

PERFORMANCE OF MSME IN PROMOTING SOCIO-ECONOMIC DEVELOPMENT IN RURAL SECTOR OF ODISHA

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ABSTRACT--*In a developing country like India, Small Scale industries play a significant role in economic development of the country. These industries represent a stage in economic transition from traditional to modern technology after globalization. The variation in transitional nature of this process is reflected in the diversity of these industries. Most of the small scale industries use simple skills and machinery. Small scale industries also play social and political role in local employment creation, balanced resource utilization, income generation and in helping to promote change in a gradual and peaceful manner. It is focused that the smaller SSIs are growing not only numerically but also in terms of employments, investment and output. The present study is basically based on secondary data collected from unpublished journals, literature, economic survey, MSMEs annual reports and reports of government of Odisha. The research tools like ratio, percentages, average etc., are being used to reach valid findings and conclusion.*

Keywords--*employment creation, balanced resource utilization, income generation, investment and output.*

I. INTRODUCTION

Micro, Small and Medium Enterprises (MSME) sector is the most vibrant and dynamic sector promising high growth potential for the Indian economy. There are close to 51 million MSME units in the country that employ about 117 million people across various sectors, constituting 40% of the workforce. The MSME share to the total Gross Domestic Product (GDP) is about 37% and they also contribute to 43% of exports based on the data maintained by Ministry of Commerce. In view of the critical nature of this segment, careful monitoring of the health of MSME portfolios regularly and frequently is vital for tracking the efficacy of policy, banking and business decisions while ensuring timely intervention for controlling potential losses. The Indian MSME sector is the backbone of the national economic structure and has unremittingly acted as the bulwark for the Indian economy, providing it resilience to ward off global economic shocks and adversities. With around 63.4 million units throughout the geographical expanse of the country, MSMEs contribute around 6.11% of the manufacturing GDP and 24.63% of the GDP from service activities as well as 33.4% of India's manufacturing output. They have been

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able to provide employment to around 120 million persons and contribute around 45% of the overall exports from India.

II. REVIEW OF LITERATURE:

A number of studies have been undertaken in the state of Odisha in establishing relationship between industrial development and the role of MSME and big industries. Development in this state is largely dependent upon MSMEs rather than big industrial houses. In recent years the State of Odisha has attracted multinational companies like Vedanta, POSCO and Arcelor Mittal Group (Mittal Steel NV) to set up large industries in steel, aluminum and power sectors. However, these industries are facing severe resistance by displaced people. This is also the general phenomenon in other parts of the country. To mitigate the situation of the displaced, it is necessary to adopt a strategy whereby displaced people are gainfully employed elsewhere. It has been seen in the past in many places that displaced people were not resettled to make their living better. Therefore it is necessary to have a strategy to encourage the setting up of MSME unit's natural resources, low capital investment and without too much pressure toward migration to urban areas. People displaced or unemployed can be trained and suitably employed. A holistic view may be taken to mitigate the situation of unemployment.

Kaur, S. (2014), the paper light on through up the criteria used by the financial institutions in Punjab to evaluate the loan applications of MSMEs and into the criteria and the internal evaluation methods used by the MSMEs for their self-assessment of loan application. They also compare the results obtained from the financial institutions and the MSMEs. The study based on primary survey. The data was collected from 10 financial institutions providing finance to MSMEs in Punjab used to interview method and 50 MSMEs in Punjab which were granted loan by these financial institutions. The study analyzes that the criteria of banks use to evaluating the loan applications are the investment in fixes assets, value of collateral, financial ratio, and other important from the www.ijcrt.org© 2018 IJCRT | Volume 6, Issue 2 April 2018 | ISSN: 2320-2882 IJCRT1812513 International Journal of Creative Research Thoughts (IJCRT) www.ijcrt.org 711 banks point of view include profitability, financial ratio and growth aspects. They finally observed that there was statically significant difference between financial institution and the MSMEs

Zamperi Ahmad, S. (2012), the purpose of this paper is to find out the main problems and constraints faced by micro, small and medium sized enterprises (MSMEs) in the kingdom of Saudi Arabia. Based on the results this study, several factors were identified to small business growth and survival in Saudi Arabia. Survey methods were used to gather data from 177 MSMEs located in selected cities in Saudi Arabia and in addition, 15 of these entrepreneurs were purposefully selected and interpreted. The result show that the difficulties in obtaining financial support, bureaucracy, lack of credit options and constraints faced by MSMEs. He also stated that the other problems included inadequate govt. supported, unpredictable policy changes and lack of training.

Birch (1979) argued that small firms are particularly important in job creation. He reports that over the 1970s, firms with fewer than 100 employees generated eight out of ten new jobs in America. However, a wide array of evidence rejects the view that small firms are the engines of job formation. (Dunne, Roberts, and Samuelson, 1989; Leonard, 1986; Brown, Hamilton, and Medoff, 1990). This paper reviews the existing micro-economic evidence

on whether MSMEs boost economic growth in India in respect of continuous growth in number of units, production, employment and exports.

Morck, Shleifer and Vishny (1988), concluded that disciplinary takeovers are likely to be hostile transactions, whereas synergistic takeovers are likely to be friendly transactions. Hostile transactions are acquisitions that go against the wishes of the target company's management. Fennerty (1976) concluded that the occurrence of profitable insider transactions implies that, "trading on inside information is widespread" and that insiders actually do violate security regulations." Keown and Pinkerton (1981), provide evidence of excess returns earned by investors in acquired firms prior to the first public announcement of planned mergers. Seyhun (1986), examining transactions reported to the SEC, finds that corporate insiders earn excess returns that are on average small.

III. OBJECTIVE OF THE STUDY:

The study attempts to make evaluate the performance of MSME in promoting socio-economic development in rural sector of Odisha. Those specific objectives are as follows:

- To examine the performance of MSME in the socio-economic development of rural sector.
- To analyze assistance provided by banks to different district of Odisha.
- To suggest recommendation on performance of MSME.

