

Role of Financial Institutions in Development of Small Scale Industries in Delhi

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INTRODUCTION

Small scale industries are the base of industrial development of almost every developed and under developed country of the world .they provide immense growth to the economy of the country as well as create huge employment as a self employment

.they are instrumental in optimizing the the rate of economic growth

in developing countries, like India, small industries are an essential factor for bringing about economic growth and economic prosperity. It is very clear that large scale industries are not only the key player of economy but small scale industries play a very important role it can ensure the country's economic and social development

in Delhi we have huge numbers of MSME which provides materials for in home and export purposeful a good nation the role of MSME is very important and the finance sector which provide strength to MSME is also important.in Delhi lots of MSME working in a brilliant way they provide the material we need as well as export it to generate revenue .as well as the MSME provide good amount of employment to the population as we know that India is thick populated country and the employment is also required in huge amount so in this scenario MSME plays important role in giving employment to the general population.it makes them self sufficient they can work together for country growth. Government of India also supporting MSME by providing new financial aids ,investment ,export policy as well as good infrastructure .Atma Nirbhar Bharat Abhiyan 2020 scheme by government of India is a new Initiative in order to promote MSME and create interest in public to make the self sufficient for earning point of view as well. MSME provide assistance to the domestic as well as international market. they helped promote the growth and development of khadi ,village and coir industries

Japan are strong examples to show that small enterprises can huge help in getting continuous economic growth, Japan has evolved as a strong competitor in world market mainly because of to its network of small-scale units almost in every field of business in developing countries, like India, small industries are an important factor for bringing about economic growth and economic prosperity. Large-scale industries individually cannot provide enough employment for a large population of the country nor can ensure the country's economic and social development under conditions of capital deficiency and technological dependency, the issue of Delhi being the capital city of the country, a union territory and a metropolitan commercial center has a conglomeration of small industrial units. These units gives a wide number of products whose output is distributed internally as well as exported. There are always nice opportunities of employment in Delhi

Due to the various institutions and financial branches in Delhi which is good for capital market even then there are lots of problem

Need Of study

Role of small-scale start up in today economy with special point of view to India small-scale industries occupy an important position in the industrials structure to almost every developed and under-developed country of the world we find the small units almost everywhere • they are instrumental in optimizing the rate of industrial growth. The experience of the industrialized economies like those of the United States, the countries of western Europe and Japan shows that small industries can greatly help in achieving sustained economic growth. Among these countries, Japan is a powerful competitor in the world market mainly because of its network of small-scale units in various fields • in less developed countries small industries are an essential factor for overall economic growth.

It is now a accepted that MSME progress cannot be gained by creating and promoting only large scale units. Large scale industries are nor responsible only nations economic and social development. Small units in developing countries have important role for proper use of their natural and human resources. Although small firms are more active for good entrepreneurial talent of individual as compared with large units where modern technology and huge capital requirements are high factors and entrepreneurial qualities are not of so much . an important role of small scale industries, is to have a clear idea about their nature and scope. Different names are given to these industries which are based on their qualitative aspects like decentralized sector ,employment oriented natural resource sector, etc. any how, during analyzation of their importance, it is required that we should have a clear understanding about their roles.

In the following paragraph we tried is made to this end* definition in various countries it is quite difficult to define "small-scale** industry in uniform terms* firstly, there is over-lapping of functions between the various categories of small scale units. Secondly, they vary in nature and size from country to country depending upon the economic, political and social environment. The definition is an indicator of the stage of economic development of a country. It also reflects the policies and attitudes of the governments towards these industries* hence, there is a multiplicity of definitions which confuse the comparative studies. To substantiate this statesmen a few definitions are reproduced which are prevalent in different countries of the world, j japan by ^small industries" is meant those which are relatively small in scale of management and

capital investment. This basis for classification varies according to the type of industry and cannot be generalized. The government applies the term to

Objectives of the study

To calculate the current execution of Financial Institutions. •

To evaluate the policies and acquisition of new technologies in the growth of MSMEs. • To check the impact of Financial Institutions on the demand for credit and investment by SMEs.

Scope of study

Main motive of the study is to analyse the supply of finances to MSME, what are the different institutions which give support to MSME special reference to Delhi like bank loans, NBFCs (Non Banking Finance corporation), venture capital, other microfinance institutions which provide the financial support to small scale industries.

