



ROLE OF EXPORT ADVANCEMENT OF MSME IN INDIA

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ABSTRACT

Micro small and medium industry is considered as one of the fastest economic growth and helping for developing the nation. It is an attempt to increase the export performance and various challenges related to that sector to tackle them for better export performance and make the MSME export competitive and also to overcome trade deficit of Indian economy. The major key player of this sector are government, private sector and international sector in MSME exports. Economic growth and export are the major priority for all the countries be it whether developed , developing or under developing country. But most importantly the present of MSME especially to a developing country like India is very effective. MSME mostly help those industrialization which comes in backward and rural areas. Export sector in India has seen many changes because of government policy. One of the sector which have occupied an important position on the total export of the country is small scale industry. SME plays a major role in global competition in various product line MSME sector has adopted many unique strategies to tackle the international trade market India has potential to increase its share in global small sector export which is mostly control by country like china, korea, Taiwan. Around 30% contribution towards gdp and 40 % export of the country government has also introduced some benefit that would help this MSME export sector in field like access to finance, credit, facility, insurance. This research will help you to know about how this small scale and medium scale industry doing phenomenally well and helping the nation to build the economy

KEY WORDS.

MSME EXPORT, KEY INDUSTRIES IN MSME SECTOR, ECONOMIC DEVELOPMENT, EXPORT SECTOR, economic development, gdp contribution, financial exposure, credit policy, RECENT SCENARIO OF MSME EXPORT, DATA ANALYSIS OF MSME EXPORT, FUTURE OF MSME EXPORT, GENERAL INTRODUCTION OF MSME, MSME EXPORT PROBLEM, RESEARCH AND FINDINGS, MSME GLOBAL VIEW

INTRODUCTION

The MSME sector is an important factor of Indian economy in country's industrial production, exports, employment and creation of consumerist base. MSME sector contributes 40%-50% of the Indian exports and indirectly 15% of export which mainly take place in the course of merchant exporters, export houses and trading houses. No traditional product account for more than 95% of MSME exports. MSME shares in total export spread across different product like textile, leather goods, processed food and gems and jewellery. Sector like sports goods are almost 100% export oriented. Export sector of MSME granted most important consideration which include easy procedures, expansion of higher production of export. India has over 400 sme cluster and about 2000 artisan clusters that has created a good impact for the development of inter firm cooperation to promote local production, innovation and collective learning. It is evaluate that these cluster contribute 60% of manufactured export from India.

The MSME sector has realized that for better growth of the export industry they should get proper help from the government like increase in credit flow, technological development modernization initiative. Micro, small and medium enterprise (MSME) contribute nearly 26.83 percent of the country's GDP. Ministry of Micro, small and Medium Enterprise (MSME) promoting growth and development of the MSME sector, including khadi village and coir industries, in cooperation with concerned Ministries/Department, State Government and other stakeholders, through providing support to existing enterprises and encouraging creation of new enterprise. They are widely dispersed across the country and provides wide range of product and service to meet the needs of the local market, the global market and the national and international value chains (Katyal and Xaviour, 2015)

Every country has different resource, technology and infrastructure and the countries enjoy the advantage of export of different product and services. MSME has huge contribution for nation development like in promotion of domestic product which is also getting recognized in global market as well, huge rise in export that increase our trade surplus does not required huge amount of investment reduce import activity which help us to control our trade deficit contribution towards technology oriented industries, competitiveness in domestic and export market.

The major problem MSME is facing like in jems and jewellery and leather good are considered as primary goods no kind of additional feature is there so in this addition value return is really low lack of finance facility and lack of access to equity this are also major problem facing in MSME There is no proper technology not having proper way branding, packaging etc this are considered as a major

problem which are stopping us to grow in domestic as well as in the global market there is a basic . when it come to skill Indian companies are far behind other countries because they depend heavily on informal worker and as result they take low level jobs which does not required high level of skill and this affect their growth prospect in the long term there is a lack of standardized policies there is no uniformity in MSME development and even in entrepreneurship program however there is a positive development has been made in Delhi but this has to be done on national level so that firm can become more competitive across the world for global companies and investors.

