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The Performance of Small Scale Industries: A Study in Industrial Estate of Kurnool District of Andhra Pradesh

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Abstract:

Indian economy is a developing economy. It's vast resources are either unutilized or underutilized. A major section of man power is lying idle. The per capita income is low. The capital is shy and scarce and investment is lean. The production is traditional and the technique is outdated. The output is insufficient and the basic needs of the people remain unfulfilled. The Government in all the years has been taken a number of steps for the promotion of small scale industries. Various programmes of the governments to make them more effective. But unfortunately such a vital sector with so much protection, care and encouragement is not free from problems. Small industries are confronted with number of problems in acquiring land, building and other basic facilities. The main objective of the programme of industrial estates is to provide factory accommodations to small scale industries at suitable sites with facilities of water,electricity,steam,transport ,banks, post offices,canteens,watch and ward and first aid etc .And thus create a healthy atmosphere for the development of industries.The industrial estates bring a number of industrial units together and facilitate establishment of common facility centers, introduction of modern techniques, and collective purchase of raw materials and sale of finished goods fostering a co-operation spirit of interdependence between them. Promotion of small scale industries by providing facilities, assistance guidance to small scale industries in establishing, operating and managing their units. Decentralization of industries from big cities urban areas and highly industrialized centers to other places. Development of industries and employment in backward regions. Provision of facilities of all types at one place for the smooth functioning of the industry. Provision of built-up factory accommodation to the small entrepreneurship as to make them ready to start their industries without any inconvenience or delay. Rapid industrialization of the country through the development of small industries. Savings and capital formation in industrial sector, and Development of entrepreneurial skills among people belonging to different social groups and communities. Man power is very crucial role in the industrial development, many small scale industries are highly depend on man power. The Kurnool district industrial estates were the labor intensive hence, axiomatically are employment oriented important feature of the industries is that they are skilled labour.The procurement of working capital is the most common and important problem for nearly 45 per cent of the sample small scale industrial units. The entrepreneurs might be using all the resources for procuring fixed capital and finding difficulty to secure working capital. The measures of suggested, to implemented sincerely, can ease out the problems of small scale industries and help their development to a larger extent. What is required most is a positive approach on the part of the Government and financial and other institutions towards the growth of small scale industries of industrial Estates in Kurnool district of Andhra Pradesh.

Keywords: *Developing economy, Investment, Industrial Estates, Industrialization Decentralization, Entrepreneurship, Procurement*

1. Introduction

The role played by the small scale industries in the economic activity of advanced industrialized countries like Japan, Germany, Great Britain and USA is significant. The both developed and developing exteriorized that the small industry sector is a useful vehicle for growth in later for the creation of new employment opportunities on a wide scale in the shortest possible time. The small and medium enterprises account for approximately 80 per cent of the private sector of industrial workers occupy an important position of the small and medium enterprises in Japan has been seen to be larger than in Germany or United States.

Indian economy is a developing economy. It's vast resources are either unutilized or underutilized. A major section of man power is lying idle. The per capita income is low. The capital is shy and scarce and investment is lean. The production is traditional and the technique is outdated. The output is insufficient and the basic needs of the people remain unfulfilled.

The key plans of India policy for the development of small industry have been reservation for production of specified items in the

SSI sector, fiscal concessions by way of lower excise duties and other taxes, and extension of the competition from big companies by earmarking a large number of products for exclusive manufacture by them. Fiscal concessions are meant to be a support to take care of cost disadvantages arising out of the non availability of the economic scale. The extension of services by the Government was considered necessary in the absence of matching such services from the private sector. The objectives of Government procurement from the SSI sector were to share the risk of first entry into the market by a small entrepreneur.

The Government in all the years has been taken a number of steps for the promotion of small scale industries. Various programmes of the governments to make them more effective. But unfortunately such a vital sector with so much protection, care and encouragement is not free from problems. The problems faced by small scale industries can be grouped into two. These are external problems and internal problems. External problems are those related to the availability of power and other infrastructural facilities. Internal problems affecting the small scale industries are related to organization, structure, production, distribution etc. Internal problems are those which are within the control of the industry. External problems, on the other hand, are those over which the unit has no control. It can be solved mainly by the government. Small industries are confronted with number of problems in acquiring land, building and other basic facilities. For setting up of assistance by the government to small scale industries is the starting of industrial estate where the provision of built up factory, accommodation of the International Planning Team (Ford foundation). Small Scale Industries Board at its meeting held in January 1955, decided to execute the idea of establishing industrial estate in India as a means of the development for small scale industries.

