Small-Scale Industries in India: Causes of Sickness

Sangappa V.Mamanshetty

Assistant Professor & Hod, Dept Of Economics, Govt.First Grade College, Chincholi Karnatka State India

Abstract

The small scale industrial sector plays a pivotal role in the Indian economy in terms of employments and growth. A small scale indus-try is defined as “a unit having investment up to 5 crores in plant and machinery”, small scale industries may be classified into three categories: In India S.S.I. sector is used as an efficient tool of progress. The recent data available indicate that the S.S.I. sector if India that accounts for 95% of the country’s industrial units with 40% value addition in the manufacturing sector, shares 36% of the country’s total export, contributes 9.50% GDP., employs nearly 9 lakhs per annum, registering a sectored growth rate of 9.20% as against 7.5% of the country’s over-all industrial growth rate during 2011-12. During the 11th plan 5.7 million new jobs were created by the sector, while 7.6 million additional jobs are expected to be creating by the 12th plan.

KEYWORDS : Creating, shares, Loans. Manufacturing,

Introduction

The small scale industrial sector plays a pivotal role in the Indian economy in terms of employments and growth. A small scale indus-try is defined as “a unit having investment up to 5 cores in plant and machinery”, small scale industries may be classified into three categories:

Small and Cottage industries;

- Agricultural -based industries;
- Small-industries.

Meaning:

One of the adverse trends observable in the corporate private sector of India is the growing incidence of sickness. It is causing considerable concern to planners and policymakers. It is also putting a severe strain on the economic system, particularly on the banks.

There are various criteria of sickness. According to the criteria accepted by the Reserve Bank of India **“a sick unit is one which has reported cash loss for the year of its operation and in the judgment of the financing bank is likely to incur cash loss for the current year as also in the following year.”**

A major symptom of sickness is a steady fall in debt-equity ratio and an imbalance in the financial position of the unit. Simply put, a sick unit is one which is unable to support itself through the operation of internal resources (that is, earnings plough-back). As a general rule, the sick units continue to operate below the break-even point (at which total revenue = total cost) and are, thus, forced to depend on external sources for funds of their long-term survival.

Industrial sickness creates various socio-economic problems. When an industrial unit falls sick those who depend on it have to face an uncertain future. They fear loss of jobs. Even if they do not lose jobs they do not get their wages and compensation in time and are, thus, forced to live in extreme hardship.

Of course, sickness is not a special problem of India. It is, undoubtedly, a global phenomenon. Even in industrially advanced countries there are numerous cases of bankruptcy or liquidation. These sick units are nursed back to health through mergers, amalgamations, takeovers, purchase of assets, or outright nationalization. When the-problem becomes really alarming or unmanageable, the unit is permitted to die its natural death.

Causes of sickness

Industrial sickness has become a major problem of the India's corporate private sector. Of late, it has assumed serious proportions. A close look reveals that there are, at least, five major causes of industrial sickness, viz., promotional, managerial, technical, financial and political. An industrial unit may become sick at its nascent stage or after working for quite some time. For instance, two major traditional industries of India, viz., cotton textiles and sugar, have fallen sick largely due to short-sighted financial and depreciation policies. Heavy capital cost escalation arising out of price inflation accentuates the problem. The historical method of cost depreciation is highly inadequate when assets are to be replaced at current cost during inflation.

Moreover, since the depreciation funds are often used to meet working capital needs, it does not become readily available for replacement of worn-out plant and equipment. The end result is that the industrial unit is constrained to operate with old and obsolete equipment, its profitability is eroded and, sooner or later, the unit is driven out of the market by the forces of competition.

External vs. Internal Causes:

The factors leading to sickness can be due to reasons of finance, technical issues, mismanagement, non-availability of raw materials, power or natural calamities or disasters such, as fire or earthquake or a combination of such factors. **The causes of industrial sickness may be divided into two broad categories:**

(i) External and

(ii) Internal.

External causes are those which are beyond the control of its management and seen to be relatively more important than internal causes.

The causes which have been identified so far include:

(a) Delay in land acquisition and building construction

(b) (b) Delay in obtaining financial assistance from public financial institutions

(c) (c) Delayed supply of machinery by the manufacturers

(d) (d) Problems related to recruitment of technical and managerial staff

(e) Delay on the part of the Government in sanctioning licenses, permits, etc.

f) Shortages of basic inputs like power and coal. Other causes include

(g) Cost over-runs due to factors beyond the control of management

(h) Lack of demand for products or shift of demand to products of rival firms due to delays in project implementation

(i) Unsatisfactory performance by collaborators—financial and technical

(j) Large changes in the scale of operation and optimum product mix in the long run and, last but not the least

(k) Changes in the policy of the Government relating to movement of goods from one place to another within the country

(f) **The primary cause seems to be:**

(i) "Lack of experience of the promoters in a specific line of activity".