ABOUT THE COMPANY / INDUSTRY / SECTOR

The Micro, small and Medium enterprise is the apex executive body for the formulation and administration of rules, regulation and law related to micro, small and medium enterprise in India MSME were categorized based on the amount invested but after a change in regulation now it is termed on the basis of their annual turnover whether they operate in manufacturing sector or service sector

MANUFACTURING

- Micro enterprise: when annual turnover is up to Rs 5 crore and investment is less than RS 25 lakh
- Small enterprise: when annual turnover is Rs 50 crore and and investment is more than RS 25 lakh but less than RS 5 crore
- Medium enterprise : when annual turnover is Rs 250 crore and investment is more than RS 5 crore but less than RS 10 crore

SERVICE

- Micro enterprise: when turnover is RS 5 crore and investment is less than RS 10 lakh
- Small enterprise : when turnover is RS 50 crore and investment is RS 10 lakh but less than RS 2 crore
- Medium enterprise : when turnover is RS 250 crore and investment is more than RS 2 crore but does not exceeds RS 5 crore

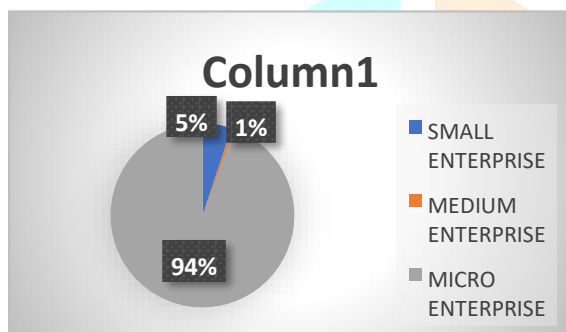
Source -IBEF INDIA BRAND EQUITY FOUNDATION

MSME make crucial contribution to India GDP it contribute more than 26.83% to the GDP FY 2021.Trade import and export for MSME export surged 21.8 per cent from \$155.9 billion during FY 20 and 31.9% from \$143.9 billion during FY 21 to \$190 billion during FY 2022 source -(finance express.com). A stronger growth participation of Indian MSME in the global market can accelerate such growth this will lead to more opportunities in scaling up, will speed up innovation and in turn productivity. MSME sector in India is considered backbone of our country economic structure and without this the country cannot progress. The number of MSME in India increased by a cagr of 18.5%

from 2019 to 2020 in FY 21 the loan disbursement to MSME stood at 9.5 trillion a 40% increase compared with 6.8 trillion in FY20. The MSME heads 5 statutory bodies KVIC, Coir board, NSIC, NI-MSME and the MGRI these 5 bodies are responsible for government schemes and government policies.

The Ministry of MSME runs numerous schemes which provide credit facility, skill development training, infrastructure development, marketing assistance, technological and quality upgradation and other MSME service across the country. In India MSME got importance its mainly because of its contribution to GDP of the country and exports not only but the sector is also promoting entrepreneurship development especially in semi urban area and rural areas.

MSME is promoting their product on the Ecommerce as well specially through government marketplace which is fully owned and run by the government this is also helping the sellers to sell their product within the countries and outside the countries as well as of July 14,2022 the Gem portal has served 10.55 million orders worth RS 266,533 crores



(source- IBEF INDIA BRAND EQUITY FOUNDATION)

Registered MSME IN INDIA IN FY 2022 lakh units

Indian MSME are also adopting digital payment as well more than 72 % payments done through the digital mode with 28% cash transaction and with this there is a rise digital adoption as well this indicates further growth in the sector.

The sector is also facing challenges over the years the sector has demonstrated remarkable resilience in the face of trailing global and domestic economic circumstances however from the aspect of exporting goods and services in International market the sector is faced with several challenges like limited information about the product & service in demand

Working with foreign market and in particular difficulties in accessing export distribution channel and connecting with the overseas customers

Lack of awareness of export promotion and assistance programs offered by the government

Not having proper knowledge regarding legal and regulatory framework of the exporting and importing countries

No awareness on ipr issues and various international trade agreement (ITAs)

MSME IN GLOBAL

In Bangladesh tax deduction is granted to 100 % if it is fully export oriented enterprise MSME they are also exempted from local taxes. The new national sme policy 2019 encompass strategies to promote policy and regulatory reforms in order to create an enabling environment for sme development and support the creation and strengthening of formal institution that provide business development and financial service to sme on sustainable basis. .they also making strategy and bringing new policy to improve the general business to improve innovative enterprise, start ups and export oriented enterprise. Around 64 MSME helpline centers have been made for training and various information requirement purpose and another 7 in different trade bodies.

In Vietnam there special trade and taxation agreements that allow export oriented enterprise to to import semi -finished goods and to preferential tax rates. The IFC international finance corporation has allotted US\$10 mn to Vietnam orient commercial joint stock bank to increase US dollar financing for small exporters. To resolve financial problem government also credit guarantee fund set up and that enables MSME to borrow with favorable condition.

In Japan in order to support small business enterprise and new business development arising in the MSME sector through various institution gives them information gives them service to enter into global market tie ups trade related information with international enterprise and that MSME sector to entre in global market. A special law has been also brought by the Japan government to support small and medium enterprise which help in development of MSME.