In the opinion of P.C Alexander, "Industrial estate is a group of factories constructed on economic scale in a suitable site with facilities of water, transport, electricity, steam, bank, post office, canteen, watch and ward and first aid. It is provided with special arrangement for technical guidance and common service facilities. The estate combines in itself some of the important schemes of assistance to small industries and provides a total outlay for integrated development."

The principal objective of the programme of industrial estates is to provide factory accommodations to small scale industries at suitable sites with facilities of water, electricity, steam, transport, banks, post offices, canteens, watch and ward and first aid etc. And thus create a healthy atmosphere for the development of industries.-

The industrial estates bring a number of industrial units together and facilitate establishment of common facility centers, introduction of modern techniques, and collective purchase of raw materials and sale of finished goods fostering a co-operation spirit of interdependence between them.

Following are the main objectives of the industrial estate in India:

- Promotion of small scale industries by providing facilities, assistance guidance to small scale industries in establishing, operating and managing their units.
- Decentralization of industries from big cities urban areas and highly industrialized centers to other places.
- Development of industries and employment in backward regions.
- Provision of facilities of all types at one place for the smooth functioning of the industry.
- Provision of built-up factory accommodation to the small entrepreneurship as to make them ready to start their industries without any inconvenience or delay.
- Rapid industrialization of the country through the development of small industries.
- Savings and capital formation in industrial sector ,and
- Development of entrepreneurial skills among people belonging to different social groups and communities.

As one of the positive steps taken for the development of small scale industries in Andhra Pradesh, along with the other states, launched upon the programme of Industrial Estates in 1957 with a modest proposal to set up five industrial estates are Sanatnagar (Hyderabad), Visakhapatnam, Vijayawada, Samalkot and Nandyal. Since then, the number of industrial estates in the state kept on increasing. The establishment and development of industrial estates were done by the industries department. However, in order to ensure the co-ordinate planning and speedy development of industrial estates the Government established the Andhra Pradesh Industrial Infrastructure Corporation in the year 1973.

Andhra Pradesh Industrial Infrastructure Corporation (APIIC) was identifying and developing potential growth centers in the state fully equipped with developed plots/sheds, roads, drainage, water, power and other infrastructural facilities, providing social infrastructure, like housing for workers near industrial zones, Co-ordinating with the agencies concerned for providing communication, transport and other facilities.

In Kurnool district industrial estates are established in five areas, in acres of 243.14 and total numbers of small scale industries are 311. The Kurnool industrial estate has 179 small scale industries, Nandyal industrial estate has 52, Nandyal IIDC has 12, Adhoni industrial estate has 62 and Dhoni industrial estate has 06 small scale industries.

1.1. Need for the Study

Various studies reviewed and analyzed the study of small scale Industries at international, national and regional levels by the individual researchers, institutions and Government. The conclusions arrived at by these studies are not only differ from one another but they are also contradictory about study of the small scale industries of industrial estates in Kurnool District of Andhra Pradesh. A careful investigation at micro level is therefore necessary to take a correct stand in regard to the study of small scale industries in industrial estates of Kurnool district of Andhra Pradesh. The present study pertaining to Industrial Estates was an attempt in the direction Kurnool district of Andhra Pradesh.

India is a vast country with varied resources based on endowments and Andhra Pradesh is one of the biggest states in South India with considerable small scale Industries. There is a need to conduct micro level study to understand the important of small scale Industries of industrial estates in Kurnool district of Andhra Pradesh. This study is in these directions to be conducted to develop

the small scale industries of industrial estates in Kurnool district of Andhra Pradesh. The development of any area can never be a smooth process and particularly the small industries have to face numerous problems within the changed environment. These problems vary from region to region depending upon the stage and the level of economic development. Most of the economic enquires have been examined with the problems of small industry in general. The Government is offering a wide range of incentives and adopting favourable policies and programmes to promote MSMEs, the growth of this sector has been relatively slow and not encouraging. The study is mainly designed to analyze the socio profile of small scale Industries, growth pattern, location aspects, structure of manpower, capital and other problems of small scale industries of industrial estates in Kurnool district of Andhra Pradesh.

1.2 Objectives

The present study of the small scale Industries in industrial estates of Kurnool district of Andhra Pradesh has the following objectives:

- To analyze the performance of sample small scale industries units in industrial estates of Kurnool district of Andhra Pradesh.
- To suggest feasible measures to promote successful small scale industries in industrial estates of Kurnool district of Andhra Pradesh.

