



CONTRIBUTION OF MSME TO EMPLOYMENT GENERATION THROUGH VARIOUS SECTOR-A CASE STUDY OF UTTAR PRADESH

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Abstract: The target of the examination was to survey the presentation and commitment & contribution of MSMEs to both state of Uttar Pradesh and the Indian economy. Optional information was gathered for investigation. The information was subjectively examined and introduced as tables, and diagrams utilizing Microsoft Excel. The Analysis of the information assembled affirmed that MSMEs fill in as an impetus to the uniformly dissemination of advancement and abundance in the country. It was likewise discovered that, despite the fact that all states and association regions have a lot of the MSMEs, the conditions of Uttar Pradesh, West Bengal followed by Tamil Nadu, Maharashtra, Karnataka, Bihar, Andhra Pradesh, Gujarat, Rajasthan, and Madhya Pradesh, are the 10 states with the most noteworthy number of MSMEs. The discoveries again showed that, MSMEs that participate in exchange exercises rule the business. Likewise, however much 51% of Indian MSMEs works from the country regions while 49% works from the metropolitan urban communities. The predictable development of India's economy can't be referenced without recognizing the commitment of the MSMEs. The MSMEs area contributes as much as somewhere in the range of 40 and 50% of India's completes fare. Once more, a normal of 30% portion of the Gross Domestic Product (GDP) of India is contributed by the MSMEs area, and a normal of 32% to the Gross Value Added (GVA). The MSMEs area is credited with about 40% of the all out businesses in the country during the examination time frame. Out of these made livelihoods, 55% are found in the metropolitan urban communities though 45% exudes from the rustic zones with 76% of them being male while 24% are female.

Key words: MSME, Economy, Enterprise, Micro, Small & Medium.

I. INTRODUCTION

The Micro, Small and Medium Enterprises (MSME) area has arisen as a profoundly energetic and dynamic area of the Indian economy throughout the most recent fifty years. It contributes altogether in the financial and social advancement of the country by encouraging business and creating huge work openings at similarly lower capital expense, next just to agribusiness. MSMEs are reciprocal to huge enterprises as subordinate units and this area contributes fundamentally in the comprehensive mechanical improvement of the country. The MSMEs are broadening their space across areas of the economy, delivering different scope of items and administrations to satisfy needs of homegrown just as worldwide business sectors.

II. LITERATURE REVIEW

The investigation of SurendarGade (2018) has easily helped in the assessment of commitment of MSMEs area towards improvement of the economy. Where he attempted to feature the extent of MSME as a shelter for the future economy. Subsequently MSME has consistently helped in giving equivalent freedom to the general public towards use of assets. The examination of RajibLahiri (2012) likewise investigated the chances alongside requirements of MSMEs. Some of which were as outrageous rivalry with bigger businesses, item normalization difficulties and TQM, deficient foundation, against unloading strategy alongside sponsorship withdrawal.

Sonia Mukherejee (2018) investigated about the difficulties looked by MSMEs in India and saw that more endeavors with respect to both the public authority and the business visionaries must be put into the area for development of the seriousness of the MSMEs in India. The scientist believed that endeavors through putting

resources into cutting edge innovation, and R&D, higher use of innovation and computerized empowered stages, innovation move, putting resources into human asset, improving admittance to back, shutting the foundation hole, and lessening the unwieldy and rigid business guidelines. The specialist was of the view that if the above measures are focused on, it will improve Indian MSMEs to approach the worldwide market. Khurud B.S. (2015) analyzed what the evacuation of defensive measures meant for the fares of the MSMEs area. The discoveries demonstrated that after the expulsion of the defensive measures, the fares of the MSMEs expanded at a higher rate than the complete fares of India. The analyst likewise showed that globalization has introduced certain imperatives to the MSMEs in India. Remarkable among them are the out of line rivalry the area face from bigger homegrown and worldwide organizations. Moreover, the MSMEs need current advancements and administrative skill, which result to higher overhead expense.

Objectives of the study

The broad objective of the study is to assess the contribution of MSMEs to the economic growth of India. Specifically, the study seeks to:

1. Analyze on the contribution of MSMEs to the employment generation.
2. To identify the factors responsible for employment generation in MSME in India.

III. METHODOLOGY

The study made use of secondary data, which was collected from various sources including annual reports of ministry of micro, small and medium enterprises, website of ministry of statistics and programme implementation, and journals. Data on the distribution of MSMEs in the country, the number of employment created by the MSME industry, and the growth and performance indicators of the sector was collected for analysis. The data was qualitatively analyzed and presented in the form of tables, and charts using Microsoft Excel.

Micro, Small and Medium Enterprises (MSMEs)

MSMEs represents significant portion of modern creation and fare inside the country. They assume a vital part in the improvement of the economy as they produce similarly modest pay merchandise and enterprises while giving plentiful freedoms to independent work.

About 94% of the MSMEs are in the unregistered portion. Further, of the complete working MSMEs, the extent of miniature endeavors is around 95.05% when contrasted with little undertakings (4.74%) and medium ventures (0.21%). The MSME area comprises of both assembling and administration areas. About 70% are administration area ventures and just about 30% are producing undertakings. Fundamentally, a dominant part (51.77%) of these lie in the provincial regions.