China has instituted 'spark programme' which is a national plan policy that encourages technology innovation mostly in the village and backward areas it was introduced since 1986 promoting technology mainly for rural area people and towns which is not much exposed to technology they have also established 1200 productivity centers which provide technological service for over 100000 MSMES. International market development to promote MSME enterprise this help to reach grater customer and can also create their own space in their market. The Chinese government is also giving greater access in finance department for MSME so the business enterprise can't run out of capital.

In Thailand they have bring program nec that is New Entrepreneurs creation the sme bank gives business counselling and training to resolve the challenges associated with running a business and development of business. There is another program called cd that is company directed technology program this program give financial support to the industry who are doing research and development for making new product or improving manufacturing experiment and also people who are doing research and need proper set of laboratory this program will also help them. They have also introduced iTAP - industrial technology assistance program this program help to meet the challenges in introducing new technology based product and in their experiment stages it also include industrial consultancy service, technical training and seminars.

In Indonesia they have more focused on information system of MSME this will bring more development and people who are associated with this sector they will be more aware about registration process, rules and regulation benefits. They have also brought credit schemes to boost up capitalization of MSME business enterprise and they have also bought some other schemes which will focus on the needs of business enterprise they have also given importance to training and development institute and also bringing changes with the help of higher education institution.

They are also developing policy for micro financial institution which will help MSME sector to grow.

In Mexico techBA technology business accelerator program building strong linkage with international hub of high technologies. The program attracts interests of talented ex-pats and also home grow technology based entrepreneurs to established high based technology MSME in Mexico because they can enjoy the merit of accessing technology of advanced economies even though sme is based within Mexico.

In Malaysia acquirement will be used to create demand for innovation and push sme to develop product in areas that will benefit the nation for larger duration and have great potential. Sme international Malaysia is established to connect Malaysia sme with the worldwide msme giving them useful platform to overcome the challenges of globalization and trade liberalizations SME corporation has also introduced skill upgradation programme to enhance the skill and capabilities of worker of msme

ROLE OF MSME IN INDIA

MSME sector has helped India in employment generation and development of backward areas. One of the main sector for India's conversion from an agriculture economy to industrialized economy. 50% of MSME are owned by underprivileged groups this shows how MSME are helping to improve the entrepreneur skill and economic empowerment it is also helping local consumer market to sell their product / service easily and international value chains. It has approximately 6.3 crores MSME. Number of registered MSME stood at 80.16 lakh units as on march 31,2022 Top state wise registration

State	Registration in lakh
Maharashtra	16.29 units
Tamil Nadu	8.55 units
Gujarat	6.48 units
Uttar Pradesh	6.32 units
Rajasthan	6.30 units

The BSE SME platform is expected to witness more tha 60 sme in the market one year (20212022) to raise capital for their business requirement the IPO initial public offering witnessed 16 sme enter the market and they raised 100 crore in the year 2020. BSE has also said that they have tie up with electronic and computer software export promotion council to raise awareness among small business and startups about advantage of listing. MSME are getting into digitalization like the payment

procedure are mostly done through digital payment it has observed that 72 % are mostly done through digital payment and 28% are done in cash transaction.

STATUTORY BODIES

MSME has 4 statutory bodies

KVIC khadi and village industries commission they are responsible for promoting khadi and village industries in rural areas they are also providing employment in rural areas they are also helping to build rural economy

COIR BOARD it is established for advancing overall improvement in the coir industry and also helping the workers who are associated with this industry.

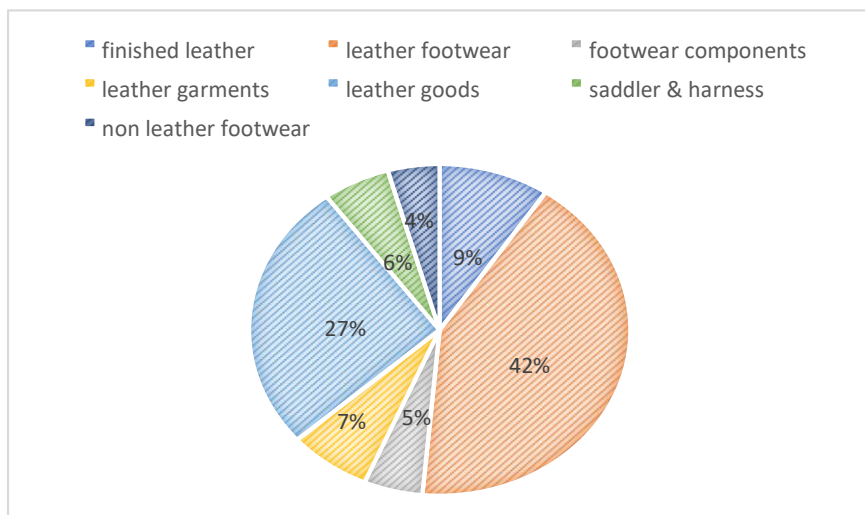
(NSIC) national small industries corporation limited it is responsible for advancing, safeguarding and helping in improving the growth of micro and small enterprise in the country on commercial basis

(NI-MSME) national institute for micro small and medium enterprise they are responsible for creating business enterprise and entrepreneurship development they are also helping to bring new policy in the sector which will help MSME sector to grow.

