CHAPTER – 1

INTRODUCTION

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References
1.0 Introduction

Being the first chapter of a Ph D level work, this chapter displays a peculiar structure. It begins with a small narration on the background of the present study which is titled: “A study of practices, working problems and performance of brass parts industries with reference to Jamnagar district”. Its background gives way to looking at the critical problems the brass parts industries of the district face today and culminates into a problem statement. After outlining the problem areas, the narration turns to defining the objectives of the study, followed by a brief on the research methodology followed in the study. The final sub narrative is on the context of the study.

1.1 Study Background

The brass parts industry is primarily an intermediate industry supplying a wide variety of brass parts and components to almost all the engineering industries ranging from electrical/electronics industry to automobile industry. Its’ phenomenal growth could also be ascribed to the growth and diversification of other engineering
related sectors of the industry. The brass parts industry has a heavy concentration in Jamnagar.

Jamnagar is the famous of 'Chhoti Kashi', 'Paris of Saurashtra', 'Brass City' etc…. The origin of the kingdom of Nawanagar, former name for Jamnagar, can be traced back to the times of Jam Hala who crossed over from the north, entered Saurashtra and conquered the greater part of the territory held by the Jethwas of Ghumli and called it Halar. The formation of the district came about with the consolidation of Nawanagar, Dhroll, Dhrafa and Jodia Devani. At present there are 10 taluka in this district. The district head quarter is Jamnagar.

The brass parts industries in Gujarat is mostly concentrated in an around Jamnagar district which caters to the requirement of around 70% of the machine brass component of the country and around INR 300 crore (USD 71 million) worth of brass parts are produced by industries in Jamnagar, of which 90% is marketed within the country and 10% is exported. The brass parts industry in Jamnagar supplies to wide ranging industries such as electrical appliances, automobiles, bicycles, electronics, building hardware etc.
From a few insignificant brass button making units in the cottage sector in the early 40’s, Jamnagar now has a vibrant full-fledged Rs.700 crore industry with almost 4,500 units engaged in manufacturing brass-parts, with a product range of as many as 10,000 items. This is besides the 3,500 home-based units, which support job and manufacturing units with some odd labor-intensive jobs. A staggering 1,50,000 people earn their daily bread here.

1.2 The Problem statement

Most of the brass part industries of Jamnagar are related with processing of brass. Its main ingredient, the brass scrap is largely imported making the industry very vulnerable to the constantly fluctuating brass scrap prices in the international market. Besides, the sector has to deal with a plethora of problems at the local level, making any observer question the basic viability of the trade itself. Within the context of such an operational environment, the overall problem the present study is trying to address can be stated as given below.
“Despite being an export-centered industry not only catering to a large employment base but also providing ample opportunities to the local economy to grow alongside; the brass parts industries of Jamnagar have become very vulnerable on one hand, to the constantly fluctuating brass scrap prices in the international market (with brass scrap being the most important raw material of their products) and to a number of vital local issues such as old technology, overspecialization in secondary goods, a chain of intermediaries spoiling the profit base, labor problems etc. on the other. Seeking harmony between these dual environs through appropriate economic, political and international business strategies will remain the most critical area of intervention for any well wisher of this industry”

1.3 Objectives of the study

The chief purpose of the study is to identify the problems encountered by small, medium and large scale units and thereby to suggest such measures that would resolve the problems. The detailed objectives to the study are set as follows:
1. To study policy and practice of brass parts industries
2. To study the various working problems of the brass parts industry
3. To study the performance and productivity of brass parts industries
4. To evaluate various working system of brass parts industries
5. To understand the practical approach of brass parts industry
6. To achieve the knowledge of working pattern in the industry
7. Together the problems of the workers and to know the limitation of the industry
8. To investigate the development of the brass parts units in Jamnagar and to know the contribution of this country to the city
9. To appraisal the work done in the industry

