



NAVIGATING RESILIENCE: ANALYZING GOVERNMENT POLICIES FOR FOSTERING SUSTAINABLE MSME GROWTH IN INDIA

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ABSTRACT

The Micro, Small, and Medium Enterprise (MSME) sector stands as a pivotal pillar within the Indian economy, contributing to 48% of the nation's production output and providing employment to a staggering 110 million individuals. The pervasive impact of the pandemic has inevitably reverberated across the economic landscape, although its full extent remains shrouded in uncertainty. Particularly, the small-scale enterprises that play a crucial role in India's manufacturing and service domains have borne the brunt of this impact. The year 2020 witnessed an unprecedented deceleration in revenue, with the MSME sector grappling with severe challenges in maintaining operational continuity. In response to this crisis, the government took affirmative action aimed at rejuvenating the beleaguered sector, offering targeted support to MSMEs. This concerted intervention proved to be a significant impetus, infusing hope and vitality into these enterprises. Consequently, a comprehensive evaluation of the barriers encountered, a candid exposition of these hurdles, and the formulation of a robust strategy to surmount the pandemic-induced turmoil have become imperative. In light of this exigency, the researcher undertakes a rigorous analytical investigation into the government's policies crafted to ensure the sustainable growth of MSMEs in India. By distilling insights from diverse sources, a holistic understanding of the challenges faced by MSMEs and the efficacy of governmental interventions is pursued.



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1. INTRODUCTION

India has demonstrated a success in containing the spread of the virus. However, swift action remains imperative to avert a more severe impact of the pandemic, as the repercussions could become increasingly dire if timely measures are not taken. The

timeline for economic recovery and rejuvenation is yet to be ascertained, especially given the existing high levels of unemployment, which are anticipated to exacerbate further.

Each life experience presents novel lessons, whether positive, negative, or a blend of both. In a somewhat

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positive light, the pandemic has provided India with an opportunity to assess its self-sufficiency and reliance on other nations for imports. The nation's response has leaned toward bolstering domestic manufacturing rather than heavy reliance on imports, thereby offering a partial remedy to India's balance of payments situation. Furthermore, the concept of remote work has gained prominence and is likely to become ingrained in Indian work culture. This shift towards remote work is anticipated to fuel the adoption of digital practices in various aspects of life in the foreseeable future.

The current research encompasses the following aims:

- To assess the prevailing situation of MSME sectors within India.
- To conduct an analysis of the effectiveness and scope of government initiatives aimed at benefiting MSMEs in India.

2. REVIEWS OF LITERATURE

Indian business is radically change and it is the transition period (Dominic et al., 2023). In a study conducted by Bansal, Tamana, and Bansal, Rohit (2022) was found that the MSMEs hold a pivotal role in the foundation of the Indian economy. However, the unexpected outbreak of the pandemic and subsequent nationwide lockdowns profoundly impacted various industries, particularly the MSME sector. Key challenges faced by MSMEs during this period encompassed capital shortages, lack of raw materials, and labor scarcity.

In response, the government swiftly initiated measures, including the reclassification of MSMEs and the introduction of interest-free automatic loans and special financial packages. The primary aim of this research was to delve into the challenges encountered by MSMEs during the economic downturn and to analyze the corrective actions implemented by the government to safeguard the sector. The researcher examined relevant literature as well as secondary sources to gain comprehensive insights during the investigation.

Keswani et al., (2022); MungilaHillemane, BalaSubrahmanya (2021) summarized their study by highlighting the unprecedented economic damage inflicted on the entire Indian economy, including the dynamic SME sector, by the COVID-19 pandemic, particularly its notable waves and subsequent impacts (Stalin et al., 2021; Affandi et al., 2020). The SME sector had assumed significant importance prior to the pandemic due to its substantial contributions to employment, public revenue, and trade activities, among other factors (Hossain et al., 2022). The authors proposed the potential role of a revitalized public District Industries Centre (DIC) system, supported by Small Finance Banks (SFBs), SIDBI, NABARD, and State Financial Corporations (SFCs), in playing a critical role in the revival of the SME sector.

Shaikh (2021) succinctly encapsulates their study by highlighting that Indian MSMEs constitute a significant source of employment, second only to the agriculture sector. They play a pivotal role in the production of industrial goods, as well as various commodities like clothing, handicrafts, and leather items. The study reveals that while the initiatives under the Atmanirbhar Bharat Abhiyaan have provided short-term benefits, a more comprehensive array of policies is required. The pandemic's impact has inflicted the most severe blow to India's economy in a decade, necessitating a coordinated approach between the central and state governments, integrating financial, monetary, and administrative strategies (Baporikar & Deshpande, 2021).