MSME IN INDIAN EXPORTS Major industries

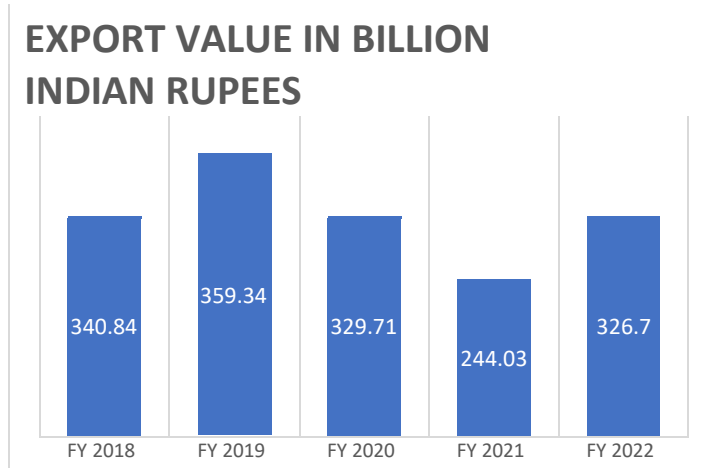
Leather industry is old manufacturing sector in India they produced long range of goods such as leather footwear, leather bags, leather garment the raw material used in this industry comes from the waste product of food industry mainly from meat processing. This industry gives economic growth and also keep balanced regional development and also try to reduce poverty in the field of manufacturing. The industry employs about 4.2 million people it is the best source of employment the people who are in the rural part

Major states in India producing leather product and footwear are Tamil Nadu, West Bengal, Uttar Pradesh, Maharashtra, Punjab, Karnataka, Madhya Pradesh, Haryana, Kerala, Rajasthan and Jammu and Kashmir



Leather industry product wise share of total export (April 2021- March 2022)

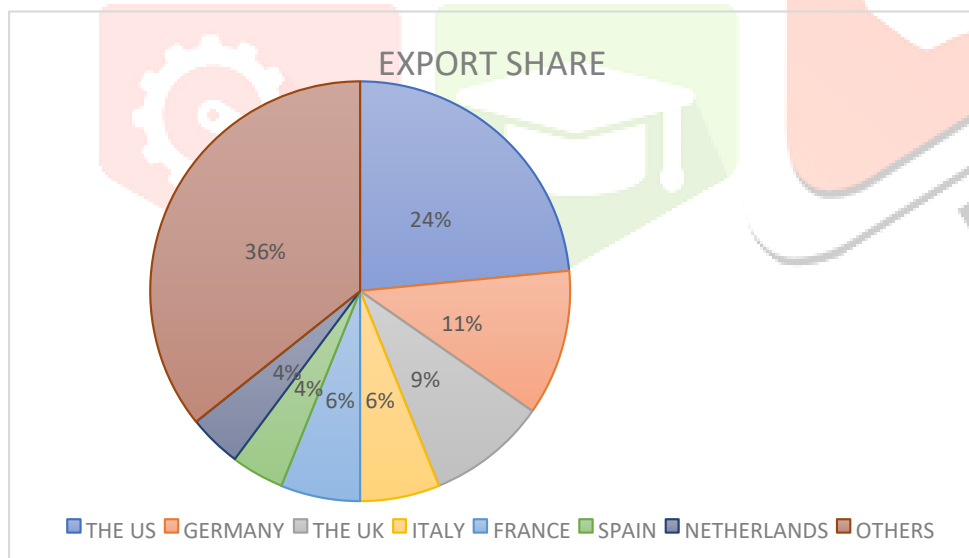
Leather and leather products exported from India
FY 2018 - FY 2022



Source - <https://www.statista.com/statistics/624047/export-value-of-leather-and-leather-products-india/>

Leather garment is the second largest exporter in India third largest exporter of saddlery & harness and fourth largest exporter of leather goods. More than 50 countries India exports leather the main countries are USA, Germany, Italy, France, Australia, Poland, Hong Kong, Denmark, Canada, Vietnam, and Portugal Top 15 countries have taken 79.57 % of share of total exports from India in leather industry

