Small Scale Industries (SSI)

SSI are those industries in which the manufacturing, Production and rendering of services are done on a small or micro scale. These industries make a one time investment in machinery, Plants and industries but it doesn't exceed Rs 1 crore.

These industries must fall under the guidelines, set by the Govt. of India. The SSI's are the lifeline of the economy. These industries are generally ~~are~~ labour intensive and hence they Play an important role in the creation of employment. It is crucial Sector of the economy both from a financial and social point of view.

characterestics of SSI :-

(i) ownership — SSI's ~~are~~ generally are under single ownership. So it can either be a Sole Proprietorship or Sometimes a Partnership.

(ii) Management :- Generally both the management and the control is with the owner. Hence the owner is actively involved inthe day to day activities of the business.

(iii) Labour Intensive :- SSI's dependence on technology is Pretty limited. Hence they tend to use labour and manpower for their Production activities.

(iv) Flexibility :- SSI's are more adaptable to their changing business environment.

So in case of amendments or unexpected development. they are flexible enough to adopt and carry on unlike large industries.

(v) Limited Reach — SSI's have a restricted zone of operations. hence they can meet their local and regional demand.

(vi) Resources utilisation :— They use local and readily available resources which helps the economy fully utilise natural resources with minimum wastage.

OBJECTIVES OF SSI :-

→ To create more employment opportunities

→ To help develop the rural and less developed regions of the economy

⇒ To reduce regional imbalance.

⇒ To improve the standard of living of people

→ To ensure equal distribution of income and wealth.

→ To solve the unemployment problem and attain self reliance.

⇒ To adopt the latest technology aimed at producing better quality products at lower cost.

→ To ensure optimum utilization of unexploited resources of the country.