The NCR zone has around 33,026 hard and fast enrolled smaller than normal collecting adventures (2006-2010), of which 16,704 (50.58%) are in UP Sub-region and are generally drawn in with food creation, cotton materials, hosiery and garment creation, principal metals, contraction parts and different thing fabricating classification of MSMEs

Not until October 2006 when Micro, Small, and medium endeavors Act came in to being, the medium classification had never been once and unmistakably characterized. As indicated by the arrangement of miniature, little and medium undertakings improvement (MSMED) Act 2006, MSMEs are grouped into two primary classifications in particular: Manufacturing ventures and Services endeavors.

Micro, Small and Medium Enterprises (MSMEs)

The NCR region has approximately 33,026 total registered micro manufacturing enterprises (2006-2010), of which 16,704 (50.58%) are in UP Sub-region and are mainly involved in food production, cotton textiles, hosiery and garment production, basic metals, machinery parts and miscellaneous product manufacturing.

Table 1: Micro, Small and Medium Enterprise in the Six(Inclusive of Hapur)Districts of UP Sub region

District	Cluster Name	Products	Source of Raw Material	No. of Units	Employment (Employees/ Unit)	Infrastructure Support	Estimated Turnover (in Crore)	Problems
1	2	3	4	5	6	7	8	9
Meerut	Sports Goods		Meerut, Delhi	9000	61,920 (6.88)		503.10	Highly fragmented very few large factories Old technology Very limited products produced
	Artificial Ornaments		Meerut	1600	4144 (2.59)		68.48	
	Musical Instruments		Meerut	95	341 (3.59)		1.94	
	Scissors		Meerut	180	484 (2.69)		2.38	
Baghpat	Handloom		Khekra	32	949 (3.33)		8.92	Lack of availability of skilled labour
Ghaziabad + Hapur	Modha (Cane & Bamboo Products)		Garhmukteshwar	100	397 (3.97)		1.61	
	Bone Accessories		Loni, Delhi, Mumbai	200	648 (3.24)		7.08	
	Textile Block Printing		Pilkhuwa, Meerut, moradabad, Delhi	190	958 (5.04)		9.79	
Bulandshahr (2768)	Zari/ Embroidery		Bulandshahr, Jahangirabad, Sikandrabad	100	3.21		0.89	Finance and Transport
	Garments (Cotton)		Shikarpur, Bulandshahr	100	3.30		1.15	Finance and Transport
	Pottery and Ceramics (491 independent and 150 dependent units)	High fired teracotta crockery (stoneware), HT/LT insulators, decorative wares (stoneware), sanitary wares, bone china and scientific porcelain	Khurja	380	15000 (6)	Central Glass and Ceramic Research Institute (CGCRI)	6.88	Old technology High production cost High fuel consumption Skin and respiratory diseases Erratic electricity supply
GB Nagar	Readymade Garments		Delhi, Noida	60	790 (13.17)		5.07	Lack of availability of skilled labour
	Furniture (Woodwork)		Noida	50	130 (2.60)		1.08	
UP Sub-region	Food production, cotton textiles, hosiery and garment production, basic metals, machinery parts and miscellaneous product manufacturing							

Source: Primary Survey by Mott MacDonald, Draft Final Report on Study on Micro and Household Enterprises in NCR, NCRPB, 2011

Table 2: The major export items of the Sub-region of UP are listed below.

Location	Export Item/Major Crafts
1	2
NOIDA, Export Processing Zone(NEPZ)	Gems & Jewellery, Apparel, Electronics, Computer Hardware & Software, Leather.
Greater Noida, Noida, Gautambudh Nagar	Electronics, Computer Hardware & Software, Apparel, Engineering, Automobiles, Chemicals
Sahibabad, Loni, Pilkhuwa, Ghaziabad	Chemicals, Engineering, Apparel, Textiles, Hand Printing, Herbal Medicines & Cosmetics, Stocks, bones buttons & Beads, art Jewellery, Carpentry
Khurja, Bulandshahr, Sikandrabad	Pottery, Pottery Painting, Ceramics, Ceramic Tiles, Bathroom Utilities, Bone China, G.I. & M.S. Pipe
Khekra, Meerut	Sports Goods, Textiles, Hand Printing - Block & Screen, Handloom, Gold Jewellery

Source: Export Promotion Bureau, Government of UP

Apart from industrial activities, trade, commerce and services (IT/ ITES, financial and banking services) are other important constituents of the economic base of UP Sub-region.

A. Wholesale Trade

Wholesale Trade is the business of selling goods to retailers in larger quantities than they are sold to final consumers. The wholesale trade locations in UP Sub-region are:

Hapur–Food grains, jaggery, Vegetables (for potato and onion), Cold storage, Timber,Stone, raw leather mandi, major commodities derivative market

Meerut –Sports, Scissors, Textiles and readymade garments

Ghaziabad –Iron and steel, Hardware, Food grains, sugar, fruit and vegetable

Sikandrabad- cold storage, local agro products.

