

“A Study on Challenges of Entrepreneurs in MSMEs with Special Reference to Manufacturing Sector in Ranchi District”

Navalkishor Prajapati

Master of Business Administration
Department of Management
Jharkhand Rai University, Ranchi.

ABSTRACT

Today entrepreneurs and organizations are continually facing problems and challenges to survive and hence it is not surprising that most of the successful entrepreneurs and organizations are not working in a continuous planned mode. Globalization, technological innovation, increasing competition and the challenge of development through expansion, diversification and acquisition have had a wide and far-reaching impact on human resource management. There is a need for a continuous process that aims at providing fresh knowledge, skills and policy inputs to the entrepreneur to ensure the development of their competencies, dynamism, motivation and effectiveness in a systematic and planned manner, thereby improving productivity and overall organizational effectiveness.

Whether that is developing or developed countries, MSME sector contributes significantly to employment generation and economic development. Despite the increasing role of MSME sector in the economy, little attention has been given to its research and development in the last several years. Proposed research is set to address this imbalance in present MSME research. The proposed this research paper to find out the problems and challenges of MSMEs Entrepreneurs in the manufacturing sector. Government and Human Resource Management (HRM) consists of a number of mechanisms, processes and policies aimed at the development of entrepreneurs, their relationships with MSMEs and within the Organization. There are several important components of government such as policy, training and development. Policy and development strategy should be related to present and future organizational needs. And a policy can organize MSMEs well, which inspires and facilitates self-development of entrepreneurs. Therefore, this study aims to evaluate the present policies for the government for promoting entrepreneurs of MSMEs in the manufacturing sector.

KEYWORDS: *MSMEs Entrepreneur, MSMEs Policies, Financial Growth, Industries, Level of Challenges.*

1. INTRODUCTION

1.1 Introduction

Micro, Small, and Medium Enterprises (MSMEs) contribute significantly to value addition, job creation, exports, and the country's overall economic growth and development. MSMEs units, after agriculture, generate the most jobs. The MSME sector accounts for approximately 40% of total exports and 45% of total manufacturing output in the country. A separate Department of Micro, Small, and Medium Enterprises has been established with the goal of facilitating, promoting, and enhancing MSMEs' competitiveness in the state. The purpose of the research is to analyze the problems and challenges of the MSME entrepreneurs to give suggestions to develop and run their organization and enterprises properly.

Annual reports for the last three years show that the MSMEs entrepreneurial manufacturing sector is declining and the entrepreneurial service sector is growing. But the manufacturing sector contributes more to the development and GDP of the country.

Registration of New MSMEs : Share of Udayam Registrations “Manufacturing and Services”

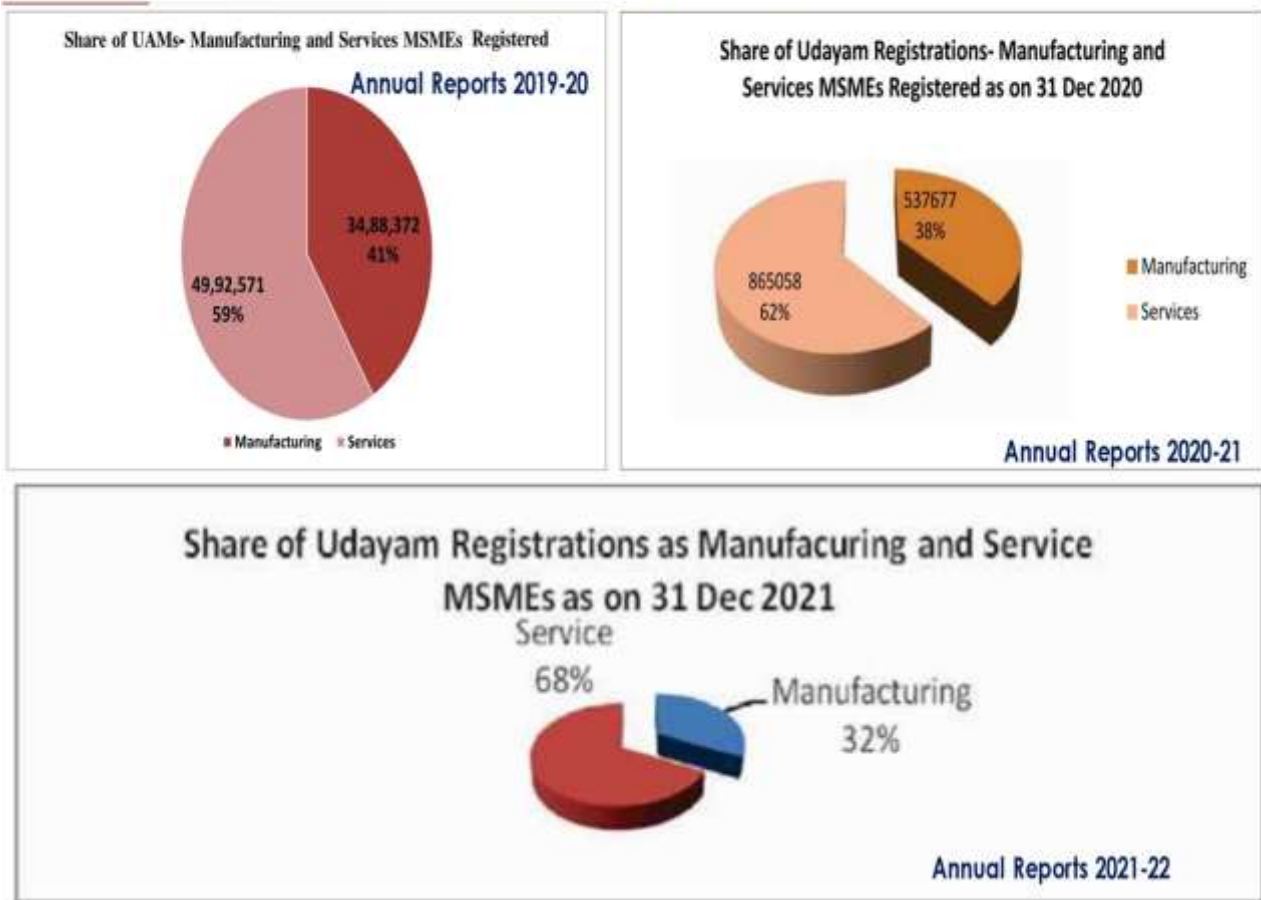


Figure 1 (A): Udayam Registrations in MSMEs as Manufacturing and Service Sectors

1.2 MSMEs

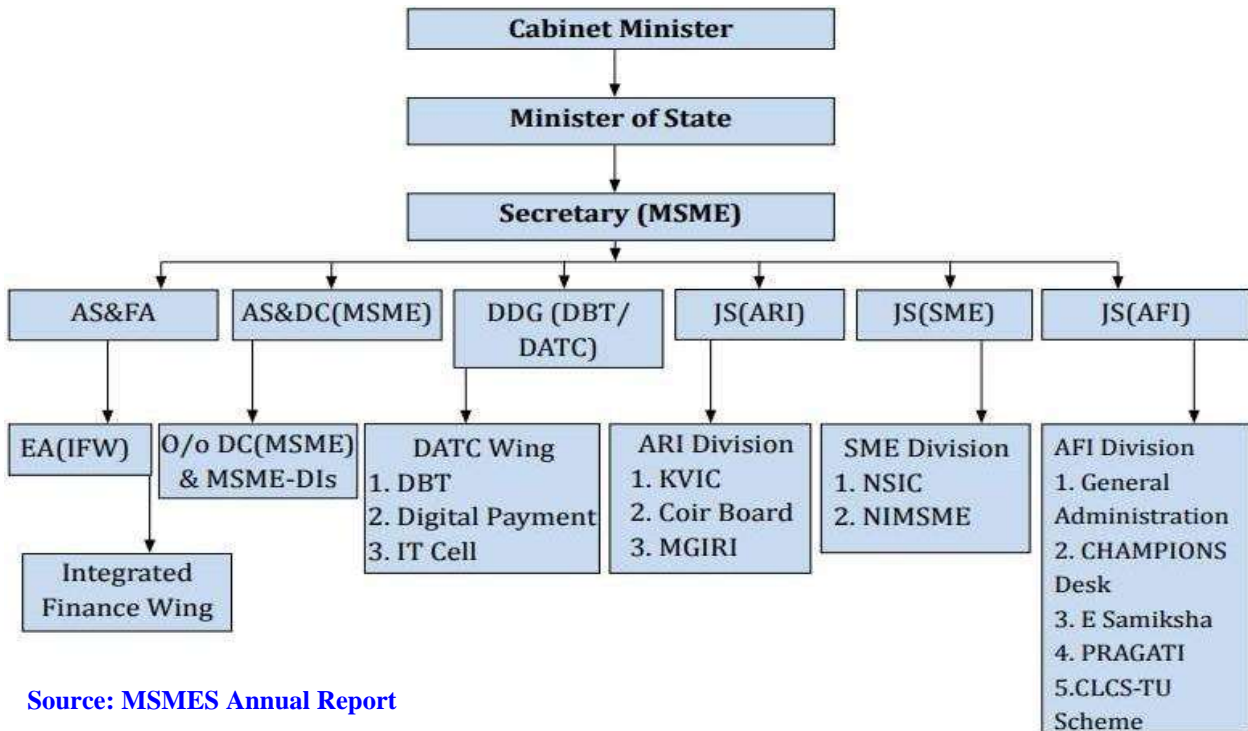
The MSME sector contributes significantly to employment generation and economic growth. Micro, Small and Medium Enterprises (MSMEs) contribute significantly to value addition, employment generation, exports and overall economic growth and development of the country. According to Act, 2006. The Government of India has enacted the Micro, Small and Medium Enterprises Development (MSMED) in terms of which the definition of micro, small and medium enterprises is as under.

