



ROLE OF MICRO SMALL MEDIUM ENTERPRISE (MSME) INSTITUTE IN PROMOTING ENTREPRENEURSHIP IN SIKKIM

Dr. Pradip Kumar Das

Assistant Professor , Department of Management ,
Sikkim Central University, Sikkim.



ABSTRACT

MSMEs play a notable role in economic and social development, thereby providing a platform to entrepreneurship, as they have inherent features of being innovative and responsive to changing market conditions. Here, definitions of entrepreneurship typically focus on the launching and running of businesses, due to the high risks involved in it. There are so many institutes and organizations which are involved in entrepreneurship development activities and there are people who join these programmes as a stepping stone to become an entrepreneur, but in the midst of all these systems, MSMEs by giving a real platform try to promote entrepreneurial opportunity. As per the study it is certain that MSMEs are a source of strength to create an entrepreneurs pool and such entrepreneurs could play a vital role in the development of the economy. In the process of its growth certainly help to create big entrepreneurs in the system. MSMEs are providing a huge platform to build sound business ventures.

This paper examines the contributions made by Micro Small and Medium Enterprises (MSME) with respect to Entrepreneurship development, employment generation in Sikkim.

KEYWORDS: MSME, Entrepreneurship development, employment, Establishments and Proprietors.

INTRODUCTION

Sikkim, the land of "Mystic Splendour", is the smallest State of the country. The majestic mountain chains in the world include Kanchenjunga lies in the state. The average maximum temperature is 28 degree C. and minimum 13 degree C. in summer while in winter it is 18 to 5 degree C. The 75% of land area is covered with Forest and is most peaceful state in the country. Sikkim is surrounded by the Tibetan plateau in the North, the Chumbi Valley of Tibet in the East. Darjeeling District of West Bengal in the South and the Kingdom of Nepal in the West. Teesta and Rangit rivers are considered as the lifeline of Sikkim among its numerous rivers and streams.

Sikkim is the 22nd state of India came into existence with effect from 16th, May 1975. Sikkim has been divided into four districts and each district except east district which has been divided into three sub-divisions, has further been bifurcated into two sub-divisions for administrative purpose. Sikkim state being a part of inner mountain ranges of Himalayas is hilly having varied elevation ranging from 300 to 8540 meters. But the habitable areas are only up to the altitude of 2100 meters, constituting only 20% of the total area of the state.

It boasts of the great mountain Kanchendzonga, as its crown. Ethnically Sikkim has mainly three groups of people viz. Nepalis, Bhutias, Lepchas. People from other parts of India also constitute a small proportion of its population. Nepali is the most common language spoken by majority of people besides Bhutia, Lepcha, Limboo, Magar, Rai, Gurung, Sherpa, Tamang, Newari etc. Sikkim is jewel-like

mountain state of ethereal beauty with an area of 7096 sq. kms , nestles in the heart of Himalayas. Capital of Sikkim, Gangtok is cradled in the manifold splendours of natural beauty surrounded by snow clad mountain.

OBJECTIVE OF THE STUDY:

The objective of the present study is:

To study role of MSME Institute in Promoting Entrepreneurship in Sikkim

METHODOLOGY:

The study is heavily relied on literature as well as secondary data. Extensive literature survey and study of published annual report of MSME Gangtok is carried out to understand the role played by MSME institute in promoting entrepreneurship development in Sikkim.

INDUSTRIAL SCENARIO IN SIKKIM:

Sikkim is one of the least industrially developed states in India. It is necessary to identify the priorities and emphasize the significance of the objectives of speedy industrial development and generation of adequate employment opportunities. Keeping these objectives in mind, the industrial policy attempts to satisfy the aspirations of the people, through economic and industrial development of the state. Total no of registered enterprises in Sikkim totalled only 353 as on March, 2003, and most of them were in the micro or small category. There were no large scale enterprises. However, till the end of March, 2016 there are 1060 units (Approx. As per (Entrepreneurs Memorandum) EM I data) and about 22 large scale enterprises mainly engaged in producing pharmaceutical and distillery products, liquors have been established. After the introduction of online filing of Udyog Aadhar Memorandum (UAM) w.e.f 18th Sept 2015, 165 units has files UAM till 3rd April 2017. Establishment of these large units is mainly the result of the enactment of North East Industrial & Investment Promotion Policy, 2007 which introduced a package of fiscal incentives and other concessions for the industrial investment in the north eastern region. The Industrial Policy of the State Govt. viz. the Sikkim Industrial Promotion and Incentive Act, 2007 is also supportive for the speedy industrial development of the state. It has also introduced a package of subsidy on state capital investment, subsidy on captive power generating sets etc. for the promotion of industries in Sikkim. The role of small scale industries is no less important in the industrial development of the state, particularly in the growth of employment opportunities. After the enactment of MSMED Act, 2006 the earlier concept of 'industries' has been changed to 'enterprises'; enterprises has been classified broadly into manufacturing enterprises and service enterprises; these two sectors have been further categorized into micro, small, and medium enterprises depending upon the criteria of investment in plant & machinery. A number of schemes and programmes have been introduced by the Govt. to promote the growth of MSMEs. Today the number of MSMEs in the country is around 2.61 crores employing around 6 crores people.

