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MICRO, SMALL AND MEDIUM ENTERPRISES: OPPORTUNITIES AND CHALLENGES IN THE CURRENT SCENARIO

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Abstract:-Micro, Small and Medium Enterprises (MSMEs) play a catalytic role in the development process of most economies. They have become engine of economic growth in India. Because they play an important role in the economic and social development of the country. It also plays a key role in the development of the economy with its effective, efficient, flexible and innovative entrepreneurial spirit. It is estimated that MSMEs account for almost 90% of industrial units in India and 40% of value addition in the manufacturing sector. Today, small and medium industry occupies a position of strategic importance in the Indian economic structure due to its significant contribution in terms of output, exports and employment. The small scale industry accounts for 40% of gross industrial value addition and 50% of total manufacturing exports. More than 13.2 million units are spread all over the country producing about 6000 items, from very basic to highly sophisticated products. The MSMEs are the biggest employment -provider after agriculture, providing employment to nearly 32 million people. Its contribution towards GDP in 2011 was 17% which increased to 22% in 2012.

Keywords: MSMEs, Economic Growth, GDP, Enterprises, Opportunities, Challenges..

INTRODUCTION:

Micro, Small and Medium Enterprises (MSMEs) play a catalytic role in the development process of most economies. They have become engine of economic growth in India, because they play a pivotal role in the economic and social development of the country. It also plays a key role in the development of the economy with its effective, efficient, flexible and innovative entrepreneurial spirit. The Micro, Small and Medium Enterprises (MSMEs) play a pivotal role in the economic and social development of India. The MSME sector contributes in the manufacturing output, employment and exports. It plays a key role in the development of the economy with their effective, efficient, flexible and innovative entrepreneurial spirit. MSME sector has emerged as a dynamic and vibrant sector of the economy. It is expected that Indian economy will grow by over 8% per annum until 2020.