SUMMARY CONCLUSIONS SUGGESTION

Summary

The study was carried out in the selected area of Dombivli MIDC of Thane District in the state of Maharashtra, which is the surrounding area of the researcher. The researcher developed interest in the area because it is easily accessible for data collection. Moreover, since childhood the researcher is a resident of Kalyan which is the taluka place and the researcher has also seen the progress and development of the area. The MIDC area of Dombivli is in limelight since last several decades. The well-known industrialist Gajanan Pendharkar established his famous company, VICCO LABORTORIS in the area. Kalyan is also a place of residence of eminent industrialist, JayKumar Pathare the founder of VIP INDUSTRIES, the manufacturer of VIP undergarments and VIP luggage. The twin city of Kalyan Dombivli also experienced rapid growth and improvement in economic, social, industrial, infrastructural and consequently political development.

In this study the researcher has mentioned the summarized details of Dombivli MIDC and other MIDC in the state of Maharashtra. Researcher had framed scientific questionnaire for the primary data collection. There are 609 small scale units found to have been functioning as per records collected from the administrative section of Dombivli MIDC, after using sampling method 120 small scale units have been identified for the present study but obtained data from 95 small scale units.

The researcher gave a detailed explanation about the social background of the SSI owners such as age composition; sex composition Primary data covers two sections. First section which covers SSI unit holders Age, Sex, Marital status, Educational qualification, Cast, and Religion, Reading habits, Knowledge about languages of respondent etc.

2nd Section of questionnaire covered Type of Small Scale Industries which comprises Pharmaceutical, Engineering, Chemical, Electronic, Electrical, Rubber & Plastic, Textile, Information Technology, Food Industries, and Auto spares & ancillary Industries, the year of establishment, Area occupied by SSI units, Products, details of initial investment & present cost of SSI units such as Plot/land, Structure, Machineries, Raw Material, Other Related to SSI (in Rupees in Lakhs).Number employees, working categories and annual sales turnover of the SSI during the last six years, funds collection by SSIs, amounts such as owned capital, and borrowed capital
from Nationalized Banks, Urban Cooperative Banks, Private source of finance or other sources, Nature of loans taken during the last six years. Banks Loan policy used for SSI unit such as Short term loans, Overdraft, Clean Overdraft, Cash Credit, Advances against goods, Bill Purchased/Discounted, Advances against documents of title to goods, Advances against supply of Bills etc. Researcher also covers the opinion of SSIs owner towards structure, government policies, and fostering entrepreneurship information.

Secondary data used for the study which is collected from books entitles Small Scale Industries vol 1 to 5 by Vasant Desai, journals such as Economic and Political weekly, , web sites etc. like Industrial statistics - Statistics published by the ministries and Programmed web sites, use of libraries of Mumbai university, MIDC Publications, TISS etc.

The researcher also studied the academic study done on the selected subjects by reviewing the literature The researcher overviewed the research work done by the academicians to take direction as to how to present and proceed with the current research work undertaken. It has been proved that Small Scale Industries are skillful in distributing national income in more efficient and equitable manner among the various stakeholders in the process of production. Small-scale industries assumed an important role in the economies of the world.

The impact on various inputs of growth on Small Scale Sector is illustrated with the titles 'financial problems in small-scale industries', Universal Problems and Prospectus of SSIs , Evaluating the Financial Performance, Studies on Sickness of Small-Scale Industries, the role of banks and state financial institutions towards small scale sector, Reasons Remedies for various problems of small scale Industries, in India under this chapter.

Conclusion

In the present study, various aspects of financial study pertaining to the sources of finance, the institutions involved in the funding the SSIs, government schemes of financing, government agencies involved in the directing finance to SSIs. Etc. Therefore the study provides a clear picture of various sources of finance, the financial schemes, and the institutions involved and the SSI units which actually successful in securing the finance.

On the basis of the data collected and on the basis of analysis the study draws the following conclusions based on the Objectives.
Objective No.1. To analyse various sources of finance to small scale industries. The financial requirements of small scale industries can be broadly classified in to Long term finance required for creation of long term or permanent assets or creation of structure of business such as purchase of assets, construction of sheds etc. And short term finance which is required for short term business requirements such as purchase of raw materials, payments to employees, etc. There are various sources of finance such as Nationalised banks, commercial/private banks, urban cooperative banks and private sources such as friends, relatives, and professional money lenders.