Sipahi Döngül (2020) conducted research about COVID-19 pandemic, causing widespread panic and affecting nearly 195 countries. Within this context, MSMEs emerge as particularly vulnerable due to their size, limited operational resources, and inherent inability to navigate such unprecedented circumstances (Bhalerao et al., 2022; Bartik et al., 2020; Iqbal & Pabon, 2020). These enterprises, are among the most fragile in the face of the pandemic. Additionally, the study points out that a limited number of women entrepreneurs are venturing into microbusinesses, as indicated by research conducted by Salini and Venkateswaran (2020). Company credibility and positive CSR image increases the sustainable growth (Kumar et al., 2022; Desfiandi et al., 2019).

3. NEED FOR THE STUDY

The recent onslaught of the Covid-19 pandemic has left both the nation's public health and economic systems grappling with unprecedented challenges. In this context, small entrepreneurs are actively seeking strategies to navigate the operational pressures imposed by the virus. In light of this, our study aims to assess the novel strategies necessary for business recovery. As the pandemic's impact persists, the livelihoods of numerous entrepreneurs and small business owners hang in the balance, contributing to an unsettling environment. These entrepreneurs face a myriad of obstacles, particularly within the MSME sector.

4. RESULT OF PANDEMIC ON INDIAN MSMEs

According to a recent study, the implementation of Lockdown 1.0 and Lockdown 2.0 had a significant impact on the employment of India's workforce, affecting approximately 116.18 million (25%) and 78.93 million (17%) workers, respectively. The majority of these individuals were concentrated in the informal manufacturing and service sectors. Telecommuting was a remote possibility for workers within these sectors, further exacerbating the challenges they faced. The Centre for Monitoring Indian Economy (CMIE) reported that as of July, around 5 million salaried

workers had been laid off, contributing to a total of 18.9 million job losses in this category since April 2020.

The Covid-induced lockdowns dealt a severe blow to the country's economy, resulting in the suspension of industrial and transportation activities. According to data from CMIE, a staggering 17.7 million salaried employees faced job losses in April. An additional 0.1 million positions were lost in May. Although June saw the addition of 3.9 million jobs, this progress was counteracted by the further loss of 5 million jobs in July.

The table 1 shows the growth rates of various commodities during the COVID-19 pandemic period (July 2020). Several commodities experienced significant negative growth, with petroleum, gems and jewelry, and leather products facing the steepest declines exceeding 45%. Man-made fabrics and textiles also witnessed negative growth above 20%. In contrast, chemicals experienced minimal negative growth, and some commodities like leather products even exhibited positive growth.

Table 1. Commodities under Negative Growth during COVID-19 Pandemic Period (July, 2020)

Petroleum	Gems and Jewelry	Leather Products	Man-made Fabrics	Textiles
-51.54%	-49.61	26.96%	-23.33%	- 22.09%
Cashew	Marine Products	Tobacco	Electronic Goods	Spices
-21.25%	-20.14%	-19.49%	-17.42%	- 11.38%
Minerals	Handicrafts	Tea	Chemicals	
-8.21%	-6.12%	-3.97%	-0.05%	

Source: Annual Report of the Ministry of MSME, 2020

Pattern shown in the table 1 reflects the impact of COVID-19 lockdowns and travel restrictions that reduced demand for travel-related goods (petroleum) and discretionary spending (gems and jewelry, leather products). The decline in economic activity also dampened demand for industrial materials (man-made fabrics, textiles). However, some essential commodities like chemicals continued to see demand. Leather products might be an outlier due to a data collection issue or a specific market trend unrelated to COVID-19.

5. EVALUATION OF GOVERNMENT INITIATIVES FOR MSMEs IN INDIA

The subsequent tables provide a comprehensive overview of the extent to which government schemes targeting Micro, Small, and Medium Enterprises (MSMEs) in India have been accessible and effective. The data presented is based on a sample of 100 randomly chosen respondents from the study area:

The economic downturn has subsequently led to a reduction in employment levels, as illustrated in Table 2.

