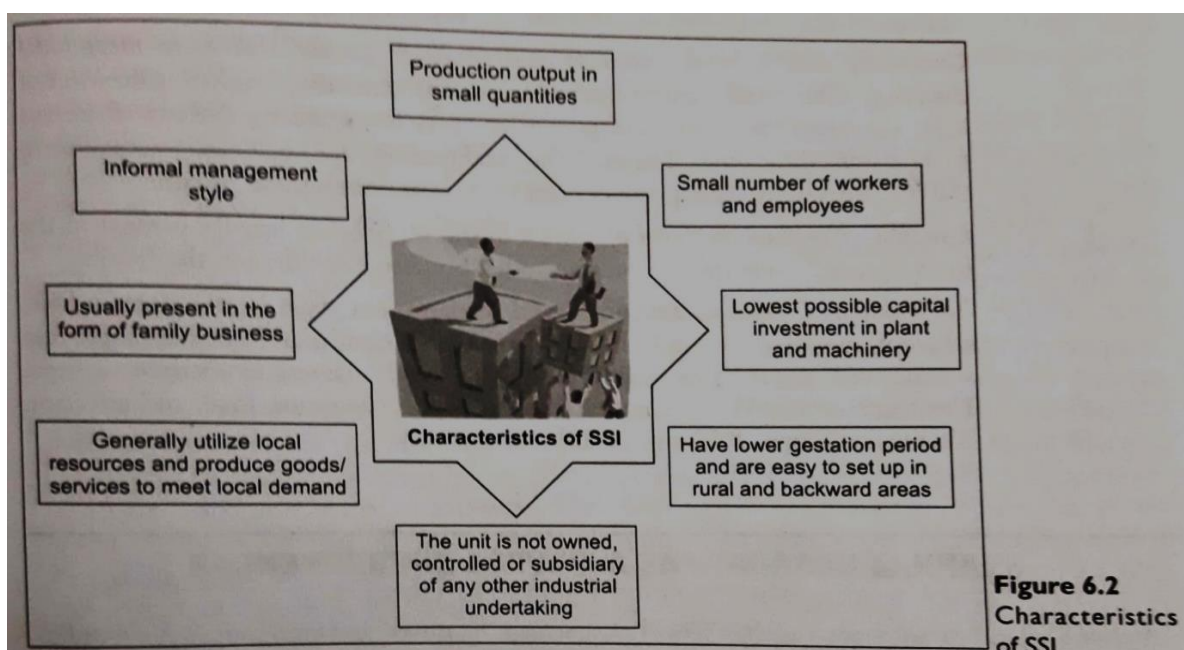


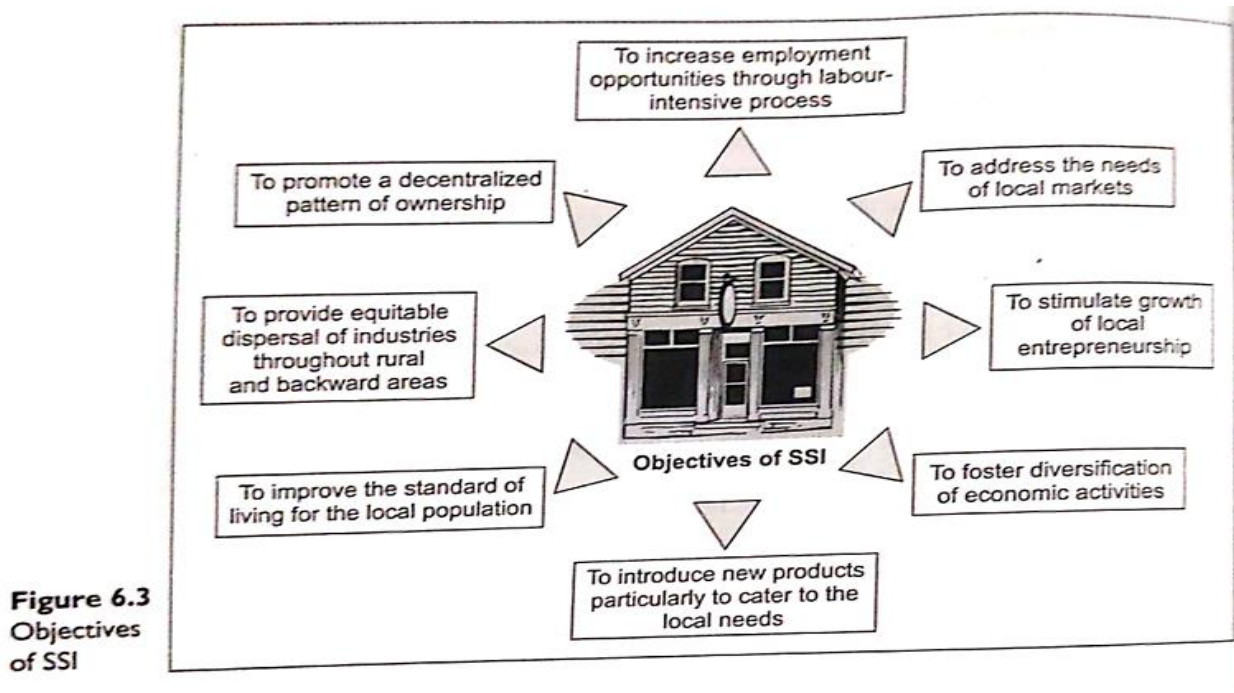
Module 04**SMALL SCALE INDUSTRY****1. DEFINITION OF MICRO AND SMALL ENTERPRISES**