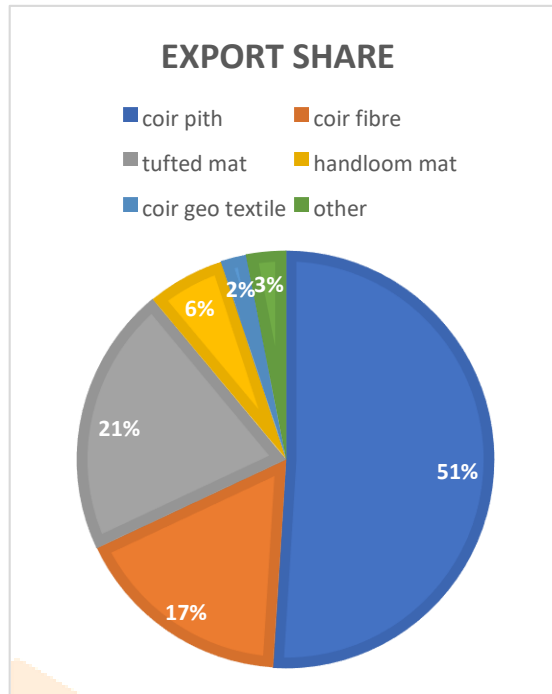
India country wise share of leather and leather products export (April 2021- March 2022)



SOURCE - <https://www.ibef.org/exports/leather-industry-india>

COIR INDUSTRY

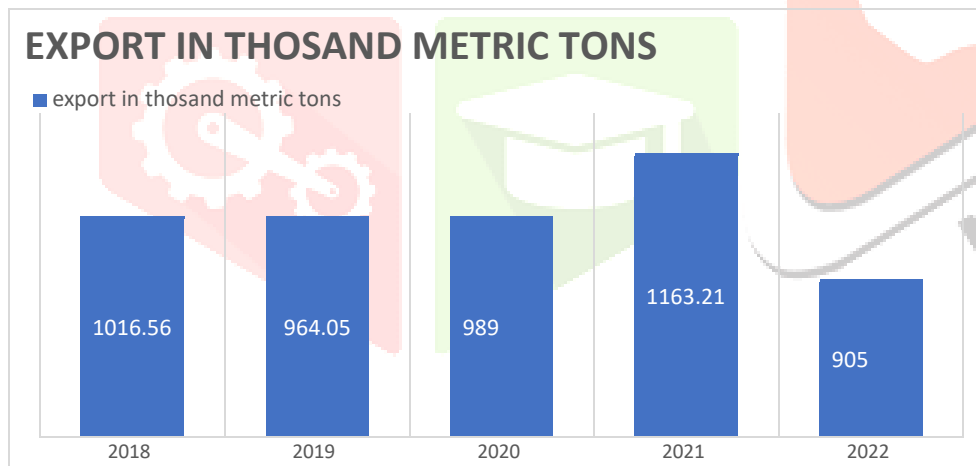
COIR industry is considered one of the oldest industry and it is one of the statutory committee of MSME sector and helping the country to build strong economy the main states which are producing coir are Maharashtra, Karnataka, Andhra Pradesh, Kerala, Tamil Nadu, Goa, Assam, Orissa, Andaman & Nicobar, Pondicherry, Lakshadweep etc. Kerala holds 61% of coconut production and also considered coir product producing states. About 280000metric ton are produced by India annually. The major coir products which are exported are coir fibre, yarn, mats, mattings, rugs, non-woven product, geotextile, piths and other coir product



Export value share of coir products (2020-2021)

Source – coir board of India

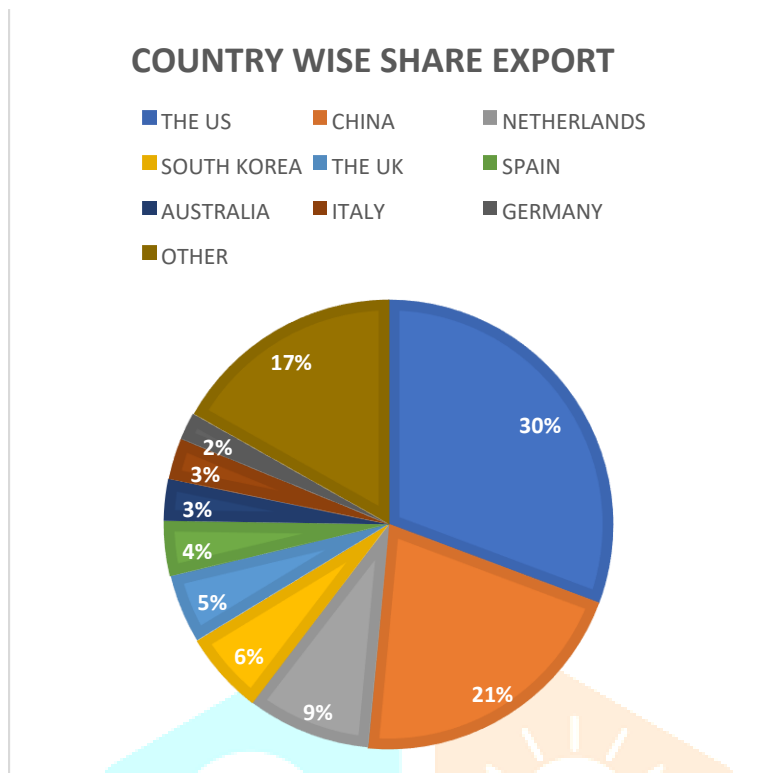
Export of coir from India from (2018-2022)



