

CHAPTER - VII
FINDINGS & SUGGESTIONS

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7.1 FINDINGS :

On the basis of the above summary and the sample survey made by the researcher and personal discussions made with the official staff of District Industries Centre (DIC) and bankers, important findings of the study are shown as follows :

1. The DIC provides application form printed in Marathi and bankers provides relevent documents printed in English. It is difficult for common entrepreneurs even to understand and fill in these forms.
2. The major share in finance is claimed by in industries venturę, entrepreneurs' which has increased the employment opportunities.
3. The entrepreneurs have to submit various documents, papers and certificates within a stipulated period. But in practice they find it difficult to complete all the documents from Government offices, Municipalities etc., in time, therefore delay takes place.
4. Bank of India, Solapur Branch is a leading Bank of Solapur District and had made a good performance in financing to entrepreneurs under SEEU Scheme.
5. Bankers give more preference to service and business entrepreneurs instead of small industry entrepreneurs.
6. Most of the entrepreneurs does not pay instalments regularly though the provision of incentives by bankers is made.
7. For proper utilisation of fund bankers made direct payment to dealers.

8. It is not possible to carry out spot inspection in each and every case before sponsoring through Industries Inspector of DIC in view of shortage of manpower; time and large target.

9. The co-operation of Branch Managers in joint identification of ~~was necessary~~ otherwise the system will not succeed.

10. If Task Force Committee (TFC) interviewing each applicant, it is not convenient to applicants from remote rural areas who are financially weak. Therefore TFC cannot practically move to each block.

11. In case of accounts involving misutilisation it is seen that Bank managers have not followed proper system of disbursement

- a) Allowing the party to draw the amount without adequate check on the purpose
- b) Making 100% payment to the suppliers before delivery of goods
- c) Not verifying bonafides of the supplier
- d) Lack of immediate post disbursement.

12. Non-availability or difficulty in getting data on SEEU scheme has resulted in many plans turning out to be unrealistic.

13. The participating institutions does not submit their achievements date in time.

14. Reserve Bank of India and Government of India issue the suggestions and guidelines while preparing SEEU scheme from time to time.

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15. Bank of India has provided better co-ordination and co-operation among the participating institution and various Government Agencies.
16. A review of the implementation of the SEEUY scheme reveals that the financial target proposed in plan has been achieved.
17. Monthly progress report utilise them to the fullest extent for resolving difficulties and obtaining clarifications of SEEUY scheme.
18. There was no proper system of follow-up of cases and no proper method of dealing with the bankers.
19. Several applications have been rejected on the ground that the branch target or sectoral target has been exceeded. As long as the bank has not completed its District total target this cannot be a ground for rejection by a particular branch.
20. Several cases have been rejected because the applicant was not interested or did not turn up, applications is incomplete, beneficiary is ineligible, scheme is not viable, scheme is not suitable to beneficiary.
21. Some of the beneficiaries did not strictly fulfil the conditions of Family Income of less than Rs. 10, 000/- per annum after making detailed about the Income of family members.
22. Field staff is facing following problems in -

- a. The Branch Manager denies to pass the preliminary remarks on the basis of identification letter.
- b. The identification letters are kept pending without any action.
- c. Delays in sanction the cases even after joint identification.

23. Recovery of loans is the major problems to the banks. Because most of the entrepreneurs' are not getting sufficient production due to his lack of skill, lack of knowledge in the business. And also unsatisfactory recovery of loans was due to shortage of field staff, lack of personal contacts, persuasion by field visits.

24. The SEEUY scheme is very successful to increase employment opportunities to educated unemployed entrepreneurs'.

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7.2 SUGGESTIONS :

After considering the performance of 'Self Employment to Educated Unemployed Youth' scheme during the period under review that researcher would like to make following suggestions for efficient working of bankers and District Industries Centre (DIC).

Suggestions for DIC -

1. To avoid delay in sanctioning loans, quick processing of loan applications of entrepreneurs is essential.
2. There must be timely co-ordination and early decision must be taken by all the authorities concerned.
3. To furnish the information on a monthly basis to the Development Commissioner. The information should be incorporated in brackets under each item viz. industry, service and business of Annexure.
4. Experience and training of entrepreneurs' must be taken into consideration while sanctioning proposals.
5. The DIC must make effective advertisement through radio, cinema and arranging camps.
6. Motivations and proper training arrangements to entrepreneurs' is essential after sanctioning proposals.
7. Maintenance of sector-wise flow of applications need not be followed bankwise or branchwise but should apply for the District as a whole.