IV. METHODOLOGY

The study is from secondary data as the data are taken from the annual report of MSME, Government of India .Period of study is limited to 2 years from 2017-18 and 2018-19 have been taken in consideration for the performance of the indicators applied for the socio- economic factors in rural sectors of odisha The tools and techniques used in this study are Bar Charts, Mean, Standard Deviation, Ratios and Percentages .Descriptive and analytical approach of research design has been applied. Random sampling method has been used for this study

V. SIGNIFICANCE OF MSME

Speaking at the launch, N S Vishwanathan, Deputy Governor, [Reserve Bank of India](#) said, "Comprehensible information is the need of the hour. The MSME sector accounts for 31% of the GDP, providing employment to over 111 million people. Bringing every element of this sector to the formal fold, as such, is imperative. This is where well-analyzed data plays an important and significant role. The MSME Pulse report will help in providing fresh insights about the sector. The joint effort by SIDBI and TransUnion CIBIL is commendable and will bring the MSME sector into the formal fold in a big way.

Mohammad Mustafa, Chairman and Managing Director, SIDBI in his address said "Information is key to decision making and if it is available at the right time, meaningful engagements and interventions can be made. SIDBI firmly believes that economic tools are very meaningful and offer independent outside assessment hence crucial for supporting policy decisions. With the launch of MSME Pulse, SIDBI and TransUnion CIBIL aim to provide the credit industry with trends and insights for making information oriented business decisions." While highlighting

the present state of formal lending to this segment, he further added that "The MSME sector remains significantly under-penetrated on the organized lending front. Out of the 51 Million MSME units, only 5 Million units have access to formal credit. Digital push coupled with GST implementation will push the MSMEs towards higher formalization and hence credit coverage."

CURRENT SCENARIO

The Micro, Small and Medium Enterprises (MSMEs) Sector contributes significantly to the Indian Economy in terms of Gross Domestic Product (GDP), Exports and Employment generation. As per the information received from the Central Statistics Office (CSO), Ministry of Statistics & Programme Implementation (MOSPI), the Share of MSME Gross Value Added (GVA) in total GVA during 2016-17 was 31.8%. As per the information received from Directorate General of Commercial Intelligence and Statistics (DGCIS) the Share of MSME related Products in total Export from India during 2018-19 is 48.10%. As per 73rd Round of National Sample Survey (NSS), conducted by the Ministry of Statistics & Programme Implementation during the period 2015-16, the estimated number of workers in unincorporated non-agriculture MSMEs in the country are 11.10 crore.

Under the Prime Minister's Employment Generation Programme (PMEGP,) the estimated employment generated (number of persons) in micro enterprises during the years 2014-15, 2015-16, 2016-17, 2017-18 and 2018-19 are 3.58 lakhs, 3.23 lakhs, 4.08 lakhs, 3.87 lakhs and 5.87 lakhs, respectively. The Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) was launched by the Government of India to make available collateral-free credit to the micro and small enterprise sector. The number and amount of Guarantees approved under the CGTMSE during the last 2 years is given below:

Table 1: The number and amount of Guarantees approved under

Year	No. of Credit Facilities Approved (in lakhs)	Amount of Guarantees Approved (in Rs. crore)
2017-18	2.63	19065.91
2018-19	4.36	30168.57

This information was given by Shri Nitin Gadkari, Union Minister for Micro, Small and Medium Enterprises in written reply to a question in Rajya Sabha. The Credit Amount Has Been Enhanced Which Means People Are Interested For Financing From Bank And eager for Setting Up Their Enterprises

VI. DATA ANALYSIS AND INTREPRETAION

ANNUAL CREDIT PLAN/ PRIORITY SECTOR LENDING/ SECTORAL FINANCING

Table 2: Sectoral target vs achievement under ACP 31.03.19

Particulars	Target	Achievement	%age
Crop Loan	25764.14	18732.47	72.71
Agri Term Loan	7267.11	4242.52	58.38
Fishery	1014.93	165.73	16.33
Dairy	1482.05	317.86	21.45
Farm Credit	35528.23	23458.58	66.03
Agriculture Infrastructure	1671.58	849.27	50.81
Ancillary Activities	1178.60	2045.67	173.57
Agri Total	38378.41	26353.51	68.67
Micro Enterprises	6271.72	9022.65	147.11
Small Enterprises	5554.95	8848.55	159.29
Medium Enterprises	3225.45	2829.41	87.72
Khadi & Village Industries	895.96	116.70	13.02
Others under MSME	1971.11	5093.69	258.42
MSME Total	17919.19	25910.99	144.60
Export Credit	341.14	2191.05	642.27
Education	1232.28	517.70	42.01
Housing	4810.99	2448.54	50.89
Social Infrastructure	317.08	8.29	2.61
Renewable Energy	123.41	1.55	1.25
Others	8297.35	2504.71	30.19
Priority Sector Total	71419.85	59936.34	83.92

The above table gives information about the target and achievement under Annual Credit Plan on the basis of different priority sector. First of all under crop loan, Agri Term Loan, fishery and dairy the achievement is much less than the target like- the target set for crop loan is 25764.14 and achievement is 18732.47 so here 72.71% of target can be achieved that means the loan provided by the Bank is not sufficient to achieve the required target. Similarly in case of Agri Term Loan, Fishery, and Dairy only 58.35%, 16.33%, 21.45% respective target achieved. In different sector of MSME the percentage of achievement is more than target. Under different priority sector only 83.92% target achieved.