Enterprises engaged in the manufacture or production, processing or preservation of goods as specified below:

- ★ A micro enterprise is an enterprise where investment in plant and machinery does not exceed Rs. 25 lakhs.
- ★ A small enterprise is an enterprise where the investment in plant and machinery is more than Rs. 25 lakhs but does not exceed Rs. 5 crores.
- ★ A medium enterprise is an enterprise where the investment in plant and machinery is more than Rs.5 crore but does not exceed Rs.10 crore. Enterprises engaged in providing or rendering of services and whose investment in equipment original cost excluding land and building and furniture, fittings and other items not directly related to the service rendered or as may be notified under the MSMED Act, 2006 are specified below.
- ★ A micro enterprise is an enterprise where the investment in equipment does not exceed Rs. 10 lakhs.
- ★ A small enterprise is an enterprise where the investment in equipment is more than Rs.10 lakh but does not exceed Rs. 2 crores.
- ★ A medium enterprise is an enterprise where the investment in equipment is more than Rs. 2 crores but does not exceed Rs. 5 crores.

The MSME units generate maximum employment after agriculture. The MSME sector accounts for about 40% of the total exports and 45% of the total manufacturing output in the country. Government and Human Resource Management (HRM) consists of a number of mechanisms, processes and policies aimed at the development of entrepreneurs, their relationships with MSMEs and within the Organisation.

1.3 Organisational structure of MSMEs



Source: MSMES Annual Report

Figure 1 (B): Organisational structure of MSMEs

1.4 Need and Importance of MSMEs

India is the third largest economy in the world and the second largest in developing Asia. At present, the Indian economy is experiencing a rising growth curve. The growth can be attributable to the development of the vibrant manufacturing sector of India, which is mainly characterized by the micro small and medium enterprises. The MSME sector is the engine for the growth and development of the manufacturing sector in India. It not only plays a crucial role in providing large employment at comparatively lower capital costs when compared to large industries but also helps in industrialization of rural and backward areas. According to the annual reports. One of the most important variables of the economic growth of a country is employment generation and MSMEs being labor intensive mostly help in absorbing the unemployed segment of the country. The MSME sector creates almost 4 million employment opportunities every year on an average. Apart from creating job opportunities, the sector is also a major contributor towards the GDP of the nation. MSMEs assure a more equitable distribution of national income and wealth. They contribute to the socio-economic development of the country, as they are ancillaries to large manufacturing industries. They are the nurture grounds for entrepreneurship and innovation. The diversity among firms in the MSME industry and their widespread geographic dispersal shows their capacity to meet local as well as global industry requirements and needs. It is well acknowledged that MSMEs are a major contributor towards the GDP of the nation. Yet the fact remains that their contribution is not increasing in proportion to the increase in their number. This can be attributed to the presence of bottlenecks such as lack of skilled manpower, inefficient technology, little R&D, high import costs, unstructured marketing facilities and many other such reasons. Organizations both public and private have recognized the presence of these bottlenecks. These bottlenecks hinder the growth process of MSMEs. The next section deals with the existence of such mechanisms that will help MSMEs overcome these bottlenecks.

1.5 Rationale of the Study

The MSME sector has long faced significant barriers to access to finance and markets. Some of these obstacles include banks' lack of access to finance and working capital loans, inability to access capital from other sources, ill-treatment by large purchasing firms, complex bureaucratic registration procedures, and lack of management skills. Increased Access Inexpensive foreign imports impede the development of Indian small businesses. These obstacles have led MSMEs to lobby for government intervention. The scope of the study was limited to the MSME manufacturing sector only.

1.6 Objective(s) of the Study:

- I. To find the problems and challenges of MSMEs Entrepreneur in the Manufacturing Sector.
- II. To evaluate the present policy of the Government for promoting Entrepreneurs of MSMEs.

2. LITERATURE REVIEW

2.1 Literature Review

S. Sangeetha & Dr. S. David Soundararajan (Volume I, Issue I, 2016) “challenges of entrepreneurs in Manufacturing sector: a study of Coimbatore district” according to that research India’s manufacturing sector plays a vital role for its economic growth. The India Government has taken big responsibility for industrial development in manufacturing areas. As per that study most of the individual entrepreneurs are running micro enterprises and they have taken many steps for engineering work, and MSMEs are also creating awareness about their importance to promote the manufacturing industries.

N. Aruna ((Apr. 2015) “Problems Faced By Micro, Small and Medium Enterprises – A Special Reference to Small Entrepreneurs in Visakhapatnam” based on that research discussed about the various problems are facing enterprise and they are represent how the role of MSMEs are supported in economics restructuring and development of India. That study observed that there are many government policies and schemes being developed but these enterprises are not aware and do not understand how they benefit out of them.

Neha Dangi and Ritika (April 2014) “Women Entrepreneurship and the Growth and Performance of MSMEs in India” According to that analysis micro, small and medium enterprises are contributing to the business growth and progress of Indian business, finally it states that a Women entrepreneurs have a long way to go for MSMEs in India, the success of Indian business is their success.

P. Maheswari and Dr. V.Ramakrishnan (September-2018), “problems and prospects of small scale industries in ariyalur District” According to the analysis state that the Government is providing all major supports to the small scale enterprise in India, the business people who are running the small scale units are facing major difficulties in capital budget, marketing of product or services.

Jyoti Singh Yadav (October 2019), “Role of Women Entrepreneurs in Development of Industries in India”, Based on that study, it has been said that we are in a better position where the participation of women in the field of entrepreneurship is increasing at a very fast rate. The increasing presence of women as entrepreneurs in the field of business has changed the demographic characteristics of the country's business and economic development. Women- owned business enterprises are taking a more active role in society and the economy, prompting academics to focus on this interesting phenomenon.

Timmons, (1978); Keasey & Watson, (1993); Storey, (1994), Small enterprises has high failure rate, no collateral security offer, less creditworthiness, high administrative cost, inadequate credit history, not suitable risk management and lack of information system with financial institution of MSMEs which demotivates to give credit. In comparison to large businesses, small businesses need more credit and they have a higher propensity to fail also.

Fredland & Morris, (1976); DiPietro & Sawhney, (1977), Small and medium enterprises face several problems related to inadequate access to institutional credit which leads to high finance cost.

Murthy, (1980); Yadev, Vinod Kumar, (2013), Small and medium enterprises face the problem of lending, financing and marketing problems. SMEs are not following the definite capital structure. Enterprises are not having adequate finance. Enterprises in rural areas are unable to access credit from financial institutions. Owners of these enterprises do not have financial leverage knowledge. Micro enterprises rely on external sources. Small scale enterprises are not maintaining adequate financial records also.

Ganesan, (1982); Gunatilaka, (1997); Ganesan, (2000), Researcher found that MSMEs are not having sufficient savings and cash inflows which creates problems in getting outside credit. In Sri Lanka financial and non- financial institutions do not lend credit to MSMEs for development.

Andrea, (1981), Because of insufficient finance small enterprises are unable to solve problems of inadequate skilled labour, accessibility to modern and new updated technology and unable to access markets.

Berger and Udell, (1998), Policies affect the funding and creditworthy of MSMEs in both developed and developing nations. Credit availability affects the micro, small and medium enterprises of any country. In the US, smaller SMEs rely on internal sources of finance i.e., personal savings, angel finance, and trade credit for the initial level of capital. This is because of narrow accessibility to small level business in the market.

Mawoli & Aliyu, (2010), MSMEs face problems in raising funds from capital and money market both. Loans are provided by commercial bank based on the availability of collateral security, risk level, and performance of previous years. Commercial banks provide loan at high interest. In Nigeria, small and medium enterprises are provided less than one percent of total capital required by them.

Naidu & Chand, (2011), Micro, Small and Medium Enterprises faces various challenges like inadequate collateral, poor preparation of accounts, poor cash management, unable to obtain internal and external finance, inadequate capital and high cost of start-up.

Kamalian, Rashki & Arbabi, (2011), As compared to large enterprises, MSMEs are dependent on external finance with high rate of interest, they are more risky and rate of failure is more. MSMEs can't implement innovative ideas because of financial inadequate resources. Due to high risk projects of innovation financial institutions do not provide loan to small firms. Government does not provide funds for innovative ideas because of bureaucratic procedures of application. Because of regulatory reasons innovative projects are unnecessarily delayed.

Rao & Ganesh, (2011), significant reason for the financial problem of micro enterprises is non- adequate credit from banks. Unwillingness of the Bank in extending credit to women's, unable to provide adequate margin money and security, strict repayment schedule are various problems which are faced by enterprises.

Sandhu, Hussain & Matlay, (2012), Women entrepreneurs have low risk-taking ability. Women entrepreneurs commence business with low level of capitalization and debt finance and does not utilize private equity for the sustainability of business. Women are not involved in banking activities due to illiteracy and cumbersome procedure of bank. Banks are not interested in providing loan because of low credit worthiness, high interest rates, non- existence of past history of credit, credit bearing capacity is low, not healthy relationship with banks for availing bank loans. Women entrepreneurs do not have the knowledge of financial assistance i.e incentives, subsidies, tax relief etc. which leads to business failure. Women entrepreneurs are dependent on small personal savings, loan taken by family, friends which are not enough for the sustainability of business.

Rao & Apparao, (2012), The major financial problems of MSMEs owner are unable to obtain internal and external finance, high cost of start-up, not sufficient capital, costly raw material, huge losses due to scrap rate, crime, decrease in sales, write offs and bad debts, high cost of equipment, high government tax, high cost of transportation and petrol, high rate of interest on loans, high cost of insurance and payment delay of account receivables.