- In the Indian context, a small-scale enterprise is broadly defined in terms of the value of investment in plant and machinery.
- A small-scale enterprise is the one in which the investment in fixed assets in plant and machinery, whether held on ownership terms, on lease, or in hire purchase, is above Rs. 25 lakh and up to Rs. 5 crores, subject to the condition that the unit is not owned, controlled or subsidiary of any other industrial undertaking.
- In calculating the value of plant and machinery, the original price thereof, irrespective of whether the plant and machinery are new or second hand, shall be considered.
- In case of imported machinery, the following shall be considered
 - Import duty
 - The shipping charges
 - Custom clearance charges
 - Sales tax
- Computer software development and service including computer graphics, engineering design, computerized design and drafting have been recognized as industrial activities eligible for registration as small-scale enterprises.

2. CHARACTERISTICS OF SSI

Production Output in Small Quantities	By virtue of small, planned capacity of SME, the production output is small.
Small Number of Workers and Employees	The small-scale operations in SSI require small number of workers and employees.
Lowest Possible Capital Investment in Plant and Machinery	The investment in fixed assets in plants and machinery whether held on ownership terms, on lease or on hire-purchase does not exceed Rs. 5 crores.
Have Lower Gestation Period and Are Easy to Set Up in Rural and Backward Areas	In case of SSI, the gestation period is relatively lower than medium and large enterprises, which takes longer time in conceptualization and development. For this reason, SSIs are easy to set up in rural and backward areas where the resources are limited, and the local market is small.
The Unit Is Not Owned, Controlled or Subsidiary of Any Other Industrial Undertaking	Where two or more industrial undertakings are set up by the same person as a proprietor, each of such industrial undertakings shall be controlled by other industrial undertaking or undertakings. In such cases, all such industrial takings cannot be considered as SSIs.
Generally, Utilize Local Resources and Produce Goods/Services to Meet Local Demand	The small scale of operations in SSI generally requires utilization of local resources. Similarly, the local markets are most easily accessible to the SSIs for selling their products and services at competitive prices.
Usually Present in The Form of Family Business	SSIs are usually present in the form of family business not only in India, but also elsewhere in the world.
Informal Management Style	Informal management style is prevalent in SSIs, whereby members of family business, relatives, friends, outside employees assume multiple roles as warranted by small business from time to time. This atmosphere is characterized by unity, harmony, love, affection.

3. OBJECTIVES



Increase employment opportunities:

- Most SSIs utilize labor-intensive processes and thus provide employment to local population in our country where unemployment is widespread.

Address the needs of local markets:

- There is a demand of low-priced products in local markets like small towns and villages which cannot be largely fulfilled by the products manufactured by large scale enterprises due to their relatively higher.
- Therefore, SSIs play a major role in creating products for the local populace which are much more economical due to avoidance of transportation costs, traditional production systems, and cheap local labor.
- For example, washing soaps are often manufactured and sold by SSIs in local markets at throw-away prices. Similarly, steel almirahs, trunks, boxes, etc. are locally manufactured by SSIs for local markets.

Stimulate growth of local entrepreneurship:

- There are unemployed youth in small towns and villages, some of whom have the potential of becoming successful entrepreneurs if financial support is extended to them.
- SSIs are a viable option in this regard. Prime Minister's Rozgar Yojana for employment generation calls for educated (VIII standard pass) unemployed youth with family income up to Rs 40,000 per annum by granting them loans of up to Rs 1 lakh for self-employment business/service projects. Subsidy is released as a grant by the government, through the RBI, to the participating banks for crediting to the account of beneficiary & adjusted against the repayment of last installation of loan by the beneficiary.
- The subsidy is 15% of the project cost.

Faster diversification of economic activities

- Indian economy cannot be made robust only by large-scale enterprises. Therefore, conscientious effort on part of the government to support and nurture SSI through various policies in Five Year Plans.
- This diversification of economic activities through lesser dependence on large-scale industry makes India less immune to the vagaries of global economic crisis like the one experienced by the world in 2008.

Introduce new products

- SSIs are expected to create new products for local markets without huge investments in research and development.
- The government has provided necessary local infrastructure in this regard by way of setting up of tool rooms, testing laboratories, MSME technology development centers, etc.

Improve the standard of living

- There is a cumulative effect of improvement in the standard of living for the local population when SSIs generate employment, create new products, and mobilize resources locally.

