



Let's Understand,

SMALL-SCALE INDUSTRY

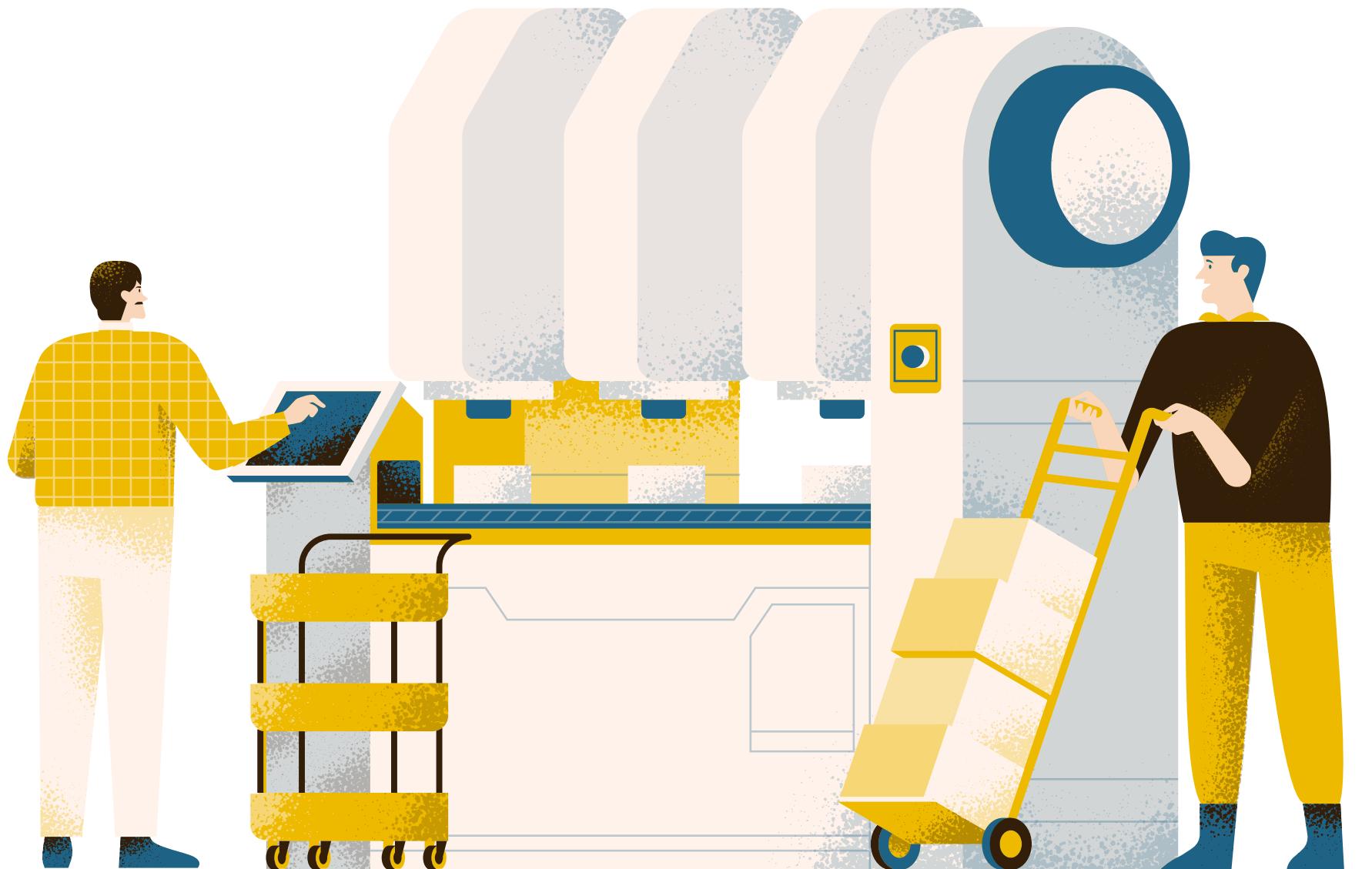


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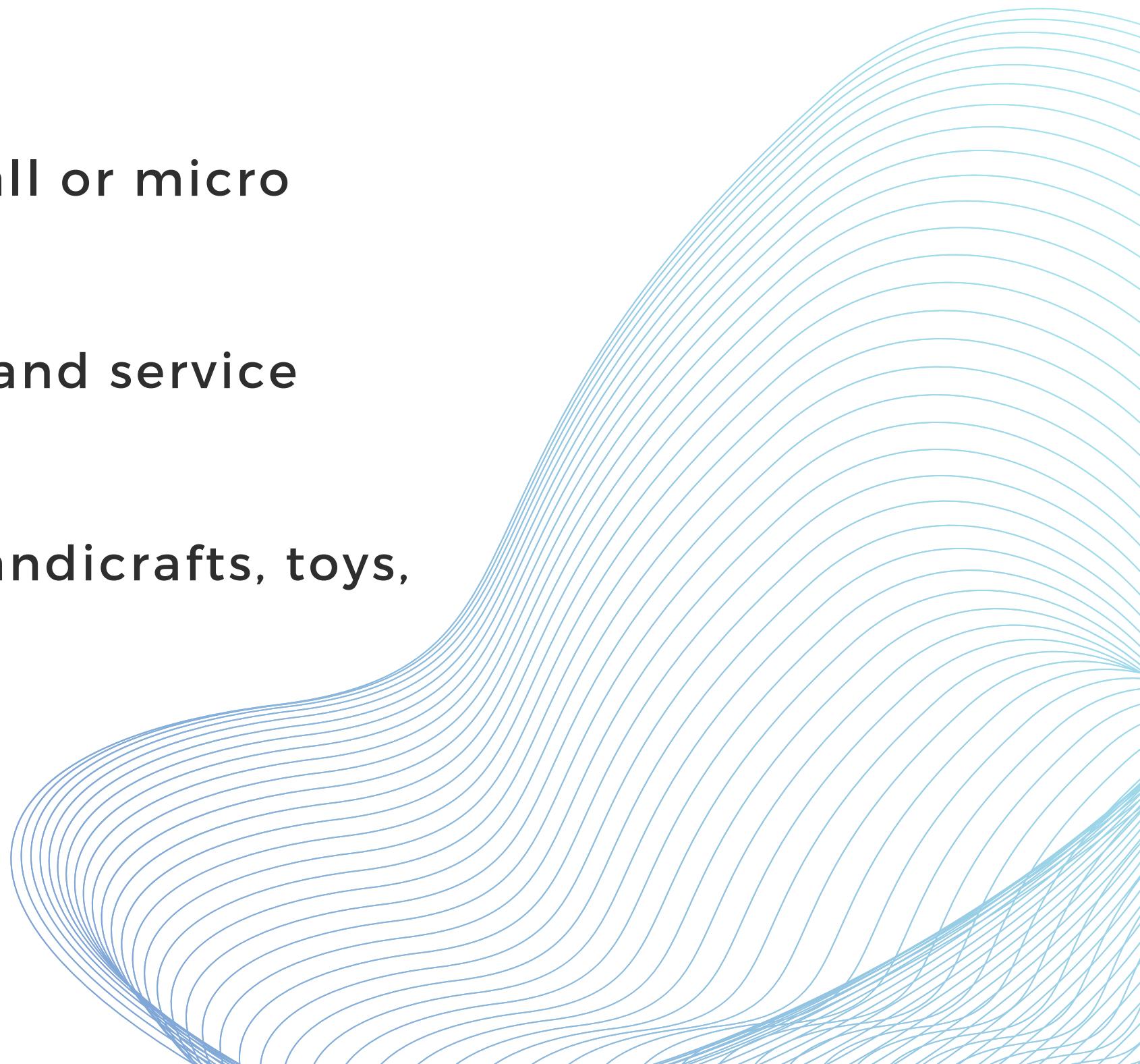
HIGHLIGHTS:

- What is Small Scale Industry
- Role of SSI in Economic Development
- Advantages of SSI
- Steps to start an SSI
- Government Policies



WHAT IS SSI?