The other causes are:

(ii) Differences among various persons associated with the promotion and management of the enterprise

(iii) Mechanical defects and breakdown

(iv) Inability to purchase raw materials at an economic price and at the right time

(v) Failure to make controls effective in time, in case of deficiencies in workings

(g) (vi) Deteriorating labour-management relations and the consequent fall in capacity utilization

(h) (vii) Faulty financial planning and lack of balance in the financial (capital) structure.

(i) It is often observed that many projects are started without proper feasibility study. Hardly any long-term view of the future is taken. Instead, a project is sought to be managed on the basis of myopic vision, inadequate analysis and improper approach. Often industrial projects are started on an ad hoc basis without gathering much information about the expertise and competence needed for the purpose.

(j) Moreover, once the construction work is started on the basis of a project report, there is no periodic assessment (or review) of the economic viability of the project. Often major changes in the political and economic environment (such as change in the party in power or change in Government) make the basic assumptions underlying the project unrealistic or inappropriate. Yet the project is made to remain operational without considering the after-effects.

(k) So, there are various reasons that make industries sick. The prime among this is market-related. Market obsolescence is one of the prime reasons for units turning sick. A striking example is that of the jute industry, where "the non-avail- ability of raw materials and constant power shortages have made many units sick. And bankers are not normally very responsive in helping a company that has gone sick.

Incidence:

(l) In Dec. 1980 the total number of sick units was 24,550, involving outstanding bank credit of Rs. 1,809 crores. As at the end of March 2000, the total number of sick units stood at 307,399 involving an outstanding bank credit of about Rs. 23,656 crores. Of these 14,793 were potentially viable, 278,423 were non-viable and the viability of the remaining 14,183 has not been decided.

(m) Three major industries affected by industrial sickness are jute, engineering goods and textiles. Some of the industries such as the real estate, light consumer goods, automobile, diamonds and many others are reeling under the impact of steep fall in demand, inadequate supply of finance, large proportion of non-performing assets and constraints of finance due to huge amounts of funds getting blocked in ageing receivables.

In India S.S.I. sector is used as an efficient tool of progress. The recent data available indicate that the S.S.I. sector if India that ac-counts for 95% of the country's industrial units with 40% value addition in the manufacturing sector, shares 36% of the country's total export, contributes 9.50% GDP., employs nearly 9 lakhs per an-num, registering a sectored growth rate of 9.20% as against 7.5er cent of the country's overall industrial growth rate during 2011-12. During the 11th plan 5.7 million new jobs were created by the sec-tor, while 7.6 million additional jobs are expected to be creating by the 12th plan. In developed nations also the employment potential of small scale industries (SSI sector has gained universal recognition). The bulk 66% of new jobs created in the United States during the last two decades were in the small-scale in Great Britain creates more than 2.5 lakh jobs every year. In Germany, Spain and the Netherland the S.S.Es sector s equally important.

Meaning and Concept of Micro, Small and Medium Enterprises in India

Micro, small and medium enterprises as per MSMED Act, 2006 are clear based on their investment in plant and machinery (for manufacturing enterprise) and on equipment for enterprises providing or rendering services. The defined limit on investment for enterprises to be classified as Micro, Small and Medium enterprises is as shown in table- 1

Table 1- Category-wise Definition of SSIs in India own in [Table-1].

Classification	Manufacturing Enterprises	Service Enterprises
Micro	2.5 million	1 million /
	25 lakh	10 lakh
Small	50 million	20 million
	5 crore	2 crore
Medium	100 million	50 million
	10 crore	`5 crore

Source: Annual Reports, Commissioner, SSI Development Board (2015-2016)
* Outlay bound in Plant & Machinery

Organizational Help for Small Scale Industries

Steady help to SSI sector by the Government in terms of infrastructure development, fiscal and monetary policies have helped this sector to emerge as dynamic and vibrant sector of Indian economy.