Mehta, (2013), the various problems of MSMEs are inadequate finance, capital and limited knowledge, high cost of credit, inadequate skilled manpower and inaccessibility to global markets.

Tauringana & Afrifa, (2013), Working capital management is the major challenge for micro and small enterprises.

Noorinasab, Seifabad & Zarei, (2016), Entrepreneurs face problems like for startup how to raise capital, inadequate fund. Many entrepreneurs are unable to access external funds because of inadequate security and credit in market. The process of loan availing facility is time consuming. Other problems are decrease in profit because of competition, financial statements are not properly maintained by entrepreneurs of MSMEs, inadequate guarantees for raising loans, through equity problem in raising capital, dependent on money lenders for loans which are high cost.

Krishna Kumar (2003), He views that in India foreign collaborations have generally been to have the technological transfer which involves high cost. It is important to understand the MSME's single handedly cannot afford this cost, however if a group of MSME's of similar nature of work come together the burden of the foreign collaborations can be shared effectively.

C.B.Bhave(2010), In his opinion the MSME's are a catalyst in most of the economies and constitute a major part of the industrial activity. MSME's generally face financial crisis. He foresees that the SME Stock Exchange will be a great boon to this sector as it will provide a wide pool of capital, increased status and credibility and other benefits.

Bhatendra Kumar Gupta (2008), In India, the MSME sector is the second largest employer after agriculture. With the growth in the Indian Economy, it is of need for the MSME to raise capital is becoming increasingly critical. He says that there is a need for the dedicated STOCK Exchange for the MSME sector to cater to their needs better which are different from the large industries.

3. RESEARCH METHODOLOGY

3.1 Research Type

Research refers to evaluate the challenges of Entrepreneurs in MSMEs with the special reference to the manufacturing sectors at Ranchi City. The MSMEs to the search for practical knowledge to find answers to questionnaires through field trip and Literature Review. Research entails identifying and redefining a problem, developing a solution, collecting, organizing, and analyzing data, drawing conclusions, and carefully testing the findings to ensure their accuracy. An exploratory dissertation will be conducted and a sample survey method will be MSMEs Entrepreneur.

The dissertation pilot study will be conducted on the basis of a sample drawn from the level of the MSMEs Entrepreneurs and hence conclusions will be drawn about the problems and Challenges. Data will be collected in due time for completion of dissertation and for in-depth study of published research thesis and research journals and other documents related to the topic.

3.2 Sample Size

A part of a population or a subset is said to be sampled from a set of units for the purpose of examining the properties of the original population, in this study analysis the problems of micro, small and medium enterprises, for which the sample size are selected of 50 responded, in which the responses of the Proprietors, Managers, Directors and General employees of micro, small and medium enterprises of Ranchi. To the problems being faced in the micro, small and medium enterprises has been taken.

3.3 Sampling Method

Simple random sampling method will be optimized.

3.4 Tools for data collection

- i. Primary data: Primary data is collected from MSME entrepreneurs through face-to-face interviews and questionnaires with the help of Google survey forms.
- ii. Secondary Data: Secondary Data gathered from Google scholar, Wikipedia, Journals, Books and MSME website.

3.5 Tools for data analysis

Tools for data analysis are simple percentage Analysis, Data Classification, Budget analysis and Data Analysis through the MS Excel.

4. DATA ANALYSIS AND INTERPRETATIONS

We had a varied spectrum of subjects that come within the range industries. Including 24% micro, 26% small, 32% medium and 18% large industries. Which represent the true reflection of existing industries scenario.

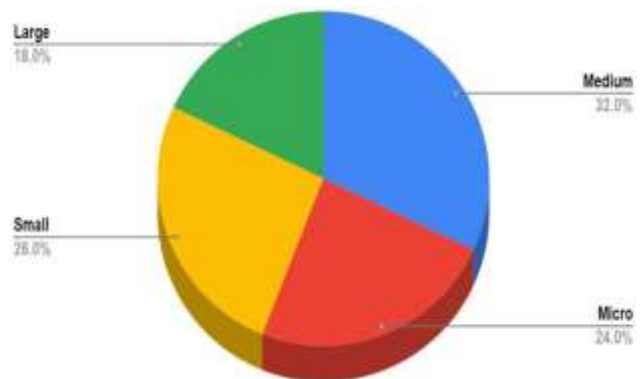


Figure IV (A) : Types of Enterprise

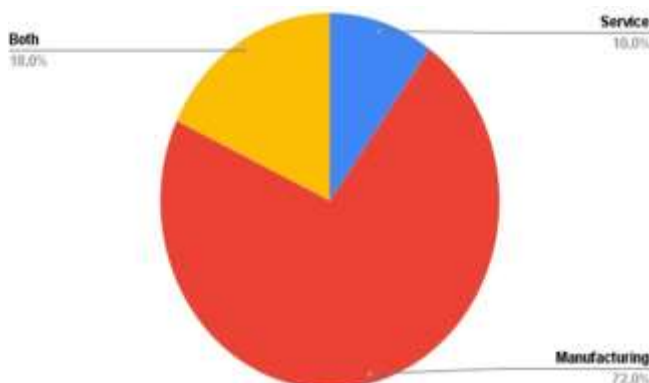
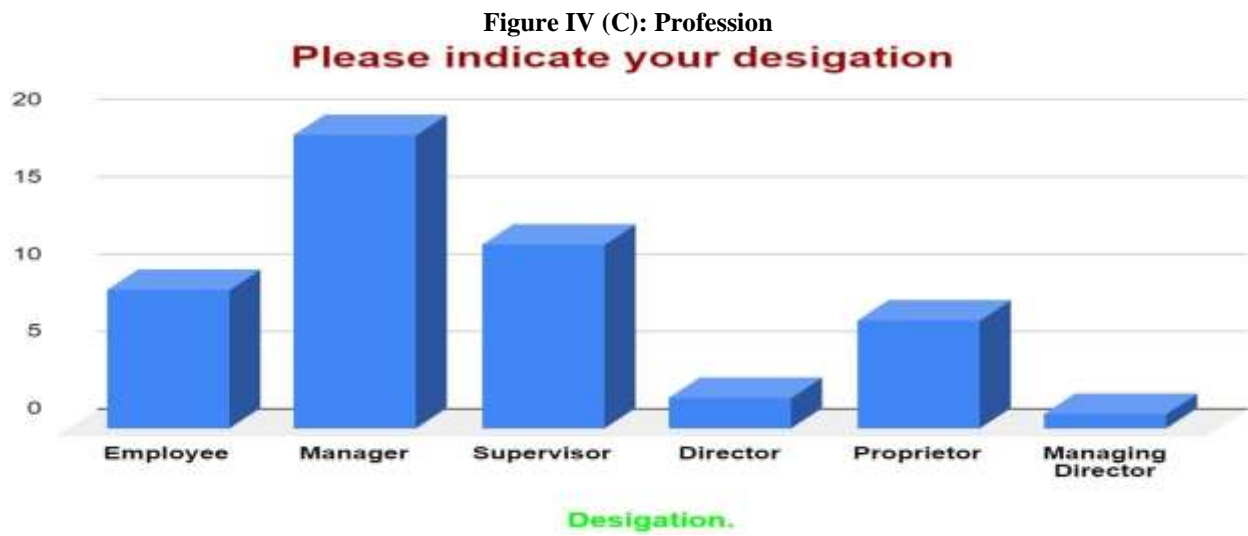


Figure IV (B): Category of Enterprise

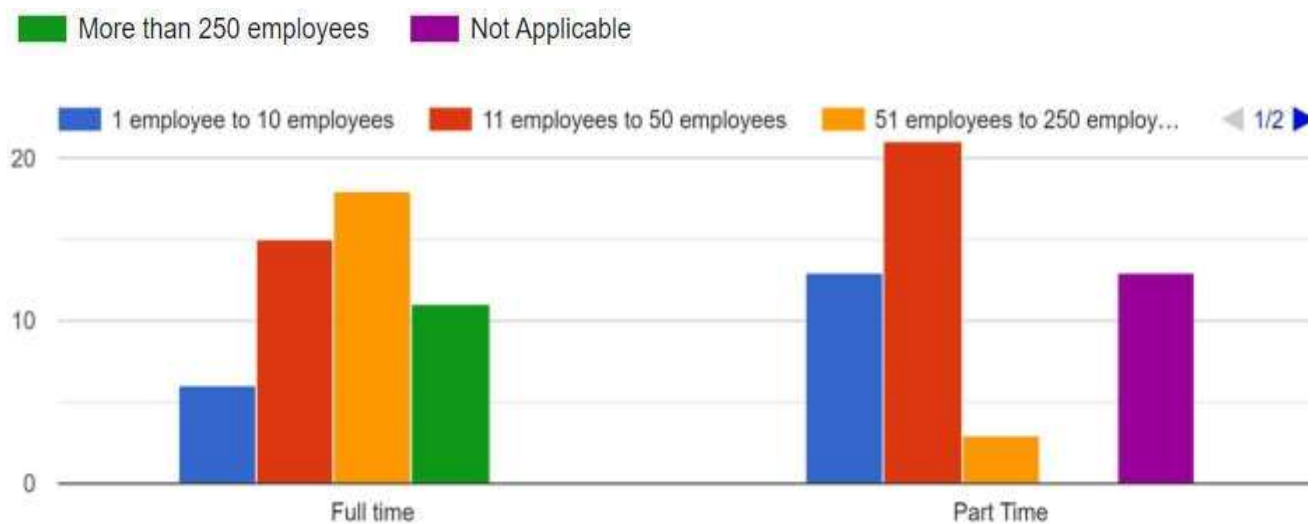
While making the project it was taken care of industries included different spheres of prevailing categories with manufacturing, services and some of them dealing in both participate in survey, that are 72% when manufacturing, 10% service and 18% both of them sectors.

