CHAPTER - 3

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3.1 STATEMENT OF THE PROBLEM

Economic development has a direct relationship with industrialisation. The industrial development of a country helps not only in optimising the utilisation of its scarce resources but also in diversifying its economy. It was hoped that industrialisation would bring social transformation, social equality, higher levels of employment, more equitable distribution of income and well-balanced regional development. Commercial banks with their role as mobilisers of the community savings and channelisers of these savings into productive outlets play a crucial role in the economic development of a country. In fact, the economic and industrial development of a country depends mainly upon how efficiently funds are mobilised and distributed by banks.

Indian economy is engraved with the problems of unemployment, poverty, inter-regional disparities and inter-personal inequalities. Government of India presently is not in a position to go for big industrial houses to solve these problems, which require huge outlay. In order to
overcome these problems, small scale industry has been chosen as an instrument. The development of small industries has been the major thrust of the Indian economic development. They ensure rapid economic development as they require low cost of establishment, effective utilisation of rural infrastructure and resources and enhance the income and living standards of the people besides reducing regional imbalances.

In the last five decades, institutions of various kinds have been set up and policy instruments with varying degrees of importance have been introduced and revised at different points of time by policymakers promoting small scale industry. Government has been extending several incentives and concessions to this industry. The SSI units are provided financial assistance directly or indirectly through commercial banks, co-operatives and regional rural banks. The SSI sector is playing a key role in the Indian economy. It is providing maximum employment next to agriculture and accounts for about 40 per cent of total exports of the country. Commercial banking system with its vast net-work of branches and resources all over the country stand out on a very strong pedestal. As a catalytic agent of growth, banks have the capacity to meet all the requirements of small scale industries. The experience gained over the years can make commercial banks as nodal agency to finance the birth, nursing, modernisation, diversification and development of SSIs.

Finance is one of the basic foundations of all kinds of business activity, and is a pre-requisite to mobilise resources for organising production. No business enterprise can be promoted, established, expanded without adequate capital. Capital is an important lever in the
hands of an entrepreneur in diverting the factors of production to new uses, or of dictating new directions to production. Financing of small scale industries by commercial banks was started in the late sixties. For a long time, commercial banks were inclined to consider small scale industries risky proposition. It is only after nationalisation of banks, the credit inflow to small scale industries began in the form of term loan and working capital. Two aspects that are very important from the angle of credit are its adequacy and timely availability. SSI units require financial support on credit terms more than any other industrial category. There are inter-bank and inter-regional variations in the supply of finance to small scale industries in the country.

3.2 REVIEW OF LITERATURE

Every economy has stressed the promotion of small scale industry irrespective of its preference towards particular growth strategy. As a country moves through the transitional stages i.e., from traditional economy to more modernized economy, the small scale industry has moved towards modernity in advanced countries whereas the SSIs in the developing countries are still traditional. Whatever be the stages of development, the small scale industry is more dominant and vibrant in all types of economies.

The subject matter of SSIs has naturally aroused curiosity resulting in numerous research studies. The studies have been undertaken both at micro and macro levels on various aspects of SSIs. Several studies have been undertaken by the official and non-official bodies as well by academicians/researchers on the progress, performance, problems and prospects of small scale industries. Over the years, the literature relating to SSIs has been compounded. The
researcher however attempts to review the literature on SSIs relevant to the present study. The review of literature is categorized into three broad groupings viz: i) Books; ii) Theses; and iii) Journals.

**BOOKS**

Sen, A.K (1962) in his study focuses on the problems of choice of techniques employed in production. His book peeps into those problems concerning selection of techniques employed in production in the under developed countries. He arrives at a point that handlooms or power looms suffer a lot in this connection as the choice of technique seems to be a genuine socio-economic one.

Tandon (1977) analysing data published by United Nations Agencies and Government of India, arrived at the conclusion that an employment oriented strategy of industrialization should not only aim at providing jobs, but should also maximize output, conserve foreign exchange and improve the distribution of income. To achieve all these objectives, Tandon was of the view that in the first phase of development, the traditional and intermediate techniques may work together, but the later should gradually replace the former. In the final stage, modern and sophisticated technology alone would serve the purpose.