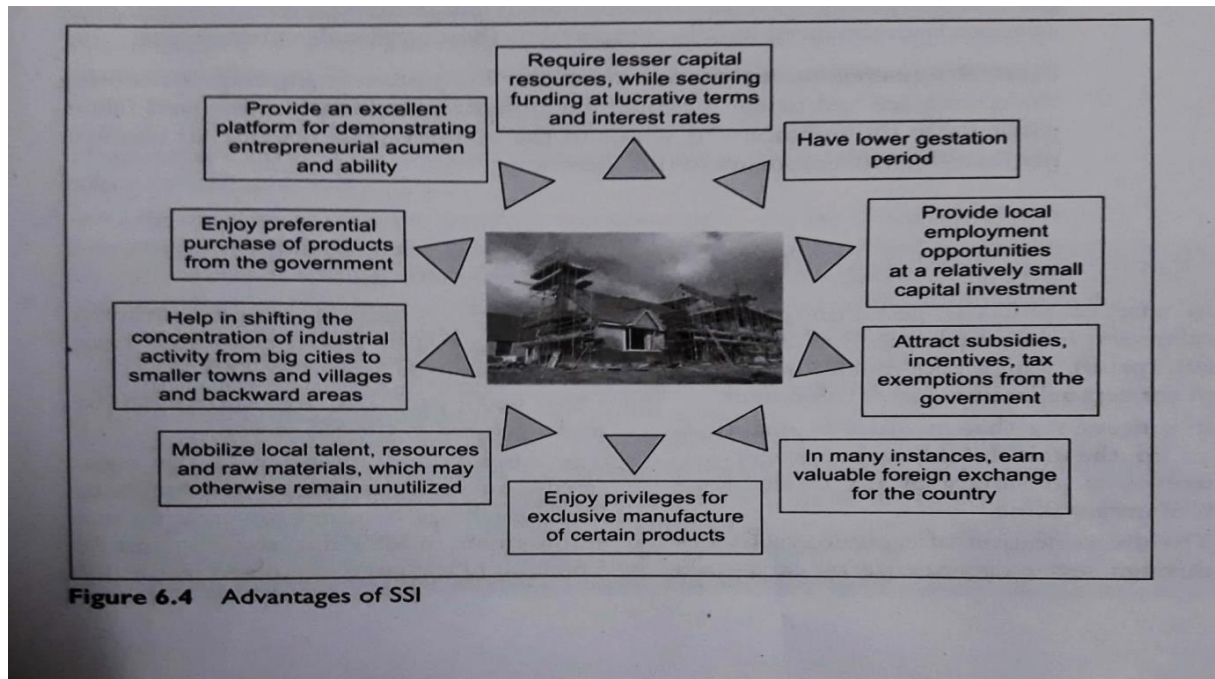
Provide equitable dispersal of industries

- Many regions in our country were deprived of industrial activity due to lack of interest of large business houses to set-up their facilities there.
- SSIs strive to fill-in this gap due to the encouragement of the government through its various policies of promoting industrial activity in rural and backward areas.
- Our North- Eastern states have been getting special attention from the government in this regard for the past few decades.

Promote a decentralized pattern of ownership

- SSIs are helpful in decentralizing the pattern of ownership of industrial activity.
- In most instances of large-scale enterprises owned and controlled by a few elite business houses in the country (like the groups of Tatas, Birlas, Ambanies, etc.), there is a likelihood of concentration of capital in a few hands (promoters of large enterprises) only.

4. ADVANTAGES OF SSI



Require Lesser Capital Resources	By virtue of their small-scale operations, SSIs require fewer capital resources. Central and State governments have created financial institutions to support SSIs and they provide funds to SSI entrepreneurs at beneficial terms, conditions and interest rates.
Have Lower Gestation Period	Lesser initial capital in SSIs is recovered faster by revenues generated by them, resulting in lower incubation period.
Provide Local Employment Opportunities	Many of the SSIs are located in rural and backward areas with lower capital investment for purchasing land and buildings. Most SSI are human-intensive operations, thus employment to local people at relatively small capital investment compared to large-scale enterprises.
Attract Subsidies from The Government	The government takes a very supportive view of SSIs by providing subsidies, incentives, tax exemptions etc. This makes them have competitive advantage against their large-scale rival enterprises.
Earn Valuable Foreign Exchange	Indian handicrafts and khadi garments are very popular in developed nations due to their exclusivity and low prices. Similarly, there are other unique products manufactured by SSIs which make them earn valuable foreign exchange for the country.

Enjoy Privileges for Exclusive Manufacturing	SSIs are protected by the government by imposing restrictions on large-scale industries in manufacturing items identified for exclusive manufacture by SSIs.
Mobilize Local Resources	SSI utilizes the skills and talent of the local population and uses local natural resources and raw materials in most instances. In the lack of SSIs, these resources may remain underutilized or unutilized.
Help In Shifting the Concentration of Industrial Activity	By virtue of having better infrastructure and other facilities, big cities have been successful in attracting huge industrial investments. Government intervention in promoting SSIs in small towns, villages and other backward areas has helped in reducing regional imbalance in industrial activity.
Enjoy Preferential Purchase of Products	The government has granted purchase of goods manufactured in SSIs compared to their large-scale counterparts.
Demonstrate Entrepreneurial Acumen and Ability	Entrepreneurship helps in restoring the confidence and pride of people having entrepreneurial acumen and talent, particularly the unemployed youth in the country. SSIs help in providing excellent platform for entrepreneurs in this direction.