1.3 Hypothesis

The following hypotheses are formulated to test the validity of the study,

- The small scale industries of industrial estates in Kurnool district are confined mostly to the economically and socially developed communities.
- There is no significant difference between the cost output ratios among the different categories of small scale industries of industrial estates products.

* There is no significant difference between fixed capital to output ratio and working capital to output ratio among the different categories of small scale industries of industrial estates products.

1.4 Methodology

The present study is based on the primary data and secondary data. The primary data is covering all the aspects of small scale industries of industrial estates in Kurnool district in accordance with the objectives of the study and collected through personnel interview with the sample of small scale industries and managers of the sample of small scale industries with the help of schedule, which is specially designed for the present study. The various aspects of data is collected from the selected small scale industries including their socio profile of small scale industries, growth pattern, location aspects, structure of manpower, capital, aims and ambitions, motivating factors, facilitation factors, promotional measures by the Government factors hindering their growth factors influencing their performance, problems in area of grounding, production finance marketing and other problems of small scale industries in small scale industries in industrial estates of Kurnool district. The secondary data is collected from the relevant publications of Government of India like Development Commissioner, Small Scale Industries, New Delhi, Commissioner of Industries, Government of Andhra Pradesh, Hyderabad, District Industries Centre, Kurnool, Chief Planning Office, Kurnool.

1.5 Sample Design

The methodology explains that purposive random sampling method is employed for the selection of small scale industries in the industrial estates. From each category 50 per cent of the sample small scale industries have been selected at random. Thus the study covers a total sample of 158 small scale industries of industrial estates in Kurnool district is covering all the 9 categories of industrial estates.

Sl. No	Categories of Small Scale Industries	Total Small Scale Industries	Per cent	Total Samples
1	Agro based industries	54	50	27
2	Chemical based industries	37	50	19
3	Engineering based industries	43	50	22
4	Food based industries	26	50	13
5	Forest based industries	3	50	2
6	Mineral based industries	50	50	25
7	Plastic and rubber based industries	45	50	23
8	Textile based industries	26	50	13
9	Miscellaneous industries	27	50	14

	TOTAL	311	50	158
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Table 1: The category wise distribution of sample small scale industries are shown in Table: 1
Source: - Secondary Data, APIIC Kurnool, 2013

1.6. Tools of Analysis

The primary and secondary data collected through various means will be scientifically analyzed by applying appropriate statistical tools such as the simple averages and percentages, linear growth rates, percentages, analysis of variance, co-efficient of variance. They estimate the elasticity of output of different inputs to find out the returns to scale also to estimate the contribution of capital and labour to value added and the marginal productivity of capital and labour, Cobb-Douglas production function has been used. The regression co-efficient have been tested to find their significance through t-test, ANOVA and compound growth rates. Further appropriate non-parametric techniques will also be used where ever necessary in order to arrive at logical conclusions and to interpreted the data meaningfully.

1.7. Limitations

The primary data is obtained by the survey method. The present study is on small scale industries in industrial estates of Kurnool district of Andhra Pradesh .The depth of the regional study, the socio-profile of small scale industries, growth pattern, location aspects, structure of manpower, capital and other problems of small scale industries in Industrial estates of Kurnool district. The present study is carried out at a micro - level confined to Kurnool district of the state of Andhra Pradesh. Such conclusions are drawn from specific area. This study refers to during 2008-09 to 2012-2013.

1.8. Structure of Man Power in the Sample Small Scale Industries

Man power is very crucial role in the industrial development. Many small scale industries are highly depended on man power. The Kurnool district industrial estates were the labor intensive and hence axiomatically are employment oriented. In the Kurnool district industrial estates, total number of workers are 1732, out of which 1231 are male and 501 are female. The details of manpower employed in different sample small scale industries are given in Table-2.

