construction sectors.

2. Maharashtra: The Preferred Industrial Investment Destination

Preamble: Maharashtra occupies a position of prominence in India. It has 10% of the country's geographical area (0.3 Million Sq. Kms) and 10% of country's coast line (720 Kms). 43% of its population lives in urban areas as against the country's 28%. It contributes over 13% of National GDP and its Per Capita Income is 39% higher than the country's Per Capita Income. Its 96.88 million people (9.4% of country's population) produce over 19% of the country's National Output. Maharashtra has been in the forefront of economic development and is often called the economic powerhouse of the country.
With its proactive policies, the State continues to occupy the dominant position amongst the industrially advanced States in India.

Maharashtra has been in the forefront in sustaining industrial growth and in creating environment conducive to industrial development. Investment-friendly industrial policies, excellent infrastructure and a strong and productive human resource base have made it a favored destination for manufacturing, export and financial service sectors. It has achieved 7.1% average growth in the last decade. The State's economy has shown increasing signs of maturity. Its Services Sector contributes 61% and its Industry Base contributes 26% of the GSDP. The State contributes 40% of the National Fiscal receipts. Furthermore, it has the largest share of public funds for the development of industrial and social infrastructure.

The State offers excellent infrastructure - road length of 246,000 kms and railway lines of 5,987 kms. Endowed with a coastline of 720 kms, Maharashtra has several natural ports. The two principal ports, the Jawaharlal Nehru Port, and the Mumbai Port are located in Mumbai and together handle the largest proportion of the country's foreign trade. It has three international airports and domestic airports at all major cities. Additional international airports have been planned at Navi Mumbai and Pune. Most major international destinations are linked to Mumbai by direct flights. Maharashtra has the highest power generating capacity of 15,210 MW, reliable, cost effective telecom connectivity, abundant water availability and over 250 industrial parks spread over 52,000 hectares.

The State's well diversified and highly productive human resource with positive work culture, excellent educational facilities, quality infrastructure thriving partnership with enterprising entrepreneurs, backed by continuity and consistency in Government policies on investments have made Maharashtra “First Choice Destination” of the Domestic as well as Foreign Investors. The State has attracted highest FDI in Country (22%) between 1991and March 2006 with 3893 proposals having committed investment of Rs.56628 crore.
In addition 13366 IEMs have been filed between 1991 and June 2006 for industrial investment of Rs.3,03,749 crore. Of these, 6012 projects with capital outlay of Rs.93294 crore are operational and have employed approximately 5.89 lakh people.

Maharashtra's forward looking IT policy has been well received in the IT sector. 25% of the top 500 software companies in India are based in Maharashtra. 10 of the top 20 Software and Services Exporters in India have operations in the State. Maharashtra has 30 Public IT Parks and 177 Private IT Parks, which provide employment to 30% of the country's IT, professionals. Maharashtra accounts for 32% of Internet subscribers, 35% of national market for PC and peripherals. Maharashtra contributes over 20% of the total software exports from India.

Maharashtra also occupies the leading position in respect of institutional finance with a multitude of scheduled commercial banks, co-operative banks and non-bank financial institutions (NBFCs) and has the head quarters of the Reserve Bank of India and almost all the Public and Private Sector Banks and Financial Institutions. Maharashtra stands first in the country in respect of both aggregate bank deposits and gross bank credit.

Mumbai occupies a unique place, not only in Maharashtra but the entire country as the financial and commercial capital. Mumbai houses the two largest stock exchanges of the country and 70% of all stock market transactions take place here. This city alone contributes over 33% of the country's Income Tax and accounts for over 5% of the country's GDP. This city of 12 million people is also the entertainment capital of the country. Globalization has brought increased business opportunities to Mumbai from foreign companies, which want to reap the benefits of India's large talented and highly knowledgeable workforce and access its capital, commodity and financial markets. This trend supports Mumbai's emergence as a Regional Financial Hub on the global map.

The State has entered into the next phase of economic reforms, with emphasis on structural changes in addition to fiscal incentives for the promotion of industry and balanced regional growth. This has coincided with
increasing global competition and rapid technological changes, which pose new challenges for industry. The Industrial, Investment and Infrastructure Policy 2006 therefore aims at ensuring sustainable industrial growth through innovative initiatives for development of key potential sectors and further improving the conducive industrial climate in the State for providing the global competitive edge to the State's industry.

3. Thrust Areas

The State will identify key thrust areas for according greater importance to sectors keeping in view their potential in contributing to the socio-economic development of the State. These sectors will be provided comprehensive support through specific policy initiatives. Following are the thrust areas, which would be offered priority status.

a) Infrastructure - Power, Roads, Rail, Communication, Connectivity, Airports, Ports.


c) Services - Sunrise Technology and Service Sectors including Information Technology, I.T. enabled services, Biotechnology, Nano techno- Retail, Tourism & Entertainment

d) Mumbai - Pune - Nashik - Aurangabad Quadrangle will be provided greater infrastructure support to develop its full potential for knowledge-based, manufacturing and agro-based industries.

e) Establishment of Gas distribution networks in major industrial areas in the State to improve availability of cleaner and cost effective fuel.