In Baghpat, there is a big 'jaggery' market. The people of this area are involved in themaking and selling of gur and sugar. Economy of Baghpat and Baraut are chiefly agrarian. Crops like wheat, paddy, sugarcane, mustard and fruits like mangoes, grapes, guavas, watermelons, muskmelons and 'kakri' etc are supplied to other areas from here.

UP Sub-region is the hinterland for Delhi for the supply of vegetables, fruits and grains. Within UP Sub-region, there are fruit, vegetable and grain mandis to meet the Sub-regional requirements.

B. Retail Sector

Organised retail activity in the UP Sub-region is mainly in the form of Malls, Departmental Stores, Speciality Stores, Factory Outlets, Supermarkets, Convenience Stores and Multi Brand Outlets (MBOs). They are found in Noida, Greater Noida, Ghaziabad and Meerut city.

Table 3: No. of Shopping Malls/ Plazas in UP region, District wise

S. No.	District	Number of Shopping Malls/ Plazas
	1	2
1	Meerut	7
2	Baghpat	-
3	Ghaziabad + Hapur	30
4	Bulandshahr	-
5	Gautam Budh Nagar	17
	Total	54

C. Services (Banking, ITES, Educational etc)

Several back end support services are being provided through BPOs, KPOs in UP Sub-region. They engage a number of young qualified persons. The details of these are given below as table 4

Table 4: Service related activities in UP Sub-region, District wise

S. No.	Districts	Employment (Nos.)	BPOs/ KPOs	Others
	1	2	3	4
1	Meerut	57556	21	12981
2	Baghpat	450	0	Educational College
3	Ghaziabad + Hapur	1255	8	3759
4	Bulandshahr	-	-	-
5	GB Nagar	-	-	-

D. Tourism

Tourism Industry comprises of many economic activities like lodging, transportation, entertainment, meals, and financial services. The hotel industry comprises a major part of the tourism industry. In UP Sub-region, tourism gives both direct and indirect employment to people. In order to improve the quality of hospitality services, various private and government institutes impart training through certified short and long term courses.

Manufacturing enterprises: Manufacturing enterprises are endeavors that participate in the assembling or creation of merchandise identified with any industry indicated in the principal timetable to the businesses (advancement and guideline Act, 1957) or utilizing plant and apparatus during the time spent worth expansion to the eventual outcome having an exceptional name or character or use. The assembling undertakings are characterized dependent on interest in plant and apparatus. Table 1 underneath represents the different meanings of the manufacturing undertakings.

Table1: Manufacturing Sector Classifications

Enterprises	Investment in Plant and Machinery
Micro enterprises	If the investment does not exceed 25lakhs rupees

Small enterprises	If the investment is more than 25lakhs but does not exceed 5crores
Medium enterprises	If the investment is more than 5crores but does not exceed 10crores

Source: Ministry of MSMEs

Services Enterprises: Service enterprises are enterprises engaged in the provision and rendering of services which are defined based on investment in equipment. Table 2 below shows the various classifications of the servicesector.

Table 2: Services Sector Classifications

Enterprises	Investment in Equipment
Micro enterprises	If the investment does not exceed 10lakhsrupees
Small enterprises	More than 10lakhs investment but does not exceed 2crores
Medium enterprises	More than 2crores investment but does not

Source: Ministry of MEMEs

Share of MSMEs in the country:

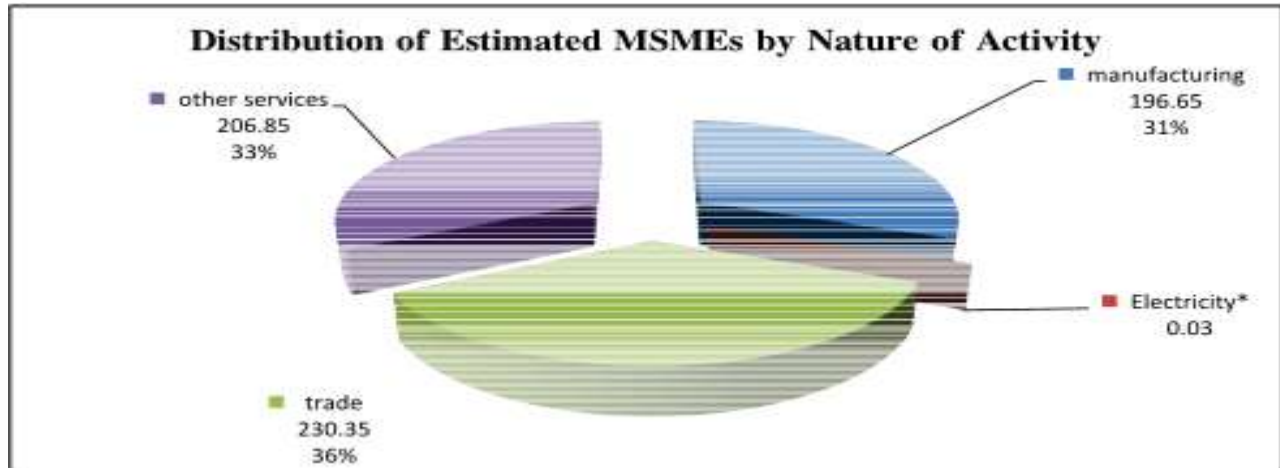
The MSMEs in India are assuming a vital part by giving huge work openings at nearly lower capital expense than enormous businesses just as through industrialization of rustic and in reverse regions; bury alia, lessening provincial irregular characteristics, guaranteeing more fair appropriation of public pay and abundance. According to the National Sample Survey (NSS) 73rd round, directed by National Sample Survey Office, Ministry of Statistics and Program Implementation during the time frame 2015-16, there were 633.88 lakh unincorporated non-farming MSMEs in the nation occupied with various financial exercises (196.65 lakh in Manufacturing, 0.03 lakh in Non-hostage Electricity Generation and Transmission , 230.35 lakh in Trade and 206.85 lakh in Other Services) barring those MSMEs enlisted under (a)Sections 2m(i) and 2m(ii) of the Factories Act, 1948, (b)Companies Act, 1956 and (c)construction exercises falling under Section F of National Industrial Classification (NIC) 2008. Table No. 2.1 and Figure 2.1 shows the dissemination of MSMEs action astute.