1.4 Research Methodology

The study contains a separate chapter (chapter 4) on the methodology of research it has followed. But just to get acquainted with the same, it can be very briefly described as follows:

- Selection of the Thesis Topic
• Literature and Net Review

• Hypothesis Formation (see below)

• Survey: Sample Selection in terms of Respondents and Brass parts units, Questionnaire Design, Self orientation of questionnaire administration, Informal testing of the same, main Survey

• Data Compilation and Management

• Data Analysis using the software: Statistical Package for Social Sciences (SPSS)

• Thesis Writing

1.5 Hypothesis

In order to achieve objectives of this study stated above the following hypothesis were formed. The null hypothesis method was used to retain the objectivity and avoid ambiguity in results.

1. All production and process related problems do not exist in brass parts manufacturing units of Jamnagar district.

2. No finance related problems exist in brass parts manufacturing units of Jamnagar District

3. No marketing related obstacles prevail in brass parts manufacturing units of Jamnagar District.
4. The managerial environment is hurdle free and issue does not have any adverse impact on performance of brass manufacturing units of Jamnagar District.

5. Brass parts manufacturing units of Jamnagar District do not have any personal management problems.

6. The overall performance of brass parts manufacturing units of Jamnagar District is excellent.

1.6 Study Context

No study can pose a problem or attempts to solve it in isolation. It always remains a sub set of a larger universal set to which it is organically related. This organic relationship is a result of the context in which both these sets are embedded.

The present study therefore is only a sub set of a larger universal set of the economic environment in which it has nurtured and grown. It becomes pertinent then to look briefly at this particular context. It comprises of (a) India’s economic development (b) the various sectors of the economy (c) the small scale industry sector (d) the export component of the industry and (e) the government’s efforts in addressing the sector’s issues and problems.
Nature of India’s Economic Development

The economic development of India was dominated by socialist-influenced policies, state-owned sectors, and red tape & extensive regulations, collectively known as "License Raj". It led the country and its economy isolated from the world economy. However the scenario started changing from the mid-1980s, when India began opening up its market slowly through economic liberalization. The policy played a huge impact on the economic development of India. The Indian economic development got a boost through its economic reform in 1991 and again through its renewal in the 2000s. Since then, the face of economic development of India has changed completely.

The economic reform of 1991 played a pivotal role in the economic development of India. Reaping its benefit, the growth of the country reached around 7.5% in the late 2000s. It is also expected to double the average income within a decade. According to the analysts, if India can push more fundamental market
reforms, it will be able to sustain the rate and can even achieve the government's target of 10% by 2011.

**The Role of the States**

India is world's 12th largest economy and also the 4th largest in terms of purchasing power parity adjusted exchange rates (PPP). It is the 128th largest in the world on per capita basis and 118th by PPP. However, states have a major role to play in the economic development of India. There are few states which have higher annualized 1999-2008 growth rates comparing to others. The growth rates for the states like Gujarat (8.8%), Haryana (8.7%) and Delhi (7.4%) are considerably higher than other states like Bihar (5.1%), Uttar Pradesh (4.4%) and Madhya Pradesh (3.5%).

The economic development of India largely depends upon a few factors, which prove to be decisive. According to the World Bank, for a better economic development, India needs to give due priorities in various issues like infrastructure, public sector reform, agricultural and rural development, reforms in lagging states, removal of labor regulations and HIV/AIDS.
The Role of the Sectors

Agriculture

Agriculture, along with other allied sectors like fishing, forestry, and logging play a major role in the economic development in India. In 2005, these sectors accounted for almost 18.6% of the GDP. India holds the second position worldwide in terms of farm output. It also generated works for 60% of the total workforce. Though, currently seeing a steady decline of its share in the GDP, it is still the largest economic sector of the country.

In India, a steady growth has been observed in the yields per unit area of all the crops since 1950. And the reason behind this is the fact that, special emphasis was given on agriculture in the five-year plans. In 1965, the country saw green revolution. Improvements came in the various areas like irrigation, technology, provision of agricultural credit, application of modern agricultural practices and subsidies.

