

**CHAPTER - II**

**SMALL-SCALE INDUSTRIES**

**A PROFILE**

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### SMALL-SCALE INDUSTRY - A PROFILE

#### 2.1 INTRODUCTION :-

It has been accepted by one and all that small scale industries must be assigned a top priority in any programme of economic development, especially, in a developing economy like ours. Hence, promotion of small scale industries has been one of the main strategies for economic development in the developing countries since the 1950. The small-scale industry is a universal phenomenon and occupies a place of cardinal importance even in the most advanced countries of the world.

Japan is an outstanding example of those who have achieved rapid industrialisation through the small and medium industries. Small industries are the key to speedy development and full employment. Ours is a large country with a large population. Although we are rich in material and manpower resources, we have yet to exploit them fully on the one hand we have unskilled labour, extensive under-employment and mounting unemployment, and on the other hand we suffer from scarcities of technical and skilled labour and from scarcities of technical and skilled labour and from scarcities of enterprising and experienced entrepreneurs and managerial talents.

Our predominantly agricultural economy has not provided our agriculturists with adequate incomes ensuring them a respectable and reasonable standard of living, our rich minerals and forest wealth remains to be tapped fully. Economic planning has been accepted as a means to achieve rapid economic development and create a better standard of living for our teeming millions.

The directive principles enshrined in our constitution have been placed before the country a commitment, that the state shall in particulars, direct its policy towards securing-

i) That the citizens, men and women are equal for the right to an adequate means of livelihood.

ii) That the ownership and control of the material resources of the community are so distributed as best as to subserve the common good and.

iii) That the operation of the economic system does not result in the concentration of wealth and means of production to the common detriment.

The case, therefore, for promoting small business enterprises, in our country rests primarily on the desire to honour these sacred commitments to Build up a democratic society ensuring social justice, equality of opportunity, and decentralisation of economic wealth and power.

a) Unemployment and under-employment are prevailing economic diseases.

- b) Most of entrepreneurs are capable of only small investment and.
- c) There is dearth of sophisticated machinery and modern technology, small Industry, which is labour intensive and capital-saving, plays a vital role in the overall economic development of the country. Adaptability of small-scale industry to semi-urban and rural environments, where the infrastructure is lacking, makes an additional case for this sector to flourish. The primary object of developing small scale industries in rural areas is to extend work/job opportunities, raise income and standard of living and to bring about a more balanced and integrated rural economic development.

## 2.2 DEFINITION & STRUCTURAL FEATURES :-

The word small industry covers a wide range of activities, and its definition varies from one country to another. Each country, however, has laid emphasis on the development of small-scale industries as an effective tool for social transformation. Several criteria have been applied for the definition of industrial units by their size. The most important among them are:-

- i) The amount of capital investment,
- ii) The number of persons employed.
- iii) The character of organisation & management.
- iv) The value of annual turnover, etc.

As per the first working definition, adopted in 1956. 'a small-scale industrial unit was considered to be one which had capital investment, not exceeding Rs.5 lakhs and which employed less than 50 persons, if using power and less than 100 persons if not using power'.

The criterion of the number of person employed however was considered defective as the figures of 50 & 100 persons were purely arbitrary. And therefore, as the tempo of the development of the small-scale industries gathered momentum, a need was felt to modify the definition further.

In 1960, It was stipulated that', small scale Industries will include all those industrial units with capital investment of not more than Rs.5 lakhs, irrespective of the number of persons employed'. Capital investment for the purpose of definition meant investment in such fixed assests like, land, building, machinery & equipment.

In 1965 the limit was raised to Rs.7.5 lakhs and ancillary industry with a fixed capital investment of Rs.10 lakhs. Since industries engaged in the production of ancillary items and components required by large industries needed higher form of mechanisation and called for the use of costly machinery and equipment, the capital investment required for ancillary industry was fixed at Rs.10 lakhs. In 1975 the Govt. raised the definition of

SSI, so as to include all industrial units with capital investment in plant and machinery of not more than Rs.10 lakhs, irrespective of number of persons employed & Rs.15 lakhs in the case of ancillary units & Rs. 1 lakh in case of tiny units.