5. GOVERNMENT POLICY TOWARDS SSI

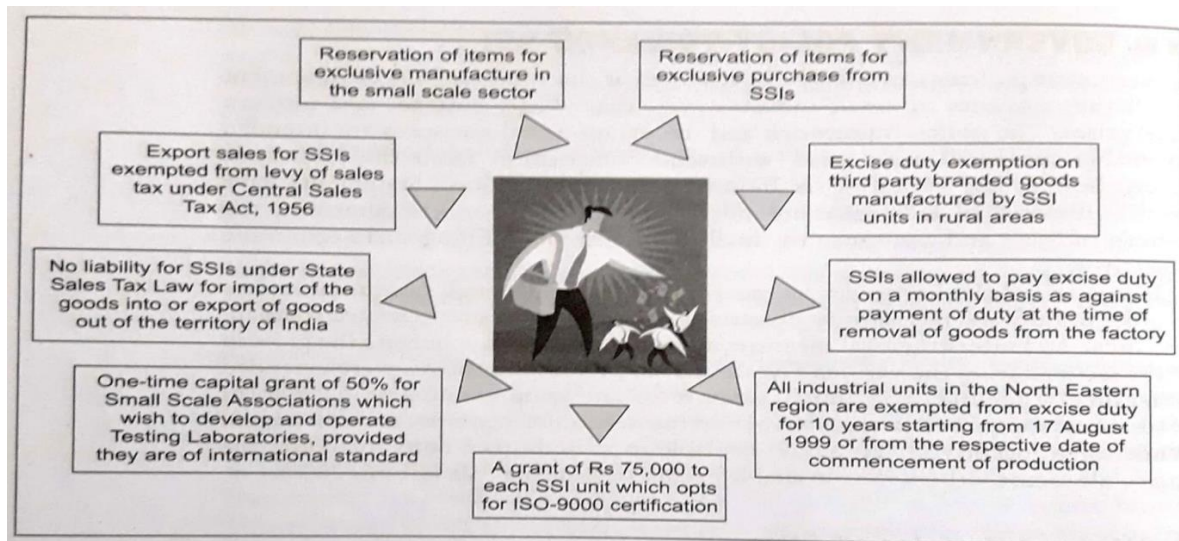


Figure 6.5 Different Policies of SSI

Reservation Of Items for Exclusive Manufacture in The Small-Scale Sector

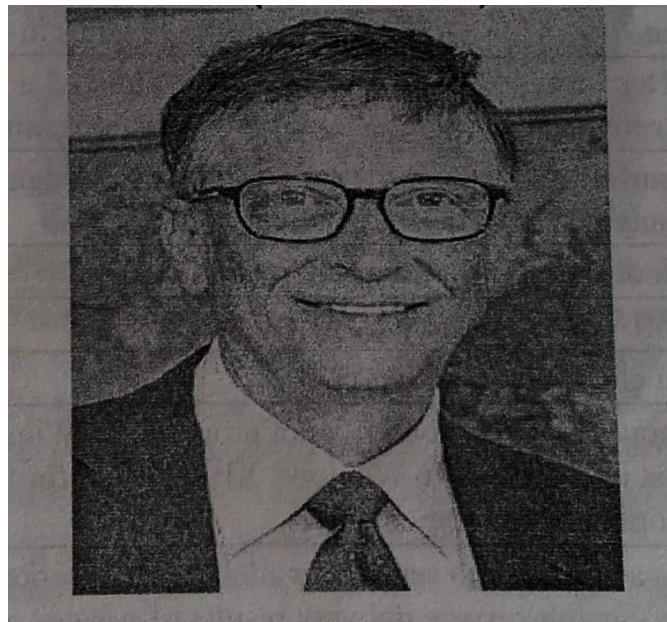
- To strengthen the SSIs and make them economically viable, a policy of reservation of products for exclusive manufacture in the SSI sector was initiated in 1967 with 47 items having been initially reserved to promote and protect the small-scale sector.
- The list of reserved items has been reviewed from time to time aiming at
- de-reservation of items, which no longer require reservation
- Reservation of additional items.
- Change in the nomenclature of listed items.

Reservation Of Items for Exclusive Purchase from SSIs.	<ul style="list-style-type: none"> • Under the government stores purchase program, the Director General of Supplies and Disposal (DGS&D) of the ministry of supplies arranges for the for the delivery of all stores indented by different ministries of the government of India and their attached offices. • The purchase policy of the government has two ways providing marketing support to SSIs against large scale/other suppliers. <ul style="list-style-type: none"> ➤ Firstly, purchase is made exclusively from SSI units for specified items known as reserved items. ➤ Secondly, even for those items which are not reserved, a purchase price preference of 15%, as against the quotations from large scale units/other suppliers, is given to SSIs. • Thus, SSI units get protected from market competition in the matter of purchase made by DGS&D.
Excise Duty Exemption on Third Party Branded Goods Manufactured By SSI.	<p>This policy promotes entrepreneurship in rural areas whereby entrepreneurs manufacture goods there, which are later supplied to other companies (third parties) for selling them with their brand. This helps thus help in employment generation in rural areas.</p>
SSIs Allowed to Pay Excise Duty on A Monthly Basis as Against Payment Duty at The Time of Removal Goods from The Factory	<p>This policy provides flexibility to the small enterprises to make excise duty payment for all the supplies made by them in a month taken together rather than taking the trouble of making excise duty payment every time a supply of goods leaves the facility for being dispatched to the customer.</p>
All Industries in The Northeast Region Are Exempted from Excise Duty	<p>The North-Eastern region of the country was deprived of industrial activity for a long time and this policy of the government seeks to eliminate this regional imbalance.</p>
A Grant of Rs.75,000 To Each SSI Unit Which opts For Iso-9000 Certification	<p>The government floated this policy to encourage SSIs for establishing quality management systems so that their products may compete well in marketplace against the products of their large-scale rivals.</p>
One-time Capital Grant Of 50% For Small Scale Associations Which Wish to Develop and Operate Testing Laboratories, Provided They Are of International Standard	<p>The government has created several testing laboratories itself. This policy aims to strengthen the efforts of SSI Associations to establish their own laboratories. This will help in encouraging private participation in SSI infrastructure development.</p>