1. The study found that there is various sources of finance to small scale industries in the study region and found a dynamic structure of financial sources to SSIs. It proved that overall sources amounting Rs. 95192.74 lakhs during the study period. It shows that the selected MIDC is having healthy financial surrounding. The major contributing source is nationalized bank from which Private Banks 13.09%, Owned capital 25.43%, Nationalized Banks 36.93% Urban Cooperative Banks 16.31% and finally private finance indicated 8.25%. The Small Scale Units in Dombivli MIDC area fairly utilized the various sources of finance.

2. The owned capital in case of Engineering, Electronics, IT, small scale units increased during the study period, In case of Chemical units, the owned capital contribution is declining over the years because the units are either becoming unviable due to the environmental issues. Since last several years, the chemical units are hit hard because of inadequate measures to control air pollution. The MIDC area is surrounded by residential colonies and the local citizens are the victims of various respiratory ailments and hence the pollution control board either orders closure of units or impose strict measures which the chemical units cannot bear or the owners must have diverted their owned funds in other lucrative areas or sectors The food units owned capital contribution is also receding either because the units the demand pattern is changing in the markets. The units which are involved in traditional food items such as papads, and pickles are hit hard due to lack of demand. The units which are producing new products such as noodles, pizza base, tomato ketchup, sauces, purees, fruit jams etc have definitely good days ahead or the owners must have diverted their funds in other lucrative sectors or areas The pharmaceutical units are also seemed to have not so good days either because of lack of research, high cost of production and competition from Chinese suppliers or the funds must have been utilised in other lucrative areas. The electrical units are also hit hard either because of
high cost of production, lack of innovation and competition from Chinese products or diversion of funds in other areas. Rest of the small scale units are experiencing fluctuation in owners’ contribution due to recovery of markets and improvement in competitive strength.

3. The private banks financial funding in case of auto spares and ancillary units and food units has increased during the study period which indicates that in certain pockets of small scale sector some of the units are doing well. In case of engineering and chemical sectors however the funding showed declining trend due to decrease in reliance because of high cost of servicing debts. The funding from private banks to the various sectors showed fluctuation during the study period.

4. The nationalised banks funding is also showing fluctuation across the sectors except electronics small scale units where the funding showed increase. Which means either the sourcing is done on the basis of requirements or mixed sourcing is done by the units

5. The sourcing from urban cooperative banks is showing increase to engineering units, auto spares and ancillary units, pharmaceutical units and IT units due to either customized procedures or positive business environment. The other units such as chemical, textiles, electronics, electrical and rubber and plastics etc. showing reduction in funding due sourcing of funds from other options or otherwise.

6. The sourcing of short term loans from private banks showed increase in trend during the study period. The long term funding however showed decline in the trend. This can be due to favorable policies of the banks for short term funding but for long term funding, the policies of the banks seemed to be not favorable. In case of sourcing from nationalised banks, the short term loans showed increase in trend and increase and slight variation in trend in case of long term loans this can be due to simplified policies adopted by the banks during the study period. In case of urban cooperative banks the short term loans showed constant to slight variation in funding and in case of long term loans there was fluctuation in funding. This may be on account of customized approach by the banks.

7. The private source of finance showed increase in trend of short term loans obtained but fluctuation in case of long term loans. The private source any how is easily accessible because of convenient procedures but the source can prove to be
costly in the long run as the money lenders charge high to heavy rates of interest which is not good symptom for development of business in the area.

**Suggestion:** Financial sources of Private Banks and UCBs for SSI need to be increased. The SSI owners should concentrate on productivity of their units.

**Objective No.2.** To study the policies and schemes of various banks and financial institution for small scale industries.

8. The banks and financial institutions are following proper guidelines in extending funding to small scale industries in the study area. The data analysis showed that almost all the SSI owners utilized various policies and schemes of banks and financial institution for small scale industries in a methodological manner. The data showed that all small scale unit holders were aware of various policies of banks for extension of credit and utilised cent percent funding of long term loans, short term loans, overdraft facilities, etc. some of the unit holders were not aware about cash credit facilities, clean overdraft facilities, advances against goods, discounting or purchase of bills, advances against document of title to goods and advances against supply of bills. The year on year basis data showed that the funding to various sectors increased and all the participants such as nationalised banks, urban cooperative banks, and private banks were active. This represents healthy growth of various industries.