Source - (<https://www.statista.com/statistics/1123275/india-coir-export-volume/>)

India exports coir in more than 100 countries during 2020-2021 106 countries exported coir products from India. USA, China, Netherlands, South Korea, United Kingdom, Spain, Australia, Italy, Germany, Canada, Belgium, France and Israel. US is considered one of the largest importer of coir from India and China comes second in the list they mostly import coir fibre from India almost 96% of quantity are taken by China when it comes to coir fibre product.

Country wise share of coir products from India



Source- (INDIA BRAND EQUITY FOUNDATION) Figure

Out of 1109.89 lakh employees in MSME sector, 844.68 (76%) are male employees and remaining 264.92 lakh (24%) are females. The Statement No. 2.9 and Figure 2.7 show the sectoral distribution of workers in male and female category

PROBLEM of MSME EXPORTS IN INDIA

Lack of technology support in mostly in rural area sector people of rural area don't have much knowledge when it comes to technology and they follow mostly the old method and that consumes more time and energy.

There is no or mostly limited access is there for capital for MSME business development

If people are getting access to loans and other thing the credit interest rate is very high and because of this people from backward area are struggling to entre MSME market

Marketing is also one of the main problem in MSME sector without proper marketing it is difficult to survive in MSME sector proper brand building, customer awareness their target customer in the business should have proper knowledge of all this thing then only one can survive in the market

Rural people or the entrepreneur are not aware of all this thing and they are not entering into this sector due to lack of knowledge

Lack of awareness about the product development like the designing process , packaging process, pricing the product this thing are happening because of limited information or capital problem

Lack of skilled manpower the one thing which the sector should really focus on upgrading the skill of worker

Inadequate facility be it water, power, roads, this thing are very needful when it comes to manufacture sector

Lack of awareness when it comes to rule and regulation , new policy introduced , benefits in MSME business enterprise does not know much about all this thing

Lack of e-commerce support it is seen that support from e-commerce will give market support to MSME sector and it will be also very helpful when it comes to payment procedure all can be done through e-commerce

Building international awareness about our service and product and that help us to entre in the global market and this will help us to level up our export sector as well

Lack of support from large corporate exporter if they tie-up with MSME business enterprise this will also our MSME export sector to grow

So much competition in global as well in domestic sector due to rise in e commerce and international market have taken huge advantage of e-commerce sector because of its trend.

Collateral for loan a heavy collateral requirement is made by the bank authority so this create huge problem for business because small business may not have that kind of asset to receive a loan this is also stopping some business vendor to entre in MSME market

Due to mismanagement or not having proper work condition or proper resource to execute the business small business enterprise are failing lay in payments this affect their cash flow and could not focus on existing order because for making that order business owner need material and for purchasing that material they need cash and because of this business is not done smoothly

Unavailability of raw material sometimes business owner also face unavailability of raw material or also the quality of raw material is also not good and because of this their business might get disrupted and they lose customers trust.

Data analysis

MSME export data of India of last 5 years

Sr no.	year	Total export value (USD)	MSME export value (USD)
1	2017-2018	303.53	147.39 billion
2	2018-2019	331.02	157.96 billion
3	2019-2020	314.31	149.31 billion
4	2020-2021	290.63	163.75
5	2021-2022	296.70	128.25 billion

Source: ministry of commerce and industry government of India

(Year 2021-2022 is only for the first 8 month of the financial year from April to November 2021)

In the year 2017-2018 the MSME export value was about 147.39 billion and it continued to grow to 157.96 billion in the year 2018-2019. There was a minor drop in the year 2019-2020 the reason behind this would be the corona pandemic where all the business were closed to prevent the virus and because of this the MSME sector got hugely affected by this. In the coming time this MSME sector would grow even more if the sectors are well examined by the government.

