

**Aurangabad Industrial Vision 2020 and Economic Development**

Dr.W.K.Sarwade

(Former Head, Dept. of Commerce & Management Science, Dr. Babasaheb Ambedkar Marathawada University, Aurangabad, Maharashtra, India)

Mr.Sandeep Gaikwad

(Dept. of Commerce, Shri Muktanand College Gangapur, Dist.Aurangabad, Maharashtra, India)

**Introduction:**

Every country needs a vision statement which stirs the imagination it motivates to all segments of society to greater effort. It is an essential step in building a political consensus on a broad national development strategy, which encompasses, inter-alia, the roles and responsibilities of different agents in the economy, such as Central, State and local government, the private corporate sector, the small and tiny sector, people's organizations etc. It must identify the potential risks and bottlenecks and their possible solutions in order to mobilize efforts in a focused manner. It is clear, that there is need of vision.

'A vision is not a project report or a plan target. It is an articulation of the desired end results in broader terms.' -A. P. J. Abdul Kalam

The vision statement of India 2020 may not fulfill for our satisfaction, but it can serve as a useful starting point and foundation for contemplating future possibilities and our destiny as a nation. It can serve to indicate the broad lines of policy and strategy by which India can emerge as a far stronger, more prosperous and more equitable nation in the coming years.

The most pressing need of development countries (like India) is rapid industrialisation. It is an effort in which the developing countries place a major hope to finding a solution of their problem of poverty in security and over population and ending their newly realized backwardness. Economists like Colin Clark have pointed out that economic growth is positively correlated with the proportion of working population engaged in the secondary and tertiary sector and low per capital income is associated with high proportion of population engaged in the agriculture sector. Economic growth, therefore entails the movement of resources from low productive sector agriculture to a high productivity sector industry.

**Relationship between industrialization and economic development**

The relationship between industrialization and economic development has also been described by Gunnar Myrdal. The manufacturing industry represents in the sense a higher stage of production in advanced countries. The development of manufacturing industry has been spectacular economic progress and rise in the level of living, not least in the under developed countries the productivity in industry tends to be considerably greater than in the traditional agriculture pursuits. Apart from this, there has been common agreement upon the specific objectives of the policies of industrialization in most of the developing economics. Alan B. Mount Joy in this regard says, the three costumer objective of industrialization policies are to provide work for growing population to rise standard of living by the increasing the per capita net national income and often to improve balance of payment situation.

**Aurangabad industrial vision**

“To develop a district as a world class industrial hub by Developing globally competitive and quality product Through MSME and employment opportunities may be Provided through enhancing the quality and industrial Product at par with world standards & thereby contribute through to the social, economical and professional growth & Overall industrial development of the district Aurangabad.” 1

### **Aurangabad at a glance**

Aurangabad city was founded in 1604, on the site of a village, Khirki by Malik Amber, the Prime Minister of Nizam Shahi of Ahmednagar. When Fateh Khan, Malik Ambar's son turned successor in 1626, he gave the city the name “Fatehapur”. Later in 1653, when Prince Aurangabad became Viceroy of Deccan, he made the city his capital and called it as Aurangabad.

Aurangabad is the fastest growing industrial city in Asia with 3405 industrial units. The industries are spread over different parts at the industrial area i.e. Waluj, Chikalthana, Chitegaon, Railway station, MIDC, Shendra five star industrial area, Bhalgaion and Naregaon industrial area with near the Paithan and Jalna industrial areas. The big industrial projects are at the map of the companies and by exporting and importing different product and services. The big industries like Bajaj Auto, Skoda Auto, Siemens, Maruti Tyers, Colgate-Palmolive, Garware Polyester and Small grind master machine project which is exporting their small machines to 36 foreign countries in international market.

Aurangabad is full and neath with paithani saree, Ajanta and Ellora caves, Khutabad Aurangabad tomb and Bibi ka Makbara (Tajmahal) which is added beauty in Aurangabad. Aurangabad is industrially located and connected with broad gage railway and international airport also. So due to the high industrialization near about 35,000 regular and 65,000 daily wages manpower which is fully engaged in skill and unskilled working places in the industries.

### **Objective of the study**

- 1) To know the performance of Aurangabad industrial area.
- 2) To analyze the future scope of Aurangabad industrial area and assume employment generation.
- 3) To evaluate and assume Aurangabad industrial vision - 2020

### **Research methodology and limitations of the study**

The paper evaluates present condition and assumes what will be the future condition so there is place for researcher emotions and ideas. There will be chances to make mistake to describe the future condition. For the effectiveness of paper, researcher tried to use limit of words, time and relevant information so it was not possible to evaluate all the facts and figure.

The period of the study is five years i.e. 2006-10 the scope of the paper is only for Aurangabad industrial area and hence researcher selected total Aurangabad industrial area as a module.