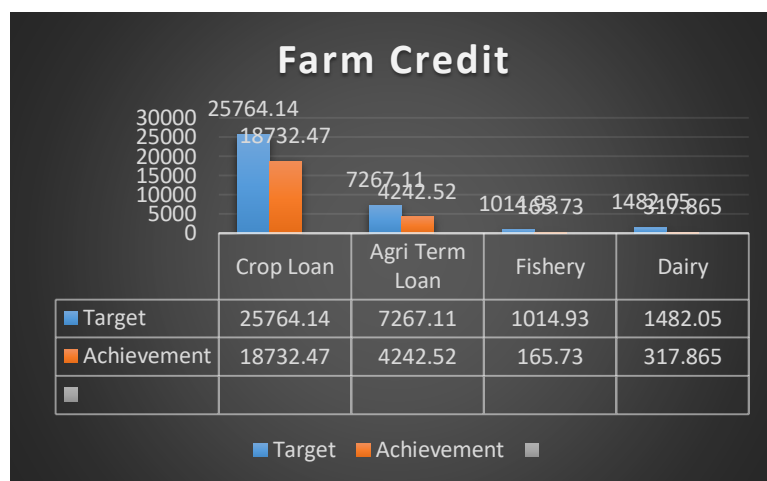


Figure 1: farm credit

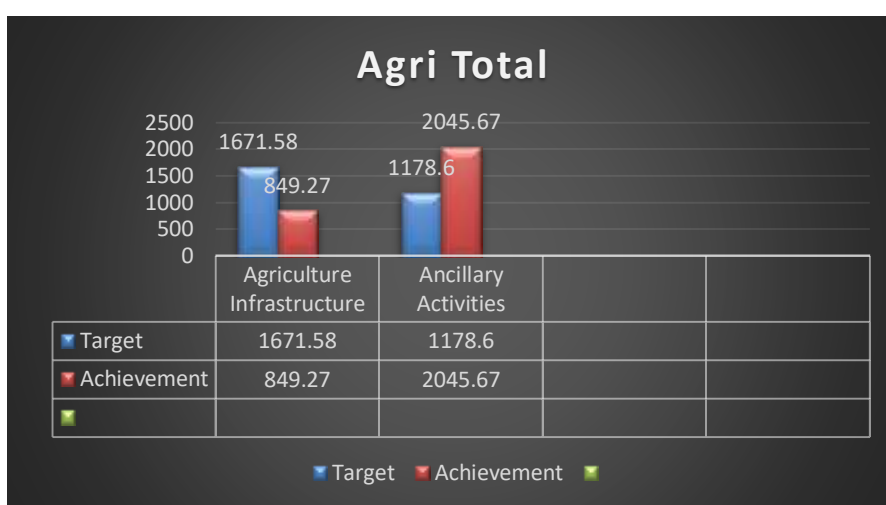


Figure 2: agri total

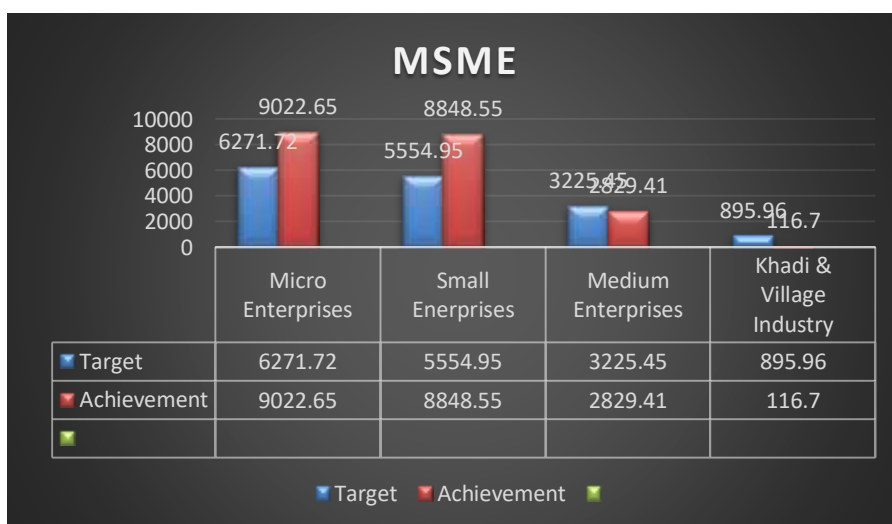


Figure 3: msme

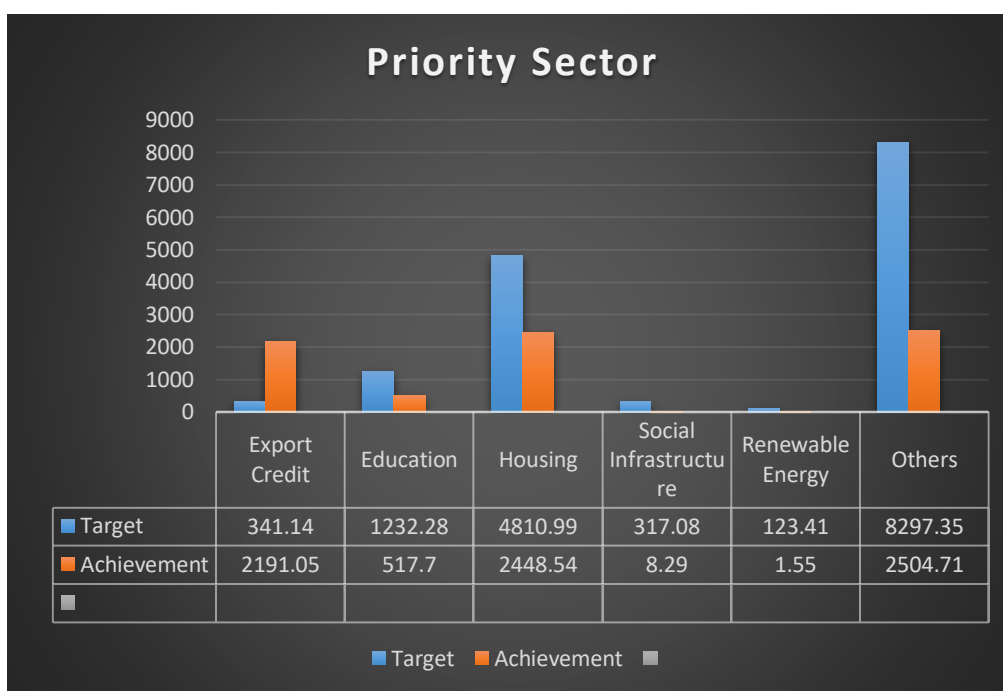


Figure4: priority sector

Table 3: AGRICULTURE-Disbursement for the period from 01.04.2018 to 31.03.2019

Name of the scheme	No. of account	Amount in Rs. Crore
Dairy(Including DEDS)	42889	317.88
Fishery	8945	165.72
Poultry	50329	339.93
Other allied (Goatery, piggery etc)	143393	673.81
Total	245556	1497.34

Here amount relating to goat and pig has been spent more as compare to agriculture, which indicated that generation are changing their thought of doing business on the above. There is ample scope for employment opportunities for younger generation regarding this.