India has done considerably well in agriculture and allied sectors. The country is the world’s largest producer of tea, coconut, cashew nuts, black pepper, turmeric, ginger and milk. India also has the
largest cattle population in the world. It is world’s second largest producer of sugar, rice, wheat and inland fish. It is in the third position in the list of tobacco producers in the world. India also produces 10% of the overall fruit production in the world, holding the first position in banana and sapota production.

**Industrial Sector**

India occupies 14th position in the world in industrial output. The manufacturing sector along with gas, electricity, quarrying and mining account for 27.5% of the country’s GDP. It also employs 17% of total workers. The economic reforms of 1991 brought a number of foreign companies to the Indian market. As a result, it saw the privatization of several public sector industries. Expansion in the production of FMCG (Fast-moving Consumer Goods) started taking place. Indian companies started facing foreign competitions, including the cheap Chinese imports. However, they managed to handle it by cutting down costs, refurbishing management, banking on technology and low labor costs and concentrating on new products designing.
**Services Sector**

In services output, India occupies 15th spot in the world. Around 23% of the total workforce in India works in service industry. This is also the sector which provides quick growth with a growth rate of 7.5% during 1991-2000 from 4.5% in 1951-80. With a substantial growth in IT sector, a number of foreign consumers showing interests in India’s service exports as India has got low cost, educated, highly skilled workers in abundance. Besides this, ITES-BPO sector has also become a big source of employment for a number of youths.

**Banking and Finance**

Since liberalization, India has seen substantial banking reforms. On one hand, one could see the mergers of banks, competitiveness and reducing government interference, on the other hand one can also see the presence of several private and foreign players in the banking and insurance sectors. Currently the banking sector in India has got maturity in terms of supply, reach-even and product range. The Indian banks are also said to have clean, transparent and strong balance sheets comparing to their Asian counterparts.
The Export Sector and the Small Scale Industries

The export sector of Indian economy made comprehensive progress over the last decade. The exponential growth of the export sector of Indian economy can be attributed to the liberal Government of India economic policy. Indian exports have an ambitious target of US 160 billion in 2007-08. The achievement came to the Indian exports in the last fiscal despite the odds against the exports, minimizing the gains. In the first two months of 2007-08 exports grew by 20.3%, which was a little lower than the previous year over the same period a year ago.

The Government of India latest export policy for the exporters will help in stabilizing the export growth levels attained in the 1st quarter of 2007-2008. Ores and minerals exports grew moderately to 12.9% against 37.4% in 2005-06. Similar trend was also observed in the exports of manufacturing sector. The exports of manufactured goods from India grew moderately by 15% in the first quarter of 2007-2008 as compared to 21.2% in the last fiscal year. High value commodities like engineering goods and rice registered very high growth rate in the 1st quarter of this fiscal
against the same period last year. The overall exports suggest that the Indian exports grew considerably across all major exporting destinations. The Indian exports to Pakistan, UAE and Italy showed remarkable growth in the first quarter of the current fiscal year.

The astronomical growth of the Indian export sector was led by the following industry:

- Information Technology
- Information Technology Enabled Services
- Telecommunications hardware
- Electronics and hardware
- Pharmaceutical and biotechnology products
- Consumer durables
- Textiles
- Construction machinery
- Power equipment
- Food grains
- Iron and steel
- Chemicals and fertilizers
The robust overall growth of export sector of Indian economy led to secondary growth of the following economic parameters -

- India's economy grew at 9.3% in quarter April-June and it was driven by manufacturing, construction and services sector and agriculture sector
- GDP factor for the first quarter of 2007-08 was at Rs 7,23,132 crore, registering a growth rate of 9.3% over the corresponding quarter of previous year
- Exports grew by 18.11% during the 1st quarter of 2007-2008 and the imports shoot up by 34.30% during the same period
- India's FOREX reserves (excluding Gold and SDRs) stood at $219.75 billion at the end of July '07
- The annual inflation rate was 4.45% for the week ended July 28, 2007
- India's Balance of Payments is expected to remain comfortable
- Merchandise Exports recorded strong growth
- According to reports, productivity growth rate of Indian economy is estimated to be around 8% and above until 2020

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At this stupendous growth of the export sector of Indian economy, it is expected that India will become the second largest economy in the world after China.