Table 2. Situation of MSMEs in India after the Outbreak of the Pandemic

GDP Growth Rate (2020) === - 9.0 % (reduced)		
Permanent Employees	49 percent of firms that reduced employees	17 percent of firms that reduced their number of employees by more than 40percent
Temporary Employees	60percentof firms that reduced employees	22 percent of firms that reduced their number of employees by more than 40 percent

Source: ADBI Working Paper

The pandemic has significantly impacted the overall GDP growth rate, causing a notable decline of -9.0 percent in the year 2020.

The table 3shows respondent demographics with a higher proportion of males (77%) compared to females (23%).

Table 3. Socio-Demographic Profile of the Respondents

Basics	Factors	Percent	Mean	S.D.
Gender	Male	77	1.23	0.423
	Female	23		
Age	Below 25 years	19	1.96	0.585
	26 – 50 years	66		
	Above 50 years	15		
Marital Status	Married	77	1.23	0.423
	Unmarried	23		
Educational Qualification	Up to HSC	19	2.46	1.132
	Under Graduation	43		
	Post-Graduation	16		
	Professional Courses	17		
	Others	5		
Business Level	Micro	35	1.79	0.671
	Small	51		
	Medium	14		
Income Level	UptoRs. 3,00,000	31	1.88	0.700
	Rs. 3,00,000 – Rs. 5,00,000	50		
	Above Rs. 5,00,000	19		

Source: Primary data

From the table 3, the average respondent age falls between 26 and 50 years old, with a standard deviation of around 0.6 years. Age groups are not equally distributed across the sample, with the largest group being 26-50 years old (66 respondents).

The data suggests a similar distribution between married (77%) and unmarried respondents (23%).The data

indicates a spread across various educational qualifications. The highest mean (2.46) and standard deviation (1.13) belong to the 'Up to HSC' category, which might suggest a less homogenous group compared to others. Further analysis is needed to understand this category better. Micro businesses have the highest representation (35 respondents), followed by small businesses (51 respondents).

The data suggests a distribution of respondents across different income levels. The 'UptoRs. 3,00, 000' and 'Rs. 3,00,000 – Rs. 5,00,000' categories have the most respondents (31 and 50 respectively).

Table 4 reveals a significant trend, where a considerable majority of respondents have expressed a high level of satisfaction with several key factors.

Table 4. Opinion of the respondents on the Benefits of Initiatives by Government of India as Relief Measures for COVID-19

(HS – Highly Satisfied; S- Satisfied; N – Neutral; DS – Dissatisfied and HDS – Highly Dissatisfied)

Relief Measures for COVID-19	HS	S	N	DS	HDS	Mean	SD
New Definition of MSMEs (B1)	39	32	9	16	4	2.14	1.215
Credit and Finance Scheme (B2)	38	32	12	14	4	2.14	1.189
Allocation funds for equity participation (B3)	21	46	12	15	6	2.39	1.154
Discourage international tenders in turn for localization (B4)	30	38	10	17	5	2.29	1.209
Clearance of debt dues (B5)	29	40	9	18	4	2.28	1.181
Relief in NPAs (B6)	22	44	9	21	4	2.41	1.164
Promotion of E-market linkage (B7)	19	43	15	17	6	2.48	1.159
Banks and the Credit Guarantee Trust Fund Scheme (B8)	25	45	10	16	4	2.29	1.131
Patent registration is subsidized by up to 50% (B9)	31	38	7	19	5	2.29	1.233

Source: Primary data

Notably, the factors encompassing the 'new definition of MSMEs,' 'credit and finance scheme,' and 'allocation of funds for equity participation' have garnered the highest level of satisfaction among the surveyed participants. Moreover, respondents have also indicated a level of satisfaction for the remaining initiatives introduced by the Government of India as relief measures in response to the pandemic situation. This data collectively suggests a positive reception of these government initiatives within the surveyed population.

The insights extracted from Table 5 are evident and reveal a notable hierarchy among the challenges faced by the respondents. Among the 100 participants, the foremost challenge is indicated as 'ratings and creditworthiness decline,' signifying its prominence. Following closely are challenges such as 'survival difficulties,' 'capital and cash shortages,' 'supply chain breakdown,' 'customer purchasing power,' 'insufficient working capital maintenance,' 'revenue loss from operations,' 'high transaction costs,' 'stock obsolescence,' and 'inability to make decisions due to overthinking,' consecutively securing the second to tenth ranks. These findings underscore the range and magnitude of challenges encountered by the respondents, providing valuable insights into their perceptions of the prevailing obstacles.

