



Khadi and Village Industries in North East India with Special Reference to Arunachal Pradesh: Retrospect and Prospect

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Historical Review

Originally, Gandhi conceived khadi as the best instrument for giving concrete expression to the Swadeshi' spirit and for making effective the boycott of foreign goods in general and foreign cloths in particular. Khadi was also expected to provide an opportunity to India for cultivating self-discipline and self-sacrifice as a part of non-cooperation movement. For coordinated development of Khadi throughout the country, Gandhiji set up, the All India Khadi Board (AIKB) with branches in all provinces in December, 1923. This organization was an integral part of the Indian National Congress and worked under its control. Initially the first phase of khadi movement in India started in 1918 and ended in 1924.

The second phase started in 1925 with the formation of an autonomous body called All India Spinners Association (AISA) of Akhil Bharat Charkha Sangh. It was organizationally independent of Indian National Congress. However, Gandhiji continued to distinguish and play important role in the affairs of the Sangh. In 1930 Gandhiji's intention was to form other village industries; as a result the All India Village Industries Association (AIVIA) was established on the basis of a resolution passed by the Indian National Congress in 1934. The association under the Chairmanship of Gandhiji did distinguish service for the development of village industries. He wrote; "Khadi is the central sun around which the other village industries revolve like so many planets. They have no independent existence nor

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Khadi can exist without other village industries, they are absolutely interdependent". Among those that conceded a role for KVI, some stressed the need for adopting better technology and a flexible attitude to the use of machine. It was an answer to these doubt and hesitancies, Gandhiji wrote in the Harijan dated June 20, 1946 as follows: "Khadi (including Village Industries) is the only true economic proposition in terms of the millions of villagers until such time, if ever, when a better system of supplying work and adequate wages for every able bodied person above the age of sixteen, male or female, is found for his field, cottage or even factory in every one of villages or displace the villages so as to give the villages the necessary comforts and amenities that well regulated life demands and is entitled to". "What I object to is the craze for machinery, not machinery as such. The craze is for what they call labour saving machinery. Men go on 'saving labour' till thousands are without work and thrown on the open street to die of starvation. I want to save time and labour, not for a fraction of mankind, but for all".

Perhaps, the first move to make Khadi, a Governmental programme was made in 1946 by the Government of Madras, which deputed a senior officer to obtain advice from Gandhiji and set up a department of khadi soon thereafter. This was followed by the Central Government's recognition of the importance of rural cottage industries in the Industrial Policy Resolutions of 1948. The Constituent Assembly also included development of cottage industries in rural areas among the Directive Principles of the Constitution in Article 43. These ideas were elaborated in the First Five Year Plan, which began in 1951-52. According to the First Five Year Plan, Village industries have a central place in the rural development programme and their development should be matter of State's concern. The Government of India setup the All India Khadi and Village Industries Board (AIKVIB) in January 1953. The main function of the Board was to prepare and organize programmes for the development of KVI, including training of personnel, manufacture and supply of equipment, supply of raw materials, marketing and research and study of the economic problems of different village industries. Again Khadi and Village Industries Commission (KVIC), a statutory body was created by an Act of Parliament (No.61 of 1956). Accordingly KVIC was established in April 1957 to look after the work of the former AIKVIB.

This paper is based on a study which encompasses the following objectives.

1. To ascertain the present scenario of KVI in North East States.
2. To chart out the growth and development of KVI in Arunachal Pradesh.
3. To find out the problems faced by the KV for its growth and development in Arunachal Pradesh.

4. To search the solutions of these problems and conclusion follows.

Present Scenario of KVI in North East States

In order to have better implementation and monitoring of KVI programme in the North East States, KVIC took initiative to put foothold of its presence and established its field officials in the entire region. KVI occupy a unique position in the rural economy of this region and collaborative approach has been initiated. Spices Board of India and Khadi and village Industries Commission have jointly extended financial and technical support for setting up of spices making units in Assam and Arunachal Pradesh. The Central Leather Research Institute (CLRI) under its Leather Technology Mission has extended support for setting up leather products manufacturing projects in Manipur and Nagaland.

Table-1: Summary of Performance of KVI in NE States and India (2002-03)

(Rs. In lakhs, employment in lakh person)

India/NE State	Production	Sales	Employment	Earning
India	856936.82	1019333.80	66.45	330507.44
North East	26079.27	28619.14	2.91	12300.77
Arunachal Pradesh	317.88	446.85	0.01	150.86
Assam	6074.74	5721.56	1.22	2416.18
Manipur	5997.52	5656.74	0.62	2632.11
Meghalaya	3100.46	3842.30	0.25	1949.88
Mizoram	3769.44	5063.82	0.23	1492.67
Nagaland	4583.94	5508.02	0.30	3011.71
Tripura	2235.29	2379.85	0.28	647.3

Sources: Annual Report of KVIC (Ministry of Agro and Rural Industries, Govt of India 2003)

The North East has a great diversity in respect of culture, tradition and ethnicity. They have a tradition of artistic craftsmanship wide variety of crafts such as weaving, painting, pottery, smithy work, basketry, wood curving, etc. Therefore, development of KIV activities in NE region is considered as priority area under KVI programme. In addition to this, attention is focused on to provide better infrastructure facilities and liberalized assistance to motive rural population of the region to take up KVI

programme in a large way. Accordingly, various policy decisions were taken from time to time for the benefits in this region. A major policy decision was taken for allocating 10 percent of KVIC's budget in the NE region. During the year 2002-03 the Government of the India also earmarked separate budget allocating under KVI programme exclusively for the region. Under Rural Employment Generation Programme (REGP), concession facilities are extended to the weaker section. Accordingly, 30 percent Margin Money is provided to the entrepreneurs of north east region, whereas margin money for other than north east is 25 per cent. In spite of many concessional facilities extended to the region, Table-1 shows that contribution of KVI sector is not satisfactory, though KVI has a bright future in this region.

Growth and Development of KVI in Arunachal Pradesh

Prior to independence, the present state Arunachal Pradesh had nothing in respect of industrial sector with exception of home-crafts. In view of the craft practices in the territory, the Department of Cottage Industries came into function in the year 1952-53. The Arunachal Pradesh Khadi and village Industries Board (APKVIB), a statutory body of the government of Arunachal Pradesh was lately created by an Act of Legislative Assembly viz. the APKVIB Act 1989. The board started its function in 1991-92 under the administrative control of the Department of Textile and Handicrafts, Government of Arunachal Pradesh. The Act was further amended during the year 1998 as per Government of India's direction which has ensured that State Government exclusively control over administrative affairs of the board. The APKVIB has a Chairman, who is non-official head of the board. The Secretary, Industry to the Government of Arunachal Pradesh is the ex-officio, Member Secretary of the board. The Director, Textile and Handicrafts, is the ex-officio, Chief Executive Officer of the board. The board has a full time Executive Officer.

Table-2: Growth of KVI in Arunachal Pradesh (1991-2003)

(Rs. In lakhs, employment in lakh person)

Year	Unit (in No.)	Employment (in No.)	Investment (Rs. In lakh)
1991-92	14	52	26.33
1992-93	52	71	25.86
1993-94	NA	NA	NA
1994-95	73	94	37.36
1995-96	40	175	84.25
1996-97	34	81	36.69
1997-99	NA	NA	NA
1999-2000	9	101	43.71

2000-01	80	590	290.79
2001-02	13	178	87.60
2002-03	11	133	66.19
Total	326	1478	698.78

Source : Director of Textile and Handicraft, Itanagar.

In spite of having abundant natural resources and tradition of artistic craftsman KVI programme is not visible in ground level. In cursory observation, KVI programme is suitable for the State like Arunachal Pradesh and should keep priority for growth of KVI to solve the unemployment problem. APKVIB being catalyst agent of KVI sector in the State, a number of KVI units have come up. Table-2 shows that, as on 31.03.2003 there were 326 units with investment of Rs.698.78 lakhs and 1478 persons engaged in this sector.

Table-3: District wise Distribution of KVI unit in A .P as 31.03.2003

(Rs. In lakhs, unit and employment in No.)			
District	Unit	Investment	Employment
Papum Pare	138	282.21	582
Lower Subansiri	67	140.72	309
Upper Subansiri	7	9.91	22
East Siang	46	121.39	256
West Siang	28	78.11	163
Changlang	23	14.09	39
Dibang Valley	1	9.77	20
Tawang	1	0.54	1
West Kameng	3	10.82	20
East Kameng	4	28.65	58
Tirap	4	0.80	4
Lohit	4	1.20	4

Source : Director of Textile and Handicraft, Itanagar.

Revival and revitalization of the traditional handlooms, handicrafts and best utilization of local raw materials available in the State should be the basic aims of the KVI programme because fundamentals of the KVI establishment is to relief of poverty by finding employment to the villagers and make equitable distribution of goods produced. Further, Mahatma Gandhi opined that KVI was symbolized economic freedom and equality. Therefore, Arunachal Pradesh, a land of beautiful handicrafts, traditional craftsman and natural khadi and village industries' potentiality in every district should use KVI as tools for rural development. For this, APKVIB should identify and uplift the economic condition of those who fall below the poverty line and encourage them to enter into KVI activity. Table-3 reveals that there is a wide

difference in the growth and development of KVI programme in different districts. Some districts of the State have yet to open account of the KVI activity. There is also dispersion in term of establishment in all districts of the State. Therefore, APKVIB should sincerely implement the programme in view of equal distribution.

Industrial Policy Resolution of 1948, while appreciating the role of heavy and basic industries, emphasized the role of cottage and village industries as having very special role in the national economy, because it is most conducive for employment generation, decentralization of economic and industrial concentrate, and for a more equitable distribution of national wealth. Less populated, industrially backward but growing State like Arunachal Pradesh should take advantage of KVI programme, because KVI sector is useful for mobilizing resources of small and middle class for investment in industrial ventures and it facilitates a more even distribution of incomes originating from village industries sector through a large number of retails outlets. Further, it is suitable for better utilization of local resources and for the achievement of local self-sufficiency in respect of certain types of essential consumer goods like food, cloth and agriculture equipment, etc.

Table-4: Bank Term Loans to KVI sector in AP as 31.03.2003

Bank	KVI unit (in number)	Amount (Rs. in lakh)
I. Centralized Bank		
(a+b+c)	46	151.41
(a) SBI Bank	24	48.90
(b) UCO Bank	19	87.25
(c) Vijay Bank	3	15.26
II. Arunachal Pradesh		
Bank (d+e)	68	166.90
(d) A.P Rural Bank	67	160.54
(e) A.P Co-op. Apex Bank	1	6.36
Total (I+II)	114	318.31

Source : Director of Textile and Handicraft, Itanagar.

Finance is rightly regarded as the lifeblood of any commercial enterprises irrespective of its size and nature. Inadequacy of finance prevents the process of raising industrial growth. As such banks and financing institutions are a

vital importance in the process of industrialization. Many times the committee is constituted to look into various aspects relating to the flow of institutional credit to KVI sector. They have submitted their report after study and observations regarding institutional credit flows and recommended different pattern and sources of finance to KVI sector. However, recommendations could not support both positive and pro-active to the KVI Programme in one way or other.

Presently KVIC introduced a Margin Money Scheme with the adoption of project approach. In respect of KVI in rural areas, credit can be made available by nationalized banks to the enterprises directly, up to Rs. 10 lakh for individual units and up to Rs. 25 lakh for institution, for which 25 percent of project outlay would be the margin money granted by the KVIC/State KVIB. Margin money eligibility in respect of weaker sections including women and special area like NE States, 30 percent of the project cost up to Rs. 10 lakh. Hence, bank finances 95 percent of the project cost in the form of term loan to the Arunachal Pradesh Scheduled Tribe beneficiary/institution and 5 percent in the form of beneficiary contribution, in the process KVIC/ APKVIB grant 30 per cent of the project cost as a subsidy.

Table-4 shows the term loans granted by bank to KVI sector in the State and disbursed Rs. 318.31 lakh of which centralized banks disbursed Rs. 151.41 lakh and Arunachal Pradesh banks Rs. 166.90 lakh. Thus nationalized bank have got prospect of credit for the KVI sector in the State. In spite of having many inhabiting factors in the development of agriculture sector; the State is exclusively reliant on it. Understanding the increasing population and limited employment absorption capacity in agriculture and Govt. job, it is desirable to go for alternative source of income generation, employment expansion. One desirable alternate may be the rural industrialization through KVI programme, because this sector has distinct advantages over large and medium scale industries. KVI provides immediate large employment, ensuring more equal distribution of wealth. This sector is labour intensive, less capital, less skill and has short gestation period and advantage of decentralization. KVI programme is good for accelerating the tempo of rural industrialization in the State. But the success of KVI programme is largely dependent on the dedication of KVIC and APKVIB officials, degree of co-operation from various concerned agencies and the involvement of people, their honest and fair participation which can make KVI programme success and living reality. Thus the industry receives considerable help from the state government in the form of finance, improved looms, accessories and raw materials at reasonable rates. To promote production of handloom and handicraft products and generation of self employment, the Directorate of Textiles and

Handicraft is running 88 numbers of weaving and craft centres and 6 numbers of Handloom Development and Quality dyeing units in the State.

With a view to popularize handloom and handicraft products being manufactured by the industrial units in the State, the department has been participating in various fairs, festivals and exhibitions. Besides running 18 numbers of Emporia and 5 numbers of Show Rooms cum Sales Counters in the State, there are 2 numbers of Emporia functioning in Delhi and Kolkata. The department has also acquired a plot of land in New Mumbai for establishment of a Guest House and an Emporia to exhibit the State's traditional craft with a view to develop rich heritage of handloom and handicraft products of Arunachal Pradesh, the Department has taken up number of schemes viz. participation and organizing of Exhibition to create awareness amongst the local entrepreneurs and artisans of the State. The achievement of Craft/ Weaving Centres during 2003-04 is shown in Table-5.

Table-5: Physical Achievement of Craft/ Weaving Centres in Arunachal Pradesh during 2003-04

Sl. No.	Particulars	Unit	2001-2002	2002-2003	2003-2004
1	2	3	4	5	6
1	Craft/ Weaving Centres	No.	88	88	88
2	Trainees in Craft/ Weaving Centres	No.	247	302	303
3	Handloom Development Center and Quality Dying Units	No.	6	6	6
4	Value of Production of Cloth/ Craft	Rs. in lakh	NA	NA	28.59
5	Emporium	No.	15	15	18
6	Show Room-Cum Sale Counter	No.	3	3	5
7	Annual sale proceed of Emporium and Show Room cum Sales Counter	Rs. in lakh	39.80	40.09	
	Cash				6.72
	Credit				38.26

Source : Director of Textile and Handicraft, Itanagar.

Problems

The KVI are not commercially viable due to (i) lack of interest of weavers, (ii) lack of raw materials, (iii) lack of working capital, (iv) lack of marketing facilities, (v) lack of capacity-utilization, (vi) lack of technical know-how, (vii) shortage of organizational strength, (viii) competition from power loom and other modern products, (ix) lack of entrepreneurial knowledge, (x) lack of power, (xi) lack of transportation, etc. Some of these problems are discussed below in brief.

Market

Market is not necessarily confined to any particular geographical location in which buyer and seller are brought into contact with one another. The buyer may be in Delhi and seller in Mumbai or even in London. What is essential for a market is that the buyers and the sellers are able to get in touch with one another that the exchange of goods and services for money takes place between them. The contact for the exchange of goods can be performed with the help of E-mail, internet, telephone, telegraph, ordinary post, etc. It is undisputedly accepted that the success of an industry depends on the market of its products. It has no well organized market outside this State and even inside the State. It has no world wide website and no regular advertisement through T.V. and Radio and not even in daily newspaper inside or outside the State. Again there is no organized agent to whom its products are sold. Only the local entrepreneurs are encouraged to participate in different Fares and Expo inside and outside the State like N.E. Trade Expo, Indian International Trade Fare, New Delhi and Regional Level Exhibitions where the products of KVI are exhibited and sold.

Inner Line System

After independence, the Government of India decided to continue to follow the restriction of the Inner Line System. But the purpose for which the Inner Line had been designed in 1873 was changed. The main purpose of the Inner Line is to restrict the free movement of Non-Arunachalees in NEFA now Arunachal Pradesh, i.e., the free flow of entrance of Non-Arunachalee is prohibited in the State. A Non-Arunachalee who wants to cross beyond such Line has to get first an Inner Line Pass (ILP) issued by Arunachal Pradesh Government authorized Gazetted Officer for a limited period of time after fulfilling some formalities.

Again, it is thought that the territory is located at strategic point from the stand point of defence. Besides, the Government of India feels it necessary to protect the land and forest of the innocent tribal people of the State from the Non-Arunachalees' hunger of grabbing. It is well thought that the protected Arunachalees can make

economically a smooth progress. They will not be disturbed from their socio-cultural and economic dimension.