No liability for SSIs under state sales tax law for import of the goods into or export of goods out of the territory of India	The state government have through this policy, provided a great relief to SSIs which are into export-import activities.
Export sales for SSIs exempted from levy of sales tax under centralsales tax, 1956	The central government has provided this exemption to encourage SSIs to export their products abroad and earn valuable foreign exchange for the country.

6. CASE STUDY - MICROSOFT

- Microsoft is a multinational computer technology corporation headquartered in Redmond, Washington which develops, manufactures, licenses and supports a wide range of products and services related to computing.
- The history of Microsoft began on April 4, 1975.
- It was founded by Bill Gates and Paul Allen in Albuquerque.
- Its current best-selling products are Microsoft Windows operating systems and Microsoft Office suite of productivity software.



HOW IT ALL STARTED?. "A computer on every desk, and in every home."

Year	Contribution
1975	Microsoft is founded by Bill Gates and Paul Allen; they sell BASIC, the first PC computer language program to MITS Computer, Microsoft's first customer.

1981	Microsoft, Inc. is incorporated; IBM uses Microsoft's 16-bit operating system for its first personal computer.
1983	Paul Allen resigns as executive vice-president but remains on the board; Jon Shirley is made president of Microsoft (he later becomes CEO); Microsoft introduces the Microsoft Mouse and Word for MS-DOS 1.0.
1985	Microsoft and IBM forge a joint development agreement. They launch Windows 1.0 (first window based OS) .
1986	Bill gates become youngest billionaire at the age of just 31.
1989	Microsoft co-develop SQL server 1.0.
1990	Jon Shirley retires as president and CEO; Michael R. Hallman is promoted in Shirley's place; the company becomes the first PC software firm to surpass \$1 billion of sales in a single year.
1992	The company introduces Windows 3.1. Windows now has over 25 million li-cenced users.
1994	In this year Microsoft released Windows NT.
1995	Microsoft launch windows 95 and sell 1 million copies in 4 days.
1997	The Justice Department alleges that Microsoft violated a 1994 consent decree concerning licensing the Windows operating system to computer manufacturers.

1998	The U.S. Department of Justice files two antitrust cases against Microsoft, alleging the company had violated the Sherman Act.
2001	Microsoft Windows XP is released internationally.
2002	Great plain software is acquired by Microsoft.
2003	Microsoft launches Windows Server.
2004	Microsoft announces a five-country pilot program for Windows XP Starter Edition, a low-cost introduction to Windows XP designed for first-time desktop PC users in developing technology markets.
2005	MSN launches a new Search service, available in 25 markets and 10 languages. The new MSN Search service delivers results of greater relevance, instant answers to specific questions, and a collection of tools that give Internet users greater control in targeting and refining searches.
2007	Windows Vista was released to consumers along with a new version of its Office suite, called Microsoft Office First beta of .NET framework released .
2008	Bill gates leaves Microsoft to pursue charity work.
2009	In this year Microsoft released windows 7. Beats all previous records of sales.

2010	For the first time, Apple comes close to Microsoft and becoming the most valuable technology company in America.
2012	Microsoft launch windows 8 (for all people), .NET framework 4.5, Internet Explorer 10 etc.
2013	Windows 8.1 was released to consumers along with Office 2013.
2014	Microsoft Lumia 535, the first Microsoft Branded Lumia Device.
2015	Microsoft Windows 10 will be launched along with Office.

7. CASE STUDY- N R NARAYANA MURTHY AND INFOSYS

- Nagavara Ramarao Narayana Murthy is commonly known as N R Narayana Murthy (born on 20 August 1946).
- He is an Indian IT industrialist and (EX.) Chairman and CEO of Infosys Technologies Ltd.
- He studied at NIE, Mysuru in electrical engineering. After completion his degree, he took up a job in Kanpur in 1969.
- In his life he always used to take risk-taking decisions.

1) Murthy Pursued a career in computer science when there were not too many jobs in this field. The Indian business was very much into mortar-bricks and had just begun to appreciate the role of computer.

2) The next risk he took was to turn down attractive offers from large companies such as Telco, HMT and Air India; instead he joined as a system programmer at IIMA located in Ahmedabad where beginning to install HP minicomputers and was forging ahead to become the second business school after Stanford to have time-sharing operating system. This gave this thrill in the job and was the main reason for Murthy to join the team at IIMA under J.G. Krishnayya, Prof. of Information systems. Murthy later received a salary of 800 Rupees per month.