Sl. No	Categories of Entrepreneurs	Male	Female	Total	Average per unit
1	Agro based industries	402 (65.15)	215 (34.84)	617 (35.62)	23
2	Chemical based industries	143 (78.57)	39 (21.42)	182 (10.51)	10
3	Engineering based industries	129 (87.75)	18 (12.24)	147 (8.48)	7
4	Food based industries	65 (79.29)	17 (20.73)	82 (4.73)	7
5	Forest based industries	8 (61.53)	5 (38.46)	13 (0.75)	7
6	Mineral based industries	193 (69.42)	85 (30.57)	278 (16.05)	11
7	Plastic and rubber based industries	121 (65.76)	63 (34.23)	184 (10.62)	8
8	Textile based industries	86 (73.50)	31 (26.49)	117 (6.75)	9
9	Miscellaneous based industries	84 (75)	28 (25)	112 (6.46)	8
10	TOTAL	1231 (71.01)	501 (28.92)	1732 (100)	11

Table 2: Structure of Total Man Power in Sample Small Scale Industries in Kurnool District of Andhra Pradesh
Source: - Researcher compilation

Note:-Figures in brackets are percentages to total sample small scale industries

From the Table 2 reveals that there are 1732 persons working in the sample small scale industries units. Out of them, 71.07 per cent are males and 28.92 per cent are females. Out of the 1732 persons working in all sample small scale industries units, 35.62 per cent are employed in Agro based industries, 10.51 per cent in chemical based industries, 8.48 per cent in engineering based industries, 4.73 per cent in food based industries, 0.73 per cent in forest based industries, 16.05 per cent in mineral based industries, 10.62 per cent in plastic and rubber based industries, 6.75 per cent in textile based industries and only 6.46 per cent in miscellaneous based industries units. The average persons employed per unit are the highest at 23 persons per unit in Agro based industries, 10 persons per unit in chemical based industries, 7 persons per unit in three categories that is, engineering based

industries, food based industries and forest based industries, 11 persons per unit in mineral based industries, 8 persons per unit in plastic and rubber based industries, 9 persons per unit in textile based industries and 8 persons per unit miscellaneous based industries. On an average, 11 persons per unit worked in sample small scale industrial units.

1.9. The Skills Compositions of Manpower

Important feature of the industries is that they are skilled labour. The workers having the skills, experience, qualification, and intensity of work, was the great influencing the industrial productivity. In the Kurnool district industrial estates sample small scale industries 1209 workers are skilled, and 523 workers are unskilled.

The skill compositions of manpower working in sample small scale industrial units are shown in Table 3

Sl. No	Categories of Entrepreneurs	Skilled Labour	Unskilled Labour	Total Manpower in Production	Percentage of Skilled to Total Man Power
1	Agro based industries	421	196	617	68.23
2	Chemical based industries	151	31	182	82.96
3	Engineering based industries	119	28	147	80.95
4	Food based industries	63	19	82	76.82
5	Forest based industries	9	4	13	64.28
6	Mineral based industries	165	113	278	59.35
7	Plastic and rubber based industries	119	65	184	64.67
8	Textile based industries	79	38	117	67.52
9	Miscellaneous based industries	83	28	112	74.11
	TOTAL	1209	523	1732	69.81

Table 3: Skills Composition of Total Man Power in Sample Small Scale Industries in Kurnool District of Andhra Pradesh
Source: - Researcher compilation

Table-3 Reveals that out of 1732 persons employed in all the sample small scale industries, 69.81 per cent are technically qualified and skilled labours and the remaining 30.19 per cent are unskilled labours. The percentage of skilled labours in total manpower is the highest at 82.96 per cent in chemical based industries, followed by 80.95 per cent in Engineering based industries, 76.82 per cent in food based industries, 74.11 per cent in miscellaneous industries, 68.23 in Agro based industries, 67.52 per cent in textile based industries 64.67 per cent in plastic based industries, 64.28 per cent in forest based industries and the lowest percentage of 59.35 per cent in mineral based industries sample small scale industrial units.

1.10. Distribution of Sample Small Scale Industries by Size of Capital

Capital is very important role in the small scale industries .Capital is required for the setting up an industry, for its running, and also time of its expansion of units .The availability of capital at cheap rate of interests, and the Government is might influence the banks and other financial agencies to financial assistance for small scale industries of industrial estates. Total capital in included the fixed capital and working capital.