The State, in addition to the Industrial, Investment and Infrastructure Policy, will formulate the following policies for achieving the objectives and facilitating investment in the thrust areas mentioned above.
i) **Agro Processing Policy**

Enthused with the success of the Grape Processing Policy 2001, it is proposed to bring out a comprehensive Agro Processing Policy with focus on food processing and preservation which besides providing adequate technical and scientific training to the farming community will aim at creating off farm jobs and bringing greater value addition for the rural population.

ii) **Textile Policy**

Since the Handloom, Textiles, Garment and Apparel manufacturing Industry is highly labour intensive and has potential of providing large scale employment, especially to women, the State will formulate a comprehensive Textile Policy aimed at creating world class infrastructure, state of art technology and up gradation of technical skills through proper training in this sector.

iii) **Retail Policy**

The organized retail sector in India is growing at around 20%. Maharashtra with over 43% urbanization has therefore great potential for the development of this sector. Retail helps rural marketing; establishment of supply chains and has huge employment potential. The State will, therefore, come out with a comprehensive Retail Policy which will facilitate the setting up of malls, address concerns of retailers and create conducive environment by amending relevant Acts including labour laws.

iv) **Infrastructure Development Policy / Act**

Infrastructure is the backbone of any state and its economy. The Infrastructure Policy will aim at facilitating creation of appropriate and adequate infrastructure through public and private sector participation and at addressing the concerns of project participants in matters connected with or incidental to development of infrastructure.
4. Promotional and Financial Incentives

i) Additional Incentives

The eligible SSI units coming up in Industrial Clusters / Parks to be notified by the State Government and in Agro-based Industries, Textiles, Auto & Auto components, Electronic products, Pharmaceuticals and Gems & Jewellery, Services – Information Technology, I.T. enabled services, Biotechnology sectors in “C”, “D”, “D+” areas only will be eligible for the IPS applicable to the one step higher incentive category.

ii) Special Incentive for Units coming up in Districts low in HDI

The State Government will make special efforts for speedier economic development in the 10 districts lowest in the State on the Human Development Index as given in the Table I. It is proposed to offer the following employment based incentives to the units coming up in these districts.

New units setting up facilities in these notified districts and employing at least 75% local persons as defined in the Employment of Local Persons Policy will be offered 75% reimbursement of expenditure on account of contribution towards Employees State Insurance (ESI) and Employees Provident Fund (EPF) Scheme for a period of 5 years. However these benefits will be limited to 25% of FCI. The amount of reimbursement will be paid annually based on minimum statutory limit subject to the condition that the unit has paid its contribution towards ESI & EPF on the due dates. The procedural modalities of giving this employment incentive will be issued by the Development Commissioner (Industries).

iii) Mega Projects

Industrial projects with investment more than Rs.500 crores or generating employment for more than 1000 persons in A and B areas or
investment more than Rs. 250 crores or generating employment for more than 500 persons in rest of Maharashtra will be termed “Mega Projects” and would be eligible for customized package of incentives. The industrial projects coming up in the 10 low HDI districts mentioned in the Table I with investment of more than Rs. 100 crore or generating employment for more than 250 persons would also qualify for customized package of incentives.

The quantum of incentives within the approved limit will be decided by the High Power Committee under the chairmanship of Chief Secretary, Government of Maharashtra. The Infrastructure Committee under the chairmanship of the Chief Minister of the State will have the power to customize and offer special/extra incentives for the prestigious Mega Projects on a case by case basis.

v) Interest Subsidy

All new eligible units in textile, hosiery, knitwear and readymade garment sector units in the SSI sector will receive interest subsidy. The Interest Subsidy will be payable only on the interest actually paid to the Banks and Public Financial Institutions on the term loan for acquisition of fixed capital assets, equal to the interest payable at 5% per annum as stated in the table below.

vi) Exemption from Electricity Duty

Eligible new units in C, D, and D+ areas and No-Industry District(s) will be exempted from payment of Electricity Duty for a period of 15 years. In other parts of the State, 100% Export Oriented Units (EOUs), Information Technology (IT) and Bio-Technology (BT) units will also be exempted from payment of Electricity Duty for a period of 10 years.
<table>
<thead>
<tr>
<th>Taluka/Area Classification</th>
<th>Monetary ceiling limit (Rs.In lakhs)</th>
<th>Maximum period in years</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>B</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>C</td>
<td>10</td>
<td>4</td>
</tr>
<tr>
<td>D</td>
<td>20</td>
<td>5</td>
</tr>
<tr>
<td>D+</td>
<td>25</td>
<td>6</td>
</tr>
<tr>
<td>No Industry District</td>
<td>35</td>
<td>7</td>
</tr>
</tbody>
</table>

5. **Cluster approach for Development**

The State will adopt a new and innovative approach to cluster development, which will greatly improve manufacturing competitiveness. This will be done through developing appropriate infrastructure based on needs of specific industries, provision of optimum utilities and common facilities, attracting the right kind of talent and segregating labour intensive industries from highly automated units. The MIDC will give special emphasis on cluster based development by reserving some areas within its areas for specific industries and their ancillaries.

The MIDC will earmark a part of the land exclusively for SSI/MSI units in and around big industrial projects. This will facilitate healthy and positive linkage between small and big industrial projects helping ancillarisation/graduation of the SSI units which will help in greater development of the region. Clusters will be developed on the basis of identified thrust areas and the available resources in the region.
References: