

# 4. THE ECONOMY OF MAHARASHTRA

Q:1 Explain the important Features of the economy of Maharashtra?

**A) ECONOMY OF MAHARASHTRA :-** On 1st May - 1960, the state of Maharashtra came into existence. The economy of Maharashtra is the Largest economy in India. It is divided into 36 Districts under 6 Revenue Divisions like - Mumbai, Pune, Nasik, Aurangabad, Amaravati and Nagpur for Administration Purpose.

## B) Important Features of the economy of Maharashtra

- 1. Second Largest state :-** Maharashtra is the second Largest Populated state in the Country.  
(e.g) During 2011, Population of Maharashtra was 11.24 Crores.
- 2. Third Largest Area :-** Maharashtra is the Third Largest state in terms of geographical area.
- 3. Most Urban state :-** Maharashtra is most Urban state because 45.20% of its population is living in cities and towns.
- 4. Sex Ratio :-** As per 2011 census data, The Sex Ratio of Maharashtra was 929 Females per 1000 males.
- 5. Literacy Rate :-** As per 2011 Census Survey, The Literacy Rate of Maharashtra was 82.3%.
- 6. High Growth of GSDP and SPCI :-** As per Economic Survey Report of Maharashtra for 2016-17, this state achieved High Growth of GSDP and SPCI as compare to other state.  
(GSDP → Gross state Domestic Product / SPCI → State Per capita Income)

7. Most Favoured Destination :- Maharashtra is Very Popular for its investment, skill development, Creativity & Tourism.

8. Other Features :- Maharashtra is Very known for its -

- i) Developed Infrastructure
- ii) Developed Technology
- iii) Plenty Natural Resources
- iv) Skilled Manpower etc.

Q:2 Explain Various general Problems Faced by Agricultural Sector in Maharashtra?

(A) Agricultural Sector :- Agriculture sector and its related activities play an important role in Economic development of the state. As per Economic Survey of Maharashtra 2017-18, the Contribution of agriculture in Total Gross state Value Added (GSVA) was 12.2%.

(B) General Problems In the Agriculture sector :-

- ① Decreased Land Holding :- Farmers get Low Productivity due to decreased in size of Land holdings
- ② Small and Marginal Farmers :- There is Large number of Small and Marginal Farmers who produce Less due to Small size of Land Holdings
- ③ MORE USE OF Fertilizers and Pesticides :- Due to more Use of Chemical fertilizers and Pesticides, Quality of soil is degraded (spoiled).
- ④ Agricultural Indebtedness :- Farmers take more Loans from Landlord and money lenders. But due to Low income

they are unable to repay them. Thus majority of farmers are facing problem of indebtedness. (Unable to pay loans)

- 5) Poor Land Reforms :- Land Reform measures are not properly implemented by Government. Even adverse crop pattern do not increase productivity.
- 6) Dry Land :- Due to Dry Land Agricultural process become difficult. Many farmers do not get benefits of irrigation facilities.
7. Lack of Capital :- Farmers do not have enough funds to purchase better seeds, fertilizers, pesticides, Tractor etc. This results in Low agricultural productivity.
8. Rural Development Plans :- In backward areas, Rural Development Plans are not properly implemented which result in Low productivity.
9. Lack of marketing facilities :- Farmers do not get better prices of their crops due to lack of marketing facilities.
10. Impact of Climate :- In India, Agriculture mostly depend upon monsoon. It is also affected due to adverse climatic conditions.