9. The nationalized banks in particular played a major role in financing the small scale industries. The public sector banks are liberal in following the guidelines of the government.

10. The Urban Cooperative Banks are the second major contributor of funding to small scale industries in the study area. The policies of urban cooperative Banks are not tailor made. The policies are customised and framed according to government guidelines and the needs and conditions of the area and the sector in which the small scale units are engaged.

11. The Private Sector Banks are also one of the sources of finance to the small scale industries in the area. The private sector banks can also play a key role in funding the small scale industries but the banks are strict and follow cumbersome procedures particularly in relation to the requirements and formalities to be followed. This is so because the private banks are profit motivates and the policies of such banks are framed to minimize the possibility of its assets turning non performing.

12. The Private sources are also fairly used source of finance in the beginning of business and when the possibility of finance from other sources is less or when the
other sources dries up or timely finance is not available to small scale units. The entrepreneurs have to rely on their friends, relatives, well-wishers and other private professional money lenders for fulfilling their financial needs. However, this source is proving costly to the small scale units because the private money lenders charge hefty rates of interest and hence proving detrimental to the interest of small units.

Objective No 3 To ascertain the level of awareness of various sources of finance.
13. The collected showed that almost all small scale industry owners are aware about one or the other or in fact all schemes of governments and the procedures to be followed to make use of the scheme.
14. The manufacturing unit owners have their own association named as Kalyan Ambernath Manufacturers Association (KAMA) which by and large managed by qualified businessmen or knowledgeable people. The members of association interacting each other in case of any hurdles and the owners gained knowledge thereby.
15. It was also noted from the study that most of the owners are members of Dombivli Rotary Club which is well known NGO and the Rotary members have weekly meetings held regularly to discuss their problems and the projects. Therefore this objective seemed to be fairly achieved and the small scale industrial unit owners utilized the various sources of finance.

Objective No 4 To examine the level of investment made
16. The study showed that the various small scale industries made investments in the plot of land, the structure of factory or the shade or the accommodation constructed for the manufacturing unit, the machineries used in the unit, raw material consumed and other requirements such as electrical fittings, furniture purchased etc.
17. The study observed that the plot of generally land demanded highest investments as the cost of land is increasing day by day and it has sky rocketed during last decade, followed by the structure, machineries, raw materials and other requirements.
18. The level of investments in various factors varied from business to business. The manufacturing units requiring more automatic processes have to invest heavily in machineries and less in other factors.
19. The data showed that the chemical units had to invest more in land followed by textile units, pharmaceutical units, engineering units, electronics and auto
ancillary units, rubber and plastic units, food industrial units, IT units and finally electrical units.

20. The pharmaceutical units demanded highest investments in structure as the process of production is lengthy, followed by chemical units, rubber and plastic units, electronics units, textile units, IT units, food industrial units, auto spares and ancillary units, engineering and finally electrical units.

21. Machineries or capital investment’s also varied in different types of businesses. The rubber and plastic units demanded highest investments in followed by pharmaceutical units, chemical units, textiles, auto spares and ancillary units, electrical units, IT units, food units, engineering units and finally electronics units.

22. The investments in raw material differed in different types of small scale units. Rubber and plastic units demanded highest investments in raw material followed by chemical units, IT units, textile units, electrical and food industrial units, pharmaceutical units, auto spares and ancillary units, engineering units, and finally electronics units.

23. Investments in other assets such as furniture, fittings etc. Auto spares and ancillary units consumed more capital and then the other types of units such as IT and electrical, pharmaceuticals, chemicals, food industries, rubber and plastic, textiles, and finally electronics units.

**Objective No 5** To know and understand structure and size of small scale industries in M.I.D.C., Dombivili area.

24. The size and structure is evaluated on the basis of skill possessed by the employees, designation and quantum of employees and the structure of management. The skill is evaluates as skilled, semi-skilled and unskilled employees. The designation is studied as Management staff, Accounts Staff, Officer, Clerks, Technical staff etc. The structure of management as Top Level managers, Executives, staff and lower level employees.