The small-scale industries sector plays a vital role in the growth of the country. It contributes almost 40% of the gross industrial value added in the Indian economy.

It has been estimated that a million Rs. of investment in fixed assets in the small scale sector produces 4.62 million worth of

<table>
<thead>
<tr>
<th>Year</th>
<th>Target</th>
<th>Achievement</th>
</tr>
</thead>
<tbody>
<tr>
<td>1991-92</td>
<td>3.0</td>
<td>3.1</td>
</tr>
<tr>
<td>1992-93</td>
<td>5.0</td>
<td>5.6</td>
</tr>
<tr>
<td>1993-94</td>
<td>7.0</td>
<td>7.1</td>
</tr>
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<td>1994-95</td>
<td>9.1</td>
<td>10.1</td>
</tr>
<tr>
<td>1995-96</td>
<td>9.1</td>
<td>11.4</td>
</tr>
<tr>
<td>1996-97</td>
<td>9.1</td>
<td>11.3</td>
</tr>
<tr>
<td>1997-98</td>
<td>*</td>
<td>8.43</td>
</tr>
<tr>
<td>1998-99</td>
<td>*</td>
<td>7.7</td>
</tr>
<tr>
<td>1999-00</td>
<td>*</td>
<td>8.16</td>
</tr>
<tr>
<td>2000-01 (P)</td>
<td>*</td>
<td>8.90</td>
</tr>
</tbody>
</table>
goods or services with an approximate value addition of ten percentage points.

The small-scale sector has grown rapidly over the years. The growth rates during the various plan periods have been very impressive. The number of small-scale units has increased from an estimated 0.87 million units in the year 1980-81 to over 3 million in the year 2000.

When the performance of this sector is viewed against the growth in the manufacturing and the industry sector as a whole, it instills confidence in the resilience of the small-scale sector.

**Employment**

SSI Sector in India creates largest employment opportunities for the Indian populace, next only to Agriculture. It has been estimated that 100,000 rupees of investment in fixed assets in the small-scale sector generates employment for four persons.
Generation of Employment - Industry Group-wise

Food products industry has ranked first in generating employment, providing employment to 0.48 million persons (13.1%). The next two industry groups were Non-metallic mineral products with employment of 0.45 million persons (12.2%) and Metal products with 0.37 million persons (10.2%).

In Chemicals & chemical products, Machinery parts except Electrical parts, Wood products, Basic Metal Industries, Paper products & printing, Hosiery & garments, Repair services and Rubber & plastic products, the contribution ranged from 9% to 5%, the total contribution by these eight industry groups being 49%.

In all other industries the contribution was less than 5%.

Per unit employment

Per unit employment was the highest (20) in units engaged in beverages, tobacco & tobacco products mainly due to the high
employment potential of this industry particularly in Maharashtra, Andhra Pradesh, Rajasthan, Assam and Tamil Nadu.

Next came Cotton textile products (17), Non-metallic mineral products (14.1), Basic metal industries (13.6) and Electrical machinery and parts (11.2.) The lowest figure of 2.4 was in Repair services line.

Per unit employment was the highest (10) in metropolitan areas and lowest (5) in rural areas.

However, in Chemicals & chemical products, Non-metallic mineral products and Basic metal industries per unit employment was higher in rural areas as compared to metropolitan areas/urban areas.

In urban areas highest employment per unit was in Beverages, tobacco products (31 persons) followed by Cotton textile products
(18), Basic metal industries (13) and Non-metallic mineral products (12).

