CHAPTER – VI

SUMMARY OF FINDINGS, POLICY SUGGESTIONS AND CONCLUSION

Findings:

During the course of survey the researcher discussed the role at District Industries Centre on Industrial Development in Thoothukudi District with the General manager. While analysing the problem the researcher came out with the following findings.

As per the analysis of data the performance of District Industries Centre (DIC) had shown an increasing trend. The hypothesis is been tested, the industrial growth is expected to be 1685 in the year 2010.

It is found that the employment would also increase about 15251 during the year 2010.

According to the second hypothesis it is proved that there exist positive correlation between number of industries and employment.

The industrial performance of the district showed that only two pockets i.e., Thoothukudi and Kovilpatti attract small entrepreneurs. The rest of the blocks have been preferred by the entrepreneurs due to nativity, availability of cheap labour, availability of raw materials, priority in sanctioning the project by DIC. The Entrepreneurial Development Programme (EDP) conducted by DIC attract young entrepreneurs. The number of registered units is increasing every year even though the subsidy have been
temporarily stopped. The funds provided by the commercial banks for different schemes pave the way for this increased numbers.

The District Industries centre is headed by the General Manager, who is supported by Financial Managers in the areas of economic investigations, Machinery and Equipment, Research, Extension and Training and Raw material, Credit and Cottage industries.

The main function of District Industries centre is to help small industries and rural artisans in backward areas by providing various assistance in promoting rural industries and to develop close linkage with the entrepreneurs and financial institutions.

The study covers a period from 1997 – 2002. For easy understanding the findings of the study has been classified on the basis of Industries concern as follows:

General Performance of Industries:

The block wise and year wise total industrial units showed that the number of industries have increased from 1009 to 1202. Kayathar block stands first in terms of percentage of registered units.

The block wise and year wise total employment revealed that the number of employment has increased up to 50%. Here also Kayathar block comes first in terms of percentage of providing employment. Since this area is declared as backward area the DIC is concentrating to promote industries here.
The block wise and year wise total investment showed that there was no significant increase in the last 5 years. Particularly Thoothukudi and Kovilpatti blocks have registered a decline trend in investment.

**Agro Based Industries**

The Agro based industries include flourmills, confectionery units and oil mills. In the year 1997 – 98, 569 persons are employed in 118 units. Of the 569, 37.5% are employed in four mills, 33.5% and 29% in confectionery units and oil mills respectively. In 1998-99, 113 units provide employment to 553 persons. Of the 553, 37.5% are employed in flourmills, 32.8% and 29.7% in confectionery units oil mills respectively. In 2001-01, 108 units provide employment to 510 persons. Of the 510, 35% are employed in 129 units. Of the 645, 31.9% in four mills, 37.4% and 30.7% in confectionery and oil mills respectively. During the study period Thoothukudi and Kovilpatti blocks have registered more units.

**Textile Based Industries**

The Textile based industries include Readymade garments, Cotton textile mills, woollen knitting and Silk realing units. In the year 1997-98, 648 persons are employed in 78 units. Of the 648, 23% in Readymade Garments, 72% and 5% in Cotton textile mills and woollen knitting and Silk realing units respectively. In 1998-99, 76 units provide employment to 573 persons. Of the 573, 34% are employed in Readymade garments, 59% and 7% in Cotton textile mills and woollen knitting and silk realing respectively. In 1999-2000, 736 persons are employed in 150 units. Of 736 persons, 56% in Readymade
garments, 42% and 2% in Cotton textile mills and woollen knitting and silk realing units respectively. In 2000-01, 704 persons are employed in 96 units. Of the 704, 26% in readymade garments, 70% and 4% in Cotton textile mills and woollen knitting and silk realing respectively. In 2001-02, 80 units provide employment to 591 persons. Of the 591, 27% are employed in Readymade garments, 65% and 8% in Cotton textile mills and woollen knitting and Silk realing respectively. During the study period Kovilpatti and Thoothukudi block have registered more units.