- Small Industries Development Organisation (SIDO)
- National Small Industries Corporation (NSIC)
- SSI Board
- National Research Development Corporation (NRDC)
- Small Industrial Bank of India (SIDBI)

The contribution of small scale industries to the field of employments and productions is highly notable. Table-2 presents the overall performance and augmentation of the S.S.I. segment in India. Table-2 reveals that the value of output produced by the SSI has steadily increased from ` 7, 09,398 crores in the 2007-08 to 11,27,352 crores by the end of the end of March 1011-12. Similarly, there was tremendous Increase it the level of employment (70 lakh to 172 lakh). It is very clear that overall performance of SSI is quite satisfactory after introduction of the new economic policy in India. The growth of SSI is 272.79 lakhs in 2007-08 and it consistently growth up to 432.12 lakhs in end of March 2015-16.

Table 2- Overall Performance and Growth of the SSI Sector in India

Year	No. of units in lakhs	Production (` In crores	Employment (lakhs)
2007-2008	272.79	7,09,398	626.34
	(4.47)	(42.49)	5.15
2008-2009	285	880805	659.39
	(4.53)	(11.39)	(5.27)
2009-2010	298.08	9,82,919	695.38
	(4.53)	(11.59)	(5.46)
2010-2011	311.52	1095758	73217
	(4.51)	(11.48)	(5.29)
2015-2016	432.12	15,27,352	763
	(3.21)	(8.25)	(3.81)

Average growth rate	8.76	28.21	5.45

Source: Annual Reports, Commissioner, SSI Development Board (2015-2016)
Note: Figures in parenthesis percent growth rate for previous year.

Table 3- Position of Sick SSI Units Financed by SC

Year	No. of Sick SSI	Outstanding (` In lakhs)
2007-08	3,06,221	4,313.48
2008-09	3,04,235	4,608.43
2009-10	2,49,630	4,505.54
2010-11	1,77,336	4,818.82
2011-12	1,67,980	5,706.35
2015-16	1,73,280	6,601.45

Source: Annual Reports, Commissioner, SSI Development Board (2015-2016)

From [Table-3] following finds are drawn

- There were 3,06,221 small industries which were affected by industrial sickness, whereas 2,49,630 numbers of small units became sick in 2009-10, thus compared to both years sick SSI decreases, the problem of industrial sickness is more concentrated in small-scale industries. Further, it is revealed that the magnitude of industrial sickness, particularly to small scale industries outstanding has risen from 4,313.48to 5,706.35 units in 2008 to 2012.
- There were 1, 67,980 no. of small industries which have obtained loans from Bank. Their no. has further increased to 5,706.35 in the year 2012.
- Further, the [Table-3] shows that the problem of industrial sickness of SSI. Is gradually decreased from 5,706.35 lakhs to 1, 67,980 units due to outstanding bank credit. But, the industrial sickness has not been completed to desirable extent.

Causes and Consequence of Industrial Sickness in SSIs

Government policy pertaining to production, distribution and price change in the outlay blueprint, subsequent new priorities in the strategy, scarcity of power, transport, raw material and deterioration of industrial relations etc., can result industrial sickness. Indigenous factor such as mismanagement, diversion of funds, wrong dividend policies, excessive overheads, lack of fully responsible for aggravating the situation of industrial sickness in a serve manner. Further, the government policies regarding price distribution, export, import, licensing and taxation are the major factors for industrial sickness.

Industrial Sickness has Brought Disastrous Consequence

- The closure of industrial units leads to aggravation of the problem of unemployment.
- Wastage of huge resources invested in the industrial units
- The closure also leads to wide spread labour unrest, threatening, disturbance in the industrial environment.
- Industrial sicknesses result in huge financial losses for banks and other terms lending financial institutions.
- The closure of industrial units will have adverse impact on the other related units through backward linkages.
- In incurs heavy loss of revenue to centre, state and local government.
- Foreign trade is also affected because of such industrial sickness.

The implementation of certain agreements under the “World Trade Organisation” (WTO) has jeopardized the existence of many SSIs. The most important aspect is the complete reservation of SSIs list by 2005. There is an anomaly in the price of raw materials. Steel is sold to the local industries in higher price is much lower. As a result, China buys Indian steel at a cheaper rate and dumps the finished products in the India at higher price, which is quite less than the price of Indian finished goods. The result is very simple, SSIs would be like dinosaurs.

The sickness of SSIs is mainly confined to the north-east and the state like West Bengal, Bihar, Orissa, Madhya Pradesh an Uttar Pradesh. One of the important reasons is lack of credit facility. The overall credit to SSIs has decline from 17.3% in 1998-1999 to 11.1% in 2003-2004. The other reasons are the marketing and location.