**Location-wise Employment Distribution - Rural**

Non-metallic products contributed 22.7% to employment generated in rural areas. Food Products accounted for 21.1%, Wood Products and Chemicals and chemical products shared between them 17.5%.

**Urban**

As for urban areas, Food Products and Metal Products almost equally shared 22.8% of employment. Machinery parts except electrical, Non-metallic mineral products, and Chemicals & chemical products between them accounted for 26.2% of employment.
In metropolitan areas the leading industries were Metal products, Machinery and parts except electrical and Paper products & printing (total share being 33.6%).

State-wise Employment Distribution

Tamil Nadu (14.5%) made the maximum contribution to employment.

This was followed by Maharashtra (9.7%), Uttar Pradesh (9.5%) and West Bengal (8.5%) the total share being 27.7%.

Gujarat (7.6%), Andhra Pradesh (7.5%), Karnataka (6.7%) and Punjab (5.6%) together accounted for another 27.4%.

Per unit employment was high - 17, 16 and 14 respectively - in Nagaland, Sikkim and Dadra & Nagar Haveli. It was 12 in Maharashtra, Tripura and Delhi.
Madhya Pradesh had the lowest figure of 2. In all other cases it was around the average of 6.

I Sector plays a major role in India's present export performance. 45%-50% of the Indian Exports is contributed by SSI Sector. Direct exports from the SSI Sector account for nearly 35% of total exports. Besides direct exports, it is estimated that small-scale industrial units contribute around 15% to exports indirectly. This takes place through merchant exporters, trading houses and export houses. They may also be in the form of export orders from large units or the production of parts and components for use for finished exportable goods.

Table 2: year wise target Vs achievements and growth rate of small scale industries

<table>
<thead>
<tr>
<th>Year</th>
<th>Target (lakh nos.)</th>
<th>Achievement (lakh nos.)</th>
<th>Growth rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1992-93</td>
<td>128.0</td>
<td>134.06</td>
<td>3.28</td>
</tr>
<tr>
<td>1993-94</td>
<td>133.0</td>
<td>139.38</td>
<td>3.28</td>
</tr>
<tr>
<td>1994-95</td>
<td>138.6</td>
<td>146.56</td>
<td>5.15</td>
</tr>
<tr>
<td>1995-96</td>
<td>144.4</td>
<td>152.61</td>
<td>4.13</td>
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<tr>
<td>1996-97</td>
<td>150.5</td>
<td>160.00</td>
<td>4.88</td>
</tr>
<tr>
<td>1997-98</td>
<td>165</td>
<td>167.20</td>
<td>4.50</td>
</tr>
<tr>
<td>1998-99</td>
<td>170.1</td>
<td>171.58</td>
<td>2.61</td>
</tr>
<tr>
<td>199900</td>
<td>175.4</td>
<td>177.3</td>
<td>3.33</td>
</tr>
</tbody>
</table>
It would surprise many to know that non-traditional products account for more than 95% of the SSI exports.

The exports from SSI sector have been clocking excellent growth rates in this decade. It has been mostly fuelled by the performance of garments, leather and gems and jewellery units from this sector.

The product groups where the SSI sector dominates in exports, are sports goods, readymade garments, woollen garments and knitwear, plastic products, processed food and leather products.

The SSI sector is reorienting its export strategy towards the new trade regime being ushered in by the WTO.

<table>
<thead>
<tr>
<th>Year</th>
<th>Exports (Rs. Crores) (at current prices)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1994-95</td>
<td>29,068 (14.86)</td>
</tr>
<tr>
<td>1995-96</td>
<td>36,470 (25.50)</td>
</tr>
<tr>
<td>1996-97</td>
<td>39,249 (7.61)</td>
</tr>
<tr>
<td>1997-98</td>
<td>43,946 (11.97)</td>
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<tr>
<td>1998-99</td>
<td>48,979 (10.2)</td>
</tr>
<tr>
<td>1999-00(P)</td>
<td>53,975 (10.2)</td>
</tr>
</tbody>
</table>
Major Export Markets

An evaluation study has been done by M/s A.C. Nielsen on behalf of Ministry of SSI. As per the findings and recommendations of the said study the major export markets identified having potential to enhance SSIs exports are US, EU and Japan. The potential items of SSIs have been categorized into three broad categories.