25. In the skilled category, the majority was male employees than female employees. The semi-skilled category is dominated by more female employees than the male counterparts. The unskilled category is again dominated by male employees.

26. In all types of small scale units it is found that, the owners are acting as General Managers. The executives, officers, clerks, and technical staff is appointed are also appointed.
Objective No 6. To offer suggestions for fostering entrepreneurship in small scale industries

27. The study found that the entrepreneurship encouragement suggestions are given by all types of small scale units.

28. All types of Small scale units favored traffic management in the MIDC area. There are traffic restrictions imposed during peak hours on goods transporting vehicles to ease the traffic problems.

29. All types of Small scale units suggested that improvement in communication between the members of association is necessary in the MIDC area. All members do not interact with each other and their unity can represent their problems effectively before government.

30. The small scale unit managers unanimously opined that the private banks should be encouraged to participate in funding of small scale units. Generally the private banks shy away from funding under government schemes to the small scale units due to the fear of their assets turning non per forming.

31. The small scale unit holders in total felt that the owners should learn about new products. The greater emphasize should be given to research and development. So that they can effectively face competition created by large units and imported goods.

32. The entrepreneurs thought that the academic curriculum should be designed in such a way that the people in general are inclined to do small scale business. so basic nurturing can instill entrepreneurship in the society.

33. Deficiency of funds is the root cause of non-performance or underperformance of small scale units. Therefore seed and venture capital can improve the participation and foster entrepreneurship.

34. Research and development, innovations are key to success. Therefore new skills can be utilized and business environment can be expanded.

35. The present Prime Minister slogan of make in India concept can encourage new entrant in the business. The government should give popularity to various schemes and simplify the procedure of doing the business.

Objective No 7 To evaluate government policies regarding small scale industries

36. The government policies are evaluated on the basis of policies as favorable or not favorable. The government announces policy frame work to encourage indigenous
sector. The experience of incumbent small scale owners can help evaluate government policies.

37. The researcher found that majority small scale industry owners have found that the government policies are favorable.

**Conclusion on the basis of tabulated data.**

1) **Table 4.1 Performances of the Small Scale Industries, India.**

1) **Conclusion:** During twenty five years in the number of units in the country increased from 73.51 lakhs to 191.94 lakhs.

**Suggestion:** There is increase in the total units but the increase is not sufficient. The government therefore should evolve the policy to increase the pace of growth at least by double digit or compatible to the neighboring country.

2) **Conclusion:** the employment increased in the given span of time from 174.84 lakhs to 468 lakhs units.

**Suggestion:** The growth rate is not commensurate with the growth rate of population and hence the district and regional level planning for SSI should be boosted.

3) **Conclusion:** The investment increased from Rs109623 crores to Rs 369309 crores it doubled within twenty five years so this equation is not digestive for the huge populated country of India. It should be doubled within eight years in comparison with population growth of India.

**Suggestion:** Nowadays, international economic situation is favorable for India the startup policies should be simplified and customized

Table 4.11: respondent’s involvement in social responsibility,

1) **Conclusion:** The SSI owners are actively involved in social a responsibility which is the 60%.

**Suggestion:** The SSI owners should increase their involvement.

Table 4.12: Establishment Era of SSI

1) **Conclusion:** The establishment of 50% SSI in the study region found to be before 1980 the increase was consistent up to 2000. However after 2000 it did not increase consistently.

**Suggestion:** The state government should promote growth of SSI and should ensure district wise increase in number of SSI units depending upon availability of natural resources which is source of raw material to SSI units.

Table 4.15 Initial and present Investment pattern of Pharmaceutical SSI units.
Conclusion: The investment pattern in pharmaceutical units is favorable for MIDC. However investment pattern in Structure, Machineries, Raw Materials, Other Related to SSI is less.

Suggestion: The investments across the sectors should be balanced. The pharmaceutical units should increase investments in machineries, raw materials and other related matters should increase.

Table 4.16 Initial and present Investment pattern of engineering SSI units.

Conclusion: The investment pattern in engineering units is not favorable for MIDC. However investment pattern in all areas is less or negative.

Suggestion: The investments across the sectors should be balanced. The engineering units should increase investments in all aspects of SSIs.