STATUS OF FUNCTIONING REGISTERED INDUSTRIES IN SIKKIM:

As per the data received from the Department of Commerce and Industries the total no. of registered enterprises since 1975 to Sept, 2015 are 1100 (app. As per EM I data) out of which very few manufacturing units are functioning. Among these most of the functioning units are in service sector like hotels, travel agencies, beauty parlours etc. **However, details of functioning units is under compilation by Department of Commerce & Industries , Govt. of Sikkim.**

No. of enterprises issued permanent registration for the years 2007-08, 2008-09, 2009-10 2010-2011 , 2011-12 , 2012-13, 2013-14 & 2014-15 was 14, 71, 18 , 49 , 30 , 11 , 9 , 7 & 14 respectively after the implementation of MSMED Act,2006.

After the implementation of on-line filing of Udyog Aadhaar Memorandum w.e.f 18th Sept.

2015 the total 165 Nos. UAM have been filed till 03/04/2017. The details of UAM filed are furnished below:-

Sl No.	District Name	Udyog Aadhaar Regd.	Micro	Small	Medium
1	EAST SIKKIM	136	85	45	6
2	NORTH SIKKIM	2	1	1	0
3	SOUTH SIKKIM	23	14	6	3
4	WEST SIKKIM	4	3	1	0
Total :		165	103	053	009

Sectorwise Distribution of **EM Part II** issued to Enterprises for the period **2012-13** stood at

East : 09
 West : 02
 North : 00
 South : 00

Sectorwise Distribution of **EM Part II** issued to Enterprises for the period **2013-14** stood at

East : 6
 West : 0
 North : 1
 South : 2

Sectorwise Distribution of **EM Part II** issued to Enterprises for the period **2014-15** stood at

East : 6
 West : 0
 North : 0
 South : 1

Sectorwise Distribution of **EM Part II** issued to Enterprises for the period **2015-16** stood at

East : 13
 West : 0
 North : 1
 South : 0

Category wise Distribution of **EM Part II** issued to Enterprises for the period **2012-13**

Micro : 1
 Small : 10
 Medium : 0

Categorywise Distribution of **EM Part II** issued to Enterprises for the period **2013-14**

Micro :4
 Small :3
 Medium :2

Categorywise Distribution of **EM Part II** issued to Enterprises for the period **2014-15**

Micro	:4
Small	:3
Medium	:2

Categoriwise Distribution of **EM Part II** issued to Enterprises for the period **2015-16**

Micro	: 10
Small	: 3
Medium	: 1

Services Available at MSME- Development Institute, Gangtok

The Micro and Small Enterprises (MSEs) have been accepted as the engine of economic growth for promoting equitable development. In India, the MSEs play a pivotal role in the overall industrial economy of the country. Further, in recent years the MSE sector has consistently registered higher growth rate compared to the overall industrial sector. The major advantage of the sector is its employment potential at low capital cost.

