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PERFORMANCE OF DISTRICT INDUSTRIAL CENTERS IN THE DEVELOPMENT OF SMALL SCALE INDUSTRY IN BELGAUM & DHARWAD DISTRICT

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ABSTRACT

The small-scale entrepreneur is so bewildered and confused with the plethora of agencies that exist and has to knock at many doors for getting guidance and facilities such as section of product, inputs like credit, raw material, power and for tackling his other various problems. To overcome this, the government announced the constitution of 'District Industrial Centers'(DIC) to provide, under single roof, all the services and the support required for small and village entrepreneurs. The DICs ensure a thorough liaison with the connected organization for solving the various problems. Each district would have one district industries centre. Here, this paper is based on primary and secondary and study focused on how the DICs are helpful in the development of small scale industries with special reference to Belgaum and Dharwad District of Karnataka state.

KEY WORDS: *Small scale Industry, DICs, Development*

INTRODUCTION

The small-scale entrepreneur is so bewildered and confused with the plethora of agencies that exist and has to knock at many doors for getting guidance and facilities such as section of product, inputs like credit, raw material, power and for tackling his other various problems. To overcome this, the government announced the constitution of 'District Industrial Centers'(DIC) to provide, under single roof, all the services and the support required for small and village entrepreneurs. The DICs ensure a thorough liaison with the connected organization for solving the various problems. Each district would have one district industries centre.

Under a single roof of the DIC, all the services and support by small and village entrepreneurs are to be provided. These centre are the focal points for spear leading a rural transformation and generation of industrial growth for the village communities. These centre undertake the economic investigation of the potentials for the development of the district including its raw materials and other resources, supply of machinery and equipment, provision for raw materials effective arrangement for credit facilities, marketing assistance, quality control, research extension and training according sanctions and offering facilities for setting up of industries in rural and backward areas and ensuring their continued viable operation by developing close linkages with the Rural development Blocks on the one hand and specialized development institutions on the other.

WORKING OF DICs

In every district, a DIC has been established which is supposed to provide all services and facilities to entrepreneurs at one place at district and sub-district levels so that they may set up small scale units. The broad categories of services and facilities expected to be provided by DICs include the following:

1) Identification of suitable activities
2) Preparation of feasibility reports
3) Arrangement for the supply of machinery and equipments
4) Provision for raw materials
5) Liaison with financial institutions
6) Entrepreneurial training, etc.

The number of DICs in India as on March 31, 1999 was 422 covering 431 districts out of a 436 districts in the country. The same rose to a total of 640 Districts as per the census of 2011.The five left out include the four metropolitan cities namely, Mumbai, Delhi, Chennai and Kolkatta which are outside the purview of DIC programme, and Lakshadeep Island whose administration is yet to submit a proposal for the setting up of DIC.

In Karnataka State, there are 27 DICs have been established in all the districts in Karnataka. Besides the above six services and facilities that are expected to be provided by the DICs, they are expected to achieve the following objectives.

1. To identify and help the entrepreneurs
2. To help the entrepreneurs in setting up of industries in rural areas
3. DICs are the nodal agency to deal with all the requirements of small and village industries
4. To educate the entrepreneurs about the importance of quality of their products for marketing and for selling at remunerative prices
5. To undertake research, extension and entrepreneurial development programmes for the benefit of entrepreneurs.
6. DICs are also required to undertake economic investigation of the local resources.

The DICs are expected to prepare development programmes in accordance with the direction given by Development Commissioner, Small Scale Industries. The development programmes incorporated in the 'Action Plans' spell out resources available, skills, demand, estimates of requirements of credit, raw materials, industrial accommodation, etc. The action plans also indicate the types of industries which can be encouraged to be taken up by the entrepreneurs in an area, targets for new units. The details of other programmes such as entrepreneurial development, training, assistance to sick units, supply of raw materials, finance, technical and technical inputs and marketing assistance are also incorporated in the action plans.

The staffing pattern envisaged by the Government of India has been kept flexible so that State Governments could suitably modify depending upon the requirements. For example, in some of the States, Manager (Infrastructure) has been appointed. In one particular case, the State Government has appointed five managers instead of seven and one of them is manager (Technical). Further there has been great variance in grouping of functions among the various managers.

A review of staffing pattern of DICs was made and decision was taken in August 1980 to re-structural pattern of DICs. The re-structural pattern envisaged one general manager, Four Functional Managers and Three Project Managers having technical background and specialization required in certain areas by the respective districts.

Here, this paper is based on primary and secondary and study focused on how the DICs are helpful in the development of small scale industries with special reference to Belgaum and Dharwad District.

