

Overview and Potential for New Micro, Small & Medium Enterprises (MSMEs) in Alwar (NCR), RAJASTHAN

Geetanjali Sharma

Research Scholar, Raj Rishi Bhartrihari Matsya University, Alwar (Rajasthan)

Email: sharmageetanjali2007@gmail.com

Abstract: The Micro, Small and Medium Enterprises (MSMEs) sector is a major contributor to Indian economic development. It contributes a lot for Employment Generation, Enhancement of Entrepreneurial Skills, Domestic Production, Innovation, GDP growth, Regional Development, Export, Social Empowerment etc.. This research paper aims to present the current status and the same time Potential and opportunities of MSME sector in Alwar –NCR. As MSMEs sector has a unique character of operation according to geographical situation and availability of resources depend on the particular locality. So to establish a new unit setup, it's very important to study and understand the region, area and locality that will provide certain resources to full fill the requirement of business and make it run in a good productive manner. This study is concentrating on Alwar-NCR in respect of MSMEs sector.

Keywords: Micro, Small and Medium Enterprises (MSMEs), Potential, opportunities, Alwar –NCR etc.

INTRODUCTION

National Economy (Sanjeevan, 2012), MSME Act, 2006 brought together varied set of industrial activities hitherto classified under Small Scale Industries (SSI), Small Scale Business Sector Enterprise, Village and Cottage Industries to make MSME highly heterogenic in nature (Sanjeevan, 2012). This sector now encompasses all kinds of non-agricultural activities from a very small village, town to metropolitan cities. The heterogeneity of this sector is reflected in different features enterprises like in the size of business which may operate in MSME have direct implication on development of entrepreneurial ventures and diversification of industrial sector. MSME sector encompasses entire non-agricultural segment of different markets (rural, urban, local, regional, national and international), with varied level of skills, capital, sophistication and with different kind of growth orientation in organized or unorganized sector of the economy (OECD, 2004). MSME very well covers those self employed / own account entrepreneurs and household enterprises that organize the economic activity at a very low scale and in an informal manner. They may be tiny in terms of its contribution towards the Gross Domestic Product (GDP) but the volume in which they exist makes it difficult to ignore its contribution towards economy (Sanjeevan, 2012).

- Analyzing the findings of the NSS (National Sample Survey), 73rd Round on Unincorporated Non-Agricultural Enterprises in Manufacturing, Trade and Other Services Sectors (Excluding Constructions). This also gives the latest and

most comprehensive account of the performance of the MSME Sector as of the estimated number of 633.92 lakh enterprises, only 4000 enterprises were large and thereby out of the MSME Sector. The Report on Key Indicators of the Survey is available at www.mospi.gov.in.

- Six Economic Censuses have been conducted so far in 1977, 1980, 1990, 1998, 2005 and 2013-14. As per the Sixth Economic Census (2013), 58.5 million establishments were found to be in operation. 34.8 million establishments (59.48%) were found in rural areas and nearly 23.7 million establishments (40.52%) were found to be located in urban areas.
- As per the National Sample Survey (NSS) 73rd round conducted during the period 2015-16, MSME sector has been generating 11.10 crore jobs(360.41 lakh in Manufacturing, 387.18 lakh in Trade and 362.82 lakh in Other Services and 0.07 lakh in Non-captive Electricity Generation and Transmission) in the rural and the urban areas across the country.
- Micro sector with 630.52 lakh estimated enterprises provides employment to 1076.19 lakh persons, which accounts for around 97% of total employment in the sector. Small sector with 3.31 lakh and Medium sector with 0.05 lakh estimated MSMEs provides employment to 31.95 lakh (2.88%) and 1.75 lakh (0.16%) persons of total employment in MSME sector, respectively.

The role of MSME becomes more inclusive when it becomes an instrument to transform the economic status of few special segments of the society like women workforce, unemployed youth, SC/STs, physically challenged people and some traditional industries like handicraft etc.

The definition for MSME for the purpose of this study is as under.

MSME Act, 2006 defines Micro, Small and Medium Enterprises as notified vide S.O. 1642(E) dtd.29-09-2006 is as shown in Table as follows:-

Definitions as per MSME Act, 2006		
	Manufacturing (Investment in Plant and Machinery)	Service (Investment in equipments)
Micro	Does not exceed Rs. 25 lakh	Does not exceed Rs. 10 lakh
Small	More than Rs. 25 lakh but does not exceed Rs. 5 crore	More than Rs. 10 lakh but does not exceed Rs. 2 crore
Medium	More than Rs. 5 crore but does not exceed Rs. 10 crore rupees	More than Rs. 2 crore but does not exceed Rs 5 core

Manufacturing Enterprises: - Enterprises in manufacturing / production of goods pertaining to any industry specified in the first schedule of the Industries (Development and Regulation) Act, 1951.