Subsequently, under the industrial policy statement, of 1980, this limit was further raised, as under:

- i) The limit of investment in tiny units was increased from Rs.1 lakh to Rs.2 lakhs.
- ii) The limit of investment in small-scale units was raised from Rs.10 lakhs to Rs.20 lakhs. &
- iii) The limit of investment in the ancillaries was raised from Rs.15 lakhs to Rs. 25 lakhs.

In March, 1985, the investment limit for small-scale units & ancillary units was raised from Rs. 20 lakhs to Rs. 35 lakhs and from Rs. 25 lakhs to Rs.45 lakhs respectively.

The present national front Govt. announced its new industrial policy in June, 1990, which aims at promotion of small-scale and agro-based industries. This policy raises the investment ceiling in plant and machinery for small scale industries from the present Rs. 35 lakhs (1985) to Rs.60 lakhs and for ancillary units, from Rs. 45 lakhs to Rs. 75 lakhs.

The order to enable small-scale industries to play an important role in the total export import, such of the small-scale units which undertake to export at least 30 percent of the annual production by the third year, will be permitted to step up their investment in plant and machinery to Rs. 75 lakhs. The investment ceiling for tiny units has been increased to Rs. 5 lakhs from the present Rs. 2 lakhs. However, with regard to their location, the population limit of 50,000 as per the 1981 census, would continue to apply.

Thus the definitions currently in force are :

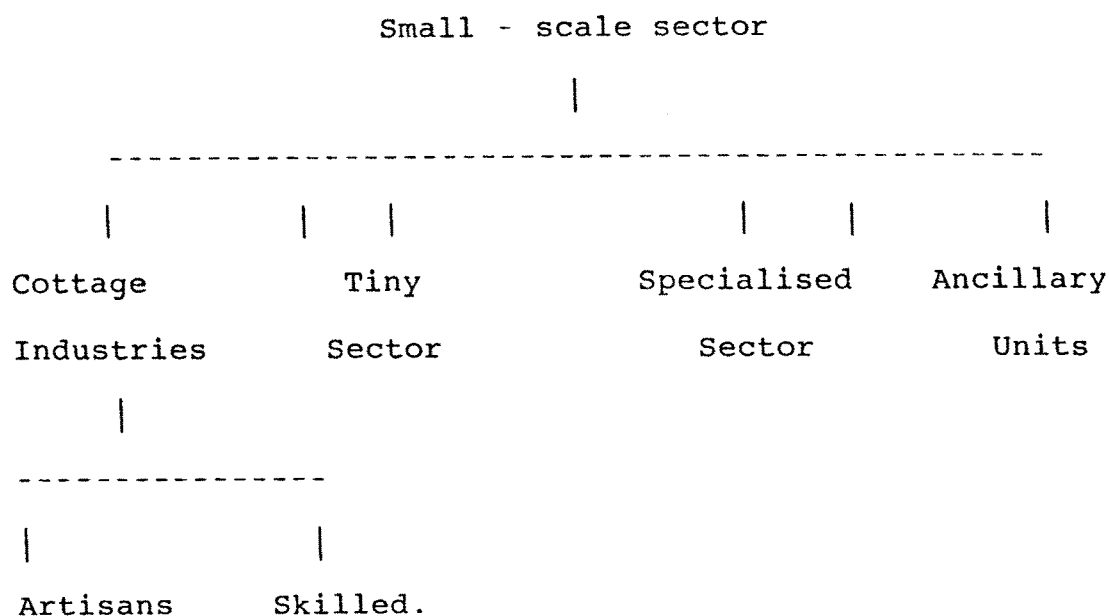
SSI Units having investment in plant and machinery not exceeding Rs 60 lakhs units, which undertake to export 30 percent of annual production by the third year, having investment in plant and machinery not exceeding Rs. 75 lakhs.