The survey conducted by all India Management Association (AIMA) indicates a fall of 5.2% in the sale growth of SSI units in 1998-2002. This was primarily concentrated in North India where sales decline by 18.6% as a contrast, SSIs sale in South India grew 25.8%.

Government Policy:

A number of measures have been taken to tackle the problem of industrial sickness. The importance of detection of sickness at the incipient stage has been emphasized by the RBI. The policy framework in respect of measures to deal with the problem of industrial sickness has been laid down in the guidelines issued on October 1981 (which were subsequently modified in February 1982) for guidance of administrative ministries of the Central Government, State Governments and financial institutions

The salient features of these guidelines are the following:

(a) The administrative ministries in the Government will have specific responsibility for prevention and remedial action in relation to sickness in industrial sector within their respective charges. They will have a central role in monitoring sickness and coordinating action for revival and rehabilitation of sick units. In suitable cases, they will also establish standing committees for major industrial sectors where sickness is widespread;

(b) The financial institutions will strengthen the monitoring system so that it is possible to take timely corrective action to prevent incipient sickness. They will obtain periodical returns from the assisted units and from the Directors nominated by them on the Boards of such units. These will be analyzed by the Industrial Development Bank of India and results of such analyses conveyed to the financial institutions concerned and the Government.

(c) The financial institutions and banks will initiate necessary corrective action for sick or incipient sick unit based on a diagnostic study. In case of growing sickness, the financial institutions will also consider taking of management responsibility where they are confident of restoring a unit to health. The Ministry of Finance will have to issue suitable guidelines for management;

(d) Where the banks and financial institutions are unable to prevent sickness or ensure revival of a sick unit, they will deal with their outstanding dues to the unit in accordance with the normal banking procedures. However, before doing so, they will report the matter to the Government which will decide whether the unit should be nationalized or whether any other alternative- including workers' participation in management— can revive the undertaking.

(e) Where it is decided to nationalize the undertaking, its management may be taken over under the provisions of the Industries (Development and Regulation) Act, 1951, for a period of six months to enable the Government to take necessary steps for nationalization.

(f) Finally the industrial undertakings presently being managed under the provisions of the Industries (Development and Regulation) Act, 1951, will also be dealt with in accordance with the above principles.

Concessions:

The Government has also provided certain concessions to assist revival of sick units without direct intervention. For example, the Government has amended the Income-tax Act in 1977 by addition of Section 72A by which tax benefit can be given to healthy units when they take over the sick units by amalgamation, with a view to reviving them.

The tax benefit is in the form of carry forward of the accumulated business losses and un-provided depreciation of the sick companies by the healthy companies after amalgamation. A scheme for provisions of margin money to sick units in the small-scale sector at soft terms to enable them to obtain necessary funds from banks and financial institutions to implement their revival scheme has been introduced from January 1, 1982.

Moreover, financial assistance in the form of long-term equity up to Rs. 15 lakh to units with a project cost not exceeding Rs. 10 lakhs at a nominal service charge of 1% is available to potentially viable sick SSI from the National Equity Fund.

Establishment of BIFR:

The Central Government has set up a Board for Industrial and Financial Reconstruction (BIFR) with effect from 12 January 1987 in pursuance of enactment of the Sick Industrial Companies (Special Provision) Act, 1985. This is a major step for intervening at an early stage and detecting, preventing, as well as taking ameliorative, remedial and such other measures which to be taken with respect to sick and potentially viable companies.

The role of the Board for Industrial and Financial Reconstruction (BIFR) needs a re-look in the face of a steep rise in the number of industries turning sick. BIFR was constituted to facilitate the revival of industries deemed sick. When an industry turns sick, BIFR acts as an operating agency (generally the lead financial institution having the largest loan exposure among the creditors) to devise a revival strategy proposal.

Progress in the right disposal of sick company cases registered with BIFR has been slow on account of the conflicting interests between the companies and the creditors (banks and financial institutions, government bodies/agencies) and certain lacunae in the SIC A Act. The rehabilitation schemes met with 40-45% failure, as a result of which many of the cases had to be reopened.

The rate of registration/sickness increased substantially during 1997-98 due to (a) the recessionary trends prevalent in industry, (b) poor financial market conditions, and (c) the tough stance taken by banks/financial institutions (FIs) towards defaulters/potentially sick companies under their non-performing assets (NPA) accounts for rescheduling of repayments, etc.

The problem appears even more acute if we take note of potentially sick BIFR companies, as also the NPAs of FIs and banks. In fact, the NPAs of banks and others have continued to rise.