A delicate balance was maintained to make the repost viable for research purposes by indicating difference professionals at different designation such as 14% Proprietor, 38% Manager, 24% Supervisor, 18% General Employee and 6% included Directors and Managing Directors.



Interesting trends were observed during the survey which reflected a considerable amount of workforce, where a part time employee. They revealed that the pandemic had significant impact on the way, they looked at their professional priorities and more inclination was found towards a balanced approach towards personal and professional life. And employees tend to give equal importance to both aspects.

Figure IV (D): Types of Employees
 How many persons does your company currently employ in full time or part time?



While doing the survey several types of enterprises were conducted which included profit- oriented enterprises 14%, Autonomous profit-oriented enterprises 58%, and non-profit enterprises 18% and 10% other types of enterprise.

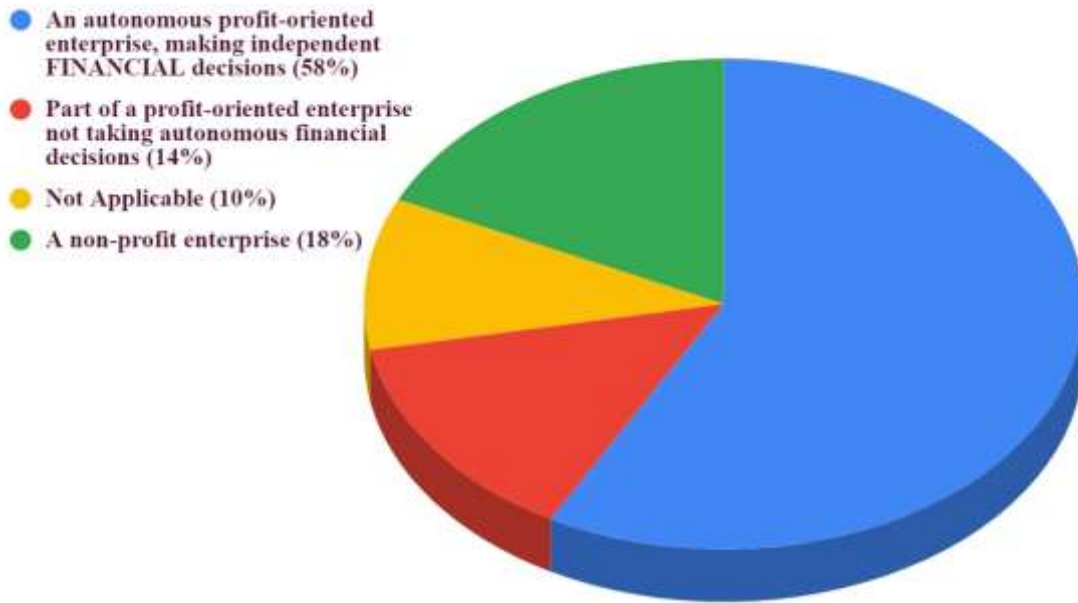


Figure IV (E) : Characterise of Enterprise

Within the 50 responses study was founded that the vivid financial structure including 26% having less than 25 lakhs annual turnover, 24% having 26 to 50 lakhs annual turnover, 20% having 51 to 75 lakhs annual turnover, 4% having 70 lakhs to 1 crore annual turnover and 16% having more than 1 crore annual turnover.

Turnover of the previous financial year

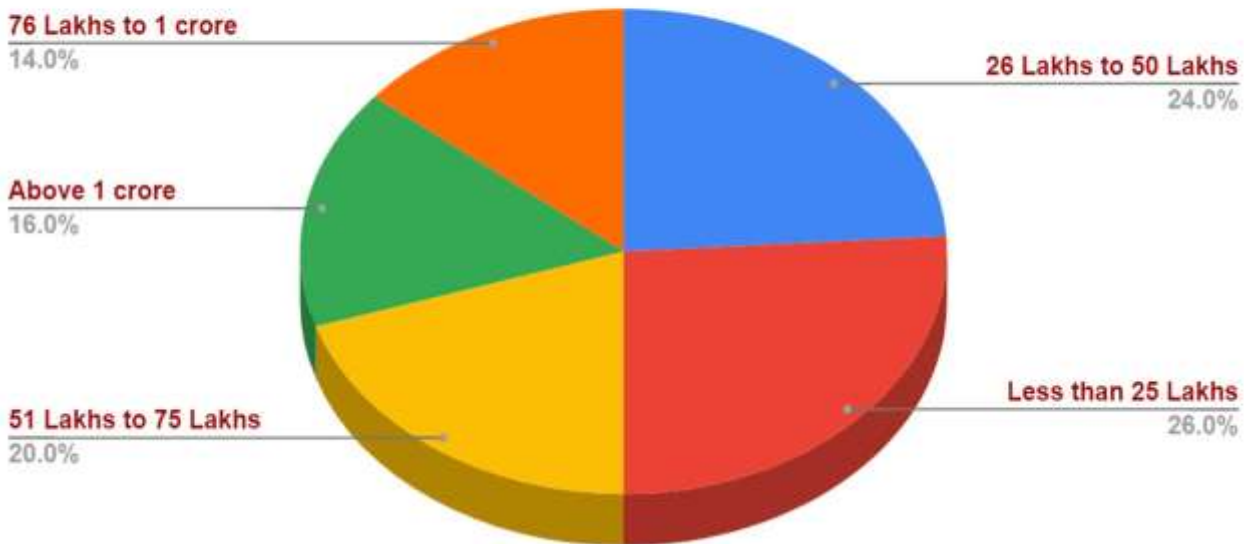


Figure IV (F): Turnover

We also tried and asked questions regarding their product range which included adoption, new product or services. This had a very dynamic outcome which source that every industry was keen on restructuring their product line which is represented in the group graph.

During the past 12 months have you introduced?

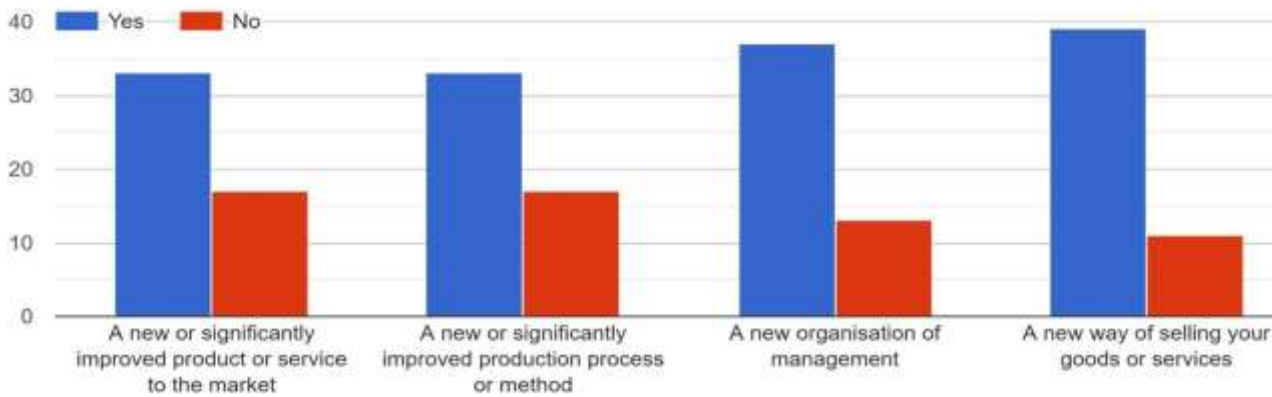


Figure IV (G)

The study tried to investigate upon the financial growth with consideration over current Tax structure and tried to find. It has an impact if any on the expansion of finances. The graph shown gives a multi-dimensional reflection of the positive or negative financial growth of the various participants. The survey touched upon labour cost, material cost, energy cost, expenses markup cost. Which had a clear indication of growing over time which cannot be said to be a positive sign for enterprises.

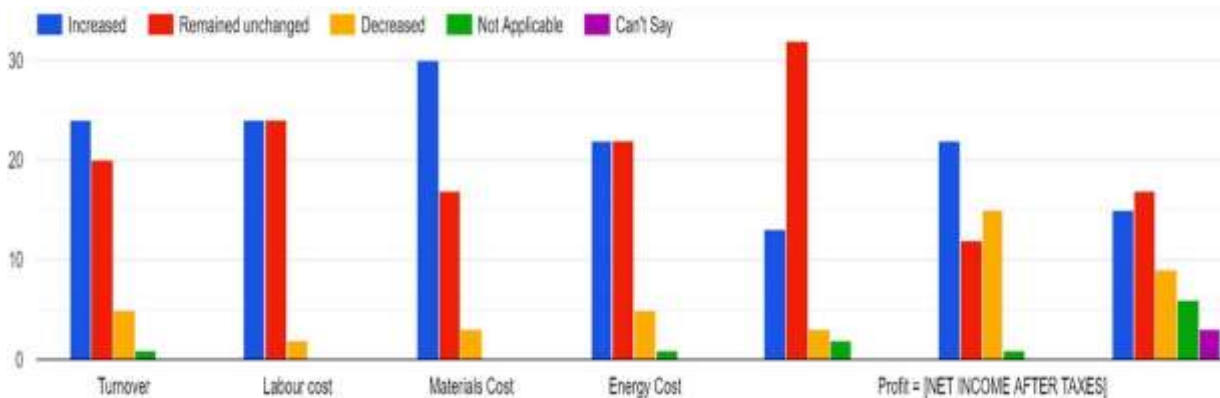


Figure IV (H): Financial Growth

A through study was made to set a comparison between depth and asset ratio to get an overview on transitory of the enterprises. To look will wellbeing of the organisation. It was found that 38% of the participants show increases in the depth ratio, 40% remain unchanged, 12% show a decrease, 6% did not recognised depth to asset ratio and remaining did not separate calculations needed for the same.