Activity Category	Estimated Number of Enterprises (in lakh)			Share (%)
	Rural	Urban	Total	
(1)	(2)	(3)	(4)	(5)
Manufacturing	114.14	82.50	196.65	31
Electricity*	0.03	0.01	0.03	-
Trade	108.71	121.64	230.35	36
Other Services	102.00	104.85	206.85	33
All	324.88	309.00	633.88	100

Source: Ministry of MSME annual report, 2019-2020

2.1-Distribution of Estimated MSMEs

Figure 2.1- Estimates of MSMEs (activity wise)



Source: Ministry of MSME annual report, 2019-2020

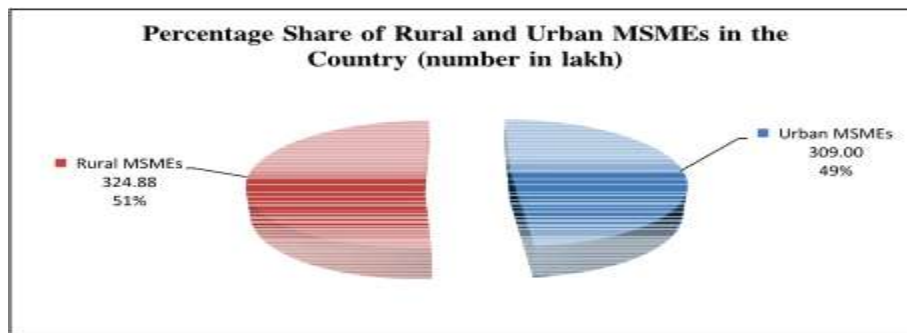
Micro sector area has 630.52 lakh assessed undertakings represents over 99% of complete assessed number of MSMEs whereas small sector has 3.31 lakh and Medium sector has 0.05 lakh assessed MSMEs represented 0.52% and 0.01% of absolute assessed MSMEs, separately. Out of 633.88 assessed numbers of MSMEs, 324.88 lakh MSMEs (51.25%) are in rustic territory and 309 lakh MSMEs (48.75%) are in the metropolitan zones. Table No. 2.2 and figure 2.2 show the circulation of undertakings in rustic and metropolitan Areas. State-wise assessed number of MSMEs is additionally encased as Figure 2.2

Table 2.2-Distribution of Enterprises Category Wise (No. in lakhs)

Sector	Micro	Small	Medium	Total	Share (%)
(1)	(2)	(3)	(4)	(5)	(6)
Rural	324.09	0.78	0.01	324.88	51
Urban	306.43	2.53	0.04	309.00	49
All	630.52	3.31	0.05	633.88	100