Table 4.17 Initial and present Investment pattern of chemical SSI units.

Conclusion: The investment pattern in engineering units is not favorable for MIDC. However investment pattern in all areas is less.

Suggestion: The investments across the sectors should be balanced. The chemical units should increase investments in all related aspects of SSIs.

Table 4.18 Initial and present Investment pattern of electronics SSI units.

Conclusion: The investment pattern in electronics units is not favorable for MIDC. The investment pattern in all areas is less or negative.

Suggestion: The investments across the sectors should be balanced. The electronics units should increase investments in all related aspects of SSIs.

Table 4.19 Initial and present Investment pattern of electrical SSI units.

Conclusion: The investment pattern in electrical units is not favorable for MIDC. The investment pattern in all areas is less or negative.

Suggestion: The investments across the sectors should be balanced. The electrical units should increase investments in all related aspects of SSIs.

Table 4.20 Initial and present Investment pattern of rubber and plastics SSI units.

Conclusion: The investment pattern in electrical units is not favorable for MIDC. The investment pattern however in machineries, raw material is positive.

Suggestion: The investments across the sectors should be balanced. The rubber and plastics units should increase investments in plots and structures.
Table 4.21 Initial and present Investment pattern of textiles SSI units.

**Conclusion:** The investment pattern in textiles units is favorable for MIDC. The investment pattern however in other related aspects is negative.

**Suggestion:** The investments across the sectors should be balanced. The textiles units should increase investments in related aspects should increase.

Table 4.22 Initial and present Investment pattern of IT SSI units.

**Conclusion:** The investment pattern in IT units is not favorable for MIDC. The investment patterns however in machineries, structure, plots are negative.

**Suggestion:** The investments across the sectors should be balanced. The IT units should increase investments in related aspects should increase. The government should promote IT sector. This sector is basically depends upon the human resources and state is producing top quality human resource in IT sector but cent percent absorbed by the medium and large scale units. The policy needed to be refined. In China the most of the IT human resource is pulled china’s IT small sector.

Table 4.23 Initial and present Investment pattern of Food SSI units.

**Conclusion:** The investment pattern in Food units is not favorable for MIDC. The investment patterns however in machineries, structure, plots are negative.

**Suggestion:** The investments across the sectors should be balanced. The Food units should increase investments in related aspects should increase. The market is brand oriented. So the SSI sector needs to highlight on innovation.

Table 4.24 Initial and present Investment pattern of Auto spares & ancillaries SSI units.

**Conclusion:** The investment pattern in Auto spares & ancillaries units is not favorable for MIDC. The investment patterns however in machineries, structure, plots are negative.

**Suggestion:** The investments across the sectors should be balanced. The Auto spares & ancillaries units should increase investments in related aspects should increase. The market is cost and quality oriented. So the SSI sector needs to highlight on cost and quality.

Table 4.26: Year wise financial source used by selected SSI in study region

**Conclusion:** The various sources of finance such as private banks shows decline, which means the private banks do not actively participate in the funding to SSI, nationalised banks slight increase, which indicates that the nationalised banks
involvement in funding is more, the UCBs constant and private sources decline but still the source is utilised.

**Suggestion:** The government should encourage the private banks by making appropriate changes in banking laws and quell the fear of funding of private banks turning NPAs. The nationalised banks should be directed to extend funding to SSI by defining priority sector simplifying procedures, the UCBs also should be directed to increase the funding and the reliance on private finance should be made negligible to keep the unit profitable.

**Table 4.28: Private financial sources used by different types of SSI**

**Conclusion:** The private financial sources used by different SSI show that it is still playing a contributory role in finance. The auto spares and ancillary units and rubber and plastic units show that the contribution is increasing in case of rest of the units it is constant or declined.

**Suggestion:** The government and the regulating authorities of SSI should ensure that the role of private sources should be minimal or negligible. The private source eats away the profit and makes the unit unviable.

**Table 4.29: Private Banks financial sources used by types of SSI**

**Conclusion:** The private banks funding across all sectors of selected SSI units has either slightly increased or remained constant.

**Suggestion:** The private banks are reluctant to extend funds to the business where the banks are not confident about their performance. The government therefore should instill confidence by making policy changes as far as funding to the sector is concerned or should make recovery mechanism easy to operate to the private banks.