Would you say that the amount of debt compared to the assets of your company has decreased, remained unchanged or increased over the past 6 months?

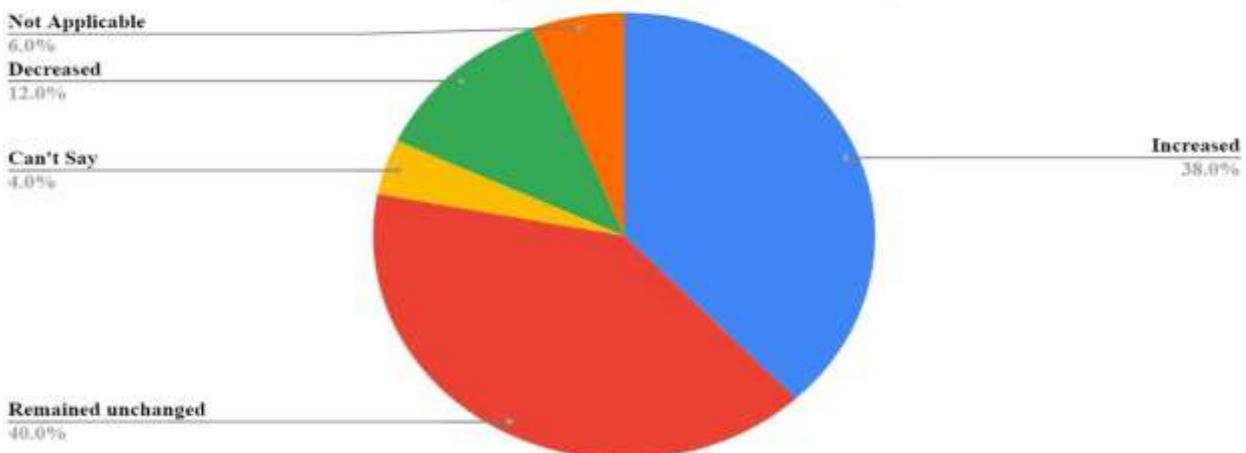


Figure IV (I): Depth to Assets Ratio

The study states that the expected impact on organization of the recent act are allowing 1.3% to reduce the salary to employees and workers. For this impact many employees and workers are not agreeing to work in manufacturing industries.

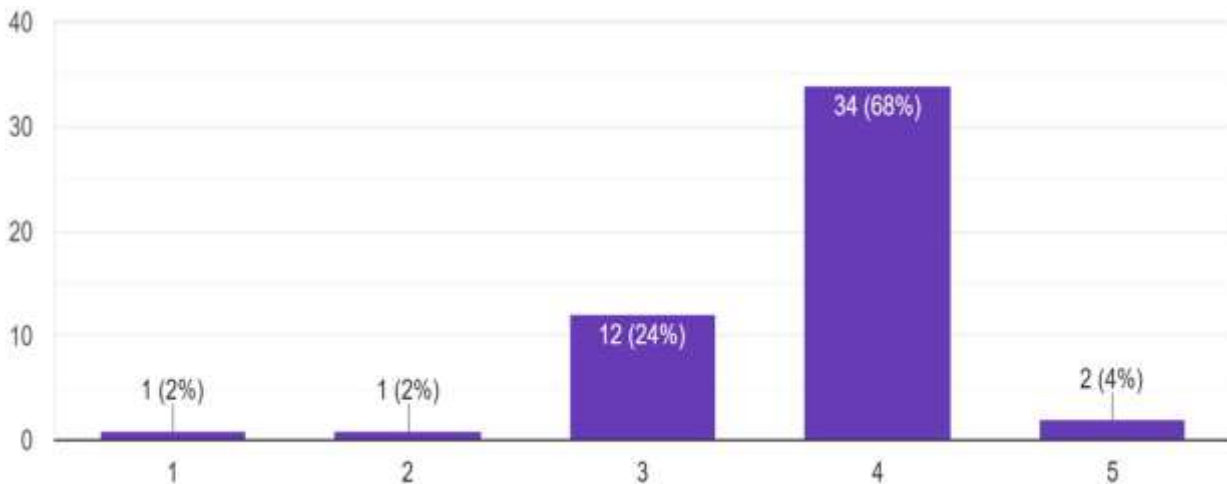


Figure IV (J) : Expected impact on organization of the recent act not allowing to reduce the salary.

According to the survey data, the exposure to the risk of payments from customers – trade receivables represent an average of 3.9 risks, leading to a sharp decline in business activity. Because of which the employees and workers are migrating.

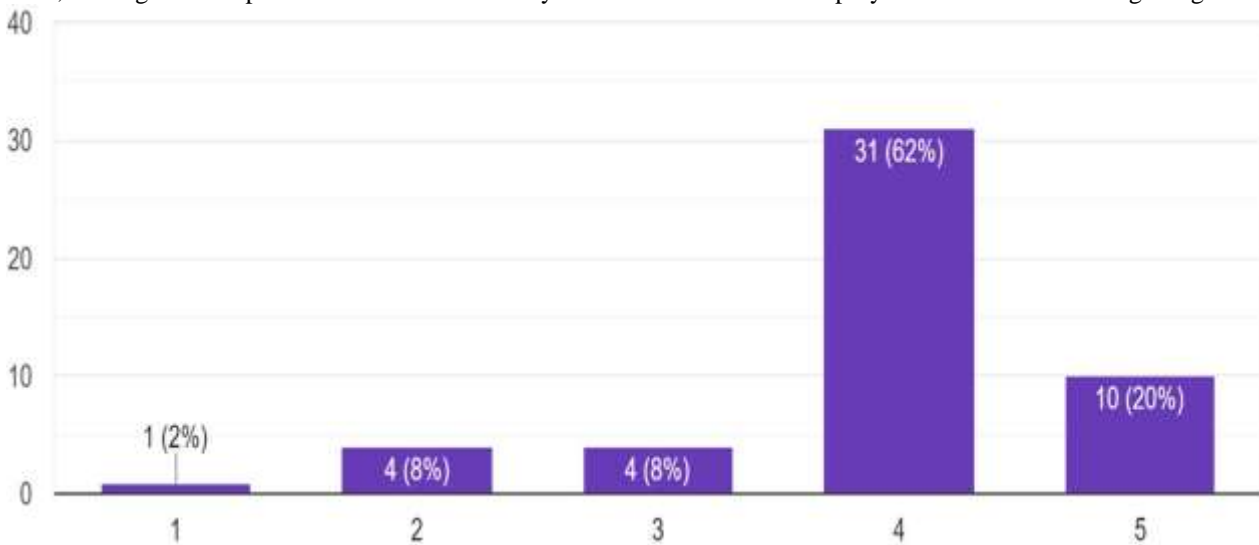


Figure IV (K): Exposure to the risk of Payments from Customers-trade receivables.

As per the results findings on survey data are state that the main challenges faced to 63.3 percent incomplete orders out of 100, and rest challenges are represents that such as 57.1 percent lack of transportation out of 100, 44.9 percent fear of future business out of 100 and 28 percent inventory out of 100.

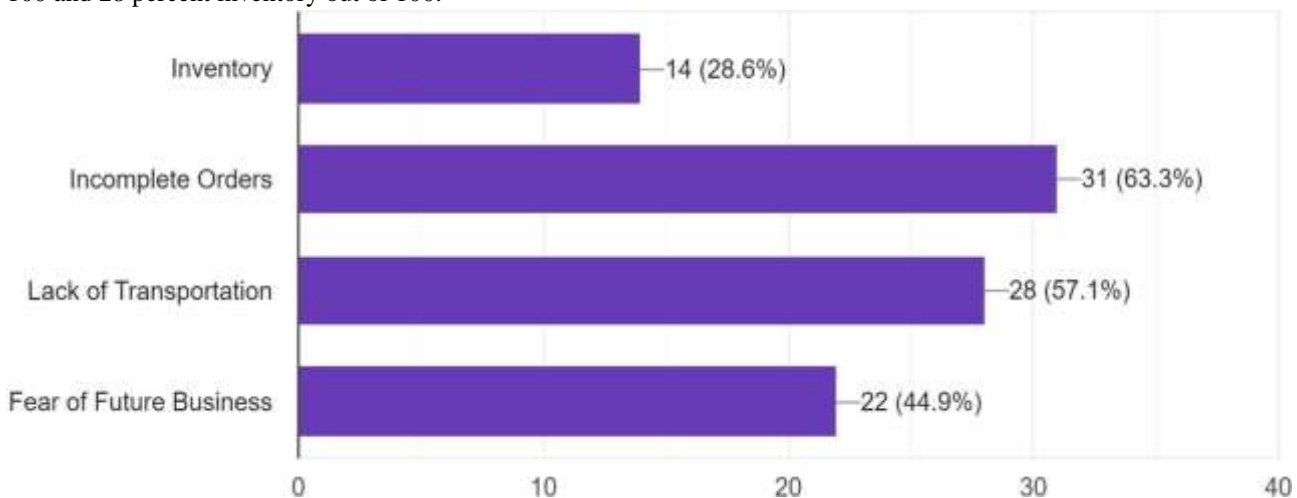


Figure IV (L) : Challenges faced by MSMEs entrepreneur

Through the study it is found that more entrepreneurs have their own product of business nature which represents 61.2% out of 100 MSME entrepreneurs. And other nature of businessmen, 57.1% out of 100 are part of the original equipment manufacturer's supply chain and other as service providers.