Table 4: Education Loan

As on	Outstanding		Disbursement	
	No. of Accounts	Balance Outstanding (Crore)	No. of Accounts	Amount (Crore)
31.03.2017	77519	2198.43	16792	331.37
31.03.2018	72098	2018.66	15312	408.44
31.03.2019	64833	1961.19	26547	618.17

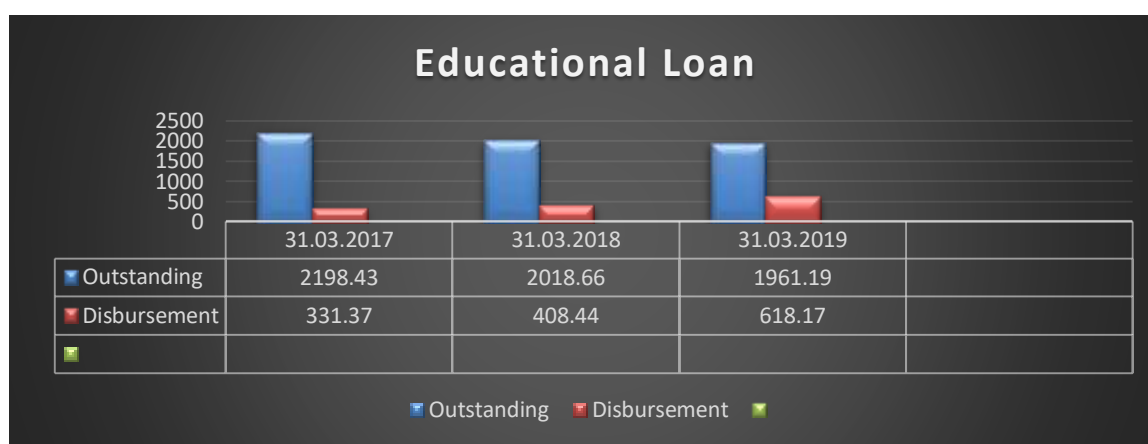


Figure 5: educational loan

The disbursement amount is less than the sanctioned amount therefore it is advised to provide more and more funds for the better performance of the MSME relating to education sector

Table 5: HOUSING LOAN

As on	Outstanding		Disbursement	
	No. of Accounts	Balance outstanding	No. of Accounts	Amount
31.03.2017	178451	10982.32	26902	2451.44
31.03.2018	188858	11951.49	27437	2893.69
31.03.2019	174659	14369.52	37572	3703.77

MSME can avail Housing Loan for the expansion of the business or for the setup of new enterprises. Here the

Disbursement amount go on gradually like 2451.44cr in 2017, 2893.69cr in 2018 and 3703.77cr in 2019. So the MSME can extend their business by increasing amount of loan by banks. The disbursement amount is less than the sanctioned amount therefore it is advised to provide more and more funds for the better performance of the socio economic development of MSME

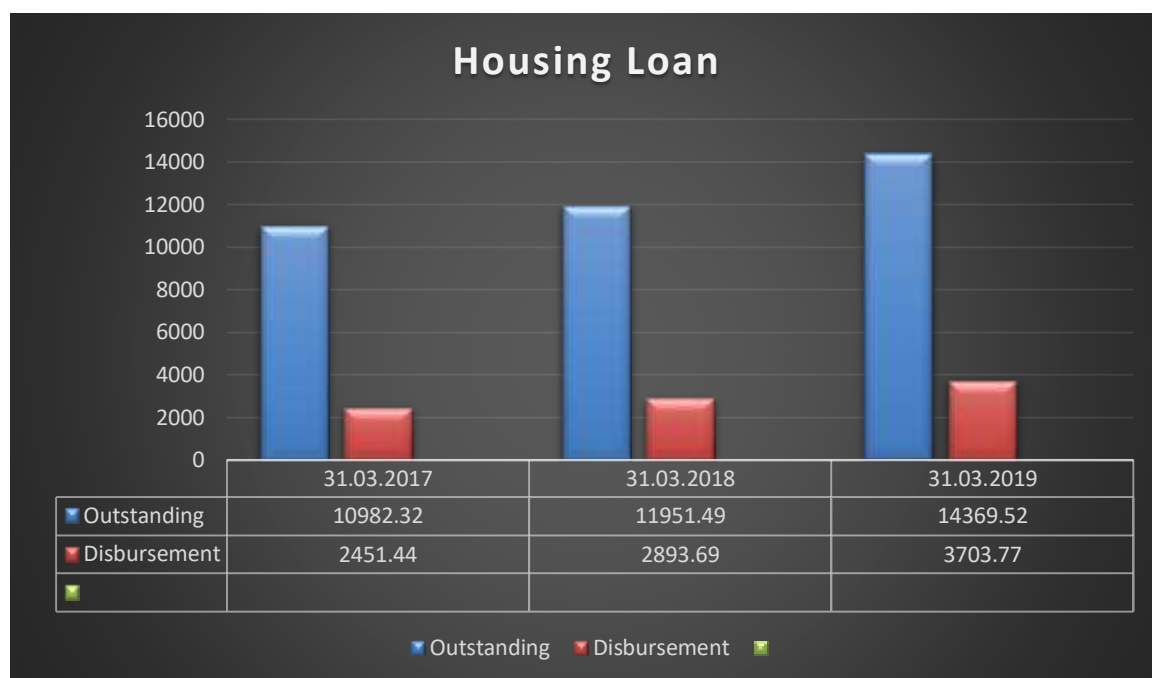


Figure 6: housing loan

Table 6: CREDIT DEPOSIT RATIO

Banks	Basing on total utilization (including loan sanctioned outside State) of credit in thestate	Basing on advance sanctioned and utilized in thestate
	31.03.2019	31.03.2019
Public Sector	59.74	36.86
Private Sector	85.54	79.45
RRBs	43.72	43.72
Cooperative	123.34	123.34
Small Finance Bank	340.93	340.93