Source: Ministry of MSME annual report, 2019-2020

Figure 2.2 Distribution of Enterprises Category Wise



Source: Ministry of MSME annual report, 2019-2020

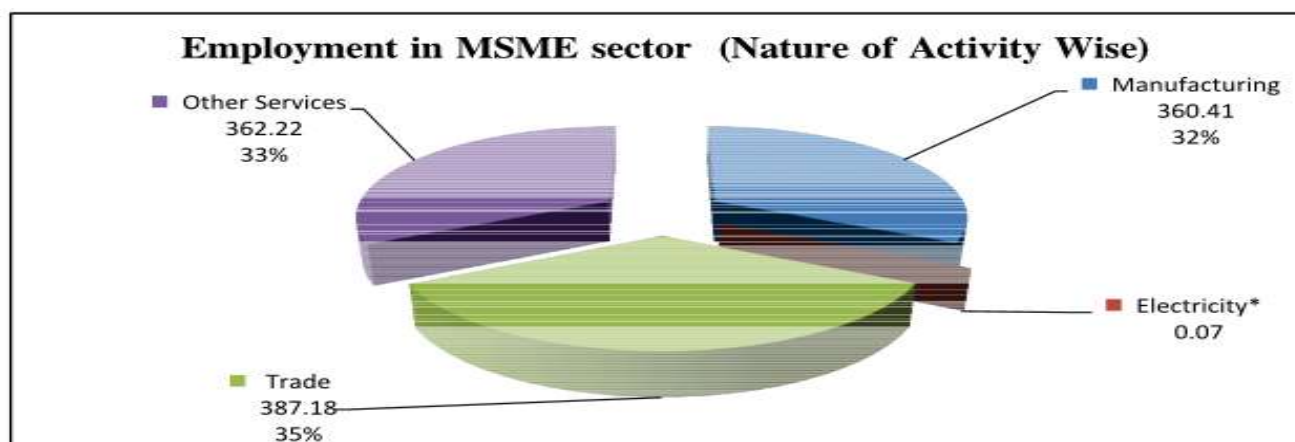
Employment Created by MSMEs: According to the National Sample Survey (NSS) 73rd round directed during the time frame 2015-16, MSME area has been making 11.10 crore occupations (360.41 lakh in Manufacturing, 0.07 lakh in Non-hostage Electricity Generation and Transmission, 387.18 lakh in Trade and 362.22 lakh in Other Services) in the rustic and the metropolitan territories the nation over. Table No. 2.3 and Figure 2.3 shows the dispersion of MSMEs action astute.

Table 2.3-Estimated Employment in MSMEs-Action Astute

Broad Activity Category	Employment (in lakh)			Share (%)
	Rural	Urban	Total	
(1)	(2)	(3)	(4)	(5)
Manufacturing	186.56	173.86	360.41	32
Electricity*	0.06	0.02	0.07	-
Trade	160.64	226.54	387.18	35
Other Services	150.53	211.69	362.22	33
All	497.78	612.10	1109.89	100

Source: Ministry of MSME annual report, 2019-2020

Figure 2.3 Estimated Employment in MSMEs-Action Astute



Source: Ministry of MSME annual report, 2019-2020

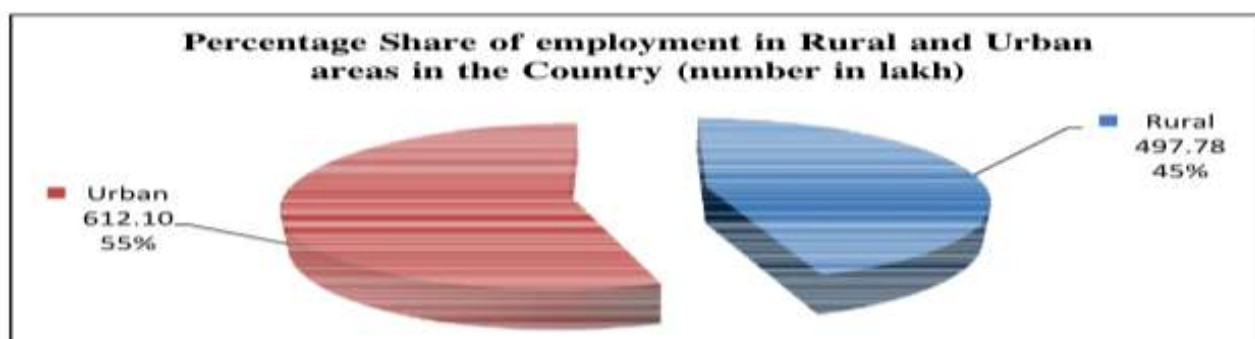
Micro sectors has with 630.52 lakh assessed endeavors gave work to 1076.19 lakh people that thus represents around 97% of absolute work in that area whereas small sector area with 3.31 lakh and Medium sector with 0.05 lakh assessed MSMEs gave work to 31.95 lakh (2.88%) and 1.75 lakh (0.16%) persons of all out work in MSME area, individually. Table No. 2.4 and figure 2.4 show the appropriation of work area savvy in Rural and Urban Areas.

Table 2.4-Distribution of employment-Enterprise type (Rural and Urban areas)(No. in lakhs)

Sector	Micro	Small	Medium	Total	Share(%)
Rural	489.30	7.88	0.60	497.78	45
Urban	586.88	24.06	1.16	612.10	55
All	1076.19	31.95	1.75	1109.89	100

Source: Ministry of MSME annual report, 2019-2020

Figure 2.4-Distribution of employment-Enterprise type (Rural and Urban areas)