- Small Scale Industries (SSI) operate at a small or micro scale level.
- They engage in manufacturing, production, and service provision.
- In India, SSI's are prevalent in sectors like handicrafts, toys, weaving, pickle making, food products, etc.



ROLE OF SSI IN ECONOMIC DEVELOPMENT

**“The only strategy that is guaranteed
to fail is not taking risks”**



POINTS TO BE CONSIDER

- 1. Employment:** SSIs create jobs for artisans, professionals, and farmers.
- 2. Efficient Capital Use:** They require less investment and offer quick returns.
- 3. Regional Development:** SSIs reduce disparities by establishing units in rural areas.
- 4. Local Resource Utilization:** They use local savings and talent, fostering entrepreneurship.
- 5. Export Boost:** SSIs manufacture locally, reducing import dependency and earning foreign exchange.



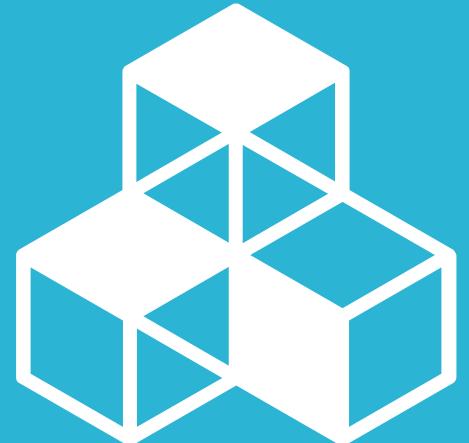
ADD-ONS

6. **Market Diversity:** They produce a wide range of goods, enhancing consumer choice.
7. **Support to Industries:** SSIs supply parts to larger industries as ancillary units.
8. **Social Equity:** They distribute income more evenly and provide honorable livelihoods.
9. **Industrial Contribution:** SSIs contribute over half of India's industrial output.
10. **Entrepreneurship Promotion:** They nurture self-employment opportunities and self-reliance.

ADVANTAGES OF SSI

It's good when the rich donate, and it's nice if generous people have enough to share. But it's strange how wealth and generosity don't always match.

9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE



POINTS TO CONSIDER:

- 1. Flexibility:** SSIs offer flexibility in space, finance, product, and workforce.
- 2. Quick Setup:** Established and started production within 2 to 6 months.
- 3. Local Manpower:** Skilled workers can be hired locally at lower wages.
- 4. Technology Support:** Assistance for technology challenges from parent companies or consultants.
- 5. Self-Employment:** Provides opportunities for self-employment and family involvement