The above table represents the amount of loan sanctioned and utilized by MSME provided by different Banks. Where public sector bank sanctioned Rs59.74 crore but only Rs 36.86crore. Similarly in private sector rs79.45crore used where the sanctioned amount was Rs85.54crore. But in case ofRRB, Cooperative bank and Small finance bank full amount was utilized. It is more in public sector banks because of its risk free concept

Table 7: District Wise CD (%) as of 31.03.2018 & 31.03.2019 for all Districts of Odisha:

SL NO.	DISTRICT NAME	31.03.2018 (Crore)			31.03.2019 (Crore)		
		Deposit	Advance	CD Ratio	Deposit	Advance	CD Ratio
1	ANGUL	10081.64	4200.01	41.66	10924.12	3853.30	35.27
2	BALASORE	10297.84	5197.83	50.47	11645.85	5993.63	51.47
3	BHADRAK	5046.44	3546.02	70.27	6095.25	3935.44	64.57
4	BARAGARH	4658.79	2523.23	54.16	5344.61	3735.42	69.89
5	BOLANGIR	5047.99	2567.03	50.85	6014.94	2939.99	48.88
6	BOUDH	939.48	688.71	73.31	1071.41	739.00	68.98
8	DEOGARH	1091.49	428.77	39.28	1300.19	454.23	34.94
9	DHENKANAL	4822.13	4199.24	87.08	6128.85	3993.95	65.17
10	GAJAPATI	1845.89	543.29	29.43	2362.50	601.93	25.48
11	GANJAM	16865.07	6537.65	38.76	19323.28	7334.15	37.95
12	JAGATSINGHPUR	8670.76	3451.83	39.81	7436.82	2859.33	38.45
13	JAJPUR	7404.14	6004.95	81.10	8612.00	6700.50	77.80
14	JHARSUGUDA	4757.20	3093.66	65.03	5265.57	3265.14	62.01
15	KALAHANDI	3467.77	2112.65	60.92	4097.07	2252.08	54.97
16	KANDHAMAL	2014.82	899.70	44.65	2266.79	870.44	38.40

17	KENDRAPA RA	4894.39	1909.60	39.0 2	5583.58	1978.80	35.44
18	KEONJHAR	9950.51	4342.26	43.6 4	12693.33	4661.57	36.72
19	KHURDA	78470.53	41225.0 9	53.5 4	93430.74	51595.3 5	55.22
20	KORAPUT	4798.42	2400.41	50.0 2	5458.50	2710.71	49.66
21	MALKANGI RI	1327.76	554.84	41.7 9	1589.89	481.88	30.13
22	MAYURBHA NJ	9013.35	3461.69	38.4 1	10224.23	3711.49	36.30
23	NAYAGARG H	3131.77	1652.71	52.7 7	2055.60	1106.46	53.83
24	NABARANG PUR	1744.56	1010.81	57.9 4	3502.27	1854.41	52.95
25	NUAPADA	1669.03	691.83	41.4 5	1871.86	731.93	39.10
26	PURI	7307.08	2955.78	40.4 5	7928.16	3140.95	39.62
27	RAYAGADA	3066.57	1434.51	46.7 8	3567.62	1637.50	45.90

On the above table it shows that Sambalpur district registered lowest CD Ratio 23.59%. It is observed that 7 districts namely Bargarh, Bhadrak, Boudh, Dhenkanal, Jaipur, Jharsuguda and Sonapur of CD Ratio the Sub-Committee of DCC and Bank operating in this districts should take needful action have achieved CD Ratio of more than 60%. 13districts achieved less than 40% so for improvement.

VII. FINANCING TO MSME SECTOR

Table 8: Micro, Small and Medium Enterprises (MSMEs)

There is growth in share of advances of MSME , which means people are going for self employment and start up for employment opportunities and eagerly facing the challenges

Particulars	Balance outstanding as on 31.03.2018		Balance outstanding As on 31.03.2019	
	A/cs	Amount	A/cs	Amount
Micro Enterprises	977875	18040.57	971862	17082.7 4
Small Enterprises	152517	11665.37	790591	15294.7 5
Totals MSME	1130392	29705.94	1762453	32377.4 9
Share of advances of Micro Enterprises to MSE (%)	86.50	60.73	95.30	83.82
Total MSME	1182107	35313.40	1849470	38627.5 3

VIII. CENTRAL GOVERNMENT SPONSORED SCHEME.

a) Crop Insurance:

Table 9: Pradhan MantriFasalBimaYojana (PMFBY) – Kharif 2018

No's of Farmers registered (in Lakh)	Area Insured (In Lakh)	Sum Insured (in Crore)	Farmers Premium Paid (in Crore)
20.22 (Loanee – 17.49 & Non-Loanee – 2.73)	14.26	8355.49	167.19

Table 10: Pradhan MantriFasalBimaYojana (PMFBY) – Rabi 2018-2019

No's of Farmers registered (in Lakh)	Area Insured (in Lakh ha.)	Sum Insured (in Crore)	Farmers Premium Paid (in Crore)
0.79 (Loanee – 0.68 & Non-Loanee – 0.12)	0.68	442.04	6.38

Under Pradhan MantriFasalBimaYojna Kharif (PMFBY) 2018 14.26lakhs Hector area insured and farmer's premier paid 167.19cr. On the other hand under Pradhan MantriFasalBimaYojna Rabi (PMFBY) 2018-2019 only 0.68 lakh Hector area covered and Farmers premium is much less than 2018 is 6.38cr.

b) Financing under Self Help Groups (SHGs)

Table 11: Performance under SHG-Bank Linkage during FY 2018-19

	2		2	
	0		0	
	1		1	
	8		9	
	-		-	
	1		2	
	9		0	
	Physical	Financial	Physical	Financial
SHG Bank Linkage Target	90000	Rs.1275.00 crore	135000	Rs.2041.30 crore
Achievement	103174	Rs.1521.74 crore	162402	Rs.1781.87 crore
Achievement Percentage	115%	119%	120.30%	87.29%

SHGs are informal association of people whose main aim to improve their living condition. It helps in improving the Socio-economic background having desire collectively perform for common purpose. So as per the FY 2018-19 the minimum loan size in first linkage of SHG was not to be less than Rs. 1.5lakhs. The house may explore the possibility of extending the same for the FY 2019-2020.