Export Destinations

The Export Destinations of SSI products have been identified for 16 product groups.

Opportunities
The opportunities in the small-scale sector are enormous due to the following factors:

- Less Capital Intensive
- Extensive Promotion & Support by Government
- Reservation for Exclusive Manufacture by small scale sector
- Project Profiles
- Funding - Finance & Subsidies
- Machinery Procurement
- Raw Material Procurement
- Manpower Training
- Technical & Managerial skills
- Tooling & Testing support
- Reservation for Exclusive Purchase by Government
- Export Promotion
- Growth in demand in the domestic market size due to overall economic growth
- Increasing Export Potential for Indian products Growth in Requirements for ancillary units due to the increase in number of green-field units coming up in the large scale sector. Small industry sector has performed exceedingly well and enabled our
country to achieve a wide measure of industrial growth and diversification.

By its less capital intensive and high labour absorption nature, SSI sector has made significant contributions to employment generation and also to rural industrialisation. This sector is ideally suited to build on the strengths of our traditional skills and knowledge, by infusion of technologies, capital and innovative marketing practices. This is the opportune time to set up projects in the small-scale sector. It may be said that the outlook is positive, indeed promising, given some safeguards. This expectation is based on an essential feature of the Indian industry and the demand structures. The diversity in production systems and demand structures will ensure long term co-existence of many layers of demand for consumer products / technologies / processes. There will be flourishing and well grounded markets for the same product/process, differentiated by quality, value added and sophistication. This characteristic of the Indian economy will allow complementary existence for various diverse types of units. The promotional and protective policies of the Govt. have ensured the presence of this sector in an astonishing
range of products, particularly in consumer goods. However, the bugbear of the sector has been the inadequacies in capital, technology and marketing. The process of liberalisation coupled with Government support will therefore, attract the infusion of just these things in the sector.

Small industry sector has performed exceedingly well and enabled our country to achieve a wide measure of industrial growth and diversification.

NATIONAL SMALL INDUSTRIES CORPORATION LTD

The National Small Industries Corporation Limited was set up in 1955 with a view to support, aid and foster the growth of small scale Industries in the Country. Since then, it has been assisting the Small Scale sector through a number of schemes designed to set up and assist their growth. The SSI has come up to age now and accounts for almost 40% of the total industrial product of the country as well as towards 35% of direct exports of the country. NSIC has greatly contributed to the growth of SSI to above heights.

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As a result of economic growth of the country during last 50 years and the effect of liberalization and globalization of the world economy, competition has become the first and foremost challenge in the present times. Accordingly, NSIC has also restructured its activities from a mainly Financing Organization to a Marketing Promotion Organization for SSIs in addition to assisting the technical up-gradation and has restructured its assistance programs also.

**Marketing Assistance Program**

Government being the biggest buyer of any product, NSIC provides a registration to Small Scale unit making them eligible for the following benefits.

- Tenders at free of cost
- Exemption from Earnest Money Deposit
- Exemption from Security Deposit
- 15% price preference over large and medium units

If you have not registered your unit under Government Purchase Scheme yet, register it now and use your facilities of Bank Guarantees etc for other useful purposes than furnishing and keeping them idle against tender/order securities.
**Tender Marketing**

NSIC participates on behalf of its G.P. Registered units in domestic/global tenders at nominal service charges and keep the manufacturer unit in full knowledge of the purchasers. NSIC also provides financial supports in execution of the supplies on merit of each case.