It is observed that many conditions restrict the involvement of bank credit to early-stage SMEs in India. Early-stage SMEs do not have a well established credit history and have unstable equity patterns. NBFCs and informal sources at higher rates of interest, generally in the early stages.

The importance of the informal sector in addressing the financial requirements of MSMEs is because of some issues in formation of sources of finance. ICICI offers finance to the MSME in Delhi. If we talk about the types of source of MSME finance in India, one is non institutional which includes loan from local money lenders, relatives or friends who charge high interest rate. The other one is institutional.

REVIEW OF LITERATURE

I have noticed that the main source of finance for MSME are Loans.both banking and non banking institutions .venture capital, microfinance institutions ,sian development banks.

The biggest problem in Delhi as well as india is that the maximum of MSME are unrecognized so they cant get the full benefit og government policise.to avail this one has to registered but due to lack of proper knowledge and other critical inputs people fail to registered and fail to get the full benefit of government policies for start-up business a definite amount of fund is needed which is purely basis on the financial institutions if they provide fund on timely basis there will be huge profit for msme .NBFC provide 90% loan assistance .It is not necessary that financial assistance provides only part essential for growth but also some provisions of bank credit to early stage MSME.

Biswas (2014) observed that to avail to external finance apart from banks is costly and limited, and poses a challenge to SMEs, although it is essential for the maintenance of long-term opportunities and targets. information and nonformal business practices, with a lack of access to private equity, venture capital and secondary market instruments(ii) fragmentation of markets with respect to their inputs as well as vulnerability of products due to market fluctuations; (iii) lack of easy access to interstate and international markets; (iv) limited access to technology and product innovations, and lack of awareness of global best practices; and (v) considerable delays in settlement of dues and payment of bills by large-scale buyers.

Year	Total bank credit in RS I n crore	Fixed asset investment Rs.in Cr	%of credit to Fixed Asset	Production Rs.in Cr	%of credit to production
2007	127323.00	868543.79	15%	1351383.45	9%
2008	213538.00	920459.84	23%	1435179.26	15%
2009	256127.00	977114.72	26%	1524234.83	17%
2010	364001.00	1038546.08	35%	1619355.00	22%
2011	486017.00	1105934.09	44%	1721553.42	28%
2012	684797.00	1269338.00	54%	1834332.05	37%

Reference www.rsisinternational.org

The study shows that Delhi being the capital of the country and a metropolitan commercial center is dominated by smaller units. But the small industries of Delhi are facing problems from procurement of

inputs, management of human and material resources to ultimate distribution of output. In fact, every problem of small producer concerning production or material, quality or marketing* is in the last analysis a financial one. So, the most serious and fundamental difficulty of small units of Delhi bears out to be related to the

Problem of finance, the flows of long-term funds from the national level as well as territorial level institutions. The study reveals that the role of financial institutions has neither been expansive nor growing.

Challenges faced by MSME Sector

A Financial Exclusion it is a biggest challenges msme face adequate and timely credit at a reasonable cost is the most critical problem.

B Infrastructure we are planning at best-in-class infrastructural facilities for MSME. but in this case, this remains only a paper work. infrastructural problems restrict private initiative in this sector

In marketing revolution in IT Sector, the assume market for MSME products is no more in existence. To enhance MSME competitiveness due consideration should be given to students

analyses the role of short-term financing institutions. It combines that commercial bank are the only authority that supply short-term credit to small industries of Delhi, though there is a wide network of banking system in the union territory of Delhi, the contribution of banks

In financing the growth and development of small industries of Delhi has remained limited during the decade. The commercial banks also remained short of the target fixed for there by the reserve bank of India with regard to enhancing the percentage of short-term funds to the small industries in their aggregate credit operations. The annual average of bank credit to smaller units in Delhi is even lowered than the yearly average of credit provided by banks to small-sector on all-India level. The yearly increases in bank finance to smaller units in Delhi have also proceeded at a snail's pace.

, it pointed out the basic needs of Indian economy with a population 130 crores of people. In this context the significance of small-scale industries in the process of economic development has been stressed. it also given an account of the attitude and policies of the government for the promotion of these industries.