3) A got a chance from Sesa, a French software company, to build an operating system to handle air cargo at the Charles de Gaulle airport located in Paris but at the same time he also received a scholarship to pursue a Ph. D. in USA and Israel. But Murthy instead went to Paris to master another language-French. After completion of his

project he came back to pune in 1974 to join his mentor Prof. J. G. Krishnayya who was setting up the system Research Institute (non-Profit organization). Having worked for some time he became frustrated with his work he later took up a job in Patni Computer Systems (Mumbai Based firm). At PCS, he was head of software group and here he met some of the would-be founder-partners of Infosys. He later quit the job and started his software service with his partners. This was the firm which was to become the giant that Infosys is today. His partners were all middle-class backgrounds and pooled in 10,000 rupees capital borrowed from tier better half. In this way, Infosys Consultants was born in July 1981 in one bedroom of two-bedroom apartment in pune.

4) The first ten years after 1981 were quite tough for Murthy and his team it took them 1 year to get telephone; it took them 2 years to get a license to import a computer; . His wife Sudha had to go and live with her parents for a year. In 1990, his partners thought of selling the company. But Murthy differed and even offered to buy his partners out.

8. CASE STUDY- CAPTAIN G R GOPINATH

Entrepreneurial stints and journey: as a start of his entrepreneurial career he started farming, how did this happen? When the dam construction compelled to flood and submerge captain Gopinath ancestral land and the government offered a barren land as a compensation. Gopinath took the first entrepreneurial challenge of initiating agricultural operation. During his agricultural pursuit for six years, captain Gopinath led a difficult life, he virtually slept under a thatched roof and tried to make living by growing banana, cereals, coconuts and vegetables in the government provided land. In 1985, he switched to silkworm rearing. For 12 years, he got into farming, he got into debt and got out of it. Still his quest and zest for entrepreneurial lust did not fulfil. He started malnad motorbikes and opened a hotel in Hasan. With his friend, captain Samuel in the national Défense academy (NDA) he started a Helicopter company Deccan aviation. It took 4 years to get one helicopter on lease. His first air Deccan flight caught fire and everyone wrote his company off. But gopinath had always been optimist refusing to give up and facing challenges head on. Today Deccan aviation boasts of 10 helicopters and two charter jets operating from right major locations criss crossing the entire length of the country.

ON august 25, 2003 "air Deccan" Gopinath brought his dream to reality by launching India's first low cost airline, air Deccan which gave wings to the India's common man. His main aim in Deccan was just to make the air fares as cheap as he could to make it possible for a common man to simply fly. He is considered as the father of India's low-cost carrier. Air Deccan was later purchased and merged into kingfisher airlines which is now known as "kingfisher red".

As a testimony to this, Gopinath has started his second innings in aviation in 2009, by launching a dedicated air cargo business, branded "Deccan 360" in Nagpur. He has already invested 125 crores in cargo venture. In 2009, he stood unsuccessfully as an independent candidate in to Lok Sabha elections.

For his success in his various entrepreneurial ventures, captain Gopinath has been awarded several awards.

- Rajyotsava award by the government of Karnataka.
- Personality of the decade award institutes by KG foundation.
- Editor's choice award by the Indian express.
- Trade and tourism awards and sir m Visvesvaraya memorial award by the federation of Karnataka chambers of commerce and industry.
- Character de la legion of honour (knight of the legion of honour) by the French government.

INSTITUTIONAL SUPPORT

INTRODUCTION

- Entrepreneurial activity in a region is highly dependent upon the ecosystem prevailing there.
- Encouragement and support by governmental organizations play a vital role in nurturing the entrepreneurship in the region.
- The support structure for entrepreneurship has been building up for the past many decades due to reliable effort on part of the government to create an ecosystem for entrepreneurship in the country.
- The five-year plans have always given emphasis upon the need for gripping up the support infrastructure in many ways.