ANCILLARY UNITS:- Units having investment in plant and machinery not exceeding Rs. 75 lakhs.

Tiny Units:- Units having investment in plant and machinery not exceeding Rs. 5 lakhs and located in towns with population limit of 50,000 (or below).

The small-scale industry, thus, can be classified under the following broad categories.

FIGURE : 1

STRUCTURAL - FEATURES**2.3 ROLE OF SSI IN INDIAN ECONOMY :-**

The small scale and cottage industries have to play a strategic role in the progress of a country. The IPR, of 1956, briefly summarised the role of SSI, as under.

They provide immediate large scale employment, they offer a method of ensuring a more equitable distribution of national income and they facilitate an effective mobilisation of resources of capital and skill which might otherwise remain unused. Some of problems that unplanned urbanisation extends to create will be avoided by the establishment of small centres of industrial production all over the country.'



Small business enterprises play a pivoted role by providing:

- i) High employment opportunities at comparatively lower capital investment.
- ii) Scope for achieving regionally balanced economic growth.
- iii) Geographical diffusion of trade, industry and commerce.
- iv) Effective utilisation of local resources, skills and entrepreneurship.
- v) Opportunities for development of the attitude of professional business men with a sense of dedication to society, as distinct from selfseeking contrivers of deals.
- vi) Decentralisation of economic wealth & power.

The small industry sector has come of age in India. From a modest beginning thirty years ago, it today accounts for about 50 percent of the industrial production in the country and more than 80 percent of the employment in industrial sector. As such, it forms an integral and vital part of the national economy. A rewarding feature of economic development in India has been the impressive growth of modern small-scale industries.

The small enterprises have been now established their competence to manufacture a wide variety of sophisticated goods in different product-lines requiring a high degree

of skill and precision. The SSI sector has made a notable contribution towards the realisation of the objectives of expanded employment opportunities, adoption of modern techniques and dispersal of industries in small towns and rural areas.

'The seventh five-years plan (1985-90) envisaged an even larger role for this sector since it generates employment opportunities at low cost, assists in the dispersal of industrial activity and can help redress regional imbalances. In the coming decades, the small industry sector could have an even larger/greater role to play in our national economy'. Small-scale industries occupy a strategic position in the Indian economy.

The SSI has emerged as the most dynamic sector of Indian industrial economy accounting for over 55 percent of the total value of industrial production. Over 30 percent of the country's exports and more importantly providing employment opportunities to over 115 lakh people. Therefore, the SSI sector has become one of the thrust areas of development.

Thus, the SSI is widely recognised as a powerful instrument for socio-economic-growth and balanced sectoral development. The growth and development of these industries forms an important objective of both the eighth plan and the recent industrial policy announced in 1990. The Approach-paper to the eighth five-year plan (1990-95)

has also assigned even larger role for this sector. The proposed approach-paper says;

'The thrust on employment and poverty alleviations will generate additional demand for mass consumption goods, the supply of which must expand. In meeting this requirement the encouragement of labour-intensive forms of manufacture on a decentralised basis is possible. Many consumer goods (like cotten cloth, processed food, beverages) can be produced economically using labour-intensive techniques and with savings in energe and capital. But the producers need assured supplies of raw materials, quality components, credit and marketing facilities. The policy should be to ensure that cottage and small-scale producers get inputs on terms comparable to, if not better than, their competitors in the modern sector.

There is also justification for selective subsidy to those using labour-intensive techniques. Measures must be taken to ensure the spread of industry, particularly of small-scale industries, to rural and backward areas. A balanced approach would recognise the existence and rationale of three sub-sets calling for differentaited strategies. The first and the foremost are the village/household enterprises including Khadi and village industries, handlooms, handicrafts, sericulture, and coir which have tremendous potential in terms of utilisation of local resources and skills and creation of gainful

employment with low investment and minimal dislocation.

The second category pertains to the 'tiny-sector' that accounts for majority of the units in small scale sector and which has shown its capability to promote growth and employment generation. The modern small-scale sector is the third category. It has, no-doubt, the proven potential for dynamic growth, technological upgradation and ability to compete internationally. The government's policy towards SSI- both traditional and modern needs to be reviewed in the light of the experience of the last three decades.