MSME-DI, Gangtok is constantly engaged in the promotion and development of the micro, small and medium enterprises i.e, MSMEs throughout the state of Sikkim in active support and cooperation from different Central/State Govt. Departments/ agencies, NGOs etc. The facilities and services available at Micro, Small and Medium Enterprises - Development Institute (MSME-DI), Gangtok are given below:

- a) **Consultancy services:** On Economic, Technical and Managerial aspect.
- b) **Technical assistance:** On Project selection, Machinery selection, Raw materials selection, Technology know-how / Selection and Quality assurance / Standardization.
- c) **Documents & reports:** Project profile / schemes, Detailed project report and its appraisal, training manual etc. are prepared / updated.
- d) **Training courses:** On General / Product-cum-Process oriented Entrepreneurship Skill Development Programmes (ESDP), Entrepreneurship Development Programmes (EDPs), and Industrial Motivational Campaigns.
- e) **Specialized training Courses / Programmes:** Quality awareness program Seminars and workshops on subject / topics like ZED Certification,, Incubator Support Scheme, Design Clinics etc were organized during 2016-17 for promotion and development of MSMEs in the state and also for creating awareness amongst existing and prospective entrepreneurs.
- f) **Marketing Assistance:** Market survey / study on selected items, Capacity Assessment studies for selected MSMEs, Competency Assessment / exercises with provision for marketing support through recommending units for enlistment under single point registration for Govt. Stores Purchase Program.
- g) **Export Promotion:** Through identification of Export worthy items / units, liaison with Export Promotion councils and agencies, training and seminars on Export Marketing / Packaging.
- h) **Modernization Program:** Through in plant studies on cluster groups.
- i) **Economic investigation and information:** Through district Industrial Potential Survey, State Industrial Profile Survey, Study of sick units and preparation of Rehabilitation package.
- j) **Information and reference literature:** Apart from various Technical, Techno-economic and Managerial literatures, MSME-DI, Gangtok is equipped with volumes of New Project Profiles published by the office of Development Commissioner (MSME) and nominally priced for sale to Entrepreneurs, Institutions, Organization etc.

Important Activities conducted by MSME DI Gangtok during the Year 2016-17

Sl.No	ACTIVITIES	No. of Programs Allocated	No. of Programs Organized	Nos. of Beneficiaries
1	Industrial Motivational Campaign (IMCs)	08	08	316
2	Entrepreneurship Development Program (EDP)	1	1	25
4	Entrepreneurship & Skill Development Program (ESDP)	3	3	70
5	State Level vendor Dev. Program	3	3	130
6	Preparation of State Industrial Profile	1	1	-
7	Preparation of District Industrial Potentiality Report	4 Districts	4 Districts	-
8	Awareness/ Sensitization Program on ZED	1	1	50
9	Awareness Program on Incubator Scheme	3	3	161
10	Awareness Program on Design Clinic	1	1	60

Training programmes and motivational campaigns conducted during the year 2016-17

MSME-DI, Gangtok has organized & conducted 12 numbers of targeted Training Programmes and Motivational campaigns – EDPs & IMCs during the year, as assigned by DC (MSME), New Delhi. This institute has conducted these programmes at different places in Sikkim as given below.

District	No. of Training Programmes / Motivational Campaigns
East	11
West	0
North	0
South	1
Total	12

Note : The above Training Programmes/Campaigns etc. include IMCs, & EDPs.

Through these Training Programmes / Campaigns, this Institute has trained, motivated and guided around 800 Nos. of beneficiaries with regard to starting ventures in the Micro, Small and Medium Enterprise sectors and apprised them about the benefits of various MSME promotional schemes. The district wise Nos. of beneficiaries is given below.

District	Nos. of Beneficiaries
East	357
West	0
North	0
South	54
Total	411

Industrial motivation campaigns (imc) conducted during 2016-17:

During the year MSME-DI, Gangtok organized 8 numbers of IMCs at different places in Sikkim and motivated and guided participants to start ventures in the Micro, Small and Medium Enterprise sectors and availing the benefits of various MSME promotional schemes. The summary of the Industrial Motivation Campaigns (IMC) conducted by this institute in Sikkim is presented below:-

Targets-08			Achievements-08							
S. No	Place/ Venue	Date	S C	ST	Women	Min	P. H	Gen. / OBC/ MBC	Total	Expenditure (RS)
1.	Apparel Training & Design Centre Sokaythang Gangtok	04/08/2016	04	08	28	11	-	01	30	7750/-
2	Sikkim Govt College, Tadong	11/08/2016	01	17	25	09	-	35	53	7609/-
3	SEIT Ranipool East Sikkim	26/08/2016	05	14	26	13	-	16	35	8000/-
4	TNSS Road, Development Area Gangtok	30/08/2016	-	52	33	55	-	3	55	8000/-
5	GAHTC Deorali Gangtok Sikkim	31/08/2016	02	11	17	12	-	20	33	7721/-
6	KRISHI Vigyan Kendra Namthang South Sikkim	02/09/2016	04	21	31	23	-	27	54	8000/-
7	Directorate of Handloom & Handicrafts, Zero Point Gangtok	27/10/2016	-	32	39	32	-	17	49	7984/-
8	Dragon Industries Tathangchen East Sikkim	10/02/2017	-	50	37	49	-	6	56	8000/-
Total			16	205	236	204		125	365	63064/-