Upto 1997-98 the outstanding bank credit against sick companies has reached an abnormal' proportion of over Rs. 23,658 crores, in March' 2000. Over 15 lakh workers have been affected by companies turning sick.

IRBI (IIBI):

The Industrial Reconstruction Bank of India (IRBI) set up in 1985 has initiated various steps for checking the growth of industrial sickness and helping in industrial revival. From April 1997 the name of IRBI has been changed to Industrial Investment Bank of India (IIBI). By March 2000, cumulative financial assistance sanctioned and disbursed by it stood at Rs. 10.090 crores and Rs. 7,353 crores, respectively.

A significant measure taken during 1986 was the setting up of Small Industries Development Fund (SIDF) in the IDBI. This is meant to provide special financial assistance to the small-scale sector. The Fund would be used for providing refinancing assistance not only for development, expansion and modernisation, but also for the rehabilitation of the small-scale sick industries.

Modernization Fund:

The Government has set up two funds, namely the Textile Modernization Fund and the Jute Modernisation Fund, for modernization of the textiles and jute sector. Under these two funds, assistance is provided not only to the healthy units for modernisation at 11.5% rate of interest; but also' to sick but potentially viable units. Special loans are given to the weak units for meeting a part of the promoters' contribution.

(n) Goswami Committee Report:

The Committee on Industrial Sickness and Corporate Restructuring under chairpersonship of Dr. Omkar Goswami submitted its report in July 1993.

The main recommendations of the Committee with respect to sick companies are:

(a) For early detection of sickness the definition of sickness should be changed to:-

(i) Default of 180 days or more on repayment to term lending institutions, and

(ii) irregularities in cash credits or working capital for 180 days or more.

(b) Amendment of the Urban Land (Ceiling & Regulation) Act, 1976 to improve generation of internal resources of sick companies.

(c) Empower the BIFR for speedier restructuring, winding-up and sale of assets of companies; and

(d) A sick company's own reference of BIFR should be voluntary, not mandatory.

(o) SICA Amendment Act, 1994:

The modifications brought in the Sick Industrial Companies (Special Provisions) Act, 1985 by the 1994 Amendment Act pertain to the changes in the definition of SICA, expansion of the term operating agency, clarification that an enquiry as to sickness shall be deemed to have commenced on receipt of a reference by the BIFR complete in all respects, scope for reverse merger, **"deemed consent"** after the lapse of 120 days, **"single window concept"** for release of funds by banks/financial institutions to the sick company, monitoring implementation of sanctioned revival schemes by BIFR, holding on operations by financial institutions/banks/State Governments, empowering the Central Government, State Government, banks, institutions, etc., to report cases of potential sickness, etc.

In the definition of sickness the period for the registration of an industrial company as sick has been reduced from seven to five years. Furthermore, the condition of incurring cash losses during the preceding two years has been waived. This means that an industrial company would be considered a sick industrial company once its net worth is completely eroded and has been registered for not less than five years.

(p) Suggested Remedies:

Some of the effective measures which may be taken for revival of sick units are technical help, professional counseling and improved management. Also, the role of professionals and experienced management becomes more important in times of sickness.

In addition to technical and professional consultants, no sick industry will ever be able to recuperate without sufficient, timely and soft finance. Bankers are the key to the problem. The role of the bankers needs to be redefined and a new direction needs to be given to support aid and lift sick industrial units from the situations that befall them. It is also the level of service and support in terms of financial advice, assistance in related matters of insurance, release of hypothecated assets and timely finance.

The Sick Industrial Companies (Special Provisions) Bill, 1997, passed by Lok Sabha, introduced encouraging changes. It suggested that a time-bound procedure was to be adopted within which the scheme has to be sanctioned and BIFR would play the role of a mediator and not a court.

Technical obsolescence and financial mismanagement are also important factors that lead to industrial sickness. As per the new provisions, an opportunity will be given to get an unanimous consent to a scheme from all concerned, failing which secured creditors will attempt to form a scheme and, if all this fails, the undertaking would be sold off. Only if it is not possible to do that, the BIFR may order winding up of the company.

What should be Measure?