Ramakrishna Sarma (1982) made a comprehensive study on growth and problems of small scale sector in Andhra Pradesh. He observed that the backward districts of the state improved their relative position in terms of units, employment and capital during 1966-75. The study further observed that a majority of the small units are confronted with the problem of raw material and finance.
Shasi Bala’s^4 (1984) study “Management of small scale industries” dealt with loans, subsidies and assistance related to marketing, raw materials, machinery, testing, consultancy and training of entrepreneurs and workers, power and labour policy.

Tarananad Singh^5 (1986) focused on programmes, policies and problems of small scale industries in India. He viewed that the problem of industrial development in India is its method of technology, and advocated the adoption of scientific technology so as to increase productivity and output.

Bhagavathi Prasad and Erasi, K^6 (1988) made an empirical study on “Fixed Assets Management – An unknown dimension leading to sickness in small scale industries.” The study examined about the extent of investment in fixed assets in SSIs. The main findings of the study are: i) the investment in the fixed assets accounted for 41 per cent of the total investment; ii) equity and long term sources of financing are responsible for the acquisition of the fixed assets; and iii) SSIs with higher investment utilized the fixed assets more efficiently compared to others. The study concentrated only on fixed assets management which is an important aspect of small industry management.

Pattanaik, S.M^7 (1988) conducted a study on “Development Strategy for Small Industries”. It was an effort to understand the structure of engineering industries from economic and organizational points of view. The important findings are:

- The consumer goods, intermediate goods and job work units are predominantly managed by sole proprietors or single entrepreneurs whereas capital goods industries are controlled by partnership firms.
- 80 per cent of consumer goods units, 75 per cent of intermediate goods units, 67 per cent in job works units and 72 per cent of capital goods units secured credit from various financial institutions.

Bedi, H.L. and Hardikar, V.K. (1993) have brought out those favourable conditions that still exist in our economy which helped in the organization of small scale industries. The decentralized industry i.e., SSI sector produced industrial products to cater the needs of large rural markets. The progress in agriculture has not only contributed towards the increased purchasing power in rural sector but also encouraged the growth of small scale industries.

Nagaiah, D. (1998) NISIET carried out field survey in 1994 covering responses from nearly 500 small scale entrepreneurs from different parts of the country. He noticed that there is a distinct possibility of the economy marching towards crucial problems in the near future. Though there has been a slowdown in the growth of industrial development and exports during (1996-98), small scale entrepreneurs have been able to demonstrate high degree of resilience and perform exceedingly well in the recent years by taking advantages of the opportunities presented by liberalization policy. The study recommended an eight - point action plan for implementation to meet the challenges of the emerging situation in the years to come. It is well brought out that the action plan would be more necessarily useful in taking appropriate decisions to accelerate the growth of modern SSIs in the country.

Vasanth Desai (1998) inferred that SSIs have gained importance and preference irrespective of their form.- formal or informal, visible or
invisible, urban or rural. In the developing countries, SSIs are given high priority. His book has also clearly picturised the small scale industry being caught in the winds of change ushering in the contemporary industrial culture. According to Desai, the development of small scale enterprise, generally, creates substantial employment opportunities and has become a source of generation of income for low income groups.

Gopal Swaroop\textsuperscript{11} (1999) explained illustratively a systematic approach of lending to small scale industries. He explained the analytical tools used for lending. Appraisal of loan application and assessing the financial requirements of SSIs in a scientific manner have also been explained.

**THESES**

William Bredo\textsuperscript{12} (1960) discussed elaborately the economic characteristics, planning and working of industrial estates in a comparative and international framework. The study provided some insights into the Indian scene.

Dhar and Lydall\textsuperscript{14} (1961) in their comprehensive study have suggested that industrial estate programmes should serve as a nursery bed for the efficient entrepreneurs to flourish.

