PREFACE

Small Scale Industries particularly in our country will have to play a predominant role in the process of the development of the country. This sector occupies a very significant place in the Indian economy. It is generating employment to millions and millions of people in the country. By producing a variety of goods and services, it is contributing significantly to the national exchequer. It has been observed that in this sector millions of money have been invested. If this sector is not healthy, it is going to affect a large part of the population of the country. It will drain a large portion of the funds invested in it. In India a huge sum of money Rs. 4,47,227 crores has approximately been invested in this sector. The industrial development of Himachal Pradesh is largely affected by the small scale sector. As the topography of the state does not provide much scope for establishing large and medium scale industries, the government has given impetus for the development of the small scale industries in the state. Apart from providing well developed industrial plots in various industrial estates to the entrepreneurs, it is also providing the short-term, medium, long and soft term loans for accelerating the development of the small scale sector. So far the government of the Pradesh has invested a sum of Rs. 2650 crores for the development of the industries within the state.

Keeping in mind the importance of this sector in the development process of the state we have attempted to present the cases of industrial sickness in the small scale sector. Generally it has been found that industrial sickness is a worldwide phenomenon even in advanced countries like U.S.A., U.K. and Japan. They too are also falling an easy prey to this dreaded disease in recent years. As a matter of fact the rate of industrial sickness is assuming alarming dimensions and has attracted the attention of the academics, practitioners and the policy planners all over the world. All those concerned with the industrial sickness look for preventive and corrective measures of sickness. The administrators are trying to diagnose the root cause of sickness so that it may be prevented from
spreading further. Many reasons have been cited as the root cause of industrial sickness but the problem lies in all the areas of management. Poor quality of managerial and entrepreneurial skill is indeed more pressing and needs especial attention. The small scale industries suffer from marketing, financial, technological, promotional, research and development. The policies of the government to have been partly responsible for this sorry state of affairs. The problem of industrial sickness is increasing day by day. More and more industries are falling in the trap. The problem needs to be tackled at various levels. The government has to play an active role in preventing this problems.

In the present study we have tried to unearth and analyse the various aspects of the problem of industrial sickness. An attempt has been made to discover the possible causes of sickness and measures to be introduced to combat the disease. The present study analysed the role of small scale and cottage sector in the process of economic development. The present study has been divided into seven chapters. The first chapter deals mainly on the economic development and five years plans at the national and state level and institutional frame work for industrialisation in Himachal Pradesh. The second chapter defines the concept of the industrial sickness and the sickness prevailing in national and state level. Third brings out the review of literature with a view to defining its scope, objectives, and deriving research methodology which have been used in this study.

In chapters fourth, fifth and sixth we have brought out the various cases in Districts Kangra, Solan and Sirmour. On the basis of these cases we have outlined the reasons of the industrial sickness, and attempted to present a few suggestions. Chapter seventh argues the need for further research and offers a few remedies against small scale industrial sickness.

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