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## CONTRIBUTION OF SSI'S IN THE DEVELOPMENT OF VIDARBHA REGION

#### **Rohan Trivedi**

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#### **ABSTRACT**

he Vidarbha region is located in the eastern part of Maharashtra, all over the country it is traditionally known for its oranges. Located in the center of India, the region is also known for its highly fertile black alluvial soil, cotton crops, etc and now aims at transforming it into a center of



industry and business. Vidarbha is made up of Nagpur and Amaravati divisions which comprise of 11 districts namely, Buldhana, Akola, Washim, Amravati, Yavatmal, Wardha, Nagpur, Bhandara, Gondia, Chandrapur and Gadchiroli. Nagpur is the largest district in terms of population and contribution by SSI's in the region. Followed by Amravati

and Chandrapur.

**KEYWORDS**: industry and business, economic development.

#### **INTRODUCTION:**

Vidarbha's embryonic strength becomes distinct when one travels through the region of vast land mass, it occupies 31.6 percent of land in the State of Maharashtra. The vidarbha region is known for its richness in terms of mineral and forest wealth and is complimented by its pivotal location, the region gets uninterrupted power supply as the major power stations are located in vidarbhaand budding infrastructural facilities. The Government of Maharashtra is taking multiple steps to aware the premium investment making business houses about the strengths and facilitates available in the region for a host of industries forthe transformation of the region as an Industrial estate. The Government of Maharashtra has taken the region's economic development as a top priority. The State Government propelled major infrastructure projects, like the Multi Modal International Cargo Hub (MIHAN) and

The Five Star Industrial estate in the Butibori Area, are at theprogressive stage of completion. In addition to the above the policy makers have recent initiatives in the form of the New Textile Policy and State's New Industrial Policy which have been aimed at providing a further thrust to industrial investments in the region. Furthermore, the State Government is also joining hands with key stakeholders like the State level authorities such as MIDC, Urban Local Bodies (ULBs) and industry associations such as VIA and FICCI to ensure holistic and inclusive development of the region. The initial steps are taken in the right direction and Vidarbha stands on the verge of industrial and economic development.

The major reasons for the progress and development of SSI's in the region is the Availability of the basic amenities like land and water for industrial usage, Government support, Adequate power generation capacity for all the industries and commercial activities, Educational and Institutional base which becomes favorable for the children of the workers employed in the industry, the region has enormous amount of natural resources which is yet to be tapped.

The government is improving the road, rail and air connectivity and is developing social infrastructure to further support in industrialization and transportation of goods produced. The Cargo hub is another place which is developed with the intension of business at Nagpur. This data would suggest about the contribution that has been made by the SSI's in the vidarbha region and the growth and development being made in the various sections of the society. It would help to know about the employment opportunities available in the region and the growth in the per capita income of the people residing in the rural areas of the vidarbha region.

#### **RESEARCH METHODOLOGY**

In present study questionnaire, interview, visits and discussion methods were adopted for collecting data. The data was collected from Small Scale and Cottage industries operational in the study area i.e. Vidarbha region.

#### STUDY AREA DESCRIPTION

Vidarbha is the eastern region of Maharashtra state made up of Nagpur Division and Amravati Division. It occupies 31.6% of total area and holds 21.3% of total population of Maharashtra. In the present study, the eleven districts namely Nagpur, Wardha, Gondia, Bhandara, Chandrapur, Gadchiroli, Amravati, Akola, Yavatmal, Washim, Buldana, which comprise Vidarbha region were selected as the study area.

#### UNIVERSE OF THE STUDY AND RESEARCH DESIGN

All the SSI and cottage industries operational in the study area formed the universe of the study. In the present study, a combination of descriptive and exploratory research design was used.

#### Sample Size

Based on the data of SSI and cottage industry units operational in the study are, a 5% of the same was considered as an appropriate sample size. In view of this a sample size of 482 SSI and cottage industries were for the purpose of data collection. The data was collected from all the Districts of Vidarbha region.