8. Efforts should continue to be made to cover as many scheduled caste/scheduled tribes beneficiaries as possible. The help of the District Collector and Deputy Commissioner of Industries, the Social Welfare Officer and the Local officers of the Tribal Development department should be sought for the purpose.
9. To avoid delay in collection of various documents, c-certificates etc., The DIC as far as possible should reduce the number of such documents, it should if possible to make arrangements to get these documents directly from concerned officials for the collection of these documents, it should impose some changes on the respective entrepreneurs. The work of collection of various documents can be entrusted to the cells to be established at the DIC.
10. Political pressure for recommending loans, sanctions should be avoided and proposals on merit/productivity need based should only be considered.
11. DIC should prepare, collect a summary of loan sanction and disbursement of quarterly basis.
12. The Government should make necessary organisational structure to provide the data as required in order to make the SEEU scheme realistic.
13. Solapur being the industrially developing district much more outlays should be provided to the Industrial ventures and service ventures.

14. Higher subsidy at 30% should be given for industrial activity whereas subsidy for service and business may be reduced to 15%.
15. Limit of Rs. 35,000/- stipulated for the scheme may be revised upward for industrial activities.
16. Special package scheme of incentives, fiscal and non-fiscal may be evolved for assisting Industrial activity.
17. Non-matriculate, I.T.I. trained candidates may be considered eligible under SEEU scheme for Industrial Ventures.
18. Effective functioning of the Task Force Committee is essential to reduce the rate of rejections.
19. To increase some gestation period for getting adequate returns for industrial and service ventures.
20. Task Force meeting could go on for 2-3 days at a stretch in order to clear all applications received.
21. Women and technically trained personnel may be given due consideration/weightage for industrial service and business ventures.
22. Passport size photo copies should be taken from the entrepreneur and it should be signed in front of Branch Manager by which there will not be delay in passing the preliminary remark.
23. The entrepreneur should be given full guidance in filling up the application form and its compliances.

24. To improve the recovery of loans when bank sanction the loans to the entrepreneur to see that he is eligible for getting the loan. Before granting loan, DIC and Bank adopted one month training for every entrepreneurs' giving instructions of how to handle the business in life, how to utilise the loan in proper manner, how to success in the business and practical knowledge of his starting particular ventures business.

25. To give sufficient infrastructural facilities including water supply, power connections, communications marketing and training facilities etc.

SUGGESTIONS FOR BANKS

1. It is suggested that for increasing additional employment opportunities the bank should give more stress on financing small industry units.
2. Bank should keep personal contact with entrepreneurs' and frequent visits to the business places.
3. The progress of each bank is being watched by the Government closely. Hence branches should follow-up for collection of targets to them in beginning of the financial year and should spare no efforts in achieving the target as early as possible and in any case before the close of each financial year.
4. The Branch Manager shall be involved in the scheme right from identification stage.
5. Bank should provide services according to their needs of

entrepreneurs or make an arrangements at minimum cost.

6. While fixing instalments amount and period productivity and profitability of units must be taken into consideration.

7. Bank should adopt simplified and less time consuming method of lending.

8. Bank should prepare summary of loan, sanction and disbursement and make available to DIC.

9. Insurance must be made compulsory to all types of units.

10. The Banks should take proper care in misutilisation of funds by the entrepreneurs bank should follow legal course of action.

11. Bank should arrange some entertainment programmes at places where there is a concentration of entrepreneurs. Through these programmes the bank should win their confidence and get across to them that further credit would flow to the area for improving their standard of living, provided loans, previously granted by the bankers are regard.

12. Using of loan amount in proper manner is the question of soul and heart of the loanees. So monthly or once in two months, the staff of the bank should arrange a general discussion cum lecture in the district itself. The speech should impart about the loan procedure and instigate them how to use the funds for otherwise manner and convey the disadvantages of improper utilisation of loan amount.

13. For smooth and quick implementation of SEEUY scheme branch managers should be provided with adequate sanctioning power subject to the fulfilment of specific requirements.

14. The various banks concerned with SEEUY scheme, mechanism should participate with fruitful performance. Every Bank and Government officials should follow the same direction as directs by lead Bank Scheme from time to time.

15. Most of these Banks have adequate number of pending cases to reach the targets they may be dispose pending cases immediately.

16. The District Co-ordinators of these Banks must look personally.

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