Source: Ministry of MSME annual report, 2019-2020

Nationwide Distribution of MSMEs

State-wise Distribution of estimated MSMEs

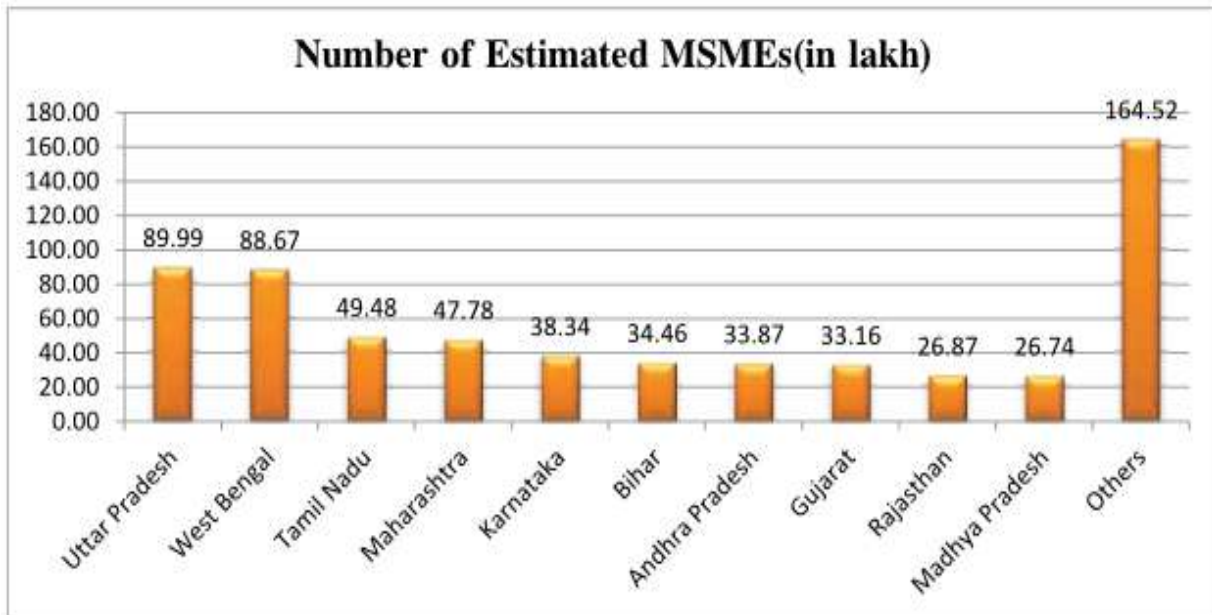
Province of Uttar Pradesh had the biggest number of assessed MSMEs with a portion of 14.20% of MSMEs in the country. Top 10 States represented a portion of 74.05% of the complete assessed number of MSMEs in the country. Table No. 2.5 and Figure 2.5 show the conveyance of assessed undertakings in top ten States.

Table 2.5-State-wise Estimate No. of MSMEs

Sl. No.	State/UT	Estimate Number of MSMEs	
		Number (in lakh)	Share (in %)
1	Uttar Pradesh	89.99	14
2	West Bengal	88.67	14
3	Tamil Nadu	49.48	8
4	Maharashtra	47.78	8
5	Karnataka	38.34	6
6	Bihar	34.46	5
7	Andhra Pradesh	33.87	5
8	Gujarat	33.16	5
9	Rajasthan	26.87	4
10	Madhya Pradesh	26.74	4
11	Total of above ten States	469.36	74
12	Other State/UTs	164.52	26
13	All	633.88	100

Source: Ministry of MSME annual report, 2019-2020

Figure 2.5-Distribution of MSMEs in ten states



Source: Ministry of MSME annual report, 2019-2020

Comparative Analysis of Top Ten states in India

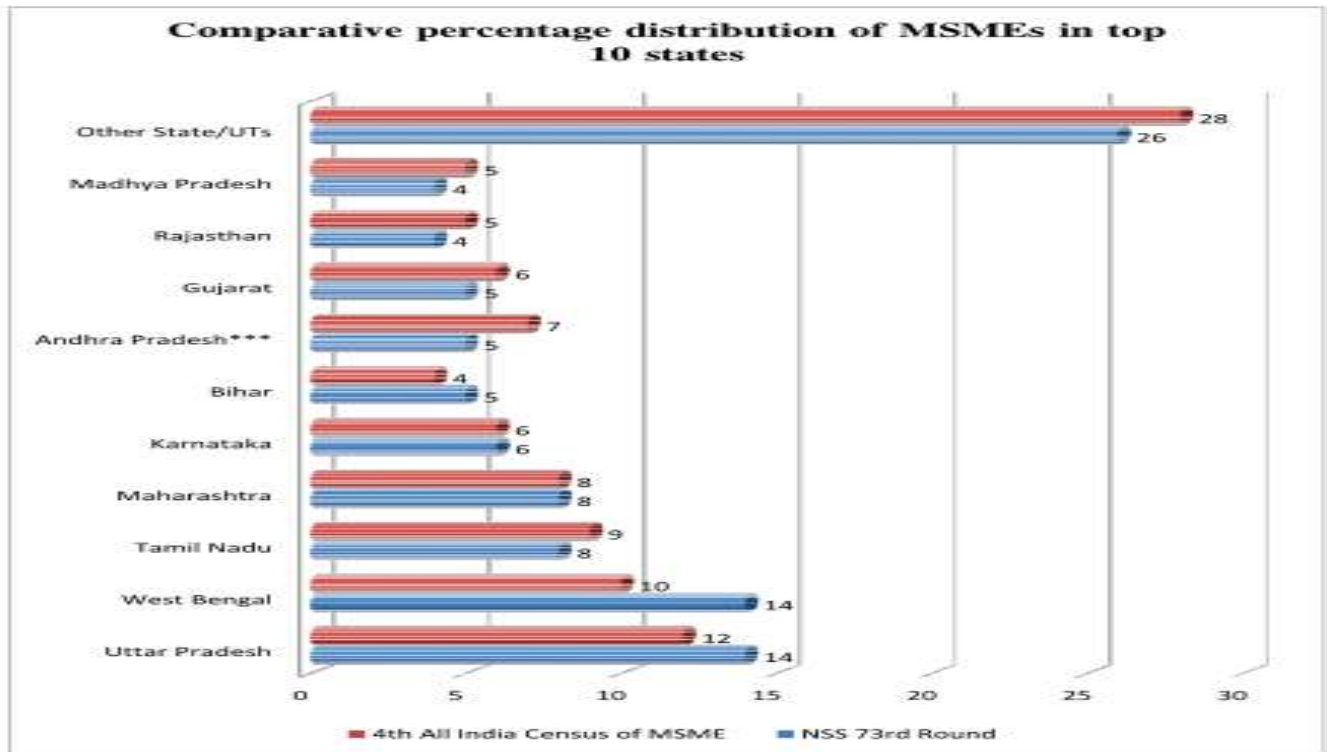
With the data collected from the annual report of MSME the 10 important states who's share are largely contributing towards the contribution towards MSME are as such. The largest share goes to Uttar Pradesh as 89.88 lakhs with a contribution of 14% of MSME moving towards the lowest the its Rajasthan and Madhya Pradesh's contribution of 4% of MSME with around 26 lakh units. All together the ten states shown in the table below contributes to 74% share, the rest of 26% share is from other states and union territories.