#### **Data collection**

The primary data collection in view of the objectives of the study involved preparation of

research instrument (interview schedule). The process of developing the research instrument for this study was based on generally accepted principles of instrument design, and was carried out according to the standard methodology. The primary data was collected by using survey method.

#### **Reliability and Validity Estimation**

Reliability of the instrument was assessed using the test-retest method, which allowed determining the repeatability of the instrument. For this purpose, a pilot study was conducted. Three different types of validity such as content validity, construct validity and criterion related validity were considered in this study.

#### **Statistical Analysis of Data**

The data generated during the study was processed using various statistical tests with the aid of SPSS 18.0 statistical software. The data characteristics (descriptive statistics), frequency, percentage, etc. were determined. The comparative assessment was done using suitable graphs. The significance level was chosen to be 0.05.

## RESULTS AND DISCUSSION Total Experience of Respondents

Table 1: Distribution of respondents in Vidarbha area with respect to their experience

Total Experience	Respondents	Percent
Less than 5 yrs	48	10.0
5 to 10 yrs.	72	14.9
10 to 20 yrs.	274	56.8
20 to 30 yrs.	56	11.6
More than 30 yrs.	32	6.6
Total	482	100.0

Above Table 1 presents data pertaining the work experience of respondents selected from the study area i.e. Vidarbha region. It is observed from the data that majority of respondents working in the Small Scale industries in the Vidarbha region have the working experience of 10 -20 years (56.8%).

#### The SSIs contribute a lot to the progress of the Vidarbha region

Table 2: Importance of the contribution of the small scale industries in Vidarbha region

	Respondents	Percent
Disagree	80	16.6
Can't Say	56	11.6
Agree	346	71.8
Total	482	100

Above Table no. 4.3 presents information about Vidarbha's small scale industries contribution in the progress of the Indian Economy. It is observed from the data that majority of respondents (71.8%) working in the Small scale industries in the Vidarbha region agreed to the contribution of SSI in the progress of Indian economy. However, (11.6%) respondents were not sure and (16.6%) disagreed to the above statement.

Hence, on the basis of the study results, it is concluded that the majority of the respondents working in the small scale industries in the study region agreed to the contribution made by the Vidarbha's SSI in the progress of Indian Economy.

SSIs can set up everywhere with limited capital and other resources that are available locally.

Table No. 3: Information about the SSIs can set up everywhere with limited capital and other resources that are available locally.

	Respondents	Percent
D.	362	75.1
Disagree		
	84	17.4
Can't Say		
	36	7.5
Agree		
Total	482	100

Above Table no. 4.11presents information about the SSIs can set up everywhere with limited capital and other resources that are available locally. It is observed from the data that majority of respondents (75.1%) working in the small scale industries in the Vidarbha region disagreed that the SSIs can be set up everywhere with limited capital and other resources that are available locally. However, (17.4%) respondents were not sure about and (7.5%) respondents agreed that the SSIs can set up everywhere with limited capital and other resources that are available locally.

Hence, on the basis of the study results, it is concluded that the majority of the respondents working in the small scale industries in the Vidarbha region disagreed that the SSIs can set up everywhere with limited capital and other resources that are available locally.

Sizeable amount to the industrial output of the Vidarbha Region is contributed by the SSIs.

Table No. 4: The SSIs also contribute a sizeable amount to the industrial output of the Vidarbha Region

	Respondents	Percent
	101	21.0
Disagree		
	72	14.9
Can't Say		
	309	64.1
Agree		
Total	482	100

Above Table no. 4.14 presents information about the SSIs sizeable contribution to the industrial

output of the Vidarbha Region. It is observed from the data that majority of respondents (64.1%) working in the small scale industries in the Vidarbha region agreed that the SSIs contribute a sizeable amount to the industrial output of the Vidarbha Region. However, (21.0%) respondents disagreed and (14.9%) respondents were not sure about SSIs sizeable contribution to the industrial output of the Vidarbha Region.