Table 5. Challenges faced by MSME Businesses in India

Challenges	Garratt Score	Percentage
Survival difficulties	908	2
Capital and cash shortages	879	3
Ratings and creditworthiness have declined	963	1
Transaction costs are high	621	8
Customer purchasing power	748	5
Revenue loss from operations	689	7
Stock obsolescence	599	9
Supply chain breakdown	860	4
Working capital maintenance is insufficient	713	6
Over thinking causes inability to make decisions	501	10

Source: Primary data

Table 6 sheds light on the viewpoints of the respondents regarding the adoption of a 'new normal' to navigate the challenges posed by business disruptions due to COVID-19. The factor that resonates the most among the participants is 'innovativeness,' securing the topmost rank. Subsequently, other key considerations such as 'long-term viability of business,' 'strategic awareness or focus,' 'management procedures,' 'strategic procedures,' 'wisdom for better decision making,' 'incorporation of equity and transparency,' and 'people's utilization of technology' have secured the second to eighth ranks, respectively. These responses underscore the significance of fostering innovation, long-term sustainability, strategic orientation, effective

management practices, wise decision-making, and technological integration as essential components of adapting to the new business landscape shaped by the pandemic.

Table 6. Ranking Opinion of the Respondents for the Adoption of New Normal to Overcome the Challenges of Business Disruptions

Adoption of New Normal	Weight Score	Rank
Long-term viability of Business	769	2
Strategic awareness or focus	701	3
Management procedures	643	4
Innovativeness	770	1
The strategic procedure	562	5
People's use of technology	432	8
Wisdom for better decision making	509	6
Incorporation of equity and transparency	498	7

Source: Primary data

Table 7 shows the socio demographic profile of the respondents. There seems to be no major difference in

perception based on gender. Both males and females have a similar distribution across the satisfaction scale. Younger respondents (below 25 years) appear to be slightly less satisfied compared to those in the 26-50 year old group. People above 50 years old have a similar satisfaction level to the younger age group.

Married and unmarried respondents have a similar distribution of satisfaction scores. People with an 'Up to HSC' qualification seem to be the most satisfied with the credit and finance scheme. Those with a post-graduation or 'Others' qualification show a slightly lower satisfaction level.

Micro and small businesses appear to have a similar level of satisfaction with the credit and finance scheme. Medium-sized businesses tend to be more satisfied. There's a trend of increasing satisfaction with the credit and finance scheme as income level rises. Respondents with an income above Rs. 5,000,000 are the most satisfied.

Table 7. Cross Table Analysis on Socio-Demographic Profile of the Respondents and Credit and Finance Scheme

		Credit and Finance Scheme					Total
		HS	S	N	DS	HDS	
Gender	Male	32	25	10	7	3	77
	Female	6	7	2	7	1	23
Total		38	32	12	14	4	100
Age	Below 25 years	9	4	4	1	1	19
	26 - 50 years	25	21	6	11	3	66
	Above 50 years	4	7	2	2	0	15
Total		38	32	12	14	4	100
Marital Status	Married	27	27	10	10	3	77
	Unmarried	11	5	2	4	1	23
Total		38	32	12	14	4	100
Educational Qualification	Up to HSC	7	5	4	2	1	19
	Under Graduation	15	17	3	7	1	43
	Post-Graduation	7	3	2	3	1	16
	Professional Courses	7	5	3	1	1	17
	Others	2	2	0	1	0	5
Total		38	32	12	14	4	100
Business Level	Micro	14	11	4	4	2	35
	Small	19	16	6	6	2	51
	Medium	5	5	2	2	0	14
Total		38	32	12	14	4	100
Income Level	UptoRs. 3,00,000	10	12	5	3	1	31
	Rs. 3,00,000 - Rs. 5,00,000	21	13	5	8	3	50
	Above Rs. 5,00,000	7	7	2	3	0	19
Total		38	32	12	14	4	100

Source: Primary data

The data presented in Table 8 underscores a notable observation. Among the Socio-Demographic Profile of the Respondents, it is evident that there is a lack of significant association between the majority of variables

and the benefits derived from the initiatives introduced by the Government of India as Relief Measures.