**Table 4.30: Nationalised Banks financial sources used by types of SSI.**

**Conclusion:** The nationalised banks funding to various sectors has declined or not increased to a major extent in case of some of the SSI units. In some SSI sector it has declined owing to the reasons like lack of awareness etc.

**Suggestion:** The RBI should make clear-cut guidelines about priority sector. Generally the policies and procedures adopted are same for acquiring funds, therefore the schemes and policies should be given appropriate publicity to convenience the borrowers.
Table 4.31: Urban Cooperative Banks financial sources used by different types of SSI.

**Conclusion:** UCBs can be the engine of growth at the regional level because the regional businessman generally themselves initiate to form the UCBs. The miracles can created by organizing credit fairs regularly and by deputing the banks officials regularly to publicize the financial schemes to SSI units. The UCBs can also felicitate the efficient units for the business achievements from time to time.

Table 4.37: Long term loan utilised by SSI from the private banks

**Conclusion:** The private banks funding to various SSI sector declined during the study period

**Suggestion:** The private banks are not much active in funding to SSI. The clear cut policies and easy recovery mechanism in case of default by the borrowers can improve the situation.

Table 4.78 Aggregate purchase of raw material

**Conclusion** The study showed that there are three measure sources of finance available to SSI owners namely private banks, nationalised banks and UCBs during study period the UCBs contribution is less in extending funds in in 2010-11(11.16%) but consequently increased in 2015-16 (42.27%)

**Suggestion:** The UCBs improved their policies and but private banks contribution in total funding declined so private banks needed to have broader and optimistic approach and the SSI owners should prove that the funding by private banks would not be non-performing asset to the banks. The regulating authorities also should frame the policies desirable for funding by the private banks.

Table 4.81 Percent distribution of SSI owner’s choice of marketing pattern

**Conclusion:** it is concluded that modern marketing approach is not adopted by the SSI owners.

**Suggestion:** The marketing pattern is vital in today’s modern world. Marketing creates demand in the market and consequently establish business. The study revealed that web marketing, contract manufacturing are strongly applauded by the entrepreneurs. E-marketing requires greater attention. Customers today prefer doorstep services similarly advertisement can create impact on customers so the SSI owners need to focus on these aspects as is part and parcel of today’s business success.
Table 4.82 SSI owners regarding benefit obtained of policies and schemes

Conclusions: The study showed that all SSIs owners taken benefit of government policies towards the financial assistance ‘Long term, Short term loans and overdraft utilisation. The study showed that cent percent SSI owners had obtained long term, short term loans, overdrafts and clean overdrafts. Therefore policy measures are necessary to improve the penetration of the government policies. The cash credit policy needs attention from the policy point of view. Only a quarter percentage entrepreneurs are aware and utilised the policy remaining half of the entrepreneurs almost did not make use of the policy.

Suggestion: As far the benefits obtained of policies and schemes towards SSI, researcher suggests that the policy requires greater awareness, simplification, the policies needs to be customized, regular awareness in the form of advertisement, counseling by government agencies required. In case of advances against goods taken, bills purchased/discounted, advances against document of title to goods, advances against supply of bill where awareness and utilisation is less require such finance needed additional focus.

Other suggestions for improving the Small Scale Sector:

1. The government should conduct surveys of the existing small industries and frame constructive programmes for development of SSIs.
2. The chemical units in the recent days are the victims of compulsory action from pollution control board. The units therefore should pay attention to proper emission norms and scientific disposal of waste in the larger interest of the biology.
3. Most of the units in the study area and elsewhere are dominantly set up by a particular community, the government and the local agencies therefore should organize regular counseling to the youth for becoming entrepreneurs. The youth should be given necessary orientation about financial planning and management which is precisely missing in the people of other communities.
4. The SSI units should concentrate on cost management and cost saving measures. The market is nowadays is dominated by the imported goods from China which is the biggest threat. The Chinese goods are cheaper comparatively in the market hence the SSI owners should ensure that the goods manufactured by their units are sold at reasonable prices.
5. The government should make necessary arrangement for imparting proper education and training to workers engaged in small-scale units in the different parts of the country.

6. The government should make provision for making available of proper quality and sufficient quantity of raw material at reasonable rates in all industrial estates.