After independence large-scale migration of people to this country who chose to Settle themselves mostly in Delhi. Included among those who were educated entrepreneurs, talents technicians # versatile craftsmen as well as trained and skilled labor. They were engaged in their business and professions but were uprooted due to partition they, thus, possessed lot of experience and expertise with them. Our government keen to rehabilitate these displaced persons. But there were no sufficient jobs with the government at the time to absorb there all. The degree holders among them were absorbed in government department while the rest of the people preferred to self-employ them* selves by establishing their own cottage and small businesses* the government also observing that the solution of rehabilitating the migrants largely lay in the encouragement

and presentation of small business which on the one hand[^] channelize the entrepreneurs! Talent among the displaced persons and[^] on the other, the small units will generate employment opportunities to technicians, craftsmen and skilled labor settled in Delhi in pursuance of this policy objective the Delhi administration patronized the establishment of small units in the territory and

Related papers

Centre for trade and commerce

The small units dominated the industrial map of Delhi in post-independent era and turned Delhi into the country's largest center of trade and commerce both internal and external. Its character of being the capital of India and its status as union territory added to the importance of Delhi as an industrial Centre • this threw a great reputation and attraction for the entrepreneurs to establish their small concerns the small business units prospered and grew in strength as Delhi provided a big marketing Centre for their products. The vast hinterland of Delhi comprising the densely populated states around it absorbed the production of these units and in created a growing demand for them. The hinterland also

Planned development of small-scale industries of Delhi

If we talk about the recent development of small scale industries in Delhi is quite encouraging due to different government policies which are beneficial for the growth of MSME

The basic point of emphasis of seventh five-year plan relating to small-scale industries in Delhi are as follows!

1. Advancement of technology upgradation
2. to control quality
3. Develop infrastructure in the form of industrial estates
4. Develop institutes such as tool room, electronics, institute of fashion technologies.
5. main focus on the development of electronics, plastic, light engineering* garments, handloom, handicrafts, leather industries,
- 6 more stress on export promotion.
- 7 removals of industrial safeties.
- 8, to control Pollution
- 9 making schemes which improve employment the outlays provided in the seventh plan

Performance of MSME

Economic indicator relating to small scale industries

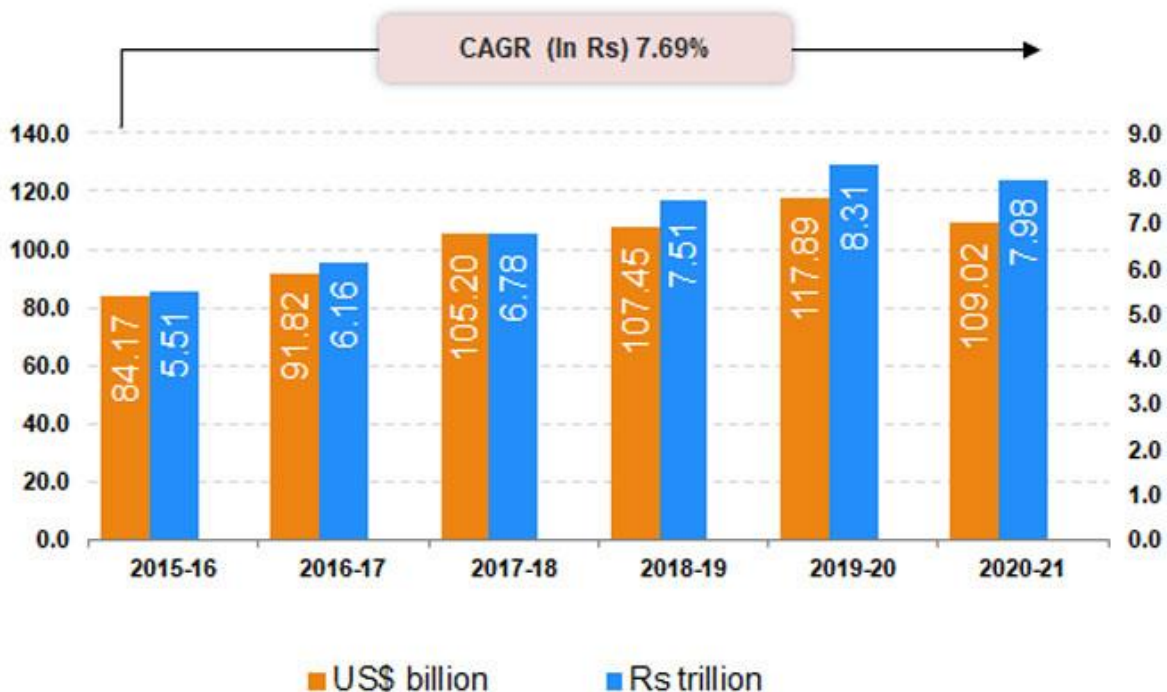
Indicators	2002-03	2003-04	2004-05	2006-07
Number of units	109,49	113.95	118.59	128.44
Employment	260,21	271.42	282.57	312.52
Fixed investment(rupees)	162317	1,70,219	178699	213219
production	306771	336344	372938	471663
Exports from MSME	86,013	3,36,344	124417	177600
Growth rate of MSME sectors	8.68	124417	10.88	12.60
Percentage contribution of MSE to GDP 1999-2000 PRICES	5.91	5.79	5.84	5.94
projected				

