

# MSME: A Driver of Indian Renaissance

Mahadev Jha<sup>1</sup>, Tara Shankar Chatterjee<sup>2</sup>

<sup>1,2</sup>Research Scholar, Pt. D.D.U.G.P.G College, Plahi Patti, Varansi

## ABSTRACT

MSME plays an important role in the development, reform and transformation of any economy, but its role increases further in a developing economy like India, because India is full of local resources, but still they are not being used effectively and efficiently. Whereas msme utilizes local resources in high productivity works in an appropriate and effective manner.

In order to make proper use of these resources by the Government of India, the Indian economy is working on the mantra of "Self-reliant India", for which the Government of India is bringing schemes like Self-reliant India, Make in India, Local for Vocal etc. The main objective of these schemes is that India does not have to depend on other nations to fulfil its needs and India emerges as a "Vishwa Guru". This paper study the chrematistic of msme and role /contribution in Indian msme and also study the possible Sectore/ industry where msme make a huge impact to leads economic development.

**Key words** - MSME, Atamnirbhar Bharat, initiative, characteristics of msme, Make in India

## INTRODUCTION

In the true sense the Indian renaissance, it started on 12th May 2020 when the Prime Minister of India, Narendra Modi had conceptualized "Atmanirbhar Bharat" initiative. This was the time when the whole world was battling with the pandemic of Covid-19, everyone's contact had been lost, be it business, conversation, import-export. Each nation was struggling to meet its needs. At that time, the mantra "Self-reliant India" came, whose main objective was to handle the crumbling economy, that too through local resources, i.e. by effective and effective use of local resources, to meet its needs as well as to meet the needs of the global level. The goal of Atamnirbhar Bharat initiative is to make India's economy Sustainable development, stronger, economically and more competitive. The role of MSME is going to be very important in achieving this objective and goal because MSME unit can be established easily and can be done in any place (district and state). In the establishment and operation of msme, less capital is required as compare to other industries, less labor is required, less technology is required. MSME effectively and efficiently uses local resources from low productivity to high productivity, which results in regional development, promotion of entrepreneurship, generation of employment, development of basic facilities, increase in per capita income etc.

## REVIEW OF LITERATURE

**Rohit Kumar rai (2022)** Self-reliant India initiative is trying to overcome the problems caused by covid 19 and to achieve its goals, Government of India is trying to develop MSME, for which MSME's Has been redefined and some schemes like collateral free loan, provision for distressed msme etc have been brought.

**Dr. R. C. Nagarja (2020)** Government of India is starting some schemes like collateral free loan, Debt for stressed MSMEs, infusion Equity for msme etc under self-reliant India initiative so that msme's

finance related problems can be overcome and start up Efforts are being made to start the closed MSME and new MSME units due to the initiative.

**Mr. Rajendra D. Wakhale (2016)** msme is a specialized unit of a particular product which contributes significantly to the development of the Indian economy, efforts are being made to increase its contribution by providing financial and technical assistance under the make in India initiative.

**Dr. G k Nagaraju (2021)** msme promotes economic and social development as well as entrepreneurship and its role is going to be important in achieving the goals of various schemes operated under make in India, so under make in India itself, the problems of msme For example, efforts are being made to remove lack of timely credit, lack of proper infrastructure, lack of distribution channels etc.

**Pushendra Singh thakur (2022)** Self-reliant India initiative should be aimed at rapid growth with sustainable development of Indian economy and various aspects in Indian economy like GDP (30%), employment (11CRORE), production of more than 6000 products by MSME. Based on this contribution, it can be said that achieving the goals of self-reliant India seems difficult without the support of MSMEs.

**DR. ArunGaikward (2020)** msme is facing many problems in Indian economy like non availability of finance , old technology , lack of formal registration, high level of competition with MNCs and large industries etc if these problems are reduced There are many sectors and industries in which there can be possibilities for msme like telecommunications, electronics, pharmaceutical, healthcare etc.