Hence, on the basis of the study results, it is concluded that the majority of the respondents working in the small scale industries in the Vidarbha region agreed to the SSIs sizeable contribution to the industrial output of the Vidarbha Region.

Majority of the supplies of industrial consumer goods originate in the SSIs.

Table No. 5: Out of the total supplies of industrial consumer goods a major part originates in the small-scale sector

	Respondents	Percent
	84	17.4
Disagree		
	56	11.6
Can't Say		
	342	71.0
Agree		
Total	482	100

Above Table no. 4.16 presents information about the total supplies of industrial consumer goods a major part originates in the small-scale sector. It is observed from the data that majority of respondents (71.0%) working in the small scale industries in the Vidarbha region agreed that out of the total supplies of industrial consumer goods a major part originates in the small-scale sector However, (17.4%) respondents disagreed and (11.6%) respondents were not sure about the supplies of industrial consumer goods the major part originated in the small-scale sector.

Hence, on the basis of the study results, it is concluded that the majority of the respondents working in the small scale industries in the Vidarbha region agreed that the total supplies of industrial consumer goods the major part originated in the small-scale sector.

Small Scale industries products exported to the foreign countries.

Table No. 6: Many products of the SSIs like handloom cotton fabrics, silk fabrics, handicrafts, carpets, jewelry, etc. are exported to foreign countries

	Respondents	Percent
	32	6.6
Disagree		
	113	23.4
Can't Say		
	337	70.0
Agree		
Total	482	100

Above Table no. 4.17presents information about the small scale industries products like the handloom cotton fabrics, silk fabrics, handicrafts, carpets, jewelry, etc. exported to the foreign

countries. It is observed from the data that majority of respondents (70.0%) working in the small scale industries in the Vidarbha region agreed that the SSIsproducts like the handloom cotton fabrics, silk fabrics, handicrafts, carpets, jewelry, etc. are exported to the foreign countries. However, (23.4%) respondents were not sure and (6.6%) respondents disagreed that the smallscale industries products like the handloom cotton fabrics, silk fabrics, handicrafts, carpets; jewelry, etc. are exported to the foreign countries.

Hence, on the basis of the study results, it is concluded that the majority of the respondents working in the small scale industries in the Vidarbha region agreed that the smallscale industries products like the handloom cotton fabrics, silk fabrics, handicrafts, carpets; jewelry, etc. are exported to the foreign countries.

#### SSIs use locally available resources

Table No. 7: The SSIs used resources which are available locally which would otherwise have remained unused.

	Respondents	Percent
	233	48.3
Disagree		
	116	24.1
Can't Say		
•	133	27.6
Agree		
Total	482	100.0

Above Table no. 4.19 presents information about the SSIs usage of resources which are locally available which would otherwise have remained unused. It is observed from the data that majority of respondents (48.3%) working in the small scale industries in the Vidarbha region disagreed that the SSIs used resources which were available locally which would otherwise have remained unused. However, (27.6%) respondents agreed and (24.1%) respondents were not sure about SSIs usage of resources which are locally available which would otherwise have remained unused.

Hence, on the basis of the study results, it is concluded that the majority of the respondents working in the small scale industries in the Vidarbha region disagreed that the SSIs used resources which were available locally which would otherwise have remained unused.

#### Upgradation of the people's life

Table No. 8: The SSI's are upgrading the lives of the people of Vidarbha

	Respondents	Percent
Disagree	88	18.3
Can't Say	121	25.1
Agree	273	56.6
Total	482	100

Above Table no. 4.28 presents information about the up gradation of the people's lifeby the SSI in Vidarbha. It is observed from the data that majority of respondents (56.6%) working in the small scale industries in the Vidarbha region agreed that SSI's are upgrading the lives of the people of Vidarbha. However, (18.3%) respondents disagreed and (25.1%) respondents were not sure about the up gradation of the people's lifeby the SSI in Vidarbha.