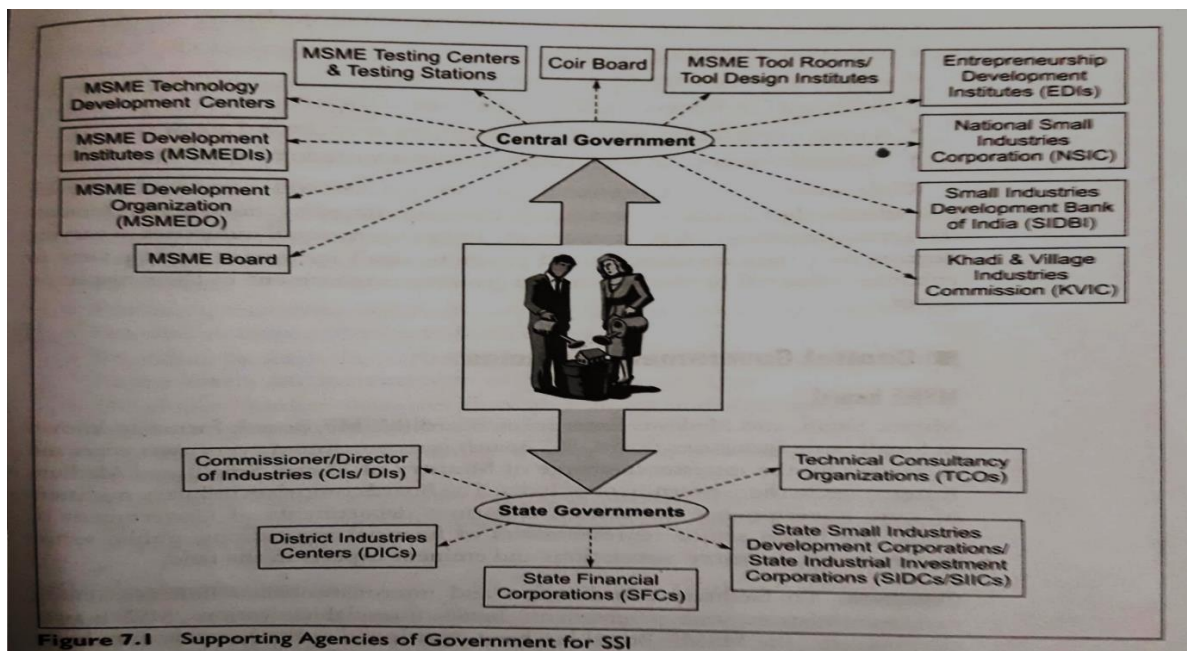


Figure 7.1 Supporting Agencies of Government for SSI

- The support system for SSI in India is quite comprehensive. The figure shows various supporting agencies of government for SSI. Many of these agencies belong to the Central Government, while rest of them belongs to the state governments.

1. MSME-DEVELOPMENT INSTITUTES (MSME-DI)

- There are 30 MSME development institutes (formerly known as Small Industries Service Institutes) and 28 branch MSME development institutes set up in state capitals and other cities all over other countries.
- The main functions of these institutes are as follows-
 - Assistance or consultancy to prospective entrepreneurs
 - Assistance or consultancy rendered to existing units
 - Preparation of state industrial profiles
 - Preparation / updation of district industrial potential surveys
 - Project profiles
 - Entrepreneurship development programs
 - Motivational campaigns
 - Production index
 - Management development programs
 - Energy conservation
 - Pollution control
 - Quality control and upgradation
 - Export promotion
 - Market surveys
 - Ancillary development
 - Intensive technical assistance
 - Linkage with state government functionaries
 - Coordination with district industries centers
- MSME development institutes and their branches have common facility workshops in various trades.
- There are at present 42 such common facility workshops attached to MSME development institutes.

2. NATIONAL SMALL INDUSTRIES CORPORATION LTD (NSIC)

- National Small Industries Corporation Ltd (NSIC) was established in 1955.
- It has been working to fulfill its mission of promoting, aiding and fostering the growth of small-scale industries in the country.
- Over a period of five decades of transition, growth and development NSIC has proved its strength within the country and abroad by promoting modernization, upgradation of technology, quality consciousness, strengthening linkages with large and medium enterprises, enhancing exports-projects and products from small industries
- NSIC operates through 9 zonal offices, 33 branch offices, 14 sub-offices, 10 NSIC business developments extension offices, 5 technical service centers, 3 extension centers and 2 software technology parks supported by a team of over 500 professionals spread across the country.
- To manage operations in African countries, NSIC operates from its office in Johannesburg.
- **Functions-**
 - NSIC carries forward its mission to assist small enterprises with a set of specially tailored schemes designed to put them in a competitive and advantageous position.
 - The schemes comprise of facilitating marketing support, credit support, technology support and other support services.

3. SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA (SIDBI)

- It was established on 2 April 1990.
- SIDBI is the principal development financial institution for promotion, financing and development of industries in the small-scale sector and for coordinating the functions of other institutions engaged in similar activities.
- SIDBI has the mission to empower MSME sector with a view to contributing to the process of economic growth, employment generation, balanced regional development.
- SIDBI performs the following functions -

INDIRECT FINANCE	Under the scheme, SIDBI grants refinance against term loans granted by the eligible PLI (principal lending institutions) to industrial concerns for setting up industrial projects in the small-scale sector as also for their expansion/modernization/diversification.
DIRECT FINANCE	Through 38 of SIDBI's own offices by means of several schemes to provide financial assistance to specific SSI target groups.
PROMOTIONAL AND DEVELOPMENT ACTIVITIES	Like human resource development in SSI sector, technology upgradation, programs on environment and quality management, market promotion, information dissemination etc., by involving accredited non-governmental organizations, voluntary organizations, scientific and research institutions, technology institutions, management institutions.



Figure 7.2 Support Agencies in Karnataka

SLT: TECHNICAL CONSULTANCY SERVICES ORGANIZATION OF KARNATAKA (TECSOK)

- TECSOK was established in the year 1976 by the government of Karnataka.
- The primary objective of founding TECSOK was to provide reliable consultancy support for entrepreneurs to start up self-employment ventures in Karnataka.
- TECSOK is a multidisciplinary management consultancy organization promoted by Government of Karnataka to provide reliable consultancy services in India.
- TECSOK has excelled in its expertise in a wide range of services.
- **Functions-**
 - Assistance in obtaining statutory and procedural clearances.
 - Market survey and research.
 - Recognition and restructuring of enterprises.
 - Feasibility studies and environment impact studies.
 - Location-specific identification of investment opportunities.
 - Project implementation and turnkey assistance.
 - Consultancy for mergers/takeovers.
 - Infrastructure development projects.
 - Consultancy for agro-based industries as a Nodal Agency of Government of India.
 - Valuation of assets, manpower planning, budgetary control system.
 - Port tariff study and related areas.