## OBJECTE OF THE STUDY

- To study the characterises of MSME
- To study the role or contribution of MSME in Indian Economy
- To study the possible opportunities Sectore or industry for msme

## REDEARCH METHODOLOGY

The current research paper is based on secondary data and it's nature is descriptive. Secondary data collected from various sources like MSME Annual report , research artical , research paper, journal ,newspaper ,magazine and reports .

## RESULAT AND DISCUSSION

### CHARACTERISTICS OF MSME

#### Less capital required

The establishment of msme requires less capital as compared to other industries. In various schemes operated under self-reliant India, msme can be established in areas which are backward so that local resources can be used appropriately along with regional development and local people can get employment so that their standard of living can be raised.

#### Eco friendly and simple technology

In msme, hand-operated tools or machines are used in the manufacture of goods in production and the use of heavy machines is less. These machines are all eco-friendly which cause less harm to the natural and also maintain the quality of the product.

### **Less land and building is required**

in the establishment and operation of it, due to which it can be established quickly and easily as compared to other industries. Under make in India, start up and self-reliant India schemes, msme should be encouraged in such places where industrialization has not happened.

### **Easy establishment**

MSME has to go through less paperwork and process as compared to other industries like company, MNC etc.

### **Use of local resources**

msme uses the resources where it is established and when needed, exports resources from nearby districts and states so that local resources can be used in high productivity in an appropriate and effective manner. Are .

### **Flexible in operation**

msme can easily increase or decrease the operation of the industry according to the need and opportunities as compared to other industries, so that the opportunities present in the business environment can be redeemed.

### **Encouragement to Entrepreneurship**

When MSME is established, people nearby get employment in it, their income increases due to which their standard of living is also high and the owner of MSME also benefits. are encouraged

### **Promotion of innovation**

Most of the innovations happen in the MSME sector because when the industry is encouraged by the government, new entrepreneurs join the industry and along with them new ideas and thoughts also enter the industry.

## **ROLE /CONTRIBUTION OF MSME IN INDIAN ECONOMY**

MSME is going to play an important role in the context of transformation of the economy and Indian renaissance because under India renaissance any plan like make in India, start up, stand-up, digital India, Aatamanirbhar Bharat etc. Your contribution is appreciated and will continue to be so. MSME has contributed to almost majority sector or industry of Indian economy.

### **Employment contribution**

msme is the largest employment generating sector in the Indian economy. At present 11 crore jobs have been given by MSME, MSME provides employment at a lower cost than other industries. Most of the employment generated by MSMEs are women and men from rural and backward classes. In the total

employment of msme, 24% are women and 76% are men, 10% rural area and 10% urban area have been made available in the total employment of msme.

### **Export contribution**

At present, 50% of the total exports of the country are alone, which are likely to increase in future due to make in India and self-reliant India schemes. India mainly exports handicraft product, software, hardware service, textile product, healthcare equipment, automobile parts etc.

### **GDP contribution**

MSME contributes about 30% to the total GDP of Indian which is more than other industries.

### **Industrial product contribution**

90% of the total enterprises in the Indian economy come from the MSME sector, MSMEs manufacture a variety of products, the number of which is more than 6000.

## **POSSIBLE OPPORTUNITIES SECTORE OR INDUSTRIES FOR MSMEs**

### **Tourism**

Tourism is a potential market in India because there are various types of historical building and historical places, temples, buildings, forts etc. in India which attract tourists and thousands of tourists come to India every year. If MSME is established in a systematic way and government cooperation is done, then it will become a low cost or capital with high revenue industry.

### **Automobile**

Presently India is the importer of small cars and its parts in the global markets and India is recognized as the strongest engineering and expertise country in the automobile sector. If msme is established at a suitable place for this industry under make in India and schemes, then it can make a huge impact on this economy.

