

ROLE OF SBBJ IN THE GROWTH OF SMALL SCALE INDUSTRIES IN RAJASTHAN

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ABSTRACT

The Government of India has been striving hard to develop in the country ever since independence. It has aborted various noisy resolution aimed at the development of industries in the public and private sectors, with special emphasis on small scale industries and village units. It is well know the economic development of a country depends largely on its Industrial growth. There is also general agreement that small scale industrial units can provide diversified supply of goods and services besides added employment opportunities. In this paper Role of SBBJ in the growth of small scale Industries in Rajasthan is discussed.

KEYWORDS: SSI, Economic Development, Industrial Growth, Employment Opportunities.

Introduction

Small Scale Industrial (SSI) units range from household and cottage establishment to even big units. The definition of small scale industry varies from country to country. Some countries classify them on the basis of workers employed, while others do in on the basis of workers employed while others do it on the basis of production value. In general a small scale units in on which does not have a big formal organization, and where entrepreneurs engages himself in most of the tasks like management of production, financing, marketing, buying and selling, etc. SSI units is at present defined as one which is engaged in manufacturing of raw material into other products by use of machine or labours in which investment is more than 25 Lakh but not exceeding Rs. 5 crores.

Small Scale Industries in Rajasthan

Rajasthan was leading investment destination in India after Gujrat and Maharashtra because of its environment, spacious area, excellent infrastructure and investment friendly climate. Such as place Bhiwadi are now buzzing with automobile and manufacturing companies. Rajasthan is the second largest source of cement, rich with salt deposits at Sambhar, copper mines at Khetri and zinc mines at Dariba and Zawar. Small scale industries in Rajasthan are rich of small business like vegetable oil and dyes, textile, rugs, Jewellery business etc.

Weakness of SSI in Rajasthan

- Weak equity base.
- Lack of infrastructural facilities like power, market etc.
- Now availability of now material.
- Lack of expertise

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- Lack of business experience on the part of the entrepreneur.
- Competition of large scale industries.
- Problem of market etc.

Finance

Finance is scarce resources it has alternative uses in daily transaction. Each Industry needs money. Small scale Industries in Rajasthan require funds for different purposes like:

- Starting their business
- Purchase of raw material
- Manufacturing finished goods.
- Purchase of fixed assets like plant & machinery.
- Finance required paying day to day running business.
- Finance required developing market production.
- Purchase of other fixed assets like: Goodwill, trade mark, current or noncurrent assets.

Means to say every SSI units require finance in the process to change raw material into finished goods. Each unit requires finance to maintain current Assets.

History of SBBJ Bank

State Bank of Bikaner & Jaipur came into existence on 1963. On 25 April, 1966 SBBJ took over Govind Bank (Private) Ltd. In 1984 SBBJ established Ganganagar Kshetriya Gramin Bank as a Regional Rural Bank. In 1985 SBBJ opened the Bikaner Kshetriya Gramin Bank. It was second Rural Bank. Third was Marwar Graming Bank which is sponsored by SBBJ on June 2006 SBBJ merged all the three regional rural bank that it sponsored by the name MGB Gramin Bank.

Role of SBBJ Bank in case of SSI in Rajasthan

The SBBJ bank has been made with a view to represent all the classes of commercial bank in India. The performance with regard to bank finance will be analyzed by using the appropriate techniques of financial analyzed. In present decade significant changes have also taken place in bank financing policies and procedure due to economic liberalization and globalization of Indian Economy. In case of SSI units in Rajasthan SBBJ plays important role as 2015 SBBJ had 1360 branches mostly located in the state of Rajasthan, India, SBBJ branches covers all the small or large business network in Rajasthan

Bank Finance to SSI in Rajasthan by the Covered Bank from 2009-2014 Average

S. No.	Items	No. / Amount
1	S.S.I units of Rajasthan	4,346
2	Employment	10.75 lakh
3	Investment	4947 crores
4	Units finance by SBBJ	347
5	Loans to Advance by SBBJ	638 crores

The analysis of the above mentioned table shows that the members of SSI units finance by SBBJ Banks and advance given by SBBJ to Rajasthan SSI units. SBBJ is public sector bank and have liberal terms and conditions for sanctioning loans and advances with lower rate of interest.

SBBJ provides following Services to SSI in Rajasthan

- Mobilization of saving
- Provide funds for trade & commerce
- Provision of finance to backward communities & neglected segments of society on concessional rates.
- Development of Agriculture and other priority sectors in the Economy.
- Setting up of special cells for counseling and providing guidance to entrepreneurs on matter related to technical, financial and marketing areas.
- Recruitment of professional for helping entrepreneurs in formulation and implementation in setting in their own units.
- In Rajasthan Bank have also gone to extent of motivating and educating unemployed youths for the purpose they conduct Entrepreneurial development programmes at various centers.

- SBBJ Bank handling unviable units- when the units either unviable or the management is deficient or dishonest under such circumstances bank are left with no alternative but to resort to legal action for recovery of the dues.

Conclusion

SBBJ Bank focused on the need of finance for SSI in Rajasthan in effective manner. It provided fast quick and safe banking services to its customers especially in case of SSI in Rajasthan, but in 2016 SBI plan to merge SBBJ with its five Co-subsidiaries and it was ratified by the government of India 15 February, 2017. Finally merged with SBI on 31 March, 2017.

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