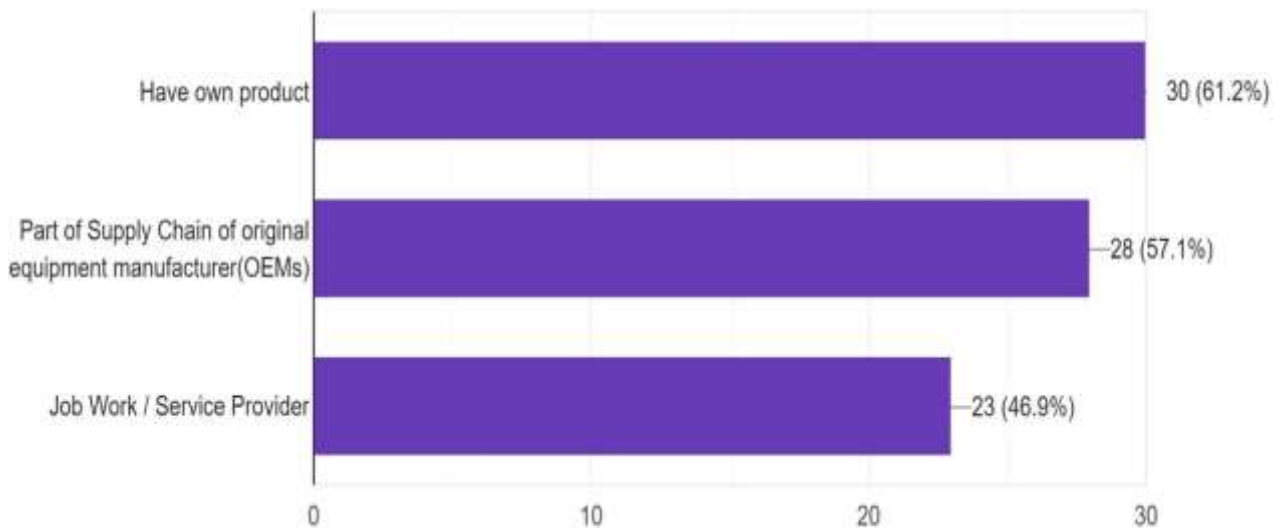


Figure IV (M) : Nature of Business

Through the study it is found that 58% entrepreneurs are satisfied with the ability of raw materials, 20% entrepreneurs are highly satisfied and the rest 22% entrepreneurs are not satisfied with the same.

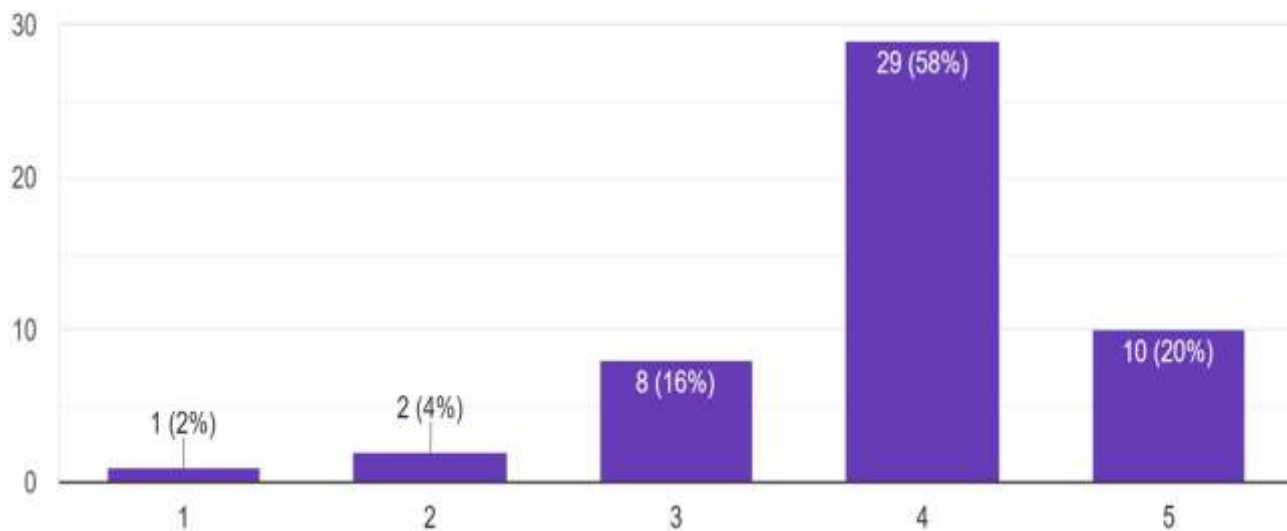


Figure IV (N) : Ability of raw materials

The study state that 60% entrepreneurs agree with availability of raw materials near plan, 20% entrepreneurs are highly agreeing and rest entrepreneurs are not agreeing for the same.

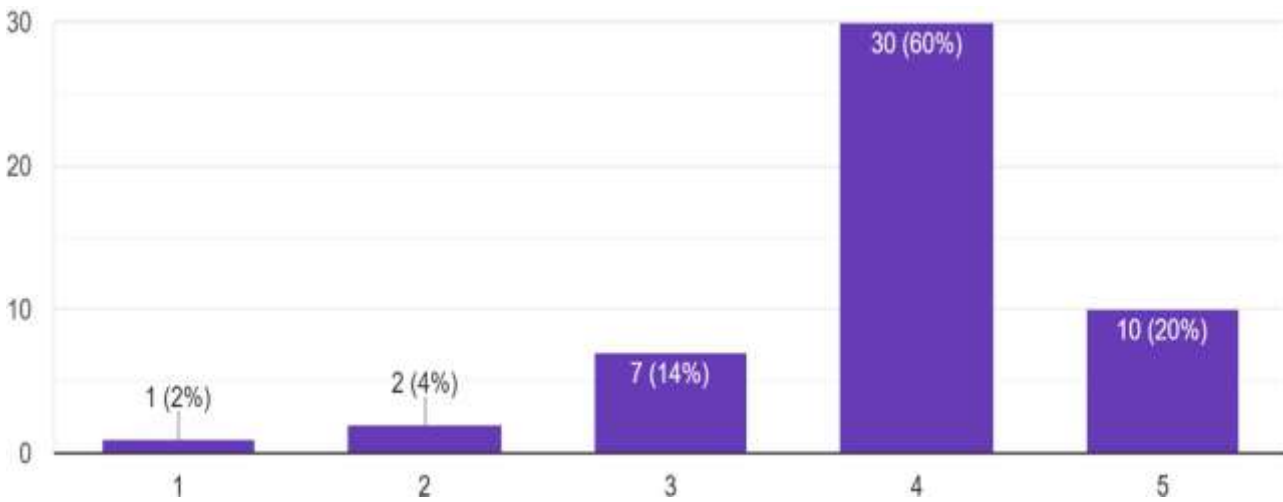


Figure IV (O) : Ability of raw materials near plant

The research state that in the trend line for impact on business are decreasing as per time increasing, and also many businesses are blackout of the manufacturing sectors. As per results 14 responded are said that the highly impact from no change in the order quantum, 13 responded are said that the cost reduction demand from customers are likely impact, 12 responded are agree to say increase in order from customers and rest youth are said different impact such as orders from customers does not change but another of the reduction in data of survey data no cost reduction demand from customers and reduction in order from customers.

Count of What is the likely impact on your business?

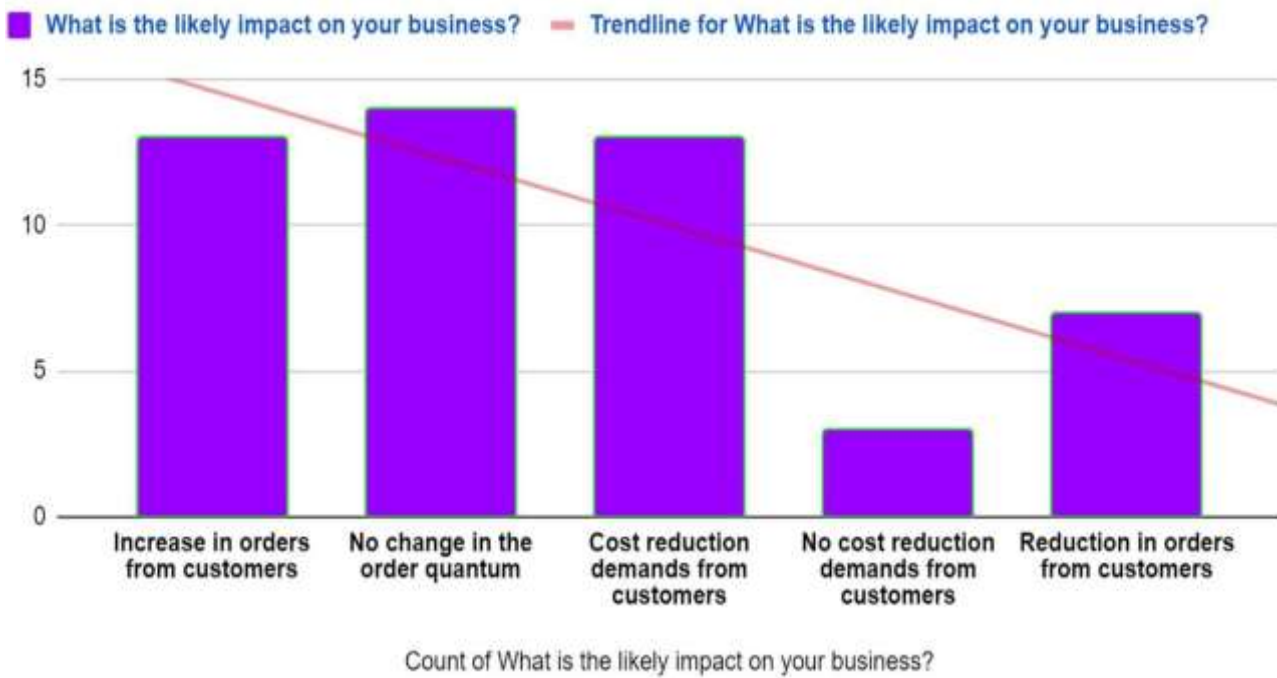


Figure IV (P) : Impact on Business

According to the inspection of that investigating founded that the 3.526 % overall satisfaction by the organization. As per the result satisfaction level are categorised to the different parameters such as the average level by the organizations are 3.96 competence of the technical workers, 4.04 ability of employees to have the knowledge required by the organization, 3.94 quality of work among the workers, 3.9 ability of infrastructure, 4.12 availability of managerial skills required by the organization, 2.9 political instability for the organization, 3.04 facing income uncertainty and another parameters are 2.54 enterprise are suffers from political instability or 2.86 are faced by tax related problems.