Service Enterprises: - Enterprises in the provision of services and are defined in terms of investment made on equipment.

OBJECTIVES OF THE STUDY

1. To know the present status of MSME Sector in Alwar (NCR), Rajasthan.
2. To know the potential and opportunities for New MSME's in Alwar (NCR), Rajasthan.

LIMITATIONS OF THE STUDY

1. Reliability of the study depends greatly on the authenticity of information sources as secondary data, literature and respondents.
2. The area of study will not be out of the Alwar (NCR), Rajasthan.

DATABASE AND METHODOLOGY

Data used in the study are secondary in nature and mostly collected from the Annual Reports published by the Ministry of MSMEs and MSME-Development Institute (Ministry of MSME, Govt. of India), Jaipur, Rajasthan and DIC, Alwar. The study covers a period from 2011-12 to 2015-16 for certain concerned parameters like No. of units, Gross-Output, Employment etc. for overview of MSMEs in Alwar (NCR). Present time position of MSMEs and Infra, Resource availability to Judge Potential for new MSMEs in Alwar (NCR), Rajasthan. The other related information have taken by personal interaction with the MSME'S owners where it was required.

DATA ANALYSIS

OVERVIEW OF MSMEs IN ALWAR (NCR), RAJASTHAN

Year wise trend of MSMEs units registered.

Year	Number of Registered Units	Employment (Nos.)	Investment (Lakh Rs.)
2012-13	1111	11625	65359.13
2013-14	1129	10312	81642.14
2014-15	1020	5857	31233.94
2015-16 (up to 30-09-15)	249	2523	13662.42

Break-Up Of Registered Small Scale And Cottage Industries in Alwar

(AS ON 31.3.2015)

S. No.	Description	Employment
1	Mfg of Food Products and Beverages	536
2	Mfg of Textiles	280
3	Mfg of Wearing Apparel; Dressing and Dyeing of Fur	68
4	Mfg of Leather and Leather Product	39
5	Mfg of Wood and Wood Products	60
6	Mfg of Paper And Paper Products	43
7	Publishing, Printing & Reproduction of Recorded Media	91
8	Mfg of Chemicals and Chemical Products	267
9	Mfg of Rubber and Plastics Products -	144
10	Mfg of Other Non-Metallic Mineral Products	664
11	Mfg of Basic Product	27
12	Mfg of Fabricated Metal Products	160
13	Mfg of Machinery and Equipment nec	57
14	Mfg of Electrical Machinery and Apparatus	17
15	Mfg of Furniture; Manufacturing nec	45
16	Repair & Maintenance of Motor Vehicle, Retail Sale of Automotive Fuel	149
17	Repair & Maintenance of Personal & Household Goods; Retail Trade	57
18	Computer and Related Activities	8
19	Research and Development	40
20	Other Business Activities	18
21	Health and Social Work	3
22	Other Services Activities	41

Source: DIC Alwar

Existing Clusters of MSMEs in Alwar (NCR)

a. Manufacturing Sector

- Processed Food
- Auto component
- Edible oil
- Cement Pipe, Jalties
- Leather Tanning

b. Service Sector

- Tourism Industries
- Engineering Workshop
- Beauty & Herbal Therapy
- Two & Four Wheeler Service Workshop

c. Artisan Clusters

The cottage and artisan clusters of the district are mainly shoes embroidery, murti kala, Pottery, Galicha, Roap Making, Terracotta, Bans Tokri, etc. The major concentration of such artisans was found in Rajgarh, Thanagazi, Ramgarh, Bansur, Kishangarh, Laxhmangarh, Kathumar, Umrain, Mndawer, Kotkasim, Neemrana, Tijara.

Major Exportable Item

Industries of Alwar (NCR) are exporting a big range of products like Shaving-Blades, Manual Operating Tools, Aluminum Products, Surgical-Blades, Synthetic Fabrics, Empty Gelatin Capsules, Leather Shoes, Tire-tube, Picture Tubes, Chemicals, Sanitary Items, Crockery, Suiting, Chemicals like Calcium Cyanide, Alkalies Salt, Moped, PVC Cable Sanitary Ware, and Readymade Garments. There are units exporting 122 nos. under DIC Bhiwadi and Alwar.

