

## **Role of Msmes in Employment Generation in Chikkaballapur District**

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**Abstract:** India lives in villages and rural economy is the heart of our economy. In India about 70 percent people lives in villages and their life is only depending on agriculture sector. Standard of living of those people is comparatively low with urban people. Employment is generated only by agriculture and allied activities in rural area. Considering these circumstances MSMEs play a very important role in Indian economy in terms of employment generation. The main advantage of MSMEs sector is that, it is always depend on labour and not capital. India has rich in human resources. The MSMEs give employment Opportunities to the less educated people and local human resources of the society. MSMEs are the engine of economic growth and development of India. As per the available recent statistics this sector employees an estimated 1, 114, 29 million persons spread over 488, 56 million enterprises. On this consideration study has been taken to analyses the importance of MSMEs sector in employment generation with special reference of chikkaballapur district in Karnataka state.

**Key word:** Self-employment, Employment Generation, Employment Opportunity, Development, MSMEs.

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### **I. INTRODUCTION**

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 36.1 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 able to provide employment to around 120 million persons and contribute around 45% of the overall exports from India. The sector has consistently maintained a growth rate of over 10%. About 20% of the MSMEs are based out of rural areas, which indicate the deployment of significant rural workforce in the MSME sector and is an exhibit to the importance of these enterprises in promoting sustainable and inclusive development as well as generating large scale employment, especially in the rural areas.

### **II. OBJECTIVES OF THE RESEARCH PAPER**

1. To study the of importance of MSMEs in India.
2. To study the role of MSMEs in employment generation.

### **III. METHODOLOGY**

The data has been collected by primary sources and secondary sources.

#### **1. Primary sources:**

Researcher visits different MSMEs Enterprises situated in Chickballapur district. Data has been collected from working Micro, Small and Medium Enterprises in urban and rural areas.

#### **2. Secondary Sources:**

The data has been collected from District Industrial Centre, Department of Industry and commerce, Government of Karnataka. Books and Journals referred for data collection to Chickballapur District.

**MICRO, SMALL AND MEDIUM ENTERPRISES:**

The contribution of MSME to other sectors has been immensely instrumental. It is the biggest employer after agriculture sector, despite the fact that agriculture sector's contribution to GDP is less than MSME. While it contributes about 45% to manufacturing sector, and perhaps 40% to Exports, it forms the highest share of Employment sector in India, contributing around 69% to it.

**ROLE OF MSMES IN EMPLOYMENT GENERATION**

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**PROFILE OF CHICKBALLAPUR DISTRICT**

Research has been selected Chickballapur district for the research work. It is a newly created district, carved out of the existing Kolar district, located in the southern part of Karnataka. Chickballapur district covers an area of about 4254 Sq km and District headquarter-Chickballapur (56 kms from Bangalore) Major production of silk and related silk products. Providing connectivity to key business centers: Chickballapur is a key transport link to North Bangalore due to national highway and several roads connected.

**Demographic features:**

The District is divided into 6 administrative taluks like Bagepalli, Chickballapur, Chinthamani, Gowribidinur, Gudibande, and Sidlaghatta.

**POSITON OF MICRO, SMALL AND MEDIUM ENTERPRISES IN CHICKBALLAPUR DISTRICT:**

**TABLE NO.1 RegisteredMSMEs, year wise investment and employment in Chikkballapur District**

	Year	No of Units	%	Investment (crores)	%	Employment (NOs)	%
1	2007-08	216	9.62	633.6	3.56	1148	8.43
2	2008-09	212	9.44	1302.39	7.32	1454	10.68
3	2009-10	254	11.31	571.1	3.21	1163	8.54
4	2010-11	250	11.13	777.7	4.37	1369	10.05
5	2011-12	274	12.20	645.69	3.63	1243	9.13
6	2012-13	244	10.86	1592.85	8.95	1173	8.61
7	2013-14	245	10.91	2663.60	14.97	1268	9.31
8	2014-15	263	11.71	4071.3	22.89	2165	15.90
9	2015-16	287	12.78	5522.98	31.06	2630	19.31
	<b>Total</b>	<b>2245</b>	<b>99.96</b>	<b>17781.21</b>	<b>99.96</b>	<b>13613</b>	<b>99.96</b>

**Source:** Department of Industry and Commerce, Government of Karnataka.

**ANALSIS OF THE TABLE:**

Above table shows the annual registered MSMEs, investment and employment generation inChikkballapur District. From the above table 2007-08 to 2015-16 years shows number of units and investment, employment of MSMEs in the Chickballapur district and their year wise percentage. In this table highest no of units 287(12.78 %) in the year 2015-16 and investment 5522.98(31.06 %) crores and employment 2630(19.31 %) number in the same year. In the year 2007-08 number of units from 216(9.62 %) increased to 263 (11.71%) in the year 2014-15.as same Investment in the year 2007-08, increased from 633.6 (3.56 %) to 5522.98(31.06%) inthe year2014-15.Employment in the year 2007-08 increased from 1148 (8.43%) to 2165 (15.90%).

**IV. FINDINGS**

1. It has been found that the total number registered MSMEs from 2007-08 to 2015-16 were 2245 in chickaballapur district.
2. It has been found that, the growth of Employment in the year 2015-16 was 2630 nos.(19.31 %) in Micro, Small and Medium Enterprises in the Chickballapur district.
3. 2007-08 to 2015-16 the total percentage of Employment generation stood at 43.65 % in the Chickballapur district.

#### **V. CONCLUSION:**

In Indian economy MSME Sector plays an important role in economic development. In rural India Local resources are efficiently used with the low investment and employment has been increased with increased in numbers of MSMEs units in India.

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