The numerous state interventions - reservations, fiscal discrimination favouring small industry, subsidies, promotional measures - ostensibly designed to ensure a protected sphere have been to say the least, half-hearted. Where the promotional and protective measure have been implemented, the benefits have been cornered by relatively modern more capital and less labour intensive units in a wide range of products.

One most important lesson to be drawn from past experience is that the growth of labour intensive industry, i.e. SSI, cannot be ensured without an integrated application of industrial policy, technology policy and fiscal policy.

#### 2.4 PROBLEMS OF SSI :-

Recognising the important role that small industries play in the national economy, both the central & state Governments have taken active steps to promote & faster their growth. In spite of all these measures, many of the problems of production, distribution and finance still continue to afflict the SSI sector. Small scale industries, even after 30 years or so, still continue to face certain problems at present at each and every stage- from selection of a product to marketing of goods and realizations of returns. Besides, inadequate management training and planning have also become endemic to them. Above all, small - scale industries are prone to sickness, which has led to a high rate of mortality among them.

Some of the important problems/key issues are discussed below:

##### A) RAW MATERIALS :-

One of the problems the small-entrepreneur very often comes across is non-availability or inadequate supply of scarce/imported raw materials. It is estimated that the raw materials alone account for nearly 70 percent of the ex-factory price of the products in the small-scale sector and most of these industries have to depend heavily on the open market for the supply of scarce raw materials, where the prices are more than double the controlled prices. The

inequity in the struggle for existence of small scale units against large units is too glaring owing to the Govt's faulty distribution policy of raw materials.

All the other facilities and incentives, provided by the Govt. would have only a marginal impact unless these are accompanied by a commensurate and regular supply of essential/scarce/imported raw materials. Many of the recommendations of the various study-teams appointed by the Govt. for studying the problems of equitable distribution of raw-materials among the various sectors of industries, did not get implemented and wherever and whenever implemented were not carried out with necessary dynamism. That particular raw material may not be available for a long time and when it is made available the entrepreneur may be forced to purchase and store in bulk quantity to ensure regular production.

In both the cases he is the loser: i.e.

- i) Production will be hampered for want of raw-materials &
- ii) The burden of heavy inventory carrying cost.

In number of PSUs, who virtually control the supply of basic raw-materials required by SSI, these undertakings have not been able to meet the requirement of small-scale sector. The availability of even these items to small-scale sector is uncertain and the prices are exorbitant.

The seventh plan expressed its deep dissatisfaction in this regard in the following words,

'While various measures have been taken for supplies of raw-materials to SSI units through SSIDCS, import quota, etc. in actual practice this sector gets more or less a residuary' . treatment in raw-material distribution and allocation' .

B) MARKETING :-

An important and vital aspect of industry is to market the product produced, and it is in this sphere that small industry has a pronounced weakness. One of the major drawbacks, therefore of small industries is their inability to effectively market their products. It may be due to

- i) Competition with established brands of large companies and/or.
- ii) lack of effective publicity compared to bit competitors as they cannot afford to spend much on advertising and appointment of efficient sales force and/or.
- iii) Inferior quality and high price of their products.

It is true that the small-industries marketing their products under the various policies of the Govt. e.g. price preference, purchase reservation ancillary development and sub-contracting exchange etc. But due to lack of statutory obligation these organisations neither

purchase all the items they are required to purchase for small industries; not make payment within a week as per stipulation.

The public sector agencies are reluctant to accord the benefit on the ground that, as commercial bodies' they cannot afford to give subsidies to small-scale units. There has also been the general reluctance on the part of many govt. departments and agencies to implement the programme of course. Govt. purchase alone may not solve the marketing problems of small-scale industries. Small industries also produce such good which are not required by the Governments organisations.