Patvardhan\textsuperscript{14} (1985) made comparative study of two selected regions of Maharashtra state- Pune and Aurangabad. The former is a relatively developed region and the latter is newly developing industrial centre in an industrially backward region. He has discovered that both in Pune and Aurangabad, a majority of small scale units encountered two major problems: i) inadequacy of working capital; and ii) inadequacy of credit flow from banks.
Reddappa, L.15 (1990) has carefully assessed the role of DIC in the development of small scale industries. He has also systematically analysed the performance of gramodaya units in terms of entrepreneur motivation, employment, production, income, repayment of loan, and problems of the beneficiaries. He also observed that the effective coordination and cooperation was lacking among the promoting agencies and organizations which work for the successful implementation of the gramodaya scheme.

Kuberudu, B.16 (1991) has made an attempt to analyse and compare the problems and prospects of SSIs in Cuddapah and Nellore Districts of Andhra Pradesh. He tried to identify the causes for sickness in SSIs. The study also examined the impact of Central and State Government's incentive scheme on the development of small scale industries. The thesis also expounds clearly the series of problems and difficulties relating to raw materials, finance, marketing, infrastructural and labour issues faced by SSIs in both the districts.

**JOURNALS**

The Andhra Pradesh Industrial Technical Consultancy Organisation (APITCO) and the Kerala Industrial Technical Consultancy Organisation (KITCO) 17 (1980) conducted a study on various problems faced by small scale industries in 3 states, viz., Kerala, Karnataka and Andhra Pradesh. It was observed that the most serious problem faced by the units was inadequacy of working capital. About 69 per cent of the units in Kerala, 44 per cent of the units in Karnataka and 52 per cent of the units in Andhra Pradesh had been facing the problem of inadequacy of working capital. The next serious problem was marketing, as 30 per cent of the units in Kerala felt it as a serious bottleneck for their growth.
Non-availability of raw materials has also affected the productivity of several units in all the states, especially in industry groups such as metal products in Kerala; chemicals, rubber, plastics, and metal products in Karnataka; and machinery and parts, metal products and chemicals in Andhra Pradesh.

It was also observed that the delay in getting timely finance also hampered the productivity of the units and this led to high cost of production. Thus, the study was comprehensive one, attempting to identify the various bottle necks in the growth of small scale industries.

Nadkarni (1980) presented a paper on the role of development banks in the project promotion activity. He analysed the necessity and importance of development banks to involve all the activities of entrepreneur including project management. He opined that banks must adjust their policies to meet their new challenges.

Sundera Raj, V.M (1980) explained from the demand side, the extent to which financial institutions could meet the requirements of small scale industries, and from the supply side, it analysed the deployment of credit to these units according to their size, location, type of organization. The main findings are: (i) internal resources formed a smaller proportion of total net assets for SSIs; (ii) borrowings and trade credits were higher in SSIs; and (iii) major proportion of institutional credit was deployed in other than backward areas. The study concentrated more on resources of financing rather than on financial problems of SSIs.

Arun Ghosh (1988) observed phenomenal growth in terms of number of units established, investment and output of the modern small scale sector. He argued “a great deal of the government in the past
had been directed, with some success, in favour of modern small industry. While similar efforts to aid village industries has not been succeeded in the same measure. This development has been concentrated mainly in metropolitan areas and large towns. Employment opportunities in small scale industry has arisen mainly in metropolitan and few other large towns and selected areas.

Biswanth Golder (1988) analysed the technical efficiency of 37 small scale and large scale industries. He found that the SSIs have low labour productivity and high capital productivity. He inferred that the modern small scale sector is inefficient relative to large scale sector. He also found that the relative efficiency of SSI varies directly with capital investment, so that the SSI can not relay upon as a source of efficient employment generation. The analysis suggests that large scale units are efficient than the small scale units.