Present Exposure of Export

- About forty units producing granite are exporting through agents and traders at Behror and Alwar.
- There are thirty chemical plant producing CPW some are exporting abroad. It is mainly used in producing grade plastic products.
- Marble art ware: There are 30 Artisan villages in district engaged in manufacturing marble art ware. There is good potentiality is export of these items.
- In the district 400 looms for carpet weaving working in rural areas, they are doing job work of finishing touch given by traders to export.

Service Enterprises

- Tourism industry (Hotel, Motel etc.)
- Two & Four Wheeler Service Workshop

There are many numbers of tourist places nearby Alwar and approximately 50,000 people are engaged there directly or indirectly.

ANALYSIS OF POTENTIAL FOR NEW MSMEs IN ALWAR (NCR)

Taking into considerations various advantages offered by the district, a few of the potential industrial project have been identified. While identifying such projects, the factors considered were availability of material resources, infrastructural facilities, needs of local population and industries etc.

Potentials areas for service industry

- Packaged Food Industry
- Printing Press
- Bakery Units
- Beauty & Herbal Therapy
- Fashion Designing Institute

Potential for Local Resource Based Unit Mustard Split

The area under production of mustard provide enough scope to set up mustard based units in the district. Import of edible oil & use of other oil seeds is increasing day by day. In Alwar district total area under mustered was 2.64 Lacks hectares in the year 2011-12 and the production of oil seeds was about 3.31 lacks MTS The major producing areas of mustered are Khedli, Khairthal, Tijara, Bansur & Alwar. So there is good scope at Khairthal, Tijara Alwar & Kherli to establish such type of units.

Dal Mill

In Alwar district the total area under pulses was 256 hectares in the year 2011-12. Beside the production in

the district the arrivals of pulses in major mandies namely Kherly, Khairthal & Alwar remains 50-70 thousand MT. At present there are 11 units consuming about 30 thousand MT of pulses having a scope of establishing more units in the district.

Spice Powder

Alwar is rich in chili & Dhania production. However few industries are working in the same line.

Flour Manufacturing

In Alwar district the total area under wheat was 185167 hectares in the year 2011-12. The use of packed wheat is increasing day by day. Especially in metropolitan & industrial Cities. Due to availability of raw material & market provides potential for establish such units.

Vegetable processing

Rajgarh Block is rich in fruits & vegetable production. About 561 hect. Area is under various fruits & 10,255 hec under various Vegetables. The main fruits are Mango, Lemon & Ber.

Mineral Based Industries

Alwar is rich in minerals. It produces Marble, Granite, Feldspar, Dolomite quartz, limestone, soap stone, barites etc. looking to the huge deposits of Dolomite, Quartz, Feldspar & soap stone & considering the capacity of existing units 10 more new mineral grinding units at Rajgarh & MIA are proposed. Marble is another major mineral with huge deposits. Rajgarh & Thanagazi tehsils are proposed enough rich in marble. At present the marble cutting & polishing work is being done by 19 Gangsa units at MIA & scope for establishing more unit at MIA & Rajgarh. Mandhan area is rich in slate stone.

Live stock Based Industries

Live stock population of the district has reached to 15.23 lacks as per livestock census 2007 of which cows/bullocks are 1.96 lacks, Buffaloes 7.64 lacks, Sheep 1.00 lacks & Goats 7.10 lacks. Keeping in view the live stock population of district live stock based unit such as bone crushing, tanning & cattle feed mfg. Industries may be set up in the district.

Demand based units

So far the industrial potential have been discussed for which the resources are available. Looking to the demand of the people the demand based industry units like dairy products, bread & biscuits, exercise book, leather shoes and products, disposables, wire cable, granules plastic, steel furniture, plastic bottles and molded items, agriculture equipments, paints, electronic items, auto spares & lamps, tyre retarding service etc. are also suggested for the area.