4. KARNATAKA INDUSTRIAL AREA DEVELOPMENT BOARD (KIADB)

- KIADB is engaged in acquiring and developing industrial lands in different industrial areas.
- In the case of investor desires, KIADB acquires land in specific location of investor's choice and develops the land if required, at entrepreneur's cost.
- KIADB industrial lands are generally of "ready to occupy" condition with all basic infrastructure facilities.
- KIADB allots the land on lease-cum-sale basis and the period of lease is 10 years.

- Few prominent industrial areas are:
 - Peenya, Electronic city, Export promotion industrial park (EPIP) in Bengaluru
 - Hebbal in Mysuru
 - Baikampadi in Mangalore
 - Tarihal in Dharwad
 - Kakati in Belagavi
 - Auto complex in Shimoga
- Several innovative projects up its sleeve like Agro-Tech parks, Apparel park, Auto parks, Hardware parks, Bio-Tech park, EIPs, Special Economic Zones (SEZ).

5. KARNATAKA STATE SMALL SCALE INDUSTRIES DEVELOPMENT CORPORATION (KSSIDC)

- It was established in 1960 by the government of Karnataka. KIADB, which is a part of KSSIDC, acquires land for industrial purpose, develops and allots developed places for entrepreneur.
- KSSIDC has promoted establishment of auxiliary units to help PSUs like BEL, ITI, HAL, NGEF, BEML etc.,
- It has constructed 86 plots for SC/ST entrepreneurs. It has established 98 industrial estates in all districts and major taluks.
- Industrial estate has other infrastructure like roads, drainage, streetlight, water supply and common service buildings like bank, post office, canteen etc.
- It provides ready built sheds and small plots and has made them available for allotment for entrepreneurs.
- It has opened raw materials depots in all districts of the state. Its regional offices are in Bengaluru, Mysuru, Tumakuru, Gulbarga, Hubli, Shimoga and Mangalore.
- **Objectives**
 - To promote and develop SSI in state.
 - Construction and utilization of infrastructure, especially in backward areas, procurement and marketing raw materials, technical support and assistance.
 - To take up activity aimed at rapid development of SSI.
- **Functions**
 - To establish and manage industrial estates.
 - To procure and distribute scarce and rare raw materials to various SSI.

- To supply machinery and hire purchase scheme
- Provide guidance to SSI entrepreneurs.
- Provide technical library facilities to help entrepreneurs.
- Provide laboratory facilities in coordination with Indian standard institute.

6. KARNATAKA STATE INDUSTRIAL INVESTMENT AND DEVELOPMENT CORPORATION (KSIIDC)

- Karnataka State Industrial Investment and Development Corporation has been greatly involved in the industrialization of the State, especially in the large and medium sector.
- It was established in the year 1964.
- KSIIDC is currently involved in recovery of the pending loan portfolios as well as major infrastructure projects taken up on PPP basis like Development of a Sea Port at Tadadi, International Convention Centre (ICC) and Bangalore Signature Business Park (BSBP) (DBP) near Kempe Gowda International Airport (KIA), etc.
- **The major functions of KSIIDC are-**
 - KSIIDC has assisted 135 start-up ventures through equity participation to extent of Rs. 118.28 crores spread over the length and breadth of the state.
 - KSIIDC has been instrumental in establishing Jindal Vijayanagar Limited (presently JSW Limited), Vikrant Tyres Limited, Karnataka Antibiotics and Pharmaceuticals Limited, to name a few.
 - KSIIDC has also extended financial assistance in the form of debt to core sector industries like steel, cement, mining and textiles. Modern sector industries like information technology, aviation, telecommunication and other infrastructure projects to the extent of around Rs 2,233 crores.
 - Persistent efforts of KSIIDC as the nodal agency of the state aided in realizing the dream of setting up the country's first green field International Airport at Devanahalli on public service sector partnership. This has brought in international standards in the aviation sector.

7.KARNATAKA STATE FINANCIAL CORPORATION (KSEC)

- Karnataka State Financial Corporation is one of the fast-track term lending financial institution in the country, with assistance to more than 1,59,225 units amounting to nearly Rs 8,537 crore over the last 49 years in Karnataka.
- It is one of the robust and professionally managed state financial corporations.

- The main functions of KSFC are-
 - Providing term loans for establishment of new Tiny/SSI/MSI service units.
 - Expansion/modernization/diversification of existing units.

8.DIRECTORATE OF INDUSTRIES AND COMMERCE (DIC) AND DISTRICT LEVEL SINGLE WINDOW AGENCY

- Directorate of Industries and Commerce, Government of Karnataka, is one of the oldest institutions set up under sponsorship of government.
- It was in the year 1913 under the one-time Princely State of Mysore, the department oversees the industrial development in the state.
- The department functions through the district industries centers, KVI offices, various boards, corporations and special purpose vehicles.
- The department has established the **single window mechanism** for faster, single point clearances to be given to projects seeking infrastructure facilities/incentives/concessions and helps in establishing industries and business in Karnataka.
- Karnataka Udyog Mitra (KUM) is the nodal agency under the single window setup. Three committees have been set up based on the investment levels for seeking clearances under the single window mechanism.
- They are District Level Single Window Agency (DLSWA), State Level Single Window Agency (SLSWA) and High-Level Committee (HLC).
- There is a screening committee, which screens projects to be placed before the high-level committee.
- The screening committee has recently been empowered to sanction infrastructure facilities and such incentives and concessions which are laid out within the approved policies of the state.