

Chapter VII-

**SUMMARY, CONCLUSIONS
AND SUGGESTIONS**

CHAPTER VIISUMMARY, CONCLUSIONS AND SUGGESTIONS

In the first chapter the significance of credit in Small Scale Industries has been touched and a review of physical and economic profile of Satara District has been taken. It is against this background, the study of financing Small Industrial sector becomes meaningful.

In the second chapter significance of Small Scale Industries in India, has been studied from theoretical and economic stand-point. Development of Small Scale Industries has been reviewed in the light of various five year plans and difficulties in the development of Small Scale Industries have been high lighted with a view to suggest measures to overcome them. One of the important constraints ^{was} availability of finance to this sector which was denied by commercial banks so far.

In the third chapter, significance of finance is emphasized the nature of financial requirements i.e. types of finances needed by Small Scale and Cottage Industries has been studied. Many a times the entrepreneurs rarely know the various schemes under which the financial assistance has been granted by different corporations. A cursory review of such institutions useful for small and cottage industries have been taken, facilities offered for different

In the sixth chapter, the role of Bank of Maharashtra a Lead Bank for Satara District has been studied in some intensive and extensive manner. Attempt is made to study to what extent Bank of Maharashtra as a Lead Bank has succeeded in seeking co-operation of participating financial institutions in developing underdeveloped regions/blocks in promoting cottage and village industries; and small scale industries; similarly in encouraging newer type of industries through lending term capital and working capital. The role of this Lead Bank, viz. Bank of Maharashtra has been studied Block/Sector wise and Bank/Sector wise in respect of cottage and rural industries as well as Small Scale Industries for 1978-79, 1981, 1982, 1983 and 1984. These various tables reveal some common features. They are (1) Bank of Maharashtra, State Bank of India and United Western Bank Ltd., have contributed more to all the industries in all the regions; through the share is more in Satara, Karad, (2) In respect of cottage and village industries all banks prefer leather industry in all blocks. In Small Scale Industry sector, metal engineering and chemical industry is assisted in few blocks such as Satara, Karad and Phaltan. In respect of cottage and village industries, it is striking to find that coir, rope making is found in Man, Karad and Khadi Village Industry in Khatav, Man, Jaoli and Mahabaleshwar. This means that the banks have started studying the potentialities of

the region and encouraging the industries suitable therein. From the various tables it is found that regional disparities in respect of industries, loans branches still prevail. The remedy lies in spread of infrastructural facilities. The officers representing the various institutions and offices should pay special attention to this and try to persuade the local persons to place their demands in respect of relevant, industries in both the sectors.

The consolidated overview reveals growing attention to Small Scale Industries sector. It is a good sign. But Officers in-charge should see that the new entrepreneurial class knows the limitations of traditional industry and they should try to adopt new technologies. Othersiwe, the credit supplied may not achieve the objectives in the longer run. The necessary suggestions have been made in relevant chapters.