PREFACE

Although more than half a century has passed since independence, Indian economy remains still under developed. The unemployment has been increasing, the economic power has been getting concentrated in a fewer hands and there has been wide regional disparities. In order to reduce the impact of these economic maladies, planners of the Indian economy felt the need for industrializing the country through micro, small, medium and large-scale industries. The economists have felt that the development of micro and small-scale industries should form an important part of the program for industrialization. Accordingly, several institutional and non-institutional strategies have been evolved to initiate and sustain the growth of micro and small-scale industries in India.

Of the several schemes introduced for the promotion of the micro and small-scale industries, the following programs played a significant role in the developing economy. In 1993 the government introduced Prime Minister Rozgar Yojana (PMRY) for the unemployed to solve the unemployment problem and also to increase the standard of living. Through this scheme the male and female unemployed are getting employment by establishing their own business like kirana shops, cloth shops, dairy farms, automobile services, zerox machines, poultry farms, bicycle repair shops. The government always encouraged the PMRY unit holders, i.e., by providing financial assistance up to Rs.1.0 lakh through
bank loan and gave subsidy @ 7 per cent on loan amount, besides arranging training, technical assistance and single window facility. The main objective of this scheme is to increase the employment, reduce the regional disparities in all under-developed areas and increase the per capita income and national income.

Similarly the small-scale industry is another category in our country. The national income of our nation is mainly dependent on two sectors, i.e., one is the agriculture sector and another is industrial sector. Among the industrial sector, small-scale sector is one, which is providing number of employment opportunities to the society, through the small-scale industries, like rice mills, edible oil units, where some are getting daily wages and some are getting monthly income and also the society is getting necessary products or services contributing significantly to the growth of the nation. Besides, with these industries, the per capita income and national income also increases. But small-scale industries are facing so many problems in production, marketing, finance, human resources and research and development areas. The present study is pertained to the problems involved in the implementation of micro-level finances. As such a research gap is observed in this area, the investigator planned to make a detailed analysis of problems and prospects of small scale and PMRY units in Krishna district, which is the native district of the investigator.