

A study on SSI problems and its Impact on the Productivity with reference to Ariyalur District

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Abstract- In Ariyalur district of Tamil Nadu there exists a desperate need to recognize different empowering factors, restricting elements and forthcoming components which limits/urges small scale industries to seek after their entrepreneurial dreams. This thesis aims at problems and prospectus of the small scale industries with special reference to Ariyalur.

If there should arise an occurrence of business owners in Ariyalur district, family and internal enthusiasm and self control are imperative empowering factors which lift their inspiration scale to perform in the state. Most leaping constraining variables have been double part in home and business, poor learning of government plans, obliviousness about keeping money techniques and customs, poor information of budgetary administration, absence of recreation time and absence of mechanical aptitudes. As to prospect, it was found that there exist sufficient prospects in administrations segment over manufacturing and other exchanging business.

The exploration depends on the grounds of problems and availability of opportunities in Ariyalur district particularly scope of the whole regions and picking the examples was one of the hindrance which has been most critical for the research. Other than choice of tests meeting them at their helpful time was alternate obstructions have been approach of those respondents who tried to offer reactions to the interview schedule, government information the same number of enrolled units were generally closed or couple of proprietor respondents demonstrated their failure to react to the given by the utilization of their own commitment.

Index Terms- SSI, interview schedule, self control, proprietor.

INTRODUCTION

In the writing history of small scale industries particularly in Ariyalur, there is absence of state wide investigation led with exceptional spotlight on issues

and prospects of business people. This investigation is one of its sorts of study which will shape a reason for some future looks into which try to additionally contemplate the status of issues and prospects of business people to effectively run and support in their entrepreneurial wander. As a recommendation a calculated model for Entrepreneurship has been proposed by the specialist.

1.2 BRIEF DESCRIPTION ON THE STATE OF THE ART OF THE RESEARCH TOPIC

Naidu (2009) advocates that India has 300 million youth and against this number she (India) has just 100 million employments that are being made I. This prompts a work hole of 200 million. According to Census 2011 information, there has been a considerable increment in joblessness rate from 6.8 for each penny in 2001 to 9.6 for every penny in 2011 (Punj, 2016).

In a nation like India, where because of its taking off populace Okun's law (K noteck, 2007) is suitably appropriate which recommends development log jam concurs with rising joblessness, critical thinking to joblessness is of most extreme significance so the monetary development can be adjusted.

Various contentions bolster that joblessness can be one of the significant reasons which make policymakers to complement the significance of small scale industries and make endeavors to empower bigger segment of the general public including youth, SC, S T, and resigned representatives to take up small scale industries as an occupation by presenting various late plans like S tart-up India, Make in India, and so forth. Other than joblessness being the most critical main impetus for

the policymakers to contemplate manners by which the idea of enterprise can be imparted among the bigger segment of the general public, there are numerous different components which have prompt this.

Definition of SSI

According to the MSME definition, a micro enterprise is a unit where the annual turnover does not exceed Rs. 5 crore, a small enterprise is one where annual turnover is between Rs. 5 crore and Rs 75 crore, and a medium enterprises is where the turnover is more than Rs 75 crore but does not exceed Rs 250 crore.

Definitions of Micro, Small & Medium Enterprises In accordance with the provision of Micro, Small & Medium Enterprises Development (MSMED) Act, 2006 the Micro, Small and Medium Enterprises (MSME) are classified in two Classes:

1. Manufacturing Enterprises-he enterprises engaged in the manufacture or production of goods pertaining to any industry specified in the first schedule to the industries (Development and regulation) Act, 1951) or employing plant and machinery in the process of value addition to the final product having a distinct name or character or use. The Manufacturing Enterprise are defined in terms of investment in Plant & Machinery.

2. Service Enterprises:-The enterprises engaged in providing or rendering of services and are defined in terms of investment in equipment..

Ariyalur District is located in central Tamil Nadu and is 265 K.M. away from Chennai. The District has an area of 1949 Sq.Km. It is an inland district without any coast line. The District has VellarRiver in the North and KollidamRiver in the South and it has no well marked natural divisions.

There has been a phenomenal growth of MSMEs in Tamil Nadu. MSMEs produce a wide variety of products in almost all sectors. The prominent among them are textile, garments, engineering products, auto ancillaries, leather products, plastics, etc.

Around 17.79 lakh entrepreneurs have filed the EM Acknowledgement Part-II & UAM, providing employment opportunities to about 113.57 lakh persons with total investment of Rs.1,93,704.90 crore.

Consequent to the introduction of the Udyog Aadhaar Memorandum (UAM) by the Ministry of Micro Small & Medium Enterprises of Government of India, Tamil Nadu started the UAM implementation w.e.f

21.1.2016. As on 31.03.2018, a total of 5,26,947 UAMs have been filed in Tamil Nadu, comprising 4,63,836

Micro enterprises, 61,613 Small Enterprises and 1,498 Medium Enterprises.

