INTRODUCTION

Micro, small and medium Enterprises (MSME) sector has emerged as a highly vibrant and dynamic sector of the Indian economy over the last five decades. MSMEs not only play a crucial role in providing large employment opportunities at comparatively lower capital cost than large industries but also help industrialization of rural and backward areas, thereby, reducing regional imbalances, assuring more equitable distribution of national income and wealth. MSMEs are complementary to large industries as ancillary units and this sector contributes enormously to the socioeconomics development of the country.

The government in its budget normally emphasizes on the contribution of the small and medium scale enterprises. The role of small scale industries (SSI) has always been supported in a country like India with various opinions such as employment, equality, latent resources, trickling effect, insurance against social tension, distributive effect, creation of social eco system and decentralisation etc. the other arguments in favour of small scale industries are making provision for self-employment and capital formation and they are skill light, import light and quick yielding. Analysis of the data on SSIs has received different responses from different economist in different studies, right from one of the earliest studies in 1961. The performances of the small-scale sector have a direct impact on the growth of the overall economy.

The emergence of the new sectors like information technology, services is expected to bring a lot of changes in the small scale sector. The present growth rate if can be sustained by these emerging sectors then the small and medium enterprises would be a major contributor to the growth of Indian economy. But at present the small scale sector is not significantly contributing to the overall GDP.

There are nearly 4.5 million MSMEs in India (2001-02). Employment in the growth of the Indian sector was estimated to be 6.16 million indicating an average employment of 4.48 persons per unit (Ministry of MSME, 2010). It contributes about 8% of the GDP of the country, about 45% of manufactured output and about 40% of export (Economic Survey Report, 2009-2010). There are over 6000 products ranging from traditional to high-tech items, which are being manufactured by MSMEs in India. These include food products, beverages cotton textiles and wool, silk, synthetic products jute and jute products, wood and wood products, furniture and fixtures etc. since the 1990s this sector has also seen a large growth of service industries (Annual
MSMEs in India are slowly changing from low technology orientation to users of modern technology, however, the sector continues to be characterized by a large diversity in technology base.

Industrial Estates and industries are coming up very fast in almost all parts of the District. The Industries Center, Nashik is co-ordination the Industrial Development of the District. There are MIDC and Co-operative Industrial Estates. A separate Co-operative Industrial Estate for woman has also been established. Setting up four Industrial Estates at Malegaon, Sinnar, Satana and Manmad by MIDC has been approved and the work is in progress. Similarly two Co-operative Industrial Estates at Nandgaon and Kadwa are being established shortly.

In addition to the big industrial area developed by the MIDC, as per the policy of the Govt. of Maharashtra on Industrialisation in rural areas almost all the Blocks of this District have been covered under Cooperative sector. It is a note worthy to mention here that the cooperative Industrial Estate of Sinnar is one of the largest Cooperative Industrial Estate in the country and functioning efficiently. The Cooperative Industrial Estate, Sinnar has been presented an Award by the Federation of Cooperative Industrial Estates. Eight Cooperative Industrial Estates have provided all required infrastructure facilities to the units for their establishment and functioning.

The small scale sector has grown rapidly over the years. The growth rates during the various plan periods have been very impressive. The number of small scale units have increased from an estimated 0.87 million units in the year 1980-81 to over 3 million in the year 2000.

Industrial/ Development banks collect cash by issuing shares and debentures and providing long-term loans to industries. The main objective of these banks is to provide long-term loans for expansion and modernisation of industries. In India such banks are established on a large scale after independence, which are Industrial Finance Corporation of India (IFCI), Industrial Credit and Investment Corporation of India (ICICI) and Industrial Development Bank of India (IDBI).

Indian economy is an under developed economy. Its vast resources are either unutilized or under utilized. A major section of man power is lying idle. The per capita income is low. Capital is shy and scarce and investment is lean. Production is traditional and the technique is outdated. The output is insufficient and the basic needs of the people remain unfulfilled.