Table 2.6-Comparative Analysis of Top Ten states between NSS 73rd Round and All India Census of MSME

Sl. No.	State/UT	NSS 73 rd round*		Fourth All India Census of MSME**	
		Number (in lakh)	Share (%)	Number (in lakh)	Share (%)
1	Uttar Pradesh	89.99	14	44.03	12
2	West Bengal	88.67	14	34.64	10
3	Tamil Nadu	49.48	8	33.13	9
4	Maharashtra	47.78	8	30.63	8
5	Karnataka	38.34	6	20.19	6
6	Bihar	34.46	5	14.70	4
7	Andhra Pradesh***	33.87	5	25.96	7
8	Gujarat	33.16	5	21.78	6
9	Rajasthan	26.87	4	16.64	5
10	Madhya Pradesh	26.74	4	19.33	5
11	Total of above ten States	469.4	74	261.04	72
12	Other State/UTs	164.5	26	100.72	28
13	All	633.9	100	361.76	100

Source: Ministry of MSME annual report, 2019-2020

Figure 2.6-Comparative Analysis of Top Ten states between NSS 73rd Round and All India Census of MSME



Source: Ministry of MSME annual report, 2019-2020

An analysis of overall states in India

An analysis is done on the overall states of India towards their contribution to MSME as an enterprise which shows total of 633.88 involving Micro sector as 630, Small sector as 3.31, Medium sector as 0.05 as no. of enterprise contributing toward the development of the country and as well as the state of Uttar Pradesh which shows the largest figure in the Annual Report. Table 2.7 shows the overall state-wise no. of estimates of MSMEs

Table 2.7: State-wise Distribution of Estimated No. of MSMEs

Sl. No.	State/UT	Estimated number of enterprises (Number in lakh)			
		All			
(1)	(2)	Micro (19)	Small (20)	Medium (21)	MSME (22)
1	Andhra Pradesh	33.74	0.13	0.00	33.87
2	Arunachal Pradesh	0.22	0.00	0.00	0.23
3	Assam	12.10	0.04	0.00	12.14
4	Bihar	34.41	0.04	0.00	34.46
5	Chhattisgarh	8.45	0.03	0.00	8.48
6	Delhi	9.25	0.11	0.00	9.36
7	Goa	0.70	0.00	0.00	0.70
8	Gujarat	32.67	0.50	0.00	33.16
9	Haryana	9.53	0.17	0.00	9.70
10	Himachal Pradesh	3.86	0.06	0.00	3.92
11	Jammu & Kashmir	7.06	0.03	0.00	7.09
12	Jharkhand	15.78	0.10	0.00	15.88
13	Karnataka	38.25	0.09	0.00	38.34
14	Kerala	23.58	0.21	0.00	23.79
15	Madhya Pradesh	26.42	0.31	0.01	26.74
16	Maharashtra	47.60	0.17	0.00	47.78
17	Manipur	1.80	0.00	0.00	1.80
18	Meghalaya	1.12	0.00	0.00	1.12
19	Mizoram	0.35	0.00	0.00	0.35
20	Nagaland	0.91	0.00	0.00	0.91
21	Odisha	19.80	0.04	0.00	19.84
22	Punjab	14.56	0.09	0.00	14.65
23	Rajasthan	26.66	0.20	0.01	26.87
24	Sikkim	0.26	0.00	0.00	0.26
25	Tamil Nadu	49.27	0.21	0.00	49.48
26	Telangana	25.94	0.10	0.01	26.05
27	Tripura	2.10	0.01	0.00	2.11
28	Uttar Pradesh	89.64	0.36	0.00	89.99
29	Uttarakhand	4.14	0.02	0.00	4.17
30	West Bengal	88.41	0.26	0.01	88.67
31	A & N Islands	0.19	0.00	0.00	0.19
32	Chandigarh	0.56	0.00	0.00	0.56
33	Dadra & Nagar Haveli	0.15	0.01	0.00	0.16
34	Daman & Diu	0.08	0.00	0.00	0.08
35	Lakshadweep	0.02	0.00	0.00	0.02
36	Puducherry	0.96	0.00	0.00	0.96
	ALL	630.52	3.31	0.05	633.88