Globalization refers to a process of increasing economic integration and growing economic interdependence between countries in the world economy. It is associated not only with an increasing cross-border movement of goods, services, capital, technology information and people, but also with an organization of economic activities which crosses national boundaries. Broadly speaking, the term 'globalization' means integration of economies and societies through cross country flows of information, ideas, technologies, goods, services, capital, finance and people. Globalization says cross country flows among countries. To get the good effect of globalization in the State it needs first cross state flows among the states in India.

Industrialization is recognized as a real tool of economic development as it indicates a higher standard of living of the majority of population. Once Nehru told that real progress might ultimately depend on industrialization. During the last 58 years after independence, our country has been bringing a noticeable growth in industrial production. But the North Eastern Region of our country has, till now, been lying neglected. Therefore, Inner Line System stands as a main hindrance for the growth and development of KVI as well as globalization

License Issuing System

The people from outside of this State come for the activities for which they are to obtain license in the name of some tribal people who get the rent from the businessmen for their licenses. These trading people earn money and mostly siphon off in their respective home because they do not get the right to buy the property for independent business and trade. This situation hugely restricts the private investors in coming and opening up manufacturing units within this territory. Banking credit for establishing business and industries are available to the local people but they lack entrepreneurial skills and show little interest in industrial production activities. Therefore, Inner-Line Permits system and government policy in issuing licenses only to local people most likely has worked against the opening up of KVI in this part of the country.

Entrepreneurial Lack

Economic development of any region is an outcome of purposeful human activity. Both the developed and the underdeveloped countries look at the industrialization process as an important key to economic development. Most of the social scientists

agree that man stands at the centre of economic activity and he assumes various roles in the development process, namely, as an organizer of human and material resources, worker, consumer and exchange agent. Out of these multiple role, his role as the organizer of human and material resources is the most important and basic one.

It is widely accepted that the availability of entrepreneurship is the most important determinant in the process of industrialization. The government in its efforts to create entrepreneurship in the underdeveloped regions provides for various monetary and non-monetary incentives like the development of an infrastructure, assistance in marketing and procuring raw materials, providing finance or granting subsidies on investment. With this thrust in view, the state governments have created various institutions to cater to the different needs of entrepreneurs.

It can be argued that lack of entrepreneurial skill of the local people and their deficient interest to invest and innovate has contributed in preventing the evolution of modern economic system in the State. One example of their lacking interest in manufacturing activities is that those tribal boys and girls who go for crafts training do not want to have their own business but like to join as craft teachers in government organizations (Krishna, 2000). The mindset of the tribal is not to establish their own enterprise or business but to venture either in politics, contract business, or government services to earn “easy money”. This mindset can be termed as psychological barrier which has emerged very strongly in the context of present socio-political context of the State. Some tribal people within a very short period of time have experienced income and wealth inequalities to a high degree. Very few of them have been found to become very rich over night and enjoy luxurious life and prefer conspicuous consumption which has been adversely affecting the rest of the society. The income inequalities in the tribal society are very much strong. Some are very rich and some are very poor. Some peoples in rural areas are living on self growing food and common property resource forest product without functioning of money. The presence of high degree of corruption at all levels and existence of underground economy has also gone against in development of market economy.

Power

The modern economic development involves large-scale use of power. Regarding the set up of an industry the State needs infrastructural facilities of which power is one. Due to its geographical location and its hilly terrain, Arunachal Pradesh has an immense hydel potential to use the power of water to produce electricity in comparison to the other states of the country. The state is of turbulent perennial rivers

and major streams, which possess enormous hydro-electric generation potential. In addition to water resource, the state has oil, natural gas and coal resources that can be used in the production of electricity. Presently, there is a vast gap between the availability and the requirement of power. As per 2001 Census, out of 2,12,615 households, only 116,275 households (54.7%) are having electricity facility and out of 3649 numbers of villages (as per 1991 Census), only 2339 numbers have been electrified accounting 64% of total villages till the end of March 2003. Arunachal Pradesh, having untapped estimated hydro power potential of 49,000 MW, may emerge as power house of India when this potential is fully harnessed (Source: Deptt. of Power, Govt. of Arunachal Pradesh).

Transportation

The service of Transportation is a precondition of economic development. Revolution in transport and communication would take place first before the advent of industrial revolution. It is a well known fact that the prosperity of a country depends on the development of agriculture, mining, industry, services, banking etc. But without prior development of transport, any type of development is not possible of a region.