Reference www.smefinanceforum.org

the small sector of Delhi in present have large number of products are now producing in Delhi state these items include important electronic and electrical equipment's appliances instruments, a wide variety of light engineering goods leather goods,sp many others machine tools, cycle parts, plastic goods, and readymade garments, etc. The small units also match the requirement of defence departments of the country. During the course of the time under study, the numerical strength of small units in Delhi has recorded a big increase. The capital investment as well as the value of output of small-scale industries has increased the employment produced by the small sector in Delhi has been tremendous it has due to the migration of rural Laboure into Delhi for getting employment opportunities in the small sector on the export from small industries of Delhi are in the lead. importance of their exports as well as their share in India's total exports is continuously increase, a detailed and statistical description showing the present position and development of small sector of Delhi is presented in the The wast expansion came about through establishment of units which give different types of new product

Continuous upon the huge expansion of small industrial units and decent increases in the turnover of small-sector Delhi. has come out as an very important Centre of exports for the surplus production of small-scale industrial units, Delhi is contributing quite good in export of engineering goods, ready-made garments, handicrafts, handlooms, processed food, leather goods, etc. presents a statistical view of the export performance of Delhi in the overall national exports.

GSDP of Delhi at Current Prices



Note: Exchange rates used are averages of each year

Source: MOSPI

Reference pib.gov.in/PressReleasePage.aspx?PRI

Role of MSME in Indian economy

Ministry of micro, small and medium enterprises notification new Delhi, the 1st June, 20201702(e).—in exercise of the powers conferred by sub-section (1) read with sub-section (9) of section 7 of the ‘micro, small and medium enterprises development act, 2006 (27 of 2006) and in supersession of the notification of the government of India, ministry of small scale industries, dated the 29th September, 2006, published in the gazette of India, extraordinary, part ii, section3, sub-section(ii), vide . 1642(e), dated the 30th September 2006 except as respects things done or omitted to be done before such supersession, the central government, hereby notifies the following criteria for classification of micro, small and medium enterprises, namely:— (i) a micro enterprise, where the investment in plant and machinery or equipment does not exceed one crore rupees and turnover does not exceed five crore rupees; (ii) a small enterprise, where the investment in plant and machinery or equipment does not exceed ten crore rupees and turnover does not exceed fifty crore rupees; (iii) a medium enterprise, where the investment in plant and machinery or equipment does not exceed fifty crore rupees and turnover does not exceed two hundred and fifty crore rupees.

Roll of Delhi small scale industries development corporation in the promotion of small-scale industries of Delhi

The Delhi small industries development corporation played a promotional role in the growth of small scale industries in the union territory of Delhi, this corporation is established by the Delhi administration in 1971 for the development of small scale industries in Delhi, the corporation consists of the following subdivision

Specialized service for elite promotion of small industrial units of Delhi

- 1 Finance Division
- 2 saw materials division
- 3 Exports division
- 4Trade and emporium division
- 5.construction division
6. Project and development division*

Role of Delhi administration in development of small scale industries in Delhi

put data

Industrial estate areas developed by Delhi administration with number of unit employment ,investment production and export of each unit

I have gone Tughlakabad industrial area no.of unit responded the employment and their investment production export