Sandesara (1988) while reviewing the experiences of small scale industrialization in India, concluded that the programmes of assistance made small scale sector more attractive and entry-conducive than it was before. There was temptation to assist the new units rather than the established units and to give more assistance to the units once selected than to those for which it is absolutely necessary. There was also a tendency to waste the financial assistance by investing more than what was essentially required, and also by using cheap capital for substituting labour. The waste of capital manifested in different forms such as creation of excess capacities which were not fully utilized, high capital intensity, high interest costs and promotion of ghost firms to get the assistance which were ultimately sold in the market to other units.
Srivastava, S.P. (1988) emphasized that capital intensity and gestation period of small scale sector are much lower than that of large and medium scale industries. Production and employment can be increased in a shorter span of time in SSIs.

Mathur’s (1989) ‘Survey of Small Industries’ indicated that the policies of reservation of items for the exclusive manufacture in the small scale sector has proved to be a major barrier for the growth of small scale industries.

Papola, T.S. (1992) has expressed optimism on the rural non-formal sector. It accounts for 22 per cent of rural employment and plays a very significant role in the rural employment expansion. An important constituent of this sector is the manufacturing activity consisting mainly textile and agro-based units producing construction materials. Small scale sector possess immense possibilities for expansion of employment opportunities in the urban areas. In particular, employment potential seems to be the largest in the non-household, tiny sector segment of the manufacturing sector.

Jose Sebastian (1995) explained the sources of finance to the small scale industry. He is of the opinion that a major source of finance for small scale entrepreneurs is the net work of banks spread all over the country. The chances of an entrepreneur getting finance depend on the financiers overall assessment of both objective and subjective factors.

Kannan, K. (1998) expressed the view that credit continuous to be a decisive factor calling for attention and augmentation. Credit serves to be an impetus for rejuvenating small scale sector. SSIs have proved their effective performance by recording the highest ever growth in terms
of production, exports and employment generation in the process of economic development of India.

Mitra, S. K. 2nd (1998) observed that the factors affecting the flow of credit to the SSI sector can be broadly categorized into two segments. The first set of factors indicates shortcomings inherent to SSI sector such as: a weak financial base, which eventually prompts the entrepreneurs to bring in funds by way of loan rather than capital; improper maintenance of books of accounts; inability to provide collateral security; delay in payments by the larger units; and lack of financial data required by banks/financial institutions.

The second set of factors is attributed to operational restraints and perceptions of banks and financial institutions which include: the administrative cost of lending to small borrowers are relatively high and thereby, resulting in a disincentive to lend to SSI units; high mortality rate/sickness amongst the SSI units; and the concessional interest rate does not motivate the financial institutions intrinsically to invest in SSI units.

Kaveri, V. S. 2nd (1998) studied certain issues relating to bank finance to small scale industries. These issues relating to bank finance include: i) quantum of bank credit; ii) time element in credit sanction; iii) promoters contribution; iv) securities; v) supply of information required for credit sanctions; vi) compliance with post sanction formalities; vii) financing of sick companies; viii) recovery of NPAs; ix) working of SSI branches; and x) involvement of Government.

Ramachandra, K. 3rd (1998) made an analytical study from the data collected from small firms in India, Japan and Britain. He is of the opinion that the factors which motivate firms to be located at particular
places are not static. They vary according to the levels of developments in terms of socio-economic factors. The importance of incentives for locating and selecting seems to be more motivating in advanced countries and in larger firms. The same is not the case with the poor economies and in small firms.

Kulkerni, R.P (1999) opined that SSI sector occupies an important position in the industrial economy of the country because of its advantages of low investment, high potential for employment generation and wider dispersal of industries in rural and semi-urban areas.

3.3 NEED FOR THE STUDY

The review of literature points out to the existence of inter-bank and inter-regional variances concerning small industry financing such as the lending practices, follow-up procedures and recovery efforts by the commercial banks because of certain peculiar characteristics prevailing in India. Further, it is observed that the supply of credit to SSIs is inadequate, costly and not timely. It is in this context, felt appropriate to examine the role of commercial banks in financing small scale industries in Cuddapah.