Q:3 Explain Various measures taken by the government for Agricultural development of Maharashtra?  
As per Economic survey of Maharashtra 2017-18, Government has taken several measures as follows —

1. Better Quality of Seeds :- Government is providing better quality of seeds to farmers at very reasonable rates. It helps them to increase productivity.
2. Distribution of Fertilizers and Pesticides :- Government has increased number of outlets to proper distribution of fertilizers and pesticides.
3. Irrigation Facilities :- Government provided irrigation facilities to increase water supply to farmers.
4. Electrification :- Government put many efforts to provide electricity to farmers, so that they can use water pumps and irrigation facilities.
5. Financial Help :- To purchase various inputs like - HYV seeds, fertilizers, pesticides, tractors, thrashers etc. government provide financial help to farmers.
6. Marketing Facilities :- Government has set up **APMC** - Agricultural Produce Marketing Committees. It has also started Agro-Export Zones, Packing and Grading Horticulture Training centres for effective distribution of agricultural products.
7. Agricultural Information :- With the help of social and mass media, government try to create awareness about agricultural information. It will help farmers to get better price for their crops.

Q: 4 Explain Various Problems Faced by Industrial Sector in Maharashtra? 5.

**(A) INDUSTRIAL SECTOR**:- Industrial Sector plays an important role in the economic development of Maharashtra. It has large capacity to absorb Labour from Agriculture Sector. It creates more employment, more markets and more income.

**(B) General Problems in the industrial Sector**:-

1. Delay in Government Procedure:- Many Industries are suffering from problem of Capital Raising, Licence issue, Export permission etc. due to delay in Government Procedure.
2. Lack of Opportunities for Skill Development:- Government is not providing adequate Vocational and Training Centres. So there is shortage of skilled and efficient Labours for Industrial growth.
3. Lack of Advanced Technology:- Still many Industries are using old and outdated technology which results in Low Industrial Productivity.
4. Lack of Infrastructure:- Many small and medium Enterprises do not get better infrastructural facilities in Rural areas.  
(e.g) Transport and communication, Banking services, Electricity and water services etc.
5. Lack of Motivation:- There is Lack of motivation for New Entrepreneurs. Thus there is Less innovation.

6. Lack of Development Programmes :- Many Micro, Small and medium Industries do not get benefits of Development Programmes.

7. Regional Imbalance :- Some states have more Industrial growth like - Maharashtra, Tamil Nadu, Gujarat, UP etc. But states have Less industrial growth (eg) Goa, M.P, Harayana, Nagaland etc. Thus there is Regional Imbalance.

Q: 5 Explain Various measures taken by Government for Industrial Development?

1. Single Window Cell :- Government started single window cell (organisation) to provide easy clearance facilities to investors.
2. MAITRI :- Maharashtra Industry, Trade and Investment Facilitation Cell (MAITRI) was introduced to provide Online Information about the investment process.
3. Export Promotion :- For Export Promotion, Government provided various incentives to small scale industries (e.g) i) Award for Export Performance  
ii) Space Rent Subsidies etc.
4. Special Economic Zones (SEZs) :- Government created Special Economic zones to increase industrial productivity.

5. MSICDP :- Maharashtra state Industrial Cluster Development Programme (MSICDP) is started to support all small, medium and micro enterprises.

Q:6 Explain Service sector?

SERVICE SECTOR :- Services sector provide various services to business and to final consumers. It include - Transport, Communication, Banking, Tourism, Education, Health services etc.

Importance / Role of service sector

- i) It is engine growth of economy. It contribute major share to Gross state Domestic Product (GSDP) i.e - 54.5% during 2017-18.
- ii) It provide Largest employment to our country
- iii) Main areas of Services sector which expanded very well are - IT OR ITES, Cloud Computing, Electric Vehicles, Tourism etc.