Six-week entrepreneurship & skill development programmes (esdp) conducted during 2016-17

During the year 2016-17, a target of total 3 Nos. of Six-Week Entrepreneurship & Skill Development Program was allotted to this institute by the Head Quarter and this Institute organized the all the ESDPs as per the details summarised below-

Sr. No	Place/ Name & Designation of Coordinating Officer/ Subject	Particular		Participant Details							Revenue Earned (RS)	Expenditure (RS)
		Date From	To	SC	ST	Women	Mino.	P.H	Gen. / OBC/ MBC	Total		
1	Apparel Training & Design Centre, Sokaythang, Coord-Shri Rajesh Sapra, AD II (Stipendary)/ Garment Manufacturing	29/08/2016	08/10/2016	01	03	25	04	-	21	25	0	39750 + 18750/-= 58500 /-
2	SEIT Ranipool East Sikkim Coord-shri Narayan Saw AD, II (Non-Stipendary)/ Computer accounting with Tally	29/08/2016	07/10/2016	03	07	15	10	-	11	21	1300/-	59565/-
3	SIPDL Daragaon Tadong East Sikkim, Coord – Shri Narayan Saw AD II (Non-Stipendary)/ MS Office & Internet	13/12/16	27/01/17	05	08	10	06	-	11	24	2000/-	59743/-
Total				09	18	50	20	-	43	70	3000/-	177808/-

Two-week entrepreneurship development programmes (edp) conducted during 2016-17

During the year 2016-17, a target of total 1 No. of Two-Week Entrepreneurship Development Programme was allotted to this institute by the Head Quarter and this Institute organized the EDP as per the details summarised below-

Sr. No	Place/ Name & Designation of Coordinating Officer	Particular		Participant Details							Revenue Earned (RS)	Expenditure (RS)
		Date From	To	SC	ST	Women	Mino.	P.H	n. / OBC/ MBC	Total		
1	ATDC Sokeythang, Tadong, Gangtok East Sikkim Coord-Rajesh Sapra, AD (IMT)	17/11/16	30/11/16	01	08	12	04	-	07	25	1250/-	19995?/-

medium enterprises i.e., MSMEs throughout the state of Sikkim in active support and cooperation from different Central/State Govt. Departments/ agencies, NGOs etc.

c) There are 10 numbers of facilities and services available at Micro, Small and Medium Enterprises - Development Institute (MSME-DI) namely consultancy service, technical assistance, documents and reports, training courses, specialized training courses, marketing assistances, modernization program, export promotion, economic investigation & information and information & reference literature.

d) The important activities undertaken by MSME DI are Industrial Motivational Campaign, Entrepreneurship Development Program (EDP), Entrepreneurship & Skill Development Program (ESDP), State Level vendor Dev Program, Preparation of State Industrial Profile, Preparation of District Industrial Potentiality Report, Awareness/ Sensitization Program on ZED, Awareness Program on Incubator Scheme, Awareness Program on Design Clinic etc.

e) MSME-DI, Gangtok has organized & conducted 12 numbers of targeted Training Programmes and Motivational campaigns – EDPs & IMCs during the year, as assigned by DC (MSME), New Delhi. However the programs are mostly concentrated in the East District of Sikkim. Subsequently the majority of the beneficiaries are from East District of Sikkim.

f) The MSME DI was very successful in achieving the targeted program as per the planning however the concentration of the program at east district posing a serious questions for the overall growth of entrepreneurship development in the state.

CONCLUSION:

The role of MSME DI in Sikkim for the promotion of Entrepreneurship development is commendable. However there are lots of scopes for more effective functioning of the institute in promoting the noble cause. The MSME DI in the coming years required to be more proactive in choosing beneficiaries from all the four districts of Sikkim instead of concentrating in the east district. The real development of Sikkim lies in holistic development of all the districts. The MSME DI should work on developing need & region based training programs instead of following the program devised at the Head office, New Delhi.

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Dr. Pradip Kumar Das
Assistant Professor , Department of Management , Sikkim Central University, Sikkim.