Naraina industrial area located in naraina

Jhilmil industrial area jhilmil colony

Mayapuri industrial area

Gt karnal road industrial area

Wazirpur industrial area

Okhla industrial area

Okhla industrial estate

Prospects for small industries of Delhi

Sources of funds in small scale industries in Delhi India

Internal source

External source

Sources of fund and supply of finance to small scale industries of Delhi

Sources of institutional finance in small scale industries of Delhi

1. commercial banks,
- 2, Delhi financial corporation
- 3 Delhi industrial cooperative bank
- 4.Delhi khadi and village industries
- 5 Directorate of industries
- 6.national small industries corporation
- 7.Reserve bank of India
- 8 world banks
- 9 life insurance corporation of India
10. indigenous banks

In India Cottage industries of in Delhi are famous for their excellent products of art and craft.

Today Delhi is developing by small unit with good shear in national level as we know that the msme which play an important role of each country economy so in a country like India its very much important to grow msme pace and so also shear all national production investment, employment and reports," , actually the small units face a host of handicaps in field of production, procurement of raw materials, distribute of finished goods and handicaps demans because of the present role of administration

It's seen the large-scale industries individually cannot take full a country's economic and social development. Small units are also taking part in developing countries have specific advantages for optimum exploitation of their natural and human resources. Mostly small firms have great movement and to make better media for the flourishing of entrepreneurial talent of individual as comparing with larger units where advanced technology and heavy capital needs are important factors and entrepreneurial qualities are not of so much after effects. While stress the crucial role of small-scale industries, it is mandatory to have a clear idea about their nature and scope. To visualizing the role of small industries we need to be analyzed both in qualitative and quantitative aspects. Various names are given to these industries and which are based on their qualitative aspects like decentralized sector, socialized sector employment-oriented sector natural resource sector, etc. while analyzing their importance, it is necessary that we should have a clear understanding as to what these industries are.

It is quite difficult to define "small-scale** industry in uniform terms* firstly, there is over-lapping of functions between the various categories of small-scale units. Secondly, they vary in nature and size from country to country depending upon the economic, political and social environment. The definition is an indicator of the stage of economic development of a country. It also reflects the policies and attitudes of the governments towards these industries hence, there is a multiplicity of definitions which confuse the comparative studies. To substantiate this statement a few definitions are reproduced which are prevalent in different countries of the world, in Japan by small industries" is meant those which are relatively small in scale of management and capital investment. This basis for classification varies according to the type of industry and cannot be generalized. The government applies the term to

it is noted that, there should be proper communication between rural areas and urban areas.

prof .the eminent Indian economist who emphasized the important of small-scale industries in India tried to give a definition of small-scale industry* he defines a small-scale as an enterprise or a service or operations carried on by a workman and members of family in his home with his own tools and materials, the finished products of which he markets himself. In 1949-50 the fiscal commission defined a small-scale industry as one which was operated with hired labor of usually 10 to 50 hands*' it is interesting to note that different states had different definitions for small "scale industries as there is no commonly accepted definition in the country. Therefore, in order to implement the plan for promotion of small-scale industries in the country a working definition given by the small-scale industries board, an all India established in 1954 for overall planning, coordination promotion of small-scale sector in India according to this definition, industrial units employing less than

due to changes in the economic environment t this can be evidenced from the official definitions of small-scale industry thus, we find that at one time a unit employing less than.

in time to time and even the prevalent definitions are based on administrative considerations and represent legal point of view they provide convenient basis criteria which select the units which are eligible for government help and subsidies hey are Not very useful for some of the broad-based purposes. Such definitions change with the development of economic levels. It follows that a single and foolproof definition regarding the scale for all branches of industry and for all times is out of question. The aim of this present work is to study the Role of Small Industries in the Economic Development of India, so it is assumed that

small industry includes all small undertakings the word small is applicable to workers employed, the capital invested, the turnover or the size of the market

the small-scale industries is contributing significantly both in the Developing and Developed economies of a country. The mental satisfaction that with economic modernization small scale units start reducing is not correct. The Small-scale industries are not diminishing in even highly industrialized countries of western Europe. In most of the countries the majority of their manufacturing enterprises (usually 60 to 80 per cent) are classified under small. In developing countries, like India small-scale industries account for more than 90 per cent of the industrial, Base. It is normal experience that the prices of the products of large industries and multinational corporations are high due to large administration and transportation costs, for this reason we observed Britannia bread and butter sells at a higher price in Aligarh than in Delhi, the prices of goods can be reduced then if they are produced by local small-scale industries, production do not only fulfill the demand of the market, but same time it results in high