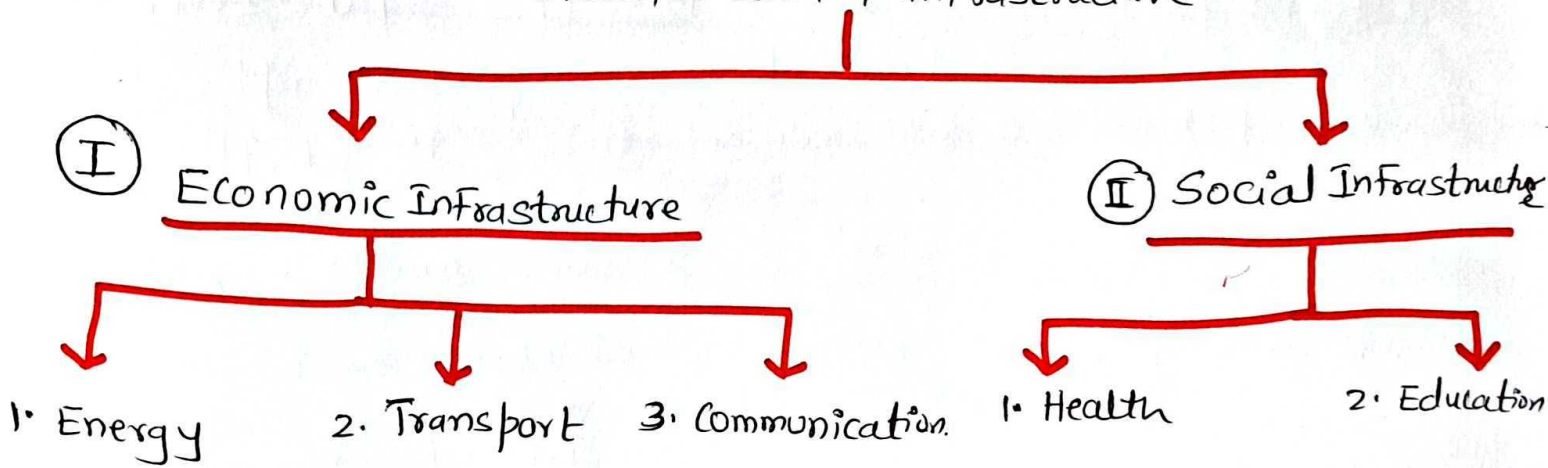
Q:7 what are the measures taken by government for development of Economic infrastructure?

A) INFRASTRUCTURE :- Infrastructure is the basic requirement for economic growth and development of country. A sound Infrastructural foundation is the key to overall socio-economic development of Maharashtra state. It always attract many investors to invest in various projects.

(B) Classification of Infrastructure :-

# Classification of Infrastructure

8.



(I) Economic Infrastructure :- It helps in production and distribution of goods and services for economic development

(C) Government Measures for Economic Infrastructure :-

1. More Electricity Generation :- Government set up many Electricity Generation plants to provide more electricity and this will increase production capacity.
2. Rural Electrification :- Government provide Rural Electrification to rural and backward areas to increase network improvement in villages.
3. Direct Benefit :- while providing LPG services to consumers, government has transferred direct benefit to consumers i.e. directly in their bank account. Subsidy is transferred.
4. Road Development Plan :- Government started Road Development Plan (2001-2021) with a target to develop 3.37 lakh kms. of road. It improve connectivity of economy.
5. Metro Railway :- Government has started Metro Railway services at Mumbai and Nagpur.



6. Sagarmala Programme :- Maharashtra Post Development

Policy was framed to develop Ports.

(e.g) Sagarmala Programme was launched by Central government for development of Ports.

7. More Internet Consumers :- Internet Subscriber base was 5.45 crore in Maharashtra as on 30-September-2017. It is highest among all the States.

Q:7 Explain various Government measures for development of Social Infrastructure?

(A) Social Infrastructure :- Social infrastructure improves the quality of human life and improve economic development. It includes Literacy Programmes, Education, Public Health, Housing, Drinking water and Sanitation.

(B) Measures taken by Government to Develop Social Infrastructure :-

**(I) EDUCATION**

**(II) HEALTH**

(I) Education :- Education system is back-bone of Socio-economic development of a country. Education is important- aspect of Human Resource Development. Thus Education becomes Priority at National and State level.

The state of Maharashtra has implemented various Educational Programmes to achieve the Goal of Education.

There are four Levels of Education —

1) Primary 2) Secondary 3) Higher Secondary 4) Higher Education

10.  
1. Primary Education :- Maharashtra government has started. - Right to Education (RTE) of the children in the age group of 6-14 years. It provide Free and Compulsory education Under Sarva Shiksha Abhiyan. (SSA).