**Forest Based Industries**

The forest-based industries include wooden furniture and Building materials making units. In the year 1997-98, 74% units provide employment to 257 persons. Of the 257, 71% are employed in wooden furniture and 29% in Building materials making units. In 1998-99, 222 persons are employed in 50 units. Of the 222 persons, 80% and 20% in wooden furniture and building materials making units respectively. In 1999-2000, 284 persons are employed in 67 units. Of the 284, 78% and 22% in wooden furniture and building materials making units respectively. In 2000-01, 59 units provide employment to 257 persons. Of the 257, 81% and 19% in wooden furniture and Building materials making units. In 2001-02, 256 persons are employed in 61 units. Of the 256, 88% and 12% in wooden furniture and Building materials respectively. During the study period, Kovilpatti and Thoothukudi blocks have registered more units.

**Animal Husbandry units**

The Animal Husbandry units include leather chappals and leather garments making units. In the year 1997-98, 106 persons are employed in 30 units. Of the 106,
69% and 31% in leather chappals and leather garments making units respectively. In 1998-99, 86 persons are employed in 22 units. Of the 86, 88% and 12% in leather chappals and leather garments making units. In 1999-2000, 66 persons are employed only in leather chappals i.e., 100%. In 2000-01, 218 persons are employed in 54 units. Of the 218, 74% and 26% in leather chappals and leather garments respectively. in 2001-02, 204 persons are employed in 48 units. Of the 204, 73% and 27% in leather chappals and leather garments respectively. During the study period, Kovilpatti and Thoothukudi blocks have registered more units.

Chemical Based Industries

The Chemical based industries include Cleaning products, Safety matches, Wax splints, Vipoothi, Agarbathi, Camphor tablets and Plaster of Paris. In the year 1997-98, 1922 persons are employed in 238 units. Of the 1922, 5% in cleaning product units, 81% in safety match factories and wax splints, 7% in Vipoothi, Agarbathi and Camphor tablets and 7% in Plaster of Paris units. In 1998-99, 321 units provide employment to 2974 persons. Of the 2974, 2% in Cleaning Products Units, 90% in Safety match and Wax splints factories, 5% in Vipoothi, Agarbathi and Camphor tablets and 3% in Plaster of Paris. In 1999-2000, 923 persons are employed in 200 units. Of the 923, 9% in cleaning products units, 52% in safety match and wax splints factory, 6% in Vipoothi, Agarbathi and camphor tablets, 33% in plaster of paris. In 2000-01, 4502 persons are employed in 388 units. Of the 4502, 1% in cleaning products units, 90% in safety match and wax splints, 4% in Vipoothi, Agarbathi and camphor tablets units and 5% in plaster of paris. In 2001-02, 386 units provide employment to 3834 persons. Of 3834, 1% in cleaning
products, 86% in safety match and wax splints, 5% in Vipootti, Agarbathi and camphor tablets and 8% in plaster of Paris. During the study period, Kovilpatti and Thoothukudi blocks have registered more units.

**Mineral Based Industries**

The mineral-based industries include chamber bricks and cement products making units. In the year 1997-98, 51 units provide employment to 366 persons. Of the 366, 68% and 32% in chamber bricks and cement products making units respectively. In the year 1998-99, 305 persons are employed in 36 units. Out of the 305, 71% and 29% in chamber bricks and cement products making units respectively. In 1999-2000, 336 persons are employed in 55 units. Of the 336, 65% and 35% in chamber bricks and cement products making units respectively. In 2000-01, 40 units provide employment to 581 persons. Of the 581, 77% and 23% in chamber bricks and cement products respectively. In 2001-02, 349 persons are employed in 40 units. Of the 349 persons, 53% and 47% in chamber bricks and cement products respectively. During the study period, Thoothukudi and Tiruchendur blocks have registered more units.

**Engineering and Allied Industries**

The Engineering and Allied industries include Grill works, General Engineering works, Agricultural implements and Stainless steel utensils making units. In the year 1997-98, 122 units provide employment to 401 persons. Of the 401, 39% in Grill works, 28% in General Engineering works, 15% and 18% in Agricultural implements and Stainless steel utensils making units respectively. In 1998-99, 378 persons are employed
in 143 units. Of the 378, 22% in Grill works 39% in General Engineering works, 21% and 18% in Agricultural implements and Stainless steel utensils making units respectively. In 1999-2000, 357 persons are employed in 114 units. Of the 357, 43% in Grill works, 32% in General Engineering works, 13% and 12% in Agricultural implements and Stainless steel utensils making units respectively. In 2000-01, 150 units provide employment to 316 persons. Of the 316, 20% in Grill works, 58% in General Engineering works, 9% and 13% in Agricultural implements and stainless steel utensils making units respectively. In 2001-02, 362 persons are employed in 108 units. Of the 362, 29% in Grill works, 42% in General Engineering works, 19% and 16% in Agricultural implements and Stainless steel utensils making units respectively. During the study period Thoothukudi and Kovilpatti blocks have registered more units.