the development of small-scale sector results in far more social changes in the country. Young' segment of population is becoming the part of politically, economically and socially more important so there is greater need for channelizing the energies and potential of youth in making .. To establish the small-scale sector in many extensive areas in the countryside and in small towns would be providing the youth gainful chances for the self-start -development and for improving their material well-being. The youth feel depressed because they do not have. Their full active participation in the small-scale sector will ensure job satisfaction to them. Small units in small towns and villages are much cheaper from the investment point of view and for employment at the same time, the gap between the rural and urban people would be minimized by creating greater coordination and cooperation between the village and the city in the country. If we talk about small enterprises there is lesser gap economically and socially between tie worker and his employer than in large enterprise roll of small-scale industries in the modern economies t from the above discussion it can be concluded that small industries play an important role in socio-economic in developing economies.

these industries of being small occupy a place in economically well-developed countries of the world too. employing such a huge population is the development of small-scale and the lowest in the country on the other hand, the states like Delhi,. The government is also committed itself to remove employment the industrial development strategy it has chosen is based on small producers. now the public sector companies have thrum open their to the small manufacturers for the supply of components which are needed for defense production. in defense production there is tremendous scope for small-scale units to meet the defense needs, this is not true even in highly industrialized countries, “

Role of small industries it is an agreed fact that industrial development is essential if we want to remove poverty from Indian society. How that objective is to be achieved is a crucial question;

small sector is ideally suited to the developing countries like India on many grounds. he growth of large scale industries alone neither raises the living standard nor solves problems of increasing unemployment it is a fact that in the state of Bihar, Madhya Pradesh and Orissa, heavy investment in large industries have been made in the public and private sectors, but 'die living standard in these states is the lowest in the country on the other hand, the states like Delhi, Punjab, Haryana and Gujarat which have progressive small-scale sector have a higher standard of living* the development of small-sector is essential for a thickly populated

country like India, Indian government has fully assessed the position. since the government is committed itself to eliminate the industrial development strategy it has chosen is based on small producers. The main objective is to decentralize and disperse the industrial base widely enough to expand employment opportunities and reduce regional imbalances in development** it is now being recognized that the small-scale sector is capable to attain high degree of supplcations by using modem equipment's. of industrialization better suited to the economic condition of India

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Progress of small scale in India

Data as a recent development the performance of the small-scale industries in India has been phenomenal* there has been a spectacular spurt in the number of units as well as value of investment in the small-scale industries. In addition, it is estimated that there are a large number of unregistered units as well* more than 5000 varied items are produced in small-scale sector^ the contribution of small-scale and cottage industries in the national economic^ in recent years can also be revealed from the contribution they made to m net national product (8 to 9 per cent) - economic service, new Delhi

. Data for i982-*83 shows that exports of readymade garments from this sector were worth rs, 566 crore followed by engineering goods which accounted for 8s. 340 crores. The marine products accounted for rs,332 crores leather products, ks.315 crores processed food es.125 crores and basic chemicals accounted for around 8s, 100 crores. From time to time, various measures have been taken by the government to encourage the exports, especially from idle small-scale sector. These include inter-alia organizational support provided by the promotion council, cash compensatory support replenishment under the scheme of registered exports, advance import-licensing under the duty exemption schemes, the scheme of cent per cent export oriented units, maximum level of exports of select products for reorganization as report houses of lower level rupees 50 lakhs for small-scale units and supply

of credit at concessional rates• in the import export policy for the year 1984-85 a new scheme has been introduced with a view to motivate the linkage between domestic product and export marketing and also support entrepreneurial initiative step up export from the small-scale and cottage industries. Aimers of small-scale industries although the performance record of small-scale industries in India has been quite impressive, it is not as good as it ought to be. The growth and development and contribution of small-scale industries to the industrial advancement of the country is higher than what has been achieved up to now especially in the view of relatively favorable social, political and economic factors.