Table 8. Association between Socio-Demographic Profile of the Respondents and Benefits of Initiatives by Government of India

Socio Demographic Profile	Benefits of Initiatives (B)	df	Significance	Result
Gender	B1	4	0.127	Not Significant
	B2	4	0.048	Significant
	B3	4	0.276	Not Significant
	B4	4	0.235	Not Significant
	B5	4	0.055	Not Significant
	B6	4	0.700	Not Significant
	B7	4	0.811	Not Significant
	B8	4	0.445	Not Significant
	B9	4	0.189	Not Significant
Age	B1	8	0.586	Not Significant
	B2	8	0.174	Not Significant
	B3	8	0.314	Not Significant
	B4	8	0.436	Not Significant
	B5	8	0.679	Not Significant
	B6	8	0.092	Not Significant
	B7	8	0.788	Not Significant
	B8	8	0.399	Not Significant
	B9	8	0.637	Not Significant
Marital Status	B1	4	0.687	Not Significant
	B2	4	0.316	Not Significant
	B3	4	0.955	Not Significant
	B4	4	0.718	Not Significant
	B5	4	0.626	Not Significant
	B6	4	0.679	Not Significant
	B7	4	0.321	Not Significant
	B8	4	0.678	Not Significant
	B9	4	0.956	Not Significant
Educational Qualification	B1	16	0.950	Not Significant
	B2	16	0.306	Not Significant
	B3	16	0.402	Not Significant
	B4	16	0.178	Not Significant
	B5	16	0.573	Not Significant
	B6	16	0.154	Not Significant
	B7	16	0.056	Significant
	B8	16	0.519	Not Significant
	B9	16	0.113	Not Significant
Business Level	B1	8	0.996	Not Significant
	B2	8	0.629	Not Significant
	B3	8	0.502	Not Significant
	B4	8	0.420	Not Significant
	B5	8	0.909	Not Significant
	B6	8	0.452	Not Significant
	B7	8	0.567	Significant
	B8	8	0.342	Not Significant
	B9	8	0.652	Not Significant
Income Level	B1	8	0.841	Not Significant
	B2	8	0.944	Not Significant
	B3	8	0.244	Not Significant
	B4	8	0.035	Significant
	B5	8	0.247	Not Significant
	B6	8	0.048	Significant
	B7	8	0.547	Not Significant
	B8	8	0.649	Not Significant
	B9	8	0.478	Not Significant

Source: Primary data

However, several key variables stand out due to their significant associations. These include 'gender' and 'Credit and Finance Scheme,' 'educational qualification' and 'Promotion of E-market linkage,' 'business level' and

'Promotion of E-market linkage,' as well as 'income level' and 'Discourage international tenders in turn for localization' and 'Relief in NPAs.' These associations highlight the potential impact of certain socio-

demographic factors on the perception and utilization of the relief initiatives, offering valuable insights into the nuanced responses of the surveyed population.

The insights drawn from Table 9 reveal a significant trend among the respondents. The majority of participants have indicated that they are confronting challenges at a medium level across various dimensions, as suggested by the data.

Table 9. Challenges faced by MSME Businesses in India in various Level

Challenges	Level			Mean	Standard Deviation
	High	Medium	Low		
Survival difficulties	33	48	19	1.86	0.711
Capital and cash shortages	42	48	10	1.68	0.649
Ratings and creditworthiness have declined	41	48	11	1.70	0.659
Transaction costs are high	37	50	13	1.76	0.668
Customer purchasing power	40	49	11	1.71	0.656
Revenue loss from operations	34	53	13	1.79	0.656
Stock obsolescence	44	42	14	1.70	0.704
Supply chain breakdown	51	37	12	1.61	0.695
Working capital maintenance is insufficient	51	39	10	1.59	0.668
Over thinking causes inability to make decisions	52	38	10	1.58	0.669

Source: Primary data

However, it is noteworthy that challenges related to 'supply chain breakdown,' 'insufficient working capital maintenance,' and 'inability to make decisions due to overthinking' have been elevated to a high level of intensity. These findings underscore the diverse spectrum of challenges faced by the respondents, with certain specific areas experiencing particularly pronounced difficulties.

6. DISCUSSION AND RECOMMENDATIONS

The global economy is under a serious threat posed by the pandemic, casting uncertainty and challenges across multiple sectors. In India, the economy is experiencing one of the slowest rates of growth in the last six years, with the impact of the virus wreaking havoc, particularly in sectors like MSMEs. A collective human effort is imperative to combat this crisis.

The new normal requires diverse thinking and action at different levels to mitigate the effects of the pandemic. Businesses are facing disruptions in operations, payments, and receivables, necessitating innovative

strategies. Investors have faced decision-making challenges, organizations have experienced anxiety, and entrepreneurs have sought ways to navigate the crisis to safeguard their enterprises.

