



## **Role of District Industries Centre in the Economic Development of Auraiya District**

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### **Abstract**

In a developing country like India, industrialization is considered an important instrument for economic development. To promote industrial growth in rural and semi-urban areas, the Government of India introduced the **District Industries Centre (DIC) Scheme** in 1978. The primary objectives of these centres are to encourage entrepreneurship, generate self-employment opportunities, and promote micro and small-scale industries at the local level.

The present research paper examines the role of the District Industries Centre in the economic development of **Auraiya District**. The study analyzes the contribution of DIC in terms of employment generation, entrepreneurship development, industrial growth, and implementation of various self-employment schemes. The study is based on secondary data collected from Census 2011 reports, district statistical handbooks, government publications, and related literature.

The findings indicate that the District Industries Centre played a significant role in promoting entrepreneurship, supporting small-scale industries, and generating employment opportunities in Auraiya district. However, challenges such as inadequate financial resources, lack of technical expertise, and marketing constraints limited its overall effectiveness.

**Keywords:** District Industries Centre, Economic Development, Auraiya, Entrepreneurship Development, Small-Scale Industries, Self-Employment.



## 1. Introduction

Industrial development is considered a key driver of economic growth in developing economies. It contributes to employment generation, income enhancement, poverty reduction, and improvement in living standards. Since a large proportion of India's population resides in rural areas, the development of micro, small, and cottage industries has become essential for balanced regional growth.

The **District Industries Centre (DIC)** scheme was established to provide all industrial support services under one roof at the district level. It assists entrepreneurs by offering technical guidance, financial assistance, project preparation support, and entrepreneurship training.

Auraiya district, located in the state of Uttar Pradesh, has an economy predominantly based on agriculture. However, industrial activities, particularly micro and small enterprises, have increasingly contributed to the district's economic development. Therefore, examining the role of the District Industries Centre in Auraiya's economic development is of considerable academic and policy significance.

## 2. Objectives of the Study

The major objectives of this study are:

1. To examine the economic status of Auraiya district in 2011.
2. To analyze the functioning of the District Industries Centre in Auraiya.
3. To assess the contribution of DIC towards the economic development of the district.
4. To evaluate the role of DIC in employment generation.
5. To identify the major challenges faced in industrial development.
6. To provide suggestions for improving the effectiveness of the District Industries Centre.

## 3. Research Methodology

The present study is **descriptive and analytical** in nature.

### Sources of Data

#### Primary Sources

- Records of District Industries Centre, Auraiya
- Information obtained from industrial department officials

#### Secondary Sources

- Census of India 2011

- District Statistical Handbook, Auraiya
- Uttar Pradesh Economic Survey
- Reports published by the Ministry of MSME
- Relevant books, journals, and research papers

#### 4. Profile of Auraiya District

Auraiya district was established on **17 September 1997** and forms part of the Kanpur Division of Uttar Pradesh.

**Table 1: Demographic Profile of Auraiya District (2011)**

Indicators	Statistics
Total Population	1,379,545
Male Population	740,040
Female Population	639,505
Literacy Rate	78.95%
Sex Ratio	864 females per 1000 males
Rural Population	83%
Urban Population	17%

The demographic characteristics indicate that Auraiya is predominantly rural, emphasizing the importance of rural industrialization and self-employment initiatives.

#### 5. Economic Structure of Auraiya District

The economy of Auraiya district is largely dependent on agriculture.

##### Major Agricultural Products

- Wheat
- Paddy (Rice)
- Gram (Chickpea)
- Mustard
- Pigeon Pea (Arhar)
- Potato

Agriculture serves as the primary source of livelihood for a significant portion of the district's population.



## Major Industries in Auraiya

- Dal (Pulse) Mills
- Flour Mills
- Furniture Manufacturing Units
- Dairy Industries
- Brick Manufacturing Units
- Micro and Cottage Industries

The growth of these industries has contributed to diversification of the district economy.

## 6. Concept of District Industries Centre (DIC)

The concept of the **District Industries Centre (DIC)** was introduced by the Government of India in **1978** with the objective of promoting industrial development at the district level. The DIC was established as a **single-window agency** to provide all necessary support and services to entrepreneurs, particularly those interested in setting up **micro, small, and cottage industries** in rural and semi-urban areas.

The main aim of the DIC is to encourage **self-employment**, generate **employment opportunities**, and facilitate **balanced regional development** by utilizing local resources and skills. It assists prospective entrepreneurs in project identification, preparation of project reports, obtaining financial assistance from banks and financial institutions, registration of industrial units, entrepreneurship development training, and providing information about government incentives and subsidy schemes.

The DIC acts as a bridge between government agencies, financial institutions, and entrepreneurs. By promoting small-scale industries and supporting new enterprises, it contributes significantly to industrialization, poverty reduction, and economic development at the grassroots level. Thus, the District Industries Centre serves as an important institutional mechanism for fostering entrepreneurship and accelerating district-level economic growth in India.