- In order to compete with the MNCs and large scale Industries SSIs must concentrate hard on marketing.
- The Finance Minister must ensure that the Loans are extended to SSIs at lower rates of interest as on other countries.
- A certain ear-marked fund for credit must be maintained for SSIs.
- The modernizations and technological up gradation of the SSIs is a must. The government is trying to help SSIs with incentives like subsidies for upgrading technology.
- The must bring legislation to ensure that the government de-partment buy SSIs products.
- The of protection are over but before withdrawing the protection the measures to promote them have to be found out.
- The SSIs must diversify their range of products.
- The government must initiate to launch an awareness pro-gramme so that the owners of SSIs can know the implication of WTO and can prepare to prevent the sickness of these SSIs. Therefore, WTO reality for SSIs has its own relevance in terms if their role in export and employment.

Policy Measurements

- SSIs should concentrate more in internal and specific environment. This means giving attention for improving accounting procedures, technology up gradation, product improvement work culture etc.
- Government should buy minimum of 15% of its requirement from SSIs sector.
- Reinvest government agencies like SCIDO, TIIC, SIDBI etc. By reediting their roles.

- Technology support for SSI should be strengthened and government assistance for export marketing should be stepped up.
- All rules and regulations relating to SSI should be simplified and comprehensive law should be enacted.
- In order to disseminate information on technology, market, product etc., a technology information forecasting council has been set up. Efforts should be channelized to leverage maxi-mum benefit out of this exercise.
- Packing of export products is one problem area generating a lot of grievances from exporters. This problem should be ad-dressed by fine-tuning our packaging industry.

New Policy set up for SSIs

After declaring industrial policy in July 1991, the government announced its policy towards the small-scale sector on 6th august 1991. Under this policy investment limits for tiny units have been increased from ` 2 lakhs to 5 lakhs, irrespective of the location of the unit. The government again extended this limit to ` 25 lakhs accepting the recommendation of Abid Hussain Committee.

The Government in its Industrial Policy of July, 1991 has already announced increase I the investment limit in plant and machinery of SSIs. Ancillary units and export oriented units to ` 60 lakh, 75 lakh respectively. Again on Feb. 7, 1997 this limit was extended to ` 3 crore for all such industrial unit was abolished.

In 1996-97 budget proposals, the Finance Minister had proposed the Small Industrial Development Bank of India (SIDBI) should pro-vide reference facilities to State Finance Corporations (SFC) and commercial Bank. Their financial facilities were available under single window scheme of SFCs. Up to loan limits ` 50 lakh which was extended up to ` 100 lakh in 1996-97 budgets.

Although the several policies have been launched to protect the unhealthy competition of large scale industries with the SSIs, the policy makers as well as the planners are still grappling for the World Trade Organization. Under the reign of World Trade Organization, the integration of Indian Economy with the global economy has brought much confusion over a number of emerging issues like the gap on capital investment Foreign Direct Investment (FDI) ceiling, interest subsidy, de-reservation of items, relations a technology up gradation fund and so on. For the healthier growth of the small-scale industries (SSIs) sector, top priority should be given to financial support just like the mother protects her children. Similarly India should protect her small scale sector; otherwise the current stalemate of rural employment cannot be tackled

References

1)Arping S., Morrison A., Lóránth G. (2008) Public Initiatives to Support Entrepreneurs: Credit Guarantees versus Co-Funding, University of Cambridge, University of Amsterdam, University of Oxford.

2**)** Beck. T. CHOPADE B.B.* Department of Commerce, Art, Commerce and Science College, Sonai- 414 105, MS, India. *Corresponding Author: Email-chopadebhanudas@yahoo.com
Received: November 07, 2013; Accepted: December 02, 2013,

3) Klapper L., Mendoza J.C. (2008) The Typology of Partial Credit Guarantee Funds around the World, The World Bank Development Research Group.

4) Benavides G., Huidobro A. (2004) Are Loan Guarantees Effec-tive? The Case of Mexican Government Banks, Dirección Gen-eral de Investigación Económica y Dirección de Intermediarios Financieros de Fomento, Banco de México.

5) Cowan K., Drexler A. & Yanez A. (2008) The Effects of Partial Credit Guarantees on the Credit Market for Small Businesses, PCG Conference, Washington, DC.

6) Green A. (2003) Credit Guarantee Schemes for Small Enter-prises: An Effective Instrument to Promote Private Sector-Led Growth?, UNIDO Working Paper No. 10

.

7) Levitsky J. (1997) Financier-Burr Ridge, 4, 5-11

.

8) Levitsky J. (1997) Small Enterprise Development, 8(2), 4-17.

9) Levitsky J. (1997) Financier-Burr Ridge, 4, 86-94.

10) Annual Reports, Commissioner, SSI Development Board (2015-2016)

12) Source: Annual Reports, Commissioner, SSI Development Board (2011-2012)