C) Implementation of Pradhan Mantri Jan DhanYojana (PMJDY) as on 31.03.2019

Table 12: In this scheme it provides the citizen especially the poor masses

No of accounts opened from 16.08.2014 to 31.03.2019 132.44 lakhs	Rural 92.77lakhs Urban 39.67lakhs
No. of accounts opened with Zero balance	18.12 lakhs

% of Zero balance accounts to total account opened	13.68%
Total deposit balance under PMJDY accounts.	Rs.3987.34 crore
No. of RuPay Cards issued	115.73 lakhs
No. RuPay Cards activated	60.04 lakhs
No. of Aadhaar seeded accounts	95.29lakhs
% of Aadhaar seeding	71.95%

In this scheme it provides the citizen especially the poor masses, a bank account credit facility, insurance cover and Debit card and helps in developing the Socio-economic development among them. There are 132.44 lakhs no. of accounts opened in between 16/08/14 to 31/03/2019.

d) Performance by Commercial Banks under Social Security Schemes as on 31.03.2019

Table 13: the Socio-economic development among them

Name of Scheme	No. of Enrollments in lakhs
PMSBY	43.69
PMJJBY	11.45
APY	4.33

Commercial bank under Social security scheme as on 31/03/2019 enroll number of peoples under different scheme

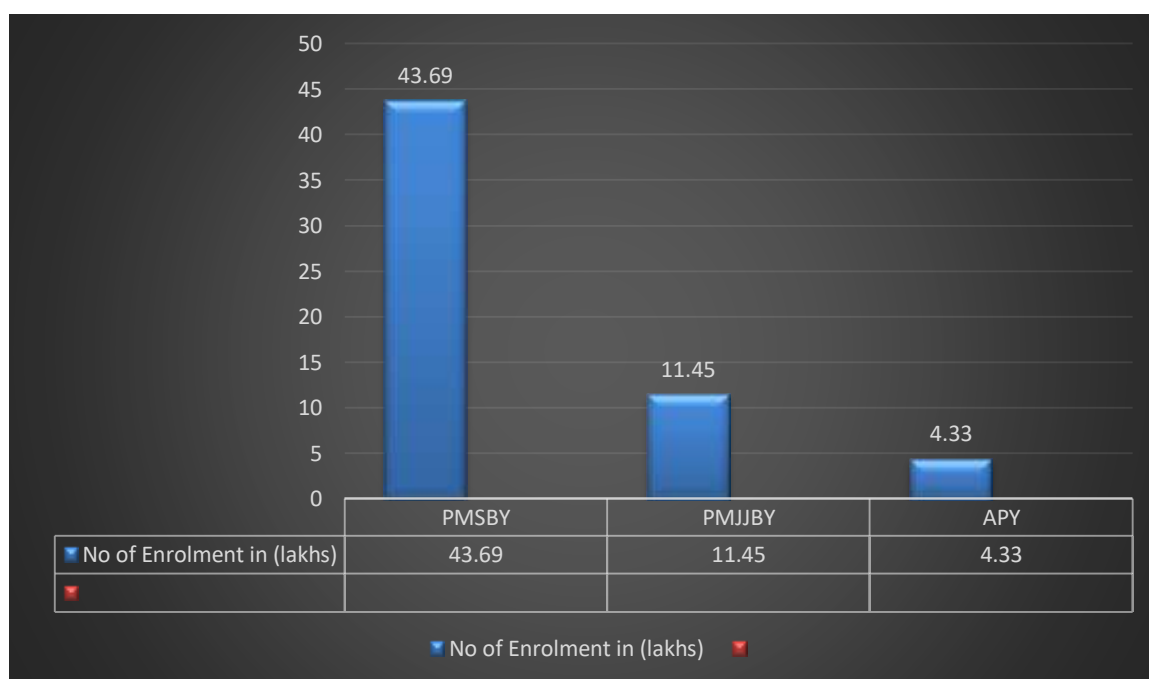


Figure 7: Commercial bank under Social security scheme as on 31/03/2019 enroll number of peoples under

different scheme

e) Progress of Pradhan Mantri Mudra Yojna (PMMY) in Odisha for the period 01.04.2018 to 31.03.2019

All Banks and Financial Institutions have sanctioned an amount of Rs. 15770.29 Crore and disbursed Rs.15284.62 Crores as on 31.03.2019 during the financial year 2018-19

Table 13: All Banks and Financial Institutions

Categories	No. of Accounts	Share in %	Disbursed amount (Crore)	Share in %
Shishu	3910051	93.89	10304.71	67.42
Kishore	218809	5.26	2974.14	19.46
Tarun	35572	0.85	2005.77	13.12
Total	4164432	100.00	15284.62	100.00

Progress of Pradhan Mantri MUDRA Yojana (PMMY) in Odisha for the period 01.04.2018 to 31.03.20

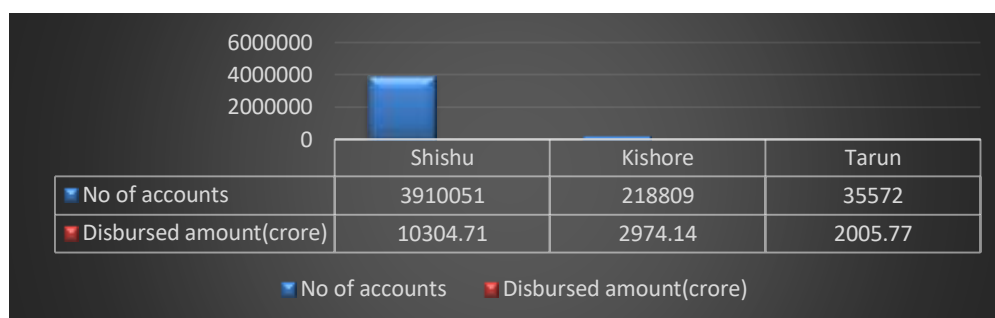


Figure 8: 19 (Financial Institutions wise)