7. It is necessary to further simplify policies of banking and other financial institutions supplying credit to small-scale industries so that they can arrange adequate and timely credit required for the purpose. And also the credit should be made available with less security to SSI owners. Government should ensure that adequate financial assistance is provided to SSIs through banks and financial institutions. The rate of interest on loans should be less. Particularly in the unorganized sector where the small industries are poorly served.

8. The government should establish effective marketing organizations to remove the comparative disadvantages SSIs units in the field of marketing.

9. The government should reserve the items to be produced only under small scale umbrella so that SSI can get protection and will not suffer at the hands of large scale sector.

10. The government should start entrepreneurship development programmes for the budding entrepreneurs.

11. The sick industries must be rejuvenated instead of forcing their liquidation. The schemes like amalgamation, mergers should be encouraged.

12. Fair must be arranged and incentives must be given to SSI units and awareness must be made about the incentives available to new entrepreneurs.

13. There is no reason to believe that the small-scale industries cannot survive in the face of keen competition created by big industries. In many cases, large-scale industries and small scale industries are complementary to each other. Some small industries produce semi-finished goods, which are finished by big industries. SSIs also produce machinery parts and supply some of the needs of big industries. The government should create such awareness and encourage the owners to change their mindset for improving the business environment.

14. The government should device promotion schemes to encourage exports and should setup export houses for export of SSI products.
15. The government should provide tax incentives for SSIs and also make provision for lesser or no custom duties in case the crucial inputs are required to be purchased from foreign countries.

16. The government should introduce quality benchmarks for various products not only from domestic market point of view but also from foreign markets requirements. Such measure can boost the quality and makes export of goods easier.

17. The government should bar the entry of foreign players and should provide level playing for domestic SSI owners and devise a policy to make foreign made goods less attractive.

18. The labour laws should amended from time to time to lessen the legal compliance and making the hiring labour easier.

19. The social security schemes should be provided to the employees by the government so that the labour can be retained by the units.

20. The inflation in the market should be checked to make the goods of SSI attractive to the consumers.

21. In recent years, the real estate prices sky rocketed in metropolitan a city which acts as disincentives to the SSI owners. In such cases the tendency among SSI owners develops to migrate from one region to another. The government should devise the regulating policies to check the real estate price rise.

22. The small-scale industries should conduct research on the techniques of production and thus try to improve the technique of production and adopt modern and sophisticated technology in their units.

23. Insurance coverage must be extended to new and existing small scale industries in case of any natural or man-made calamity.

24. The entrepreneurs should see that the quality and standard of their output produced be maintained at par with similar product of large units to ensure proper utilisation of resources.

25. The gap that exists between consumers and small business must be bridged through effective marketing. Industrial fairs, exhibitions must be organized by the government to encourage the sale of SSI products.

26. The infrastructural facilities must be improved and measures must be taken to enhance the supply of water, electricity to backward and rural areas.

27. Technological support must be provided to SSI to import machinery at lower cost.
28. Many industrial estates must be established by the government.
29. The informal money market should be regulated to avoid exploitation by money lenders on small scale industrialists.
30. Awareness campaigns must be carried out in full swing to encourage youngsters to become first generation entrepreneurs.
31. Some of the sectors have not strengthened their roots in like IT, the government should devise a policy to promote the same.
32. The steps taken by the government should be in proper time and spirit, small-scale industries will come out 'successful and continue their stay in the economy.

Small scale sector is a major source of employment to not only to urban population in the selected study area of MIDC Dombivli, but also for the villagers as India. India is second largest populated country in the world and majority of Indian population comprising of youth which are the strong hands for development. There are inherent problems in Indian economy. The government announces policy measures for stimulating the growth of small scale sector but the problem red tapism, bureaucracy are dampening the enterprising spirits in the society. Academic enrichment, provision of timely and adequate finance, research and development, infrastructure can really make India shining on the international level.

The present study undertaken on the financial study of Small Scale Industries in MIDC area of Dombivli of Maharashtra throws light on the financial aspects such as financial schemes introduced, the participants in the market, the actual utilisation and finally the measures to foster entrepreneurship in the society. The study is representative of small scale sector in India and if the attempts are made to plug the weaknesses then the small scale sector will prove to be the engine of growth.