**Exports**

The Corporation assists in exporting the products of SSIs. It has got two Overseas offices at Dubai and Johannesburg-South Africa. NSIC is offering has secured stock and sale facilities for SSI units in Dubai. It is engaged in project exports also on turnkey basis and is a major supplier of relief items of India to UN and other international agencies. The Corporation organizes and participates in domestic and specialized products and technology related international exhibitions to facilitate marketing of SSIs products. A closure interaction of technical sector and development of mutual contacts for discussion of all issues involving technology transfer, collaboration etc.

**Campaigns**

NSIC organizes awareness campaigns at various locations near to
industrial estates in the state as also in the area where it is conducive to set up new industries. This is done with the purpose of reaching out to the people directly to familiarize them with assistance programs of the Corporation.

**Cluster Development**

The Corporation has taken the development of industries by adopting Cluster approach. A total number of 28 clusters have been identified throughout India where Cluster Development Managers have been posted. In Maharashtra 4 Cluster Development Managers have been posted at Thane, Pune, Nashik and Aurangabad and is trying to assist these clusters.

**Info-mediary Services**

NSIC has started Infomediary Services at a very nominal annual fee which is boon for Small Scale Industries. On taking membership of this service, the SSIs gets useful information on marketing, technology and allied matters apart from publication of their product and capabilities at the international web site of the Corporation.
Mentoring and Advisory Services

In order to take care of the production, management and marketing problems of the SSIs, NSIC has enlisted support of experienced Mentors and Advisors throughout the country who can provide the expert guidance to the units facing problems in any of the above areas. 50% of expenses are also reimbursed by the Corporation.

Financial Support Programs

NSIC provides finance for purchase of indigenous as well as imported machinery for setting up of new industry and technical up gradation of existing units on easy terms through its Hire Purchase Scheme. Purchasing Italian Machines is also available with NSIC under the Italian Line of Credit Scheme. In order to provide single window service, a Composite Term Loan Scheme has also been started by the Corporation wherein SSI Unit with total project cost upto Rs.25.00 lacs may avail financial facility for land & building, plant & machinery as also for working capital without providing collateral securities by contributing to the credit guarantee fund set up by the Government of India. The scheme is mainly designed to encourage setting up of new Small Scale Industries in the country.
> Under its Raw Material Assistance Scheme, the Corporation is providing finance for purchase of raw material by SSI on the security of bank guarantee at interest rates, which are just nil in practical effect.

> Under the present management the NSIC is continuously striving to improve its service delivery system and converting the organization into an organization of service to its masters i.e. public.

**NSIC Technical Services Centers**

**Training and development**

In addition to the commercial services indicated above the NSIC is providing technical services by way of training and development in the area of Machine Tools, Design & Testing, Rural Technology and Computer Applications, Plastic Machinery and instrumentation, Diesel Engine Development and Testing, Energy Conservation, Energy Audit, Sheet Metal and Wood Working Machinery, Leather and Footwear, Electronics and Computer Application, Lock and Brass Hardware, Domestic Electrical Appliances and Enterprise.
Building through its Technical Service Centres and Sub-Centres located at Okhla, Howerah, Rajkot, Chennai, Hyderabad, Aligarh, Rajpura Guwahati.

**Software Technology Parks**

The Corporation has set up Software Technology Parks at New Delhi and Chennai under the Software Technology Parks of India Scheme for catering to the needs of entrepreneurs who want to establish units for 100% exports of software as also to act as a nodal point for day to day formalities of such exports and as a resource centre for member units. The Parks provide benefits of duty free import, excise relief, Income Tax Holiday and DTA sale etc. The Corporation provides built up space, instant power connection, High Speed Data Link, Design Centre and Telephones etc in exchange for the Export Obligations and nominal rentals.

1.7 Conclusions

In this chapter we have looked at the study’s background and context, besides understanding its research framework and
objectives. In the next chapter we shall look at the various facets of the entire brass industry itself.

References

(1) Website: www.mpindia.org

(2) Website: www.mpindia.org

(3) Website: www.nsicindia.org