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RESEARCH PAPER

Role of District Industrial Centres in the Industrial Development of districts

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Abstract

The era of economic planning started in India on 1st April 1951, when the first five year plan was launched. Although economic planning had been discussed and visualised for a long period of time as a powerful instrument to fight against poverty, stagnation and backwardness. On the basis of decentralization of planning the scheme of District Industrial Centers and Small Scale Industries were introduced in 1978 with this thought that the regional development of economy is needed. Rajasthan is one of the least developed states of India, therefore it is considered as a backward region in the economy. In India, District Industrial Center performs an important role in Entrepreneur development. DICs Provide complete assistance and support to entrepreneurs to start and develop the industries. This government program is yielding better results when compared with the past programmes in terms of generating self-employment. This process will cause to reduce the regional imbalance among developed and developing areas of the country. The DICs should take much more efforts to give advices and also help the entrepreneurs to start, run and develop the industries effectively.

INTRODUCTION

Industrialization is recognized as one of the development strategies all over the world. In the process of industrialization people and their abilities play a significant role and if human factor is neglected it will weaken the economic process of any country. Every country of the world has been drawn into the great role of industrialization. Some people may argue that industrial technology will destroy social and political institutions, but the benefits of industrialization are no longer to be debated. Developing economies have been confronted with a conflict between growth and employment in their attempts at industrialization, as these countries have to achieve simultaneously higher levels of employment. Thus, the

strategy and technology appropriate to develop countries are entirely different from those considered to be appropriate to the advanced countries.

In India, the earlier development planning, keeping its stress on the development of large scale industry, failed to solve the problems like balanced regional development, gainful employment to millions of the unemployed and equitable distribution of benefits of industrialization. With industrial development mostly confined to a few metropolitan cities and big towns of the benefits industrialization have hardly percolated, it has been realized that the pattern of industrialization in western countries is not applicable in this country due to the fact that India is an over-populated country with wide regional imbalances and scarcity of capital. However, the welfare objectives enshrined in the constitution imply that in the process of development, the common man's welfare is to be given top priority. The guiding principle of the socialistic pattern of society also dictates that the small scale industries should be recognized as the means to achieve equitable growth.

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Therefore, the basic or central objective of economic planning in India is to abolish poverty and to achieve highest possible standard of living for the masses. For this, the main objective is to raise the level of production, which in turn will increase the National Income. Rapid increase in production is possible by (a) improving agriculture (b) helping industrial growth (c) promoting the growth of trade, commerce and service. Rapid economic growth would also help the economy to achieve the goal of self reliance. Hence the policy of regional economic growth was introduced in 1978.

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Rajasthan is one of the least developed states of India, therefore it is considered as a backward region in the economy. Thus the main requirement is to improve the economic condition of the state.

Rajasthan started experiencing industrial development between 1950 and 1960. Large scale and small scale industries started springing up in Kota, Jaipur, Udaipur, Bhilwara and other industrial estates of Rajasthan.

Since the evolution of District Industrial Centres gave assistance to small scale industries at district level. Small scale industries can be strengthened through various ways. District Industrial centres are engaged for promotion of SSI and provides all possible help, guidance and facilities to the industries. So small scale and cottage industries can develop effectively.

To achieve the goal of providing more employment and rendering economic development in Rajasthan government has built up a network of specialized financial institutions to provide financial assistance to all type of industries including small scale industries.

Finance is the key input of production, distribution and development. It is therefore aptly described as the “life blood” of industry and is a pre-requisite for accelerating industrial development. A growing economy needs the support of financial structure which is responsive to the needs of development.

Rajasthan is divided into 7 divisions and 33 districts. The 7 divisions are :

Jaipur	Jaipur, Alwar, Jhunjhunu, Sikar&Dausa
Udaipur	Udaipur, Banswara, Chittorgarh, Pratapgarh, Dungarpur, Rajsamand
Ajmer	Ajmer, Bhilwara, Nagaur, Tonk
Jodhpur	Jodhpur, Barmer, Jaisalmer, Jalore, Pali, Sirohi
Bikaner	Bikaner, Churu, Sriganganagar, Hanumangarh
Kota	Kota, Baran, Bundi, Jhalawar
Bharatpur	Bharatpur, Dholpur, Karoli, SawaiMadhopur

Rajasthan’s economy is primarily agricultural based. The main industries are mineral based, agricultural based and textiles.

Thus it is essential to study the development of a place from time to time.

SCOPE OF THE STUDY

The proposed research work is based on the role of DIC in the industrial development of Districts. According to practice of this research work the scope of study can be divided in the following forms :-

- (1) To study the industrial development some district will be selected like - Jaipur, Ajmer, Bhilwara&Hanumangarh.
- (2) To study industrial development of Districts, the following small scale industrial units will be selected- (i) Domestic Industries; (ii) Service Industries and (iii) Textile, (iv) Gota, (v) Cotton industries.
- (3) The above industries have been chosen because they play important role in economy as per the theme of regional economic development.
- (4) The research will be focused- that the role of DIC is positive to develop the industrial structure.
- (4) To measure the impact of DIC regarding the industrial development .

OBJECTIVES OF DISTRICT INDUSTRIES CENTERS (DICS)

The following are the main objectives of DICS:

- To identify the new entrepreneurs and providing assistance to them regarding their own startup's.
- To provide financial and other facilities to smaller blocks.
- To rise the complete efforts for industrialization at district level.
- To enhance the rural industrialization and also the development of handicrafts.
- To reach economic equality in multiple areas of the district.
- To allow various government schemes to the new entrepreneurs.
- To desize the regional imbalance of development.
- To make all the necessary facilities to come under one roof.

