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Rehabilitation of Small-Scale Industries through Skill India



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ABSTRACT

Indian economy consists of a vibrant set of enterprises (MSMEs). These businesses significantly impact a nation's economic and social growth. Micro, Small and Medium Enterprises are our country's second-largest employment provider. The government, through the initiative of Start-ups and the Make in India program, aims to empower start-ups to grow through innovation and design. The government has also initiated start-ups to strengthen One Person Incentivising (OPC), which will help aspiring entrepreneurs set up their businesses in India. Among the MSMEs, Small-Scale Industries play an important role in entrepreneurship development. These industries are more adaptable to the situation in society. Despite meeting the local and regional demand, these industries lack Digitalization. Hence there is a need for awareness and training on digitalization for these Small-Scale Industries' entrepreneurs. This paper is an attempt to find out the issues relating to Small Scale Industries and what are the possibilities to rehabilitate these Small-Scale Industries through Skill India.

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1.0 INTRODUCTION

Indian economy consists of a vibrant set of enterprises (MSMEs). These businesses have a significant impact on a nation's economic and social growth. Micro, Small and Medium Enterprises is the second largest employment provider in our country. The government through the initiative of Start-ups and Make in India program aims to empower start-ups to grow through innovation and design. Government has also initiated start-ups to strengthen One Person Incentivising (OPC), which will help the aspiring entrepreneurs to set up their business in India. Among the MSMEs, the Small-Scale Industries play an important role in entrepreneurship development. These industries are the supplementary and complementary to large and medium scale units. Small Scale Industries are more adaptable to the situation in the society. The primary goal of these enterprises is to maximise the

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utilisation of locally accessible raw materials while also serving as a platform for the creation of job possibilities for the local population, as they do not require highly qualified labour. Despite of meeting the local and regional demand, these industries lack in Digitalization. Hence there is a need for awareness and training on digitalization for these Small-Scale Industries' entrepreneurs.

1.1 Statement of the Problem

The growth of the Indian economy relies heavily on the establishment of small industries. These Small-Scale Industries try to withstand large-scale units. However, Small Scale Industries are having many challenges like lack of finance, skilled labour, infrastructure, and digitalization. This study has been carried out to find out the issues relating to Small Scale Industries and what are the possibilities to rehabilitate these Small-Scale Industries through Skill India.

1.2 Review of Literature

Lavanya and Rani (2020), in their article about the impact of Covid 19 on Small Scale Industries in Bangalore city, found that Covid 19 has influenced the assembling firms and their supply chain in Bangalore.

Khan (2020), in his article understanding the dynamics of Small-Scale Industries: A case study of Indian context analysed the policy changes to strengthen small-scale enterprises over the years and also analysed the performance of SSI in India.

Philip and Mythili (2018) studied the "growth of Small-Scale Industries in Erode District and gave recommendations that the government shall take sustainable development activities for SSI Units".

2.0 METHODOLOGY

2.1 Research Design

The data was collected using both primary and secondary sources. Secondary information was gleaned from peer-reviewed papers on the internet. Interviews were used to gather primary data. A structured questionnaire was framed, and the data was collected from Small Scale Industries entrepreneurs in Pollachi Taluk, Coimbatore District, Tamil Nadu. On a convenience-based random sampling method, 50 Small Scale Industries entrepreneurs were chosen, and the data was collected. The data is analysed using a simple percentage method.

3.0 ANALYSIS AND INTERPRETATION

Table 1 – Personal and Socio-economic Profile of the Entrepreneurs

Particulars		No. of Entrepreneurs (N = 50)	% to N
Gender	Male	42	84
	Female	8	16
No. of Years doing the business	Less than 3 years	22	44
	3 years to 6 years	17	34
	Above 6 years	11	22

Nature of Business	Sole Proprietorship	45	90
	Partnership firm	5	10
	Others	0	0

From Table 1, it is observed that out of 50 entrepreneurs, 42 entrepreneurs are male and the remaining 8 entrepreneurs are female; 22 entrepreneurs are doing the business for less than 3 years, 17 entrepreneurs are doing the business for a period of 3 years to 6 years and the remaining 11 entrepreneurs are running the business for above 6 years; the nature of business of 45 entrepreneurs is a sole proprietorship, whereas the remaining 5 entrepreneurs run a partnership firm.

Table 2 – Issues Addressed by the Entrepreneurs

Particulars	No. of Entrepreneurs		Total
	Yes	No	
Lack of Storage Facility	43	07	50
Lack of finance	48	02	50
Lack of bulk purchase	48	02	50
Lack of technology	47	03	50
Lack of awareness of various schemes for registered SSIs	42	08	50

Was found in Table 2, the majority of the entrepreneurs say that they have a lack of storage facility, followed by lack of finance, lack of bulk purchase, lack of technology and lack of awareness of various schemes offered by the government for the registered SSIs.

4.0 FINDINGS

- The majority (84%) of the entrepreneurs are male.
- Most (44%) of the small scale industries' entrepreneurs are doing the business for less than 3 years.
- The majority (90%) of the entrepreneurs are running the business in a sole proprietorship
- The majority of the entrepreneurs lack a storage facility, finance, bulk purchase, technology and lack of awareness various schemes offered by the government for the registered SSIs.

5.0 SUGGESTIONS

On July 15, 2015, the Skill India programme was started to teach more than 40 million Indians a variety of skills. Most the Small-Scale Industries' entrepreneurs lack technology, which is one of the issues addressed by them. So, through the Skill India campaign these emerging entrepreneurs, who are the supplementary and complementary units for large scale units, can be given training and make them skilled in technology and digitalization. Awareness on the various schemes available for registered Small-Scale Industries shall be given.

6.0 CONCLUSION

Small-Scale Industries play a vital role in rural areas. They are specifically suited for the efficient utilization of local resources. These industries contribute a lot to the development of the

Indian economy. So, the issues addressed by them shall be rehabilitated by the policymakers and through proper training on skill development to the entrepreneurs shall result in skilled work i.e., Kaushal Bharath – Kushal Bharath.

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