Export performance of top industries in MSME sector**Chemicals and petrochemicals production (MT)**

year	(MT)
2016-2017	26 L
2017-2018	27L
2018-2019	28L
2019-2020	31L
2020-2021	29L

India chemical and petrochemical product export trend

YEAR	Export data Us million \$
2016-2017	24.9
2017-2018	28.7
2018-2019	37.2
2019-2020	36.1
2020-2021	36.6

India is top chemical exporting countries in the world. India inorganic and organic chemicals, tanning and dyes, agrochemical, plastic, synthetic rubber in (FY 2022-2023 export of chemical product stood at 8.24\$ billion dollar until august). In FY 2021-2022 india s total chemical product stood at 24313 million. Small and medium exporter from key states are from Gujarat, Maharashtra, Karnataka, tamil nadu, Andhra Pradesh

Export destination are like china, usa, brazil, Netherlands, Saudi arabia, Indonesia, uae, Japan, Germany industry also started exporting to market like turkey, magnolia, korea, Japan

China is major importer of dye, usa remained the largest importer of essential oils and organic chemicals.

Handicrafts

year	Export data US BILLION
2016-2017	3.6
2017-2018	3.6
2018-2019	3.7
2019-2020	3.6
2020-2021	3.5
2021-2022	4.3

Over the past three years the export of handmade goods especially carpets has grown steadily india accounts roughly 40% of global exports of handmade carpets. Between April April 2020 – February 2021 total carpet export 1.37 billion dollars major goods exported from india are woolen, woodwares, embroidered & crocheted goods ,hand printed textile, & scarves, agarbatties & attar, zari and zari goods and imitation jewellery.

Demand for Indian handicraft product has constantly been increasing in foreign markets the major countries are USA, Canada, UK, Australia, France ,Germany, Italy. USA is the top importer of Indian handicraft with a share of 38% of the total export during 2020-2021. The UK is a customer of Indian handicrafts purchasing art items. UAE is one of the major buyer of handprinted textiles, embroidery goods and art metal. Hand printed textile, imitation jewellery, art metal are popular purchase in Germany worth us\$116.64 million in 2021-2022.

Oilseeds production

year	Production (MT)
2016-2017	32.1
2017-2018	35.5
2018-2019	38.
2019-2020	40.5
2020-2021	43.1
2021-2022	45.7

the largest oil seed producing states are Andhra Pradesh, Madhya prades, Maharashtra, rajasthan, Gujarat, Madhya Pradesh and maharashtra the top producers with a share about 20%, 20%, 19%, 16% total production respectively

India oilseeds exports US \$million

Year	Export US million
2015-2016	1246.9
2016-2017	1355.2
2017-2018	1174.3
2018-2019	1156.8
2019-2020	1318.1
2020-2021	1235.9

India is considered one of the largest oilseed product exporter. The country exports soyabean, mustard seeds, groundnuts, sesame seeds, castor seeds and sunflower seeds. In 2019 India exported worth 19 million . the total quantity exported during the same period was about 31.5 million kg In 2021-2022 India exported 1003.9 million worth of oilseeds . groundnut export are majorly sourced from Gujarat and rajasthan The government has taken several steps to boost the export from west Bengal Majorly exported countries are china, Singapore, Australia, Belgium, Germany, Indonesia, hong kong, Nepal, Saudi arabia and Italy. In FY2023 (April-august) top 5 importer are Indonesia, Vietnam, philipines, Malaysia, and Thailand with total quantity impors are 75506.54mt,

30,209mt,19600.50MT, 19088.59 MT,12,236.00MT respectively. India also export sesame seeds to more than 125 countries some of the top sesame importing countries are Vietnam, south korea, usa, Netherlands, iran, Taiwan, Russia, Germany and Indonesia

Financial exposure in MSME export

Government of India has taken various steps to support the growth and development of MSME export sector which will help to build our Indian economy

- 'make in India' this was introduced in 2014 to support and promote the growth of manufacturing and exports Sector in India this program focus on trending business , encouraging new ideas and innovation, promoting foreign investment. The government has identified 25 sector for focus under this initiative which includes automobile, textiles, chemicals, electronics and food processing. The main motive of this program is to make India global manufacturing hub and increase the share of manufacturing in the country gdp to 25%
- National small industries corporation (NSIC) this is a government owned enterprise which provide various service and help to MSME sector like marketing assistance, technology support. financial support. Government also provide single point registration for government purchase which help MSME to participate in their government tender. This enterprise also help MSME to tie-ups with financial institution to provide credit to MSME at affordable rates
- Export credit guarantee corporation (ECGC)
This corporation gives credit insurance to exporters to protect them against the risk of non-payment or delayed payment by foreign buyers. This help MSME sector to grow their export business without any fear of financial issues. This enterprise also provide various other service to MSME such as trade information , credit rating, debt recovery