Table 14: Progress of Pradhan Mantri MUDRA Yojana (PMMY) in Odisha for the period 01.04.2018 to 31.03.20

Financial Institutions	No. of Accounts	Share in %	Disbursed amount (Crore)	Share in %
MFIs, NBFCs & Small Finance Bank	2117097	50.84	6328.59	41.40
Public Sector Banks	206708	4.96	3120.12	20.42
Private Sector Banks	1679123	40.32	5097.28	33.35
Regional Rural Banks	25873	0.62	270.33	1.77
Foreign Banks	6	0.00	0.42	0.00
Small Finance Bank	135625	3.26	467.88	3.06
Total	4164432	100.00	15284.62	100.00

This scheme helps in providing loans up to 10lakhs to the non-corporate, on-farm small, medium and micro enterprises. The main aim is to bring such enterprises to the formal financing system and extending affordable credit to them for micro unit development and any Indian citizen can avail it. Under this finance provided to some categories of people and some financial institution helps in socio- economic development at large by providing loan for micro unit's development. For total 4164432 no. of accounts only 15284.62 crores amount distributed.

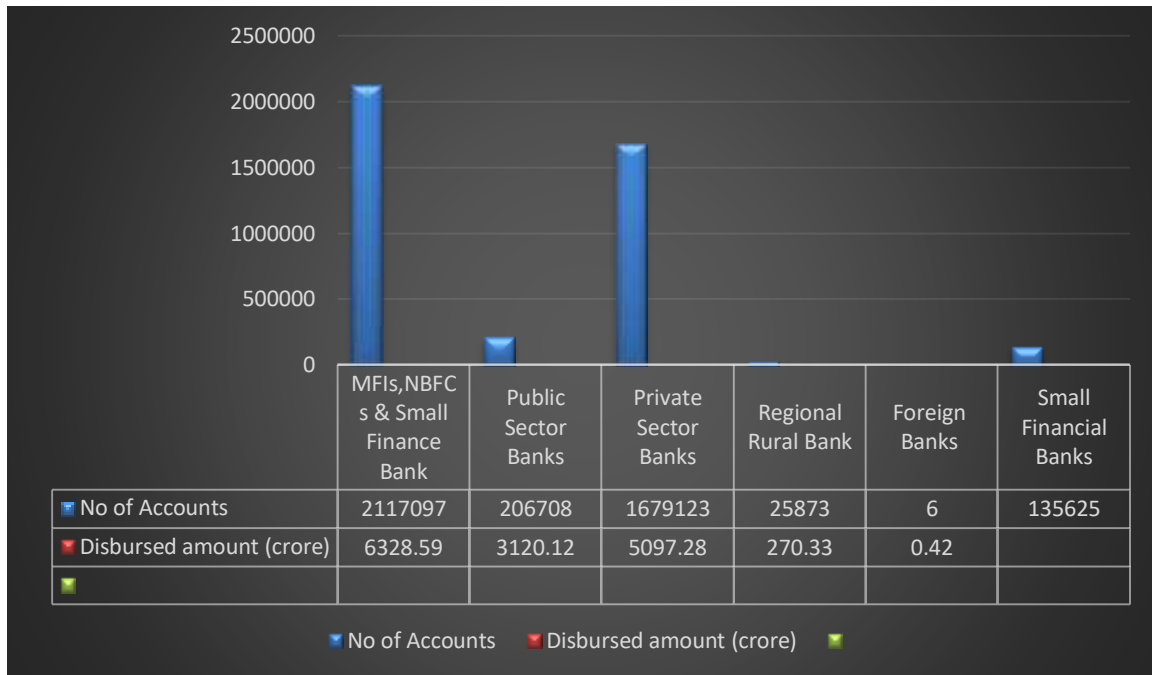


Figure 9: financial institution helps in socio- economic development

(f) Stand up India scheme

Table 15: Performance under Stand up India as on 31.03.2019

Particulars	as on 31.03.2018			as on 31.03.2019		
	Sanctioned		Disbursed	Sanctioned		Disbursed
	A/c/s	Amount	Amount	A/c/s	Amount	Amount
SC/ST	95	16.59	7.50	37	8.06	3.69
Women	652	129.14	58.63	284	63.65	20.37
Total	74	145.73	66.13	321	71.71	24.06

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Stand-up India scheme launched on 5th April 2016 to support entrepreneurship among women and SC &ST communities. It facilitates to provide loan between 10lakhs to 1crore at least one woman. Now a day's women entrepreneurship playing a vital role specifically in micro, small and medium Sector and it helps them to encourage them. On 31/03/18 sanctioned amount was Rs 145.73cr but disbursed only Rs 66.13cr and as compare to this on 31/ 03/2019 sanctioned was Rs 71.71cr and disbursed Rs 24.06 cr. So there is a need for encouraging them by providing those assistance for the Socio-economic development at large.