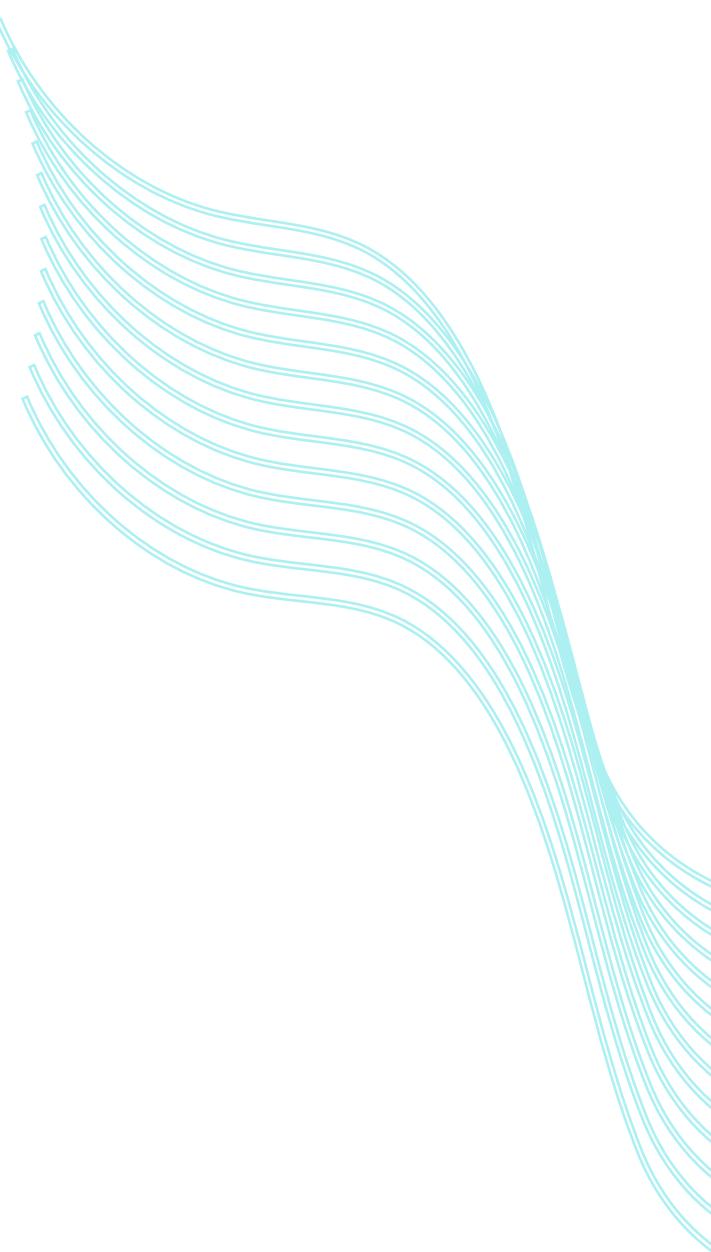
ADD-ONS

6. **Rural Cost Advantage:** Benefit from cheaper labor in rural areas during off-seasons.
7. **Support for Larger Industries:** Aid economic growth and job creation for larger industries.
8. **High-Tech Potential:** Develop high-tech components for MNCs with experienced executives.
9. **Consumer Goods:** Manufacture consumer goods and FMCG products.
10. **Tax Benefits:** Enjoy tax exemptions and waivers, reducing paperwork.
11. **Employee Loyalty:** Personal contact recruitment fosters loyalty and reduces union activity.