C) FINANCE :-

Credit forms the life blood of industry and one of the perennial problems of small industry. The artisan requires finance for purchasing raw-materials, for stocking the same and for holding his finished products. It is difficult for him to obtain the money that he requires from banks or even from co-operative credit societies, for his assets are negligible, and so he cannot furnish sufficient security. Small industry, in spite of its significant contribution to the country's total production and exports, gets a less than proportionate share of the total volume of credit available; this is specially so outside the metropolitan area as where, till



recently, the banking system was hardly present. The attitude of the bank personnel is based on conventional banking norms, where the approach is security oriented.

The procedural formalities in getting a loan are so cumbersome that small units are often scared away by the appraisal procedures and long delays experienced in getting a loan. As a result of this, there has been the growing tendency on the part of small entrepreneurs to rely on friends and relatives or even the money-lender for loans at exorbitant rate of interest. In case of tiny and rural sectors the difficulties are redoubled.

The rural entrepreneur is not likely to present his case to the banker in a manner that the latter can appreciate his capabilities. His very appearance and manner of speaking are likely to put off the banker, conditioned by his attitudes. Even if the scheme is attractive and even if the client is creditworthy, the urbanised banker is not likely to cultivate a rapport with his rural client. Loans to small entrepreneurs recommended by DIC's are very often rejected by bankers on flimsy grounds because the DIC manager and the bank manager do not get along well mutually. Whatever may be the situation, it is the small entrepreneur who suffers.

Small-scale units doing jobs or supplying goods to Govt. departments, PSVs suffer due to the delays in the

payment of the bills for months, years and funds involved in those transactions remain blocked for long without their being ploughed back into the industry in time, leading to sickness of industries.

D) TECHNOLOGY :-

In the cottage and small-scale industries, the technique of manufacture is poor and primitive. The existing techniques in a number of cases have descended from the hoary past. In many places the weaver's handloom is still of the old crude type while the oilghani shows no change of all. The development of small industries has been humpered by the low level of technology. Small industry does not pay adequate attention to quality.

It is also true that small units can not afford expensive R & D division which constantly looks for new process and innovations for adoption. Small industry also suffers from lack of adequate festing equipment, which is increasingly expensive and has only limited access to testing facilities. There is also a problem due to lack of standardisation or where they exist such standards are pegged to unduly high levels of performance unrealistic and unattainable. As a result of all these factores, small industry entrepreneurs are often forced to operate at law-technology levels and there is lack of quality control in their production processes.

E) INADEQUATE SUPPLY OF POWER :-

Shortage of power is a threat to the very existence of the industries in the manufacturing sector. The problem is greater for units located in power deficit states. It is even more acute in case of small industries, as they cannot afford to instal power generating plants of their own and have to rely on the state supply. In power deficit states power cut goes up to 100 percent at times, particularly in summer. Because of acute power shortage production schedules are disturbed & there remains an idle capacity in small industry.

F) LACK OF KNOWLEDGE & MANAGERIAL EXPERTISE :-

Leads entrepreneurs to strategic pitfalls. Many small units suffer from the lack of competence on the part of the entrepreneur. Even training will not be of much help unless the entrepreneur has the right orientation towards the process of self-enterprise. Many entrepreneurs have entered industry motivated by the intensive compaigns of financing institutions and government agencies, promising them everything for nothing.

G) SICKNESS :-

Growing incidence of sickness has been one of the persisting problems faced by the industrial sector of the country. Industrial sickness is a matter of serious national concern as it causes wastage of national resources and social unrest. Sickness has been growing

faster in the small-scale sector than in large and medium scale sector. As on December 31, 1987 about 29 percent of the outstanding bank credit locked up in sick units was in the small-scale sector.

As per RBI data, out of 22.27 lakh borrowal accounts in the SSI sector as on 31st December, 1987 2.04 lakhs were reported to be sick, which means that every eleventh SSI unit in the country was sick. The viability status of identified sick units as on December 31, 1987 shows that 91.5 percent of the SSI sick units were not viable. Bank credit blocked in nonviable sick units was as high as 71.5 percent in the SSI sector.