### **Software or hardware industry**

At present, India has a big market for s/w and h/w and the names of engineers who develop India's s/w are abroad. If entrepreneurs are helped to set up MSMEs under make in India, digital India, then India can become a hub of s/w manufacturing in the coming times.

### **Educational Sectore**

Education is the most potential sector of India because small enterprises have made a name in this sector in a very short time and have developed this sector, currently India is the youngest nation and many skill oriented courses are in demand in global markets. If well developed msme is established and goes ahead with the same goal, then it can also become a big sector in providing employment.

### **Toy industry**

Toy industry is an emerging industry in global markets where eco friendly and safe toys are in demand and India has the oldest history of toys, various types of toys are being manufactured in India which are

eco friendly and safe. Most of the MSME sector enterprises are engaged in toy manufacturing in India, if appropriate assistance is given to this MSME, then India can become a toy export hub.

### **Telecommunication**

India economy is moving towards digitalization like online payment, online shopping, e-Budget, online newspaper etc. Through MSME, with the help of local and national resources, various types of networking tools like Router, switches, data analysis etc. services and products are manufactured at low cost.

### **Handicraft Industry**

India is a major exporter of handicraft products, there is a wide range of handicraft products in India, in which textile product, clay, metal, woodcraft, stone craft, glass and ceramic product are the main ones. Handicraft industry mostly comes in msme sector.

### **Healthcare industry**

In the era of covid, India with the help of msme manufactured many medicines, medical equipment, covid kit, tools etc. high quality products at low cost and to meet its own needs as well as the needs of other nations. If further systematic development of this industry is done under self-reliant India plans, then India can become a major exporter of the health sector.

### **Conclusion**

After a thorough study of various literatures, government reports and other data, there is strong evidence that MSMEs are the engine of growth of the Indian economy, MSMEs act as a supplier for large industries with effective and efficient use of local resources. Let's do Due to the ease of establishment of msme, the area which is backward or the area where local and natural resources have not been used properly, can effectively and effectively use their resources by establishing it there.

Whatever schemes are being started for the renaissance of India like self-reliant India, make in India, stand up, start up, digital India etc., MSME's contribution is there. MSMEs employ about 11 crore, 50% of total exports, manufacture of about 6000 products, contribute about 30% of GDP. msme regional development, increase in per capita income, sustainable development of the economy, proper use of local resources.

### **REFERENCE**

1. Dr. Nagaraja, C.R .(2020). Self -reliant India and MSMEs. International Journal of Research in Commerce, economics and management, volume 10 , Issue 8 , 10 -12
2. Rai, K. R.(2022) .concept of self reliant India with development of MSME sector . International Journal of recent scientific research, volume 13 , Issue 2 , 458 -463
3. Mr. Wakhale, D. R . and Dr. Sengupta , S.(2016). Make in India : empowering the MSME sector. ISOR Journal of Business and Management , e- ISSN 2278 - 487X
4. Dr. Nagaraju, K.G.( 2021). Make in India campaign – a complement to MSMEs Growth . Journal of Emergin Technologies and Innovative Research , Volume 8 , Issue 9 , 256 – 261
5. Chitsimaran, Kaur, D . Dr. Pandey, A. And khokhar , P.(2022).MSMEs in Atamnirbhar Bharat : Contribution , support and Challenges .

6. Dr. Thakur , S.P .(2022) . Status of MSMEs NAMES in Atamnirbhar Bharat Abhiyan . Journal of Emerging technologies and Innovative Research, volume 9 , Issue 7 , 190- 195
7. Dr. Gaikward , A.and CMA Dhokare, S.(2020). India : A growth opportunities for MSMEs. EPRA International Journal of Multidisciplinary Research , volume 6 , Issue 6 , 25 -30
8. Kumar , V.(2017). An Analysis of Growth of MSMEs NAMES in India And Their Contribution in Employment and GDP of the Country . International Journal of Interdisciplinary and Multidisciplinary studies , volume 4 , No 2 , 187 – 191