1. As on 31.03.2018

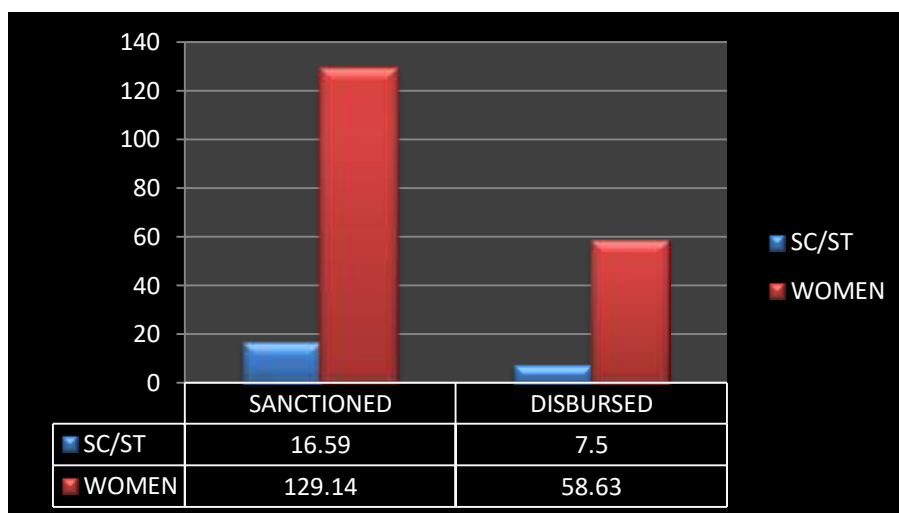


Figure 10: those assistance for the Socio-economic development at large

As on 31.03.2019

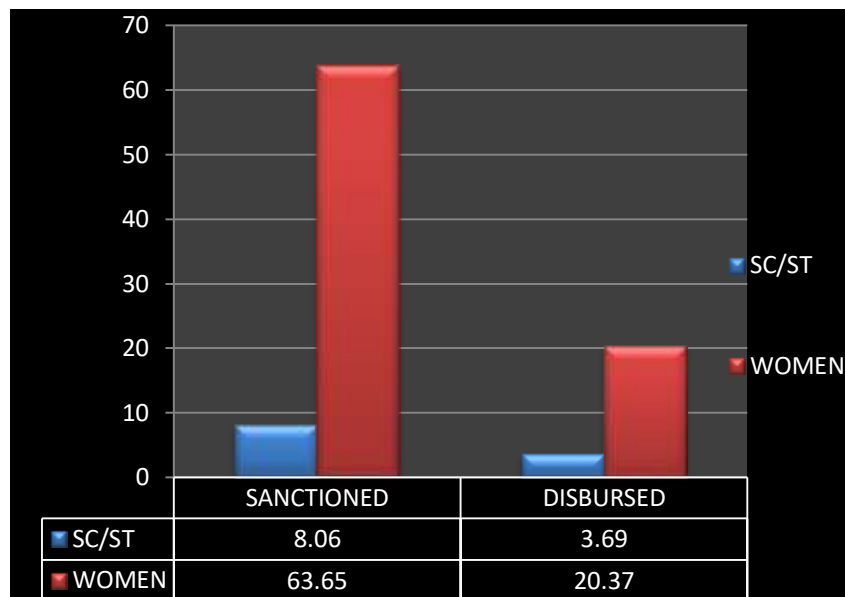


Figure 11: there is a need for encouraging

IX. SUGGESTIONS AND RECOMMENDATIONS

First of all under crop loan, Agri Term Loan, fishery and dairy the achievement is much less than the target like- the target set for crop loan is 25764.14 and achievement is 18732.47 so here 72.71% of target can be achieved that means the loan provided by the Bank is not sufficient to achieve the required target. Here amount relating to goat and pig has been spent more as compared to agriculture, which indicated that generation are changing their thought of doing business on the above. There is ample scope for employment opportunities for younger generation regarding this. Stand-up India scheme launched on 5th April 2016 to support entrepreneurship among women and SC & ST communities. It facilitates to provide loan between 10 lakhs to 1 crore at least one woman. Now a day's women entrepreneurship playing a vital role specifically in micro, small and medium Sector and it helps them to encourage them. SHGs are informal association of people whose main aim to improve their living condition. It helps in improving the Socio-economic background having desire collectively perform for common purpose. So as per the FY 2018-19 the minimum loan size in first linkage of SHG was not to be less than Rs. 1.5 lakhs. The house may explore the possibility of extending the same for the FY 2019-2020. Sambalpur district registered lowest CD Ratio 23.59%. It is observed that 7 districts namely Bargarh, Bhadrak, Boudh, Dhenkanal, Jaipur, Jharsuguda and Sonepur of CD Ratio the Sub-Committee of DCC and Bank operating in this districts should take needful action have achieved CD Ratio of more than 60%. 13 districts achieved less than 40% so for improvement. MSME can avail Housing Loan for the expansion of the business or for the setup of new enterprises. Here the disbursement amount go on gradually like 2451.44 cr in 2017, 2893.69 cr in 2018 and 3703.77 cr in 2019. So the MSME can extend their business by increasing amount of loan by banks. The disbursement amount is less than the sanctioned amount therefore it is advised to provide more and more funds for the better performance of the socio economic development of MSME

X. CONCLUSION

Orissa has been blessed by nature with various mineral and natural resources. Orissa's per capita income that was about 90% of the national average in 1950-51 continued to decline thereafter and bottomed to about 61% of the national average in 2002-03. But now the State per capita income has started rising and the gap with the national average is reducing steadily. The Service sector has become more prominent and important, its share being 55% in the State GSDP but the share of Agriculture and Allied Sector has come down to about 20% of GSDP in recent years. As per the Orissa economic survey, 2010-11, the economy has developed at an annual average rate of 9.51% during the 10th Plan and at 8.73% in the first three years of the 11th Plan, despite challenges posed by the global economic slowdown. It has, however, been observed that the increased growth in the economy in recent years has been contributed largely by the Industrial sector followed by Service Sector. The growth of Agriculture and Allied Sector has been very low, at an average annual rate of 1.33% during the first three years of the 11th Plan. This is also a matter of serious concern. Government of India is making efforts for promoting a less cash economy and to provide the facility of seamless digital payment to all citizens of India in a convenient manner.

Micro, Small and Medium-sized Enterprises (MSME) are one among the most important sectors, forming the backbone of the Indian economy. This sector has been instrumental in the growth of the nation, leveraging exports,

creating huge employment opportunities for the unskilled, fresh graduates, and the underemployed, also extending the opportunities to banks for giving more credit to enterprises in this sector. The government should take utmost care of this sector in terms of providing more and more MSME Registration benefits through better regulations, Government simply , and enabling financial institutions to lend more credit at less interest rate for sustainability of this sector.

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