STEPS TO START A SSI

Believe you can and you're halfway there

- Theodore Roosevelt



THE PROCESS

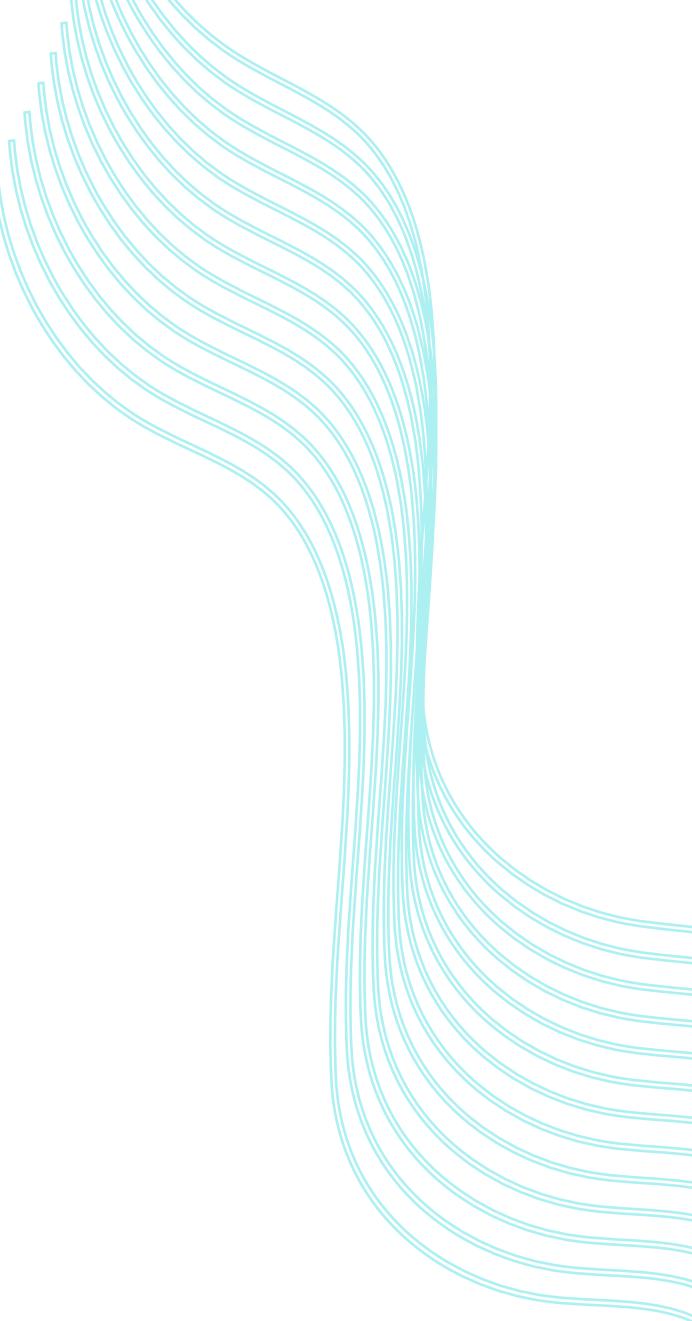
- 1. Decision Making:** Analyze strengths, weaknesses, opportunities, threats.
- 2. Market Research:** Understand business environment, opportunities, threats.
- 3. Skill Enhancement:** Identify deficiencies, undergo training, upgrade skills.
- 4. Product Selection:** Decide on range, quantity, conduct market surveys.
- 5. Location Choice:** Select ownership, location based on resources.
- 6. Technology Selection:** Identify machinery, estimate costs.

MORE POINTS

7. **Project Planning:** Prepare project reports covering economic, financial, technical, and managerial aspects.
8. **Financial Assistance:** Obtain finance and register provisionally with the government.
9. **Manpower Recruitment:** Decide on manpower and procure raw materials.
10. **Production Quality:** Start production, ensure efficiency, and quality assurance.
11. **Marketing Strategy:** Plan and execute marketing strategies, and apply for permanent registration.
12. **Continuous Improvement:** Conduct market research for long-term success and improvement.

GOVERNMENT POLICIES

Industrial Policy Resolutions



INDUSTRIAL POLICY RESOLUTIONS

- **IPR 1948:** Aimed at protecting small rural enterprises and job-cum-repair shops, emphasizing local self-sufficiency.
- **IPR 1956:** Introduced "protection plus development" for modern SSI, focusing on industrial and consumer goods.
- **IPR 1977:** Added "promotion" to the policy, emphasizing labor-intensive technology and decentralized production.
- **IPR 1980:** Reiterated principles of the 1956 resolution, highlighting SSI's importance for employment generation.
- **IPR 1990:** Shifted towards promoting equality, technology, and efficiency. Raised investment limits for SSI and included services in the sector.

INDUSTRIAL POLICY RESOLUTIONS

Latest Amendment (1991):

- Continued priority sector lending.
- Introduced measures like excise exemption and simplification of rules.
- Shifted focus to the promotion of equality, technology, and efficiency.

Policy Framework Summary:

- Aimed to support and develop the SSI sector.
- Emphasized technology, employment, and regional balance.
- Continued efforts to provide assistance and incentives.

**STAY
INSPIRED.
NEVER
STOP
CREATING.**