A diagnostic sample study conducted in 1985 by the DC, SSI identified the major causes of sickness as:

- Shortage of working capital (inadequate & untimely assistance from the banks) - 30 percent.
- Scarcity of raw materials - 22 percent.
- Lack of demand - 13 percent.
- Management deficiency - 10 percent.

## 2.5 PROMOTIONAL MEASURES :-

The Govt. of India has introduced wide range of policies and programmes, ever since independence, to support the development of small-scale sector. Various policies and programmes and institutional arrangements included:

- 1) Allocation of materials and imported components, through DC, SSI, DGTD, NSIC & SSIDCs etc.
- 2) Marketing Assistance - through SSIDCs, NSIC, Govt. stores purchase programme through DGS&D, - price preference, - purchase reservation - ancillary development & sub-contracting exchange.
3. Technical Assistance - through provision of consultancy services, common facility services, including technical, testing facilities and entrepreneurial training - by - SIEC, common facility workshops and Tool-Room and Training Centres facilities at Calcutta, Ludhiana and Hyderabad.
- 4) Reservation of items for manufacture in the SSC.
- 5) Industrial Estates programme.
- 6) Credit and financial Assistance through -
  - a) Industrial co-operative
  - b) Nationalised Banks.
  - c) Credit Guarantee scheme.
  - d) SFCs
  - e) NSIC

- f) SIDF
  - g) NEF
  - h) SIDBI
  - i) Single window scheme (SWS)
- 7) District Industries Centres, Growth centres.
  - 8) Export - promotion - measures through DCSSI, SSIDO.
  - 9) Hire-purchase system - NSIC provided machinery and equipment under hire - purchase system to SSC.
  - 10) Industrial policy statements and five year plans.
  - 11) Excise Relief Scheme.
  - 12) Raising the investment limit (or definition) of SSI, time & again. Exclusion of pollution control Equipments & Pure Research and Development Equipments from computation of ceiling value of Investment limit.
  - 13) As a major policy initiative to give a new thrust to VSI, a new department - 'The Department of Small scale, Agro and Rural Industries', was created in the Ministry of Industry in January, 1990.

#### 2.6 PROSPECTS - SMALL INDUSTRY BY 2000 AD :-

A new decade will soon be upon us, i.e. 1990's with far-reaching changes in the economy of the country. However, there is no-doubt that the small-scale-sector will continue to be the dominating and a significant component of the industrial structure of the country. If we go by facts and figures, this sector may represent as much as 60 percent of the total industrial production, employ directly 15 million (and many more indirectly) and

in exports, generate as much as a third of the country's total exports.

Large industry projects are increasingly, becoming too big for the private sector, it is hardly possible now for a single individual to set up a steel mill. Small industry will provide opportunities for the full play of the genius and initiative of the individuals. Therein lies the real value of SSI to the nation, small sector will not be the same as it is now.

Quantitatively, a typical small unit will be bigger in size, needing larger investments. To-day, less than 10 percent of the units have a capital investment above Rs.2 lakhs and employ more than 10 persons. But this will definitely change and units will require larger outlays. There will also be a qualitative change in the sector.

It will become more professionalised because of the increasing competitiveness in the sector. Greater skills will be needed in the planning and management of even small units. Greater emphasis will be on the increasing use of new electronic devices. Computers. In terms of location, this decade (1990's) will witness a much larger proportion of industrial units outside the metropolitan areas as regulation for locating new industries in the large towns become more stringent. Small industry will

become more small town-centred, 'urbanity'- will be de-linked from urban living. This, in turn, will have an impact on the type of entrepreneurs coming into the sector.

They will be drawn no longer primarily from the urban milieu, but also from the semi-urban areas with a strong rural bias linked closely to the agricultural sector. There will also be an increasing flow from the technical colleges and institutes into the sector. Young women will look for new opportunities for displaying their own latent abilities. Trained by nature to be prudent managers, housewives make ideal entrepreneurs and given little assistance, will emerge as an important segment of small entrepreneurs both in the urban and rural areas.