**Automobile Ancillary Industries**

The Automobile Ancillary industries include Automobile and Motor cycle repairing units. In the year 1997-98, 59 units provide employment to 153 persons. Of the 153, 54% and 46% Automobile and motor cycle repairing units respectively. In 1998-99, 153 persons are employed in 50 units. Of the 153, 61% and 39% in Automobile and Motor cycle repairing units respectively. In 1999-2000, 156 persons are employed in 50 units. Of the 156, 52% and 48% in Automobile and motor cycle repairing units respectively. In 2000-01, 56 units provide employment to 142 persons. Of the 142, 60% and 40% in Automobile and motor cycle repairing units respectively. In 2001-02, 158 persons are employed in 56 units. Of the 158, 70% and 30% in Automobile and motor cycle repairing units respectively. During the study period Kovilpatti and Thoothukudi blocks have registered more units.
Electrical and Electronic Appliances

The Electrical and Electronic appliances units include Radio and TV repairing, Motor rewinding and Air conditioner repairing and Electrical and Electronic goods selling units. In 1997-98, 53 units provide employment to 118 persons. Of the 118, 36% in Radio and TV repairing units, 22% in motor rewinding and Air conditioner repairing units and 42% in Electrical and Electronic goods selling units. In 1998-99, 107 persons are employed in 50 units. Of the 107, 20% in Radio and TV repairing units, 36% in Motor rewinding and Air conditioner repairing units and 44% in Electrical and Electronic goods selling units. In 1999-2000, 93 persons are employed in 50 units. Of the 93, 23% in Radio and T.V repairing units, 47% in Motor rewinding and Air conditioner repairing units and 30% in Electrical and Electronic goods selling units. In 2000-01, 30 units provide employment to 51 persons. Of the 51, 31% in Radio and T.V repairing units, 29% in motor rewinding and Air conditioner repairing units and 40% in Electrical and Electronic goods selling units. In 2001-02, 116 persons are employed in 49 units. Of the 116, 16% in Radio and TV repairing units, 22% in motor rewinding and Air conditioner repairing units, 62% in Electrical and Electronic goods selling units. During the study period Thoothukudi and Kovilpatti blocks have registered more units.

Miscellaneous Industries

The miscellaneous industries include Salt processing, Cycle repairing, Vulcanising, Coir rope, Fish processing, Colour film processing, Photo copying, Book binding, Palm fibre extraction, Tea Blending and packing, Coffee grinding, Bar ice, Gem cutting, paper envelope making units and Coconut fibre. In the year 1997 – 98, 186 units provide employment to 844 persons. Of the 844, 35% in Salt processing industries, 9.3%
in Cycle repairing and Tube Vulcansing units, 2.3% in Coir rope, 0.5% in fish processing, 7.1% in Photo copying and Book binding, 17.1% in Palm fibre extraction, 10.3% in Tea Blending and packing and coffee grinding, 2.2 in Bar ice units, 16.1% in Gem cutting and Paper envelope making units. In 1998-99, 1278 persons are employed in 221 units. Of the 1278, 45% in Salt processing industries, 7% in Cycle repairing and Tube Vulcansing, 4% in Coir rope, 9% in fish processing, 2% in Colour film processing, 7% in Photo copying and Book binding, 8% in Palm fibre extraction, 5% in Tea blending, 2% in Bar ice, 4% in Gem cutting and paper envelope making units, and 7% in Coconut fibre extraction. In 1999-2000, 956 persons are employed in 182 units. Of the 956, 45% in Salt processing, 5% in Cycle repairing and Tube vulcansing, 2% in Coir rope, 1% in Colour film processing, 14% in Photo copying and Book binding, 14% in Palm fibre extraction, 3% in Tea Blending and Packing and coffee grinding, 9% in Bar ice, 5% in Gem cutting and Paper envelope and 2% in Coconut fibre. In 2000-01, 224 units provide employment to 1276 persons. Of the 1276, 52% in Salt processing industries, 7% in Cycle repairing and Tube vulcansing, 3% in Coir rope, 2% in Fish processing units, 1% in Tea blending and packing and coffee grinding, 2% in Bar ice units, 12% in Gem cutting and paper envelope making units and 7% in Coconut fibre extraction. In 2001-02, 1551 persons are employed in 244 units. Of the 1551, 54% in Salt processing industries 12% in Cycle repairing and Tube vulcanising units, 1% in Coir rope, 3% in Fish processing, 2.5% in Colour film processing, 3% in Photo copying and Book binding, 6% in Palm fibre extraction, 2.5% in Tea blending and packing and Coffee grinding, 2% in Bar ice, 5% in Gem cutting and Paper envelope and 9% in Coconut fibre extraction. During the study period Thoothukudi and Tiruchendur have registered more units.
General Performance of Cottage Industries:

The block wise and year wise total cottage industries showed that the number of industries have increased from 500 to 1655. Srivaikuntam block stands first in terms of percentage of registered units.

The block wise and year wise total employment revealed that the number of employment had increased upto 252% for the past years. Here also Srivaikuntam block stands first in terms of percentage of providing employment. Since this area is declared as backward area the District Industries centre has concentrated to promote industries here.

The block wise and year wise total investment showed that there was significant increase in the last 5 years. Particularly Vilathikulam and Udangudi blocks have registered an increasing trend in investment.

Cottage Industries:

The cottage industries include Palm leaf activities, Tailoring, Appalam, Pickles, Honey, Rice Pori, Laundry and Black smithy. In 1997 - 98, 500 units provide employment to 806 persons. Of the 806, 50% in Palm leaf articles making units, 21% in Tailoring units, 4% in Appalam and Pickles making units, 4% in Honey processing units, 1% in Rice pori making units, 18% in laundry units and 1.6% in Blacksmithy. In 1998-99, 885 units provide employment to 1530 persons. out of the 1530, 65% are employed in palm leaf articles making units, 14% in Tailoring units, 1% in Appalam
making units, 5% pickles making units, 1% in Rice Pori making units, 12% in laundry units and 2% in Blacksmithy units. In 1999-2000, 1850 persons are employed in 915 units. Of the 1850, 76% in palm leaf articles making units, 7% in Tailoring units, 1% in Appalam making units, 10% in pickles, 4% in laundry units and 2% in Blacksmithy units. In 2000-01, 585 units provide employment to 1100 persons. Out of 1100 persons, 95% are employed in palm leaf articles making units, 2% in Tailoring units, 2% in pickles making units and 1% in laundry units. In 2001-02, 2830 persons are employed in 1655 units. Out of the 1655, 49% are employed in palm leaf articles making units, 19% in Tailoring units, 3% in Appalam making units, 22% in pickles making units, 5% in laundry making units and 2% in Blacksmithy units. During the study period Tiruchendur, Udangudi and Thoothukudi blocks have registered more units.

General performance of Handicraft units:

The block wise and year wise total Handicraft units showed that the number of units have increased from 635 to 1065. Karunkulam block stands first in terms of percentage of registered units.

The block wise and year wise total employment revealed that the number of employment has increased upto 108% for the past 5 years. Here also Srivaikundam block stands first in terms of percentage of providing employment. Since this area is declared as backward area the District Industries Centre has concentrated to promote industries here.
The block wise and year wise total investment showed that there was significant increase in the last 5 years. Karunkulam and vilathikulam blocks have registered an increasing trend in investment.