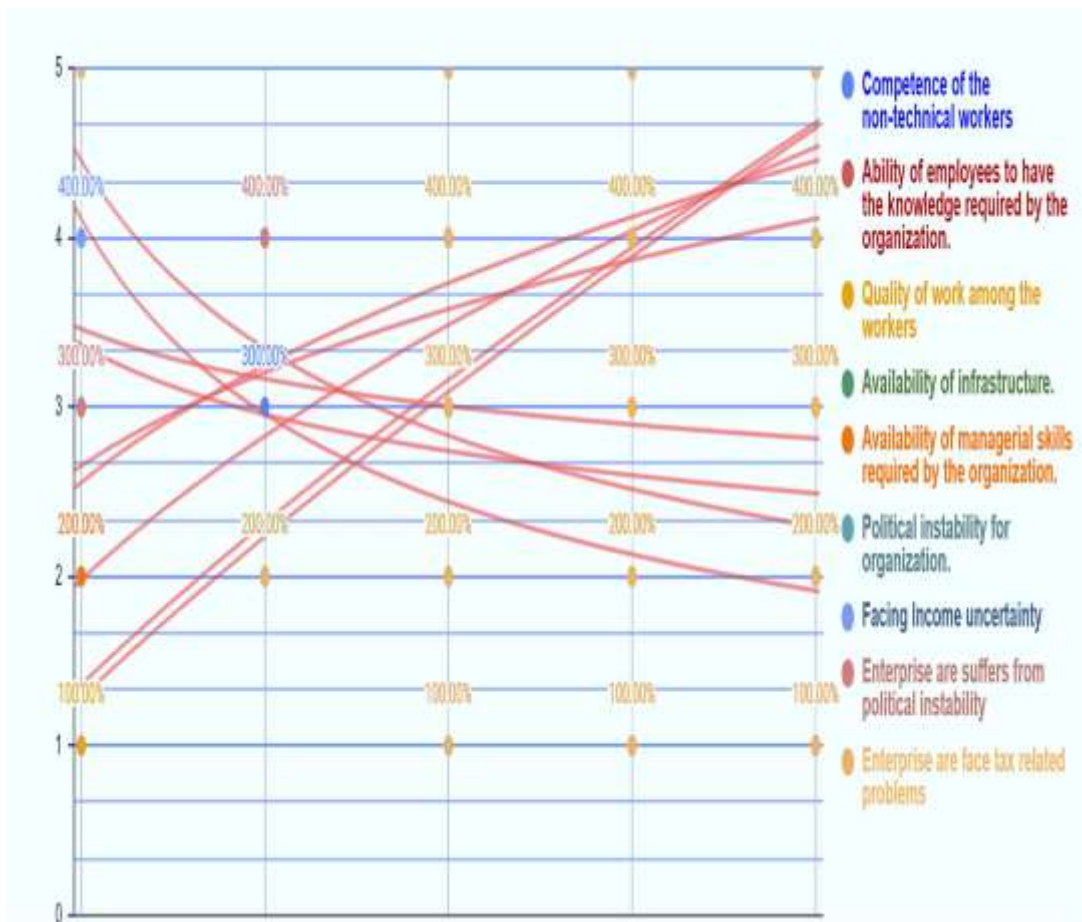


Figure IV (Q): Evaluation the satisfaction level by the organization.

5. CONCLUSIONS & SUGGESTIONS

5.1 Conclusion

The survey was conducted in parallel with the observation found in annual report 2021- 2022 by MSMEs, the study tried to focus on different aspects which might have prominent or subtle influence on the train as notified by the report. India begins a developing nation depends mostly upon the performance of domestic industries. Which outline the distinct need of India to become a producer rather than being merely a massive market. Government in doing a lot, which has its own miss and match. It became indispensable to acquire both of quantitative and qualitative data to properly guide the massive potential in the native industries.

The study was performed on the vivid domain and range of the manufacturing sector in MSMEs to assess the appropriate parameter upon which the government can stress over to yield proactive outcomes. The study touched upon various topic like access to finance, competition, customer availability, production cost, labour cost, availability of skilled and unskilled human resources, government policies, availability of technology, substitute product, political environment, availability of basic structure, tax policy.

As per the survey 30% of participants admitted to having adequate access to finance and 70% were pirates of the basic financial support system. Which is crucial for the survival and growth of the industries coming on to the market competition the survey has a pleasant finding with 70% for the participant market not competitive enough to have significant impact on their personal growth. Which is also in line with the fact that India is growing massively.

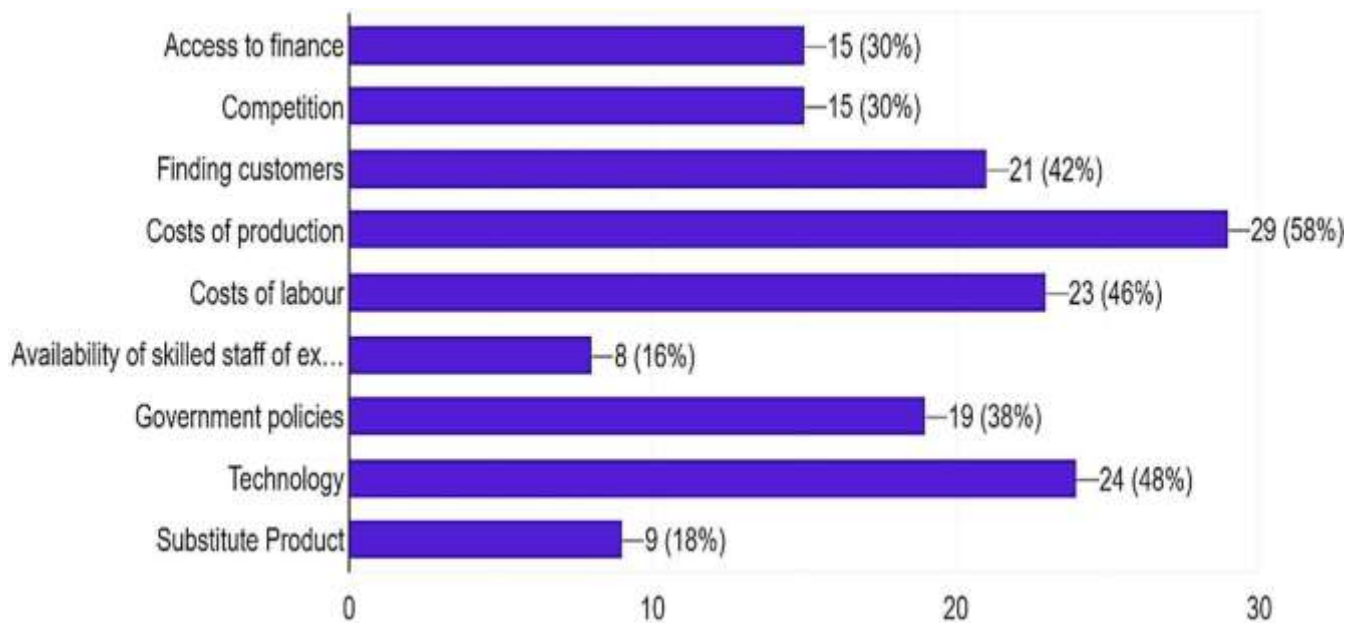


Figure V (A): Challenges faced by manufacturing sectors of MSMEs Entrepreneur

As a consumer market, which held the potential to increase our industrial output and growth. The next important parameter was availability of customers which only 42% of the participants had easy access to. It indicates the gap in the knowledge of industry to look for the right customers with right engaging techniques.

The most alarming findings was the rise in production cost, which was maintained by 58% of the participants. This single parameter consists of a number of variables such as increase to fuel prices, deciding to overall increase in transportation costs and increase inflation. An immediate action of the government is necessary to check this problem before its survey slows down our industrial output and causes a significant in the customer sentiment. Once sparse, the sentiment takes a long time to revive which can be a problem for our growing nation. The cost of production is also affected by the next parameter that is the cost of labour which according to 46% of the participant have raisin up of which is quite simple reason. It can be reflected to the growing influence which has rest of bar for the ways to the labours.

As per the annual report 2021 – 2022, there has been significant gas in between the many allocated by the government of the MSMEs and the actual amount used by them. Which indicates the downfall in the purchasing power of the customers, which ultimately hearts the growth of industries. Find balance is to be maintained in the liquidity of the market such that influence is decreased and purchasing power of the market increases.