As such in the development plans, the government has been attaching high priority to the construction of roads and as a result the total length of roads constructed in the State stood at about 15021.80 kms. including 399.80 Kms. under National Highway giving the road density of 17.9 kms. per 100 Sq.Kms. of area at the end of March, 2004 as against the all India average of 74.9 Kms. per 100 Sq.kms. during 1997. Thus in comparison to the all India road density, the State has a very low road density in the country, which is the basic barrier to the development of industry. Again, a peculiarity of surface transport of the state is that most of the district headquarters are not inter connected, i.e., one cannot move from one district headquarter to other specially the old district headquarters in Arunachal Pradesh without going down to Assam. The state does not have lateral roads connecting district headquarters and sub-divisional headquarters of the districts. In other places, roads run vertically connecting places of Assam with the places of district headquarters in the state. As a result, the transport cost is not only high but also the state is affected by disturbances and insurgency activities in Assam.

Arunachal Pradesh being predominantly hilly terrain, there is a lot of constraints in the development of railways. In fact, the state was brought under the railway map of India for the first time with the opening of Balipara (near Tezpur,

Assam) to Bhalukpong in West Kameng District of Arunachal Pradesh in 1989 with only 1.26 Kms. (metre gauze).

Solutions

The following suggestions may be considered with a view to strengthen the KVI in Arunachal Pradesh.

1. This industry needs well organized advertisement for its product through T.V., Radio, even through daily newspaper outside and inside the state. It must have own website.
2. The State government should give priority to develop border trade with Bhutan, China and Myanmar. If border trade comes into effect with undivided sincerity, I hope, it will give fillip not only generating a new avenue of employment but also it will make a self-generating and self-sustaining economy of Arunachal Pradesh. In this way the market for Arunachal products including KVI will be automatically developed.
3. A comprehensive techno-economic survey of entire region of Arunachal Pradesh by a competent agency should be performed to find out the potentiality of such type of small scale industries.
4. Establishment of various technical and managerial institutions should be setup for imparting training to the existing and potential entrepreneurs.
5. Complete financial support and its use in proper way in any probable selected unit should be shouldered by the government agent.
6. The flow of relevant information relating to these small scale industries should be circulated in a regular way so that the entrepreneurs can get up-to-date information about technology, man power planning, etc.
7. The bank has to play more vital role in addition to lending credit assistance to such type of small scale industries. Bank may offer a special scheme to the entrepreneurs so that they can take short-term interest free loan. The bank can detect the sickness of industrial units and draw up a nursing plan for their rehabilitation. It can set up a special cell for close monitoring during the rehabilitation period until the unit becomes self-sufficient again.
8. Tourism industry must be developed on the priority basis as this State has a great potentiality regarding this so as to attract large number of tourists to come in Arunachal Pradesh. The development of tourism industry will bring the development of KVI in the State.

9. To bring small scale industrial development, the State should be self-sufficient in raw materials, technical knowledge, machine and tools, skilled labourers, technicians and over all marketing facilities.
10. In the context of to-day's global liberalization, the existence of inner line between Arunachal and the rest of the economy of India may be deemed irrelevant as because, the observance of inner line is obstructing the inflow of capital, other inputs and technology. In such a situation, how can Arunachal Pradesh expect to avail of the benefit of liberalization so as to boost up the state market economy? Here, precisely, I may be within reasonable limit while recommending that the inner line should go.

CONCLUSIONS

In the process of industrial development the importance of cottage industries should not be ignored. To set up heavy industry is not so much possible in different places of this State as its major portions are not easily accessible. But to set up small scale industries in the State is not so much difficult. That is why top priority must be given to those small scale industries like Khadi and Village industries which need light machine tools and other equipments in order to produce qualitative products because today a State's progress is measured by the quality of goods it produces.

To strengthen the economy of the State, the Government should provide larger scope to the private sector. At the same time, a number of changes in policy should be introduced with regard to industrial licensing to the non-tribal, removal of Inner Line, technology up gradation, fiscal policy, removal of controls and restrictions, rationalizing and simplifying the system of fiscal and administrative regulation and improving law and order problems so as to encourage for free flow of goods, capital, technology and labour from other States to this State. All these changes will be directed towards creating on uninhabited climate for private sector so that private sector investment can get a big boost to modernize the economy approaching towards global economy

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