Source: Ministry of MSME annual report, 2019-2020

Factors for Employments Generation

The Micro, Small and medium ventures (MSMEs) of India are vital driving components for the development of Indian Economy. These MSMEs give the work openings as well as helps during the time spent industrialization in provincial territories at the same time lessening the inconsistent pay dissemination among the occupants. The MSMEs contribute fundamentally in the advancement of Indian economy through fare creation, homegrown creation, low venture necessities, operational adaptability and innovation situated endeavors and so on. The SMEs are free to huge ventures working in the economy and contribute fundamentally in the improvement of the country. On a normal this area has very nearly 36 million units that give work to around 80 million people. This area through the creation of 6000 items contributes 8% to GDP of

the country. It comprises the 45% bit of the absolute assembling yield and 40% of the all out fares of the country. Consequently, we need to comprehend the part of MSMEs in giving work openings and push towards the comprehensive advancement of the country. The Ministry of Micro, Small and Medium Enterprises of Government of India has the duty of planning arrangements, projects and plans for the turn of events and advancement of these MSME enterprises. The effective execution of these plans is likewise guaranteed by the observing obligation of Ministry of MSMEs. Essentially, the State Govt. has the obligation of advancement and improvement of the MSMEs and their endeavors are enhanced by the Central Government.

Benefits to MSME

The benefits being provided to MSME were protection against delayed payment, central government measures for the development and promotion of sick units. The MSME were also supported with progressive policy of RBI to as towards credit benefit along with availability of the opportunity of items reserved for MSME with the preference policies and exit schemes. Table 2.8 clearly defines the benefits being provided to the MSME from the state and central government.

BENEFITS TO MSME (CENTRAL POLICY)

BENEFIT AVAILABLE	TO MICRO ENTERPRISES	TO SMALL ENTERPRISES	TO MEDIUM ENTERPRISES
Protections against delayed payment	YES	YES	NO
Central governments measures for promotion & development	YES	YES	YES
RBI's progressive credit policy	YES	YES	YES
Reservation of items for manufacturing & production	YES	YES	NO
Preference policies	YES	YES	NO
Simplified exit schemes	YES	YES	YES

IV. CONCLUSION

The Analysis of the information assembled implies the way that MSMEs fills in as an impetus to the uniformly conveyance of advancement and abundance in the country. Despite the fact that all states and association domains have their portions of MSMEs the conditions of Uttar Pradesh, West Bengal followed by Tamil Nadu, Maharashtra, Karnataka, Bihar, Andhra Pradesh, Gujarat, Rajasthan, and Madhya Pradesh are the 10 states with the most noteworthy number of MSMEs. MSMEs occupied with Trade exercises overwhelm the business. However much 51% of Indian MSMEs works from the provincial zones while 49% works from the metropolitan urban communities. MSMEs are assuming an extremely imperative part in this period of globalized market. The predictable development of India's financial can't be referenced without recognizing the commitment of the MSMEs. The MSMEs area contributes as much as somewhere in the range of 40 and 50% of India's absolute fare. The MSMEs moderately contribute 30% portion of the Gross Domestic Product (GDP) and a normal of 32% to the Gross Value Added (GVA). Clearly, MSMEs arrives in a bundle with work creation. The area is credited with about 40% of the all out vocations in the country. 55% of these made vocations are found in the metropolitan urban communities though 45% exudes from the country zones. Out of these, 76% are male while 24% are female

Suggestions From the examination, we prescribe the accompanying as measures to help the MSMEs work well to contribute its portion to public turn of events. Since most of MSMEs works in the country regions, the public authority ought to give dependable admittance to foundation, for example, power and water in these territories for smooth working of the enterprises. Admittance to credit is as yet an issue looked by MSMEs particularly those in the country regions. The public authority ought to along these lines set out on forceful schooling and sharpening system to build consciousness of the different accessible wellsprings of financing. There ought to be level jungle gym for the MSMEs to have the option to rival the bigger organizations in the worldwide market. Since a large portion of the limited scale ventures rely upon imported crude materials, the public authority ought to give endowment or eliminate a few charges on importation of crude materials to empower the MSMEs to be productive and reasonable.

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