**Handicraft units**

The Handicraft units include palm leaf articles, plastic wire knitting, Jewellery, Koraimat, Broom, and stone works. In 1997-98, 565 persons are employed in 535 units out of 565 persons employed, 18% are employed in palm leaf articles making units, 30% in plastic wire knitting units, 16% in Jewellery making units, 7% in Koraimat making units, 23% in Broom making units and 6% in stone works. In 1998-99, 695 units provide employment to 705 persons. Out of the 705 persons employed, 31% are employed in palm leaf articles making units, 29% in plastic wire knitting units, 17% in Jewellery making units, 3% in Koraimat making units, 17% in Broom making units and 3% in stone works. In 1999-2000, 1295 persons are employed in 1210 units. Of them 38% are employed in palm leaf articles making units, 27% in plastic wire knitting, 18% in Jewellery making units, 12% in Koraimat making units and 5% in Broom making units. In 2000-01, 725 units provide employment to 805 persons. Out of the 805 persons employed, 27% in palm leaf articles making units, 19% in plastic wire knitting units, 19% in Jewellery making units, 10% in Koraimat making units, 22% in Broom making units, and 3% in stone works. In 2001-02, 1175 persons are employed in 1175 units. Of them 32% are employed in palm leaf articles making units, 29% in plastic wire knitting units, 20% in Jewellery making units, 14% in Koraimat making units and 5% in Broom
making units. During the study period karungulam, Kayathar, Sattankulam, Thoothukudi, Tiruchendur and Udangudi have registered more units.

Through opinion survey it is found that 76% of the respondents feel good in Entrepreneurial Development Programme (EDP) conducted by District Industries Centre.
SUGGESTIONS

It may be recalled that one of the explicit objectives of the research project was to arrive at certain recommendations and suggestions that might contribute to remedial or facilitatory actions which in turn could accelerate the development of small enterprises. It is of primary importance, then, to examine some of the general findings of the comparative study as they have emerged through survey and indicate possible suggestions and courses of action.

1. Efforts should be given for developing small scale industries for providing greater employment opportunities. The big industries instead of competing with the small one, are required to provide supporting hand to them. Special emphasis will be given for the development of ancillary industries around large and medium units.

2. Special care should be given to the development of rural industries.

3. The District Industries centre should create some model units at the block level so that the entrepreneurs may take inspiration and install their industries on the similar pattern.

4. At the present moment for all practical purposes there is one organisation for tiny, cottage and small-scale industries at the district level. It is suggested that it would
be much better if separate organisations for all the three types of industries are created at the district level and below.

5. District Industries centre should help the entrepreneurs to select the right type of industries, which does not pose any problems.

6. The DIC should impart training not only to the prospective entrepreneurs but also to the existing entrepreneurs about the latest technology.

7. The domination of the banks in giving financial assistance to small-scale industries should be reduced. To that extent, DIC should become a party in the recovery of loans.

8. Wider and effective publicity should be given regarding new schemes available in DIC and about the promotional activities like seminars, fairs and exhibitions conducted by it.

9. For effective execution of DIC schemes, Government should open block level branch officers, appoint field staff and direct them to send weekly reports to the head office.

10. Industries based on local skills should receive due emphasis and their high potential should be assessed and recognised.
11. The government should not only announce specific areas or industrial products to be promoted but should provide assistance to those who wish to participate by investment, expansion or modernisation.

12. Efforts should be made to bring together bankers and promotional officers to discuss important problems regarding entrepreneurial development like raw materials supply, providing financial facilities and development of specific industrial complexes by lead banks.

13. DIC should sanction the loan and provide credit facilities to the beneficiaries within minimum possible time.

14. Every district level officer should have minimum tour programmes, to be available in their office and solve the problems of the entrepreneurs as early as possible.

15. The assistance under PMRY scheme may be modified as Rs. 2Lakhs for loans at 5 percent interest to all entrepreneurs.

16. Special incentive is given to entrepreneurs of rural areas than the urban entrepreneurs and that too on the spot itself.
17. DIC concept will have meaning only when DIC itself has adequate powers to grant licences, loans and other assistance; or has a powerful say with regard to them.

18. Frequent transfer of DIC officials should be avoided and vacant post should be filled up immediately.

19. DIC should assist the entrepreneurs in marketing their products by arranging for industrial exhibitions in the area of their operation once in six months, instead of directly the entrepreneurs to small Industrial Development Corporation (SIDCO).

20. Periodical workshops, symposia and short term training programmes in different trades be organized to make the entrepreneur aware of the latest tools and techniques of their trade as also how to provide quality to finished goods.

21. A deep study should be conducted about the causes of sickness in industrial units.