A proper intervention by the RBI is also required to curve this problem by closing the monetary repo rate, SLR, reserve report for the proper liquidity. This will best the moral of the industry to confidently increase their production capacity, proper infrastructure is pre-recriciate in order to decrease the production cost, which needs huge change over and can be attended by including private players in infrastructure building with schemes like public private partnership. It is quite evident that the government has tried to address this issue in our current budget by stressing over inclusions of prevent layers in infrastructure projects but a lot more is required in order to match up with our massive market logistic is also a crucial part that can help reduce production cost.

MSME sector contributes to employment generation at low capital cost compared to large industries. It helps in industrialization of urban and rural areas, reduces regional imbalance and ensures equitable distribution of income and wealth. This research paper has discussed the various problems of financing for micro, small and medium enterprises. Through literature review it is clear that finance is an essential tool for growth and development of SMEs. The challenge of the MSMEs sector hinders the entrepreneurship development of the country and survival and growth of the MSMEs sector. There are various schemes designed by the government for solving problems. Government efforts has been made for smooth flow of credit to MSMEs sectors but still MSMEs require finance. Government has taken tremendous effort on lending to the MSME sector. MSMEs should be supported by the government at the start-up stage. Timely policy intervention and government support can make MSMEs globally competitive.

5.2 Suggestions

Way forward will be well educated in data-oriented planning and education to make MSMEs profitable as well as sustainable. A positive outlook for start-up can pass a lot of talent in changing the wheel of development and local manufacturing schemes like vocal for local need to be put forward to increase general access probability of self-business and manufacturing and pull public towards starting MSME. Initial hand holding by the government is crucial and will exponentially increase quality and quantity of sustainable MSMEs. To make this scheme more progressive, it can also be included in the curriculum of students/researchers. Along

with this, more entrepreneurs can be developed by making information available in the villages by linking this technique with the Entrepreneur Skill Scheme.

6. FUTURE SCOPE OF STUDY

Expected Outcomes:

A lot of studies which such an approach and additional parameters are needed in order to properly understand the ground reality of this sector. A series of follow up is necessary to have a closer on the current solution to the prevailing situation associated with the very important sector of MSMEs. A separate study can be done on rural, urban and semi urban areas in order to grass different needs and problems of the corresponding areas.

All sincere efforts are being made to ensure the success of MSMEs Entrepreneur. It helps aspiring entrepreneurs to expand their capabilities and expand their knowledge as well as government policies. The research study found that the enterprises of small and medium enterprises overcome the problems and challenges. Micro, Small and Medium Enterprises have already established itself as a manufacturing sector. This area can be further promoted for study so that MSMEs can be taken to heights and best efforts can be made to control the problems of this area and take it forward. So that more and more new technology can be developed towards MSME.

REFERENCES

- [1] S. Sangeetha & Dr. S. David Soundararajan (2016), "Challenges of Entrepreneurs in Manufacturing Sector: A Study of Coimbatore District", International Journal of Interdisciplinary Research in Arts and Humanities, Volume 1, Issue 1, Page Number 190-192.
- [2] N. Aruna ((Apr. 2015) "Problems Faced by Micro, Small and Medium Enterprises – A Special Reference to Small Entrepreneurs in Visakhapatnam", IOSR Journal of Business and Management (IOSR-JBM), Volume 17, Issue 4. Ver. V, PP 43-49.
- [3] Neha Dangi and Ritika (April 2014) "Women Entrepreneurship and the Growth and Performance of MSMEs in India", International Journal of Advance Research in Computer Science and Management Studies, Volume 2, Issue 4.
- [4] P. Maheswari and Dr. V. Ramakrishnan (September-2018), "Problems and prospects of small-scale industries in ariyalur District", International Journal of Business Quantitative Economics and Applied Management Research, Volume – 5, Issue – 4.
- [5] Jyoti Singh Yadav (October 2019), "Role of Women Entrepreneurs in Development of Industries in India", Research Chronicle, International Multidisciplinary Refereed Peer Reviewed Indexed Research Journal, Volume VII, Issue X.
- [6] Misal, Dilip M. (2016). Women Entrepreneurship: Problems and Prospects. Vol-5, Issue-1, pp 74-76.
- [7] Agarwal, V. K. (1987). What Do We Need To Tackle Industrial Sickness. Yojana, 15- 18.
- [8] Akinyosoye, V. O. (2006). Plant Size and Factor Productivity in Agro-Allied Industries. Implications For Nigeria's New Industrial Policy. Journal of Rural Economic Development, Department of Agric. Economics, University of Ibadan, Nigeria, 15 (2).
- [9] Aldaba, R. M. (2012). Small & Medium Enterprises Access to Finance: Phillipines. Discussion Paper Series No 2012-05.
- [10] Andrea, G. (1981). Industry In Ghana. Scandinavian Institute of African Studies, Stockholm.
- [11] Arun, T., & Kamath, R. (2015). Financial Inclusion: Policies and Practices. IIMB Management Review, 27, 267-287.
- [12] Arunkumar, A. V. (1996). Modern Small Industry in Karnataka -Growth & Structure. Economic & Political Weekly, 31 (21).
- [13] Dhameja, S. K., & Yadav, A. S. (2015). Entrepreneurial Performance and Problems of Women in Business in State of Uttar Pradesh In India. The Business & Management Review, 6 (2).
- [14] Siddique, M. A. (2015). Problems And Challenges of MSMEs in Telengana. International Journal of Business Quantitative Economics and Applied Management Research, 1 (11). Storey, D. J. (1994). Understanding The Small Business Sector. London: Routledge.
- [15] Verma, S. R. (2010). Trend In Working Capital Management of Small-Scale Industries. Indian Journal Research.
- [16] Vijayakumar, T., & Naresh, B. (2013). Women Entrepreneurship In India-Role of Women In Small And Medium Enterprises. Trans Asian Journal of Marketing and Management Research, 2 (7), 13-24.
- [17] Mehta, M. C. (2013). Challenges And Opportunities in Micro, Small and Medium Enterprises in India. 2nd International Conference on Management, Humanity and Economics. Kuala Lumpur (Malaysia).
- [18] Noorinasab, A., Seifabad, H. S., & Zarei, A. (2016). Problems Faced by Entrepreneurs to Startup the Startup the MSMEs-A Case Study of Visakhapatnam City.
- [19] Mawoli, M. A., & Aliyu, A. N. (2010). Entrepreneurship And Small Business Management in 21st Century Nigeria. Makurdi: Aboki Publishers.
- [20] Abor, J. & Quartey, P., 2010. Issues in SME Development in Ghana and South Africa. International Research Journal of Finance and Economics, Issue 39, pp. 219-228.
- [21] Agarwal, g. k., 2017. Government on fast track for welfare of MSMEs. SME world, 10(4), pp. 22-25.
- [22] Ajay, 2016. Need to upgrade conventional education framework. SME World, 9(7), pp. 26-27.
- [23] Aruna, N., 2015. Problems Faced by Micro, Small and Medium Enterprises – A Special Reference to Small Entrepreneurs

- in Visakhapatnam. IOSR Journal of Business and Management (IOSR-JBM), 17(4), pp. 43-49.
- [24] Bajaj, p., 2017. MSMEs the new investment options. SME World, 10(4), pp. 26-31.
- [25] Berry, A., 2002. The Role of the Small and Medium Enterprise Sector in Latin America and Similar Developing Economies. Seton Hall Journal of Diplomacy and International Relations, Issue winter, pp. 104-117.
- [26] Bhattacharya, a., Bruce, a. & Agarwal, s., 2015. Future of Indian manufacturing - bridging the gap, s.l.: BCG.
- [27] Bhutada, A., 2017. Digital lending opens new door for MSME finance. SME World, 10(3), pp. 24-27.
- [28] BIGGERI, L., 2004. Official Statistics for Decision Making and Evaluation: Territorial Indicators, Italy: Oecd.
- [29] Bowen, S., 2017. SMEs and big companies-friends or foes? [Online].
- [30] Chevalier, A., 2001. "Partnership between Large Companies and Smes through the Development of Local Subcontracting, belgium: du Bassin Industriel Hennuyer – asbl.
- [31] Darroll, C., 2012. Enabling Enterprise Growth in Malawi, Johannesburg: sbp.
- [32] Department of Industrial Policy and, 2017. MSME Sector Achievements Report, s.l.: GOI.
- [33] Dogra, D., 2016. Role of credit rating for facilitating institutional finance for SMEs. SME World, 9(7).
- [34] Firoozmand, S., Haxel, P., Jung, E. & Suominen, K., 2015. State of SME Finance in the United States in 2015, s.l.: s.n.
- [35] Fombasso, G. E. & Cincera, M., 2015. Optimal Effectiveness of Government Intervention in The Sme Sector: Evidence from the Brussels-Capital Region, Brussels: Université Libre de Bruxelles.
- [36] Fujitsu, 2013. Collaboration Nation: Creating an environment for growth, UK: Fujitsu Services Limited.
- [37] Gamage, A. S., 2003. Small and medium enterprise development in Sri Lanka-A Review, Issue 3, pp. 133-150.
- [38] Gnyawali, D. R. & Park, B.-J. R., 2009. Co-opetition and Technological Innovation in Small and Medium-Sized Enterprises: A Multilevel Conceptual Model. Journal of Small Business Management, 47(3), pp. 308-330.
- [39] Hoq, M. Z., H, N. a. C. & Said, S. M., 2009. SMEs in the Malaysian Economy. International Journal of Marketing Studies, 1(2), pp. 1-15.
- [40] <https://msme.gov.in>
- [41] www.msmedi-jharkhand.gov.in
- [42] <https://scholar.google.com>
- [43] <https://en.wikipedia.org>