Sl. No	Categories of Entrepreneurs	Fixed Capital	Working Capital	Total Capital (Fixed Capital+ Working Capital)	Fixed capital to Total Capital	Working Capital to Total Capital
1	Agro based industries	35,69,718	63,88,177	99,57,895	35.84	64.16
2	Chemical based industries	34,91,715	63,78,163	98,69,878	35.37	64.62
3	Engineering based industries	41,65,977	67,99,941	1,09,65,918	37.99	62.01

3	Food based industries	25,97,475	45,71,440	71,68,915	36.23	63.77
5	Forest based industries	9,99,715	15,00,164	24,99,879	39.99	60.01
6	Mineral based industries	41,95,698	71,83,169	1,13,78,867	36.87	63.13
7	Plastic and rubber based industries	28,69,915	43,71,683	72,41,598	39.63	60.37
8	Textile based industries	27,95,669	43,91,646	71,87,315	38.89	61.11
9	Miscellaneous industries	30,76,917	64,68,701	95,45,618	32.23	67.77
	TOTAL	2,77,62,799	4,80,53,084	14,09,89,883	36.61	63.39

Table 4: Comparison of Average Total Capital in Sample Small Scale Industries in Kurnool District of Andhra Pradesh (Rs. crores)

Source: - Researcher compilation

From the Table-4 observe that the highest fixed capital is noticed at Rs.41, 95,698 in mineral based industries and lowest fixed capital in forest based industries at Rs.9, 99,715. Regarding the proportion of fixed capital to total capital, maximum is recorded in forest based industries (39.99 per cent), followed by plastic and rubber based industries (39.63 per cent), textile based industries (38.89 per cent), engineering based industries (37.99 per cent), mineral based industries (36.87 per cent), food based industries (36.23 per cent), agro based industries (35.84 per cent), chemical based industries (35.37 per cent) and the minimum is observed in miscellaneous industries (32.23 per cent) in the study area. The highest working capital is noticed at Rs.1, 13, 78,867 in mineral based industries and lowest working capital in forest based industries at Rs.15, 00,164. Regarding the proportion of working capital to total capital, maximum is recorded in miscellaneous industries (67.77 per cent), followed by chemical based industries (64.62 per cent), agro based industries (64.16 per cent), food based industries (63.77 per cent), mineral based industries (63.13 per cent), engineering based industries (62.01 per cent), textile based industries (61.11 per cent), plastic and rubber based industries (60.37 per cent) and the minimum is observed in forest based industries (60.01 per cent) in the study area.

1.11. Sample Small Scale Industries in By Net Profit per Unit in Kurnool District of Andhra Pradesh

Profits are the residual income left after the payment of rewards to other factors of production. Profits are the one main motive inducing an entrepreneur to undertake industrial activity. A study of profit earned by the entrepreneurs in Kurnool industrial estates reveals that their fortunes are varied. For example agriculture based industries units such as rice mills, seeding, and oil mills are earning normal profits. Mineral based industries units' manufacturing mosaic chips and polished slabs are earning good profits. In the engineering based industries units and allied sector units producing rolling shutters and grills are earning normal profits. In the rubber and plastic industries units are earning no profits. Textile based industries, forest based industries units and miscellaneous industries units are running on losses.

Sl. No	Categories of Entrepreneurs	Below Rs.5	Rs.5-10	Rs.10-15	Rs.15-20	Above Rs.20	Total
1	Agro based industries	12(44.44)	5(18.51)	5(18.51)	4(14.81)	1(3.71)	27
2	Chemical based industries	6(31.57)	5(26.31)	4(21.05)	3(15.78)	1(5.26)	19
3	Engineering based industries	11(50)	6(27.27)	5(22.22)	-	-	22
4	Food based industries	5(38.46)	3(23.07)	3(23.07)	2(15.38)	-	13
5	Forest based industries	2(100)	-	-	-	-	2
6	Mineral based industries	12(48)	6(24)	4(16)	3(12)	-	25
7	Plastic and rubber based industries	12(52.17)	5(21.73)	5(21.73)	1(4.34)	-	23
8	Textile based industries	3(23.07)	5(38.46)	3(23.07)	2(15.38)	-	13
9	Miscellaneous industries	5(35.71)	3(21.42)	3(21.42)	2(14.28)	1(7.14)	14

10	TOTAL	68(43.03)	38(24.05)	32(20.25)	17(10.75)	3(1.89)	158
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Table 5: Distribution of Sample Small Scale Industries in By Net Profit per Unit in Kurnool District of Andhra Pradesh (Rs in Lakhs)

