



## AN OVERVIEW ON SMALL SCALE INDUSTRIES IN KANYAKUMARI DISTRICT

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**ABSTRACT** There is a prominent role of Small-Scale Industries in the development of a nation. SSI sector is one of the fastest growing sectors of the country. It provides huge employment opportunities and its presence is very important for the emerging countries. The contribution of SSI sector to the economy is increasing day by day. It is clear from its various Industrial Policy Resolutions. Different committees and commissions were set up to give suggestions and different policies announced from time to time promotion of this sector. The main aim of the study is to examine the growth and working of small-scale industrial units, their problems, emerging areas and prospects in Kanyakumari district. The studies will be useful to the policy makers for making changes in the policies relating to the progress of micro and small enterprises.

**KEYWORDS :** Small Enterprises, Manufacturing, Emerging.

### INTRODUCTION:

The small-scale industry (SSI) sector has emerged as a highly vibrant and dynamic sector of the Indian economy. It has made significant contribution towards building a strong stable national economy. In an economy with a pre-dominant primary sector and agriculture depending on the monsoon, such a diversification has to be in the direction of industrial sector in general and small-scale sector in particular. Industrial development becomes incomplete without the development of small-scale industries, since this sector provides opportunity to utilize the abundant manpower and unexploited resources. However, with the removal of Quantitative Restrictions and lowering down of import duties, the sector is now exposed to increased competition both globally and domestically.

Small scale industries (SSI) are the industries which are manufacturing, providing services, producing goods on a small scale or micro scale basis. Some example of Small-scale industries products are Napkins, tissues, chocolates, toothpick, water bottles, small toys, papers, pens, etc. Small scale industries play an important role in social and economic development of India. The small-scale industries do a one-time investment in machinery, plants, and industries. This may be on an ownership basis, hire purchase or lease basis.

Small scale industries comprise of small enterprises. They manufacture goods or services with the help of relatively smaller machines and a few workers and employees. At the investment level in manufacturing units' plant and machinery must be between 25 lakhs and five crores. For Service Providers type of industries investment in machinery must be between 10 lakhs and two crores. In developing countries like India, these small scale industries play an important role to develop the economy. These types of industries are generally labor-intensive industries. They help to create much employment. They also help with per capita income and resource utilization in the economy. They are a very important sector of the economy from a financial and social point of view.

### PECULIAR CHARACTERS OF SMALL-SCALE INDUSTRIES:

- These industries are labor-intensive. They create employment opportunities in urban and rural areas at a low cost of capital investment.
- SSI are flexible in their operation; it helps them best suited to constantly changing environment.
- It is own by individuals. Some small units are run by partnership firm or company, the activities are mainly carried out by one of the partners or directors.
- Small-scale industries are mainly situated in local areas in order to meet the local and regional demands of the people. They cannot enlarge their business activities due to limited resources.
- The motive of these type of industries are earn profit Types of service industries in India
- Manufacturing industries: These industries producing complete articles for direct consumption and also for processing industries.

- Ancillary Industries: The industries which are producing parts and components and rendering services to large industries.
- Service Industries: These industries are mainly repair shops necessary to maintain mechanical equipment.

### IMPORTANT PROBLEMS IN SMALL SCALE INDUSTRIES IN INDIA:

- The scarcity of capital and inadequate availability of credit facilities.
- Inadequate quantity, poor quality and irregular supply of raw materials.
- These industries are not fully use the latest technology. Many of them use obsolete methods of production.
- They face difficult to market their product.
- Inadequate availability of transportation, communication, power and other infrastructures facilities in the backward areas affect the SSI's.
- SSI industries are not fully utilized. In Large scale units, they are working for 24 hours a day i.e. in three shifts of 8 hours each and are thus making best possible use of their machinery and equipment.
- Poor project planning and unskilled workers.
- small scale industries suffer from lack of managerial competence of an entrepreneur.

### IMPORTANCE OF SMALL-SCALE INDUSTRIES IN INDIA:

- small scale industries help to generate employment opportunities in India. So, these labor-intensive industries provide a livelihood to a large portion of the workforce.
- India export (45-55%) of the goods which are produced by small scale industries. From this 35% of goods export directly and 15% of export indirect.
- These industries are mainly started by the lower or middle-class people. So, they give an opportunity to earn wealth and employee to them.