(FTP) foreign trade procedure the government of India announces ftp every five years to provide framework for promoting exports. This includes various schemes and initiatives to support MSME such as merchandise export from India schemes (MEIS) the export promotion capital goods schemes(EPCG) and the Market Access initiative MAI. MEIS they provide credit scrips to exporters that can be used to pay import duties on various inputs. EPCG allow MSME to import capital goods at zero or concessional

Recent scenario in MSME export sector

Expanding their growth in export market exploring new and emerging thing in export sector in recent times which has helped to grow their export market and showing positive result and this would really help us to build a nice image in the world market as well

Focusing on high tech product MSME in India have been focusing on the export of high tech products , which has helped to enhance their competitiveness in the global market according to ministry of commerce and industry the export of high tech product by MSME increased by 20.0% in FY 2020-2021 compared to the previous year.

The support of government was always there and they have taken various s initiative and important role to build MSME export sector the work includes (EPCG) export promotion capital goods, MAI the market access initiative and (IES) interest equalization scheme

There are also some major drawback in this sector also

The impact of covid 19 has had a major impact on the MSME sector it disrupted the global supply chain market which led to decline in demand for Indian product in some export market. This has affected the export performance of MSME in India.

Logistic and infrastructure are major challenges for MSME in India the cost of logistics is very costly and our infrastructure is also underdeveloped and because of this it increase the cost of business for MSME in India

Non-tariff barrier in export market is a major challenges in MSME sector this include technical regulations, sanitary and phytosanitary measures, intellectual property these regulation can be costly and time- consuming for MSME affecting their competitiveness in the global market

Findings

- One of the thing which we found during the research is the small performing industry like petro-chemicals, handicrafts, coir, leather has a huge contribution in our export sector so this industry should get equal amount of importance as this large scale industry are getting.
- We should expand our logistic chain and should also minimize its cost so that we can smoothly operate our exporting activity in domestic as well as in international sector
- In our research we also found that E-COMMERCE will play important role in the coming years because this is the best platform to market, advertise any business. It will help them to gain more attraction from the customer and it led to increase the profit of the business.
- In many article we have also found that we have to import many material and that increase the cost of the business. We should be less dependent to other country and start producing our own material and this will help us to reduce the cost of the business.
- In our research we have also found that the on going war between Russia and Ukraine has also disrupted our international trade this has not only affected our export activity but also import activity as well where we import material to make product. we should bring some policy changes in that we will look up to this problems so that in future we will not face this kind of situation again. This has also disrupted our global chain market, increased the cost of business
- In our research we have also found out that this large scale business can also help this MSME sector by providing them proper guidance and suggestion because large scale sector has proper knowledge and experience to share it
- Most of the MSME sector are set up in underdeveloped or rural areas and in India most of this area does not have proper access to the internet facility and because of this most of MSME industry are facing issue in terms of knowledge, training, marketing, capital issue
- In our research we also found that large sector unit who are paying heavy fine for pollution control that money should be used for MSME development this will led to better growth of this sector.

- In our research we have also found that there are many sector which were shut down mid-way due to lack of knowledge regarding that business, shortage of resources or cut throat competition and because of that many of them could not be able to pay their loan and this affect financial institution also. So there should be proper research of the business and proper suggestion, advice should be taken from the expert before getting into the business.

Conclusion

Micro and small scale industry contributes to our economic development in various ways such as employment generation in underdeveloped areas providing them reasonable wages and giving some other benefit to them like medical benefit, foods etc. the current market value of MSME is 5 \$ billion. The government is very much involved to promote this sector and also has taken various steps to promote this sector for better growth. The market value of this sector accounts 45% industrial output 40% of total export of the country, 45% industrial units, 42 million employment and more than 8000 product in Indian economy. Government of India has taken major steps to increase the growth of msme sector which will help to build our economic development. From the above data we can also say that MSME has huge share in export sector. From the major industry point of view we can say that MSME mostly focus on low key manufacturing thing which require high number of man power as well. During corona pandemic it suffered a lot during that period but after things started getting normal the MSME sector bounced back and performed well in coming years and still doing great. We should focus on specially on those regions in which MSME is doing phenomenally well state like Uttar Pradesh, West Bengal, Andhra Pradesh, Karnataka, Tamil Nadu, Kerala. Because will also help in policy framing considering this particular state in mind so that there will be no problem occur at the time of policy framing.

- <https://www.ibef.org/exports/coir-industry-india>
- <https://www.ibef.org/exports/handicrafts-industry-india>
- <https://www.ibef.org/exports/chemical-industry-india>
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