Source: - Researcher compilation

From the Table-5 observe that out of the 68 sample small scale industries which earned net profit of less than Rs. 5 lakhs, 44.44 per cent are agro based industries, 31.57 per cent are chemical based industries, 50 per cent are engineering based industries, 38.46 per cent are food based industries, 100 per cent are forest based industries, 48 per cent are mineral based industries, 52.17 per cent are plastic and rubber based industries, 23.07 per cent are textile based industries and 35.71 per cent are miscellaneous industries in the study area. Among 38 sample small scale industries which reported net profit of Rs. 5-10 lakhs, 18.51 per cent are agro based industries, 26.31 per cent are chemical based industries, 27.27 per cent are engineering based industries, 23.07 per cent are food based industries, 24 per cent are mineral based industries, 21.73 per cent are plastic and rubber based industries, 38.46 per cent are textile based industries and 21.42 per cent are miscellaneous industries in the study area. Out of the 32 sample small scale industries with a net profit between Rs.10 and 15 lakhs, 18.51 per cent are agro based industries, 21.05 per cent are chemical based industries, 22.72 per cent are engineering based industries, 23.07 per cent are food based industries, 16 per cent are mineral based industries, 21.73 per cent are plastic and rubber based industries, 23.07 per cent are textile based industries and 21.42 per cent are miscellaneous industries in the study area. Among the 17 sample small scale industries which reported net profit in the range of Rs.15-20 lakh, 14.81 per cent are agro based industries, 15.78 per cent are chemical based industries, 15.38 per cent are food based industries, 12 per cent are mineral based industries, 4.34 per cent are plastic and rubber based industries, 15.38 per cent are textile based industries and 14.28 per cent are miscellaneous industries in the study area. In the 3 small scale industries top net profit category of above Rs.20 lakh, 3.71 per cent are agro based industries, 5.26 per cent are chemical based industries and 7.14 per cent are miscellaneous industries in the study area.

1.12. Findings

- Kurnool district industrial estates have 1732 persons working in the sample small scale industries units. Out of them, 1231(71.07 per cent) are males and 501(28.92) per cent are females.
- To find out the 1732 persons employed in all the sample small scale industries, 69.81 per cent are technically qualified and skilled labourers and the remaining 30.19 per cent are unskilled labourers. The percentage of skilled labourers in total manpower is the highest at 82.96 per cent in chemical based industries, and the lowest percentage of 59.35 per cent in mineral based industries sample small scale industrial units.
- The total capital invested in all sample small scale industries, is Rs.14,09,,89,883.the highest capital invested in mineral based industries at Rs. 1,13,78,867, and lowest capital invested in forest based industries at Rs. 24,99,879,.
- The highest fixed capital is noticed at Rs.41, 95,698 in mineral based industries and lowest fixed capital in forest based industries at Rs.9,99,715.
- The highest working capital is noticed at Rs.71,83,169 in mineral based industries and lowest working capital in forest based industries at Rs.15,00,164.

1.13. Suggestions

- Among the operational problems, non-availability of raw material and skilled labour and competition are the major problems faced by the small scale industrial units in the present study. Efforts are needed from the government agencies to overcome this problem by providing necessary mechanism.
- The setting up of raw material servicing centre at Kurnool will help to solve the raw material problems to some extent.
- The financial institutions should introduce flexibility in their lending policies, financial assistance may be provided more liberally to viable projects.
- The financial institutions should build up proper rapport with the entrepreneur and develop a sympathetic approach towards their problems. The entrepreneur in turn gains confidence in his discussions with the banks.
- The state supply corporation should make their allocation system more equitable.
- The sales tax should be reduced in deserving cases of textile based industries.
- The small scale industrial units are also facing problem of inadequate and costly transportation which obstruct their efficient operation. Attempt should be made to provide easy, cheap and adequate transportation facilities to small scale industrial units. They may also be given transportation subsidy.
- The procurement of working capital is the most common and important problem for nearly 45 per cent of the sample small scale industrial units. The entrepreneurs might be using all the resources for procuring fixed capital and finding difficulty to secure working capital. Hence, it is suggested that, the government should take action to ensure that liberal financial assistance may be made available through financial institutions to meet the working capital needs.
- The most of the sample small scale industries felt that infrastructure and technical assistance are significant facilitating factors. Hence, due attention must be paid to these factors to help entrepreneurs.
- The level of success of the units may be enquired by District Industries Centre periodically and deficiencies may be identified and training may be arranged for rectifying the defects and removing the deficiencies in the organization/management.

2. Conclusion

The measures suggested above, if implemented sincerely, can ease out the problems of small scale industries and help their development to a larger extent. What is required most is a positive approach on the part of the Government and financial and other institutions towards the growth of small scale industries of industrial Estates in Kurnool district of Andhra Pradesh.

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