Cuddapah district though endowed with rich mineral, horticultural and agricultural resources is recognised as a backward area. There exists vast scope for starting mineral based industries, horticulture based industries and agro-based industries. Further, scope for sericulture industry is also found. The backwardness of the district in fact can considerably be reduced through the development of these industries. A wide banking network too exists in the district. The study attempts to trace out the impediments in the provision of timely and
adequate credit to SSIs by commercial banks in Cuddapah district. Further, the study seeks to identify the follow-up mechanism and recovery efforts of these banks in respect of SSI financing. The study also examines the problems from the entrepreneurial point of view in availing bank credit.

3.4 SIGNIFICANCE OF THE STUDY

As at the end of March 1999, there were 2091 SSI units with the investment of Rs.3000.73 lakhs financed by 171 bank branches of 19 banks in Cuddapah District, Andhra Pradesh. Still there is good scope for industrial development particularly under SSI sector provided timely, adequate and cheap finance is available. It is only the commercial banks, which can solve the financial problems of these SSIs. As such, there is need to gear up the credit portfolio of these banks to facilitate the growth of small-scale units in this area. Hence, the study is of immense importance from the point of view of commercial bank financing to small scale units in Cuddapah District.

3.5 OBJECTIVES OF THE STUDY

The following are the objectives set specifically for the study:

i) to review the priority sector financing by banks in India;

ii) to examine the perspectives of small industry development in India;

iii) to analyse the growth and development of SSI in Cuddapah District;

iv) to evaluate financing of SSIs by commercial banks in Cuddapah District;

v) to assess the performance of select banks in financing the SSIs in select towns of Cuddapah district; and

vi) to identify the impediments in the credit flow and recovery by banks;
3.6 PERIOD OF THE STUDY

The present study refers to six year period commencing from 1993-94 and ending with 1998-99. The performances of select banks and SSIs has been analysed for the same period.

3.7 SAMPLE DESIGN

For the present study, samples are selected by adopting multi stage sampling technique.

Stage – I Selection of Sample Banks

There are 19 banks in Cuddapah District of which 14 belong to Public Sector (PS) and the rest to other sectors. In the first stage of sampling, 5 PS banks out of 14 are drawn into the sample based on the consideration of their magnitude of financing small scale industries (SSI). Of the 5 selected PS banks State Bank of India (SBI), Syndicate Bank (Sy.B) and Andhra Bank (AB) have branch net work spread through out the district. The other two selected banks–Bank of Baroda (BOB) and Punjab National Bank (PNB) have single branch each in Cuddapah town and no branch elsewhere in the district. These two banks are included in the sample for the following reasons that non-sample PS banks when compared to these two banks are minor players with their insignificant presence of branch network in the major towns of the district and low magnitude of financial support to SSI units.

Stage – II – Selection of Sample Towns

In the second stage, towns in which 5 PS sample banks operate are selected. SSIs are mostly concentrated in and around Cuddapah, the district head quarter's town. After Cuddapah, their presence is noteworthy in major towns of the district namely Proddatur, Rajampet
and Rayachoti. Incidentally, each of these three towns is located in three different revenue divisions of the district. Since, clusters of SSI units have grown mainly in and around revenue division head quarters towns, these three towns are sampled along with Cuddapah – the district head quarters town.

Branches of sample banks cross classified by sample towns are shown in Table 3.1.

<table>
<thead>
<tr>
<th>Sl. No</th>
<th>Banks</th>
<th>Cuddapah</th>
<th>Proddatur</th>
<th>Rajampet</th>
<th>Rayachoti</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>State Bank of India</td>
<td>03</td>
<td>02</td>
<td>02</td>
<td>01</td>
<td>08</td>
</tr>
<tr>
<td>2.</td>
<td>Syndicate Bank</td>
<td>02</td>
<td>01</td>
<td>01</td>
<td>01</td>
<td>05</td>
</tr>
<tr>
<td>3.</td>
<td>Andhra Bank</td>
<td>01</td>
<td>01</td>
<td>01</td>
<td>--</td>
<td>03</td>
</tr>
<tr>
<td>4.</td>
<td>Bank of Baroda</td>
<td>01</td>
<td>--</td>
<td>--</td>
<td>01</td>
<td>01</td>
</tr>
<tr>
<td>5.</td>
<td>Punjab National Bank</td>
<td>01</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>01</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>08</td>
<td>04</td>
<td>04</td>
<td>02</td>
<td>18</td>
</tr>
</tbody>
</table>