Govt. policies towards small industry in the nineties will be oriented to the objective of 'growth' rather than protection. The emphasis will be no how to make them more competitive by building their intrinsic strengths. The programme of product reservation for production may be drastically modified while purchase reservation may be strengthened by ensuring a more effective implementation of the present programme. The Govt's policy of protection may need to continue towards the very small or tiny units.

Such units may have to be protected not only against



the large but also against other small units. The Govt. has to-day, hardly any specific policy towards the tiny sector, this needs to be formulated and implemented with understanding so that the tiny units can survive under a stress of increasing competition. As for small units, they will increasingly be tagged with medium sized enterprises.

Instead of the VSI sector, there will be an SME sector. Govt. policies will need to be formulated for ensuring a smooth transition between small and medium sectors. Special incentives be provided to overcome the bottlenecks that now exist in the natural growth of a small unit to medium size.

There is heavy concentration of small enterprises in 6 states viz., Maharashtra, Tamil Nadu, W.Bengal, U.P., Punjab & Gujarat. There are some regions in the country such as the North-East, the hill areas of Uttar Pradesh, Himachal Pradesh, Jammu & Kashmir & Sikkim which will need special attention. They are endowed with traditional skills and good human resources. With some support, they can develop and sustain a dynamic network of skill-based small industries. Govt. organisations set up to help small industries will also undergo a significant change in the nineties.

Emphasis will shift to providing support services such as testing & quality control facilities, design, packaging and training programmes which are

product-specific rather than general motivated courses Government procedures will become liberalised. Credit norms for small units will be reviewed. The nineties will witness a dramatic increase in the scope of the sector. It has also been our experience that each decade has its thrust areas in the process of development programmes of SSI. In the 60's, it was the 'industrial-estate' to provide readymade workplaces to a new generation of entrepreneurs. In the 70's, it was the development of backward areas through rural industrialisation. In the 80's, it was 'technology'. It will be 'Information Technology' and the 'service Industries' that will definitely dominate the small industry sector in the years to come.

Small-industry will no longer be considered as 'labour-intensive' and will become increasingly 'knowledge-intensive' and will offer many challenges to the highly educated and bright young persons. On the technology front, a number of new areas will become important, like pollution control, energy conservation, quality control, low-cost automation industrial design and packaging, ancillarisation etc. The 'Sunrise' industries will play a dominant role in the SSC of the nineties. The other major thrust of small industry in the 90's will be in the service sector.

For a country like India, where employment at low cost is of utmost priority, the service sector offers most attractive possibilities. The nineties will see a much greater proportion of service industries coming up in the small sector.

As small industry enters the fourth decade of its development, it is poised for an even greater role to play in the life of the country. It is no longer confined to merely economic growth on the contrary, it will have an even greater role in providing opportunities to young men and women to respond to the challenges of a new society and find fulfilment in doing so the nineties will, therefore bound to witness sea-change in the composition of the small industry sector and its entrepreneurs. The very definition of industry will undergo a qualitative change as service and knowledge become saleable commodities.

At the district level, the District Industry centre will be strengthened so as to act as an effective 'single window' delivery agent for all the services needed by the small units. No-doubt, the DICs in the nineties will have to shoulder enormous responsibilities and challenges. They have the greater role to play in the development of small-scale sector-more specially of rural artisans & craftsmen.

Given the right measure of support from the government, central & state and the public at large and a fair account/amount of commitment and dedication from the personal operating in it, the DIC programme can be expected to overcome the initial troubles and make a significant contribution to the economic development of rural and backward areas. They (DICs), may, in the nineties, become semi-autonomous service centres so as to be free from the rigidities of departmental operation but they will also have to earn an increasing proportion of their expenses through fees charged for their services.

It seems a fair guess that overall importance of DIC programme in the development process of SSI sector in the national life will not only remain the same but will increase tremendously in the next 10 years or so. considering the relative significance of the DIC programme, everyone concerned with it must make sincere endeavours to make it a grand success to enable it to render useful services to the small-scale sector.

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