2. Secondary and Higher Secondary Education :- In 2009, Rashtriya Madhyamik Shiksha Abhiyan (RMSA) was started. Its main aim is to improve quality of Secondary and Higher Secondary Education.

3. Higher Education :- Higher Education helps in creating technical and skilled human resource which is necessary for overall economic development.

There are 22 state Universities in Maharashtra:-

- 4 Universities are for Agriculture
  - 1 University for Health Science
  - 1 University for Veterinary Science
  - 1 University for Technology
  - 15 Universities for General Courses.
- 22 Total Universities.

Rashtriya Uchchatar Shiksha Abhiyan (RUSA) is a centrally sponsored scheme started by Govt. of India in 2013. Maharashtra is the first state to receive grant of ₹ 20 Crores under Research and Innovation and quality improvement.

4. Others :-

i) Girls Education :- Maharashtra Govt. started various schemes to encourage girls education  
(eg) Free Education upto Higher Secondary level.  
Free cost of S.T bus services, bicycles to needy girls etc.

ii) Adult Literacy :- To increase Adult Literacy, Maharashtra Government has started various innovative schemes.

(e.g) Each one Teach one, Sakshar Bharat Abhiyan. etc.

iii) Inclusive Education :- This is for differently abled children with their special needs.

iv) Tribal Education :- Maharashtra Govt. has introduced Residential Ashram Schools in the Tribal areas. Tribal students are provided - Housing, Food, Uniform and Educational Material at free cost.

II) Health Services :- Government of Maharashtra gave more importance to improve Health System in Rural and Urban areas with the help of various programmes

(e.g) **NRHM** → National Rural Health Mission  
**NUHM** → National Urban Health Mission.

\* Health Infrastructure Maharashtra Govt. has created a Three tier Health Infrastructure to provide better health services —

- 1 - Primary Health Centres and Community Health Centres
- 2 - District Hospitals and Sub-District Hospitals
3. Well Equipped Medical Colleges.

Q:8 Write Short Note → Tourism.

**(A) TOURISM** :- Maharashtra Attracts many tourist from different states and from abroad. Maharashtra Government has formulated - Maharashtra Tourism Policy-2016 to promote Tourism.

**(B) Objectives of Tourism Policy** :-

- 1) To make Maharashtra a leading Tourist destination by 2025.
- 2) To create more employment opportunities
- 3) To attract more investment in infrastructure.
- 4) To promote economic development in Maharashtra.

**(C) Maharashtra Tourism Development Corporation**

**(MTDC)** :- MTDC is a Nodal (Technical) agency which organises different Tourism events.

(e.g) Ellora Festival, Elephanta Festival etc.

It also organise various projects like - Agro Tourism, Village Tourism, Food Tourism, Safaris, Tribal Lifestyle under one roof.

Q:9 Write Short Note on - Hospitality & Entertainment Industry?

**(A) Hospitality** :-

- 1) Hospitality means friendly behaviour and kind respect of guests and visitors
- 2) Due to growing Tourism, Hospitality Industry has grown in Maharashtra.

- 3) It give main importance to Consumer's Satisfaction.
- 4) Hotel Industry is one of important Sector of Hospitality.
- 5) Many forms of Transport are also part of Hospitality.
- 6) e.g Airlines, Mumbai-Goa Cruiseship, Tejas Train, Restaurants, etc are parts of Hospitality.

(B) Entertainment Industry :- Maharashtra has played a remarkable role in Entertainment Industry. It create Large employment opportunities.

Example :- Mumbai, Popularly known as Bollywood and it has a great impact on Global Film Industry.

Kolhapur is also famous city for Regional films.

Q-10 Explain the Role of Co-operative Movement in Maharashtra?

### (A) Co-operative Movement in Maharashtra :-

Co-operative movement is the greatest contribution given by Maharashtra state. It is an effective instrument in the economic development of Rural areas.