### SMALL SCALE INDUSTRIES IN KANYAKUMARI DISTRICT:

Kanyakumari is mainly an agricultural district. Its prosperity is mainly dependent on the development of agricultural resources. Kanyakumari district situated in the south most tip of the Indian peninsula, where the confluence of Indian ocean, Arabian sea and Bay of Bengal occurs. Its total geographical area is 17672 sq.KM.

### DETAILS OF EXISTING MICRO & SMALL ENTERPRISES ARE LISTED BELOW:

TYPE OF INDUSTRY	NUMBER OF UNITS	INVESTMENT (Lakh.RS)	EMPLOYMENT
Agro based	285	1470	6402
Soda water	25	35	260
Ready-made garments & embroidery	401	1618	3996

Wood/wooden based furniture	644	1862	3311
Paper & Paper products	24 222	29	166
Leather based	07	08	81
Chemical/Chemical based	55	255	536
Rubber, Plastic & Petro based	45	165	728
Mineral based	142	558	2051
Engineering units	261	3615	1853
Electrical machinery and transport equipment	23	401	200
Repairing & servicing	345	1388	2503
Others	15612	3304	22376

Source: DIC Kanyakumari District

#### INDUSTRIES IN EMERGING AREAS:

The potential for starting micro, small, & medium enterprises in the areas are canned jack fruit, coconut shell power, coir pith block manufacturing, paper cup, tissue paper, toilet paper roll, herbal extracts, barbed wire, soya paneer, soya curd soya milk, desiccated coconut, banana power, fishnet industries, cashew nut processing industry, fabrication work, etc.

#### STEPS TO START THE SMALL-SCALE INDUSTRIES:

The small-scale entrepreneurs should follow certain steps before starting the business. They are,

- i. Decision taken by an entrepreneur to start the business.
- ii. Select the product and technology used in this production
- iii. Find out good location
- iv. Decide the type of organization
- v. Prepare the project report.
- vi. Make an arrangement for finance
- vii. Getting license and register the unit.
- viii. Setting land and building & purchase machinery.
- ix. Getting the power connection and water supply
- x. Installation of the machinery.
- xi. Select manpower.
- xii. Purchase of raw materials.
- xiii. Start production
- xiv. Fixing the price.
- xv. Marketing and sale the product.
- xvi. Earn profit.

#### DISTRICT INDUSTRIES CENTERS AND SMALL-SCALE INDUSTRIES:

The 'District Industries Centre' (DICs) program was started by the central government in 1978 with the objective promoting small, tiny, cottage and village industries. DIC play an important role to promote small scale industries in Kanyakumari District. They introduce lot of incentive scheme to promote industries. Some of them are

- Subsidy schemes for micro manufacturing enterprises
- Subsidy schemes for Small and Medium manufacturing enterprises establishing in 251 Industrially Backward Blocks
- Subsidy schemes for Agri based Small and Medium manufacturing enterprises established in all the 385 blocks of the State.
- Special Capital Subsidy for Thrust Sector Enterprises
- Generator Subsidy
- Back-ended Interest Subsidy

#### CONCLUSION:

The products of small enterprises produced with the help of old technology are becoming redundant because of the change in tastes and preferences and fashions and also due to emergence of new technology. The entry of foreign brands in the goods segment has not only given consumers a wide choice of hi-tech and good quality products at competitive prices but also given them, improved after sales and services. It is an age of shopping in Super departmental stores. Only those goods produced by small enterprises can find a place in these stores which can meet both quantity and quality requirement at competitive prices. This means that the process of production has to be

cost efficient and meet the quality needs of the customers. This improvement can only come through the use of latest technology. Hence the need for change in technology is more relevant for small enterprises. The small enterprises must embrace change if they have to survive and find a place for themselves in the global competitive environment. Pertinent changes need to be worked out not only in the attitude of the stakeholders but also in the mindset of the institutions which are engaged in the task of development of small enterprises. Competitiveness and quality improvement have to be accepted as watchwords. Small enterprises have proved their worth in the past and with the adoption of necessary changes they can excel

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