### **Data collection and analysis**

The data is so collected from the various issues of annual credit plan of lead bank Aurangabad, Maharashtra industrial annual reports, magazines and other related publication. The future industrial or vision based data is collected from district industries center Aurangabad and Maharashtra.

**Table No. 1.1**

**DETAILS OF MSME AND LARGE ENTERPRISES AT A GLANCE**

Type	Indicator	Aurangabad	Maharashtra
MSME	No.	3405	151495
	Employment	36871	1188181
	Investment(Lac.)	40486	N.A.
Large Enterprise	No.	525(195)	6627
	Employment	80500	836265
	Investment(Cr.)	7384	147443

Source: Database of District industries center

Table 1.1 represents the total number of small, medium and large enterprises in Aurangabad industrial area and Maharashtra respectively. Where MSME are 3405 in Aurangabad and 1,51,495 in Maharashtra state. The total investment in Aurangabad industrial area is Rs.40486 lakh. In the era of large enterprises in Aurangabad there are 525 large enterprises and 6627 in the state of Maharashtra respectively.

**Table No. 1. 2**

**MSME UNITS REGISTERED DURING LAST TEN YEARS IN AURANGABAD INDUSTRIAL AREA**

Year	No. of units Registered.	NO. Of Employment Generated.	Investment made Rs. In lakhs.
2000-01	1615	14393	16093
2001-02	1793	16144	18315
2002-03	1938	17594	19441
2003-04	2109	19175	21475
2004-05	2284	19355	23958
2005-06	2504	21349	25936
2006-07	2785	23814	28604
2007-08	3054	25784	30619
2008-09	3233	35221	36311
2009-10	3405	36871	40486

Source: database of district industries center, Aurangabad.

Table no. 1.2 shows, the MSME registered units during last ten years in Aurangabad. In the year 2000-01 there were 1615 MSME units registered, after five years 2284 units were registered in year 2004-05, it means 669 units registered in last five years. In the year 2010, 3405 units were registered. In the last five years 901 units were registered it means that the growth of industrial units is high as compare to 2005. It is good sign for the development of industrial units for the Aurangabad region for the employment generation also.

**Table No. 1.3**

**LARGE ENTERPRISES IN AURANGABAD INDUSTRIAL AREA**

<b>Year</b>	<b>No. of units Registered.</b>	<b>NO. Of Employment Generated.</b>	<b>Investment made Rs. In lakhs.</b>
2000-01	123	50645	4645.46
2001-02	131	58460	4975.23
2002-03	143	59085	5419.71
2003-04	150	62055	5692.13
2004-05	164	67526	6193.02
2005-06	170	69871	6409.02
2006-07	172	70652	6480.71
2007-08	179	73779	6767.47
2008-09	191	78624	7211.94
2009-10	195	80500	7384.00

Source: database of Directorate of Industries regarding Mega Projects, SEZs  
Table no. 1.3 shows the condition of last ten years regarding the small, medium and large scale industries. It clearly pointing out that large scale industry is very low as compare to MSME in the year 2001, registered MSME were 1615 where as large enterprises are only 123. In the year 2010 the MSME are 3405 and only 195 are the large enterprises. It shows that the rate of employment generation is very high as compare to MSME.

**Table No. 1.4**  
**MAJOR PRODUCTWISE SMALL ENTERPRISES IN AURANGABAD INDUSTRIAL AREA**

<b>Year</b>	<b>Engineering</b>	<b>Rubber &amp; Plastic</b>	<b>Printing Offset</b>	<b>Paper Product</b>	<b>Food Products</b>
2000-01	938	270	131	119	34
2001-02	965	276	138	126	41
2002-03	1003	285	147	131	51
2003-04	1022	303	153	136	57
2004-05	1041	338	163	142	66
2005-06	1053	347	168	148	74
2006-07	1071	352	171	150	77
2007-08	1132	367	176	154	86
2008-09	1240	384	182	160	103
2009-10	1275	397	188	179	108

Source: district industries center, Aurangabad

Table no. 1.4 shows the details of small enterprises in Aurangabad industrial area. Where engineering industries number is high as compare to others. Food based product enterprises number is low.

In the year 2000-01 there were 938 engineering, 34 food products respectively. After ten years situation tremendous change in 1275 units were registered. It is clear that from table no.1.4 engineering units are getting good scope in Aurangabad as compare to other but there is need to growth in other sectors also.

**Table No. 1.5**  
**MAJOR PRODUCTWISE SMALL ENTERPRISES IN AURANGABAD**  
**INDUSTRIAL AREA**

Year	Engineering	Rubber & Plastic	Printing Offset	Paper Product	Food Products
2000-01	28	6	28	8	23
2001-02	29	6	30	8	25
2002-03	32	6	33	10	25
2003-04	34	7	35	11	27
2004-05	37	7	36	11	27
2005-06	39	8	38	13	29
2006-07	42	8	41	13	31
2007-08	44	10	43	15	33
2008-09	45	10	43	16	35
2009-10	48	11	46	17	36

Source: DIC official record

Table no. 1.5 shows the product wise industries numbers regarding to the MSME and large enterprises. If we observed table no.1.5 it is clear that there is wide range of engineering enterprises, and the limited food based enterprises. In Table 1.4 shows the same condition but the lower industry is rubber and plastic produce industry, there is scope for the growth.