The SBI has 8 branches followed by Sy.B with 5 branches AB 3 branches and BOB and PNB one branch each in the study area. All the 18 branches are engaged in financing SSI units.

Financing of SSI units by sample banks in the district Vis-A-Vis in the study area are shown in Table 3.2.

The 5 select PS banks with 68 branches in Cuddapah district have financed 1628 SSI units with an out standing credit of Rs1515.79 lakhs. In the study area, these banks with 18 branches have financed 945 SSI units with an out standing credit of Rs.1132.83 lakhs. Thus, it is evident that 58.05 per cent of total SSI units financed by 5
select banks are located in the study area of the district with 74.74 per cent share in the outstanding credit to SSI units.

TABLE 3.2
FINANCING OF SSI UNITS BY SAMPLE BANKS IN THE DISTRICT VIS-A-VIS STUDY TOWNS AS ON 31-03-1999

<table>
<thead>
<tr>
<th>SI No</th>
<th>Banks</th>
<th>No. of Branches</th>
<th>No of SSI Units</th>
<th>Outstanding credit of SSI (Rs. in lakh)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>District</td>
<td>Study towns</td>
<td>District</td>
</tr>
<tr>
<td>1</td>
<td>State Bank of India</td>
<td>37</td>
<td>08</td>
<td>968</td>
</tr>
<tr>
<td>2</td>
<td>Syndicate Bank</td>
<td>19</td>
<td>05</td>
<td>512</td>
</tr>
<tr>
<td>3</td>
<td>Andhra Bank</td>
<td>10</td>
<td>03</td>
<td>65</td>
</tr>
<tr>
<td>4</td>
<td>Bank of Baroda</td>
<td>01</td>
<td>01</td>
<td>32</td>
</tr>
<tr>
<td>5</td>
<td>Punjab National Bank</td>
<td>01</td>
<td>01</td>
<td>51</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>68</td>
<td>18</td>
<td>1628</td>
</tr>
</tbody>
</table>


Stage – III – Selection of Sample SSI Units

In the third and final stage, 20 per cent of the 945 bank assisted SSI units are drawn as ultimate sample, totaling to 189 units. Of these, from 19 units the researcher could not collect data despite repeated attempts. Hence, the study is confined to the magnitude of 170 sample SSI units. The sample accounts for 10.44 per cent of the 1628 SSI units financed by the 5 select PS banks in Cuddapah district. Sufficient care is taken to ensure that the sample units represent cross section of different lines of activity.

Table 3.3 shows bank and town-wise distribution of sample units.

Finally, in the first stage the sample is 5 PS banks, in the second stage 4 towns in which 18 branches of select banks are located and in the third stage 170 bank assisted units.
The study confines to various aspects of financing of SSI units by commercial banks in Cuddapah district of Andhra Pradesh and it excludes the other functional areas such as production, marketing and entrepreneurial aspects of sample units excepting for making some observations wherever necessary in the study. In order to facilitate uniformity in data, years have been readjusted and data have been recast as on 31st March every year. In collecting data from the sample borrowers of SSI units, every care has been taken to obtain factual information from them. A few respondents hesitate to disclose relevant information like their own investment, sales, production of their units with the inhibition that such a disclosure may indirectly cause harm to them. Nevertheless, these limitations in no way act as deterrent in drawing meaningful inferences from the study.

