



**“THE ROLE OF BANKS IN THE DEVELOPMENT OF RURAL  
SMALL ENTREPRENEURSHIP”  
A CASE STUDY OF BELGAUM DISTRICT  
KARNATAKA**



**THESIS SUBMITTED TO UNIVERSITY GRANTS COMMISSION  
FOR THE COMPLETION OF UGC SPONSORED MINOR RESEARCH  
PROJECT IN FACULTY OF COMMERCE.  
[MRP(H) 1027/10-11 KAK 029/UGCSWRO DATED 21<sup>ST</sup> MARCH 2011]**

**By**

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**JUNE - 2014**

**DEDICATED**

**IN SWEET AND LOVING MEMORY**

**OF**

**MY BELOVED FATHER**

**LATE SHRI LAXMAN HARALE**

## **DECLARATION**

***I hereby declare that UGC sponsored Minor Research Project Report Entitled "THE ROLE OF BANKS IN THE DEVELOPMENT OF RURAL SMALL ENTREPRENEURSHIP". A case study of Belgaum District, has been prepared by me Dr. P.L. Harale, Assistant Professor of Commerce, Shri L.K. Khot College of Commerce, Sankeshwar and submitted to university Grants Commission, Bangaluru as a part of my professional career.***

***I further declare that this project report is the result of my own effort and has not been submitted earlier for the award of any other university.***

***Dr. P.L.Harale***

***Place : Sankeshwar***

***Date :     -     -2014***

**UNIVERSITY GRANTS COMMISSION BAHADURSHAH ZAFAR MARG  
NEW DELHI 110 020**

**ANNUAL REPORT OF THE WORK DONE ON THE MINOR RESEARCH  
PROJECT**

1.		Project Report	:	Annual
2.		UGC Reference No	:	MRP(H)1027/10-11, KAKA029/UGC SW RO,Dated 21 <sup>st</sup> March 2011.
3.		Period of Report	:	From 21-03-2011 to 21-01-2013
4.		Title of Research Project	:	The Role of Banks in the Development of Rural Small Entrepreneurship. A Case Study of Belgaum District.
5.	a	Name of the Principal Investigator	:	Dr. P.L. Harale, Assistant Professor of Commerce
	b	Name of College where work has progressed	:	Shri L.K.Khot College of Commerce, Sankeshwar, 591 313, Tal. Hukkeri, Dist. Belgaum. Karnataka
6.		Effective Date of the Starting of project	:	21-03-2011
7.		Grant approved and expenditure incurred during the period of the report		
	a	Total amount approved	:	Rs. 65,000/- (Released Rs. 47,500)
	b	Total expenditure	:	Rs. 47,500/-
	c	Report of the work done		
	i)	Brief objective of the project	:	
	1	To study the role of Bank in improving the small entrepreneurs		
	2	To assess the position of small entrepreneurs		
	3	To study the overall benefits of bank finance		
	4	To offer useful suggestions.		
	ii)	Work done so far, Results achieved and Publications if any, Resulting from the work [Give details of the papers and names of the journals in which it has been published or accepted for publication]. 100% work completed, results are expressed through findings and suggestions, publications not yet made and will be made - when.	:	Very Soon
	iii)	Has the progress been according to original plan of work and towards achieving the objectives. If not state reasons.	:	Yes
	iv)	Please indicate the difficulties, if any experienced in implementing the project	:	Faced lot of difficulties while collecting information.

v)	If project has not been completed, please indicate the approximate time by which it is likely to be completed. A summary of the work done for the period (Annual basis) may please be sent to the commission on a separate sheet.	:	Due to some unavoidable reasons, excess time has been taken to complete the work which may please be condoned.
vi)	If the project has been completed, please enclose a summary of the findings of the study. Two bound copies of the final report of the work done may also be sent to the commission	:	Work completed – Two bound copies are enclosed.
vii)	Any other information, which would help in evaluation of work done on the project At the completion of the project, the first report should indicate the output such as a) man power trained b) Ph.D awarded. c) Publication of the results d) Other impact if any	:	It is revealed that the Banking Sector is striving hard to improve the small entrepreneurs.

*Signature of the Principal Investigator*

*Principal*

## ACKNOWLEDGEMENT

*I express my deep sense of gratitude to Respected Chairman and all the office bearers of SDVS Sangha's Shri L.K. Khot College of Commerce, Sankeshwar, who have provide me with an opportunity to undertake Minor Research Project in Belgaum District.*

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*I also thank, my colleagues who were quite helpful to me in the process of completing this project.*

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*Sankeshwar  
Date: - -2014*

*Dr. P.L. Harale*

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### LIST OF ABBREVIATIONS

BDAG	:	Belgaum District at Glance
CED	:	The Centre for Entrepreneurship Development
CEDOK	:	Centre for Entrepreneurship Development of Karnataka
DIC	:	District Industries Centre
DOI	:	Directorate of Industries
EDII	:	Entrepreneurship Development Institute of India
EDPS	:	Entrepreneurship Development Programmes
ERP	:	Enterprise Resource Planning
FCS	:	Financial Corporations
ICICI	:	Industrial Credit And Investment Corporation of India
IDBI	:	Industrial Development Bank of India
IED	:	Institute for Entrepreneurship Development
IFCI	:	Industrial /Finance Corporation of India
IRDP	:	Integrated Rural Development Programme
JRY	:	Jawahar Rozgar Yojana
KVIC	:	Khadi and Village Industrial Commission
NABARD	:	National Bank for Agriculture and Rural Development
NAYE	:	National Alliance of Young Entrepreneurs
NEDB	:	The National Entrepreneurship Development Board
NFS	:	Non Farm Sector
NIESBUD	:	The National Institute for Entrepreneurship and Small Business Development
NPRI	:	The National Programme for Rural Industrialization
PAIT	:	Profit After Interest and Tax
PBIT	:	Profit Before Interest and Tax
PMEGP	:	Prime Minister's Employment Guarantee Programme
REDP	:	Rural Entrepreneurship Development Programme
REGP	:	The Rural Employment Generation Programme
ROI	:	Return on Investment
RUDSEPI	:	Rural Development and Self Employment Training Institute
SFC	:	State Financial Corporation
SFURTI	:	Scheme of Fund for Registration of Traditional Industries
SIC	:	Small Industries Corporations
SIDBI	:	Small Industries Development Bank of India
SIDC	:	Small Industries Development Corporation
SIVI	:	Small Industries Service Institute
SME	:	Small And Medium Enterprises
STEPS	:	Science and Technology Entrepreneurship Parks
TRYSEM	:	Training for Rural Youth for Self Employment