Hence, on the basis of the study results, it is concluded that the majority of the respondents working in the small scale industries agreed that the SSI's are upgrading the lives of the people of Vidarbha

SSIs are labour intensive and can be set up anywhere with small resources.

Table No. 9: SSIs are highly labor-intensive, and Small scale industries can be set up anywhere in the Vidarbha Region with small resources.

	Respondents	Percent
Disagree	76	15.8
Can't Say	137	28.4
Agree	269	55.8
Total	482	100

Above Table no. 4.32 presents information that SSIs are labour intensive and can be set up anywhere with small resources. It is observed from the data that majority of respondents (55.8%) working in the small scale industries in the Vidarbha region agreed that the SSIs are highly laborintensive, and Small scale industries can be set up anywhere in the Vidarbha Region with small resources. However, (15.8%) respondents disagreed and (28.4%) respondents were not sure about SSIs being labour intensive and can be set up anywhere with small resources.

Hence, on the basis of the study results, it is concluded that the majority of the respondents working in the small scale industries agreed that the SSIs are labour intensive and can be set up anywhere with small resources.

The hoarded wealth SSIs put into circulation savings which propel investments in the economy of Vidarbha.

Table No. 10: SSIs put into circulation savings which propel investments in the economy of Vidarbha by the use of the hoarded wealth.

	Respondents	Percent
Disagree	60	12.4
Can't Say	105	21.8
Agree	317	65.8
Total	482	100

Above Table no. 4.22presents information about SSIs putting into circulation savings which propel investments in the economy of Vidarbha by the use of the hoarded wealth. It is observed from the data that majority of respondents (65.8%) working in the small scale industries in the Vidarbha region agreed that using the hoarded wealth SSIs put into circulation savings which propel investments in the economy of Vidarbha. However, (12.4%) respondents disagreed and (21.8%) respondents were not sure about the SSIs putting into circulation savings which propel investments in the economy of Vidarbha by the use of the hoarded wealth.

Hence, on the basis of the study results, it is concluded that the majority of the respondents working in the small scale industries in the Vidarbha region agreed that the SSIs put into circulation savings which propel investments in the economy of Vidarbha by the use of the hoarded wealth.

#### **CONCLUSIONS**

On the basis of the literature and communication with the SSI's personnel, one can say that small scale Industries are playing a very crucial role in developing and fostering the region of Vidarbha. It is also very well known that the SSI's act as the back bone of the large scale industries. It even provides employment to the rural population of India, these industries provide employment to both the skilled and unskilled. Apart from all other considerations, these industries have raised the standard of living of people residing in the vidarbha region. In view of the study results, the specific conclusions drawn from the data are as follows:

- Moreover, it was observed that the SSIs has made a remarkable contribution in the enrichment and progress of the Vidarbha region and the Indian Economy at large.
- The data suggest that the SSI's have done sizeable contribution in industrial output in the Vidarbha region which is adding to the Indian economic growth by increased export vis-à-vis increase in foreign exchange. The products like the handloom cotton fabrics, silk fabrics, handicrafts, carpets; jewelry, etc. are exported to the foreign countries.
- Also, it appears to be reasonable to accept that hoarded wealth, family-labour, artisan's skills, native entrepreneurship, etc. are the true resources of SSIs.
- The data also indicates that the SSIs has increased the per capita income of the people residing in the rural area of the vidarbha region. It also has helped in reducing poverty from the Vidarbha region.
- Moreover, it was observed that the small scale industries are labour intensive and can be set up anywhere with small resources. This makes it a more blooming area of work. And provides a vision to the young entrants.

Hence, Rural Co-operatives, Rural Banks and Industry Development Banks should be established and stabilized by the Government for advancing short-term loans on nominal interest. Lastly, it is also necessary that adequate marketing facilities be arranged for them, as sale of goods has now-a-days become as complicated an affair as production itself, especially due to online marketing as well as sales.

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