3.8 LIMITATIONS OF THE STUDY

The study confines to various aspects of financing of SSI units by commercial banks in Cuddapah district of Andhra Pradesh and it excludes the other functional areas such as production, marketing and entrepreneurial aspects of sample units excepting for making some observations wherever necessary in the study. In order to facilitate uniformity in data, years have been readjusted and data have been recast as on 31st March every year. In collecting data from the sample borrowers of SSI units, every care has been taken to obtain factual information from them. A few respondents hesitate to disclose relevant information like their own investment, sales, production of their units with the inhibition that such a disclosure may indirectly cause harm to them. Nevertheless, these limitations in no way act as deterrent in drawing meaningful inferences from the study.

3.9 DATA BASE

The primary data pertaining to sample borrowers of SSI units and bank officials have been collected through a pre-tested schedule. The secondary data for the study have been obtained from the records of

<table>
<thead>
<tr>
<th>Sl. No</th>
<th>Banks</th>
<th>Cuddapah</th>
<th>Proddatur</th>
<th>Rajampet</th>
<th>Rayachoti</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>State Bank of India</td>
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<td>30</td>
<td>18</td>
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<td></td>
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<td>[164]</td>
<td>[95]</td>
<td>[42]</td>
<td>[576]</td>
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<tr>
<td>2</td>
<td>Syndicate Bank</td>
<td>23</td>
<td>11</td>
<td>07</td>
<td>04</td>
<td>45</td>
</tr>
<tr>
<td></td>
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<td>[62]</td>
<td>[40]</td>
<td>[23]</td>
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<tr>
<td>3</td>
<td>Andhra Bank</td>
<td>03</td>
<td>02</td>
<td>01</td>
<td>--</td>
<td>06</td>
</tr>
<tr>
<td></td>
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<td>[12]</td>
<td>[08]</td>
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<td>[36]</td>
</tr>
<tr>
<td>4</td>
<td>Bank of Baroda</td>
<td>05</td>
<td>--</td>
<td>--</td>
<td>--</td>
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</tr>
<tr>
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<td></td>
<td>[32]</td>
<td></td>
<td></td>
<td></td>
<td>[32]</td>
</tr>
<tr>
<td>5</td>
<td>Punjab National Bank</td>
<td>09</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>09</td>
</tr>
<tr>
<td></td>
<td></td>
<td>[51]</td>
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<td></td>
<td></td>
<td>[51]</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>90</td>
<td>43</td>
<td>26</td>
<td>11</td>
<td>170</td>
</tr>
</tbody>
</table>

Note: Figures in parentheses indicate total bank financed SSI units from which sample is drawn. Source: Field Survey
commercial banks, District Industries Centre (DIC), Mines and Geological Department. Data have also been drawn from various reports published by Government of India, Reserve Bank of India Bulletins, Indian Banks Association Bulletins, National Institute of Small Industry Extension Training (NISIET). Journals and periodicals on Finance and Banking, daily newspapers and Lead Bank Annual Credit Plans (LBACP) have been referred to. The information drawn from various books, published theses and unpublished theses have also been used in the study. Further, discussions and interviews with the officials of banks, DIC, Andhra Pradesh Industrial Infrastructure Corporation (APIIC) and different departments concerned have been held to elicit relevant information necessary for the study.

3.10 TOOLS OF ANALYSIS

The data collected from primary and secondary sources have been analysed with the help of different analytical tools such as averages, percentages, comparative statements and by computing common size percentages. Statistical tests have been applied in appropriate contexts. Graphs and diagrams are also presented to illustrate the facts and figures.

3.11 CHAPTER PLAN

The thesis is organised into EIGHT chapters

Chapter - 1 Bank Finance to Priority Sector
Chapter - 2 Indian Small Scale Industry – An Overview
Chapter - 3 Design and Methodology
Chapter - 4 Small Scale Industry in Cuddapah District
Chapter - 5 Institutional Finance to SSI in Cuddapah District
Chapter - 6 SSI Financing and Performance of Select Banks
Chapter - 7 Empirical Analysis
Chapter - 8 Summary, Conclusions and Suggestions
REFERENCE

Books


Theses


Journals