List of Potential Industries In Alwar District

List of Potential Industries In Alwar District

S. No.	Type Of Industry	Suggested Location
Resource Based		
1	Mustered Split Khairthal	Tijara, Alwar, Kherli
2	Pulses	M.I.A Khairthal
3	Spice Powder	Behror Kherli, Bansur
4	Flour Rajgarh	Behror Alwar Tijara
5	Veg. Processing	Rajgarh, Alwar Behror
6	Mosaic Tiles	Behror
7	Cement Pipe	Behror, Alwar
8	Cement Jallies Etc.	Behror, M.I.A Ramgarh
9	Marble Gangsaw	M.I.A Ramgarh
10	Leather Tanning	Bhiwadi, Thanagazi
11	Bonemill	Behror, Thanagazi
12	Mineral Powder	Rajgarh, Thanagazi
13	Grainite Tiles	M.I.A Rajgarh
14	Cotton Ginning	Rajgarh, Khairthal
15	Fuel Form Agri.Waste	Shahjhanpur
16	Stone Grit	Alwar, Bhiwadi Rajgarh
17	Slate Stone Tiles	Mandhan
18	Machanised Bricks	Laxmangarh, Kathumar
19	Ayoreidic Medicines	Alwar, Rajgarh
Demand Based		
20	Dairy Product	Behror Rajgarh
21	Berad & Biscuits	Behror Bhiwadi
22	Exercise Book	Alwar, Tijara Thanagazi
23	Rubber Sheets	Bhiwadi
24	Leather Shoes	Bhiwadi
25	Leather Products	Alwar, Thanagazi, Behror
26	Disposables	Shahjhanpur, Bhiwadi
27	Pharmaceuticais	Bhiwadi
28	Wire, Cable	Bhiwadi
29	Granular Plastic	Bhiwadi
30	Engineeing	Alwar, Thanagazi, Behror, Rajgarh, Shahjhanpur, Bhiwadi
31	Rolling Mill	Bhiwadi
32	Steel Furniture	Alwar, Thanagazi, Behror, Rajgarh, Tijara, Bhiwadi
33	Tin Containers	Alwar, Bhiwadi
34	Plastic Moulded Items	Shajahan Pur
35	Plastic Bottles	Sotanala, Rajgarh, Thanagazi
36	Agri. Equipments	Alwar, Behror, Rajgarh, Thanagazi
37	Florecent Tube	Shajahanpur
38	Paints	Alwar, M.I.A Bhiwadi
39	Electronic Item	Shajahanpur, Alwar, Bhiwadi
40	C.I Casting	Alwar, Behror
41	Auto Lamp	Alwar
42	Auto Spares	MIA
43	Electro Plating	Alwar, MIA
44	Tyre, Retrading Servicing	All Most Towns
45	FI Ash Bricks	Alwar, Bhiwadi, Neemrana
46	Cement Concrete Hollow Bricks	Alwar, Bhiwadi, Neemrana
Ancillary Industries		
47	Auto Gear & Work	MIA
48	Engineering Job Work	Alwar City, MIA
Automotive		
49	Components	Bhiwadi
50	Cement Plant Parts Repairings	Behror
Packing Boxes		
51	Corrugated Boxes	Bhiwadi MIA
52	Card Board Boxes	Alwar City

CONCLUSIONS

MSME sector is a dynamic and vibrant sector of the Indian economy. It has experienced consistent growth in terms of a number of new units registered, kind of products manufactured, and employment generation. The sector plays an important role in the economy by contributing to a great extent to GDP, industrial output, export earnings, regional development, and social stability. MSME's provide job and employment and ultimately self dependency. Therefore, MSME's can be a hope for Indian economy in near future. The MSME'S are providing the uniform development to the society and can be a strong mean to utilize the natural resources of the India. The MSME's are very helpful to remove the regional imbalances if it is establish in the underdeveloped areas. The MSME's

are providing more employment per unit. In 2006-07, there were 2.23 employees per MSME while in 2011-12 it is 2.26 per MSME. Numerous possibilities exist in this field. So, foreign investment can easily be attracted.

So In the concern of Alwar (NCR) there is the huge opportunity for MSME sector because of the geographical situation and availability of natural resources. The future of MSME sector in Alwar (NCR) is bright and it will grow the economy.

REFERENCES

- MSME-Development Institute. (2014). MSME Policy page. Available at <http://msmehyd.ap.nic.in/Definitions.htm> (accessed in August 2014)
- Ministry of MSME & FICCI. (2012). Innovation Readiness of Indian SMEs: Issues and Challenges. Available at: <http://www.ficci.com/spdocument/2014/FFICCI-MSME-Summit-2020-knowledge-paper-new.pdf>
- Government of India- Union Budget and Economic Survey (2013) Economic Survey [online] available from < <http://indiabudget.nic.in/budget2013-2014/survey.asp>>
- MSME Annual Report for the year 2015-16, Govt. Of India.
- Raju, D. K. (2008). Small and Medium Enterprises (SMEs) in India: Past, Present and Future.
- www.google.com
- www.msme.gov.in
- www.dcmsme.gov.in
- www.msmedijaipur.gov.in