It is also noted that this duty should be levied only on the turnover in excess of this amount. The loss of revenue of this account would be more, has not clear concept of this project is unable to identify the cost and quality and market for products, and lacks the skill to coordinate the human being and material resources into a profitable activity. Before saying upon a project, the small entrepreneur because of absence of management expertise do not critically value the total funds required it is also noted lack of proper supervision and management in small business in India, the small entrepreneur not have talent add managerial talent with other skills which require to run a business successfully nor is the small unit possessed of financial resources optimum to allow the hiring of management experts like the large industries we have as a result the small entrepreneur is unable to make successful planning which is appropriate prospects unclear concept of his project, it is unable to identify the cost, quality and market for his products for the project we require funds that are most likely to be available through institutional finance. most of the time the small entrepreneur lack of knowledge do not draw attention on the institutional funds

Latest development MSME

the Small Industries Development Bank of India (SIDBI) inked a pact with Google to pilot social impact lending with financial assistance up to Rs. 1 crore (US\$ 133,939.60) at subsidised interest rates to micro enterprises

tackle risks associated with shipment delays and improve supply chain efficiency.

- In October 2021, Sundaram Finance and the MSME Development Institute (Chennai), provides marketing assistance to MSMEs. Entrepreneurial and managerial development of MSMEs
- September 2021, Aerospace Engineers Private Limited, a Tamil Nadu-based MSME, secured a contract from Boeing to produce and supply critical aviation components.
- September 2021, Walmart and Flipkart announced the completion of the first phase of training of 2,500 MSMEs under Vridhhi, the supplier development programme.
- September 2021, Flipkart introduced 'Flipkart Boost' to help digital-first consumer brands and empower MSMEs.
- In September 2021, HDFC Bank collaborated with the National Small Industries Corporation (NSIC) to offer credit support to the micro, small and medium enterprise (MSME) sector.
- In August 2021, the US Agency for International Development (USAID) and the US International Development Finance Corporation (DFC) collaborated with Kotak Mahindra Bank to support MSMEs.
- In August 2021, Facebook India, in collaboration with Indifi, announced 'Small Business Loans Initiative', a new programme to support small and medium businesses (SMBs) get quick access to credit via independent lending partners.
- In August 2021, Indian Bank introduced 'MSME Prerana', an online business-mentoring programme for MSMEs in Odisha. In FY21, the state (Odisha) accounted for ~5% of the total MSME credit exposure of Indian Bank and recorded an increase of 39% YoY.

- In July 2021, Amazon India announced to expand its existing nine fulfilment centres and launch additional 11 new centres. This expansion plan is expected to create direct and indirect job opportunities in India and further strengthen Amazon's foothold in the country.
- in Surat— first brick and mortar resource centre to assist 'kiranas' and small businesses to go digital.
- In July 2021, the Federation of Indian Export Organisations (FIEO) signed a memorandum of understanding (MoU) with Aramex India, logistics services provider, to support MSME exporters in India.

Problem arises in finance is also a big problem for msme to grow.

RESEARCH DESIGN

The survey design of physical and online mode we done. Personal visit to offices and gathered data, questioner and other mode of survey done.

Research Methodology

I have done conventional approaches of deduction and induction method. I gathered the data from different financial sites government websites like MSME and other sources like financial institutions. I met personally to the owners of the msme and did a survey with them as per my knowledge. I gone through

RBI statements ,financial institutions statement, different article related to MSME records and has been used in this work Annual Reports and Accounts of the financial institutions, Delhi Financial Corporation, life Insurance Corporation of India, Industrial Development Bank of India, State Financial Corporation, National Small Industries Corporation and also of the. In addition, the information available in various government publications and articles published in periodicals and newspapers of repute have also been used freely to enrich the present work. The subject-matter of the thesis has been arranged in the following with special reference to India. The study reveals that small-scale industries occupy a prominent position in the industrial structure of every developed and underdeveloped country of the world. These units are an essential factor for overall economic growth of a developing company

I have collected data for the present study from secondary sources. The data collected for the study includes

- i). Annual reports of Indian MSME
- ii). SIDBI on MSME reports
- iii). Ministry of MSME
- iv). RBI annual reports