### (B) Role of Co-operative Movement :-

- 1) It is useful to improve Socio-Economic conditions of backward areas.
2. It always encourage Self-Help Groups, Democracy and Equality among people.
3. Co-operative movement is mainly related to Agricultural Credit

4. Nowadays, Co-operative movement is also started in other sectors like—

- ★ Agro Processing,
- ★ Agro Marketing,
- ★ Sugar Co-operatives,
- ★ Dairy Co-operatives,
- ★ Fisheries Co-operatives,
- ★ Textiles,
- ★ Housing Societies,
- ★ Consumer stores etc.

Q:11 Distinguish between.

1. Economic Infrastructure

1. Meaning :- Economic infrastructure is basic facilities of production and distribution of goods and services for economic development.

2. Services :- It include Transport, Communication, Energy services.

3. Affect :- These services affect production and distribution directly

Social Infrastructure

1. Social Infrastructure is the basic facilities to improve quality of human life

2. It include Health, education, Housing, Drinking water and Sanitation services

3. These services affect production and distribution indirectly

## 2. Agriculture sector

1. Meaning :- "Agriculture sector produce raw-material and basic food."
2. Sector :- Agriculture sector is known as Primary sector
3. Example :- Farming, fishing, Hunting, mining etc.
4. Contribution to National Income  
Contribution of Agriculture is Less in National Income of our country.

## 3. Tourism

1. Meaning :- Visiting and Travelling to different places for Pleasure and entertainment is called Tourism
- ② Include - It include, accomodation, food, sightseeing, etc.
- ③ Concept - Tourism is a narrow concept

## Service Sector.

1. "Service Sector provide services to general people and business"
2. Service Sector is known as Tertiary sector.
3. Transport, Communication, banking, Energy, Tourism etc.
4. Contribution of Service Sector is more in national income of our country

## Hospitality.

- 1) Hospitality means friendly behaviour and kind respect to guest and visitors
- ② It include Hotels, Entertainment, Airlines etc
- ③ Hospitality is a wider concept.

#### 4. EDUCATION

① Meaning :- Education is about teaching learning skills and knowledge and distribution of works among various students

② Include :- Education services include - Schools, Colleges, Universities, & Training institutions etc.

③ scope :- The scope of Education services is comparatively narrow.

#### HEALTH Services

① Health is related with treatment procedures for different peoples in our society.

② Health services include, Health centres, hospitals, medical colleges etc.

③ The scope of health services is comparatively ~~broader~~ broader/wider.

Q:12. Give Economic Term.

1. Investments done by Foreign Companies in our Country

Ans: Foreign Direct Investment

2. Programme for development of small, medium and micro industries :-

MSICDP

3. Basic requirement for facilitating production and distribution of goods and services for economic development

Ans: Economic Infrastructure

4. Movement that promotes values of Self-Help, Democracy and Equality.

Ans: Co-operative Movement



Q:13 Find the Odd word out :

1. Agricultural Indebtedness, Dry farming, Lack of capital, Engineering.

Ans: Engineering

2. Tourism, Banking, Automobile Production, Insurance.

Ans: Automobile Production

3. Pune, Hyderabad, Nasik, Nagpur

Ans: Hyderabad

4. MTDC, MAITRI, SEZ, MIDC.

Ans: MTDC

5. Primary Education, Hospitality, Higher education, Skill based education.

Ans: Hospitality

Q:14 Identify and explain the concepts from the given illustrations : —

1. To facilitate research in robotic technology, Japan has invested ₹ 1000 Crores in India.

Ans: Foreign Direct Investment. After - 1991,

Foreign Direct investment becomes easy due to Liberalisation. Maharashtra has been number one

2. destination for investment in India.

2. Prajakta and her family visited the beaches during her eight days Diwali vacations.

Ans: Tourism

Explanation Q:8

3. Poavin from Latur works as a Technician in the film <sup>18</sup> division at Mumbai city.

Ans:- Entertainment Industry

Explanation:- Q:9

4. Rani Gond from Chandrapur works as a hostess with the Mumbai - Goa Cruise ship

Ans:- Hospitality

Explanation - Q:9.