**Table No. 1.6**  
**PROJECTED INDUSTRIES UP TO 2020 YEAR WISE GROWTH**  
**OF MSME**  
**REGISTRATION**

Year	No. of units Registered.	NO. Of Employment Generated.	Investment made Rs. In lakhs.
2010-11	3650	39000	44000
2011-12	4000	43000	49000
2012-13	4400	47000	55000
2013-14	4900	52000	61000
2014-15	5500	58000	68000
2015-16	6000	65000	77000
2016-17	6600	72000	85000
2017-18	7300	79000	92000
2018-19	8100	87000	98000
2019-20	9000	95000	105000

Source: Directorate of industries vision -2020 document

Table no. 6 shows the details of industrial vision 2020, in the year 2020, 9000 MSME will expect to register. And 95000 employments will be generated in the same year.

**Table NO. 1.7**

### YEAR WISE GROWTH OF LARGE ENTERPRISES UP TO 2020

Year	No. of units Registered.	NO. Of Employment Generated.	Investment made Rs. In lakhs.
2010-11	195	80500	8185
2011-12	208	92000	8975
2012-13	220	104000	9693
2013-14	236	116000	10440
2014-15	252	130000	11488
2015-16	270	145000	12565
2016-17	290	157000	13642
2017-18	310	172000	15437
2018-19	330	182000	16514
2019-20	343	145000	17950

Source: Directorate of industries vision -2020 document

From last ten years very few large enterprise units were registered (table no.3) taking into account that situation the target of 2020 is limited and DIC will tries to achieve the same and more. Large enterprises are beneficial for any country or district but there are so many problems like financial and others. This study is limited it was not possible to the researcher to investigate all the facts and problems, both the tables are prepared (table no.6&7) taking into account of all the possible calamities and changes in the future, there is need of proper planning and support to all the department and co-ordination between them to achieve the same.

Following are the major points that may helpful to achieve the target, with the help of SWOT analysis.

#### SWOT ANALYSIS

##### S- STRENGTH:

1. Historical background of the District useful for Foreign Investor.
2. Tremendous scope for ancillarisation of industries Especially in Engineering Units.
3. Middle in India.
4. Well communication system available.
5. Well Transportation Connectivity available i.e. Road, Rail & air, with all over the nation.
6. A strong young first Generation Entrepreneurs in Aurangabad.
7. Skilled & unskilled man power Available at very Low cost.
8. Good dealer network & logistic facility is Available.
9. Educational Intuition like ITI/Engg. College/IGTR/ CIPET/ MCED to facilitate & good support To industries.
10. Due to major financial institute running in Aurangabad, finance is made easily available to the Industries.

##### W-WEAKNESS

1. Poor Entrepreneurship Development.
2. Poor Water Supply System.
3. Improper maintenance of available Infrastructure
4. Lack of coordination with different Govt. Depts.
5. Inadequate Working Capital from F.I. & higher rate of interest.
6. R & D / Technology up gradation Facilities are not available.

7. Low level of Business exports
8. Lack of Vision
9. Awareness Camps/seminars are not organized so frequently.
10. High level of skilled man power is not available.

### **O-OPPORTUNITIES**

MIDC has plan to develop Additional MIDC's in the region which creates good opportunities for industries. Cluster development programmed of Central Govt. boost for creation of jobs / there is also skilled & unskilled man power.

Expansion project of CIPET is playing vital role for plastics mfg in the region.

DMIC Project develops the Region.

There is so much Scope for tourism due to Historical background.

Due to State Govt. Mega Project policy Major Investment & Job creation will be created and there will be Wide Scope for retail sector.

### **T-THREATS:**

1. Shortage of Power.
2. Labour policy to be reviewed.
3. Pollution (17th rank district)
4. Non availability of Agriculture Labour
5. Dependency on large scale Industries for ancillary Industries.
6. High costing of Industrial land.
7. Labour union problems.

### **Concluding Remark**

Aurangabad is a dynamic city and future it will be very progressive place it resulted any businessman will be attract easily and will be great chances to FDI. So for that point of view and present vision there is need to upliftment in many sectors such as Establishing, Improving Technical Training Institutes, ITIs, and Entrepreneurship Development Centers. Transparent Policies. Supporting Infrastructure Development like Road, Electricity, Disposal of Solid Waste, Sanitation etc. There is also need to make development in transport facilities like Depot for Trucks Road side amenities for Truck Drivers like improved Lodges, Toilets, Food Plazas etc. Following development will also be very helpful as a Cluster Development to achieve a vision 2020

- Skills Development
- Technology Up gradation
- Marketing Support
- Setting up of Common Facilities
- Research & Development

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