METHODOLOGY

Here the study conducted in Belgaum and Dharwad district of Karnataka, study focused of District Industries Centres and SSIs in both the districts. 100 small scale units were chosen for the study in both districts.

DATA ANALYSIS

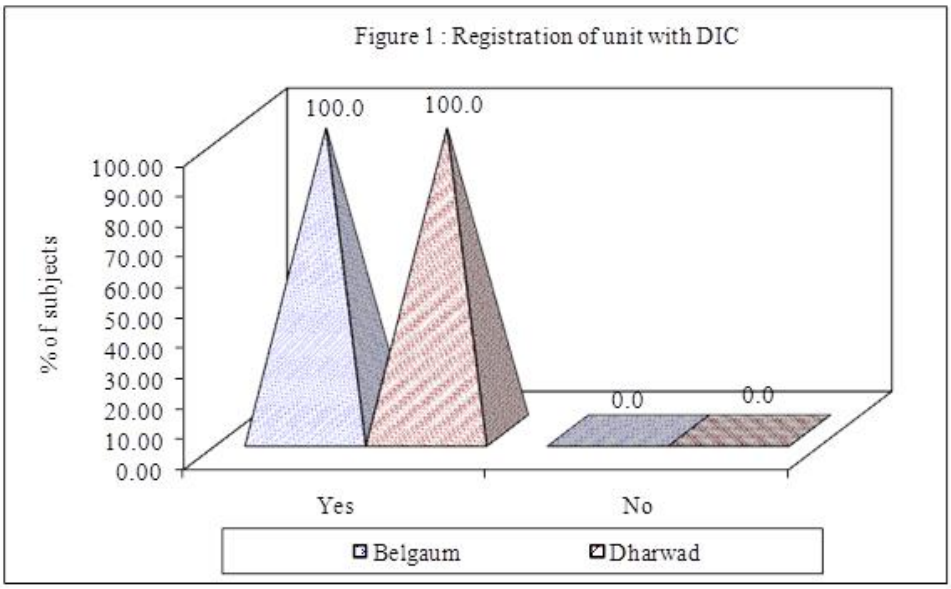
Registration with DIC office:-

In both the beneficiary units are registered with the DIC. They have got all the facilities through the DICs. So they felt that registration of the Unit with the DIC is Gainful.

Table No 1: Registration of unit with DIC

Registration	Belgaum	%	Dharwad	%	Total	%
Yes	100	100.00	100	100.00	200	100.00
No	0	0.00	0	0.00	0	0.00
Total	**100**	**100.00**	**100**	**100.00**	**200**	**100.00**

Source: Field Survey



The table No. 1 represents the respondents in Belgaum and Dharwad district according to registration of unit with DIC. It clearly showed that all the units are registered with DICs as a whole and Belgaum and Dharwad district. The respondents according to registration with DICs in Belgaum and Dharwad district are also presented in the figure No 1.

FORM OF ORGANIZATION

The three main types of business organization are as follows) One- man business 2) Partnership 3) Company. From an industrial and commercial point ofview all these are important. However, the size and complexity of companies, both private and public, makes them the most important type so far as management is concerned. With the one-man business and the partnership, management is still necessary, but the problems faced are relatively simple. Because of this the decisions made in either of these types of business do not tend to have the far-reaching effects they have in a company.Organization is one of the basic inputs for an enterprise or business. An entrepreneur has to select a much suited organization to achieve his goals. Hence here we study the form of organization of an entrepreneur in the table No 2.

Table No 2: Form of organization

Types of form of organization	Belgaum	%	Dharwad	%	Total	%
Proprietary form	26	26.00	65	65.00	91	45.50
Partnership	55	55.00	27	27.00	82	41.00
Joint stock company	19	19.00	8	8.00	27	13.50
Total	**100**	**100.00**	**100**	**100.00**	**200**	**100.00**

Source: Field Survey

The table No 2 represents the respondents in Belgaum and Dharwad district according to form of organization. Out of a total of 200 respondents, in which 91 (45.50%) respondents have proprietary form of organization compared to 27 (13.50%) respondents have partnership form of organization and 82 (41.00%) respondents have joint stock company form of organization.

Further, in Belgaum district, out of total 100 respondents, 26 (26.00%) respondents have proprietary type of organization compared to 55 (55.00%) respondents have partnership type of organization and 19 (19.00%) respondents have joint stock company type of organization. But in Dharwad district, 65 (65.00%) respondents have proprietary form of organization

compared to 27 (27.00%) respondents have partnership type of organization and 8 (8.00%) respondents have joint stock company type of organization. It is observed from the above findings; the respondents have different types of organizations in Belgaum and Dharwad district.