Trend in the Growth of MSMEs in Tamil Nadu
Year

Number of Registered units

Investment
(Rs. crore.)

Production
(Rs. crore.)

Employment (Numbers)

2007-08

27,209

2,547.14

8,739.95

2,42,855

2008-09

32,049

3,557.89

13,354.86

2,94,255

2009-10

41,799

3,214.22

10,880.01

1,51,743

2010-11

57,902

5,872.37

12,500.86

4,05,233

2011-12

70,758

7,429.59

15,496.00

5,02,381

2012-13

83,348
 8,751.54
 17,503.08
 5,83,436

2013-14
 1,16,393
 18,939.87
 16,832.25
 4,94,990

2014-15
 1,43,104
 24,349.65
 59,789.70
 6,51,180

2015-16
 (up to
 21.1.2016)
 1,42,136
 34,411.90
 59,332.19
 8,15,315
 UAM *
 (as on
 31.3.2016) 41,656
 6,218.69
 -
 2,96,687

2016-17
 2,67,310
 36,221.78
 -
 18,97,619

2017-18
 2,17,981
 25,373.12
 -
 13,78,544

2. To explore how Small Scale Industries in Ariyalur district able to handle the problems.

Data Analysis and Interpretation

ANOVA for significant difference among the age group of the SSI owners with respect to productivity of SSI units

productivity of SSI units	Age Group in years			
	Below 25	26-35	36-45	Above 45
F value				
P value				
Product Preferability	31.88a (4.22)	32.65ab (4.63)	33.34b (4.50)	32.26ab (3.46)
	0.022*			3.219
Product Availability	39.75 (6.37)	2.440 (5.90)	0.063 (5.82)	38.71 (6.20)
Place/Distribution Methods	49.16 (7.91)	49.84 (7.64)	0.346 (6.54)	48.80 (5.81)
Promotional Strategy	45.21b (5.97)	5.417 (4.80)	0.001** (4.47)	42.67a (5.08)
People Ability	4.996 (3.76)	0.002** (2.59)		23.86b (3.05)
Physical Evidence Attributes	19.81 (2.70)	19.61 (3.16)	1.027 (2.27)	20.24 (2.14)
Process Attributes	27.99b (3.61)	4.391 (4.28)	0.005** (4.03)	26.67a (3.66)
Overall Marketing Productivity	231.64 (25.33)	237.55 (25.55)	1.207 (23.66)	0.306 (22.27)
Consumer Satisfaction	22.36c (2.62)	6.142 (3.01)		21.47b (2.76)
	<0.001**			21.10ab (2.43)
Consumer Retention	36.22 (5.48)	1.815 (4.95)	0.143 (5.25)	35.39 (5.13)

Source: Data generated from the SSI unit owners.

Note: 1.The value within bracket refer to SD

2. ** Denotes significant at 1% leve

3. * Denotes significant at 5% level

4. Different alphabet between age group denotes significant at 5% level using Duncan Multiple Range Test (DMRT)

OBJECTIVES OF THE STUDY

The following are the objectives of the study:

1. To identify how the Small Scale Industries in Ariyalur district able to create more productivity.

Since P values less than 0.01 the null hypothesis is rejected 1 % level with regards to Promotional Strategy, People Ability, Process Attributes and Consumer satisfaction. Hence we conclude that there is significant difference between among age group of SSI owners with respect to Promotional Strategy, People Ability, Process Attributes, Consumer satisfaction. Based on Duncan Multiple Range Test (DMRT) the age group of above 45 is significantly differing with other age group with regards to Promotional Strategy, Process Attributes. The age group of 36 to 45 significant different with below 25 to 35 with regards to People Ability

Since P values less than 0.05 the null hypothesis is rejected 5 % level with regards to Product Preference ability. Hence we conclude that there is significant difference between age group of SSI owners with respect to Product Preference ability. Based on Duncan Multiple Range Test (DMRT) the age group of above 45 is significantly different 26 to 35 with regards to Product Preference ability.

There is no significant different among the age group of SSI owners with respect to Product availability, Place/Distribution Methods, Physical Evidence Attributes, Overall Marketing Practices and Consumer retention, since P value greater than 0.05. Hence the null hypothesis accepted 5% level with respect to Product availability, Place/Distribution Methods, Physical Evidence Attributes, Overall Marketing Practices and Consumer retention.

Findings

The finding of the study is as follows:

1. The Small Scale Enterprises operating Ariyalur District are facing productivity oriented problems like non availability of market ,competition in the field,Non availability of readymade market are highly problematic.
2. There is vast difference is seen among the SSI units and depending upon the age of SSI owners their productivity keeps on varying.

CONCLUSION

Even though the Government is providing all essential support to the small scale enterprises in Ariyalur district, the business people who are running

the small scale units are facing large problems in achieving higher productivity.

The SSI units should be more viable for the unit owners as well as the employees depending on these units. Therefore the constant support and help from the Government to be extended to the SSI in Ariyalur District.

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