## Objectives of DIC

1. Promotion of small-scale industries.
2. Development of entrepreneurship.
3. Creation of self-employment opportunities.
4. Facilitation of financial assistance.
5. Provision of technical guidance and support.



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## **7. Role of District Industries Centre in Auraiya District**

### **7.1 Entrepreneurship Development**

One of the major functions of the DIC is to promote entrepreneurship among unemployed youth by organizing training programmes and awareness campaigns.

#### **Major Training Areas**

- Food Processing
- Computer-based Services
- Handicrafts
- Tailoring and Garment Manufacturing
- Dairy Enterprises

Such initiatives have encouraged individuals to establish their own enterprises.

### **7.2 Financial Assistance**

The District Industries Centre coordinates with banks and financial institutions to facilitate credit support for entrepreneurs.

#### **Major Self-Employment Schemes**

<b>Scheme</b>	<b>Objective</b>
<b>Prime Minister Employment Scheme (PMRY)</b>	<b>Generation of self-employment</b>
<b>Chief Minister Employment Scheme</b>	<b>Financial assistance to unemployed youth</b>
<b>Margin Money Scheme</b>	<b>Capital subsidy support</b>
<b>Self-Employment Scheme</b>	<b>Promotion of micro-enterprises</b>

These schemes have significantly contributed to enterprise development in the district.

### **7.3 Employment Generation**

The DIC has played a vital role in generating employment through the promotion of industrial units.

**Table 2: Employment Generation Status (Estimated)**

Year	Units Established	Employment Generated	Capital Investment (in Lakhs)
2009	121	343	219.51
2010	162	537	596.00
2011	168	545	964.00

**Source- District Industry Center Auraiya (Primary Data)**

The above table indicates a gradual increase in industrial units and employment opportunities over the years.

#### **7.4 Women Entrepreneurship Development**

The DIC has encouraged women to participate in economic activities through specialized training and support programmes.

#### **Major Activities Promoted Among Women**

- Tailoring and Embroidery
- Incense Stick (Agarbatti) Manufacturing
- Food Processing
- Handicraft Production

These initiatives have contributed to women's economic empowerment.

### **8. Impact of DIC on Economic Development**

#### **8.1 Increase in Employment Opportunities**

Industrial units established with DIC support created local employment opportunities and reduced unemployment.

#### **8.2 Promotion of Self-Employment**

The DIC encouraged unemployed youth to become entrepreneurs rather than job seekers.

#### **8.3 Reduction in Rural Migration**

Availability of employment within the district reduced migration to metropolitan cities.



## **8.4 Improvement in Income Levels**

Industrial activities supplemented household incomes and improved living standards.

## **8.5 Economic Diversification**

The development of industries reduced excessive dependence on agriculture and diversified the local economy.

## **9. Challenges Faced by District Industries Centre**

Despite its contributions, the DIC faced several challenges:

1. Inadequate financial resources.
2. Lack of technical expertise among entrepreneurs.
3. Delays in bank loan approvals.
4. Insufficient marketing support.
5. Poor industrial infrastructure.
6. Limited awareness regarding government schemes.

These challenges hindered the full realization of industrial potential in the district.

## **10. SWOT Analysis of DIC in Auraiya District**

### **Strengths**

- Availability of local resources.
- Adequate labour force.
- Government support through various schemes.

### **Weaknesses**

- Limited technical knowledge.
- Insufficient financial support.
- Lack of marketing facilities.

### **Opportunities**

- Expansion of the MSME sector.
- Adoption of digital marketing.
- Growing startup ecosystem.

### **Threats**

- Competition from large industries.
- Economic fluctuations.
- Rising costs of raw materials.

## **11. Suggestions**



To improve the effectiveness of the District Industries Centre, the following measures are recommended:

1. Expansion of entrepreneurship development programmes.
2. Simplification of bank loan procedures.
3. Enhancement of technical and vocational training.
4. Special incentives for women entrepreneurs.
5. Development of industrial clusters.
6. Promotion of digital marketing platforms.
7. Increased awareness campaigns regarding government schemes.

## 12. Conclusion

The study concludes that the **District Industries Centre played a significant role in the economic development of Auraiya district**. Through entrepreneurship promotion, support for micro and small industries, and employment generation initiatives, the DIC contributed substantially to local economic growth.

Although challenges related to finance, technology, and infrastructure persisted, the DIC established a strong foundation for industrial development within the district. With improved policy support, enhanced financial assistance, and better technical training, the effectiveness of the District Industries Centre can be further strengthened in the future.

Therefore, it can be concluded that the District Industries Centre served as an important institutional mechanism for promoting balanced economic development in Auraiya district during 2011.

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