Introduction
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India is a developing country with abundant and rich natural resources. But it is heavily populated with a larger backlog of unemployment both in industrial and agricultural sectors. Nearly half of its total population is still living below the poverty line. Most of the people are capable of only small investment. Majority of its industrial units are using traditional technology. The industrial sector is facing numerous problems. Shortage of raw-material, inadequate financial resources, traditional methods of production and distribution, transportation bottlenecks, marketing constraints, lack of technical know-how and managerial skill etc, are great snags in accelerating the pace of industrialisation in the country. Although India is committed to heavy industrialisation and has made considerable headway during the plan period, this alone cannot ensure equitable distribution of economic resources and fulfil the aspirations of the common man unless the economic resources of the country are diffused into a wider and thinner areas and the infra-structure of the economy is built up on sound footing. This calls for the development of decentralised sector of the
economy in which small scale industries occupy an important place.

Hence, under the existing conditions, the development of small scale industries is of paramount importance. Dispersal of these industries all over the country can be advocated on the following grounds. Firstly, they are adaptable to semi-urban and rural environment. Secondly, the small scale industries require small investment and do not call for a great deal of sophisticated technology and highly mechanised process of production which developing countries like India can hardly afford. Thirdly, these industries take short gestation period, and arrest inflationary trends in the economy within a relatively short period of time. Fourthly, they can be easily started with small amount of capital and intermediate technology. Fifthly, as employment potentialities per unit of capital investment in these industries are high, they can ease out the problem of growing unemployment. Sixthly, decentralised small scale industries remove various social problems such as corruption and overcrowding in urban areas. Seventhly, these industries facilitate decentralisation of economic power, remove regional imbalances and monopolistic tendencies in the
economy. Eightly, they can mobilise small savings both from rural and urban areas and divert them to productive channels. Finally, small scale industries, facilitate transformation of traditional technology into modern one and ensure effective mobilisation of economic resources. In a nutshell, the socio-economic significance of small scale industries lies in the fact that they require less capital which is a scarce factor in India, provide larger employment opportunities in a labour surplus economy like India, ensure equitable distribution of wealth, consolidate the base of the economy, bring about cultural revolution and preserve socio-economic heritage. There can be no denying the fact that heavy industrialisation is necessary in accelerating the pace of economic development but the role of small scale industries in the socio-economic transformation of developing countries like India is indispensable.

Although, small scale industries have made rapid strides during the plan period but the momentum is slow considering the needs of the country. There are a number of factors which are hampering the sound growth of these industries. Some important factors adversely
affecting the growth of these industries are shortage of raw-material and finance, lack of managerial skill and technical know-how, transportation and marketing constraints etc. However, the chief among them is the lack of product development programme in the wake of scientific and technological advancement and the changing behaviour of the consumers. Product development programme in small scale industries is essential because of the fact that the small manufacturers lack in uptodate knowledge of market conditions, technical know-how and methods of production, adequate sales force, techniques of distribution and marketing efforts. Due to these reasons the small manufacturers are producing goods without assessing the actions and reactions of the consumers and they are not in a position to make improvement in the quality of existing products. They are also unable to attract the attention of the buyers in the market. The goods produced by them are neglected in the market on the charge that they are costly, defective and bear no quality. As the small manufacturers are using old and outdated technology in production and techniques of distribution, much of their time, energy, capital and raw-material are wasted. Product development programme dealing with
all such matters and by suggesting ways and means, renders useful services to the small manufacturers. In other words, it focusses attention of the manufacturers on those factors which operate in popularising a new product or a new brand in the market.

The problems posed above are of vast dimensions and magnitude. They cannot be discussed in an isolated spectrum. They involve many intricate issues and they should be discussed precisely and coherently assimilating all possible factors exerting a decisive influence on the main theme of our study. It is in the context of the problems stated above that the subject-matter of the thesis has been discussed in the following chapters.

IN THE FIRST CHAPTER, the socio-economic significance of small scale industries in the national economy has been discussed. The existing socio-economic inequalities have given birth to a number of problems such as corruption and over-crowding, unemployment, poverty inequality of income etc. Under these conditions, participation of common man in economic progress and social uplift has become almost impracticable. Small scale industries can be used as a weapon to meet this challenging situation in the national economy. The chapter
emphasises that the small scale industries by increasing the volume of production and employment, reducing the pressure of population on agriculture, increasing the volume of national income and standard of living of the masses, harnessing the economic resources effectively, reducing social discontent, disharmony, labour unrest etc., can contribute substantially to the overall economic development of the country.

IN THE SECOND CHAPTER, the factors affecting the sound growth of small scale industries have been discussed. Although, small scale industries have been receiving much patronage from various institutions and agencies established by the Government to facilitate rapid development of these industries, the tempo of their progress is slow considering the needs of the country. They are still facing a number of problems. This chapter discusses at length the factors inhibiting the sound growth of small scale industries. These factors include low-labour productivity; lack of technical know-how; unsatisfactory working conditions; limited financial resources; poor management; exploitation by middlemen with regard to supply of raw material, finance and marketing of goods; traditional
methods of production and lack of marketing facilities. Among all these factors, product development programme is conspicuously absent due to which the small scale industries are neither in a position to make the maximum use of modern technology nor are they in a position to compete with the large scale industries.

IN THE THIRD CHAPTER, the role of product development programme as a growth stimulant for small scale industries has been discussed. The successful working of small scale industries depends as much on their products as upon any other factor. Strenuous efforts are, therefore, needed to make the products "market-oriented". Product development programme, dealing with production and distribution aspects, works as a growth stimulant for small scale industries. It enables them to compete effectively with large scale industries producing similar articles for domestic as well as for foreign markets.

IN THE FOURTH CHAPTER, the role of marketing research as an aid to product development programme has been analysed. Product development programme in small scale industrial sector cannot be effectively
implemented unless it is supported by an aggressive market research. Market research deals with a wide range of problems such as product analysis, consumer behaviour, market conditions, degree of competition, value analysis etc. It facilitates decision-making on various complex business problems and also facilitates successful implementation of a product development programme. Marketing research is, therefore, an integral part of product development programme.

IN THE FIFTH CHAPTER, an attempt has been made to design a product development programme that suits small scale industries. The need for a typical design of product development programme for small scale industries is felt due to their small-size and limited financial resources. Further, the introduction of product development programme based on market research in small scale industries is a difficult task as it is a costly and time consuming affair. It also requires the services of highly qualified, specialised and experienced personnel which the small scale industries cannot easily afford, because of their small-size and limited resources. Under these circumstances, the only alternative left with the small scale industries is to design a product develop-
ment programme which suits their requirements and can be easily implemented. Therefore, instead of introducing a "comprehensive" product development programme a "need-based" product development programme should be initiated in the small scale industrial sector.

This study is largely based on primary sources of informations and discussions with the management of various small scale units. Secondary sources of information have also been tapped up extensively where the access to primary sources of information was not possible. In this connection, relevant information has been elicited from books, journals, periodicals, newspapers etc. to support our arguments. The problems in hand has been critically analysed and suggestions offered for improvement. It is hoped that the present study will greatly help in improving the product management and marketing strategy through a well-designed product development programme which is vital for securing a larger market share for the small scale industries. The conclusions drawn can be helpful in re-structuring the production planning and marketing strategy and in formulating a need-based product development programme for the small
scale industries. The conclusions drawn can also be applied to revitalising the small scale industrial sector as a whole with modifications if the need is felt.