FUNCTIONS OF DISTRICT INDUSTRIES CENTERS (DICS)

The DIC's programme is funded jointly by the concerned state and central government. It took part in various promotional measures In order to bring out the development of small unit sectors in the district level. The DIC's performs the following functions mainly:

1. To spot the entrepreneurs: DICs conducting various motivational programmes so that they can find new entrepreneurs throughout the districts. It is done particularly under some schemes and with the association of SIS's and TCO's for conducting Entrepreneurial programmes.

2. Purchase of fixed assets: To purchase fixed assets, the DICs suggest loan applications of the prospective entrepreneur to some of the concerned financial and development institutions like NSIC, SISI etc., DCI's also recommend commercial banks so that to meet the working capital requirement of SSI to run operations daily.

3. Offers subsidies and other incentives: DCIs help the rural people to subsidies offered by the government on various schemes. It leads to the betterment in boosting financial capacity of the units and may undergo for further development activities.

4. Guidance of import and export: Government provides various types of incentives for import and export on particular goods and services. The license to the importer and exporter is issued on the basis of recommendation of DIC.

5. Entrepreneurial training programmes: DCIs allow a lot of training programmes for the rural entrepreneurs who are new to the business world and also recommend other institutions to take part in such training programs. These are intended to give better assistance to the new entrepreneurs.

6. Provides employment for unemployed educated ones:

The DICs have introduced a scheme to guide the unemployed educated youth by providing them facilities for self-employment. The age limits between 18 to 35 years with minimum qualification of metric or technical trade. The notable thing here is that the technocrats and women are given importance.

ACTIVITIES OF DISTRICT INDUSTRIES CENTRE (DICs)

The DIC's performs the following activities primarily:

- Economic Investigation.

- Raw materials.
- Credit facilities.
- Plant and Machinery.
- Research, education and training.
- Marketing assistance.

SCHEMES UNDER DISTRICT INDUSTRIES CENTERS (DICS) The following are the some of the schemes under District Industries Centre (DIC):

1. Prime minister's employment generation program (PMEGP): The objective of this centrally sponsored scheme of Ministry of Micro, Small & Medium Enterprises, and Government of India being implemented since October, 2008 is to provide gainful self-employment opportunities to educated unemployed one's through industrial activities, services and business.

2. Seed money scheme: The scheme focuses to encourage an unemployed person to take up self-employment ventures through industry, service and business, by providing soft loans to meet part of the margin money to avail institutional finance.

3. Dic loan scheme: The aim of the scheme is to generate employment opportunities including self-employment to small units located in towns and rural areas with the population of less than 1 lakh and with the investment on plant & machinery below 2 Lakhs. Such identified micro units falling within the purview of the Small Scale Industries Board and Village Industries, handicrafts, handlooms, Silk & Coir Industries are covered for financial assistance in the form of margin/seed money under the Scheme.

4. Entrepreneurship development training program: The objective of training educated unemployed persons to take up self-employment ventures or skilled wage employment. Entrepreneurs are given guidance related to industry/service/business activities & skill up gradation. Entrepreneurs are also guided in respect of choice of activity, necessities of land, project report, obtaining various no objection certificates, licenses and marketing strategy.

5. District award schemes: To encourage entrepreneurs in establishing small scale enterprises and also to extols them for their success and achievements, the State Government has started honoring such entrepreneurs with District Award Scheme at the district level. Proprietors / Partner's / Directors of enterprises who have obtained EM registration with the concerned District Industries Centre at least three years earlier and in production for two

continuous years are eligible for the award. These awards are given to them under the scheme of this District Award scheme.

6. PMRY Scheme: PMRY(Prime Minister RozgarYojana) scheme was introduced on the auspicious day of 2nd October, 1993, the birth Anniversary of Mahatma Gandhi all over the country .The main objective of the PMRY scheme was to provide easy subsidized financial assistance to educated unemployed youth for starting their own businesses in the fields like manufacturing, business & service and trade sectors. Firstly the scheme was aimed at providing self-employment to one million educated unemployed youth in the country by making up 7 lakh micro enterprises through inducting service and business ventures within 2 ½ years . The scheme was successfully captured the imagination of the youth. Overwhelmed with the response and ever-increasing need, the Government has confirmed to make it as a permanent scheme and framed modalities & guidelines for its successful implementation and to fulfill the purpose for which it is designed.

ROLE OF DIC FOR THE PROMOTION OF SMALL SCALE INDUSTRIES

- DIC gives the information about marketing and its assistance on participating trade fairs/buyers-sellers meet and so on.
- Guidance regarding Import and Exports of specific goods and services.
- DIC provides the information on sources of machinery and equipment.
- Promotes new industrial growth centers, electronic industries etc.,
- Conducts multiple training programs to encourage the entrepreneurs.
- Gives assistance to entrepreneurs under State Incentives scheme and funding assistance through self-employment schemes.
- It allots raw materials to the concerned industries at district level.
- Improves the managerial capacity by organizing various seminars, workshops etc.
- It clears the problems related to SSI Registration/Bank loan/Marketing of production etc.
- Single window assistance through SIDA and District Industries Centers.
- Products standardization

- Promotion of products under Non-conventional Energy Sources.
- Design and product development for handicrafts.
- Different schemes of DIC will help the industrial development.
- To train various entrepreneurs in such a way so that their units become more viable.
- To provide latest information about business trends, challenges and opportunities.
- To increase employment opportunities in Small Scale Industries.

Conclusion

In India, District Industrial Center performs an important role in Entrepreneur development. DICs Provide complete assistance and support to entrepreneurs to start and develop the industries. This government program is yielding better results when compared with the past programmes in terms of generating self-employment. This process will cause to reduce the regional imbalance among developed and developing areas of the country. The DICs should take much more efforts to give advices and also help the entrepreneurs to start, run and develop the industries effectively.

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