

## NEED FOR SETTING OF MICRO SMALL MEDIUM ENTERPRISES (MSME) AT INSTITUTIONAL LEVEL

**Dr. Mrual R. Waliokar,**  
Head, Department of Home-Economics,  
Kamla Nehru Mahavidyalaya,  
Nagpur.

---

**Abstract-** *The ministry of Micro Small & Medium is implemented the promotional schemes for the development of micro small & medium enterprises. This schemes and programmes generally focused on capacity building in states and regions. An Entrepreneur is a person who combines capital labor for the purpose of production. The Entrepreneur is the fourth factor and is the third factor of an enterprise.*

**Key Words-** *Entrepreneur, Entrepreneurship, Small scale industry .Government institutions.*

---

An Entrepreneur is a person who combines capital labor for the purpose of production. The Entrepreneur is the fourth factor and is the third factor of an enterprise. Entrepreneurship is the ability of the mind to take calculated risk with confidence to achieve a predetermined business objectives. An Entrepreneur is one of the most important segment of economic growth.

The word Entrepreneur is derived from the French word entrepreneur is derived from the French word entreprendre , it means to undertake. In early 16<sup>th</sup> century the French men who organized and led military expeditions were referred to as entrepreneurs. Entrepreneur play very important role in socio-economic welfare of the country.

They are innovators researchers and risk taker of the company. Due to mixed economy in India, both public and private entrepreneurship exists here. Large scale sectors are under the public entrepreneurship. The middle and small scale sectors are under the private Entrepreneurship.

The Entrepreneurs involved in running small scale units are generally termed as small Entrepreneurs. It is evident that small Entrepreneurs outnumber large Entrepreneurs all over the world in every country. A micro enterprise is an enterprise where the investment in equipment does not exceed to 10 lakh. Small scale enterprise is an enterprise where the investment in equipment is more than 2 corer but does not exceed 5 corer.

India has already three million small and mid-sized enterprises . SMES are dominant players in some of India's major export sectors including textile and garments leather products, sports goods, The small and medium units in the country have contributed 40% towards creation of jobs after the economic slowdown and 10 lakh jobs each year.

Government of India has been extremely alert . The government's policy initiatives like passing of the New Micro Small & Medium Enterprises Development Act 2006 various schemes comprises of financial and other support services are introduced at both National & International level. The ministry of Micro Small & Medium is implemented the promotional schemes for the development of micro small & medium enterprises. This schemes and programmes generally focused on capacity building in states and regions.

Appex industry chamber launched intellectual property right well equipped facilitation centre to offer quality services in all areas. In addition to providing a general advisory about IPRs patent trademarks designs and copyrights these center provides all the services related to patent searches. Marketing intelligence to MSMEs which marketing intelligence to MSMEs which would improves their market capabilities would improve their competitiveness.

### **Contribution Role of Small Scale Industries in Indian Economy :**

Indian government has found that popular development of SSI is very important for the healthy growth of Indian economy. The growth of SSI is very vital in terms of employment. The main objectives of development SSI in rural areas is –

- To generate employment opportunities.
- To raise economic growth of rural areas.
- To raise standards of living.

A high rate of growth has been recorded after independence. In developing countries, Small scale industries can play a major role in achieving national economy and socio political objectives. In India ,states takes more interest in the development of small scale industries by providing both financial and nonfinancial assistance by improving the techniques of production and management and also provide common facility services.

Till independence only cottage industries village industries rural industries or agro based industries were considered as a small industries. After the independence the views about the small scale industries were changed. The government has been following a policy of promotion as well as protection of the SSI sector. Due to globalization India has opened up opportunities for new ventures in various sectors.

### **Role of government in the promotions & Development of Entrepreneurship :**

Development of Entrepreneur plays a very important role in the development of country. Though government imparting skills and strengthening the management capabilities of small Entrepreneurs beside that small enterprises are not able to attract professionally qualified persons.

Training for Entrepreneur is very important aspect in industrial development various training programmes were organized by the government of India. Which helps to upgrade the skills of workers as well as managerial capabilities of their management personnel.

These trainings are very important for the up gradation of skills which helps in changing economic and industrial environment. Various governmental institutions guided small Entrepreneur.

Small Entrepreneur faces various problems in the field of marketing as their limited finance can't afford professional qualified persons. By offering them orientation course which helps to build up their career as well as to obtain a proper services from them which would be useful over a period of time in this area government institutions would helpful for training.

In the field of Marketing Small Industries development Bank of India (SIDBI) would be very useful to identify the growing need for launching training programmes for persons endowed with good communication skills and acumen for salesmanship.

SIDBI is also very useful for supporting and preserving and developing skills of artisans and craftsman. These people are very useful in small scale industry as their contribution to Indian handicraft is substantial to export trade. Lots of Entrepreneurship development programmes are regularly conducted every year by the government. Evaluation and reporting are the main objectives of the programme.

The main objective of the government is to promote and develop Entrepreneurship in a big way and to create employment opportunities. Entrepreneurship is the committee of the emerging economic scene in the world, for that purpose various government institutions set up as under-

- National Entrepreneurship Development Board (NEDB)
- National Institute of Small Industry Extension Training (NISIET) Hyderabad for conducting international programme
- NIESBUD New Delhi conducts gross root programmes
- Women Entrepreneurs outreach programmes WEMTOP
- Small Entrepreneurs Management assistance (SEMA)
- Center for development of Glass Industry, Firozabad to upgrade the technology for the manufacture of glasses.
- KVIC Khadi and Village industries commission.
- Indian Institute of Entrepreneurship
- Federation of Women Entrepreneurs (FIWE)
- AWAKE Association of Women Entrepreneurs of Karnataka.
- Karnataka Small Industries Marketing Corporation Ltd. (KSIMC)
- State Trading Corporation of India (STC).

#### **Need for Institutional Assistance :**

The Institutional setup is the basic factor for the growth and success of any small scale industry. The role of institutional support is to promote and develop the growth of small scale industries. A small entrepreneur gets three types of assistance from different institutions

- 1) Advisory board
- 2) government institutions
- 3) Corporate institutions.

The success of any small unit and Entrepreneurs depends on well established institutional set up. Various well established institutions helps small scale industries in the field of finance , technical guidance , Organizing a various training programme, marketing sector for associations. Which helps for the development of small scale industries as well as our country.

The main objectives of institutional assistance for small scale industries are as follows-

- Encouraging the swadeshi spirit among the people
- Undertaking planned developments of small industries
- To prepare small schemes project reports and other technical literature for prospective customers.
- To supply machinery and equipment to small enterprises on a hire- purchase basis.
- To facilitate the import of goods under foreign aid programmes.
- To act as a vehicle for the implementation of government policies.
- Coordinating the activities of ancillary industries in the state.
- Conducting practical training programmes on various trades.
- Coordinating and conducting management development programmes
- Assistance to government in providing information about new policies programmes and schemes.

### **Conclusion :**

It is observed that small scale industry is a root deep as also wide in its share of the small units started manufacturing items like machine tools electrical and engineering equipment chemicals etc. which are foundation for a self sustained growth.

### **References :**

- Small scale industries and entrepreneurial development c.s.v. Murthy, Himalaya Publishing House.
- Entrepreneurship need of the Hour, Dr. Vaidya Hattangadi, Himalaya Publishing House.
- Entrepreneurship & Innovation koturu Balaji, Prabha V.Himalaya Publishing House.
- Women Entrepreneurship by Deepak Walokar.
- [www.entrepreneurs.com](http://www.entrepreneurs.com)
- [www.uwbankingindia.com](http://www.uwbankingindia.com)