

The industrial development in a less developed country is extremely difficult, if not impossible, without the nursing care of the Government. It should be said to the credit of nascent Gujarat State that soon after its formation in 1960, a series of institutions were set up by the Government of Gujarat for rapid industrialization of this State. Of them, the two institutions providing financial accommodation to the small and medium scale industries in Gujarat are the GSFC and GIIC. I was inspired to study the role of these two institutions in the industrial development of Saurashtra which has been a relatively backward region in Gujarat State. Moreover, the study of the impact of these two institutions in co-operation with others, on the generation of income, employment and output, also attracted my attention. Hence, I have taken up this study.

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