Recommendations for overcoming PANDEMIC like disruptions:

- Preparedness: MSMEs in both marketing and manufacturing should proactively anticipate and plan for future pandemic scenarios.
- Government Support: Utilize the various incentive plans and credit relief measures provided by the government and central banks to support MSMEs in times of crisis.
- Collaboration: Entrepreneurs should collaborate with government bodies, the RBI, and the World Health Organization to synergize efforts in overcoming the pandemic's impact.
- Ethical Action: Businesses demonstrating ethical values through practical actions will stand out, especially when prioritizing employee health and financial well-being.
- Employee Engagement: Retaining and repurposing employees' skills to meet immediate societal needs can foster a more loyal workforce and ensure long-term growth.
- Strategic Focus: MSMEs should pivot to a renewed focus on People, Process, Product, and Technology (3PT) for a more effective reboot of their operations.
- Digital Transformation: The vast untapped segment of digitally inactive MSMEs should adopt digital practices for survival in the post-pandemic era.
- Innovation Emphasis: Although innovation in the MSME sector is challenging, it will be crucial for their survival and growth post-pandemic.
- Cross-Training: Cross-training employees can enhance operational flexibility and efficiency by enabling them to perform multiple roles within the business.
- Working Capital Management: Prioritize effective working capital management, including expedited receivables collection, to meet financial obligations.

The MSME sector has demonstrated resilience and potential for recovery, thanks to robust government support and its inherent adaptability. However, to fully unlock its capabilities, a stronger policy push is needed, especially in the current economic slowdown. This sector grapples with long-standing issues such as working capital shortages, complex regulations, stringent credit disbursement procedures, compliance burdens, limited digital adoption, and a convoluted taxation system. Many MSMEs struggle to access loans due to excessive paperwork, lack of credit history, and inadequate collateral, particularly for first-time borrowers. The challenges of operating during a

pandemic and reduced demand exacerbate the already competitive landscape.

A strategic approach, coupled with necessary reforms, can enhance credit and capital accessibility for MSMEs. Improving the lending environment through digital innovations can streamline the lending process and assess credit risk more seamlessly. Other crucial policy changes include:

- **Digital Adoption:** Increasing the integration of digital tools within the sector to enhance efficiency and competitiveness.
- **Digital Literacy Promotion:** Encouraging digital proficiency among MSMEs to enable their effective participation in the modern economy.
- **Skill Gap Addressing:** Tackling skill deficiencies to empower the workforce with the required expertise.
- **GST Reduction:** Lowering the Goods and Services Tax (GST) to alleviate financial burdens on businesses.
- **Easing Regulations:** Relaxing licensing and compliance requirements to reduce administrative burdens.
- **E-commerce Integration:** Implementing interventions that connect the sector to larger markets through e-commerce.

Beyond its economic significance, the MSME sector is a vital contributor to employment, ranking second only to agriculture. It also accounts for 48% of India's total output. The sector's intricate linkages, both upstream and downstream, provide essential support to larger industries and their value chains. It plays a pivotal role in the nation's pursuit of self-reliance (Atmanirbhar Bharat). While government support has been instrumental in enabling the sector's takeoff, a new

wave of bold and well-targeted reforms can propel the industry to even greater heights.

7. CONCLUSION

Over the past several years, the MSME sector in India plays a significant role in driving economic and social progress, fostering entrepreneurship, and generating substantial employment opportunities with lower capital investment than traditional agriculture. Serving as ancillary units to larger enterprises, MSMEs contribute significantly to the country's holistic industrial development. These enterprises are diversifying their presence across various sectors, producing a wide range of products and services to cater to both domestic and global market demands.

The economic impact of the COVID-19 pandemic has posed unprecedented challenges. Small businesses, crucial to India's manufacturing and service sectors, have been particularly hard hit. The transformation of Indian MSMEs from a "local to global" orientation is a central focus. Despite the pandemic's widespread repercussions, MSMEs are expected to play a pivotal role in India's journey towards self-reliance. Their evolution is integral to job creation and overall economic growth in the country. The Indian government has undertaken various measures to fortify the foundation of MSMEs, working towards the vision of a self-reliant India. As the nation grapples with the effects of the pandemic, the resilience and adaptability of MSMEs will be key to their survival and their continued contribution to India's economic aspirations. The success of MSME depends on the consumers, culture, their purchase pattern and consumerism (Venkateswaran et al., 2019).

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