SAMPLING DESIGN AND SAMPLESIZE

A simple random sample of Individual investors from different demographics was selected from which 200 individuals from it were randomly selected targeting one questionnaire each. Simple random sampling helps

ensure that the sample represents the entire population, and is not biased or prejudiced toward any particular groups within the population. It also helps eliminate the tendency to select based on a basing factor of every developed and underdeveloped country of the world. These units are an essential factor for overall economic growth of a developing company

The data required for the present study has been collected from secondary sources. The data collected for the study includes

- i). Annual reports of MSME
- ii). Sidibe's reports on MSME reports
- iii). Ministry of MSME releases
- iv). RBI annual reports
- v). Various websites relevant to topics

SAMPLING DESIGN AND SAMPLESIZE

A simple random sample of Individual investors from different demographics selected from which 200 individuals from it randomly selected targeting one questionnaire each. we have given Simple random sampling helps that the sample represents the entire population, and is not biased o toward any particular groups within the population. It also helps eliminate the tendency to select based on a basing factor .

• DATA COLLECTION TOOLS AND INSTRUMENTS

I have collected Primary data was from questionnaires which were examined by the researcher personally. The sampling technique followed in this study is simple random sampling. Simple random techniques are used to select the respondent from the available database. To analyse the collected data, the following tools were used. Simple percentage analysis: it states the frequency and percentage of the customers' profile, attitude and opinion regarding peoples. All the factors were coded and analysed through excel using the tools available.

DATA ANALYSIS

Data analysis done by different methods used statistical and financial management.

Conclusion

It is concluded from the study that msme play a vital role in economy of a country. With increase employment job creation is a key factor for the success of the country.it provides the revenue to the country as well as employment.in this study I noticed that there is a major role of financial institutes in developing MSME as we know that every sector needs some finance for their growth MSME is also one of them to create more girth in economy they require fund if time to time fund allotted to them their success rate will be high and they grow tremendously. As per my experience and data evaluation the financial institute plays an important role to develop them government also support these msme as they know the importance of these in country making. Every small revenue they generate will create a big thing for them. For successful nation economy is mandatory to maintain an in a country like India where so much talent and skills manpower are there it's a golden thing to promote these. I observed the management skills of people they are educated or not but they have capability to run a start-up or small industries government of india should also run some awareness programme in order to registered people more an more .so in my view the msme is totally a smartest way to make nation economically. stronger these businesses stronger will be nation. development of overall economy by providing employment opportunities rural India MSME has played important role .it has provided scope for regional development and decreases F.

Financial institution have played an important role in support and development of MSMEs. Government should act on the recommendations of various committee reports appointed for MSME sectors. The MSME of today will be large corporate and MCS of tomorrow and hence will give strength to economy. Banks and other agencies should take pride because they are playing an important role in formation of such corporation and MNCS of Indian future of global industrial manufacturing hub.

, The study finds that Delhi being the Union territory, the capital of the country and a metropolitan commercial centre is the hub of small industrial sector in India, While in Bombay and Calcutta, the industrial structure is dominated by large and heavy industries in Delhi it is dominated by numerous small units The study found that the number of MSME increased in Delhi tremendously in recent years Delhi . The study analyses the demand for funds of small-scale industrial sector of Delhi and concludes The sources of finance in the capital market of Delhi comprise a band of financial institutions, viz. Delhi Financial Corporation, Delhi Directorate of Industries, National Small Industries Corporation, Life Insurance Corporation of India, scheduled commercial banks, Delhi Industrial Cooperative Banks, Delhi Khadi and Village Industries Board, Indigenous bankers and money lenders Some of these agencies are local in character set up by Delhi Administration and exclusively cater for the financial needs of smaller units(located in the territory of Delhi. The institutions remained unexpansive compatible to the increasing demand for finance emanating from an expansive small industrial sector of Delhi he holding of entrepreneurial development and education programmes by the Delhi Financial Corporation/ the Delhi Directorate of Industries and the commercial

banks is strongly recommended. J There is also felt the need to express a word of advice to small unit-holders of Delhi. Small entrepreneurs do not maintain suitable books of accounts and other records. They do not find it convenient or just do not have the necessary facilities.

, therefore, maintain accounting records which would help them getting financial assistance easier and quicker.. The Monitoring Committee should consist of representatives from the local government, financial institutions and the small-scale sector this will have an encouraging effect on the flow of institutional finance to small-scale units of Delhi,

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