PROJECT REPORTS

The Project Report should include an analysis of the industry to which the project belongs. It should also deal with Government policies. The Government may have declared certain industries to be taken up comes under the category of priority industry and whether Government any views about the location of the industry. It would further be necessary to examine the past performance of the industry, present status, the type of organization the industry is having and the constraints, if any, the industry is facing.

The preparation of the project reports involves the Knowledge of present and future changes in economic conditions, market conditions and technological relevant to the project in question, market conditions and technological environment relevant to the project in question, both at the macro and micro level.

Some people prepare project report on their own self, through DICs (BGM & DWD), private agencies. That is shown the below table No. 3.

Table 3: Sources of Preparing project Reports

Sl.No	Sources	Number of Respondents	Percentage
1	DICs	68	34.00
2	Self	76	38.00
3	Private Agency	56	28.00
	Total	**200**	**100.00**

Source: Field Survey

There were 76 respondents who prepare their project reports on their own and they represented 38.00 per cent of the respondents. The project reports prepared by some entrepreneurs through the private agencies are 56 respondents of 28 per cent. The remaining 68 respondents constitute 34.00 per cent of respondents got their project report prepared with the assistance from DICs. From the above most of all respondents prepare their project reports themselves.

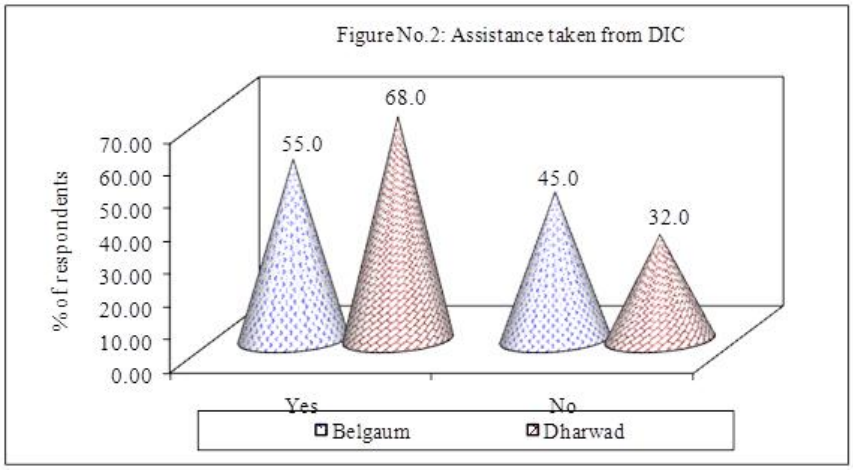
ASSISTANCE TAKEN FROM DICs

Entrepreneurs should take the assistance from DICs for the development of industry. Many entrepreneurs taken helps in selection of a small industry and preparation of feasibility report and project reports, accommodation, power and other infrastructural facilities, machinery, finance, marketing and securing various incentives. Distribution of assistance taken from DIC in both districts shows in the table No. 4.

Table No 4: Assistance taken from DICs

Helps	Belgaum	%	Dharwad	%	Total	%
Yes	55	44.72	68	55.28	123	61.50
No	45	58.44	32	41.56	77	38.50
Total Number of Respondents	**100**	**100.00**	**100**	**100.00**	**200**	**100.00**

Source: Field Survey



The table No.4 represents the respondents in Belgaum and Dharwad district according to assistance taken from DICs. Out of a total of 200 respondents, in which 123 (61.50%) respondents have taken the assistance from DICs compared to only 77 (38.50%) of respondents are have not taken the helps from DICs.

However, in Belgaum district, out of total 100 respondents, in which 55 (55.00%) respondents have taken the assistance from DICs and 45 (45.00%) of respondents are have not taken the assistance from DICs. Similarly, in Dharwad district, 68 (68.00%) respondents have taken the assistance from DICs and only 32 (32.00%) of respondents are have not taken the assistance from DICs. From the findings of the above table we concluded that in Dharwad, the significantly higher number of respondents have taken the assistance from the DICs compared to respondents in Belgaum district.

CONCLUSION

The DICs are number of problems which are not easily controllable by the DIC officials and other managements. Some are problems created by other side. DIC office is not responsible for this in Belgaum and Dharwad Districts. Small scale units facing the problem but they are responsible for that problem. Because, they are not approaching the DICs directly. They are unacquainted of provision and incentives. For this reason small unit holders should approach the DICs in both the districts and get the assistance. That can be solved by the regular visit to Small scale units by the DIC officials.

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